

**COUNTY GOVERNMENT OF KAKAMEGA**



**THE COUNTY TREASURY**

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER**

**SEPTEMBER 2017**

Kakamega County Budget and Review Paper (CBROP) 2017

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## **FOREWORD**

This County Budget Review and Outlook Paper (CBROP), has been prepared in accordance with the Public Financial Management Act, 2012 section 118 which requires the County Treasury to prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and submit the paper to the County Executive Committee. This is the fourth CBROP to be prepared under the County government of Kakamega Administration. It presents the recent economic developments and actual fiscal performance of the FY2016/2017 and makes comparisons to the budget appropriations for the same financial year. It further provides updated economic and financial forecasts with sufficient information to show changes from the projections approved in June 2017

In this Paper, we will also provide an overview of how the actual performance of the FY2016/2017 affected our compliance with the fiscal responsibility principles and the financial targets as contained in the same year annual budget.

The County Government of Kakamega is committed to the implementation of annual budgets and will ensure transparency and accountability by relaying the performance indicators to the public through this document and other publications, as required by the Constitution and the PFM Law.

**MR. GEOFFREY OMULAYI**

Executive Committee Member

The County Treasury

County Government of Kakamega

## **ACKNOWLEDGEMENT**

This County Budget Review and Outlook Paper (CBROP ), has been prepared in accordance with the Public Finance Management (PFM) Act, 2012. This document has been prepared jointly with the relevant stakeholders including County Budget and Economic Forum members (CBEF).

A core team in the County Treasury spent a significant amount of time putting together this document.

We are particularly grateful to the County Budget department, the team from the Economic Planning and Investment for their tireless efforts towards ensuring that this document was completed in good time. Special thanks go to the officers from accounts reporting and revenue department who worked tirelessly to in providing information and the preparations of the various sections of this document. Since it would not be possible to list everybody and individually in this page, I would like to take this opportunity to thank the entire staff of the County Treasury and Economic Planing and Investments for their dedication, sacrifice and commitment towards the realization of this document.

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Plan
AI	Artificial Insemination
BPS	Budget Policy Statement
CBEF	County Budget and Economic Forum
CBK	Central Bank of Kenya
CBR	Central Bank Rate
CBROP	County Budget Review and Outlook Paper
CEC	County Executive Committee Member
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CILOR	Contribution in Lieu of Rates
DANIDA	Danish International Development Agency
ECDE	Early Childhood Development Education
FY	Financial Year
GDP	Gross Domestic Product
GoK	Government of Kenya
HSSF	Health Sector Services Fund
ICT	Information Communication Technology
IFMIS	Integrated Financial Management System
KNBS	Kenya National Bureau of Statistics
MDA	Ministries, Departments and Agencies
MTEF	Medium Term Expenditure Framework
MTP	Medium-Term Plan
PFM	Public Financial Management
SBP	Single Business Permit
SGR	Standard Gauge Railway

## **Legal Basis for the Publication of the County Budget Review and Outlook Paper**

The County Budget Review and Outlook Paper is prepared in accordance with Section 118 of the Public Financial Management Act, 2012. The law states that:

1. A County Treasury shall-
  - a) prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and
  - b) Submit the paper to the County Executive Committee by 30<sup>th</sup> September of that year.
2. In preparing its County Budget Review and Outlook Paper, the County Treasury shall specify-
  - a. Details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
  - b. The updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent Budget Fiscal Strategy Paper;
  - c. Information on-
    - i. Any changes in the forecast compared with the County Fiscal Strategy Paper; or
    - ii. How actual financial performance for the previous financial year may have affected compliance with fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
  - d. The reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviations and the time estimated to do so.
3. County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission
4. Not later than seven days after the CBROP is approved by County Executive Committee, the County Treasury shall:-
  - a) arrange for the paper to be laid before the County Assembly; and
  - b) as soon as practicable having done so, publish and publicize the paper.

### **Fiscal Responsibility Principles in the Public Financial Management Law**

In line with the Constitution, the Public Financial Management (PFM) Act, 2012,

Sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107) states that:

- 1) The county government's recurrent expenditure shall not exceed the county government's total revenue.
- 2) Over the medium term, a minimum of thirty percent (30%) of the county government budget shall be allocated to development expenditure
- 3) The county government's expenditure on wages and benefits for public officers shall not exceed 35 percent (35%) of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly.
- 4) Over the medium term, the county government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure
- 5) County debt shall be maintained at a sustainable level as approved by County Assembly.
- 6) Fiscal risks shall be managed prudently.
- 7) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

## **I. INTRODUCTION**

### **1.1 Background**

1. This budget review has been prepared by the County Government of Kakamega through collaborative and consultative process in line with the law and according to Public Finance Management Act, 2012 section 118. The County Budget Review and Outlook Paper (CBROP) contains a review of the fiscal performance of the financial year 2016/2017, updated macroeconomic forecasts as provided by the National Government (GoK), deviations from the County Fiscal Strategy Paper submitted to the County Assembly prepared in line with budget policy statement for the financial year 2016/2017.

### **1.2 Objectives of CBROP**

2. The objective of the CBROP is to provide a review of the previous fiscal performance and how this impacts the financial objectives and fiscal responsibility principles set out in the latest County Budget Fiscal Strategy Paper (CFSP) which is prepared in line with the latest Budget Policy Statement (BPS). This together with updated macroeconomic outlook provides a basis for revision of the current budget in the context of Supplementary Estimates and the broad fiscal parameters underpinning the next budget and the medium term expenditure framework.
3. The CBROP is also a key document in linking policy, planning and budgeting. The County Integrated Development plan (CIDP 2013-2017) was used to accommodate emerging issues and county changing priorities. The (CIDP 2013-2017) is the first reference document for Medium Term Plan (MTP) covering 2013-2017. This is the basic document that has guided budget preparation and planning for county entities.
4. The rest of the paper is organized as follows: The first section provides an introduction and the legal basis for the preparation of the CBROP 2017. Section two provides a review of the fiscal performance in FY2016/17 and its implications on the financial objectives set out in the last Medium Term Expenditure Framework( MTEF) submitted to the County Assembly in June 201. Section three provides brief highlights of the recent economic developments and updated macroeconomic outlook country. Section four provides the resource allocation framework, while Section five gives the conclusion and recommendations.

### **1.3 2016/2017 Budget Overview**

5. During the Financial 2016/2017 County economic growth was projected at 6 percent which is similar to national government overall economic growth forecast. During the financial year 2016/17 MTEF the county government priority was meant to improve economic growth. The major priority areas were:
  - I. Promotion of health care through investing in quality and accessible health services-
  - II. Development of key infrastructure including construction of road networks to spur economic growth. Promotion of value addition for agricultural produce to enhance food security.
  - III. Improvement and upgrading education standards. Improve access to quality education and training.
  - IV. Creating an enabling environment for business and entrepreneurial development.- will create an enabling environment for business and industrial development and enhance entrepreneurial culture.

## **II. REVIEW OF FISCAL PERFORMANCE IN 2016/2017**

### **A. Overview**

6. The fiscal performance and absorption of approved budget of 2016/17 was better than that of 2015/2016. This was attributed to improvement in the following areas: improved in terms skills and numbers accountability, enhanced procurement process, and timely disbursement of funding from the National Treasury. However the County Operations still faced challenges of delayed initiation of procurement processes for longer projects and programmes, longer and delay in approval processes and other challenges related to shortfall in local revenues which caused the occurrence of pending bills for the current year. In addition there are continued pressures on expenditure arising from high demand for county services. During the FY 2016/17, the budget performance was 87.7 percent of the overall budgeted estimates as compared to 80.62 percent in the previous FY 2015/16
  
7. The county revenue collection performance was below the target and decreased tremendously as compared to the previous financial year due to inadequate capacity of revenue staff, political interference related to 2017 general election, doctors and nurses strike which affected health related revenue collections, on automated revenue system and weak enforcement in revenue collection. In the financial year 2016/17, local revenue collection was Ksh 449 Million which fell short of the revised budget estimates target of 89 million. This was 49.73 percent below the target. The actual revenue performance was lower than the previous year of 2015/2016 by Kes. 55 million which was which was a 10.91 percent deviation. This was due to due the challenges highlighted above.
  
8. On the other hand, the revenue from the National Government consisted of equitable share of ksh 9.612 Billion, and Conditional grants of Kshs. 406 Million meant for Level Five Hospitals, Free maternal medical health Kshs.205.5.2million user fees forgone Kshs. 38.62million,Danida ksh 11.75 and Road maintenance fuel levy fund Kshs 147.69million. Furthermore there was an additional funding from ministry of health of ksh 184.99million to cater for doctors allowances

## B. 2016/2017 Fiscal Performance

### Performance of Revenues

9. As provided in paragraph 7 above the total local revenue from own collection amounted to Kshs. 449 million compared to the target in the revised budget of Ksh 894 million. This represents revenue short fall of Ksh 444.6 million (or 49.73.3% deviation in the budget). The National Government equitable shareable revenue amounted to Ksh 9.612 billion, representing 100 percent disbursement, conditional grants amounted to Kes 588.6 million, which consisted of Level Five Hospital (406 million), free maternal health care (205.5 million), and user fees forgone (38.6 million), DANIDA (11.75million) and road maintenance levy fund (147.6 million).
10. The county also had exchequer balance of Kshs 938 million from the previous year 2015/2016.

**Table 1: Amount of Revenue for 2016/2017**

		Revised Budget	Actual	Deviation	% deviation
<b>Gok- National Government</b>		<b>2016/17</b>			
Equitable shareable	9,612,093,312	9,612,093,312	9,612,093,312	-	-
Conditional grants	861,352,973	925,498,944	798,793,312	(114,955,632)	(12.42)
Ministry of Health	-	-	184,989,000	184,989,000	100.00
<b>Own sources</b>	994,070,561	894,070,561	449,487,475	(444,583,086)	(49.73)
Balance carried forward from 2014/15- equitable share	1,732,621,879	938,094,443	938,094,443	-	-
<b>Total</b>	<b>13,200,138,725</b>	<b>12,369,757,260</b>	<b>11,983,457,542</b>	<b>(374,549,718)</b>	<b>(3.03)</b>

Source: The County Treasury

**Table 2: The County Government Total Revenue for FY 2016/2017**

	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Deviation	% deviation
	2014/15			2015/2016			2016/2017				
<b>TOTAL REVENUE AND GRANTS</b>	<b>10,321,289,747</b>	<b>10,579,453,798</b>	<b>8,493,059,916</b>	<b>12,329,741,169</b>	<b>12,075,539,497</b>	<b>11,455,272,789</b>	<b>13,200,138,725</b>	<b>12,369,757,260</b>	<b>11,995,207,542</b>	<b>(374,549,718)</b>	<b>(3.03)</b>
<b>Own sources</b>	<b>874,243,747</b>	<b>903,537,623</b>	<b>516,889,025</b>	<b>1,000,000,000</b>	<b>1,000,000,000</b>	<b>504,238,292</b>	<b>994,070,561</b>	<b>894,070,561</b>	<b>449,487,475</b>	<b>(444,583,086)</b>	<b>(49.73)</b>
Single Business Permit	117,295,528	117,295,528	91,237,493	123,160,304	123,160,304	71,420,051	136,522,704	136,151,240	59,469,151	(76,682,089)	(56.32)
Barter Market	37,487,059	37,487,059	39,761,963	39,361,412	39,361,412	32,389,482	46,572,785	46,572,785	41,988,843	(4,583,942)	(9.84)
Property Rates	45,000,000	45,000,000	20,894,388	47,250,000	47,250,000	19,078,434	41,341,582	41,341,582	16,898,047	(24,443,535)	(59.13)
CESS	230,000,000	230,000,000	42,083,894	241,500,000	241,500,000	43,186,774	120,000,000	120,000,000	41,996,730	(78,003,270)	(65.00)
Housing/Stall	3,820,640	3,820,640	1,777,435	4,011,672	4,011,672	11,958,910	6,000,000	6,000,000	7,562,670	1,562,670	26.04
Kiosk Fee	12,329,480	12,329,480	4,755,690	12,945,954	12,945,954	3,887,700	3,799,688	3,799,688	4,691,450	891,762	23.47
Slaughter	6,789,080	6,789,080	915,314	7,128,534	7,128,534	1,431,130	7,372,971	3,372,971	3,549,615	176,644	5.24
Bus Park	45,986,088	45,986,088	45,123,400	48,285,392	48,285,392	48,381,260	52,685,100	52,685,100	50,541,615	(2,143,485)	(4.07)
Parking Fee	46,350,800	46,350,800	11,359,310	48,668,340	48,668,340	8,925,394	17,038,965	17,038,965	9,259,360	(7,779,605)	(45.66)
Hire of Machinery	5,821,760	5,821,760	2,417,490	6,112,848	6,112,848	7,832,156	12,626,235	12,626,235	1,719,600	(10,906,635)	(86.38)
Other Revenues/devolved government functions	61,363,312	61,363,312	5,294,000	21,000,000	21,000,000	66,821,659	57,538,214	57,538,214	61,340,662	3,802,448	6.61
Contribution in lieu of rate			-	86,935,033	86,935,033	-	95,628,536	-		-	-
Liquor license		29,293,876	7,444,500	38,331,879	38,331,879	13,139,200	29,231,000	29,231,000	13,972,281	(15,258,719)	(52.20)
Court Fines			344,086	208,632	208,632	-	516,129	516,129	-	(516,129)	(100.00)
Health facilities & Others	262,000,000	262,000,000	243,480,062	275,100,000	275,100,000	175,786,142	365,220,093	365,220,093	135,737,451	(229,482,642)	(62.83)
Dividend							1,976,559	1,976,559	760,000	(1,216,559)	(61.55)
<b>County Revenue Fund brought forward</b>					<b>236,909,624</b>	<b>236,909,624</b>					
<b>Exchequer balance brought forward</b>	<b>1,675,926,000</b>	<b>1,675,926,000</b>	<b>1,363,618,000</b>	<b>1,688,334,939</b>	<b>1,434,133,267</b>	<b>1,434,133,267</b>	<b>1,732,621,879</b>	<b>938,094,443</b>	<b>938,094,443</b>	<b>-</b>	<b>-</b>
<b>Total Allocation from the National Government</b>	<b>7,771,120,000</b>	<b>7,999,990,175</b>	<b>6,612,552,891</b>	<b>9,641,406,230</b>	<b>9,641,406,230</b>	<b>9,516,901,230</b>	<b>10,473,446,285</b>	<b>10,537,592,256</b>	<b>10,422,636,624</b>	<b>(126,705,632)</b>	<b>(1.20)</b>
Equitable share of revenue							9,612,093,312	9,612,093,312		-	-

	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Deviation	% deviation
	2014/15			2015/2016			2016/2017				
	7,750,000,000	7,772,533,929	6,385,096,645	8,908,229,519	8,908,229,519	8,908,229,519			9,612,093,312		
<b>Conditional Grants</b>	<b>21,120,000</b>	<b>227,456,246</b>	<b>227,456,246</b>	<b>733,176,711</b>	<b>733,176,711</b>	<b>608,671,711</b>	<b>861,352,973</b>	<b>925,498,944</b>	<b>810,543,312</b>	<b>(126,705,632)</b>	<b>(13.69)</b>
Level 5 Hospital	-	206,336,246	206,336,246	342,902,857	342,902,857	342,902,857	406,936,416	406,936,416	406,936,416	-	-
Roads Maintenance Levy Fund				113,164,138	113,164,138	113,164,138	147,689,749	147,689,749	147,689,749	-	-
HSSF	21,120,000	21,120,000	21,120,000	23,500,000	23,500,000	-	11,750,000	25,895,971	11,750,000	(14,145,971)	(54.63)
Free Medical Maternal Health Care				214,900,000	214,900,000	113,895,000	217,184,083	217,184,083	205,550,000	(11,634,083)	(5.36)
User Fees forgone				38,709,716	38,709,716	38,709,716	38,617,147	38,617,147	38,617,147	-	-
Kenya Devolution support programme							39,175,578	39,175,578	-	(39,175,578)	(100)
Universal Health Care Fund							-	50,000,000	-	(50,000,000)	(100)
Transfer from the National government entities-Ministry of Health								-	<b>184,989,000</b>	<b>184,989,000</b>	

Source: The County Treasury

11. The underperformance in local revenue collection was largely attributed to unmet targets in the following revenue streams
  - i. Agricultural Cess by Kshs 78 million-Due to the instability in the operations of Mumias Sugar Company. Also, there is no legal framework to enable collection of cess as there is no Agricultural produce Cess Act.
  - ii. Single Business permit by Ksh. 76.7 million- Weak enforcement, inadequate resources such as motor vehicles and motorbikes, the general election related factors and non automation of revenue system.
  - iii. Property rates by Kshs 24.4 million-outdated valuation roll and system errors.
  - iv. Liquor licenses Kshs. 15.2 million- weak enforcement
  - v. Barter market Kshs, 14 million-weak enforcement and non automation
  - vi. Health and public health related revenue Kshs. 229 million- Doctors and Nurses strikes and non automation
  - vii. Hire of machines by Kshs 10 million- weak enforcement
  
