

REPUBLIC OF KENYA



COUNTY GOVERNMENT OF KERICHO

COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

FOR PERIOD ENDING 31ST MARCH 2025 (Q3)

Forward

The Quarter Three Budget Implementation Review Report for the Financial Year 2024/2025 presents the progress made by the County Government of Kericho in implementing its approved budget during the third quarter of the financial year. This report underscores the County's continued commitment to sound financial management, transparency, and accountability in the delivery of services to the residents of Kericho County.

During the period under review, the County Government intensified implementation of development programs and projects across key sectors, including health services, agriculture, water and sanitation, road infrastructure, education support, and trade development. The third quarter is a critical phase in the budget cycle, characterized by accelerated execution of planned activities to ensure the achievement of annual targets and realization of development outcomes.

Revenue mobilization efforts were strengthened through enhanced enforcement measures, improved revenue collection systems, and increased stakeholder engagement aimed at expanding the County's own-source revenue base. While notable progress was achieved in revenue performance, the County continued to address challenges related to compliance levels, economic conditions, and operational constraints that may affect revenue realization.

Expenditure performance during the third quarter reflected improved absorption of both recurrent and development budgets, with several projects nearing completion and others progressing steadily in line with approved work plans. The County maintained focus on prudent utilization of resources, adherence to procurement regulations, and strengthening of monitoring and evaluation mechanisms to ensure value for money in public spending.

This report provides an objective assessment of the County's financial and program performance, highlights key achievements realized during the quarter, identifies challenges encountered, and outlines strategic interventions necessary to enhance budget implementation in the final quarter of the financial year. The County Government remains committed to accelerating service delivery, strengthening fiscal discipline, and ensuring that development initiatives translate into meaningful socio-economic benefits for the people of Kericho County.



Hon. Jackson Rop

CECM Finance and Economic Planning and Head of County Treasury.

Overview of FY 2024/25 Budget

The Kericho County Gross Approved Supplementary I Budget for FY 2024/25 is Kshs.9.76 billion. It comprises Kshs.3.56 billion (36.5 per cent) and Kshs.6.20 billion (63.5 per cent) allocations for development and recurrent programmes, respectively. The budget estimates represent an increase of Kshs.0.85 billion (9.6 per cent) from the FY 2023/24 budget, which comprised a development budget of Kshs.2.94 billion and a recurrent budget of Kshs.5.97 billion. The increase in the budget was attributed to the rise in the Equitable Share of Revenue raised nationally. The County's Net Approved Supplementary I Budget (gross budget less AIA estimates) is Kshs.9.11 billion, comprising Kshs.6.20 billion for recurrent and Kshs.3.56 billion for development.

The budget will be financed from the following revenue sources: equitable share of revenue raised nationally of Kshs.6.96 billion (71.4 per cent), additional allocations of Kshs.1.04 billion (10.6 per cent), a cash balance of Kshs.536.32 million (5.5 per cent) brought forward from FY 2023/24, and Kshs.1.22 billion (12.5 per cent) generated as gross own-source revenue. The own-source revenue includes Kshs.646.36 million (52.9 per cent) as Facility Improvement Fund (revenue from health facilities), and Kshs.576.24 million (47.1 per cent) as ordinary own-source revenue. A breakdown of the additional allocations is shown in Table 3.116.

Revenue Performance

During the review period, the County generated Kshs.5.74 billion in revenues to fund its development and recurrent activities. This amount represents an increase of Kshs.1.19 billion from Kshs.4.56 billion received in the same period in FY 2023/24. The total revenue consists of Kshs.4.44 billion from the equitable share of revenue raised nationally, and its own-source revenue (OSR) collection of Kshs.762.98 million. In addition, the County had a cash balance of Kshs.536.32 million from FY 2023/24.

The total OSR collection of Kshs.762.99 million includes Facilities Improvement Financing (FIF) of Kshs.498.88 million and Kshs.264.11 million from other OSR sources. OSR collections from the FIF were received from Kericho District Hospital, Kapkatet District Hospital, Londiani Sub-County Hospital, Sigowet Sub-County Hospital, Kipkelion Sub-County Hospital, Forttenan Sub-County Hospital and Roret Sub-County Hospital. Table 3.116 summarises the total revenue available to the county government during the first nine months of FY 2024/25.

Table 3.116: Kericho County, Revenue Performance in the First Nine Months of FY 2024/25

