



COUNTY GOVERNMENT OF KITUI

COUNTY MINISTRY OF FINANCE AND ECONOMIC PLANNING

County Fiscal Strategy Paper (2016/2017)

**INVESTMENT STRATEGY FOR WEALTH AND
EMPLOYMENT CREATION**

(DRAFT for Comments)

FEBRUARY, 2016

Foreword

Kitui County Fiscal Strategy Paper (CFSP) 2016 is the third to be prepared by the County Government under the devolved governance structure and sets out the priority programs to be implemented in the Medium Term Expenditure Framework (MTEF) period 2016/17 – 2018/19. The basis for this strategy paper and all the policies anchored on it are built on the background of improving national and global economic forecasts, underpinned by gradual recovery of the advanced economies and sustained robust growth in Sub-Saharan Africa. Shifting priorities in favour of sub-Saharan Africa fuelled by mining interests, investment in infrastructure as well as other investment segments further reinforces the hope for accelerated economic growth prospects and creation of more jobs.

The Country continues to recover from domestic shocks such as insecurity and inadequate rainfall, which have put to test the resilience and strength of the economy in the recent past. Kitui County is largely agricultural economy, and domestic shocks such as inadequate rainfall constitute a major component of downside risks to our growth prospects. However, the El Nino rains of October – December 2015 have revitalised growth in agricultural sector.

Strong and stable growth environment has been anchored on prudent economic policies implemented within stable macroeconomic environment undertaken by the national government over the years. However, the economy still face domestic and international challenges that pull down the performance. This County Fiscal Paper is designed to address such challenges while building on the successes achieved over the last decade.

The broad strategies for investing the foundations for sustained economic growth and development are anchored on the following five pillars, namely;

- i. Ensuring business environment is conducive environment for job creation. Attracting investment into the county both local and international will vital for employment creation and economic prosperity.
- ii. Investing in sectoral transformation to ensure broad based and sustainable economic growth, with focus agricultural transformation for food security.
- iii. Investing in infrastructural development such as roads network, energy and water.
- iv. Investing in quality and accessible health care services and quality education as well as social safety nets to reduce the burden on the households to promote shared prosperity.
- v. Further Entrenching devolution to the decentralized structures of governance for better service delivery and enhance rural development.

In line with the above broad priorities, the CFSP outlines the strategies to be employed in 2015/16 program implementation to achieve the desired objectives.

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We also want to acknowledge the contribution of the National Treasury through the training of our county staff on the budget process and county strategy fiscal paper and the county budget review outlook paper, who were very instrumental in the preparation process. The draft Budget Policy Statement 2016/2017 FY by National Treasury provided vital information on county revenue projections.

Special gratitude to the entire Cabinet and Chief Officers of Kitui County Government for their invaluable contribution made to the preparation of this document. His Excellency the Governor Dr Julius Makau Malombe who provided enviable leadership and guidance in developing the CFSP.

A dedicated team in the County Treasury spent significant amount of time putting together this document. In particular, we are grateful to Mr Fidhelis Mwaniki, Deputy Director: Budgeting and Economic Planning, Mr Joel Muyanga: Assistant Director, Economic Planning, and many other departmental staff for their invaluable input into this report.

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Abbreviations and Acronyms

AIA	Appropriation-In-Aid
AMS	Agricultural Mechanization Services
BPS	Budget Policy Statement
CECM	County Executive Committee Member
CFAs	Community Forest Associations
CFSP	County Fiscal Strategy Paper
CG	County Government
CLIPD	Community Level Infrastructure Projects Development programme.
CRA	Commission for Revenue Allocation
CT	County Treasury
DD	Deputy Director
ECDE	Early Childhood Development Education
EZs	Economic Zones
GDP	Gross Domestic Product
GIS	Geographical Information System
IDCs	Industrial Development Centres
IFMIS	Integrated Financial Management Information System
KES	Kenya Shilling
KEWI	Kenya Water Institute
KMTC	Kenya Medical Training College
KTTC	Kitui Teachers Training College
LAN	Local Area Network
LAPSSET	Lamu Port South Sudan Ethiopia Transport (Corridor)
MDGs	Millennium Development Goals
MTEF	Medium Term Expenditure Framework
NCD	Non Communicable Diseases
REA	Rural Electrification Authority
SEKU	South Eastern Kenya University
SGR	Standard Gauge Railway
SRC	Salaries and Remuneration Commission
VPN	Virtual Private Network

Legal Basis for the Publication of the County Fiscal Strategy Paper

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance Management Act, 2012. The law states that:

- 1) The County Treasury shall prepare and submit to County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by 28th February of each year.
- 2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
- 3) In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing their budget both for the coming financial year and over the medium term.
- 4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.
- 5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of -
 - (a) the commission of revenue allocation;
 - (b) the public;
 - (c) the interested persons or groups;
 - (d) Any other forum that is established by legislation.
- 6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the county assembly shall consider and may adopt it with or without amendments.
- 7) The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned.
- 8) The County Treasury shall publish and publicise the County Fiscal Strategy Paper within seven days after it has been submitted to the county assembly.

Fiscal Responsibility Principles for the National and County Governments

In line with the Constitution, the Public Finance Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. The PFM Act, 2012, (Section 15) states that:

- 1) Over the medium term, a minimum of 30 percent of the national and county budgets shall be allocated to development expenditure
- 2) The national government's expenditure on wages and benefits for public officers shall not exceed a percentage of the national government revenue as prescribed by the regulations.
- 3) The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage 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 national and County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- 5) Public debt and obligations shall be maintained at a sustainable level as approved by Parliament for the National Government and the County Assemblies for the County Governments.
- 6) Fiscal risks shall be managed prudently; and
- 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. Overview

1. The 2016 Kitui County Fiscal Strategy Paper (CFSP) is the third to be prepared by the county government of Kitui. It addresses the challenges encountered in the implementation of the previous budget as set out in the CFSP 2015. As such, this paper sets out the broad priorities of the county and highlights the programs to be implemented both in the short and medium terms in line with the set priorities. This CFSP is anchored on the following pillars:

- i. Ensuring business environment is conducive environment for job creation. Attracting investment into the county both local and international will vital for employment creation and economic prosperity.
- ii. Investing in sectoral transformation to ensure broad based and sustainable economic growth, with focus agricultural transformation for food security.
- iii. Investing in infrastructural development such as roads network, energy and water.
- iv. Investing in quality and accessible health care services and quality education as well as social safety nets to reduce the burden on the households to promote shared prosperity.
- v. Further entrenching devolution into the lower units of governance for better service delivery and enhance rural development.

2. The medium term objectives and priorities have relatively remained the same as set out in the previous CFSP 2015, with necessary adjustments to incorporate and respond to emerging challenges. Increase in funding from the national government's equitable share and the county's own resources will be channelled towards priority sectors to drive development. Improving the business environment is focal in attracting much needed private investment to accelerate growth prospects in the county and create more jobs.

3. Over the last three financial years, Economic policies guiding the budgets have centred on infrastructural development to lay strong foundation for economic growth. Such investments have mainly directed towards roads, water and power distribution, social infrastructure such as health care facilities, schools and polytechnics. The county also invested on machineries and equipment to support this infrastructural development over the same period.

4. This has been boosted by the El Nino rains that have increased the prospects of good harvest, addressing one of the major challenges to development in our county. This increase in harvest is expected to increase the food secure months in the year and reduce hunger period, thereby providing room for households to earn and save.

5. The bold economic reforms undertaken at the national level and the programs implemented by the county government such as rehabilitation of road networks, water supplies and other infrastructural facilities; expansion, renovation and equipping of health and education facilities as well as other reforms in other sectors have begun to bear fruits. This is anchored on the intensive planning that has seen the county prepare a CIDP and Kitui Vision for Economic and Social Transformation

(KIVEST). However, the danger of challenges such as food insecurity, low coverage and unreliability of electricity coupled with high cost of energy, low land productivity, poor road network, inadequate water supply, youth and women empowerment, and high poverty levels still persist.

6. Over the past three years, the county government has laid down grounds to midwife devolution, and ensure service delivery to the people. The County has outlined the policies necessary to ensure that the objectives of devolution are achieved through better service delivery and rapid local economic development as well as jobs creation. Needless to say, this has called for fiscal discipline in the generation and use of devolved resources to expand the available resource envelope.

7. In line with the national development agenda as envisaged in Kenya Vision 2030 and implemented through Medium Term Plans I & II (MTP I&II), the County has adopted the national pillars and domesticated them to reflect local situation. Key policy objectives have been to address the needs of youth and women in tackling poverty and unemployment.

Overview Recent Economic Developments

8. The global growth is projected to slow down to 3.1 per cent in 2015 from 3.4 per cent in 2014. This is due to uneven recovery of global economies, volatility in stock markets starting first in China and spreading to the rest of advanced economies. Recovery in advanced economies is expected to lift the growth in 2016 to 3.6 per cent. However, down side risks to the outlook are still high, particularly for emerging and developing economies due to declining commodity prices, currency depreciation, and volatility in financial markets.

9. Growth in Sub-Saharan Africa is also expected to slow down in 2015 to 3.8 per cent from 5.0 per cent in 2014, mainly due to declining commodity prices particularly oil; lower demand from China (being the single trading partner of Sub-Saharan Africa); as well as the tightening of global financial conditions for its frontier market economies.

Kenya's macroeconomic performance remains strong despite storm from the global economic slowdown. The economy recorded a 5.3 per cent in 2014, and is expected to rise to 6.0 per cent in 2015 and 6.5 per cent over the medium term. This resilience is anchored on continued investment in infrastructure, construction, mining, lower energy prices and improved agricultural performance.

10. Key macroeconomic variables remained within targets, with inflation rising slightly to 8.0 per cent in December 2015 up from 6.0 per cent in December 2014, mainly attributed to food price increase. The Kenya shilling exchange rate was stable in 2015 supported by increase foreign exchange inflows in the money market markets led to improvement in current deficit. Declining oil prices at the international market led to improvement in current account deficit.