12. As a proportion of approved and the revised budget, total revenue disbursements and grants averaged 96.88 percent in the period under review. This consists of only the actual amount of funds received and spent for the period under review. The 3% remaining is related to conditional grants not disbursed from the national government these include: Kenya devolution support program 39.18 million, universal health care fund 50million HSSF 25.9million and free medical maternal health care 11.6million
  
13. Inadequate capacity of revenue collection staff in terms of skills and ineffective enforcement are the main causes of revenue shortfall. The challenges mentioned above will be addressed by the County Treasury. However, this requires continued and sustained efforts to enforce the various guidelines and laws as provided for in the PFM Law. Thereafter taking appropriate action, the County government will report on monthly revenue returns which will enable corrective measures to be taken in order to reverse this trend of revenue shortfall. A consultative forum for stakeholders in revenue will be held to address the issues pertaining revenue

## **Expenditure Performance**

14. Total expenditure was Kshs 10.850 billion against a revised target of Kshs 12.369 billion, representing an under spending of Ksh 1.519 billion (or 12.3 percent deviation in the revised budget). The shortfall was attributed to unspent funds of Kes. 1.069 billion for June 2016 and non attainment of own source of revenue target by 444.6 million representing 49.7% Overall absorption rate was 87.7 percent with a percentage of 93.3% and 82.4% for recurrent and development expenditure

respectively. As indicated above, the performance for FY 2016/17 was better as compared to the financial year 2015/2016 Which was 80.6%

15. Overall recurrent expenditure amounted to 5,649 billion, representing an under-spending of Ksh 402.8 million (or 6.67) percent deviation from the approved revised recurrent expenditure. The under-spending was in respect of late disbursement of June 2016 equitable shareable revenue from the National Government and the unmet target of domestic revenue
16. The total recurrent expenditure consists of salaries and wages, Operation and maintenance and acquisition of office equipment. This represents 52 percent of the total expenditure with salaries being 37.88 percent and 14.09 percent for operations and maintenance respectively.
17. Development expenditure incurred amounted to Ksh 5.208 billion as compared to a target of Ksh 6.325 billion. This represented an under-spending of Ksh 1.116 billion (17.65 percent) which is attributed to late disbursement of June 2016 equitable shareable revenue from the National Government and the unmet target of domestic revenue.
18. The overall improvement in the absorption rate of development expenditures in the FY 2016/17 as compared to 2015/16 is attributed to increased expenditure in the following areas; Social Services, Youth and Sports ,Roads ,Infrastructure ,Public Works and Energy, Education science and technology, Agriculture, Livestock, Fisheries and Cooperatives , Health and trade as shown in table 4.

**Table 3: Expenditure by Category, KES million**

PAYMENTS	2014/15		2015/2016		2016/17		
	Actual	Revised Target	Actual	Revised Target	Actual	Revised Target	Deviation
<b>1. RECURRENT</b>	<b>4,434,283,254</b>	<b>5,455,717,552</b>	<b>5,679,195,475</b>	<b>6,446,735,431</b>	<b>5,636,742,700</b>	<b>6,044,607,793</b>	<b>-407,865,093</b>
Compensation of Employees	3,247,713,320	3,564,735,344	3,739,850,040	4,009,532,644	4,108,458,873	4,061,296,969	47,161,904
Operations and Maintenance	1,186,569,934	1,890,982,208	1,939,345,435	2,437,202,787	1,528,283,827	1,983,310,824	-455,026,997
<b>2. DEVELOPMENT</b>	<b>3,521,520,947</b>	<b>5,123,736,246</b>	<b>4,246,534,146</b>	<b>5,865,713,690</b>	<b>5,208,764,157</b>	<b>6,325,149,467</b>	<b>-1,116,385,310</b>
Development projects	3,521,520,947	5,123,736,246	4,246,534,146	5,865,713,690	5,208,764,157	6,325,149,467	-1,116,385,310
<b>TOTAL EXPENDITURE</b>	<b>7,955,804,201</b>	<b>10,579,453,798</b>	<b>9,925,729,621</b>	<b>12,312,449,121</b>	<b>10,845,506,857</b>	<b>12,369,757,260</b>	<b>-1,524,250,403</b>

*Source: County Treasury*

19. In general, it should be noted that the expenditure out turn for the FY 2016/17 is still preliminary. The full and complete report will be availed after compiling reports to be audited by the Auditor General.

### **Departmental Fiscal performance**

20. The overall departmental expenditure was satisfactory. All the departments' performance was above 50% absorption rate except the Department of Lands, Urban Areas, Housing and Physical Planning (40.2).

**Table 4: Departmental Expenditure for the period ending 30th June 2016**

DEPARTMENT	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Absorption rate
	2014/15			2015/2016			2016/2017			
<b>EXPENDITURES</b>	<b>10,321,289,747</b>	<b>10,579,453,798</b>	<b>7,955,804,201</b>	<b>12,329,741,169</b>	<b>12,312,449,121</b>	<b>9,925,729,621</b>	<b>13,200,138,725</b>	<b>12,369,757,260</b>	<b>10,845,506,847</b>	<b>87.7</b>
<b>Office of the Governor</b>	<b>271,125,751</b>	<b>239,887,784</b>	<b>155,995,573</b>	<b>626,599,838</b>	<b>503,405,688</b>	<b>214,060,850</b>	<b>705,186,498</b>	<b>359,597,151</b>	<b>195,791,392</b>	<b>54.4</b>
Current	216,125,751	184,887,784	155,126,573	318,599,838	255,413,688	203,489,248	346,588,756	230,597,151	182,315,545	79.1
Development	55,000,000	55,000,000	869,000	308,000,000	247,992,000	10,571,602	358,597,742	129,000,000	13,475,847	10.4
<b>Public Service and Administration</b>	<b>2,101,513,781</b>	<b>2,557,424,560</b>	<b>2,205,332,994</b>	<b>1,980,547,705</b>	<b>2,819,975,355</b>	<b>2,431,874,721</b>	<b>1,620,040,958</b>	<b>4,148,607,571</b>	<b>3,874,085,249</b>	<b>93.4</b>
Current	1,916,513,781	2,372,424,560	2,194,021,922	1,721,147,705	2,650,745,255	2,358,766,817	1,362,688,698	3,972,255,311	3,781,851,579	95.2
Development	185,000,000	185,000,000	11,311,072	259,400,000	169,230,100	73,107,904	257,352,260	176,352,260	92,233,670	52.3
<b>County Treasury</b>	<b>497,260,168</b>	<b>728,510,168</b>	<b>582,051,507</b>	<b>390,642,806</b>	<b>375,350,772</b>	<b>341,277,820</b>	<b>445,822,601</b>	<b>330,454,363</b>	<b>190,236,242</b>	<b>57.6</b>
Current	180,310,168	167,560,168	97,471,517	250,642,806	250,365,772	224,978,947	309,260,395	153,301,188	112,748,043	73.5
Development	316,950,000	560,950,000	484,579,990	140,000,000	124,985,000	116,298,873	136,562,206	177,153,175	77,488,199	43.7
<b>Water, Environment and Natural Resource</b>	<b>275,468,000</b>	<b>246,949,947</b>	<b>134,089,399</b>	<b>322,157,691</b>	<b>244,843,288</b>	<b>167,493,726</b>	<b>344,080,064</b>	<b>234,047,694</b>	<b>129,442,205</b>	<b>55.3</b>
Current	102,268,000	73,749,947	63,601,067	98,057,691	49,115,638	25,499,612	96,080,064	22,627,694	12,509,456	55.3
Development	173,200,000	173,200,000	70,488,332	224,100,000	195,727,650	141,994,114	248,000,000	211,420,000	116,932,749	55.3
<b>Social Services, Youth &amp; Sports</b>	<b>276,029,110</b>	<b>285,420,637</b>	<b>97,194,000</b>	<b>417,030,280</b>	<b>274,458,546</b>	<b>246,525,453</b>	<b>441,169,707</b>	<b>373,037,658</b>	<b>268,439,451</b>	<b>72.0</b>
Current	39,779,110	29,170,637	16,919,269	56,780,280	24,439,125	19,792,330	67,168,957	24,949,013	13,851,972	55.5
Development	236,250,000	256,250,000	80,274,731	360,250,000	250,019,421	226,733,123	374,000,750	348,088,645	254,587,479	73.1
<b>Transport, Infrastructure &amp; Public Works</b>	<b>1,139,690,660</b>	<b>1,320,690,660</b>	<b>958,435,015</b>	<b>1,742,435,569</b>	<b>1,927,125,249</b>	<b>1,715,129,443</b>	<b>1,995,322,444</b>	<b>2,265,513,739</b>	<b>2,086,199,967</b>	<b>92.1</b>
Current	62,690,660	43,690,660	30,038,685	63,789,401	22,810,548	12,164,412	71,967,265	12,921,216	8,072,567	62.5
Development	1,077,000,000	1,277,000,000	928,396,330	1,678,646,168	1,904,314,701	1,702,965,031	1,923,355,179	2,252,592,523	2,078,127,400	92.3
<b>Lands, Housing, Urban Areas and Physical Planning</b>	<b>364,540,000</b>	<b>302,034,419</b>	<b>72,461,586</b>	<b>296,062,159</b>	<b>251,649,364</b>	<b>133,496,438</b>	<b>463,425,366</b>	<b>333,354,714</b>	<b>134,091,728</b>	<b>40.2</b>
Current	72,540,000	50,034,419	23,869,966	84,062,159	53,989,364	36,086,547	175,925,366	43,754,714	25,083,991	57.3
Development	292,000,000	252,000,000	48,591,620	212,000,000	197,660,000	97,409,891	287,500,000	289,600,000	109,007,737	37.6
<b>Health Services</b>	<b>2,378,072,277</b>	<b>2,284,548,523</b>	<b>1,744,453,345</b>	<b>3,173,551,311</b>	<b>3,301,772,366</b>	<b>2,737,056,025</b>	<b>3,498,455,487</b>	<b>1,805,043,399</b>	<b>1,853,700,917</b>	<b>102.7</b>
Current	1,749,072,277	1,660,212,277	1,459,834,113	2,127,786,204	2,162,347,009	1,931,858,297	2,288,428,340	531,792,220	517,119,015	97.2

DEPARTMENT	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Budget	Revised Budget	Actual	Absorption rate
	2014/15			2015/2016			2016/2017			
Development	629,000,000	624,336,246	284,619,232	1,045,765,107	1,139,425,357	805,197,728	1,210,027,147	1,273,251,179	1,336,581,902	105.0
<b>Agriculture, Livestock, Fisheries and Co-operatives</b>	<b>1,040,200,000</b>	<b>807,597,100</b>	<b>431,610,586</b>	<b>939,862,773</b>	<b>619,052,810</b>	<b>448,361,570</b>	<b>957,116,060</b>	<b>581,206,542</b>	<b>395,284,577</b>	<b>68.0</b>
Current	310,200,000	57,597,100	37,983,357	364,862,773	89,790,310	53,696,431	409,156,375	66,246,857	28,809,817	43.5
Development	730,000,000	750,000,000	393,627,229	575,000,000	529,262,500	394,665,139	547,959,685	514,959,685	366,474,760	71.2
<b>Trade, Tourism &amp; Industrialization</b>	<b>409,950,000</b>	<b>386,950,000</b>	<b>318,669,048</b>	<b>451,613,185</b>	<b>444,558,339</b>	<b>243,317,395</b>	<b>479,486,636</b>	<b>433,912,525</b>	<b>312,261,875</b>	<b>72.0</b>
Current	69,950,000	46,950,000	26,117,105	47,657,156	26,294,310	17,477,277	56,486,636	25,912,525	17,604,339	67.9
Development	340,000,000	340,000,000	292,551,943	403,956,029	418,264,029	225,840,118	423,000,000	408,000,000	294,657,536	72.2
<b>Education , Science &amp; Technology</b>	<b>816,440,000</b>	<b>668,440,000</b>	<b>562,296,531</b>	<b>1,016,586,176</b>	<b>612,287,532</b>	<b>467,844,702</b>	<b>996,409,963</b>	<b>571,212,592</b>	<b>478,798,315</b>	<b>83.8</b>
Current	316,440,000	118,440,000	88,953,592	269,586,176	23,454,600	16,094,079	324,363,566	26,480,592	9,601,437	36.3
Development	500,000,000.00	550,000,000.00	473,342,939	747,000,000	588,832,932	451,750,623	672,046,397	544,732,000	469,196,878	86
<b>County Public Service Board</b>	-	-	-	<b>85,798,311.00</b>	<b>51,116,447.00</b>	<b>38,949,465</b>	<b>76,709,853</b>	<b>33,856,224</b>	<b>33,767,471</b>	<b>100</b>
Current				85,798,311	51,116,447	38,949,465	76,709,853	33,856,224	33,767,471	100
<b>County Assembly</b>	<b>751,000,000</b>	<b>751,000,000</b>	<b>693,214,617</b>	<b>886,853,365</b>	<b>886,853,365</b>	<b>740,342,013</b>	<b>1,176,913,088</b>	<b>893,407,468</b>	<b>898,517,564</b>	<b>100</b>
Current	651,000,000	651,000,000	648,214,617	786,853,365	786,853,365	740,342,013	899,913,088	893,407,468	898,517,564	99
Development	100,000,000	100,000,000	45,000,000	100,000,000	100,000,000	-	277,000,000	-	-	-

Source: The County Treasury

### **C. Implication of 2016/17 fiscal performance on fiscal responsibility principles and financial objectives contained in the 2016 County Fiscal Strategy Paper (CFSP)**

21. The performance in the FY 2016/17 has affected the financial objectives set out in the County Fiscal Strategy paper for financial year 2016/2017 in the following ways:

- (i) Revenue and expenditure projections have been affected by payment of pending bills carried forward from 2015/2016 financial year, implying the need for adjustment in the fiscal aggregates for the current budget and the medium-term. Most of these pending bills were unforeseen and therefore not budgeted for in 2016/2017.
- (ii) Delays in the execution of the FY 2016/17 budget by the county departments on the planned programmes and projects in the first quarter due to delayed disbursement of funds from the National Treasury. This had spiral effect on the expenditure prospects of planned programmes and projects for that financial year and FY 2017/18.

22. The overall revenue performance in 2016/17 (Ksh 449.4 Million) was poor as compared to the previous year of 2015/16 (Ksh 504.2 Million). The revenue projection was unmet leading to existence of pending bills at the closure of financial year 2016/2017. This performance will form the basis for revenue projections for FY 2017/18 and over the medium term. This means that the new base will be used to make adjustment to the revenue forecasts to depict the reality in the revenue estimates. Therefore, in updating the fiscal outlook the new base has been taken into account. In addition, effects arising from automation of revenue functions and collection system are expected to boost revenue through improved efficiency in the revenue administration as well as compliance by citizens.

23. Even though spending in the last financial year has improved as compared to FY 2015/2016, it is noted that there was under-spending in both recurrent and development budget for the FY 2016/17. The County Treasury will work closely with the implementing agencies to improve budget absorption rate.

24. The fiscal responsibility principle on wages and remuneration as per the PFM Act of 2012 provides for utmost 35 percent of the county overall budget. The proportion of actual salaries and remuneration expenditure on the overall expenditure was 38 percent. This fiscal actual performance on this fiscal principle was slightly higher than the stipulated percentage of 35 percent of the overall county budget by 3 percent. This was attributed to payment of doctors and nurses' allowances which were not budgeted

for. The corresponding revenue for payment of Kes. 184 million for doctors and nurses allowances were received from the ministry of health.

25. On the development expenditure, the proportion of the actual expenditure was 48 percent. This is above the stipulated percent of at least 30 percent on the overall county budget. This is a pointer that the county development agenda for socio-economic transformation is on course.
26. From the above it is evident that the county adhered to fiscal responsibility principles except the 3 percent deviation on salary and remuneration proportion on the overall expenditure.
27. The county level of accuracy on revenue forecast is not predictable. These are caused by unforeseen externalities such as unpredictable weather conditions affecting agricultural productivity, political uncertainties and legal frameworks. These factors have effects on the level of revenue base and rates.

#### **D. Updated Economic and Financial Forecasts on the latest recent County Fiscal Strategy Paper**

30 The county specific economic data has neither been provided nor reviewed. The county relies on the economic data provided by the National Government through the KNBS on key Macro-economic indicators such as the Gross domestic product, inflation, interest rates, exchange rates, balance of payments among others. The detailed data on economic forecast from the latest County Fiscal Strategy Paper of 2017/18 FY is provided in the next paragraph.