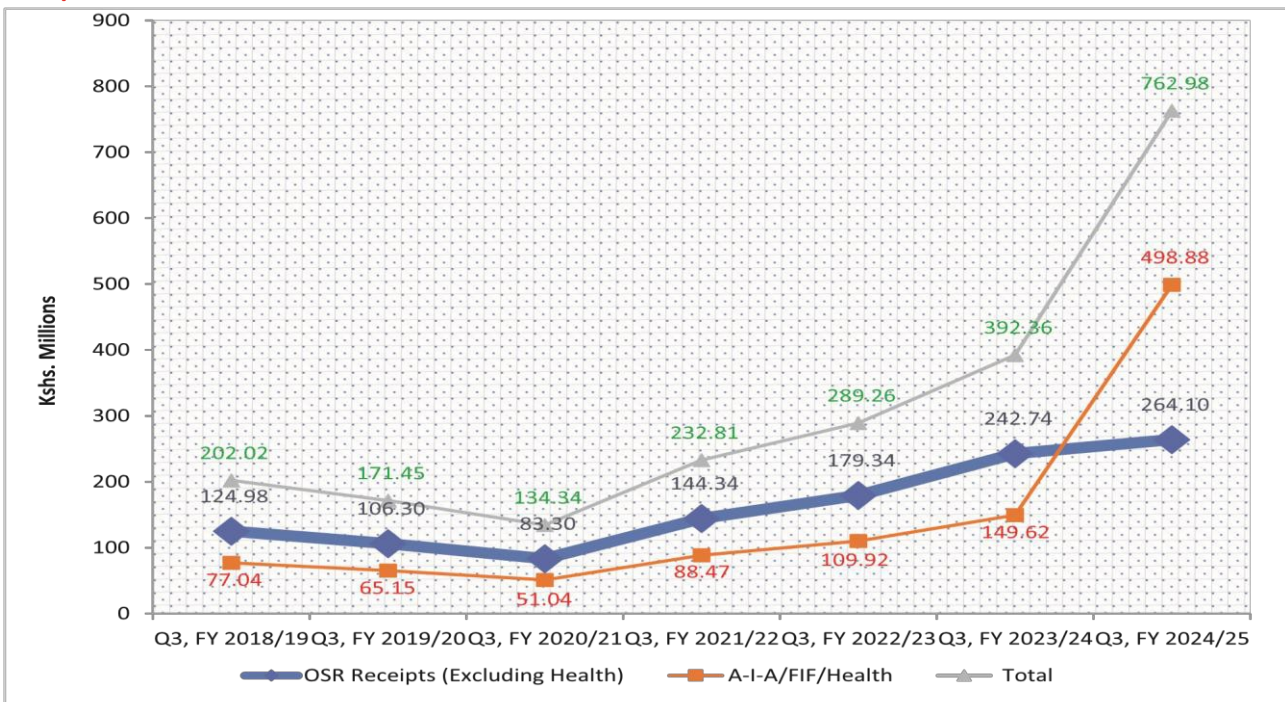
S/No	Revenue	Annual Budget Allocation (in Kshs)	Actual Receipts (in Kshs.)	Actual Receipts as Percentage of Annual Allocation (%)
A.	Equitable Share of Revenue Raised Nationally	6,962,657,506	4,444,491,401	63.8
Sub Total		6,962,657,506	4,444,491,401	63.8
B	Conditional Grants			
1	Routine Maintenance Fuel Levy Fund	169,758,085	0	0.0
2	County Aggregated Industrial Parks	250,000,000	0	0.0
3	County health promoters	45,690,000	0	0.0
4	DANIDA FUND	8,287,500	0	0.0
5	Kenya Devolution Support Project 11 (World Bank)	37,500,000	0	0.0
6	Kenya Urban Support Program UDG (SIDA)	43,550,249	0	0.0
7	Kenya Urban Support Program UIG (SIDA)	35,000,000	0	0.0
8	FLOCCA Grants to support climate change CCIs	11,000,000	0	0.0
9	FLOCCA Grants to support climate change CCIR	203,392,898	0	0.0
S/No	Revenue	Annual Budget Allocation (in Kshs)	Actual Receipts (in Kshs.)	Actual Receipts as Percentage of Annual Allocation (%)

10	FLLOCA Grants to Support Climate Change CCIR (UNSPENT DONOR)	68,750,000	0	0.0
11	IDA National Agricultural Value Chain Development Project (NAVCDP)	151,515,152	0	0.0
12	SWEDEN Kenya Agricultural Business Dev't Project (KABDP)	10,918,919	0	0.0
Sub-Total		1,035,362,803	0	0.0
C Other Sources of Revenue				
1	Ordinary Own Source Revenue	576,244,311	264,101,623	45.8
2	Balance b/f from FY2023/24	536,319,616	536,319,616	100.0
3	Facility Improvement Fund (FIF)	646,355,000	498,877,446	77.2
Sub Total		1,758,918,927	1,299,298,685	73.9
Grand Total		9,756,939,236	5,743,790,086	58.9

Source: Kericho County Treasury

Figure 45 shows the collection trend in own-source revenue from the first nine months of FY 2018/19 to FY 2024/25.

Figure 45: Trend in Own-Source Revenue Collection for the First Nine Months of FY 2018/19 to FY 2024/25