11. Short term interest rates have declined following improved monetary condition that led to liquidity increasing in the market. Mid-January interbank and Treasury bill rates were 6.2 and 11.4 per cent respectively.

12. At the local level, the County economy has continued to show improvement as more funds allocated to development get absorbed into planned projects/programs.

Infrastructure and urban development received a major boost as funding for the county increased substantially under devolved system relative to amount initially allocated to county by the national government.

Economic Outlook

13. Kenya's economy remains vibrant despite the headwinds in the global market resulting from stock market rout, uneven global recovery and weak demand from China, world's second largest economy. The performance of the economy has been consistence, recording a 5.6 per cent growth in 2015 and a forecast of 6.0 per cent in 2016, thanks to its macroeconomic stability and adherence to credible fiscal policy.

14. Achieving the target growth has been a major challenge in the face of recurring domestic shocks such as inadequate rainfall and insecurity, especially during tourists' peak seasons, resulting in poor sector performance. Major infrastructural projects mainly in transport and logistics framed under the Kenya Vision 2030 development agenda are poised to lift the economy and stay its growth targets.

15. The County economy is poised to record improved performance anchored on sustained investment in infrastructural programs; targeted interventions in addressing business environment as well as in social sectors. Investment in roads, water and electricity distribution is expected to improve connectivity, reduce cost of doing business and improve general welfare.

16. The agricultural sector is also expected to record impressive performance for the short rains of October –December following the El Nino rains. This harvest is expected to boost food security in 2016, thereby reducing the period of insecurity experienced in normal years. This bumper harvest is projected to translate into higher revenue collection for market cess and other fees.

17. The economic transformation agenda of the County is premised on the County's long term development blue print, "The Kitui Vision for Economic and Social Transformation – KVEST". The Vision is based on the six economic and investment zones (EIZs) with various economic potentials that have been mapped out and specific programmes designed for each zone. The six economic zones include:

- i. Mui Basin, whose main potential is the coal mining and associated coal power generation. Its other potentials include livestock farming and limestone mining.
- ii. Ikutha – Mutomo – Kanziko, whose main potential is mining of limestone, iron ore and other precious stones.
- iii. Kitui Town and its environs, whose main potential is commercial and financial hub for the surrounding zones.
- iv. Kanyangi - Kwa Vonza – Kanyoonyoo, whose potential is also commerce and education hub and a research and development zone. Already two universities are hosted in this zone.
- v. Mwingi Town and its surrounding, whose potential is main commercial and financial centre, being the largest town next to the LAPSSET corridor. It has potential for tourism development since it is at the upper circuit of the County.
- vi. Muumoni – Kyuso – Tseikuru which has potential in irrigated farming, mining of limestone and other precious stones.

18. These Economic and Investment zones are designed to help the County to realize the following key objectives and to position Kitui County as:

- a) An economic unit where a high quantum of GDP is generated;
- b) An attractive place for industrial investors and business ventures anchored on the natural and other resources within the County;
- c) A place where a wide range of skilled, semi-skilled and unskilled employment opportunities are created;
- d) A source of wealth creation for its people and the Country at large; and a place where people enjoy a high quality of life in a clean and safe environment in both rural and urban areas.

19. The service sector in the County is expected to serve as a driver to economic growth. The banking industry that provides credit to the business community is expected to play a vital role in financing the expansion and growth of construction sector that will be fuelled by rising institutional as well as individual demand for residential and commercial properties.

20. Expansion and improvement of some road networks to all weather roads is envisaged to reduce post-harvest waste, cost of doing business by improving connectivity and accessibility. The rising number of tertiary institutions opening Campuses in the County will serve to build the capacities for local residents necessary for research, as well as provision of much needed jobs for youths and skilled personnel.

Key Development Projects likely to Impact on Kitui County

21. A number of projects initiated mainly by the National Government are likely to impact positively on the growth prospects of Kitui County. Kitui County being home to the Mui Coal Basin is likely to benefit from the mining of coal within blocks C and D. The agreement for the concessioning of the blocks to Fenxi Mining Company, Chinese Company has been signed. The Government has also advertised for the concessioning of the remaining two blocks A and B and construction of a coal fired plant within the basin.

22. The coal mining at Mui basin agreement also envisages other infrastructural projects to the zone that will spur economic growth for the County including a T-junction of the Mombasa- Nairobi Standard Gauge Railway at Kibwezi, roads and a 12 inch water pipeline from Tana river to the basin

23. The construction of the recently launched Standard Gauge Railway (SGR) from Mombasa to Nairobi, with a T-junction at Kibwezi to Mui coal basin is another development likely to have a transformative impact on Kitui County. This railway will connect Mui coal basin through the southern economic zone (Kanziko-Ikutha-Mutomo) of the County which is endowed with mineral deposits like limestone, iron ore and gemstones.

24. The National Government plans to start upgrading Kibwezi – Mutomo – Kitui – Mwingi road from the lower side, where it diverts from Mombasa road. This road has been prioritised and the process of bidding has been initiated by the Kenya National Highway Authority (KeNHA) to select contractor(s). This road is likely to have great impact on sectors like tourism, transport and other service sectors after diverting

traffic from Mombasa road to central Kenya through the County. It will also play a key link role when the LAPSSSET corridor is done.

25. Limestone mining has also generated considerable interest in Kyuso-Tseikuru as well as Ikutha-Mutomo-Kanziko Economic and Investment zones. Athi River Mining Co. Ltd is already in Ngaie area, prospecting for limestone. Dangote Group, has also expressed interest to invest in Kanziko-Mutomo-Ikutha Economic and Investment zone.

26. The Lamu Port Southern Sudan Ethiopia Transport (LAPSSSET) corridor though taking shape slowly is also another mega project that will greatly impact on the economic growth of Kitui County. This corridor, once completed will position Kitui as logistics hub and unlock a major economic opportunity for the County such as the export of livestock and livestock products to the Middle East.

27. The national government will construct a major dam for power generation and water supply for both domestic consumption and agricultural production along Thwake River. This dam will serve three counties: Kitui, Machakos and Makueni, and as part of the project, it will include a bridge to connect Kitui and Makueni counties that will reduce travel time between Kitui and Wote town substantially.

28. In recent past, Kitui County has attracted institutions of higher learning (Universities and other middle level colleges). Institutions of higher learning play two key roles in the development of an economy; i) capacity development and ii) research. Already, South Eastern Kenya University (SEKU) is working with the County on water resource mapping and looking into the possibility of partnering with Kitui hospital to start training of doctors.

29. The development of Kitui Town Sewerage system & Water supply funded by the African Development Bank (AfDB) in conjunction with the National Government is like to increase the land value, attract more investors and result in increased revenue potential for the County.

30. Kiambere- Mwingi phase II water supply, intended to expand the existing pipeline to accommodate the northern part of Mwingi which was not included in the first phase. The second phase targets Muumoni, Kyuso and Tseikuru.

31. The Athi – Kanyangi – Mutomo water project, which is funded by the World Vision in collaboration with the County Government, is likely to change the lives of Kitui residents. Its main intention is to supply water for domestic supply in Mutomo and other markets in Kitui south.

32. Construction of Mutha – Walden Road to interconnect Kitui and Tana River Counties. This has led to reduced cost for doing business between the two counties as well as boosting security. Other security roads have also been opened especially in the northern part of the county.

33. Laying of Fibre Optic Cable to connect Kitui to the rest of the world through a robust internet backbone for high internet speed connections. This is becoming increasingly vital in this era of online data processing, file and application hosting. Installation of 21 BTS by Safaricom within Kitui County that will boost mobile network connectivity from about 35 per cent to 55 per cent.

34. The County in collaboration with Kenya Medical Training College has opened a campus next to Mwingi Level IV Hospital. This partnership will result in mutual benefits as trainees have a chance to get hands training while the hospital staff workload goes down. In order to prepare the facility for teaching and referral functions, a number of infrastructural developments have been implemented.

35. The Medical Equipment Leasing Program being implemented by the national government in collaboration with the counties is expected to reduce the cost of referral services, time required to access the referred facilities and eventually save more lives. In Kitui County, Kitui and Mwingi level IV hospitals will benefit from this program.

II. Macroeconomic Policy and Medium Term Outlook

Macroeconomic Stability (Inflation, Interest Rates, Exchange Rates)

36. Macroeconomic stability is solely left to the national government, and implemented through National Treasury and other national agencies. However, their effect on the economy is of great concern to the county governments. The inflation rates outlook over the medium term is expected to be stable at around 5 per cent target, oscillating between 6.9 per cent in December 2014 and 6.5 per cent in December 2015. Achieving the inflation rates target is critical for the accurate forecasting at the national and the county.

37. The introduction of Kenya Banks Reference Rate (KBRR) by the Monetary Policy Committee (MPC) of the Central Bank has resulted to a decline in lending rate from 17% in December 2013 to 16% in December 2014. This minimal decline has been attributed to weak transmission power of the monetary policies. Overall private lending went up by 2% from 20.2% to 22.2%, reflecting increased appetite for credit.

38. Access to credit is necessary for the acceleration of development through capital borrowing, which has been a major source of slow projects implementation. This is also understood in the premise that trade in livestock, construction of real estate and retail and wholesale in agricultural produce (cereals), need to be financed by commercial banks.

39. Stable exchange rate is necessary for the growth of the economy. The Kenya shilling has depreciated against the dollar, fluctuating around the US\$/KES rate of 100. This has the net effect of increasing the trade deficit as Kenya imports more than it exports.

40. The performance of our stock exchange is an important index of a country's economic performance. Over the medium term, Nairobi Securities Exchange (NSE) performance has been satisfactory, recently outperforming most of its peers in the continent. The NSE 20 share index improved from 4,992.88 points in October 2013 to 5,194.89 points in October 2014. Market capitalisation (which measures shareholders wealth) improved from Kshs1,873.7billion to Kshs2,246.6billion over the same period.

41. This development is important for the County as stable capital markets are necessary for financing private sector investments. The county is targeting the private sector to accelerate its development through various projects lined up in its six economic zones.