- i. During the financial year 2016/17 the county's projected economic growth was 6 percent. This is the same forecast given in the CFSP 2017/18. The recent updated economic growth during the first quarter of 2017 is 4.7% as compared to the same period in 2016 (KNBS)
- ii. The average inflation during the month of June 2017 was 9.21 percent down from 11.7 percent in May 2017. This rate is higher than the projected rate in the latest CFSP of 2017/2018 (8 percent).

31 Given the above implications of FY 2016/17 performance, the adjustment in revenues and expenditures will be based on the following macro-economic assumptions;

- i. All local revenue targets will be achieved.
- ii. Timely exchequer releases.
- iii. Prevailing macro-economic conditions will remain stable and favourable such as inflation, interest rates, and currency exchange rates.

These assumptions will be firmed up in the context of the CFSP 2018/19. The County Government will not deviate from the fiscal responsibility principles, but will make appropriate modifications to the financial objectives contained in the CFSP 2016/2017 to reflect the changed circumstances and county priorities.

### **Measures to improve county economic growth**

32 The following are measures to improve the county economic growth:

- I. Investment in agriculture geared towards modernization such as farm mechanization, provision of subsidized seeds and fertilizers, strengthening of the cooperative enterprise as well as provision of small holder trade loans in the county
- II. Improvement in road, transport and energy infrastructure will increase connectivity and access to goods and services in the county.
- III. Improvement of market infrastructural facilities, accessibility to affordable credit facilities and capacity building in entrepreneurial skills.

### III. RECENT ECONOMIC DEVELOPEMENT AND OUTLOOK

#### A. Recent Economic Developments

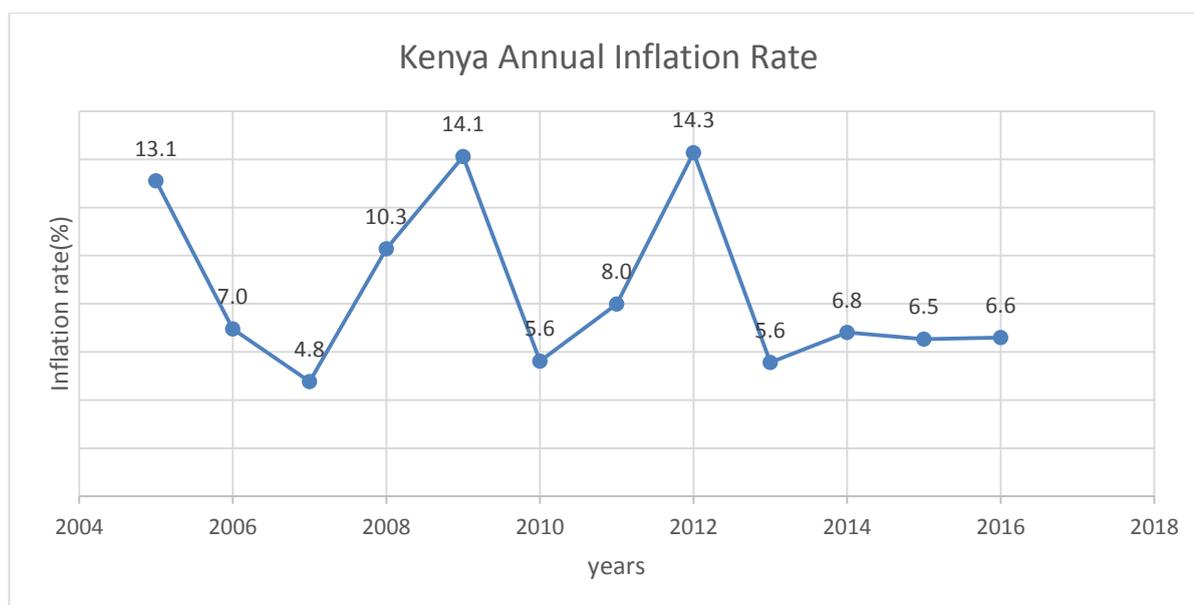
33. The County relies on the national government economic data with an assumption that the data generated has the same effect across the counties. Going forward the County in collaboration with the Kenya National Bureau of Statistics (KNBS) plans to develop county based data on macro-economic indicators. Kenya’s Gross Domestic Product (GDP) grew by 6.2 per cent in Second Quarter of 2016 compared to 5.6 per cent growth in 2015 as depicted in Figure 1. Accommodation and food services recorded improved growth of 13.3 per cent in the year under review as compared to a contradiction of 1.3 per cent in 2015. The other sectors that registered significant improved performance in economic activities comprised of information and technology; real estate; and transport and storage. However, persistent drought hampered growth in the fourth quarter of 2016 impacting negatively on agriculture.

Figure 1: Kenya GDP Annual Growth rate



Source KNBS

34. During the period under review, key macroeconomic indicators remained fairly stable. Annual average inflation rate was contained within the Central Bank’s target of  $\pm 5.0$  per cent to stand at 6.6 per cent compared to an average of 6.5 per cent in 2015.



Source (CBK)

35. The Central Bank Rate (CBR) was revised downwards twice to 10.5 per cent in June and 10 per cent in December. The amendment of the Banking Act in August 2016 to cap the lending rates to a maximum of 4 per cent above the CBR resulted in a substantial decline in the interest rate during the month of September to 13.84 per cent compared to 16.75 during the same month in 2015. The reduction of CBR had a spiral effect in the County on the cost of borrowing thus promoting investments at the county level.

The table below shows some selected key economic indicators.

**Table 5: Key economic indicators**

Indicator	2012	2013	2014	2015	2016*
Population(Millions)	40.7	41.8	43.0	44.2	45.4
Real GDP Growth at constant prices (per cent)	4.5	5.9	5.4	5.7	5.8
Real GDP-Market Prices(Kshs Million)	4.26	4.75	5.40	6.26	7.16
GDP Per Capita: Current (Kshs Million)	0.10	0.11	0.13	0.14	0.16
GDP Per Capita: Constant (Kshs '000')	84.7	87.1	89.2	91.9	94.8
Wage Employment (No. in 000)	2,155.8	2,283.1	2,370.2	2478.0	2,554.3

Source: (Economic Survey 2017)

\*Provisional

## **B. Macroeconomic Outlook**

36. Kenya's economic growth in 2017 is likely to be influenced by domestic factors than external ones hence the county is likely to be greatly affected. Some of these factors include:

- The unpredictable weather conditions such as delayed and depressed rains and onset of droughts in 2017 are likely to cause adverse impact on agricultural activities and production, electricity generation and water supply. Due to agricultural contribution to the growth of the GDP, the impacts will further be experienced in sectors that have strong interlinkages with the agriculture sector.
- If the deceleration in growth of credit that started in 2016 continues, it is likely to constrain growth in 2017 especially in activities that are reliant on borrowing from commercial banks. Furthermore, sectors such as manufacturing are encountering more intensified competition in their traditional exports markets which could delay the recovery in that sector. However, the commencement of operations of railway services on the Standard Gauge Railway (SGR) is likely to increase efficiency while other modes of transports are expected to continue in the current trajectory. The overall growth performance is therefore likely to be determined by the extent of each of these effects. (Economic Survey, 2017)
- International oil prices are projected to rise in 2017 though gradually. If this occurs, growth in the road transport is likely to be suppressed due to rise in cost of intermediate inputs.
- Even though the current economic situation is somehow stable in the country, the prolonged electioneering period is likely to have negative impact.

## **C. County specific outlook 2017/18**

37. The outlook for County Government of Kakamega for the financial year 2017/18 is envisaged to provide a development oriented environment which will enhance county economic growth. The major economic indicators in the county with significant positive impacts are: huge investments in infrastructure, agriculture, 'Mikopo Mashinani' trade loans and construction industries.

### **Infrastructure**

38. Transport infrastructure will remain a top priority in the county during the 2017/18 fiscal year. Emphasis will be on maintenance, rehabilitation and expanding and improving road network and drainage systems. Installing high mast security lights in trading centres and markets and convectional street lighting will also be a key focus area.

### **Agriculture**

39. Kakamega County's economy largely depends on the agriculture sector which employs over 80% of the population and holds the key to food and nutrition security in the county. The sector will seek to promote: agribusiness development and marketing; crop, livestock and fisheries production; dairy development through initiatives such as 'One cow initiative', AI subsidy program, farm mechanization program, farm inputs program; animal control and welfare; disease control and surveillance; value addition of livestock, fish and agriculture products; development of cottage industries; aquaculture development; agricultural integrated extension services; post-harvest losses; food processing technologies; and food safety and quality assurance.

### **Education and Training**

40. The county's economic development with regard to development of human capital is central to scientific advancements; therefore the focus is on enhanced education standards, accelerating expansion of youth training facilities in order to equip the youth with relevant skills and competencies for the labour market. Construction of Early Childhood Development Education (ECDE) Centres will also increase access to education and improve gross enrolment rates.

## **Health**

41. A healthy population is an ingredient for productivity. Investments in improving health care infrastructure such as primary health care, 'Afya ya mama na mtoto' and Strengthening of Community Strategy will remain a focal area during the period. These initiatives will enhance access to quality health and health care by the citizens.

### **D. Implementation of 2017/18 budget**

42. Implementation of 2017/18 budget started at slow pace with delays in exchequer disbursements for close to three months of financial year of 2017/18. The failure of exchequer disbursement arose from non adoption the disbursement schedule by the senate as required by the law. This delay will affect the budget implementation for FY 2017/18. However we believe the process will pick up well by October 2017.
43. Non attainment of domestic revenue target for June 2017 affected the implementation of the period's budget occasioning expenditure on pending bills in FY 2017/2018. The pending bills will affect achievement of the targeted outcome for FY 2017/18.
44. Meanwhile, the efforts for achievements of own revenue collections target remain a priority. The revenue department is currently working on finding the best strategies to ensure the current actual revenue collection is doubled to match the county revenue potential. The existence of the Kakamega Revenue management and administration act of 2017 and if implemented fully will enhance achievement of the revenue targets. Some of the strategies to be adopted include the automation of revenue collection function, continuous revenue enforcement and legislation of relevant laws such as
  - a) Rating Act
  - b) Review Revenue Administration and Management Act
  - c) Agricultural Produce Cess Act.

### **E. Medium Term Fiscal Framework**

45. The county at all time is pursuing prudent fiscal policy aimed at achieving macroeconomic stability in collaboration with the National Treasury and the Ministry of Devolution and planning at the National Level. In addition, the County fiscal policy objectives provides an avenue to support economic activities while allowing for

the implementation of the County Integrated Development Plan, improving efficiency through capacity building to effectively deliver public services and ensuring various departments receive adequate resources to undertake their departmental priorities sustainably.

46. The County Government is committed to achieve its full budgetary targets in the Medium Term. This will help to improve absorption rate to be above 90 percent.
47. With respect to revenues, the County Government will continue to improve on a strong revenue collection effort to be able to collect more than 10 percent of total approved budget over the medium term. In addition, the County Government will explore new revenue collection strategies by even expanding the current revenue base.
48. On the expenditure side, the county Government will continue with its rationalization program of expenditures to improve efficiency and reduce wastages. Expenditure management will be strengthened within the Integrated Financial Management Information System (IFMIS) platform which is already in operation. Above all, the PFM Act, 2012 and its relevant financial Regulations will accelerate reforms in expenditure management system in the County. The uptake of E-Procurement that is already adopted will be enhanced to improve procurement initiation, tracking and reporting thus improving efficiency in procurement.

#### **F. Risks to the outlook**

49. The risks to the outlook for 2017/18 and medium-term include weak internal control systems, complacency of the citizens and the county revenue staff, weak revenue administration legislations. Tackling these issues will reduce the risk and increase county revenue collections.
50. Public expenditure pressures, especially recurrent expenditures, pose a fiscal risk. Wage bill pressures and the need to hire more personnel limit funding for development expenditure.
51. The county government will undertake appropriate measures to safeguard Macro-Economic stability should these risks materialize by mitigating against the risks.

## **IV. RESOURCE ALLOCATION FRAMEWORK**

### **A. Adjustment to 2017/18 Budget**

52. Given the performance in 2016/17 and the updated macro-economic outlook, the risks to the FY 2017/18 budget include uncertainty of expenditure pressures arising from the desire to achieve more by the citizens of the county especially on Health, Education, Infrastructure, Lands and Urban management, Agriculture sectors and wage bill pressures which limit funding for development expenditure. In addition, implementation pace in the spending units continues to be a source of concern especially with regard to the development expenditures and uptake of resources. The County treasury will closely monitor these risks and take appropriate measures in the context of the next Supplementary Budget.

53. Adjustments to the 2017/18 budget will take into account actual performance of expenditures and absorption capacity in the remainder of the financial year across all the county sectors. In the face of expenditure pressures, the County Government will rationalize expenditures by implementing only County Priority projects and programmes. However, the resources earmarked for development purposes will be utilized in the said projects and programmes. Utilization of the Emergency fund will be within the criteria specified in the PFM law 2012.

54. The collection of revenue has been worsening yearly moving on downward trend. This trend has affected budget absorption rate by putting pressure on the next year budget through existence of pending bills. Because of the decreasing trend of revenue collection the county treasury will adjust the local revenue down to match this trend.

### **B. Medium-Term Expenditure Framework**

55. Going forward, and in view of the macro-economic outlook, MTEF budgeting will entail adjusting expenditures from non-priority areas to cater for the priority sectors. The MTEF priorities will guide resource allocation as follows:

- The priority sectors such as Agriculture, Health, Transport and Infrastructure, water, environment & natural resources and Education, will continue to receive adequate resources. These sectors are already receiving significant share of resources in the County budget and require utilizing the allocated resources more

efficiently to generate fiscal space to accommodate other strategic interventions in their sectors.

- The following criteria guides resources allocation to the sectors
  - i. Linkage of the programme with the Objectives of Kenya Vision 2030.
  - ii. Linkage of the programme with the Objectives of the County Integrated development plans.
  - iii. Degree to which a programme addresses core poverty interventions
  - iv. Degree to which the programme is addressing the core mandate of the County entity
  - v. Ongoing activities of the Government flagship projects
  - vi. Expected outputs and outcomes from a programme
  - vii. Cost effectiveness and sustainability of the programme

56. Reflecting the above medium-term expenditure frame work, the table below provides the tentative projected baseline ceilings for the 2017/18 MTEF classified by departments.