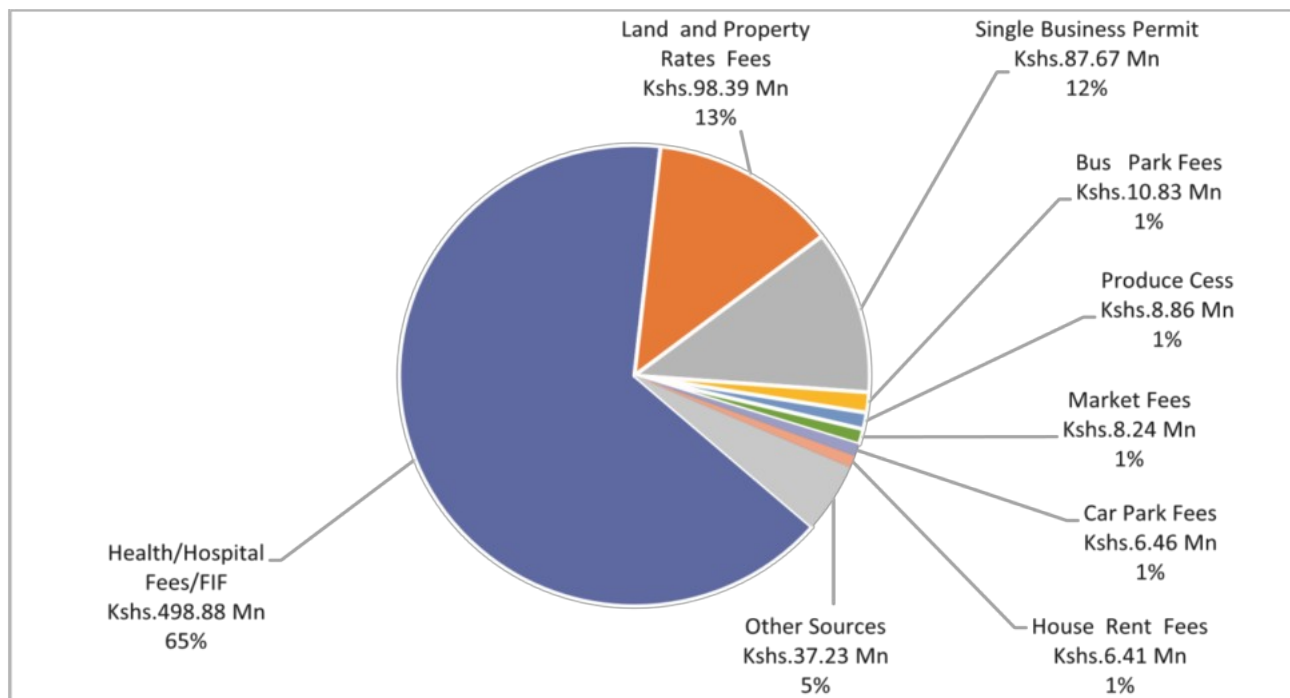


Source: Kericho County Treasury

During the review period, the County generated Kshs.762.98 million from its own revenue sources, including AIA and FIF. This amount was an increase of 94.5 per cent compared to Kshs.392.36 million realised in a similar period in FY 2023/24 and was 62.4 per cent of the annual target and 17.2 per cent of the equitable revenue share disbursed.

The revenue streams which contributed the highest OSR receipts are shown in Figure 46.

Figure 46: Top Own Source Revenue Streams in the First Nine Months of FY 2024/25



As shown in Figure 46, the highest revenue stream, at Kshs.498.88 million, was from the Facility Improvement Fund (FIF), which contributed 65 per cent of the total OSR receipts. The County Government has automated 12 revenue streams out of 40.

Borrowing by the County

During the review period, the County government of Kericho did not borrow any funds.

Exchequer Issues

During the reporting period, the Controller of Budget approved withdrawals of Kshs.4.93 billion from the CRF account comprised Kshs.1.14 million (23.4 per cent) for development programmes and Kshs.3.79 billion (76.8 per cent) for recurrent programmes. Analysis of the recurrent exchequers released indicates that Kshs.2.43 million was released towards compensation of employees and Kshs.1.07 million for operations and maintenance expenditure. Exchequer approved compensation for employees in the first nine months of FY 2024/25, which does not include the March 2025 exchequer request for the County Executive and County Assembly due to the delay of the exchequer.

Analysis of the operations and maintenance exchequer releases indicates that 7.3 per cent was for domestic travel and 0.3 per cent for foreign travel. The domestic travel exchequer amounted to Kshs.232.38 million, comprising Kshs.142.53 million for the County Executive and Kshs.89.86 million for the County Assembly. The foreign travel exchequer totalled Kshs.10.16 million, comprising Kshs.8.37 million for the County Executive and Kshs.1.79 million for the County Assembly.

Table 3.117: Kericho County, Budget Allocation and Exchequer Issued by Department

Department	Revised Net Budget Allocation (Kshs.Million)		Exchequer Issues (Kshs.Million)		Exchequer Issues to Revised Net Budget (%) (Kshs.)	
	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly Services	880,334,303	106,733,214	573,011,484	29,852,044	65	28
Public Service & Administration	424,359,708	20,950,340	229,770,988	4,586,153	54	22
Office of the Governor & Deputy Governor	161,256,392	-	109,774,543	-	68	-
County Public Service Board	82,743,700	-	50,049,914	-	60	-
Finance & Economic Planning	350,133,239	270,984,012	236,594,491	61,235,514	68	23

Health Services	2,904,160,750	242,043,875	1,481,838,876	147,880,567	51	61
Department	Revised Net Budget Allocation (Kshs.Million)		Exchequer Issues (Kshs.Million)		Exchequer Issues to Revised Net Budget (%) (Kshs.)	
	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock & Cooperative Development	189,870,333	503,264,709	102,607,377	127,077,506	54	25
Education, Libraries, Culture & Social Services	616,031,470	241,482,326	400,698,679	38,769,750	65	16
Public Works, Roads & Transport	105,308,742	969,265,412	60,914,091	376,731,489	58	39
Trade, Industrialisation, Innovation, Tourism & Wildlife	66,767,379	355,064,267	37,827,475	54,091,491	57	15
Water, Energy, Natural Resources & Environment	174,994,615	593,482,722	112,594,780	230,540,873	64	39
Land, Housing & Physical Planning	165,962,467	217,013,999	64,637,771	75,104,515	39	35
Information Communication Youth Affairs, Sports & E-Government	73,731,262	73,731,263	73,731,264	8,137,906	100	11
Total	6,195,654,360	3,594,016,139	3,534,051,733	1,154,007,809	57	32

Source: Kericho County Treasury

As of 31st March 2025, the County Government's cash balance in the CRF account was Kshs.76,09 million.

County Expenditure Review

The County spent Kshs.4.65 billion on development and recurrent programmes during the reporting period. The expenditure represented 94.2 per cent of the total funds released by the CoB and comprised Kshs.1.17 billion and Kshs.3.47 billion on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 33.0 per cent, while recurrent expenditure represented 56.1 per cent of the annual recurrent expenditure budget.

Settlement of Pending Bills

The County reported pending bills totalling Kshs.1.15 billion as of 30th June 2024. Only the county executive is responsible for these pending payments. The pending bills from the County Executive consist of Kshs.211.61 million for recurrent expenditures and Kshs.943.11 million for development expenditures.

During the period under review, the County Executive settled pending bills amounting to Kshs.587.62 million, comprising Kshs.97.43 million for recurrent programmes and Kshs.490.19 million for development programmes.