Challenges in implementing 2014/15 budget

42. The challenges encountered in 2013/14 financial year did not disappear in 2014/15. However, there was improvement in addressing a number of them such as low rate of absorption for development funds, revenue collection and human resources capacity issues. The amount of funds rolled over from 2014/15 into 2015/16 went down in both percentage and real terms (from KES 2,229m in 2013/14 to KES 1,955m in 2014/15).

43. Generally, performance of the County was greatly affected negatively by inadequate rainfall, which resulted in low crop yields. The County relies on rain fed agriculture for its agricultural productivity. This calls for change of tact for the county to improve its food security and overall growth.

44. The devolved functions still have challenge in raising revenue from sources within their departments. This drop in actual revenue collected against the projected collection led total budget being reviewed downwards to accommodate the projected deficit during supplementary budget review, leading to delay in planned projects implementation.

45. Contentions of the single business licence rates by the business community also had the effect of reducing revenue collection period, thus adversely affecting the total revenue collected over the year.

Risks to County Economic Outlook

46. The county government has allocated a larger share of its development budget to the development of infrastructure i.e. roads, water infrastructure, electricity distribution and other social infrastructure. All the funds rolled over from 2013-14 to 2014-15 and then 2015-16 was due to delay in implementation of the planned program and projects. This delay in projects completion is a major risk to the outlook as benefits envisaged in the planned projects will be delayed or never realised.

47. Delayed take off of major projects highlighted above as key driver of economic transformation such as the Mui coal mining, coal fired plant, limestone mining in Kanziko and Ngaaiye, upgrading of the Kibwezi-Mutomo-Kitui road and many other projects which required to be jointly coordinated by the County and the National Governments pose serious risk to future outlook.

48. Public expenditure pressures especially recurrent expenditures, mainly salaries and other emoluments may curtail the County's ability to continue investing in infrastructural expansion, human resource development and social sectors. That, wage bill is not declining as a percentage of expenditure over time should signal a serious problem.

49. Over reliance on rain fed agriculture is another serious vulnerability to this economic outlook. Erratic weather pattern that is so characteristic in the County may derail our development agenda with substantial resources channelled to emergency relief services. This is so real given that the December rain did not do well in most parts of the County.

50. The proportion of local revenue to the total budget is very little (less than 8 per cent), monthly revenue collection cannot meet the wage bill for the county. A delay by the national government to release monthly allocation can easily plunge the county

into crisis. Imprudent management of resources can result into financial crisis both for the employees and the suppliers of goods and services.

51. Inability to broaden the county revenue base to increase available resources for both recurrent and development may constrain implementation of some projects. This may be exacerbated by lack of appreciation and misinformation related to Finance Act 2016 as passed by the County Assembly may affect service delivery. Any reason for the merchant to delay payment for the services charged by the county government in the delivery of service, whether being political or apolitical has the risk of derailing the plans of the County.

52. Delay in the release or non-release of equitable share and conditional grants provided through the National Government will affect timely implementation of planned projects and programmes.

III. Policies to Achieve Medium Term Outlook

Policies and Programs for achieving economic prosperity

53. This CFSP therefore, articulates broad sector priorities, strategic objectives as well as sectoral expenditure programs to be implemented under the Medium Term Expenditure Framework (MTEF) 2016/17 – 2018/19 in order to achieve the County development goals of laying foundation for economic transformation. The County Government is using the strategies outlined below to achieve objective of each pillar.

Pillar I: Ensuring a Conducive Business Environment

54. Macroeconomic stability necessary for attracting investment in the County is the responsibility of the National Government. However, the County Governments are responsible for maintaining conducive environment to compete among themselves and attract investors. In this regard, the County Government will implement structural reforms aimed at removing impediments in establishing/ doing business with the County

55. In the financial year 2013/14-2014/15, the County Government implemented a number of programmes and projects aimed at creating a conducive business environment with the long term goal of creating employment.

- Review of business permit licences required to start and operate business within the county. This process is intended to bring in fairness, transparency and accountability in the licensing process. The review of licencing bundles has also helped bring fairness to small scale traders.
- The implementation of community level infrastructure programme which mainly targets local contractors was rolled out. This created a new challenge for new local contractors, where the county government engaged the National Construction Authority to train new contractors and went ahead to facilitate their registration.
- Provision of incentives to establish and operate business such as land rates negotiation for new investors, power connection arrangement where investors

will be assisted through rural electrification program funded by the county government.

- The expansion and maintenance of existing road networks in the county, and installation of street lights in major towns and urban centres to improve security, access to markets as well as lower the cost of business operations.
- Expansion and Renovation of various markets to improve sanitation as well as value addition initiatives for bee keepers, dairy and horticulture farming and fruit processing through provision of necessary equipment and processing machines.
- Installation of street lights in major towns and solar powered lights in urban centres and upcoming towns.
- The county government is also working closely with investors to ensure accessibility and utility services (water and electricity) to their business premises. This is intended to attract business enterprises anywhere investors feel opportunities exist.

56. To enhance the culture of entrepreneurship among the youth and women, a program of youth saving and entrepreneurship was started that will benefit 10,000 youths in every ward. In this regard, 150 women and 200 youths were trained on access to government procurement opportunities.

57. To harness the potential of ICT in improving business productivity and reducing cost, the County Government is investing in technology ensure that services offered by electronically such as licensing, revenue collection, financial management, topographic mapping etc. are available to citizens. In this regard, the county government has initiated the following projects:

- Community Resource Centres which will be equipped with the necessary IT facilities to enhance business communication, facilitate community training and provide conference facilities
- Installation of Local Area Networks (LAN) and Wide Area Networks (WAN) in community resource centres, county and sub county administration centres to facilitate communication, reduces cost of government services and other enhance growth ICT enable businesses.
- Establishment of data centres and ICT centres within the county where data banks for important information can be backed up to minimise the risk of data loss in the events of fire in our central data bank.

Pillar II: Investing in sectoral transformation to ensure broad based and sustainable economic growth, with focus agricultural transformation for food security (Productive Sectors)

Agricultural transformation

58. The county is investing a sizeable share of its budget in crop and livestock production to address the food security concern. A number of initiatives have been implemented over the last two years to transform agriculture and increase farmers benefit from agricultural production. These initiatives will continue to be implemented in the medium term and include:

- Drip Kits for kitchen gardening and farm input support
- Equipping Agricultural Mechanisation Services (AMS): procurement of Tractors, Crawlers and Low loader to enhance AMS service delivery and improve food production.
- Increase the area under irrigated agriculture
- The ministry of agriculture has undertaken input subsidy program that is intended to increase yield per hectare, support by extension services to ensure right crops are grown in various areas. The ministry is also undertaking a breed improvement programmes aimed at addressing livestock productivity.
- The ministry in collaboration with European Union is implementing a program in Kitui East targeting to increase production of drought tolerant crops.
- Seed bulking project, where farmers will be selected and supplied with certified seed to produce for future seeds. The farmers will be trained and their farms kept under surveillance by the extension officers to ensure that required seed qualities are attained.

Tourism, Sports, Culture and Arts

59. The county government has undertaken a number of initiatives geared towards improving tourism, culture, arts and sports in the county. Sports, Culture and arts are important facets the county can use to foster unity and inclusion in its development agenda. Tourism is a major source of revenue for the national government, and the county has the opportunity to ride on the national tourism circuits to increase its revenue base. Some of projects were initiated in these subsectors include:

- Sports improvement program targeting sports stadia all the wards in the county to facilitate games and sports
- Construction of heritage and cultural centre in Kyuso to promote Kamba culture and preserve heritage.
- Construction of four resource centres – currently being undertaken in Kitui town (Manyenyoni), Mutonguni, Kyoani and Mwingi.
- Wildlife conservation and management – construction of gates and roads in Mwingi and South Kitui game reserves to improve tourists experience.
- Nzambani Rock Ecotourism project –

60. Keeping in line with the current policies, and building the progress of the programs implemented, the county will continue to promote private investment in tourism, sports and development of arts to allow it to divert its resources to creation of conducive business environment.

61. In order to improve the income from tourism sector, the county government has embarked on an exercise to activate the dormant tourists' circuit that runs from the southern part of the county to the northern part, through the county headquarter. In this regard;

- The tourism department has initiated a number of infrastructural projects in roads expansion and maintenance, site development promotion and tourism, which include construction the George Adamson bridge revenue gate and Masyungwa revenue gate, Rehabilitation of the Nzambani rock ecotourism centre and development of management plans for South Kitui game reserve and Mwingi game reserve.

Supporting Value Addition for Growth and Employment Creation

62. The county government has identified a number of areas with potential for mineral resources as well as other raw materials that require processing or change of form to increase their value. Even though mining policies and concessioning are left to the national government, the county government has made efforts to ensure that those interested in investing in the county are adequately supported.

63. To ensure the County benefits from its large deposits of various minerals, necessary process will be undertaken to ensure approvals required from the County Government by prospecting companies are granted within reasonable time. The county government will also fast track the process of land adjudication in mineral rich areas.

64. Three out of six zones in the Kitui Vision for Economic and Social Transformation (KIVEST) have mineral resources as the main potentials. These are Mui Coal Basin, Kyuso-Tseikuru-Muumoni and Mutomo-Ikutha-Kanziko investment and economic zones. The county government has formed liaison committees to work with the county and national governments on land adjudication and other land related issues that arise in mining areas.

65. The County Ministry of Environment, Energy and Mineral Investment Development has continued to capacity build and support these committees to ensure they are conversant with matters concerning their role as the liaison committee.

66. Establishment of an Innovation and Entrepreneurship Agency/corporation will facilitate invention and adoption of new ideas in various fields. This will enable the county to thrive tremendously in entrepreneurship and hence employment creation. Further, the strategy 247 will be implemented in all the villages through the corporation where village specific niche products will be identified and undertaken.

Pillar III: Investing in infrastructural development to facilitate and sustain economic growth.

67. In order to achieve this goal of facilitating and sustaining economic growth, the County Government has over the medium term allocated a huge proportion of its budget to the development of roads, power distribution and water infrastructure. In order to enhance competitiveness for private sector investment, similar allocation has been made to continue the momentum on investment in infrastructure expansion and rehabilitation.