**Table 6: Medium Term Sector Ceilings, FY 2017/18-2020/21**

Department/Ministry	Approved estimates	Projected Estimates		
	2017/2018	2018/2019	2019/2020	2020/2021
<b>Office of the Governor</b>	<b>689,900,902</b>	<b>485,868,964</b>	<b>559,552,670</b>	<b>634,061,280</b>
Recurrent	381,139,902	385,868,964	459,552,670	484,061,280
Development	308,761,000	100,000,000	100,000,000	150000000
<b>Public Service and Administration</b>	<b>1,536,582,006</b>	<b>1,688,974,470</b>	<b>1,769,930,864</b>	<b>1,846,524,358</b>
Recurrent	1,348,274,559	1,488,974,470	1,569,930,864	1,646,524,358
Development	188,307,447	200,000,000	200,000,000	200000000
<b>County Treasury</b>	<b>510,512,700</b>	<b>1,008,095,138</b>	<b>1,185,390,834</b>	<b>1,210,815,258</b>
Recurrent	358,512,700	608,095,138	735,390,834	760,815,258
Development	152,000,000	400,000,000	450,000,000	450,000,000
<b>Water,Environment and Natural Resources</b>	<b>327,200,031</b>	<b>498,441,537</b>	<b>703,859,741</b>	<b>709,065,919</b>
Recurrent	108,000,031	98,441,537	103,859,741	109,065,919
Development	219,200,000	400,000,000	600,000,000	600,000,000
<b>ICT , E-Government &amp; Communication</b>	<b>-</b>	<b>449,047,998</b>	<b>592,164,868</b>	<b>596,783,258</b>
Recurrent	-	49,047,998	92,164,868	96,783,258
Development	-	400,000,000	500,000,000	500,000,000
<b>Social Services, Youth &amp; Sports</b>	<b>364,665,942</b>	<b>-</b>	<b>-</b>	<b>-</b>
Recurrent	62,167,592	-	-	-

Department/Ministry	Approved estimates	Projected Estimates		
	2017/2018	2018/2019	2019/2020	2020/2021
Development	302,498,350	-	-	
<b>Roads, Infrastructure, Public Works and Energy</b>	<b>1,972,784,661</b>	<b>1,595,465,140</b>	<b>1,800,465,451</b>	<b>1,804,965,425</b>
Recurrent	72,784,661	95,465,140	100,465,451	104,965,425
Development	1,900,000,000	1,500,000,000	1,700,000,000	1,700,000,000
<b>Lands, Housing, Urban Areas and Physical Planning</b>	<b>442,299,235</b>	<b>505,334,182</b>	<b>666,749,537</b>	<b>677,854,648</b>
Recurrent	213,299,235	205,334,182	216,749,537	227,854,648
Development	229,000,000	300,000,000	450,000,000	450,000,000
<b>Health Services</b>	<b>3,968,570,917</b>	<b>4,363,367,134</b>	<b>4,713,139,494</b>	<b>4,847,665,562</b>
Recurrent	2,368,570,917	2,863,367,134	3,013,139,494	3,147,665,562
Development	1,600,000,000	1,500,000,000	1,700,000,000	1,700,000,000
<b>Agriculture, Livestock, Fisheries and Co-operatives</b>	<b>968,369,916</b>	<b>1,082,193,979</b>	<b>1,257,339,372</b>	<b>1,279,828,621</b>
Recurrent	450,369,916	482,193,979	507,339,372	529,828,621
Development	518,000,000	600,000,000	750,000,000	750,000,000
<b>Trade, Industrialization &amp; Tourism</b>	<b>403,683,736</b>	<b>386,941,396</b>	<b>441,749,739</b>	<b>446,397,628</b>
Recurrent	77,683,736	86,941,396	91,749,739	96,397,628
Development	326,000,000	300,000,000	350,000,000	350,000,000
<b>Ministry Of Education , Youth Empowerment and Social Services</b>	<b>806,927,958</b>	<b>947,432,022</b>	<b>1,120,216,644</b>	<b>1,139,900,914</b>
Recurrent	424,927,958	447,432,022	470,216,644	489,900,914
Development	382,000,000	500,000,000	650,000,000	650,000,000
<b>County Public Service Board</b>	<b>95,000,000</b>	<b>106,056,282</b>	<b>111,903,318</b>	<b>117,533,199</b>
<b>County Assembly</b>	<b>1,083,457,978</b>	<b>1,107,945,408</b>	<b>1,163,342,679</b>	<b>1,163,342,679</b>
Recurrent	883,457,978	977,642,005	1,030,937,534	1,081,531,503
Development	200,000,000	100,000,000	100,000,000	100,000,000
<b>Total for the County</b>	<b>13,169,955,982</b>	<b>14,225,163,650</b>	<b>16,085,805,212</b>	<b>16,474,738,749</b>

## C. 2017/18 Budget framework

### I. Revenue projections

57. From the previous years, revenue collection has not been consistent due to varying challenges. From the fiscal performance of financial year 2016/17, it is evident that this has been on down ward trend. This scenario has an effect on the 2017/18 budget framework

hence need to revise the MTEF targets on own revenue collection. As indicated above, this performance will be effective by the reforms in the County revenue administration. As such, total local revenues are expected to be revised downward to Kes. 576 million from the approved revenue budget of Kshs. 952 million while national government revenue is estimated to be Kshs 9.6 billion from shareable equitable revenue. This amount excludes grants which totals to Kes.822 million.

**Table 7: Summary of 2017/2018 Revenue budget- Kes.**

<i>Revenues</i>	<b>Approved Estimates</b>	<b>Estimates</b>
	<b>2016/17</b>	<b>2017/2018</b>
<b>Own sources</b>	994,070,561	952,571,849
<b>Exchequer balance brought forward from previous year</b>	1,732,621,879	1,284,026,951
<b>(1)Total own sources</b>	<b>2,726,692,440</b>	<b>2,236,598,800</b>
<i>Allocations from the National Government</i>		
Equitable share of revenue	9,612,093,312	10,110,802,208
<b>(2) Total equitable share</b>	<b>9,612,093,312</b>	<b>10,110,802,208</b>
<i>Conditional Grants</i>		
Level 5 Hospital	406,936,416	427,283,237
Free Medical Maternal Health Care	217,184,083	-
World Bank Universal Health Care Fund		50,000,000
User Fees forgone	38,617,147	37,789,290
Road maintenance levy	147,689,749	266,175,000
<b>(3)Total conditional allocations</b>	<b>810,427,395</b>	<b>781,247,527</b>
<i>Conditional Grant-Development Partners</i>		
DANIDA Grant	11,750,000	-
Kenya Devolution Support Programme-Grant	39,175,578	41,307,447
<b>(4)Total conditional allocations -Development Partners</b>	<b>50,925,578</b>	<b>41,307,447</b>
<b>Total Revenue (1+2+3+4)</b>	<b>13,200,138,725</b>	<b>13,169,955,982</b>

**Table 8: Revised Medium term domestic revenue forecast**

<b>STREAM</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
MARKET FEES	31,881,938	41,446,519	45,591,171	50,150,288	55,165,317	60,681,849
REG OF SBP	1,188,292	1,544,780	1,699,258	1,869,183	2,056,102	2,261,712
SBP	57,816,659	75,161,657	82,677,822	90,945,605	100,040,165	110,044,182
RATES	16,438,497	21,370,046	23,507,051	25,857,756	28,443,531	31,287,884
CESS	41,996,730	54,595,749	60,055,324	66,060,856	72,666,942	79,933,636
TREES	10,000	13,000	14,300	15,730	17,303	19,033
SLAUGHTER	1,982,950	2,577,835	2,835,619	3,119,180	3,431,098	3,774,208
BUS PARK	50,541,615	65,704,100	72,274,509	79,501,960	87,452,156	96,197,372
STREET PARKING	8,808,500	11,451,050	12,596,155	13,855,771	15,241,348	16,765,482
MOTORBIKE	450,860	586,118	644,730	709,203	780,123	858,135
MODERN KIOSK	512,600	666,380	733,018	806,320	886,952	975,647
GROUNDRENT	459,550	597,415	657,157	722,872	795,159	874,675
KIOSKS	4,178,850	5,432,505	5,975,756	6,573,331	7,230,664	7,953,731
MEAT INSPECTION	1,363,580	1,772,654	1,949,919	2,144,911	2,359,402	2,595,343
TRANSFER/SUBDIV	26,750	34,775	38,253	42,078	46,286	50,914
BURIAL FEE	1,500	1,950	2,145	2,360	2,595	2,855
IMPOUNDING FEE	77,455	100,692	110,761	121,837	134,020	147,422
PLAN APPROVAL	6,229,260	8,098,038	8,907,842	9,798,626	10,778,489	11,856,337
TOILET	82,950	107,835	118,619	130,480	143,528	157,881
REG OF GROUPS	73,000	94,900	104,390	114,829	126,312	138,943
NURSERY FEE	225,500	293,150	322,465	354,712	390,183	429,201
FIRE COMPLIANCE	164,200	213,460	234,806	258,287	284,115	312,527
NOISE CONTROL	434,760	565,188	621,707	683,877	752,265	827,492
HORDING	96,800	125,840	138,424	152,266	167,493	184,242
STOCK SALES	10,106,905	13,138,977	14,452,874	15,898,162	17,487,978	19,236,775
HIRE	1,719,600	2,235,480	2,459,028	2,704,931	2,975,424	3,272,966
ADVERTISEMENT	6,195,558	8,054,225	8,859,648	9,745,613	10,720,174	11,792,191
RENTAL	7,562,670	9,831,471	10,814,618	11,896,080	13,085,688	14,394,257
WATER	21,940	28,522	31,374	34,512	37,963	41,759
PUBLIC HEALTH	5,167,050	6,717,165	7,388,882	8,127,770	8,940,547	9,834,601
BUKURA ATC	4,546,197	5,910,056	6,501,062	7,151,168	7,866,285	8,652,913
VETERINARY	203,085	264,011	290,412	319,453	351,398	386,538
HEALTH SERVICES	130,570,401	169,741,521	186,715,673	205,387,241	225,925,965	248,518,561
LIQUOR	13,972,281	18,163,965	19,980,362	21,978,398	24,176,238	26,593,862
MISC/OTHERS	38,067,537	49,487,798	54,436,578	59,880,236	65,868,259	72,455,085
<b>TOTAL</b>	<b>443,176,020</b>	<b>576,128,826</b>	<b>633,741,709</b>	<b>697,115,879</b>	<b>766,827,467</b>	<b>843,510,214</b>

## II. Expenditure Forecasts

58. In 2017/18, overall expenditures are projected to be 13.169 billion, up from the revised estimate of Ksh12.369 billion in the FY 2016/17 budget.

- Recurrent expenditures have increased due to increase in salaries and wages as a result of yearly increment, new hiring and promotions of personnel in the County government.
- Out of the total budget estimates of Kshs. 13.169 billion, development budget proportion is 48 percent.

**Table 9:2017/2018 Expenditure forecast**

<b>Expenditure Estimates</b>	<b>2016/17</b>	<b>2017/2018</b>
Employee Costs	4,328,775,049	4,588,908,872
Operation And Maintenance Costs	2,155,962,310	2,255,280,313
<b><i>Total recurrent expenditures</i></b>	<b><i>6,484,737,359</i></b>	<b><i>6,844,189,185</i></b>
<b>Development Expenditures</b>		
<b><i>Total development expenditures</i></b>	<b><i>6,715,401,366</i></b>	<b><i>6,325,766,797</i></b>
<b>Total Estimates</b>	<b>13,200,138,725</b>	<b>13,169,955,982</b>

## **V. CONCLUSION AND WAY FORWARD**

59. The fiscal outcome for 2016/17 does not affect the County objectives as laid out in the last County Fiscal Strategy Paper of February 2017 over the medium term but has implication on the current budget because of the pending bills carried forward from the FY 2016/17 budget. Going forward, the set of policies outlined in this Paper reflect the changed circumstances and are broadly in line with the fiscal responsibility principles outlined in the PFM law. They are also consistent with the national government strategic objectives and the County Government strategic objectives pursued by the County Government as a basis of allocation of public resources.
60. The policies and sector ceilings annexed herewith will guide the line ministries in preparation of the 2018/2019 budget.
61. The next County Fiscal Strategy Paper (CFSP) will be finalized by the February 2018 as provided in the PFM Act, 2012.

## ANNEXES

### Annex 1: Recurrent Expenditure Appropriation Accounts (Sub-Item) - for the Period from Jul-16 to Jun-17

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
<b>OFFICE OF THE GOVERNOR</b>				
2110202	Casual Labour - Others	1,620,000	1,766,000	1,424,000
2110405	Telephone Allowance	292,280	32,153	-
2210101	Electricity	703,040	853,408	593,161
2210102	Water and Sewerage Charges	262,426	221,963	63,150
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	3,981,499	3,997,191	3,563,908
2210202	Internet Connections	5,132,700	3,636,537	3,255,816
2210203	Courier & Postal Services	459,039	227,465	94,994
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	16,685,993	12,337,751	10,892,453
2210302	Accommodation - Domestic Travel	18,032,760	15,693,680	13,920,782
2210303	Daily Subsistence Allowance	7,895,327	5,578,812	4,774,340
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	873,000	188,599	166,500
2210401	Travel Costs (airlines, bus, railway, etc.)	900,000	1,736,427	1,030,151
2210402	Accommodation	2,880,000	1,714,882	1,694,158
2210403	Daily Subsistence Allowance	1,800,000	692,158	-
2210404	Sundry Items (e.g. airport tax, taxis, etc?)	360,000	66,390	-
2210502	Publishing & Printing Services	4,617,929	2,488,458	1,542,230
2210503	Subscriptions to Newspapers, Magazines and Periodicals	1,717,354	1,425,777	1,068,559
2210504	Advertising, Awareness and Publicity Campaigns	62,850,449	64,708,377	60,246,259
2210603	Rents and Rates - Non-Residential	3,600,000	3,611,000	3,609,804
2210604	Hire of Transport, Equipment	2,520,000	491,110	404,000
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	9,044,588	9,808,102	8,725,065
2210802	Boards, Committees, Conferences and Seminars	6,620,550	6,652,568	5,617,012
2210803	State Hospitality Costs	450,000	-	-
2210805	National Celebrations	90,000	-	-
2211004	Fungicides, Insecticides and Sprays	19,181	14,587	12,000
2211009	Education and Library Supplies	90,000	60,590	60,590
2211010	Supplies for Broadcasting and Information Services	31,500	-	-
2211016	Purchase of Uniforms and Clothing - Staff	180,000	136,886	62,150
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	3,899,839	4,593,422	3,738,319

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2211102	Supplies and Accessories for Computers and Printers	2,851,326	2,556,700	1,813,475
2211103	Sanitary and Cleaning Materials, Supplies and Services	1,134,655	748,173	518,791
2211201	Refined Fuels and Lubricants for Transport	7,794,884	8,260,334	8,118,945
2211204	Other Fuels (wood, charcoal, cooking gas etc?)	270,000	-	-
2211301	Bank Service Commission and Charges	66,139	100,645	36,090
2211306	Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	16,470,000	28,162,835	17,046,000
2211308	Legal Dues/fees, Arbitration and Compensation Payments	16,200,000	17,240,614	14,233,298
2211310	Contracted Professional Services	442,584	17,832	13,000
2220101	Maintenance Expenses - Motor Vehicles	8,063,898	5,617,061	4,747,048
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	464,012	1,041,198	277,236
2220202	Maintenance of Office Furniture and Equipment	204,300	350,232	105,771
2220205	Maintenance of Buildings and Stations -- Non-Residential	-	348,145	170,600
2220210	Maintenance of Computers, Software, and Networks	664,830	815,563	775,555
2220299	Routine Maintenance - Other As	201,150	152,970	114,500
2640402	Donations	4,500,000	1,550,600	1,550,066
3111001	Purchase of Office Furniture and Fittings	1,015,086	87,521	-
3111002	Purchase of Computers, Printers and other IT Equipment	829,389	1,144,298	1,105,000
3111009	Purchase of other Office Equipment	100,800	168,833	100,000
3111401	Pre-feasibility, Feasibility and Appraisal Studies	-	16,263,722	5,030,770
3111499	Research, Feasibility Studies	-	3,235,760	-
<b>Total</b>		<b>218,882,507</b>	<b>230,597,329</b>	<b>182,315,546</b>
<b>PUBLIC SERVICE AND ADMINISTRATION</b>				
2110117	Basic Salaries County Executive Service	2,766,895,178	2,766,895,178	2,879,321,734
2110202	Casual Labour - Others	1,036,800	764,811	-
2110399	Personal Allowances paid - Oth	1,004,228,847	718,629,227	718,626,596
2110403	Refund of Medical Expenses - Ex-Gratia	1,800,000	1,327,800	720,838
2210101	Electricity	2,521,924	2,260,336	1,662,001
2210102	Water and Sewerage Charges	3,537,607	2,609,570	2,201,611
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	7,040,738	4,943,710	3,333,653
2210202	Internet Connections	1,165,205	859,532	626,400
2210203	Courier & Postal Services	1,581,891	1,066,905	729,070
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	12,869,524	8,393,406	8,097,813
2210302	Accommodation - Domestic Travel	15,034,199	12,490,213	9,585,260
2210303	Daily Subsistence Allowance	15,127,025	11,158,687	11,431,099
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	405,945	299,452	269,200