The County Executive and the Assembly submitted a pending bills payment plan at the commencement of FY 2024/25, committing to pay Kshs.161.81 million, Kshs.222.38 million, Kshs.127.83 million, Kshs.267.91 million, Kshs.89.66 million, Kshs.39.59 million, Kshs.96.01 million, Kshs.51.45 million, and Kshs.91.30 million, respectively, in the first nine months of FY 2024/25. However, the County did not adhere to this payment plan, as it cleared

Kshs.587.62 million for the Executive.

As of 31st March 2025, the outstanding bills amounted to Kshs.567.10 million for the County Executive only.

Expenditure by Economic Classification

The County Executive allocated Kshs.2.18 billion for employee compensation, Kshs.736.49 million for operations and maintenance, and Kshs.1.14 million for development activities. Similarly, the County Assembly spent Kshs.253.84 million on employee compensation, Kshs.302.95 million on operations and maintenance, and Kshs.29.85 million on development activities, as shown in Table 3.118.

Table 3.118: Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Budget (Kshs.)		Expenditure (Kshs)		Absorption (%)	
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly
Total Recurrent Expenditure	5,315,320,057	880,334,303	2,916,390,593	556,793,862	55	63
Compensation to Employees	3,561,813,174	508,779,359	2,179,895,616	253,844,383	61	50
Operations and Maintenance	1,753,506,883	371,554,944	736,494,977	302,949,479	42	82
Development Expenditure	3,471,113,982	90,170,894	1,143,631,009	29,852,044	33	33
Total	8,786,434,039	970,505,197	4,060,021,602	586,645,906	46	60

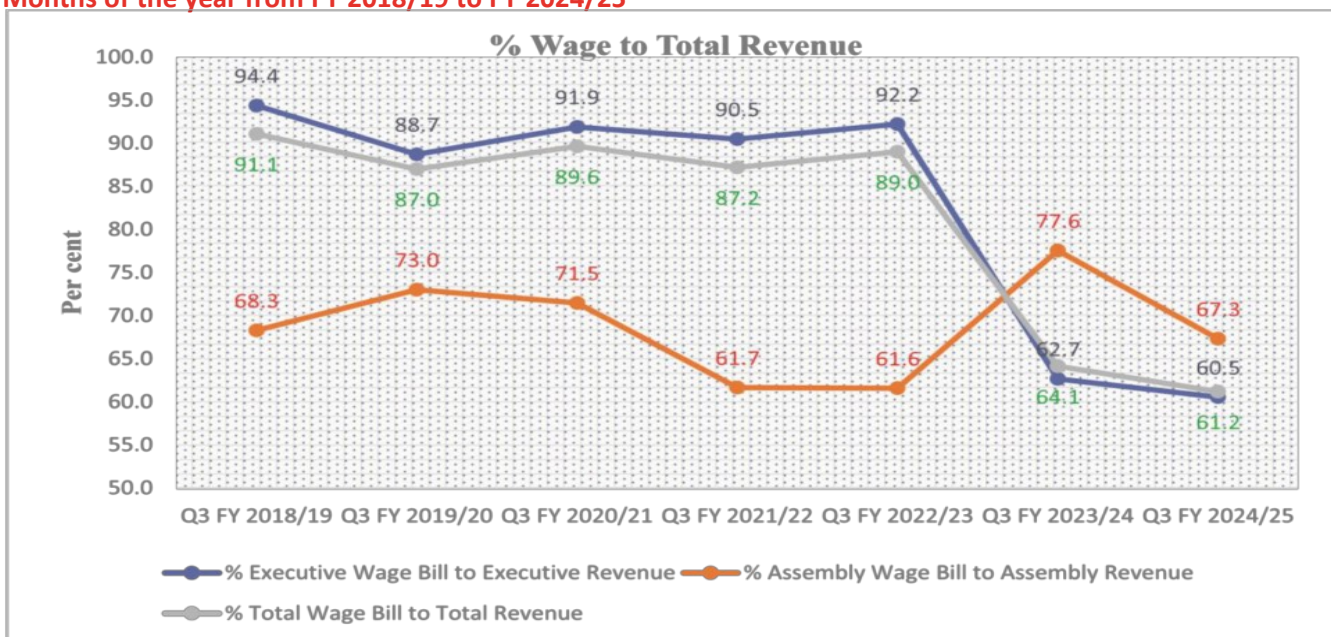
Source: Kericho County Treasury

Expenditure on Compensation to Employees

During the period under review, the expenditure on employee compensation amounted to Kshs.2.43 billion. The total revenue, excluding the earnings from extractive natural resources from sand cess, gypsum cess, and quarry cess, is Kshs.3.98 million. Consequently, the percentage of employee compensation to this adjusted revenue is 61.4 per cent. This expenditure on employee compensation shows an increase compared to the Kshs.2.41 billion reported during the same period in FY 2023/24. Of this total, Kshs.1.36 billion was allocated to Health Sector employees, which accounts for 56.0 per cent of the overall employees' compensation.

Figure 47 shows the employee compensation trend as a percentage of total revenue received in the first nine months of FY 2018/19 to FY 2024/25.

Figure 47: Percentage of Compensation to Employees to Total Revenue Received in the First Nine Months of the year from FY 2018/19 to FY 2024/25



Source: Kericho County Treasury

Further analysis indicates that PE costs amounting to Kshs.2.35 billion were processed through the Integrated Payroll and Personnel Database (IPPD) system. In contrast, Kshs.84.40 million was processed through manual payrolls, which accounted for 3.5 per cent of the total PE cost.