Roads

68. The main mode of transport in the county is road, where only a few kilometres of the A and B class roads passing through the county are tarmacked. In order to cost

of maintaining road network, the county government has acquired machineries and equipment needed for road maintenance over the last three financial years.

69. In the year 2013/14-2014/15 various projects were implemented under this pillar. These includes:

- Road maintenance works which included, grading, gravelling, re-carpeting and installation of drifts and culverts. These development are expected to improve security, and link economic and investment zones as well as productive areas and markets.
- To increase access to electricity in the rural areas the county government embarked on the accelerated rural electrification programme. This projects is being implemented in collaboration with Rural Electrification Authority (REA) and is expected to continue over the medium term to ensure the rural population has access to electricity.
- In order to support community own initiatives in addressing their development needs, the County Government has also come up with the Community Level Infrastructure Development Programme (CLIDP) that targets small infrastructural projects mainly in roads and water subsectors initiated by community.
- CLIDP supports projects at local level by funding quick win small projects to re-energize local economies. Proposed allocation for 2016/17 is Kshs 700m split between infrastructure (Kshs 400m) and village administration offices (Kshs 300m)

70. In order to drive economic growth over the medium term and ensure a strong foundation to economic stability exist, a comprehensive plan of road network development has been developed under the KIVEST, Kitui County Government's development blue print for the next ten years.

Rural Electrification & Energy

71. The county government is in partnership with Rural Electrification Authority (REA) in a programme to expand rural coverage of electricity. The mile connectivity programme being implemented by the national government is expected to improve coverage in the county. Under this program, the county government jointly with the national government have embarked on:

- An ambitious project to connect all primary and secondary schools
- Installation solar power panels to schools and other government facilities that are far off the grid as a stop gap measure
- Roll out of the last mile connectivity at reduced rates to ensure access to electricity for all.

72. The government will extend electricity to an Irrigation scheme along River Tana in partnership with **Red Cross Kenya and Safaricom** at a cost of Kshs 30m. County government will fund half of the cost while the other partners shoulder the half. This is meant to increase agricultural productivity by availing power to pump water to irrigation farming areas.

Water Infrastructure

73. In order to address the perennial shortage of both domestic and water for agricultural production, there is need to develop and maintain water infrastructure adequate to provide water to Kitui populace. In this regard, de-silting of dams and construction of new ones, sinking of boreholes to address domestic and livestock needs, as well as undertaking extensive water pipelines to ensure equitable distribution.

74. To facilitate the above initiatives, the county government has acquired borehole drilling equipment as well as dam de-silting equipment over the last two financial years to equip its water resources management department. A feasibility study on the viability of check dams on small streams is also been done by the department in collaboration with South Eastern Kenya University (SEKU), to inform future investment on small irrigation schemes

75. In order to improve access to water both for domestic and agricultural use, a number of initiatives have been started. These include pipeline extensions to enhance distribution of existing water resources; rehabilitation of stalled boreholes and silted dams and expansion of water supply systems to enhance capacity to accommodate population growth.

Urban Development

76. The effects of devolution on urbanisation is rapidly spreading across the country and urban planning increasing falling under pressure to organise towns and urban centres to avoid the sporadic growth of slums. Towns are also threatened by poor drainage systems that cause floods every time heavy down pours are experienced in any part of the country.

77. In this regard, county government is engaging University of Nairobi for a collaboration in urban planning for towns and urban centres in the county to ensure all urban developments are anchored on town plans as required by Urban Areas and Cities Act.

78. Kenya Municipal Program, a program funded by the development partners and inherited from defunct municipal is also working towards designing towns. This program is intended to help counties plan and digitize their major towns covered by the program.

Pillar IV: Social Sectors

Quality Education

79. The county governments' role in education under the devolved structure early childhood development and education and youth polytechnics. In this regard, the county government is required to construct and equip ECDE centres and Polytechnics; development policies on the same and hire and manage the ECDE teachers and Youth polytechnics tutors and instructors. In the education sector, the county government implemented the following projects:

- A mentorship program that was recommended by a taskforce has been implemented with commendable results on the transition rates from primary to secondary.
- Provision of desks, teaching and learning materials to ECDE centres.
- Recruitment of 2,156 ECDE teachers in order to reduce the burden from the parents and enhance enrolment.
- Construction of model ECDE classrooms and model youth training and skills enhancement workshops.
- Equipping of youth polytechnics with dress making, carpentry, joinery and construction tools and equipment.

80. The County Government will continue ensuring ECDE, home craft, childcare centres, and youth polytechnics are fully functional with teachers/ instructors, infrastructure and equipment. The County Government is well aware of the challenges the youth are facing and will create link between education and employment driven by knowledge and technology.

Health Care

81. The health transformation agenda is hinged on the Kenya Health Policy (2014-2030) and Kenya Health Sector Strategic and Investment Plan (2014-2018). Key strategy in this policy is the upscaling of maternal and child health program; increase subsidies to the poor and vulnerable groups; modernise and equip facilities; and reduce health sector workers' burden and strengthen health research.

82. Access to quality and affordable health care services is vital for economic transformation. The need for well-equipped and adequately functioning health care facilities need not be over-emphasised. To achieve the Kenya Vision 2030 and Sustainable Development Goals (SDGs) targets on maternal and infant mortality, it is important to improve service delivery in health facilities, reduce distance to the nearest facilities and substantially reduce health care professional to population ratio.

83. In the medium term, the county has implemented a number of projects intended to address various challenge impeding service delivery at our health care facilities. These include:

- Provision of drugs and non-pharmaceuticals to all public health care facilities in the county. The objective of this program is to ensure that patients have access to essential drugs at the lowest level possible.
- In order to improve access to medical and referral services across the county and to the regional referral health facilities, the county government has increase the number of ambulances and acquired 2 mobile clinics.
- The county government has also embarked on expansion, equipping, renovations and rehabilitation of health facilities across the county. Under this program, wards, outpatient units, theatres, mortuaries and other facilities are targeted for construction and equipping.

- In collaboration with the national government, a new branch of Kenya Medical Training College was opened in Mwingi last year. This program is aimed at providing support to Mwingi Hospital.

84. The ministry is also rolling out a program on preventive health care, targeting to raise awareness on public health through engagement of community health workers who will be based in each village. This is expected to reduce substantially the number of people visiting health facilities on public health related issues.

85. Looking forward, the County will structure its health care infrastructure around the identified economic zones forming a cluster of facilities around each level four facility. To support these level four facilities, the County plans to upgrade Kitui and Mwingi Hospitals to level 5 status to reduce referral cases to Machakos and Embu Hospitals and support referral services for all the facilities in the county.

86. The county will promote reproductive health, behaviour change and mental health. The ambulance services will be, overtime, available in each Sub County, operated and coordinated from a central command. Emphasis will be put to ensure completion of all on-going and reviving of stalled projects.

87. The South Eastern Kenya University plans to establish a medical school and partner with the County Government to use Kitui Hospital for training and internship of doctors. This will help the county address the challenges of meeting Vision 2030 and SDGs targets.

88. The county in conjunction with development partners will implement a programme in which graduates from medical institutions from the county will be attached to different health facilities. The main purpose of this venture will be to sharpen skills of the graduates for the future in the medical profession. The programme will be termed "*Kitui County Health Volunteer Mentorship Programme*".

89. The World Bank in Liaison with the county plans to implement matching fund to register vulnerable households to benefit from the National Health Insurance Fund. This is the *Kitui County NHIF Uptake Accelerated programme*.

Social Safety Nets

90. In order to achieve the Kenya Vision 2030 agenda, and address the challenges identified by SGDs, the County Government started a program targeting the poor and vulnerable groups – pro-poor program. The essence of this program is to assist the disadvantaged in the society especially need children who lack school fees. The main target of the program has been secondary school children who are left out by mainly constituency bursary allocation.

91. This program also supports needy communities to fund small community projects mainly in education, to lessen the parents' burden. The county government also works with national government and the other non-governmental organisations involved in targeted social safety nets programs.

92. In order to reinforce what the national government is doing to address the needs of the aged, the county government plans to introduce cash transfer program for the persons aged 65 and above. This program is intended to complement efforts

made by the national government and will target those not benefiting from such stipends.

Youth, Women and Person with Disability

93. Towards this end the County government has already rolled out programmes aimed at strengthening the social safety net in the last financial year. This includes, the pro-poor programme which have provided bursaries to 12,800 needy students and the youth infrastructure saving and investment programme aimed at benefiting 10,000 youths.

94. The county government is now in its second year of implementing Youth Investment and Savings Programme. The goal of this program is to create the culture of saving for investment while still creating jobs. The county government provides matching grants to the equivalent amount saved by the youth, which is transferred to the youth group.

95. The county government has also implemented the national policy on 30 per cent reservation of all tenders to youth, women and persons with disability to ensure they participate in county development, and ensure inclusiveness in development agenda of the county.

Environmental and Water Conservation

96. The County government fully recognises the role played Environmental in supporting growth and development of any economy. Sustainable development is not feasible without environmental conservation to ensure future generation do not suffer to consequences of current activities. Climate change is real, and without appropriate mitigation measure, development plans will never be realised.

97. In order to ensure climate change related risks do not delay the planned development activities of the county, environmental protection and conservation policies have been developed to ensure fragile ecosystems are conserved and water catchment and riverine protected to ensure water supply is enhance.

98. Re-afforestation programmes have been implemented to restore lost forest cover with target to increase this above 10 per cent. Charcoal production training have been done and energy saving jikos demonstration done to ensure people use wood fuel as efficient as possible.

Pillar V: Further entrenching devolution to the decentralized structures of governance for better service delivery and enhance rural development

99. In order to ensure the poor in the rural areas benefit from devolution, the County Government will continue to support the establishment and operationalization of sub county units that include sub county offices, ward and village offices. The county government will also constitute the necessary institutions to midwife devolution. The government is in the process of constructing 40 ward administration offices to take county services closer to the people.