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2210307	Passage & Transfer Expenses	2,259,450	-	-
2210401	Travel Costs (airlines, bus, railway, etc.)	990,000	730,289	715,748
2210402	Accommodation	1,980,000	1,460,578	1,299,539
2210502	Publishing & Printing Services	9,636,071	12,702,199	14,234,941
2210503	Subscriptions to Newspapers, Magazines and Periodicals	2,022,099	1,391,633	1,171,386
2210504	Advertising, Awareness and Publicity Campaigns	38,015,889	28,091,855	26,085,279
2210505	Trade Shows and Exhibitions	2,161,890	744,752	742,100
2210603	Rents and Rates - Non-Residential	51,930,000	48,565,344	44,317,559
2210701	Travel Allowance	2,700,000	1,991,697	1,719,775
2210702	Remuneration of Instructors and Contract Based Training Services	2,250,000	1,659,748	1,578,120
2210703	Production and Printing of Training Materials	2,700,000	1,991,697	1,853,900
2210710	Accommodation Allowance	28,800,000	21,244,769	18,296,335
2210711	Tuition Fees Allowance	6,300,000	10,157,703	9,991,174
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	10,477,463	8,728,865	6,444,727
2210802	Boards, Committees, Conferences and Seminars	6,671,835	6,271,584	5,107,531
2210805	National Celebrations	11,922,485	9,224,460	8,999,314
2210899	Hospitality Supplies - other (	-	4,000,000	3,342,909
2210901	Group Personal Insurance	18,000,000	16,597,476	16,551,809
2210910	Medical Insurance	90,000,000	54,035,330	47,792,282
2210999	Insurance Costs - Other (Budge	18,000,000	16,597,476	18,750,000
2211013	Military and Security Supplies and Equipment	4,500,000	4,381,801	4,342,000
2211016	Purchase of Uniforms and Clothing - Staff	26,100,000	28,410,744	24,981,238
2211021	Purchase of Bedding and Linen	450,000	331,950	168,000
2211031	Specialized Materials - Other	1,150,000	398,315	770,800
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	10,091,367	7,211,622	6,792,506
2211102	Supplies and Accessories for Computers and Printers	5,401,873	3,984,776	1,456,766
2211103	Sanitary and Cleaning Materials, Supplies and Services	5,389,862	3,825,916	3,636,875
2211201	Refined Fuels and Lubricants for Transport	10,747,512	8,278,070	7,661,600
2211204	Other Fuels (wood, charcoal, cooking gas etc?)	527,729	289,288	184,649
2211301	Bank Service Commission and Charges	202,973	149,726	2,000
2211305	Contracted Guards and Cleaning Services	94,817,835	78,179,281	64,993,254
2211306	Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	2,250,000	1,659,748	1,104,750
2211308	Legal Dues/fees, Arbitration and Compensation Payments	3,600,000	9,655,596	4,354,176
2211310	Contracted Professional Services	6,310,840	11,404,280	8,546,890
2211329	HIV AIDS Secretariat workplace Policy Development	-	1,027,287	192,000
2211399	Other Operating Expenses - Oth	1,350,000	1,081,697	1,945,000
2220101	Maintenance Expenses - Motor Vehicles	10,251,747	6,253,008	5,835,176
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	2,175,744	3,028,870	1,730,046
2220202	Maintenance of Office Furniture and Equipment	1,759,430	1,297,871	481,918
2220205	Maintenance of Buildings and Stations -- Non-Residential	4,369,685	2,006,355	1,596,512
2220206	Maintenance of Civil Works	901,890	265,293	-
2630101	Current Grants to Semi-Autonomous Government Agencies	-	2,488,328	2,038,200
2640402	Donations	600,000	363,899	346,000
2640403	Burial Grants for Destitute	426,243	314,424	300,000
2640499	Other Current Transfers - Othe	-	1,227,287	1,241,000

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
3110302	Refurbishment of Non-Residential Buildings	8,218,350	-	2,667,302
3110704	Purchase of Bicycles and Motorcycles	900,000	663,899	-
3111001	Purchase of Office Furniture and Fittings	6,504,300	4,797,997	1,757,500
3111002	Purchase of Computers, Printers and other IT Equipment	8,187,988	5,939,999	4,616,799
3111003	Purchase of Air conditioners, Fans and Heating Appliances	202,973	49,727	-
3111113	Purchase of Musical Instruments	3,150,000	3,323,647	3,323,000
3111401	Pre-feasibility, Feasibility and Appraisal Studies	-	2,078,328	392,500
<b>Total</b>		<b>4,360,600,406</b>	<b>3,972,255,311</b>	<b>4,023,058,160</b>
<b><i>THE COUNTY TREASURY</i></b>				
2210100	Utilities, Supplies and Services	638,720	869,503	460,747
2210200	Communication, Supplies and Services	2,281,360	2,363,587	1,556,969
2210300	Domestic Travel and Subsistence, and Other Transportation Costs	13,355,236	28,019,587	25,887,516
2210400	Foreign Travel and Subsistence, and other transportation costs	3,560,769	3,798,858	2,687,832
2210500	Printing , Advertising and Information Supplies and Services	7,174,036	15,514,425	8,060,235
2210700	Training Expenses	3,451,417	4,290,155	3,650,099
2210800	Hospitality Supplies and Services	12,731,131	31,071,474	29,070,636
2210900	Insurance Costs	2,070,000	637,618	475,079
2211000	Specialized Materials and Supp	-	1,209,772	-
2211100	Office and General Supplies and Services	6,587,807	6,292,324	4,915,906
2211200	Fuel Oil and Lubricants	1,598,351	3,061,000	1,951,400
2211300	Other Operating Expenses	9,008,921	6,100,894	5,693,643
2220100	Routine Maintenance - Vehicles	1,402,319	2,193,052	1,296,640
2220200	Routine Maintenance - Other Assets	276,329	627,997	377,500
2630100	Current Grants to Government Agencies and other Levels of Government	-	-	(183,577)
3110700	Purchase of Vehicles and Other Transport Equipment	67,500,000	38,104,100	21,939,941
3111000	Purchase of Office Furniture and General Equipment	2,138,378	4,223,685	2,672,527
3111400	Research, Feasibility Studies, Project Preparation and Design, Project Supervision	-	4,922,979	2,234,950
<b>Total</b>		<b>133,774,774</b>	<b>153,301,010</b>	<b>112,748,043</b>
<b><i>WATER, ENVIRONMENT AND NATURAL RESOURCES</i></b>				
2210101	Electricity	978,148	720,748	601,254
2210102	Water and Sewerage Charges	180,447	133,108	41,778
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	659,695	629,742	174,760
2210202	Internet Connections	179,021	132,057	(78,579)

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2210203	Courier & Postal Services	225,148	166,082	(3,590)
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	1,439,722	1,062,033	734,480
2210302	Accommodation - Domestic Travel	1,493,237	1,101,509	641,495
2210303	Daily Subsistence Allowance	1,879,405	1,729,386	794,850
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	170,498	125,770	62,800
2210401	Travel Costs (airlines, bus, railway, etc.)	828,727	611,324	496,540
2210402	Accommodation	1,231,212	908,223	561,465
2210502	Publishing & Printing Services	1,577,098	1,063,369	378,276
2210503	Subscriptions to Newspapers, Magazines and Periodicals	321,814	237,391	116,910
2210504	Advertising, Awareness and Publicity Campaigns	2,286,790	2,286,886	1,973,379
2210701	Travel Allowance	540,000	398,339	397,400
2210703	Production and Printing of Training Materials	511,491	377,310	10,000
2210710	Accommodation Allowance	180,000	132,780	-
2210711	Tuition Fees Allowance	270,185	-	-
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	1,131,849	834,925	330,096
2210802	Boards, Committees, Conferences and Seminars	3,055,657	2,844,986	1,392,218
2211004	Fungicides, Insecticides and Sprays	273,746	88,655	-
2211005	Chemicals and Industrial Gases	890,218	66,550	-
2211006	Purchase of Workshop Tools, Spares and Small Equipment	378,727	279,374	164,605
2211016	Purchase of Uniforms and Clothing - Staff	304,764	224,815	100,785
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	1,534,475	1,131,931	503,076
2211102	Supplies and Accessories for Computers and Printers	832,612	614,189	166,815
2211103	Sanitary and Cleaning Materials, Supplies and Services	196,070	144,632	115,196
2211201	Refined Fuels and Lubricants for Transport	2,076,709	1,645,424	1,467,480
2211301	Bank Service Commission and Charges	85,249	16,781	-
2211305	Contracted Guards and Cleaning Services	426,243	314,424	232,222
2220101	Maintenance Expenses - Motor Vehicles	1,394,790	1,080,525	844,517
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	313,072	461,463	205,828
3110302	Refurbishment of Non-Residential Buildings	450,000	-	-
3110801	Overhaul of Vehicles	540,000	-	-
3111001	Purchase of Office Furniture and Fittings	774,364	663,433	174,500
3111002	Purchase of Computers, Printers and other IT Equipment	812,740	399,530	(35,400)
3111504	Other Infrastructure and Civil Works	-	-	(55,700)

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
<b>Total</b>		<b>30,423,923</b>	<b>22,627,694</b>	<b>12,509,456</b>
<b>LABOUR, SOCIAL SERVICES, CULTURE, YOUTH AND SPORTS</b>				
2210101	Electricity	370,310	273,163	167,377
2210102	Water and Sewerage Charges	271,683	200,410	18,114
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	418,431	308,663	30,400
2210202	Internet Connections	148,036	109,200	98,000
2210203	Courier & Postal Services	43,315	31,952	790
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	1,818,603	1,341,521	806,585
2210302	Accommodation - Domestic Travel	3,521,246	2,167,501	1,687,450
2210303	Daily Subsistence Allowance	5,770,335	2,788,611	1,921,110
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	36,152	26,668	-
2210401	Travel Costs (airlines, bus, railway, etc.)	406,890	230,149	-
2210402	Accommodation	998,393	552,063	550,000
2210502	Publishing & Printing Services	721,890	482,510	111,720
2210503	Subscriptions to Newspapers, Magazines and Periodicals	311,255	229,604	20,040
2210504	Advertising, Awareness and Publicity Campaigns	541,627	399,539	258,000
2210505	Trade Shows and Exhibitions	123,395	91,024	-
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	3,002,831	2,215,088	534,684
2210802	Boards, Committees, Conferences and Seminars	5,443,466	3,187,358	2,306,580
2210805	National Celebrations	463,597	341,980	-
2210899	Hospitality Supplies - other (	12,000,000	4,475,331	3,408,900
2211004	Fungicides, Insecticides and Sprays	16,238	11,978	-
2211009	Education and Library Supplies	16,238	11,978	-
2211016	Purchase of Uniforms and Clothing - Staff	466,238	343,927	-
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	1,249,220	896,785	683,844
2211102	Supplies and Accessories for Computers and Printers	805,473	581,003	128,000
2211103	Sanitary and Cleaning Materials, Supplies and Services	366,041	261,703	-
2211201	Refined Fuels and Lubricants for Transport	1,079,517	838,035	468,000
2211301	Bank Service Commission and Charges	12,695	8,009	-
2211305	Contracted Guards and Cleaning Services	90,416	6,807	-
2220101	Maintenance Expenses - Motor Vehicles	999,947	736,470	517,828
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	366,044	270,019	-
2220202	Maintenance of Office Furniture and Equipment			

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
		135,285	99,976	-
2220205	Maintenance of Buildings and Stations -- Non-Residential	445,595	328,700	117,250
2220210	Maintenance of Computers, Software, and Networks	164,488	121,337	17,300
2220299	Routine Maintenance - Other As	22,621	18,860	-
3111001	Purchase of Office Furniture and Fittings	669,602	493,945	-
3111002	Purchase of Computers, Printers and other IT Equipment	365,351	269,507	-
3111009	Purchase of other Office Equipment	267,924	197,639	-
<b>Total</b>		<b>43,950,388</b>	<b>24,949,013</b>	<b>13,851,972</b>
<b><i>TRANSPORT, INFRASTRUCTURE, AND PUBLIC WORKS</i></b>				
2210101	Electricity	463,999	293,124	184,551
2210102	Water and Sewerage Charges	353,520	260,778	97,798
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	943,840	620,259	573,000
2210202	Internet Connections	452,000	318,672	131,050
2210203	Courier & Postal Services	63,936	24,942	-
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	815,389	539,778	352,320
2210302	Accommodation - Domestic Travel	937,733	691,733	562,075
2210303	Daily Subsistence Allowance	556,491	410,503	347,225
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	85,248	62,884	50,000
2210401	Travel Costs (airlines, bus, railway, etc.)	255,745	188,654	155,500
2210402	Accommodation	367,983	271,448	228,550
2210502	Publishing & Printing Services	332,824	245,511	129,730
2210503	Subscriptions to Newspapers, Magazines and Periodicals	217,383	160,355	60,560
2210504	Advertising, Awareness and Publicity Campaigns	1,022,981	754,618	484,325
2210701	Travel Allowance	232,261	132,419	52,750
2210703	Production and Printing of Training Materials	156,482	94,686	32,920
2210707	Project Allowance	17,049	12,576	-
2210710	Accommodation Allowance	68,199	50,308	-
2210711	Tuition Fees Allowance	85,248	62,884	56,900
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	552,455	377,307	286,445
2210802	Boards, Committees, Conferences and Seminars	308,069	220,095	106,700
2210904	Motor Vehicle Insurance	170,496	125,768	30,000
2211004	Fungicides, Insecticides and Sprays	21,312	15,722	-
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	1,218,980	828,007	387,045

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2211102	Supplies and Accessories for Computers and Printers	797,690	516,726	377,062
2211103	Sanitary and Cleaning Materials, Supplies and Services	365,252	236,703	81,738
2211201	Refined Fuels and Lubricants for Transport	1,566,495	1,155,549	391,000
2211301	Bank Service Commission and Charges	22,378	16,507	-
2211305	Contracted Guards and Cleaning Services	1,162,174	725,238	524,920
2211307	Transport Costs and Charges ( freight, loading/unloading, clearing and shipping charges)	42,624	-	-
2211310	Contracted Professional Services	439,030	125,770	80,000
2220101	Maintenance Expenses - Motor Vehicles	1,699,939	1,253,986	1,104,826
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	1,991,425	1,331,800	836,127
2220202	Maintenance of Office Furniture and Equipment	230,834	138,596	85,950
2220205	Maintenance of Buildings and Stations -- Non-Residential	178,693	78,606	15,300
2220209	Minor Alterations to Buildings and Civil Works	-	-	(9,000)
2220210	Maintenance of Computers, Software, and Networks	127,873	94,327	23,200
2220299	Routine Maintenance - Other As	230,388	169,949	122,000
3111001	Purchase of Office Furniture and Fittings	127,877	94,332	50,000
3111002	Purchase of Computers, Printers and other IT Equipment	318,370	220,096	80,000
<b>Total</b>		<b>19,000,665</b>	<b>12,921,216</b>	<b>8,072,567</b>
<b><i>LANDS, PHYSICAL PLANNING AND URBAN DEVELOPMENT</i></b>				
2110202	Casual Labour - Others	700,000	516,366	5,000
2210101	Electricity	9,859,303	5,020,570	4,636,123
2210102	Water and Sewerage Charges	1,757,860	1,923,727	1,837,430
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	1,416,139	875,696	715,512
2210202	Internet Connections	491,808	414,427	91,500
2210203	Courier & Postal Services	454,296	312,988	6,640
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	854,239	703,910	305,379
2210302	Accommodation - Domestic Travel	3,310,709	2,958,562	1,229,400
2210303	Daily Subsistence Allowance	1,672,611	1,676,426	381,452
2210401	Travel Costs (airlines, bus, railway, etc.)	1,047,135	772,436	653,940
2210402	Accommodation	1,986,289	1,538,984	921,937
2210502	Publishing & Printing Services	925,615	704,914	161,370
2210503	Subscriptions to Newspapers, Magazines and Periodicals	332,170	274,536	41,120
2210504	Advertising, Awareness and Publicity Campaigns	1,928,143	1,123,961	1,500,726
2210801	Catering Services (receptions), Accommodation,			

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
	Gifts, Food and Drinks	1,873,407	1,973,584	1,149,198
2210802	Boards, Committees, Conferences and Seminars	3,182,832	5,823,197	2,911,060
2211004	Fungicides, Insecticides and Sprays	369,764	294,893	88,160
2211006	Purchase of Workshop Tools, Spares and Small Equipment	720,807	531,714	24,200
2211009	Education and Library Supplies	139,737	-	-
2211016	Purchase of Uniforms and Clothing - Staff	895,110	696,173	1,086,093
2211023	Supplies for Production	1,143,750	184,416	118,920
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	3,053,896	2,326,521	1,460,500
2211102	Supplies and Accessories for Computers and Printers	1,925,903	1,420,674	645,625
2211103	Sanitary and Cleaning Materials, Supplies and Services	1,226,299	611,217	255,647
2211201	Refined Fuels and Lubricants for Transport	3,827,818	1,977,801	1,888,150
2211301	Bank Service Commission and Charges	346,819	185,963	-
2211305	Contracted Guards and Cleaning Services	1,278,726	702,614	325,445
2220101	Maintenance Expenses - Motor Vehicles	3,113,721	1,685,454	1,006,586
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	1,129,709	597,296	6,000
2220202	Maintenance of Office Furniture and Equipment	758,041	559,193	9,500
2220205	Maintenance of Buildings and Stations -- Non-Residential	747,345	551,292	248,219
2220210	Maintenance of Computers, Software, and Networks	392,142	310,662	101,910
3111001	Purchase of Office Furniture and Fittings	2,122,688	1,419,502	55,375
3111002	Purchase of Computers, Printers and other IT Equipment	1,275,799	1,087,445	707,054
3111009	Purchase of other Office Equipment	766,697	528,683	349,200
3111114	Purchase of Survey Equipment	400,000	295,066	-
3111401	Pre-feasibility, Feasibility and Appraisal Studies	1,591,305	1,173,851	159,620
<b>Total</b>		<b>59,018,632</b>	<b>43,754,714</b>	<b>25,083,991</b>
<b>HEALTH SERVICES</b>				
2110101	Basic salaries - permanent Employees		-	-
2110202	Casual labour - others	-	4,029,499	4,029,490
2110399	Other allowances		-	-
2210101	Electricity	12,040,450	11,655,531	11,651,690
2210102	Water and sewerage charges	5,914,224	5,453,400	5,267,100
2210201	Telephone, telex and mobile services	1,471,688	1,459,367	1,250,393
2210202	Internet connections	520,504	479,947	468,895
2210203	Courier and postal services	165,519	152,622	101,910