The manual payrolls comprised salaries for 20 staff yet to be onboarded into the Government Human Resource Information System (GHRIS), salaries for 61 casual staff, top-up allowance for security personnel, gratuity remittances to pension schemes for staff on contract, and LAPTRUST/LAPFUND Pension Contributions, as shown in Table 3.119.

Table 3.119: Breakdown of Kericho County Manual Payroll

S No,	Description of Manual Payroll	County Executive	County Assembly	Total
1	Salaries for 20 staff paid outside the Human Resource Information System (HRIS)	10,686,398	6,995,250	17,681,648
2	Salaries for 59 casual staff	-	28,792,526	28,792,526
3	Top-up allowances for 2 security officers	-	535,500	535,500
4	LAPTRUST/LAPFUND Pension Contributions		26,255,034	26,255,034
5	Gratuity for contract staff	-	7,557,305	7,557,305
6	Advances	-	3,580,555	3,580,555
	Total	10,686,398	73,716,170	84,402,568.

Source: Kericho County Treasury

The County Assembly spent Kshs.25.42 million on committee sitting allowances for the 48 MCAs against the annual budget allocation of Kshs.47.43 million. The average monthly sitting allowance was Kshs.58,835 per MCA. The County Assembly has 24 House Committees.

County Emergency Fund and County-Established Funds

Section 116 of the PFM Act 2012 allows County governments to establish other public funds with approval from the County Executive Committee and the County Assembly. The County allocated Kshs.45.26 million to county-established funds in FY 2024/25, or 0.49 per cent of the County's overall budget. Further, the County allocated Kshs.10.00 million to the Emergency Fund (0.11 per cent of the total budget) in line with Section 110 of the PFM Act, 2012. Table 3.120 summarises each established Fund's budget allocation and performance during the reporting period.

Table 3.120: Performance of County Established Funds in the First Nine Months of FY 2024/25

S/No.	Name of the Fund	Approved Budget Allocation 2024/25 (Kshs.)	Exchequer Issue 2024/25 (Kshs.)	Actual Expenditure for 2024/25 (Kshs.)	Cumulative Disbursement to the Fund in FY 2024/25 (Kshs.)	Submission of Financial Statement (Kshs.)
1	Kericho County Emergency Fund	10,000,000	10,000,000	-	339,200,113	Ongoing
2	Kericho County Exe Staff Mortgage	20,000,000	20,000,000	-	236,318,000	Ongoing
3	Kericho County Exe Car Loan	-	-	-	44,780,000	Ongoing
4	Kericho County Bursary Fund	-	-	-	1,323,334,096	Ongoing
5	Kericho County Enterprise Fund	-	-	-	87,000,000	Ongoing
	County Assembly Established Funds					
1	Staff Car Loan & Mortgage Fund	15,261,268	-	-	131,427,453	Not provided
2	Mca's Car Loan & Mortgage Fund	0	-	-	179,914,540	Not provided

Source: Kericho County Treasury

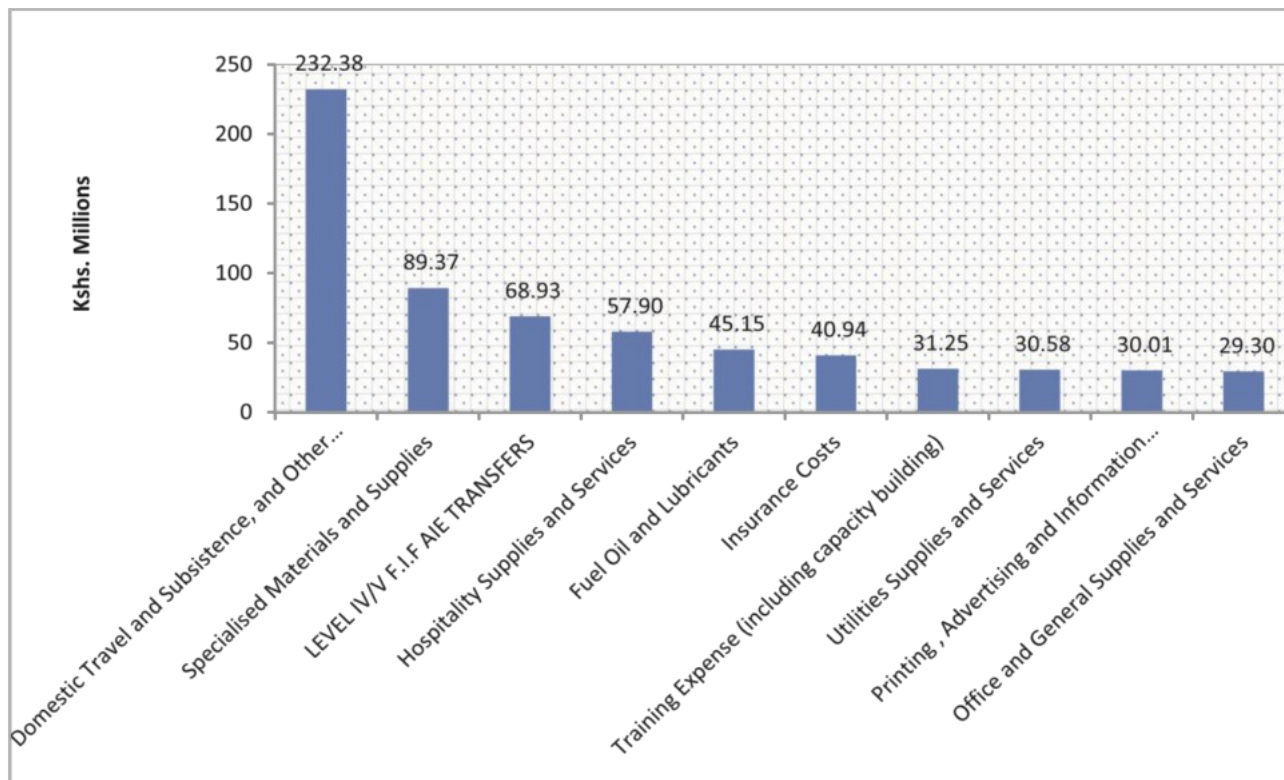
During the reporting period, the CoB did not receive quarterly financial reports from Kericho County Fund Administrators, as indicated in Table 3.120, contrary to the requirement of Section 168 of the PFM Act, 2012.