100. To ensure the devolution bears the intended fruits to the residents, the County Government will build the capacity of the institutions in the devolved units. The county government will ensure that the accounting officers understand and cascade downwards the principles of the PFM Act 2012 through adequate capacity building. It

will also ensure that the principle of inclusiveness in the constitution is implemented e.g. through public participation in decision making and ensuring the one third gender rule is adhered to.

101. The county government is rolling out civic education to all villages in a bid to ensure public participation is mainstreamed in our development agenda. This is intended to enlighten the citizenry on the duties and responsibilities of the county government in ensuring service is delivered to the people as well as bringing to the attention of the people their roles and responsibilities in ensuring the county government has performed its duties as required by Kenya Constitution 2010. The main objective of the current civic education programme is to equip the people of Kitui with the requisite knowledge of the processes involved in registering for National Identity cards and voter's cards making other thematic areas.

102. In order to achieve this noble agenda of delivering services down to the people, it has become necessary to; recruit, train and develop human resources and put county staff under performance contracting. This training and development is intended to enhance efficiency in services delivery, capacity to draft bills and policies necessary for county legislations.

Broad Sector Priorities for 2016/2017

103. In the period 2015/2016, the County Government initiated and implemented various programs, some of which will continue to receive funding in the financial year 2016/2017.

104. The County Broad sector priorities, strategies and proposed projects and programs to be implemented in 2016/2017FY are analysed in the matrix below.

Broad Sector Priorities for 2016/2017

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
Office of the Governor	➤ Promote socio-economic development in the community	• Facilitate implementation of pro-poor and community level infrastructure support programmes	• Pro-poor support programme • Community Level Infrastructure Development Programme
	➤ Response to disaster and emergencies	• Develop and implement disaster management plan	• Emergency, relief and refugee assistance programme
	➤ Positioning and branding and county image	• Develop and implement a county branding and communication policy	• Branding all sub county and ward headquarters
			• Staff branding; dress down
			• Motor vehicle branding • Harmonization of signage across the County
➤ Fostering intra and intergovernmental relations ➤	• Develop and implement a policy in intra and intergovernmental liaison functions	• Purchase of County Reception equipment • Completion of county administration block, external works, equipping and occupying the building • Commence implementation of Governor's residence • Commence implementation of County headquarters	
Administration & Coordination of County Affairs	➤ Coordination of County projects and programmes	• Tracking of County Projects and programmes	• Tracking of County Projects and Programmes • Prioritization of County CLIDP
			• Harmonization of County projects
	➤ Conducive working environment	• Setting up of the necessary facilities for decentralized units	• Construction of sub county offices • Construction of village offices • Acquisition of land

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
			<ul style="list-style-type: none"> • Civic Education • Cleaning of Market Centres • Capacity building programs
Ministry of Agriculture, water and Irrigation	<ul style="list-style-type: none"> ➤ Increased agricultural production and food security 	<ul style="list-style-type: none"> -Increasing agricultural output and productivity -Reduction of pre- and post-harvest crop losses 	<ul style="list-style-type: none"> • Kitchen gardening • Farm inputs support/seed bulking and multiplication • Fruit trees/vegetable nurseries development • Sorghum Promotion and utilization
	<ul style="list-style-type: none"> ➤ Crop Protection and preservation of agricultural products ➤ Commercialization of small holder agriculture 	<ul style="list-style-type: none"> • Promoting pre- and post-harvest management and handling measures which reduce crop losses • To enhance farm productivity and profitability • Promoting market linkage and value addition 	<ul style="list-style-type: none"> • Crop protection and Postharvest Management • Promotion of agricultural market access and Value addition
	<ul style="list-style-type: none"> ➤ Improvement of access to agricultural markets and value addition 	<ul style="list-style-type: none"> • Modernization and commercialization of agricultural sector 	<ul style="list-style-type: none"> • Policy development and Planning
	<ul style="list-style-type: none"> ➤ To promote sustainable land and agricultural resources use and management 	<ul style="list-style-type: none"> • Investing in activities that increase crop production through expansion of area under irrigation 	<ul style="list-style-type: none"> • Farm planning and layout • Agribusiness and market information

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	➤ Sustainable use and conservation of agricultural resources	<ul style="list-style-type: none"> To promote sustainable land and agricultural resources use and management practices. 	<ul style="list-style-type: none"> Building the capacity of Kitui Agricultural Mechanization Services through Acquisition of agricultural/water machinery Irrigation development and rehabilitation
	➤ Delivery and supply of agricultural extension and advisory services	<ul style="list-style-type: none"> Providing extension services in order to improve technology adoption and transfer through enhanced farmers' Agricultural and livestock production knowledge and skills 	<ul style="list-style-type: none"> On-farm Irrigation water resources development Soil conservation and fertility Improvement Agricultural Machinery/tractor hire services
	➤ Improved human and institutional capacity Effective and efficient extension services	<ul style="list-style-type: none"> To facilitate and improve human and institutional capacity 	<ul style="list-style-type: none"> Building the capacity of Agricultural Training Centre Provision of Agriculture and Livestock Extension and advisory services Farmers training and capacity building Agricultural shows and exhibitions Establish & operationalize plant clinics in 4 wards
	<ul style="list-style-type: none"> Livestock breeds improvement and management Pasture and Fodder Production and Conservation 	<p>Increasing livestock output, productivity and quality of products</p> <p>Improving pasture and fodder production and conservation</p> <ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Dairy Improvement through Artificial Insemination (AI) Provision of high quality Galla Bucks for breeding Provision of high quality cocks for breeding Provision of pasture seeds for feed production and seed multiplication

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	➤ Livestock disease prevention and control	<ul style="list-style-type: none"> Reducing livestock disease incidence and outbreak 	<ul style="list-style-type: none"> Dip rehabilitation ,disease surveillance and animal vaccinations
	<ul style="list-style-type: none"> ➤ Apiculture and Management ➤ Promotion of aquaculture ➤ Improvement of water availability and accessibility 	<ul style="list-style-type: none"> Improving technology adoption, market linkage and Value Addition Promoting interventions in aquaculture development that increase fisheries productivity and profitability Enhancing accessibility and availability of safe water 	<ul style="list-style-type: none"> Provision of Modern bee hives for apiary establishment and honey extraction equipment Rehabilitation/Construction of fish ponds Identification and Dam restocking Drilling and Equipping of Boreholes Construction Sub surface/Sand Dams(ming'eeto)
Basic Education, Training and Skills Development	➤ Policy formulation and legislation on ECDE and training and skills development	<ul style="list-style-type: none"> To increase access, quality, retention and transition in educational programmes 	<ul style="list-style-type: none"> Workshops for senior management team
		<ul style="list-style-type: none"> To provide policy direction in educational programmes in the county 	
	➤ Payment of stipend to ECDE teachers	<ul style="list-style-type: none"> To relieve the parents the burden of paying ECDE teachers 	<ul style="list-style-type: none"> Pay ECDE teachers monthly stipend
		<ul style="list-style-type: none"> To offer the ECDE teachers a stable and reliable source of income 	
➤ Provision of tools and equipment to youth polytechnics	<ul style="list-style-type: none"> To provide quality training 	<ul style="list-style-type: none"> Procure and deliver tools and equipment to youth polytechnics. 	
➤ Improve infrastructure in ECDE centres	<ul style="list-style-type: none"> To increase access and quality of education at ECDE level 	<ul style="list-style-type: none"> Build an ECDE class in every ward in every financial year. 	

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	➤ Improve infrastructure in youth polytechnics	<ul style="list-style-type: none"> To refurbish and construct new workshops 	<ul style="list-style-type: none"> Expansion of the capacities of youth polytechnics
	➤ Quality assurance in educational institutions	<ul style="list-style-type: none"> Offer quality assurance services to ECDE centres and youth polytechnics 	<ul style="list-style-type: none"> Capacity build ECDE teachers, instructors and officers
	➤ Improvement in performance in national examinations	<ul style="list-style-type: none"> To improve the academic standards of the county 	<ul style="list-style-type: none"> Benchmarking
			<ul style="list-style-type: none"> County exams
			<ul style="list-style-type: none"> Mentorship programmes
	➤ Provision of teaching and learning materials to ECDE centres	<ul style="list-style-type: none"> To increase enrolment and retention in ECDE centres 	<ul style="list-style-type: none"> Boarding facilities for low cost public primary schools
➤ Expansion of training programmes in youth polytechnics	<ul style="list-style-type: none"> To increase on of courses offered in youth poly. 	<ul style="list-style-type: none"> Procure and deliver T/L materials to all ECDE centres. 	
	<ul style="list-style-type: none"> To upgrade the courses offered 	<ul style="list-style-type: none"> Upgrade 8 no. polytechnics to centres of excellence 	
Land, Infrastructure and Urban Development	➤ Supervision of construction works of all building and maintenance of the same.	<ul style="list-style-type: none"> Development and maintenance of public buildings and other works 	<ul style="list-style-type: none"> Equipping of public works offices
	➤ Enhance efficient transport and support effective service delivery in Kitui County.	<ul style="list-style-type: none"> Construction, maintenance and rehabilitation of road network in the County. 	<ul style="list-style-type: none"> Purchase of Equipment & Tools Grading of county roads – 1200Km Gravelling of county roads – 100Km Construction of low-water river crossings (drifts) - 2,000m – 10 drifts Construction of concrete slabs -4000m Installation of pipe culverts – 3000m Construction of box culverts – 5No. Upgrade of roads to bitumen standards – 2Km