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2210301	Travel costs(airline,bus & mileage allowances	733,761	676,588	675,545
2210302	Accommodation(domestic travel)	2,847,485	3,614,197	3,168,170
2210303	Daily subsistence allowance	3,178,874	3,300,015	3,061,780
2210304	Sundry items	238,608	220,016	-
2210401	Travel costs(airline,bus & mileage allowances)	402,525	371,161	-
2210402	Accommodation(Foreign travel)	1,408,032	1,298,321	-
2210502	Publishing and printing services	2,134,534	2,429,256	1,860,540
2210503	Subscriptions- newspapers, periodicals	262,701	242,232	236,900
2210504	Advert, awareness & publicity campaigns	1,060,626	977,984	977,000
2210601	Hire of Equipment, plant and Machinery	68,598,486	76,259,486	76,220,727
2210701	Travel allowance	138,870	128,050	128,000
2210703	Production and printing- training materials	572,981	528,335	527,500
2210710	Accommodation allowance	577,454	532,460	532,000
2210711	Tuition fees	3,409,938	3,144,242	3,140,500
2210801	Catering services-accomm,gifts,food	3,775,296	3,750,270	3,214,567
2210802	Boards, committees, seminars, conferences	4,526,404	4,358,133	3,759,700
	Motor vehicle insurance	193,716	178,622	155,000
2211001	Medical drugs	166,248,596	149,965,661	149,849,327
2211002	Dressing & non - pharm. Medical items	164,285,456	139,132,084	138,268,042
2211004	Fungicides, insecticides and sprays	1,287,621	1,187,293	1,110,000
2211005	Chemicals and industrial gases	2,806,377	2,587,710	767,865
2211008	Laboratory materials, and supplies	25,299,510	23,789,263	22,904,964
2211009	Education and library supplies	-	-	-
2211015	Food and rations	15,361,745	14,164,789	13,479,717
2211016	Purchase of uniforms & clothing-staff	1,361,205	1,255,143	1,155,400
2211019	Purchase of uniforms & clothing-patients	1,396,908	1,288,064	1,285,000
2211021	Purchase of beddings and linen	4,070,858	3,753,665	3,750,000
2211026	Purchase of consumable stores	506,605	467,131	460,000
2211027	Purchase of medical records	2,657,148	2,450,108	2,448,000
2211028	Purchase of X. Ray supplies	3,286,899	3,030,790	3,000,800
2211101	General office supplies(papers, pencils)	3,017,539	3,059,042	2,801,600
2211102	Supplies & accessories -computers, printers	1,932,387	1,781,818	1,551,400
2211103	Sanitary & cleaning materials	2,816,946	2,597,456	2,595,800

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2211201	Refined fuels, lubricants for transport	4,125,158	3,988,150	3,981,600
2211204	Other fuels (wood, charcoal, cooking gas	1,643,837	1,515,753	1,494,500
2211301	Bank service commissions	851,961	785,578	262,691
2211305	Contracted guards and cleaning services	1,763,906	1,626,466	1,626,400
2211308	Legal services	-	1,621,942	-
2211310	Contracted professional services- consultancy	1,123,775	1,036,213	1,030,000
2220101	Maintenance - motor vehicles & cycles	5,819,373	5,642,563	5,471,000
2220201	Maintenance of plant, machinery and Equipments - including lifts	1,790,201	1,650,712	1,634,800
2220202	Maintenance- office furniture, equip.	389,309	358,975	352,502
2220203	Maintenance-medical & dental equip.	573,192	528,530	528,000
2220204	Maintenance- buildings (residential)	179,949	165,928	165,900
2220205	Maintenance- buildings (non- residential)	1,294,272	1,654,466	1,654,000
2640400	Other Current Transfers, Grants and Subsidies- DANIDA FUNDS	-	14,145,971	11,750,000
3110701	Purchase of motor vehicles	-	-	-
3110707	Purchase of ambulances	17,100,000	18,400,000	18,400,000
3110902	Purchase of households and Institutional appliances	331,491	305,662	300,600
3111001	Purchase of office furniture and Equipment	163,788	1,510,266	1,509,200
3111002	Purchase of computers, printers and IT equipments	527,831	486,703	485,500
3111005	Purchase of photocopiers	268,532	247,609	247,000
3111009	Purchase of other office Equip.	402,330	370,982	370,000
<b>Total</b>		<b>548,857,381</b>	<b>531,792,220</b>	<b>517,119,015</b>
<b><i>AGRICULTURE &amp; CO-OPERATIVES, LIVESTOCK, FISHERIES AND VETERINARY SERVICES</i></b>				
2110202	Casual Labour - Others	2,128,178	1,569,883	548,965
2210101	Electricity	1,765,702	1,558,057	406,818
2210102	Water and Sewerage Charges	1,465,041	1,080,709	325,464
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	3,096,988	2,084,543	1,376,742
2210202	Internet Connections	697,593	514,589	33,000
2210203	Courier & Postal Services	353,460	260,735	95,720
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	3,655,301	3,286,523	1,771,589
2210302	Accommodation - Domestic Travel	5,085,000	5,152,596	4,129,070
2210303	Daily Subsistence Allowance	5,337,797	5,424,067	3,852,761
2210502	Publishing & Printing Services	1,341,288	989,421	354,600
2210503	Subscriptions to Newspapers, Magazines and Periodicals	937,461	691,533	39,400

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
2210504	Advertising, Awareness and Publicity Campaigns	426,713	314,777	5,000
2210505	Trade Shows and Exhibitions	2,430,000	1,536,969	588,700
2210603	Rents and Rates - Non-Residential	149,388	-	-
2210701	Travel Allowance	1,723,500	1,271,366	523,470
2210703	Production and Printing of Training Materials	457,251	337,298	145,320
2210707	Project Allowance	90,000	66,390	-
2210710	Accommodation Allowance	2,601,585	1,834,103	1,087,639
2210711	Tuition Fees Allowance	2,106,339	903,773	176,200
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	2,519,120	1,858,269	445,895
2210802	Boards, Committees, Conferences and Seminars	2,189,268	2,795,213	1,240,581
2211007	Agricultural Materials, Supplies and Small Equipment	2,293,869	1,192,108	-
2211004	Fungicides, Insecticides and Sprays	466,823	344,360	16,100
2211009	Education and Library Supplies	270,000	199,170	-
2211016	Purchase of Uniforms and Clothing - Staff	855,000	483,171	262,800
2211023	Supplies for Production	1,253,864	924,932	57,705
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	3,540,212	3,127,861	1,365,080
2211102	Supplies and Accessories for Computers and Printers	1,997,741	1,473,664	802,825
2211103	Sanitary and Cleaning Materials, Supplies and Services	684,189	504,703	50,432
2211201	Refined Fuels and Lubricants for Transport	7,606,588	5,753,718	2,680,863
2211202	Refined Fuels and Lubricants for Production	180,000	354,079	-
2211301	Bank Service Commission and Charges	320,146	236,160	-
2211305	Contracted Guards and Cleaning Services	2,251,737	1,661,029	535,119
2211306	Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	90,000	66,390	-
2220101	Maintenance Expenses - Motor Vehicles	4,138,619	4,523,313	2,719,233
2220201	Refined Fuels and Lubricants for Transport	1,456,875	674,687	176,530
2220202	Maintenance of Office Furniture and Equipment	969,624	715,258	44,058
2220205	Maintenance of Buildings and Stations -- Non-Residential	637,427	2,820,208	224,510
2220210	Maintenance of Computers, Software, and Networks	593,843	438,058	66,100
3110302	Refurbishment of Non-Residential Buildings	90,000	66,390	-
3110704	Purchase of Bicycles and Motorcycles	4,914,000	3,624,890	2,367,400
3110901	Purchase of Household and Institutional Furniture and Fittings	81,839	60,370	-
3111001	Purchase of Office Furniture and Fittings	1,449,000	1,068,879	32,560
3111002	Purchase of Computers, Printers and other IT Equipment	1,736,497	1,280,956	241,918

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
3111003	Purchase of Air conditioners, Fans and Heating Appliances	42,623	31,441	-
3111103	Purchase of Agricultural Machinery and Equipment	501,149	369,681	-
3111112	Purchase of Software	82,488	60,848	19,650
3111301	Purchase of Certified Crop Seed	-	-	-
3111302	Purchase of Animals and Breeding Stock	894,334	659,719	-
<b>Total</b>		<b>79,955,460</b>	<b>66,246,857</b>	<b>28,809,817</b>
<b><i>TRADE, TOURISM, AND INDUSTRIALIZATION</i></b>				
2210101	Electricity	32,562	177,552	116,050
2210102	Water and Sewerage Charges	93,463	89,144	34,922
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	662,576	753,158	640,000
2210202	Internet Connections	124,970	124,454	92,890
2210203	Courier & Postal Services	60,134	29,909	500
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	1,108,331	828,726	643,848
2210302	Accommodation - Domestic Travel	1,416,376	1,424,586	1,275,866
2210303	Daily Subsistence Allowance	1,011,962	1,043,762	785,417
2210304	Sundry Items (e.g. airport tax, taxis, etc?)	464,478	317,636	221,129
2210401	Travel Costs (airlines, bus, railway, etc.)	961,787	404,907	288,681
2210402	Accommodation	555,799	472,796	368,250
2210502	Publishing & Printing Services	895,106	825,359	361,165
2210503	Subscriptions to Newspapers, Magazines and Periodicals	250,111	209,065	153,650
2210504	Advertising, Awareness and Publicity Campaigns	2,194,851	2,623,832	2,003,978
2210505	Trade Shows and Exhibitions	662,821	611,175	597,843
2210701	Travel Allowance	452,421	417,169	289,908
2210702	Remuneration of Instructors and Contract Based Training Services	858,864	549,436	445,450
2210703	Production and Printing of Training Materials	268,532	247,609	200,000
2210704	Hire of Training Facilities and Equipment	268,534	339,819	232,000
2210710	Accommodation Allowance	514,883	474,764	369,800
2210711	Tuition Fees Allowance	301,556	139,747	13,600
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	3,081,620	1,891,145	1,642,286
2210802	Boards, Committees, Conferences and Seminars	1,641,215	1,879,655	1,102,727
2211004	Fungicides, Insecticides and Sprays	12,715	7,913	-
2211005	Chemicals and Industrial Gases	4,133	-	-
2211009	Education and Library Supplies	313,288	212,773	85,324

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
2211016	Purchase of Uniforms and Clothing - Staff	138,742	312,348	150,000
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	1,217,837	1,457,361	1,090,904
2211102	Supplies and Accessories for Computers and Printers	426,396	820,280	609,243
2211103	Sanitary and Cleaning Materials, Supplies and Services	429,652	403,796	282,867
2211201	Refined Fuels and Lubricants for Transport	1,730,573	1,091,390	875,000
2211301	Bank Service Commission and Charges	35,804	33,014	-
2211305	Contracted Guards and Cleaning Services	1,071,460	24,341	28,430
2211306	Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	71,608	44,470	18,000
2211308	Legal Dues/fees, Arbitration and Compensation Payments	92,795	503,882	-
2211310	Contracted Professional Services	894,131	465,170	280,000
2220101	Maintenance Expenses - Motor Vehicles	639,018	1,431,760	378,962
2220201	Maintenance of Plant, Machinery and Equipment (including lifts)	161,120	442,773	176,538
2220202	Maintenance of Office Furniture and Equipment	111,889	103,170	23,632
2220205	Maintenance of Buildings and Stations -- Non-Residential	225,270	381,865	23,666
2220210	Maintenance of Computers, Software, and Networks	187,973	56,118	50,118
3111001	Purchase of Office Furniture and Fittings	537,066	910,155	655,000
3111002	Purchase of Computers, Printers and other IT Equipment	915,310	1,004,396	722,395
3111401	Pre-feasibility, Feasibility and Appraisal Studies	358,043	330,145	274,300
<b>Total</b>		<b>27,457,775</b>	<b>25,912,525</b>	<b>17,604,339</b>
<b><i>EDUCATION, SCIENCE AND TECHNOLOGY</i></b>				
2210101	Electricity	543,966	401,266	50,800
2210102	Water and Sewerage Charges	350,412	258,488	35,100
2210201	Telephone, Telex, Facsimile and Mobile Phone Services	1,087,121	1,001,932	546,115
2210202	Internet Connections	181,538	183,914	71,000
2210203	Courier & Postal Services	70,926	52,318	-
2210301	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	1,193,478	980,389	474,235
2210302	Accommodation - Domestic Travel	1,902,005	1,523,043	1,206,950
2210303	Daily Subsistence Allowance	2,553,680	1,883,762	1,050,000
2210401	Travel Costs (airlines, bus, railway, etc.)	1,596,253	777,501	521,520
2210402	Accommodation	1,621,554	196,164	87,200
2210404	Sundry Items (e.g. airport tax, taxis, etc?)	245,272	929	-
2210502	Publishing & Printing Services	1,366,410	1,007,954	236,525
2210503	Subscriptions to Newspapers, Magazines and Periodicals	373,388	275,436	46,260

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
2210504	Advertising, Awareness and Publicity Campaigns	1,460,144	1,077,098	300,000
2210603	Rents and Rates - Non-Residential	11,237	8,290	-
2210604	Hire of Transport, Equipment	70,927	52,321	14,000
2210701	Travel Allowance	1,526,221	1,125,841	51,600
2210703	Production and Printing of Training Materials	900,224	664,064	16,310
2210710	Accommodation Allowance	1,200,969	1,185,913	-
2210801	Catering Services (receptions), Accommodation, Gifts, Food and Drinks	1,418,535	1,726,405	522,043
2210802	Boards, Committees, Conferences and Seminars	842,255	1,094,879	166,400
2210904	Motor Vehicle Insurance	177,317	10,801	-
2211004	Fungicides, Insecticides and Sprays	301,861	122,671	49,220
2211009	Education and Library Supplies	267,664	197,446	-
2211016	Purchase of Uniforms and Clothing - Staff	177,316	330,800	20,000
2211023	Supplies for Production	132,988	98,100	-
2211031	Specialized Materials - Other	227,979	168,172	22,865
2211101	General Office Supplies (papers, pencils, forms, small office equipment etc)	591,056	936,002	224,773
2211102	Supplies and Accessories for Computers and Printers	276,614	384,787	70,748
2211103	Sanitary and Cleaning Materials, Supplies and Services	441,176	325,440	2,000
2211201	Refined Fuels and Lubricants for Transport	2,174,242	1,729,115	1,321,500
2211301	Bank Service Commission and Charges	257,531	189,971	-
2211305	Contracted Guards and Cleaning Services	300,886	221,954	-
2211308	Legal Dues/fees, Arbitration and Compensation Payments	-	944,164	380,000
2220101	Maintenance Expenses - Motor Vehicles	692,380	1,441,232	754,193
2220202	Maintenance of Office Furniture and Equipment	253,310	186,858	7,080
2220205	Maintenance of Buildings and Stations -- Non-Residential	139,320	2,772	-
3110801	Overhaul of Vehicles	84,437	62,287	-
3111001	Purchase of Office Furniture and Fittings	221,644	263,499	-
3111002	Purchase of Computers, Printers and other IT Equipment	221,646	1,204,376	196,000
3111401	Pre-feasibility, Feasibility and Appraisal Studies	1,440,000	2,182,238	1,157,000
<b>Total</b>		<b>28,895,882</b>	<b>26,480,592</b>	<b>9,601,437</b>
<b><i>COUNTY PUBLIC SERVICE BOARD</i></b>				
2110202	Casual labour - others	225,000	289,520	264,540
2210101	Electricity	216,000	209,520	210,574
2210102	Water and sewerage charges			