County Corporations

The County has not established any county corporations.

Expenditure on Operations and Maintenance

Figure 48: Kericho County, Operations and Maintenance Expenditure by Major Categories



Source: Kericho County Treasury

Expenditure on domestic travel amounted to Kshs.232.38 million and comprised Kshs.142.53 million spent by the County Assembly and Kshs.89.86 million by the County Executive. Expenditure on foreign travel amounted to Kshs.10.16 million and comprised Kshs.1.79 million by the County Assembly and Kshs.8.37 million by the County Executive. Expenditure on foreign travel is summarised in Table 3.121.

Table 3.121: Summary of Expenditure on Foreign Travel in the First Nine Months of FY 2024/25

Arm of County Government	No. of Officers Travelled	Dates travelled	Purpose of the travel	Destination	Total Costs of the Travel (Kshs.)
Executive Department of County Public Service Board	6	9-20/9/2024	Attending training on leadership and policy implementation in Arusha, Tanzania	Tanzania	2,250,000
Executive Office of The Governor	3	2-8/6/2024	Travel to Uganda for consultative meeting on exploration of investment opportunities	Uganda	1,156,370
Trade	1	7/12/2023-17/12/2023	Attending 23rd EAC MSME Burundi	Burundi	224,835
Agriculture	1	23rd/01-3rd /02/2024	Attending leadership training programme at Esami	Tanzania	687,860
Finance	1	23/1-1/2/2024	Travel to Tanzania for digital leadership training on navigating governance in the public sector	Tanzania	424,990
Finance	1	23rd January- 3rd Feb 2024	Attending digital leadership, navigating governance in the public sector	Tanzania	412,390
Trade	2	26th October- 5th November 2024	Attending EAC MSME trade fair	South Sudan	274,146
Executive Department of	1	9-20/9/2024	Attending training on leadership and policy implementation in Arusha, Tanzania	Tanzania	706,212

County Public Service Board	1	21/10-1/11/2024	Attending training on using the balanced scorecard as a performance management system	United Arab Emirates	1,208,554
County Public Service Board	1	10-19/6/2024	Travel to USA San Francisco for the discussions, keynote speeches and presentations.	USA	217,377
County Public Service Board	1	10-19/6/2024	Travel to USA, San Francisco for the discussions, keynote speeches and presentations.	USA	650,000
Department of Water, Energy, Environment, Forests and Natural Resources	1	29th November 2023-12th December 2023	28th United Nations Climate Change Conference	Dubai	157,574
	TOTAL				8,370,308
Kericho County Assembly	2	14th to 21st August 2024	Digital leadership, navigating governance in the public sector	Tanzania	1,794,484
	GRAND TOTAL				10,164,792

Source: Kericho County Treasury and Kericho County Assembly

Facility Improvement Financing

During the period under review, the County reported a collection of Kshs.498.88 million as FIF, which was 77.2 per cent of the annual target of Kshs.646.36 million. The collected amount was retained and utilised at source in line with the Facility Improvement Financing Act, 2023. However, the County has not developed regulations to operationalise the FIF Act of 2023.

The Health Facilities provided a report on the utilisation of the FIF during the reporting period, in line with Section 18 (e) of the FIF Act, 2023. The expenditure by the health facilities amounted to Kshs..475.01 million, as shown in Table 3.122.

Table 3.122: Breakdown of Expenditure by Health Facilities in the First Nine Months of FY 2024/25

No.	Name of the Health Facility	Approved Budget for the Facility	Actual Expenditure of the Facility	Absorption rate (%)
1.	Kericho County Referral Hospital	311,117,122.00	219,319,160.00	70
No.	Name of the Health Facility	Approved Budget for the Facility	Actual Expenditure of the Facility	Absorption rate (%)
2.	Kapkatet Hospital	162,605,629	151,619,436	93
3.	Londiani Hospital	52,339,378	32,400,126	62
4.	Kipkelion Hospital	7,851,054	4,077,848	52
5.	Sigowet Hospital	61,241,817	44,701,360.00	73
6.	Roret Hospital	32,000,000	12,352,594.00	39
7.	Fortenan Hospital	19,200,000	10,539,650	55
	TOTAL	646,355,000	475,010,174	73

Source: Kericho County Treasury

The Health Facility with the highest absorption rate was Kapkatet Hospital at 93 per cent.

Development Expenditure

In the review period, the County reported spending Kshs.1.17 billion on development programmes, representing an increase of 60.08 per cent compared to a similar period in FY 2023/24, when the County spent Kshs.468.46 million. Table 3.123 summarises development projects with the highest expenditure in the reporting period.