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	➤ Record people's rights and interests over their land and solve arising cases in order to have land registered in the whole County.	<ul style="list-style-type: none"> • Provision of titles to all land owners with an aim of rationalizing and regularizing land ownership 	<ul style="list-style-type: none"> • Hearing of Objection Cases – 4 Objection cases • Publication & Solving of objection cases – 5 cases
	➤ Improve efficiency in services provision in Kitui County	<ul style="list-style-type: none"> • Improve and increase knowledge of construction technology to the public • Provide low cost but modern housing to public servants 	<ul style="list-style-type: none"> • Refurbishment of 5No. Residential Houses in Kitui Town • Equipping the 8 Sub-counties with Hydra form machines, Workshop Tools, Spares and Small Equipment • Other Infrastructure and Civil Works – drainage system
	➤ Endeavouring to digitize land information and management systems within the county to enable integrated digital land use planning.	<ul style="list-style-type: none"> • Well planned urban centres and coordinated developments • Development control through approval of building plans, approval of site inspection reports, Recommendation of Environmental Impact Assessment Reports. 	<ul style="list-style-type: none"> • Updating, Revision and Digitization 4No. Development Plan • Revision and formalizing Part Development Plans • Working drawings for Mwingi Town Roads • Purchase of Specialized Equipment • Purchase of GIS data • Contract Services for Aerial Photography, planning and topographical mapping. • Purchase of Software (ArcGIS, AutoCAD, Licensed Google Earth, Global Mapper)
	➤ Enhancement of secure land information system and minimise land disputes.	<ul style="list-style-type: none"> • Security of land tenure 	<ul style="list-style-type: none"> • Cadastral Survey of Mutomo and Kyuso Town

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
Health and Sanitation	<ul style="list-style-type: none"> ➤ Conducive working environment ➤ 	<ul style="list-style-type: none"> • Enhance effective and efficiency coordination of health services delivery 	<ul style="list-style-type: none"> • Infrastructure development of the health administration offices (County headquarters and sub county offices). This includes constructions/ renovations/ refurbishments of administration offices
			<ul style="list-style-type: none"> • Equipping and furnishing of the County Ministry of health and Sanitation administration offices
	<ul style="list-style-type: none"> ➤ Upgrading and equipping health facilities 	<ul style="list-style-type: none"> • Improve healthcare provision in county hospitals 	<ul style="list-style-type: none"> • Curative Health Services program
			<ul style="list-style-type: none"> • (Completion and Equipping of the newly expanded 4No. hospitals :-Kauwi, Ikanga, Nuu and Katulani)
			<ul style="list-style-type: none"> • Curative Health Services program (Construction/ renovation of 24No. New Dispensaries:- Mwambui, Kasiluni, Twambui, Katuluni, Makuka, Nthangathi, masasini, Kamayagi, Yiuku, Kaliani, Kakithya, Mwaathe, Katumbi, Makongoni, katumbi, Mandongoi, Yalatani, Kimela, Katuvwi, Mwanyani/ Malili, Kinanie, Mwatinyani and Itangi Dispensaries)
		<ul style="list-style-type: none"> • Improve healthcare provision in Kitui County referral and Mwingi Level IV hospitals 	<ul style="list-style-type: none"> • Curative Health Services program (Construction/ renovation/ refurbishment works and equipping of Kitui County referral and Mwingi Level IV hospitals.)
		<ul style="list-style-type: none"> • Improve primary healthcare provision in Kitui County <ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Infrastructure improvement in Primary health care Facilities (Procure and install 200No. water tanks for rain water harvesting in health facilities in all the 40No. wards)
<ul style="list-style-type: none"> • Enhance effective health service delivery at primary health facilities 	<ul style="list-style-type: none"> • Infrastructure improvement in Primary health care Facilities (Refurbishment/ repainting of 200No. health facilities in all the 40No. wards) 		

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	<ul style="list-style-type: none"> ➤ Improving maternal, new-born and child health services ➤ 	<ul style="list-style-type: none"> • Reduce maternal, new born and child deaths • 	<ul style="list-style-type: none"> • Reproductive Health program (Construction works of 6 no. new wards with theatre and new born units:- Kitui County Referral Hospital, Kyusyani Health centre, Migwani Hospital, Mathuki Health centre, Kyuso Health Centre and Katse Health Centre) • Reproductive Health program (Equipping of the new/ ongoing construction of wards, maternity, theatre and new born units.)
	<ul style="list-style-type: none"> ➤ Strengthen Primary health care services ➤ 	<ul style="list-style-type: none"> • Reduce the number of preventable ailments • 	<ul style="list-style-type: none"> • PamojaTujikingeMagonjwa Integrated Programme (Stipends for the 2,100 No. volunteers • Income Generating Activities (IGAs) • Capacity Building
Trade, Industry, ICT & Co-operatives	<ul style="list-style-type: none"> ➤ Facilitating competitive growth of trade, investment, ICT and co-operatives 	<ul style="list-style-type: none"> • Promoting private sector development 	<ul style="list-style-type: none"> • Holding Stakeholder forums, exposing MSE products in shows, exhibitions and trade fairs and training the MSEs on business management, product development and marketing
		<ul style="list-style-type: none"> • Establishing the necessary infrastructure to enhance wholesale and retail Trade 	
		<ul style="list-style-type: none"> • Formation new cooperative societies and strengthening of existing ones 	<ul style="list-style-type: none"> • Constructing a wholesale hub, Putting up market sheds and maintenance of existing market infrastructure
		<ul style="list-style-type: none"> • Achieving Industrialization through organized groups 	<ul style="list-style-type: none"> • Conducting pre-co-operative education, registration of new societies and training cooperative leaders and members
		<ul style="list-style-type: none"> • Developing ICT infrastructure, systems and uptake in the County 	<ul style="list-style-type: none"> • Positioning cooperatives strength to exploit opportunities on value addition of agro-based products, real estate and the growing service

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
			<p>industry through necessary capacity building programmes</p> <ul style="list-style-type: none"> • Establish an ICT infrastructure that supports the delivery of County Government • Services e.g. LAN, WAN, video conferencing, establishment of a county call centre and a radio and TV Station. • Establishing systems and applications that run on the in infrastructure that is being established • Work with other ICT service providers to improve telecommunication within the County e.g. mobile coverage, internet connectivity and coverage, • Deepen ICT adoption and uptake through establishment of ICT centres, equipping them and training on ICT skills
Culture, Youth, Sports and Social Services	YOUTH		
	<ul style="list-style-type: none"> ➤ Encourage savings and investment culture ➤ 	<ul style="list-style-type: none"> • Encouraging savings and capacity to do value addition through formation of cooperatives societies 	<ul style="list-style-type: none"> • Youth Infrastructure ,Savings and Enterprises Development Programme
	<ul style="list-style-type: none"> ➤ Poverty eradication amongst the youth 	<ul style="list-style-type: none"> • Promotion of SACCOs and boosting value addition of products • Enhance youth capacity towards career development & wealth creation 	<ul style="list-style-type: none"> • Talent search initiatives for youth in music, dance and performing arts • Capacity building youth on Entrepreneurship, leadership, mentorship , ICT,IGAs, procurement, drug and substance abuse

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	CULTURE		
	<ul style="list-style-type: none"> ➤ Preservation, Promotion and development of culture 	<ul style="list-style-type: none"> • Enhancing appreciation and conservation of the Kamba heritage 	<ul style="list-style-type: none"> • Support Cultural programs for community performing groups, artists and schools through drama, music, acrobatics, visual arts.
			<ul style="list-style-type: none"> • Identification, documentation, preservation and Promotion of historical and cultural sites: Kavea Rock caves, Ikutha Pre Colonial Missionaries graves, Mulango Pre Colonial Mission Center and School, Ngomeni Caves, Kitui Colonial Governor's residence and two shrines
			<ul style="list-style-type: none"> • Establishment of Museums at Kyoani and Lower Eastern Heritage Center
			<ul style="list-style-type: none"> • Establishment of a Library at Manyenyoni and Mwingi •
	GENDER		
	<ul style="list-style-type: none"> ➤ Promotion of gender parity and participation in nation building 	<ul style="list-style-type: none"> • To eliminate Gender Based Violence in the community • 	<ul style="list-style-type: none"> • Carry out outreaches to sensitize community members on GBV
			<ul style="list-style-type: none"> • Collaborating with partners both Civil society and private players to ensure wider reach for the benefit of the community in combating GBV
		<ul style="list-style-type: none"> • To enhance capacity of the weaker members to resist GBV 	<ul style="list-style-type: none"> • Establish a Rescue centre for GBV survivors
			<ul style="list-style-type: none"> • Gender mainstreaming programs within communities • Support the Kitui County GBV Committee in enhancing access to justice for survivors of GBV
SPORTS			

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY		
	➤ Development of Sports facilities and talent promotion	<ul style="list-style-type: none"> Talent Development and sports infrastructure upgrading 	<ul style="list-style-type: none"> Development of 2 sports facilities and stadia – Mwingi and Kitui county headquarters , and 40 play grounds in all the 40 wards Hosting tournaments at both ward and Sub County levels. Host the Rugby Sevens Host the Governors Road Race 		
	SOCIAL DEVELOPMENT AND CHILDREN SERVICES				
	➤ Support community learning	<ul style="list-style-type: none"> To facilitate the establishment of resource centers for use by communities as meeting/entertainment/ICT/earning hubs 	<ul style="list-style-type: none"> Construction and fittings of 4 resource centres in Mwingi, Kyoani, Manyenyoni and Mutonguni. Construction and Fittings for Mwitika Social hall Support women groups with start-up kits for Income Generating Activities. Support PLWD groups with start-up kits for IGAs 		
		<ul style="list-style-type: none"> Empowerment of women and the marginalized groups in the society especially PLWDS Promote healthy living for the youth and members of the community 	<ul style="list-style-type: none"> Procure and provide support tools for Ex-offenders. Carry out trainings on group cohesion and other dynamics Carry out trainings for Women, PLWDS and members of the community on AGPO and basic management skills for micro-businesses. Carry out outreaches to schools, groups and community members on drugs and substance abuse 		
		Environment Department			
			<ul style="list-style-type: none"> To increase the forest cover throughout the county 	<ul style="list-style-type: none"> County tree growing programs 	
		Environment, Energy and Mineral			