Item	Title and Details	Approved Budget	Revised Budget	Actual expenditure
		54,000	52,380	51,655
2210201	Telephone, telex and mobile services	1,087,200	1,054,584	1,223,170
2210202	Internet connections	432,000	419,040	279,435
2210203	Courier Services	49,050	47,579	18,670
2210301	Travel costs(Airline,bus & mileage allowances)	1,170,000	1,334,900	1,658,045
2210302	Accommodation(domestic travel)	3,685,253	8,874,315	8,722,750
2210303	Daily subsistence allowance	369,000	657,930	449,380
2210304	Sundry items - Taxis, airport tax	648,000	728,560	772,990
2210401	Travel costs(airline,bus & Mileage allowances)	540,000	523,800	444,500
2210402	Accommodation(Foreign travel)	1,260,000	1,222,200	1,476,088
2210404	Sundry items - taxis, airport tax	180,000	174,600	-
2210502	Publishing and printing services	225,000	272,246	85,135
2210503	Subscriptions- newspapers, periodicals	247,500	240,075	331,680
2210504	Advert, awareness & publicity campaigns	1,350,000	909,500	1,112,464
2210505	Trade shows and Exhibitions	270,000	131,900	-
2210701	Travel allowance	450,000	436,500	183,800
2210703	Production and printing- training materials	450,000	436,500	213,640
2210707	Project Allowance	405,000	392,850	326,780
2210710	Accommodation allowance	450,000	1,164,000	1,755,520
2210711	Tuition fees	495,000	480,150	428,122
2210801	Catering services-accomm,gifts,food	900,000	1,073,000	991,128
2210802	Boards, committees, seminars, conferences	450,000	2,037,000	2,118,801
2211101	General office supplies (papers, pencils)	810,000	935,700	960,541
2211102	Supplies & accessories for Computers and printers	720,000	798,400	800,143
2211103	Sanitary & cleaning materials	135,000	130,950	104,347
2211201	Refined fuels, lubricants for transport	900,000	1,073,000	1,103,284
2211204	Other fuels (wood, charcoal, cooking gas	36,000	34,920	4,595
2211301	Bank service commissions	90,000	87,300	20,301
2211306	Membership fees, subscriptions	685,530	664,964	628,984
2211308	Legal fees, arbitration	-	-	-
2211310	Contracted professional services	2,250,000	2,082,500	2,184,681
2220101	Maintenance - motor vehicles.	630,000	1,011,100	1,010,974
2220202	Maintenance- office furniture,equip.	90,000	87,300	86,979

<b>Item</b>	<b>Title and Details</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Actual expenditure</b>
2220205	Maintenance - buildings (non- residential)	270,000	261,900	261,575
3110302	Refurbishment of non residential buildings	900,000	923,000	882,300
3111001	Purchase of office furniture and fittings	900,000	873,000	872,200
3111002	Purchase of computers, printers and IT equipments	900,000	1,552,000	1,552,000
3111003	Purchase of air conditioners, fans & heating appliances	183,032	177,541	175,700
3111112	Purchase of software	2,700,000	-	-
<b>Total</b>		<b>27,582,565</b>	<b>33,566,704</b>	<b>33,502,931</b>
<b>TOTAL FOR THE COUNTY-EXECUTIVE ARM</b>		<b>5,578,400,358</b>	<b>5,144,405,185</b>	<b>4,984,277,274</b>

**Annex 2: Development Expenditure Appropriation Accounts (Sub-Item) - for the Period from Jul-16 to Jun-17**

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
<b>OFFICE OF THE GOVERNOR</b>				
<i>Governors Office</i>				
Residential Buildings -governors residence	70,000,000	70,000,000	13,333,341.00	56,666,659
Youth and Women Development programme	5,000,000	5,000,000	-	5,000,000
<i>Communication</i>				
Construction of Buildings - Ot-Establishment of radio station(Production studio) media conference center	4,000,000	4,000,000	-	4,000,000
<i>ICT</i>				
Infrastructure- County connectivity	70,000,000	50,000,000	142,506.00	49,857,494
<i>Economic Planning</i>				
Economic regional Bank investment programme	200,000,000	-	-	-
Macro Economic modelling	9,597,742	-	-	-
<b>NET EXPENDITURE KShs.</b>	<b>358,597,742</b>	<b>129,000,000</b>	<b>13,475,847.00</b>	<b>115,524,153</b>
<b>PUBLIC SERVICE AND ADMINISTRATION</b>				
<i>County Administration</i>				
Non-Residential Buildings (offices)	60,000,000	60,000,000	49,844,607.00	10,155,393
Construction of disaster Operation/management Centres-regional	10,000,000	5,000,000		5,000,000
HIV/AIDS awareness programme	3,500,000	-	450,000.00	-450,000
Anti-corruption awareness programme	3,500,000	-	-	-
Purchase of Fire fighting Vehicles and Equipment	55,000,000	-	-	-
Motor Vehicle Fleet Management-soft ware	5,000,000	100,000	-	100,000
Kazi Mashinani Secretariat Programme	5,000,000	-	-	-
County Citizen Service Centre	5,000,000	-	-	-
Performance management	9,000,000	-	-	-
<i>Enforcement</i>				
Construction of Buildings - Others( police Houses)	10,000,000	10,000,000	-	10,000,000
<i>Sub county</i>				
Non-Residential Buildings (sub county offices)	42,000,000	35,000,000	9,734,784.00	25,265,216
Purchase of land		3,000,000		3,000,000
Refurbishment of Non-Residential Buildings-Sub county Offices	4,000,000	4,000,000	1,955,324.00	2,044,676
<i>Ward</i>				
Non-Residential Buildings (ward offices)	25,352,260	25,352,260	15,567,225.00	9,785,035

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
<b><i>Village Units</i></b>				
Establishment of village units	15,000,000	23,000,000	7,307,500.00	15,692,500
<b>Directorate of Alcoholic Drinks</b>				
Construction of Buildings - Ot- rehabilitation centre	5,000,000	10,900,000	7,374,230.00	3,525,770
<b>NET EXPENDITURE KShs.</b>	<b>257,352,260</b>	<b>176,352,260</b>	<b>92,233,670</b>	<b>84,118,590</b>
<b>COUNTY TREASURY</b>				
<b><i>Revenue Department</i></b>				
Capital Grants to Semi-Autonomous Government Agencies	4,147,597	11,907,597	-	11,907,597
ICT-ERP	28,224,031	75,070,000	51,658,199.00	23,411,801
<b><i>Accounting</i></b>				
Asset Tagging, Branding & Database	14,015,000	-	-	-
Emergency Fund	50,000,000	50,000,000	25,830,000.00	24,170,000
<b><i>Budget</i></b>				
Kenya Devolution Support Programme	39,175,578	39,175,578	-	39,175,578
<b><i>Procurement</i></b>				
Non-Residential Buildings (offices, schools, hospitals, etc-procurement store and equipping	1,000,000	1,000,000	-	1,000,000
<b>NET EXPENDITURE KShs.</b>	<b>136,562,206</b>	<b>177,153,175</b>	<b>77,488,199.00</b>	<b>99,664,976</b>
<b>WATER, ENVIRONMENT AND NATURAL RESOURCES</b>				
<b><i>Environment Conservation</i></b>				
Pollution Control programme	5,335,000	5,335,000	-	5,335,000
Advertising, Awareness and Publicity Campaigns-Environmental Education Public Participation and Enforcement	5,000,000	5,000,000	3,776,851.00	1,223,149
Environmental conservation- Solid waste management infrastructure Development	5,300,000	5,300,000		5,300,000
Youth Environment Conservation Program (Kazi Mashinani)	20,000,000	43,420,000	27,657,182.00	15,762,818
Pre-feasibility, Feasibility and Appraisal Studies-Climate change ( adaptation and mitigation)	5,000,000	5,000,000	4,961,271.00	38,729
<b><i>Water and Sanitation services</i></b>				
Feasibility study and Water master plan	15,000,000	15,000,000	-	15,000,000
Water Infrastructure Development for devolved facilities	60,000,000	70,000,000	69,000,000.00	1,000,000
Pro-Poor Water Supply	20,000,000	20,000,000	-	20,000,000
Water Supplies, water harvesting and storage facilities	15,000,000	15,000,000	1,416,945.00	13,583,055

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
Spring & River bank Protection	60,000,000	-	-	-
<b>Forestry</b>				
Training of special interest groups on seedling production	1,332,500	1,332,500	1,108,000.00	224,500
Farm Forest Extension Program	2,000,000	2,000,000	-	2,000,000
Purchase of tree seeds and seedlings- aforestation and re-aforestation	9,000,000	9,000,000	5,108,200.00	3,891,800
Pre-feasibility, Feasibility and Appraisal Studies-nature based enterprises	3,032,500	3,032,500	761,000.00	2,271,500
River bank Protection/Catchment protection	15,000,000	5,000,000	-	5,000,000
Sustainable Exploitation of Natural Resources		-		-
Training expenses others-capacity building of small scale mining artisans	2,000,000	2,000,000	1,832,300.00	167,700
Other Infrastructure and Civil Works-Rehabilitation of degraded mining sites	3,000,000	3,000,000	-	3,000,000
Pre-feasibility, Feasibility and Appraisal Studies-research and Baseline survey of all minerals	2,000,000	2,000,000	1,311,000.00	689,000
<b>Total</b>	<b>248,000,000</b>	<b>211,420,000</b>	<b>116,932,749</b>	<b>94,487,251</b>
<b>SOCIAL SERVICES, YOUTH AND SPORTS</b>				
<b>Culture</b>				
Other capital Grants and Transfers-Culture Conservation and promotion		-		-
Culture promotion and Development	6,200,000	15,205,000	14,297,271.00	907,729
Council of Elders( Community Mobilization and Documentation)	2,000,000	-	-	-
cultural festivals	6,755,950	-	-	-
Preservation of Isukuti as an ICH	1,349,050	-	-	-
Miss World Kakamega County 2016 edition	3,900,000	-	-	-
Support to cultural groups	800,000	2,795,000	2,440,700.00	354,300
Public participation-County Cultural meetings and forum	1,000,000	-	-	-
African Traditional Medicine day exhibitions	995,000	-	-	-
Construction of Khayega Arts Gallery	5,000,000	-	-	-
Lugari Cultural Centre(Mulukova)	3,000,000	-	-	-
Mumias Cultural Centre	5,000,000	-	1,022,398.00	-1,022,398
		-		-
<b>Children Services</b>				
Social Security Benefits in cash-Charitable Children Organization donations/operations	1,832,875	1,832,875	1,831,440.00	1,435

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payements</b>	<b>Blance</b>
Social Security Benefits - Other (Budget)- Foster care grants to foster parents	1,000,000	1,000,000	-	1,000,000
Other capital Grants and Transfers-Children intervention programme	1,686,245	1,686,245	673,400.00	-4,553,755
Children assembly	579,230	-	-	-
Construction of Buildings- Children Rescue Centres	4,032,325	-	-	-
<b>Youth Dev</b>		-		-
Boda Boda Youth and Safety Programme	3,000,000	3,000,000	2,355,000.00	645,000
Other Capital Grants and Trans -Youth & Women Empowerment	7,207,900	7,207,900	6,240,000.00	967,900
Funds for Youth committe	2,000,000	-	-	-
Youth talent Identification and Nurturing	1,600,000	3,600,000	2,750,000.00	850,000
Construction of Buildings oth- Construction of Gender Based Violence Centers	3,665,750	3,665,750		3,665,750
<b>sports</b>		-		-
Other capital Grants and Transfers		-		-
Other capital Grants and Transfers-Sports activities and promotions	20,000,000	26,500,000	15,624,990.00	10,875,010
Youth Talent Sports Centres Support	4,000,000	4,000,000	2,193,600.00	1,806,400
Coaching clinics	1,200,000	-	-	-
Sports Committees	300,000	-	-	-
Inter Centre Sports Competition	5,000,000	-	-	-
Grants/ Donations to sports Associations	2,000,000	2,000,000	-	2,000,000
KICOSCA games	8,000,000	-	-	-
Kenya Youth Sports Association Competition	3,000,000	3,000,000	-	3,000,000
		-		-
Other Infrastructure and Civil Works-Bukhungu Stadium rehabilitation	227,000,000	227,000,000	166,977,580.00	60,022,420
		-		-
<b>Social services</b>		-		-
Advertising, Awareness and Publicity Campaigns-Social economic empowerment of the vulnerable	1,466,300	-	-	-
Other Capital Grants and Trans-Shelter improvement program	25,332,875	37,164,375	35,814,100.00	1,350,275
Other Capital Grants and Trans-Purchase of tool and Food Stuffs for VRC	1,100,000	1,100,000	-	1,100,000
Social Security Benefits in Kind-Social Assistance to vulnerable widows/widowers	3,665,750	3,665,750	2,367,000.00	1,298,750

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payements</b>	<b>Blance</b>
Social Security Benefits in Kind-Purchase of Assistive devices	3,665,750	3,665,750	-	3,665,750
Library Services		-		-
Construction of library	3,665,750	-	-	-
<b>Labour</b>		-		-
Advertising, Awareness and Publicity Campaigns-Labour Promotions	2,000,000	-	-	-
<b>NET EXPENDITURE KShs.</b>	<b>374,000,750</b>	<b>348,088,645</b>	<b>254,587,479</b>	<b>87,934,566</b>
<b>TRANSPORT, INFRASTRUCTURE, PUBLIC WORKS AND ENERGY</b>				
<b>Gravel Roads</b>		-		-
Major Roads-construction of gravel roads	30,454,953	-	-	-
Roads Emergency fund	3,000,000	-	-	-
200Kms Rural Bitumen -	300,000,000	436,426,890	405,891,458.00	30,535,432
Maintenance of gravel roads -Kazi Mashinani	60,000,000	60,000,000	43,202,254.00	16,797,746
Other Infrastructure and Civil Works-Maintenance of gravel roads-Roads programme-Road maintenance levy fund.	147,689,749	260,853,887	255,471,006.00	5,382,881
10Kms Per Ward Roads Project	150,000,000	167,109,388	139,196,381.00	27,913,007
10Kms Per Ward Roads Project (Phase 3)	20,000,000	-	-	-
Supervision Cost for 10Km per ward project(Phase 2)	10,000,000	13,000,000	5,252,640.00	7,747,360
<b>Ward Based Project</b>		-		-
Other Projects -Roads construction	600,000,000	720,000,000	715,659,173.00	4,340,827
<b>Urban Transport</b>		-		-
Road Construction (Urbanl-bitumen stds-Ongoing Milimani roads)	332,246,579	367,246,579	367,120,050.00	126,529
Administrative costs( Road Construction)	5,000,000	-	709,500.00	-709,500
Legal services	1,000,000	-	-	-
Land Compensations	2,000,000	-	-	-
Bridges	83,372,015	132,463,722	114,197,358.00	18,266,364
High mast at Amalemba, Kambi Somali, and Sichirai market	10,492,057	10,492,057	-	10,492,057
30 No electric Solar high mast in Sub-Counties	81,512,857	85,000,000	31,317,580.00	53,682,420
Street Lighting in Kakamega and Mumias Towns -in 12 Sub -County Headquarters)	86,586,969	-	110,000.00	-110,000
<b>NET EXPENDITURE KShs.</b>	<b>1,923,355,179</b>	<b>2,252,592,523</b>	<b>2,078,127,400.00</b>	<b>174,465,123</b>
<b>LANDS, PHYSICAL PLANNING AND URBAN DEVELOPMENT</b>				
<b>Land Use Planning</b>		-		-

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
Engineering and Design Plans-spartial integrated plan	40,000,000	40,000,000		40,000,000
Engineering and Design Plans-spartial integrated plan (administrative cost)	5,000,000	5,000,000	2,042,800.00	2,957,200
<b>Lands</b>		-		-
Acquisition of Land-Purchase of land valuation roll	20,000,000	20,000,000	11,518,980.00	8,481,020
Engineering and Design Plans-spartial integrated plan (administrative cost)	5,000,000	5,000,000	1,271,100.00	3,728,900
<b>Survey</b>		-		-
Engineering and Design Plans-GIS	5,000,000	5,000,000		5,000,000
Housing Development		-		-
Refurbishment of Residential Buildings-Renovation of Houses	4,000,000	4,000,000		4,000,000
Slum Upgrading				
Refurbishment of Buildgs - Oth Slum Upgrading	3,000,000	3,000,000		3,000,000
Administrative costs-Refurbishment Of buildings	2,000,000	2,000,000	600,000.00	1,400,000
<b>Kakamega Town Management</b>				
Landscaping and beautification	12,000,000	20,000,000	6,460,000.00	13,540,000
Bus park -Sabatia		16,600,000		16,600,000
Refurbishment of offices	7,000,000	7,000,000	5,037,390.00	1,962,610
Eco-toilets	6,000,000	-		-
Waste management	35,000,000	35,000,000	24,269,560.00	10,730,440
Construction of Markets (Masingo, Shirere)	78,000,000	55,000,000	19,279,955.00	35,720,045
Boda boda shades	5,000,000	5,000,000		5,000,000
Road signages,direction boardsresting bay road furniture	5,000,000	5,000,000		5,000,000
<b>Mumias town management</b>				
Eco-toilets	6,000,000	6,000,000	1,930,000.00	4,070,000
Waste management	29,500,000	29,500,000	23,445,548.00	6,054,452
Fencing of slaughter house		1,500,000	1,454,210.00	45,790
Landscaping and beautification	10,000,000	15,000,000	7,206,890.00	7,793,110
Completion of parking lot(shibale)	10,000,000	10,000,000	4,491,304.00	5,508,696
<b>NET EXPENDITURE KShs.</b>	<b>287,500,000</b>	<b>289,600,000</b>	<b>109,007,737</b>	<b>180,592,263</b>
<b>MINISTRY OF HEALTH SERVICES</b>				
Non-Residential Buildings (offices, schools, hospitals, etc..)-Expansion of existing facilities to Hospitals	100,000,000	150,000,000	210,388,439.39	-60,388,439