Table 3.123: Kericho County, List of Development Projects with the Highest Expenditure

No.	Sector	project name	project location	Expected Completion Date	Contract sum(kshs.)	Amount paid in the first Nine Months of FY 2024/25 (Kshs.)	Cumulative Expenditure as of 31 March 2025	imple-mentation status(%)	Remarks
1	Basic Education	Renovation works at Kericho County Library	Kipchebor	Completed	5,000,000	5,000,000	5,000,000	100%	Completed
2	Health Services	proposed completion of mch at Kipsitet dispensary with 90,000 litres septic tank	Soin Ward	Completed	10,847,220	10,847,220	10,847,220	100%	Completed
3	Health Services	Proposed Construction of Surgical Theatre at Sosiot Health Centre	Waldai Ward	Completed	13,470,099	13,470,099	13,470,099	100%	Completed
4	Health Services	Proposed completion and equipping of a borehole at Kipkelion Subcounty Hospital	Kipkelion Ward	Completed	4,994,791	4,994,791	4,994,791	100%	Completed
5	Health Services	Proposed construction of Malinja Dispensary	Cheboin Ward	Completed	8,774,000	8,774,000	8,774,000	100%	Completed
6	Health Services	Proposed construction of 24 24-body Morgue in Fort Ternan Subcounty Hospital	Chilchila Ward	Completed	8,755,720	8,755,720	8,755,720	100%	Completed
7	Fiscal planning	Rehabilitation and construction of Kimologit water supply	Kipkelion West Ward	Completed	13,178,969	13,178,969	13,178,969	100%	Completed
8	Fiscal planning	Construction of Maize Mill at Kedowa	Kedowa/ Kimugul	Completed	8,720,254	8,720,254	8,720,254	100%	Completed
9	Trade	Refurbishment and Construction of Shops/Stalls	Liten Ward	Completed	6,298,206	6,298,206	6,298,206	100%	Completed
10	Fiscal planning	Stormwater drainage	Kapkatet Ward	Completed	15,587,052	15,587,052	15,587,052	100%	Completed
					95,626,311	95,626,311	95,626,311		

Source: Kericho County Treasury

Budget Performance by Department

Table 3.124 summarises the approved budget allocation, expenditure and absorption rate by departments in the period under review.

Table 3.124: Kericho County, Budget Allocation and Absorption Rate by Department

Mini	Budget Allocation (Kshs.Mn)		Exchequer Issues (Kshs.Mn)		Expenditure (Kshs. Mn)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly Services	880.33	106.73	573.01	29.85	556.79	29.85	97	100	63	28
Public Service & Administration	424.36	20.95	229.77	4.59	220.92	4.59	96	100	52	22
Office of the Governor & Deputy Governor	161.26	-	109.77	-	106.39	-	97	-	66	-
County Public Service Board	82.74	-	50.05	-	50.84	-	102	-	61	-
Finance & Economic Planning	350.13	270.98	236.59	61.24	252.67	61.01	107	100	72	23
Health Services	2,904.16	242.04	1,481.84	147.88	1,412.55	148.49	95	100	49	61
Agriculture, Livestock & Cooperative Development	189.87	503.26	102.61	127.08	117.92	132.20	115	104	62	26
Education, Libraries, Culture & Social Services	616.03	241.48	400.70	38.77	409.14	38.88	102	100	66	16
Public Works, Roads & Transport	105.31	969.27	60.91	376.73	72.01	371.42	118	99	68	38
Trade, Industrialization, Innovation, Tourism & Wildlife	66.77	355.06	37.83	54.09	39.07	54.09	103	100	59	15
Water, Energy, Natural Resources & Environment	174.99	593.48	112.59	230.54	107.86	264.90	96	115	62	45
Land, Housing & Physical Planning	165.96	217.01	74.64	65.10	80.27	59.21	108	91	48	27
Information Communication Youth Affairs, Sports & E-Government	73.73	41.00	36.05	8.14	46.73	8.86	130	109	63	22
Total	6,195.65	3,561.28	3,506.37	1,144.01	3,473.18	1,173.48	99	103	56	33

Source: Kericho County Treasury

Analysis of expenditure by departments shows that the Department of Health Services recorded the highest absorption rate of development budget at 61.3 per cent, followed by the Department of Water, Energy, Natural Resources & Environment at 44.6 per cent. The Department of Finance & Economic Planning had the highest percentage of recurrent expenditure to budget at 72.2 per cent, while the Department of Land, Housing & Physical Planning had the lowest at 48.4 per cent.

Budget Execution by Programmes and Sub-Programmes

Table 3.125 summarises the budget execution by programmes and sub-programmes in the period under review.

Table 3.125: Kericho County, Budget Execution by Programmes and Sub-Programmes

Programme	Sub-Programme	Budget Estimates (Kshs)		Actual Expenditure (Kshs)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
County Coordination Services	County Coordination Services	161,256,392	-	106,394,812	-	66	0
		161,256,392	-	106,394,812	-	66	0

DEPARTMENT: FINANCE AND ECONOMIC PLANNING							
Administration, Planning and Support Services.	Administration Services.	288,833,239	-	212,862,546	-	74	0
Administration, Planning and Support Services.	Monitoring Budget Implementation and Reporting	29,200,000	36,984,012	17,519,448	11,026,888	60	30
Public Finance Management	Budget Formulation Coordination and Management	25,750,000	234,000,000	17,606,148	49,982,334	68	21
Audit Services	County Audit	6,350,000	-	4,682,452	-	74	0
		350,133,239	270,984,012	252,670,594	61,009,222	72	23