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY	
Investments Development	➤ Build communities resilience against effects of climate change	• Build capacities to adapt and cope with adverse impacts of climate variability	• Climate Change adaptation and mitigation measures project	
		• Conservation of water catchment areas and rehabilitation of degraded ecosystems	• Mumaki riverine rehabilitation and conservation project	
	➤ Environmental management and awareness	• Enhance communities environmental education and awareness	• Environmental Education and awareness project	
		• Formulate measures and mechanisms for wastage management	• Waste management project	
	➤ Environmental research and protection	• Develop policies and enhance compliance for all environment regulations	• Environmental research and development • Environmental legislations and enforcement	
	➤ Support and strengthen devolution process	• Enhance and strengthen devolution process in the county	• Kitui County/UNDP project	
	Energy Department			
	➤ Rural electrification extension and connectivity	• Support the extension of rural electrification to all the county wards	• Rural electrification program	
	➤ Promote alternative and renewable energy technologies	• Increase access to alternative renewable green energy	• Renewable energy project	
	Minerals Investment Development Department			
		• Mapping and documentation of the existing minerals in the county		

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY		
	➤ Create conducive environment for mining in the county	<ul style="list-style-type: none"> • Build community capacities to actively participate in mineral utilization 	<ul style="list-style-type: none"> • Community capacity building 		
Tourism & Natural Resources	➤ Conservation and management of wildlife in protected areas	<ul style="list-style-type: none"> • Enhance conservation and management of game reserves 	<ul style="list-style-type: none"> • Community conservation and cultural tourism groups • Establishment of a Kitui wildlife conservancy (kanyonyoo) in collaboration with KWS • Developing of Mutitu,nuu Hills, MumoniMutha, Endau and rehabilitation of county forests 		
	➤ Development and promotion of tourism products	<ul style="list-style-type: none"> • Operationalise game reserves and heritage sites 	<ul style="list-style-type: none"> • Fencing phase 2 of Mwingi game reserve • Construction of security quarters and Out post • In Mwingi and South Kitui game reserve • Operationalization of South kitui game reserve 		
		<ul style="list-style-type: none"> • To develop tourism products 	<ul style="list-style-type: none"> • Construction of revenue gates • Upgrades of access roads • Developing areas for picnic sites, camp site, Tented camps and eco lodges 		
		<ul style="list-style-type: none"> • To diversify and market tourism products 	<ul style="list-style-type: none"> • Tourism Marketing and product development including miss tourism, Agricultural show • Building capacity in hospitality sector • Nzambani eco-tourism centre • Land banking at tourism attraction sites 		
		Economic Planning			Development Plans (Preparation of Ministerial strategic Plan)
		Finance & Economic Planning	➤ Institutionalise sound economic planning	<ul style="list-style-type: none"> • Coordinate preparation of development plans, strategic plans and sector plans. 	

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
		<ul style="list-style-type: none"> Coordinate the county budget cycle and production the relevant budget document 	<ul style="list-style-type: none"> Capacity building on Budget Making cycle – Public participation
	Finance		
	<ul style="list-style-type: none"> ➤ Staff offices, ablution, generator and parking 	<ul style="list-style-type: none"> Conducive working environment for the County Treasury Staff 	<ul style="list-style-type: none"> Construction of County Treasury Offices Ablution block outside County Treasury Generator for the County Treasury Landscaping/ parking slots outside County Treasury
	<ul style="list-style-type: none"> ➤ Financial reporting 	<ul style="list-style-type: none"> Capacity build on IFMIS and connect county spending entities to IFMIS 	<ul style="list-style-type: none"> IFMIS Connectivity to County spending entities
	Revenue		
	<ul style="list-style-type: none"> ➤ Institutionalizing and promoting a culture of accountability, integrity and transparency 	<ul style="list-style-type: none"> Setting up and operationalizing LAIFOM systems in all sub-counties 	<ul style="list-style-type: none"> LAIFOMS systems to other sub counties (Kabati, Mutomo, Zombe, Migwani, Kyusyani, Kyuso)
		<ul style="list-style-type: none"> Establish county revenue base through resource mapping 	<ul style="list-style-type: none"> Revenue mapping
	Internal Audit		
	<ul style="list-style-type: none"> ➤ To implement prudent financial systems and controls 	<ul style="list-style-type: none"> Ensuring compliance to the set internal controls 	<ul style="list-style-type: none"> Capacity Building programme
	Kitui Town Administration	Finance and Economic Planning Department-Town Administration	
<ul style="list-style-type: none"> ➤ Improve county capacity for tax collection through resource mobilization for 		<ul style="list-style-type: none"> Develop and implement a Financial and Revenue management system to 	<ul style="list-style-type: none"> Automation of the Revenue Management system Revenue mapping

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY	
	additional financial resources	increase efficiency and effectiveness in revenue assurance and optimization.	<ul style="list-style-type: none"> • Parking bays and slots 	
	<ul style="list-style-type: none"> ➤ Institutionalize sound Economic Development in the Town and a conducive environment for business 	<ul style="list-style-type: none"> • Develop and operationalize sound economic policy frameworks and streamline business processes in the Town 	<ul style="list-style-type: none"> • Erection of sign boards • Setting up and operationalizing LAIFOM system in the Town Administration offices 	
	<ul style="list-style-type: none"> ➤ Facilitate efficient delivery of services to the Town Citizens 	<ul style="list-style-type: none"> • To promote fiscal discipline in the management of the town's resources through prioritization of programs 	<ul style="list-style-type: none"> • Public participation 	
	<ul style="list-style-type: none"> ➤ Training Needs 	<ul style="list-style-type: none"> • Capacity Development 	<ul style="list-style-type: none"> • forums/program • Stakeholder forums • Capacity building for staff and especially those in Revenue. 	
	Planning Development Control, Transport & Infrastructure			
	<ul style="list-style-type: none"> ➤ Town planning and development control 	<ul style="list-style-type: none"> • Preparation of spatial plans and implementation through development control 	<ul style="list-style-type: none"> • Preparation of spatial plan for Kwa-Vonza town • Completion and launch of Kitui Integrated Urban Development Plan • Preparation of part Development Plans in support of implementation of Kitui Urban Integrated Development Plan • Formation of a development control monitoring unit • Acquisition and furnishing of a planning registry • Hiring of 1 No. Physical Planner • Acquisition of a vehicle for development control • monitoring 	

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
			<ul style="list-style-type: none"> • Preparation of development control manuals • Benchmarking for best practices in planning and development control (Kisii Town and Mombasa City)
	➤ Town Civil and Other	<ul style="list-style-type: none"> • Opening up Town 	<ul style="list-style-type: none"> • Tarmacking of Kitui Town Roads
	➤ Infrastructural Works.	<ul style="list-style-type: none"> • Roads, markets, bus stages 	<ul style="list-style-type: none"> • Graveling and upgrading of roads
			<ul style="list-style-type: none"> • Maintenance of roads
			<ul style="list-style-type: none"> • Construction of pedestrian walkways (Ginnery-Kalundu, Hospital Road)
			<ul style="list-style-type: none"> • Installation of Bollards
			<ul style="list-style-type: none"> • Maintenance of Parking Bays and Road Marking.
			<ul style="list-style-type: none"> • Construction of Bus Stops/sheds
	➤ Security lighting and monitoring in major Towns	<ul style="list-style-type: none"> • Improved security system through street lighting. 	<ul style="list-style-type: none"> • Installation of Street Lights in all roads leading to Kitui Town
		<ul style="list-style-type: none"> • Improved security system through real time monitoring 	<ul style="list-style-type: none"> • Installation of Street Lights around residential areas of CCTV cameras at vantage points around Kitui and Kwa Installation Vonza
	➤ Construction of Buildings and Purchase of land.	<ul style="list-style-type: none"> • Construction of offices and related building works 	<ul style="list-style-type: none"> • Construction of a fire station
			<ul style="list-style-type: none"> • Construction of masonry wall around town administration building and construction of staff parking
			<ul style="list-style-type: none"> • Acquisition of land for a dump site
	➤ Specialized Equipment, Materials and Supplies.	<ul style="list-style-type: none"> • Purchase of Specialized Plant, Equipment, Materials and Supplies 	<ul style="list-style-type: none"> • Installation of firefighting equipment in public markets
<ul style="list-style-type: none"> • Purchase and installation of CAD and GIS software and related hardware 			

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
			<ul style="list-style-type: none"> • Purchase of material testing workshop tools and equipment • Purchase of 1 No. Graders • Purchase of 1 No. Backhoe Loaders • Purchase of 1No. Tipper Trucks • Purchase of 1 No. Drum Rollers 10-ton • Purchase of 1 No. Wheel Loader • Purchase of 1 No. Hydraulic Excavator • Purchase of 1 No. Earthmovers • Hiring of 8 No. plant operators
Trade, Commerce and Industry Department-Town Administration			
	<ul style="list-style-type: none"> ➤ Creating an enabling environment for business to thrive in order to encourage investment, growth and expansion of economic opportunities. 	<ul style="list-style-type: none"> • Concentrate efforts on supporting our people who are starting and growing business. • 	<ul style="list-style-type: none"> • Construction and rehabilitation of markets. • Construction of modern market stalls in Kitui town • Construction of sanitary facilities within the market Centre's • Fencing of the livestock yard in Kalundu.
	<ul style="list-style-type: none"> ➤ Improve business environment and elaborate the role of the county government and that of the private sector in trade and investment promotion. 	<ul style="list-style-type: none"> • Training of MSME's to build their capacities for business enhancement • Create awareness of the existence of trade potentials in the town. • Encouraging public- private partnership in implementing various programs in the town. • Redoubling investment in the town. 	<ul style="list-style-type: none"> • Lighting and water provision in markets. • Organize trade and industry forums