TITLE	Original	Approved Revised Estimates	Actual payements	Blance
Non-Residential Buildings (offices, schools, hospitals, etc..)-Construction of County Teaching and Referral Hospitals	180,289,501	200,289,501	887,033,371.00	-686,743,870
Non-Residential Buildings (offices, schools, hospitals, etc..)-Upgrading of CGH	406,936,416	406,936,416	117,888,667.00	289,047,749
User Fees forgone	38,617,147	38,617,147	38,617,147.00	-
World Bank Universal Health Care	-	50,000,000		
<b>Programmes</b>		-		-
Other capital Grants and Transfers		-		-
Nutrition Program	3,000,000	2,000,000		2,000,000
Purchase medical equipments	45,000,000	55,000,000		55,000,000
HIV/AIDS/ TB	7,000,000	2,000,000	1,400,000.00	600,000
Disability mainstreaming	1,500,000	1,000,000	552,228.00	447,772
Health Data Management	3,000,000	2,000,000		2,000,000
Health facility maintanance	217,184,083	217,184,083	97,980.00	217,086,103
Reproductive Health	7,000,000	2,000,000	1,758,660.00	241,340
Family planning	3,000,000	2,000,000	-	2,000,000
Imarisha Afya Ya Mama Na Mtoto	90,000,000	50,000,000	45,000,000.00	5,000,000
Child Survival/ EPI	7,000,000	3,000,000	-	3,000,000
Beyond zero campaign	10,000,000	3,000,000	2,000,000.00	1,000,000
<b>Public Health</b>		-		-
Malaria control Program	7,000,000	2,000,000	1,744,800.00	255,200
Disease surveillance	7,000,000	2,000,000	2,000,000.00	-
Non-Communicable diseases	1,500,000	1,500,000	-	1,500,000
Jigger Treatment Campaign	5,000,000	3,000,000	-	3,000,000
Community Health Strategy	50,000,000	29,724,032	22,100,610.00	7,623,422
Community Youth programme/Funzo kenya MOU revolving fund	20,000,000	20,000,000	6,000,000.00	14,000,000
Construction of Dispensaries	-	30,000,000		30,000,000
<b>NET EXPENDITURE KShs.</b>	<b>1,210,027,147</b>	<b>1,273,251,179</b>	<b>1,336,581,902.39</b>	<b>-113,330,723</b>
<b>AGRICULTURE &amp; CO-OPERATIVES, LIVESTOCK, FISHERIES AND VETERINARY SERVICES</b>				
<b>Agriculture/crop Production</b>				
Tea Seedling Multiplication & Promotion	7,500,000	7,500,000	2,863,200.00	4,636,800
Fencing of Tea Factory	2,500,000	2,500,000		2,500,000
Construction of Maize Silo in Lugari	5,000,000	-	-	-
Maize Mill Project	5,000,000	-		-
Provision of horticulture seeds for Women groups		3,000,000		3,000,000

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
Food Crops Development -Banana farming and promotion	10,000,000	15,000,000	10,939,984.00	4,060,016
Provision of subsidized seeds and fertilizers	200,000,000	200,000,000	189,215,757.00	10,784,243
Agricultural mechanization subsidy		10,000,000		10,000,000
<b><i>Veterinary Services</i></b>		-		-
Other capital Grants and Transfers	-	-		-
Purchase of Vaccines, Drugs & Supplies	10,000,000	10,000,000	9,234,390.00	765,610
Tick control (Cattle dips/Mobile spray races	5,000,000	5,000,000		5,000,000
Improve breeding services ( A.I.)	7,000,000	7,000,000	10,606,400.00	-3,606,400
<b><i>Fisheries</i></b>		-		-
Rehabilitation of fish ponds	2,559,685	2,559,685		2,559,685
New Fish ponds development programme	5,000,000	5,000,000		5,000,000
Subsidies (Fish feeds,fingerlings,lime)	5,000,000	12,000,000	14,049,650.00	-2,049,650
Private /Public hatcheries development support programme	3,000,000	3,000,000		3,000,000
Procurement of fishing gears	400,000	400,000		400,000
Operationalization of Kakamega Fish Factory	1,000,000	1,000,000		1,000,000
Fish marketing and value chain promotion	2,000,000	2,000,000		2,000,000
<b><i>Cooperative</i></b>		-		-
Grants to Small Businesses, Cooperatives and Self Employed	2,000,000	2,000,000		2,000,000
Cooperative dairy processing-	3,000,000	3,000,000		3,000,000
Revamping and formation of Cooperative societies	4,500,000	4,500,000		4,500,000
Strengthening Fisheries cooperatives	1,000,000	1,000,000	1,000,000.00	-
Cooperative Support to sugarcane farmers	1,500,000	1,500,000		1,500,000
Marketing of farmers's crop products and value addition	5,000,000	5,000,000	4,438,177.00	561,823
<b><i>Bukura ATC</i></b>		-		-
Transfers to Bukura ATC	15,000,000	15,000,000	1,967,315.00	13,032,685
<b><i>Irrigation and Drainage</i></b>		-		-
Civil Works(Target three farms)	840,509	17,000,000	4,416,438.00	12,583,562
2210799 -Administrative cost( civil works)	500,000	-		-
<b><i>Livestock</i></b>		-		-
Other capital Grants and Transfers		-		-
Dairy Cattle Value Chain Development	153,659,491	170,000,000	117,515,449.00	52,484,551
Poultry Value Chain Development	10,000,000	10,000,000		10,000,000
Agricultural Information Management Systems	10,000,000	-		-
Ativet student programme	40,000,000	-		-

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payments</b>	<b>Blance</b>
Support to ATVET Youth and Women Entrepreneurs	30,000,000	-	228,000.00	-228,000
<b>NET EXPENDITURE KShs.</b>	<b>547,959,685</b>	<b>514,959,685</b>	<b>366,474,760</b>	<b>148,484,925</b>
<b>TRADE, INDUSTRIALIZATION AND TOURSM</b>				
<b>Trade</b>				
Trades Loan- Fund	40,000,000	3,900,000	2,638,420.00	1,261,580
Investment-trade and investment promotion	50,000,000	40,000,000	1,209,050.00	38,790,950
Refurbishment of Buildings		-		-
Refurbishment of Markets	10,000,000	56,000,000	38,053,744.00	17,946,256
Construction and Civil Works		-		-
Development of Modern Markets	250,000,000	250,000,000	219,828,233.00	30,171,767
Construction of Modern Kiosks	20,000,000	20,000,000	10,925,587.00	9,074,413
Construction of stock rings	5,000,000	5,000,000		5,000,000
Quality Assurance and enhancement	5,000,000	5,000,000	4,994,052.00	5,948
<b>Tourism</b>				
Other capital Grants and Transfers		-		-
Other Capital Grants and Trans -Marketing , promotion and branding	10,000,000	10,000,000	9,864,350.00	135,650
Construction and Civil Works		-		-
Other Capital Grants and Trans -Development of Crying stone project	3,000,000	3,000,000	1,418,300.00	1,581,700
Other Capital Grants and Trans -Development of an Ecolodge	3,000,000	3,000,000		3,000,000
Other Capital Grants and Trans -Snake Park and animal orphanage Development	500,000	500,000		500,000
Gazetment and Development of tourist centres	500,000	3,500,000	-	3,500,000
Engineering and Design Plans-Gazetement and Development of Misango Hills heritage site	500,000	-		-
Gazetement and Development of Nabongo shrines	500,000	-		-
Engineering and Design Plans-Construction of a Cable Car and Canopy Walk systems	500,000	-		-
Engineering and Design Plans-Gazetement and Development of Mukai stone& cave heritage site	500,000	-		-
Development of Home stays	500,000	-		-
Engineering and Design Plans-Gazetement and Development of Kambiri Hills heritage site	500,000	-		-
<b>Industrialization</b>				
Other Infrastructure and Civil Works- Development of Cottage Industries(Jua kali sheds,Industrial Park)	10,000,000	5,000,000	5,000,000.00	-
Development of Shinyalu Tea Factory	4,000,000	3,100,000	725,800.00	2,374,200
Development of Malava Dairy Factory	3,000,000			-

TITLE	Original	Approved Revised Estimates	Actual payments	Blance
		-	-	
Development of Maize milling Factory	3,000,000	-		-
Development of Fertilizer Factory	3,000,000	-		-
<b>NET EXPENDITURE KShs.</b>	<b>423,000,000</b>	<b>408,000,000</b>	<b>294,657,536</b>	<b>113,342,464</b>
<b>MINISTRY OF EDUCATION , SCIENCE &amp; TECHNOLOGY</b>				
<b><i>Polytechnics</i></b>				
Other Infrastructure and Civil Works- Development of polytechnic infrastructure- ongoing	35,000,000	25,000,000	24,274,000	726,000
Ativet programme	10,000,000	10,000,000	10,000,000.00	-
Equipping polytechnic	66,000,000	40,000,000	4,731,900	35,268,100
Polytechnics Support programme	5,500,000	5,500,000		5,500,000
Instructors	4,800,000	-		-
Benefits - Tertiary Education-Polytechnic Subsidized tuition fees	60,000,000	40,000,000	42,850,000	-2,850,000
<b><i>ECD</i></b>				
<b><i>Infrastuctural development in ECD centres</i></b>				
Construction of ECD centres	150,000,000	168,500,000	160,916,800.00	7,583,200
Teaching /Learning materials	7,012,000	-		-
Equipping of ECD Centres	13,000,000	22,532,000	808,000.00	21,724,000
completion of Phase 1 ECD CENTRES	30,000,000	15,000,000	15,000,000.00	-
240 Flag Posts and Flags	2,520,000	-		-
<b><i>Education Support</i></b>				
Ward -Bursary Education Fund	120,000,000	122,200,000	120,100,200.00	2,099,800
Completion of 100 toilets in primary schools- Hygiene services	16,477,608	-		-
Scholarships and other Educational Benefits	10,000,000	10,000,000	8,484,218	1,515,782
Education Support programme	20,936,789	20,000,000	17,762,540	2,237,460
Board of management teachers programme	64,800,000	-	-	-

<b>TITLE</b>	<b>Original</b>	<b>Approved Revised Estimates</b>	<b>Actual payements</b>	<b>Blance</b>
Count HELB Fund	20,000,000	20,000,000	20,000,000.00	-
<i>Infrastructure Development</i>				
Construction of Buildings - Ot - centres of excellence-ongoing	26,000,000	46,000,000	44,269,220	1,730,780
Special needs Centers	10,000,000	-		-
<b>Total For Education</b>	<b>672,046,397</b>	<b>544,732,000</b>	<b>469,196,878</b>	<b>75,535,122</b>
County Assembly	277,000,000	-		-
<b>GRANT TOTAL FOR KAKAMEGA COUNTY</b>	<b>6,438,401,366</b>	<b>6,325,149,467</b>	<b>5,208,764,157.39</b>	<b>1,060,818,710</b>

**Annex 3: Actual domestic revenue collections**

<b>Revenue streams</b>	<b>Approved budget</b>	<b>Revised budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>KES</b>		<b>KES</b>	<b>KES</b>
Single Business Permit	136,522,704	136,151,240	59,469,151	(76,682,089)
Barter Market	46,572,785	46,572,785	41,988,843	(4,583,942)
Property Rates	41,341,582	41,341,582	16,898,047	(24,443,535)
CESS	120,000,000	120,000,000	41,996,730	(78,003,270)
Housing/Stall	6,000,000	6,000,000	7,562,670	1,562,670
Kiosk Fee	3,799,688	3,799,688	4,691,450	891,762
Slaughter	7,372,971	3,372,971	3,549,615	176,644
Bus Park	52,685,100	52,685,100	50,541,615	(2,143,485)
Parking Fee	17,038,965	17,038,965	9,259,360	(7,779,605)
Hire of Machinery	12,626,235	12,626,235	1,719,600	(10,906,635)
Other Revenues/devolved government functions	57,538,214	57,538,214	61,340,662	3,802,448
Contribution in lieu of rate	95,628,536	-		-
Liquor license	29,231,000	29,231,000	13,972,281	(15,258,719)
Court Fines	516,129	516,129	-	(516,129)
Health facilities & Others	365,220,093	365,220,093	135,737,451	(229,482,642)
Dividend	1,976,559	1,976,559	760,000	(1,216,559)
<b>TOTAL</b>	<b>994,070,561</b>	<b>894,070,561</b>	<b>449,487,475</b>	<b>(444,583,086)</b>

**Annex 4: Budget Calendar For FY 2018-19 MTEF Budget**

	<b>Activity</b>	<b>Responsibility</b>	<b>Deadline</b>
<b>1</b>	<b>Develop and issue MTEF guidelines</b>	<b>County Treasury</b>	<b>30-Aug17</b>
<b>2</b>	<b>Launch Sector Working Groups</b>	<b>County Treasury</b>	<b>15-Sep-17</b>
<b>3</b>	<b>Performance Review and Strategic Planning</b>	<b>MDAs</b>	<b>15-Sep-17</b>
	Review and update of strategic plans		15-Sep-17
	Review of programme outputs and outcome		15-Sep-17
	Expenditure review		15-Sep-17
	Progress/status report on Programme implementation		15-Sep-17
<b>4</b>	<b>Determination of Fiscal Framework</b>	<b>County Fiscal Planning Group</b>	<b>30-Sep-17</b>
	Estimation of Resource Envelope		30-Sep-17
	Determination of policy priorities		30-Sep-17
	Preliminary resource allocation to sectors and County Assembly		30-Sep-17
	Draft County Budget Review and Outlook Paper (C-BROP)		30-Sep-17
	Submission and approval C-BROP by County Cabinet		15-Oct-17
	Submit approved C-BROP to County Assembly		22-Oct-17
<b>5</b>	<b>Preparation of MTEF budget proposals</b>	<b>Line ministries</b>	<b>1-Oct-17</b>
	Draft Sector Report	Sector Working Group	1-Oct-17
	Review of the Sector draft Proposal	Treasury	22-Nov 17
	Submission of Sector Report to Treasury	Sector Working Group	30-Nov 17
<b>6</b>	<b>The 2017/18 Supplementary Budget</b>	<b>County Treasury</b>	<b>10-Nov-17</b>
	Develop and issue guidelines on the 2017/18 revised budget	County Treasury	10-Nov-17
	Submission of Supplementary Budget Proposals	MDAs	20-Nov-17
	Review of Supplementary Budget Proposals	County Treasury	3-Dec-17
	Submission of Supplementary Budget Proposals to County Executive Committee	County Treasury	5-Dec-17
	Submission of Supplementary Budget Proposals to County Assembly	County Treasury	15-Dec-17
<b>7</b>	<b>Preparation of annual plan</b>	<b>Economic Planning</b>	<b>28-Feb-18</b>
<b>8</b>	<b>County Fiscal Strategy Paper</b>	<b>County Treasury</b>	<b>28-Feb-18</b>
	Draft C-FSP	County Treasury	1-Dec-17
	Public participation on the Draft CFSP	County Treasury	7-Feb-18
	Submission & approval of the C-FSP by CEC	County Treasury	15-Feb-18

	<b>Activity</b>	<b>Responsibility</b>	<b>Deadline</b>
	Submit approved C-FSP to County Assembly	County Treasury	28-Feb-18
	Passing the C-FSP by the County Assembly	Assembly	14-Mar-18
	Publishing and publicizing the C-FSP	County Treasury	21-Mar-18
<b>9</b>	<b>Preparation and approval of Final MDAs Programme Budgets</b>	<b>Treasury</b>	<b>28-Feb-18</b>
	Develop and issue final guidelines on preparation of 2017-18 MTEF Budget	County Treasury	28-Feb-18
	Submission of Budget Proposals to Treasury	Line ministries	15-Mar-18
	Consolidation of Draft Budget Estimates	County Treasury	1-Apr-18
	Submission of Draft Budget Estimates to the County Assembly	County Treasury	30-Apr-18
	Review of Draft Budget Estimates by County Assembly	County Assembly	15-May-18
	Report on Draft Budget Estimates from County Assembly	County Assembly	30-May-18
	Consolidation of Final Budget Estimates and Cash flows	County Treasury	15-Jun-18
	Submission of Appropriation Bill to County Assembly	County Treasury	15-Jun-18
	Submission of Vote on Account to County Assembly	Treasury	30-Jun-18
<b>10</b>	<b>Budget Speech</b>	<b>Treasury</b>	<b>30-Jun-18</b>
<b>11</b>	<b>Appropriation Bill passed</b>	<b>County Assembly</b>	<b>30-Jun-18</b>
<b>12</b>	<b>Finance Bill passed</b>	<b>County Assembly</b>	<b>30-Sep-18</b>