Programme	Sub-Programme	Budget Estimates (Kshs)		Actual Expenditure (Kshs)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
DEPARTMENT: AGRICULTURE, LIVESTOCK AND FISHERIES							
Policy, Strategy and Management of Agriculture	Development of Agricultural Policy, Legal & Regulatory framework.	72,128,418	-	42,179,729	-	58	0
Crop Development and Management	Agriculture Extension Services	60,708,413	358,664,149	48,489,682	84,327,959	80	24
Livestock Resource Management and Development	Livestock Disease Management and Control.	-	83,692,389	-	24,987,583	0	30
Livestock Resource Management and Development	Livestock Production and Extension Services	37,919,501	-	24,375,192	-	64	0
Fisheries development	Management and Development of Capture Fisheries	7,400,131	8,650,000	975,250	4,138,170	13	48
Cooperative development and management	Cooperative Advisory & Extension Services.	11,713,870	52,258,171	1,895,313	18,742,229	16	0
		189,870,333	503,264,709	117,915,167	132,195,941	62	26
DEPARTMENT: WATER, ENERGY, NATURAL RESOURCES AND ENVIRONMENT							
Environment policy development and coordination	Planning Coordination Policy and Administrative Services	161,738,287	25,000,000	99,061,992	20,894,220	61	84
Water supply services	Rural Water Supply	13,256,328	568,482,722	8,802,648	244,008,646	66	43
		174,994,615	593,482,722	107,864,641	264,902,865	62	45
DEPARTMENT: EDUCATION, YOUTH AFFAIRS, CULTURE AND SOCIAL SERVICES							
General Administration & planning services.	Policy Development and Administration	607,931,470	17,363,468	403,120,583	4,941,500	66	28
Basic Education	Early Childhood Development Education	5,000,000	113,618,858	3,436,749	25,594,785	69	23

Gender and Social Development	Social Welfare Services/Social Infrastructure Development	3,100,000	15,500,000	2,584,490	748,100	83	5
Youth development and empowerment services	Youth Development (YP) Training	-	95,000,000	-	7,593,325	0	8
		616,031,470	241,482,326	409,141,822	38,877,710	66	16
DEPARTMENT: HEALTH SERVICES							
Curative Health	Administration and Planning	1,586,148,035	131,735,203	800,442,711	83,116,369	5	63
Curative Health	Hospital(curative) Services	-	-	-	-		
Preventive and Promotive Health	Preventive Medicine and Promotive Health	1,318,012,715	110,308,672	612,111,199	65,369,562	46	59
		2,904,160,750	242,043,875	1,412,553,910	148,485,931	49	61
DEPARTMENT: LANDS, HOUSING AND PHYSICAL PLANNING							
Administration and support services	General Administration and Planning	123,284,985	133,050,249	55,265,917	41,143,020	45	31
Housing Development and Human Resources	Housing Development	9,879,309	23,106,250	7,532,273	10,100,080	76	44
Land policy and planning	Development Planning and Land Reforms	27,145,730	21,001,700	14,504,912	4,974,800	53	24
Land policy and planning	Land Use Planning	5,652,443	39,855,800	2,967,011	2,987,603	52	7
		165,962,467	217,013,999	80,270,113	59,205,503	48	27
Programme	Sub-Programme	Budget Estimates (Kshs)		Actual Expenditure (Kshs)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
DEPARTMENT: PUBLIC WORKS, ROADS AND TRANSPORT							
Transport Management and Safety	General Administration Planning and Support Services	93,862,784	-	68,276,315	-	73	0
Infrastructure, Roads and Transport	Rehabilitation of Road	3,400,000	939,665,412	2,194,900	370,415,662	65	39
Infrastructure, Roads and Transport	Maintenance of Roads and Bridges/Periodic Maintenance	8,045,958	29,600,000	1,539,176	999,998	19	3
		105,308,742	969,265,412	72,010,391	371,415,660	68	38
DEPARTMENT: TRADE, INDUSTRIALISATION, TOURISM, WILDLIFE AND COOPERATIVE MANAGEMENT							
Trade development and investment	Fair Trade Practices and Consumer Protection (Weights & measures)	19,160,892	346,431,761	12,178,855	54,091,490	64	16
Trade development and investment	Administrative and Support Services.	40,833,526	2,000,000	23,671,447	-	58	0

Tourism development and marketing	Local Tourism Development.	6,772,961	6,632,506	3,223,451	-	48%	
		66,767,379	355,064,267	39,073,753	54,091,490	59	15
DEPARTMENT: ICT AND E-GOVERNMENT							
Information & Communication Service	News and Information Services	73,731,262	-	46,730,804	-	63	0
Information & Communication Service	ICT and BPO development services	-	41,000,000	-	8,860,543	0	22
Youth development and empowerment services	Youth Development (YP) Training	-	-	-	-	0	0
		73,731,262	41,000,000	46,730,804	8,860,543	63	22
DEPARTMENT: COUNTY PUBLIC SERVICE BOARD							
Administration of Human Resources and Public Service	Establishment, Appointment, Discipline and Board Management.	82,743,700	-	50,841,455	-	61	0
		82,743,700	-	50,841,455	-	61	0
DEPARTMENT: PUBLIC SERVICE MANAGEMENT							
Administration of Human Resources and Public Service	General Administration, Planning and Support Services	309,845,855	20,950,340	187,059,268	4,586,143	60	22
Administration of Human Resources and Public Service	Human Resource Development	114,513,853	-	33,863,865	-	30	0
		424,359,708	20,950,340	220,923,133	4,586,143	52	22
County Executive Grand Total		5,315,320,057	3,454,551,662	2,916,390,594	1,143,631,009	55	33

Source: Kericho County Treasury

Sub-programmes with the highest levels of implementation based on absorption rates were: Social Welfare Services/ Social Infrastructure Development in the Department of Education, Libraries, Culture & Social Services at 83 per cent, Agriculture Extension Services in the Department of Agriculture, Livestock & Cooperative Development at 80 per cent, housing Development in the Department of Land, Housing & Physical Planning at 76 per cent, and General Administration Planning and Support Services at 73 per cent of budget allocation.

Accounts Operated Commercial Banks

The County government operates 51 accounts with commercial banks, including 14 accounts for Health Facilities, 12 accounts for Vocational Training Centres, 24 accounts for established funds and 1 county revenue account.

The County government uses commercial bank accounts to operate the above-established Funds contrary to Regulations 82(1)(b) of the PFM (County Governments) Regulations, 2015, which requires that County Government bank accounts must be opened and maintained at the Central Bank of Kenya.