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
	<ul style="list-style-type: none"> ➤ Promote industrial development in the town 	<ul style="list-style-type: none"> • Promoting value addition • Capacity building for SME's on bidding government contracts and business management skills • Pursue rigorous and aggressive investment promotion activities 	<ul style="list-style-type: none"> • Construction of juakali and bodaboda sheds • Operationalization and equipping of the existing IDC's for optimal utilization.
Environment			
	<ul style="list-style-type: none"> ➤ Make cities and human settlements inclusive, safe, resilient and sustainable 	<ul style="list-style-type: none"> • To ensure availability and sustainable management of water and sanitation for all 	<p style="text-align: center;">Environmental Conservation</p> <ul style="list-style-type: none"> • Benchmarking on integrated solid wastes management • Hold Community awareness and training sessions on proper wastes management.
		<ul style="list-style-type: none"> • Clean and healthy environment in town 	<ul style="list-style-type: none"> • Adoption of efficient and effective wastes management approach through purchase of cleansing and sanitation tools and equipment, Purchase of large solid wastes collection containers and also purchase solid waste collection tipper/bulldozer • Carryout landscaping of Kitui town and its environs as a basis of town beautification • Town cleansing and beautification through-maintenance of the current flowers, flower beds and trees, plant more flowers and trees • Catchment protection and Riparian reserves conservation • Community capacity building on environmental conservation

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
			<ul style="list-style-type: none"> • Establishment of an Arboretum as a centre for learning, leisure and revenue collection. • Purchase land for construction of new Kitui • Slaughter house • Purchase and replace slaughter house tools and equipment • Purchase land for construction of a landfill and a cemetery • Rehabilitate and exhaust the public latrines in town • Construction of 2 ablution facilities at Kalundu and Kiembeni
	Community Development Socio-cultural and Economic		
	<ul style="list-style-type: none"> ➤ Enhanced socio-cultural and economic wellbeing of the community members 	<ul style="list-style-type: none"> • Achieve gender equality and empower all women and girls 	<p style="text-align: center;">Community Socio-cultural and economic Empowerment</p> <ul style="list-style-type: none"> • Carryout needs assessment for the target community to inform in development of intervention measures (projects and activities) • Hold meetings with other Government development agencies and Non-Governmental Organizations to identify areas of synergy in community development • Establishment of a modern stadia complex to act as community recreation centre, host official events and performances, support growth of sports, generate income and offer job opportunities to the youths.

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
		<ul style="list-style-type: none"> Reduce inequality among community members in Kitui town 	<ul style="list-style-type: none"> Establish a talent academy to tap the already existing pool of talents and develop them into careers. Promote authentic cultural experiences and refined production of Kamba artifacts. Promote Kamba culture through organizing cultural events whereby children, youths and adults either in groups or individually show case their talents in form of songs, dances, play and other forms of entertainment. It's in these events where potential talents can be identified and build on and also it provides an opportunity to urge our people to hold on to Kamba cultural believes and practices. Undertake advocacy –educating and empowering community members on; Human rights Different policies relating to food security and watery County budget process
Mwingi Town Administration	<ul style="list-style-type: none"> ➤ Specialized Equipment, Materials and Supplies ➤ Construction of Non-residential Buildings 	<ul style="list-style-type: none"> To provide high capacity computers for works civil department & respective field kits To create a conducive work environment for employees and visitors, and generate more County revenue. 	<ul style="list-style-type: none"> Purchase of workshop tools, spares and equipment for Public Works, Civil engineering and Physical Planning. Repair cesspool and soak pit at Town slaughterhouse, and landscape its compound. Purchase and install a 5000 litres overhead plastic tank at Town office.

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
		<ul style="list-style-type: none"> To improve the County image and possibly increase annual rent for more County revenues 	<ul style="list-style-type: none"> Repair 60 market stalls at Old, open-air and modern markets.
		<ul style="list-style-type: none"> To forestall negative public health implications, ensure consistent revenue streams. 	<ul style="list-style-type: none"> Construct a new public eco-toilet at Old Kitui stage Rehabilitate 4 public latrines at bus park, Musila gardens, stockyard and slaughterhouse
		<ul style="list-style-type: none"> To protect Town Cemetery and to ensure the safety of graves and those going to burry there. 	<ul style="list-style-type: none"> Rehabilitate Town Cemetery (Fix gate, levelling and clear bushes.
		<ul style="list-style-type: none"> To provide an environment for the healthy living of residents and generate more County revenue. 	<ul style="list-style-type: none"> Convert old dumpsite into a public park
		<ul style="list-style-type: none"> To achieve environmentally sound solid waste management and facilitate the healthy living of town dwellers. 	<ul style="list-style-type: none"> Fence and organize newly purchased dumpsite at Mboru
		<ul style="list-style-type: none"> ➤ Town beatification and maintenance of recreational facilities 	<ul style="list-style-type: none"> To make the Town an attractive and healthy commercial, residential and recreational destination.

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
		<ul style="list-style-type: none"> To create a conducive business environment and raise more revenue. 	<ul style="list-style-type: none"> Construct two shades at open-air market, complete with guttering and drainage system.
		<ul style="list-style-type: none"> Better business environment. Better image of the County Government. 	<ul style="list-style-type: none"> Install security lighting at old market, slaughterhouse and open air market
		<ul style="list-style-type: none"> Improve the county government image and ensure safe business and residential areas 	<ul style="list-style-type: none"> Repair and maintain Town street lighting including electricity Bills
		<ul style="list-style-type: none"> Achieve equity among all faiths 	<ul style="list-style-type: none"> Purchase 5 acres land for Muslim Cemetery
	➤ Construction of Civil Works	<ul style="list-style-type: none"> To improve commerce by increase efficient town mobility through curtailing of frequent flooding in town. 	<ul style="list-style-type: none"> Grade and culvert 25 kilometres of Town roads to open up backstreets to encourage commercial activities there and therefore decongest the town centre;
			<ul style="list-style-type: none"> Ensure efficient mobility in Town, especially for institutions located in the backstreets.
			<ul style="list-style-type: none"> Construct and maintain storm water drains
			<ul style="list-style-type: none"> Upgrade to bitumen standard the Skyway – High Court – Kamuwongo Road
		<ul style="list-style-type: none"> Efficient traffic flow and reduced risks of accidents and cost of business. Generate more county revenue 	<ul style="list-style-type: none"> Upgrade to gravel standard the bus park – modern market road
		<ul style="list-style-type: none"> Conducive business environment for about 300 	<ul style="list-style-type: none"> Construct shades and Temporary Transfer Station at stockyard and upgrade access road to gravel standard.

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2016/2017 FY
		traders and their customers. More revenue.	
		<ul style="list-style-type: none"> • Safe and clean business environment for about 50 traders and their customers. More revenue. 	<ul style="list-style-type: none"> • Redesign and construct drainage of the LHS of the old Market - Faith clinic road section
	<ul style="list-style-type: none"> ➤ Disaster Preparedness and Management 	<ul style="list-style-type: none"> • To ensure effective response to emergencies and disasters in Mwingi Town. 	<ul style="list-style-type: none"> • Purchase a double cabin motor vehicle for sharing between 5 departments
		<ul style="list-style-type: none"> • Effective response to ambulatory and fire disasters. 	<ul style="list-style-type: none"> • Open up backstreets to facilitate ambulance and fire engine access • Construct a reservoir Tank and a mini fire station
County Assembly	<ul style="list-style-type: none"> ➤ Enhance capacity in Legislation, Representation and Oversight 	<ul style="list-style-type: none"> • Facilitate passage of legislations. 	<ul style="list-style-type: none"> • Completion of modern debating chamber
		<ul style="list-style-type: none"> • Ensure improved Representation and Oversight. 	<ul style="list-style-type: none"> • Construction of Members' Recreational Facility • Construction of Speaker's Residence • Training and Development
	<ul style="list-style-type: none"> ➤ Supporting and Co-ordination of County Assembly Services 	<ul style="list-style-type: none"> • Capacity building and provision of requisite equipment for effective implementation of programmed activities. 	<ul style="list-style-type: none"> • Construction of Office Block • Purchase of Office Equipment

IV. Budget 2016/17 and the Medium Term

Overview

105. Over the medium term 2013/14 – 2015/16, the county government has been investing in building the foundation for sound economic development that is shared across all the social level of the Kitui citizenry. This has been founded on the reorganisation of the governing system in Kenya as created by the Kenya constitution 2010 that resulted in creation of 47 county governments and one national government.

106. This has been anchored on the reforms initiated by the national treasury and cascaded to county government to improve efficiency in service delivery and ensure there is value for money. This has called for expenditure rationalisation and job evaluation to remove unnecessary costs and improve performance in public service

107. The aim of 2016/17 -2018/19 medium term fiscal framework is to accelerate financing for development projects while still providing for adequate budgetary support and human resource development necessary to address capacity gaps. In this regard, this County Fiscal Strategy Paper emphasizes on:

- Expenditure review to eliminate unnecessary costs in non-core areas to free up funds to finance capital expenditure in priority programs under the key pillars of this policy.
- Human resources development and management to address existing capacity gaps curtailing service delivery.
- Review of resource mobilisation strategies to address perennial shortfalls in own resources targets.
- Budget re-orientation within the priority sectors to allocate funds to projects which require little capital, short time to implement but with immediate results to the citizens.
- Civic education to enhance public participation for increased involvement of the citizens in the decision making process. This is expected to raise the voice of the citizens in participating in development agenda of the county.

108. In addition, reforms introduced in the earlier periods will be strengthened, especially in the areas highlighted above; expenditure management and revenue administration will be emphasised to free extra resources to address development challenges. This increase revenue will create fiscal space for spending on infrastructure and other social development programmes.

109. Human resource development and management is essential for efficient service delivery. Low absorption rate for development funds is partly blamed on capacity gaps existing in the county department, especially at the planning and budgeting stages, where resources may be poorly allocation necessitating a supplementary budget to expense the funds. This leads to delay in utilising the funds and may result in rolling the funds over to the following year.

Fiscal Policy and Other Structural Reforms

110. In the medium term, the county government plans to maintain a balanced budget to avoid deficit financing. This is in line with recommendation of the National Treasury and the CRA that counties should not borrow in the medium term. However, County Executive Committee Member in charge of finance may enter into an overdraft arrangement with the Central Bank of Kenya if there are enough funds in the County Revenue Fund account to guarantee it. Such an arrangement must be in line with section 58, 140 and 141 of the PFMA and will be entered into purely for cash flow management

111. At the foundation of fiscal reforms are the measures that the County Government will institute to raise the revenue collection. The County Government has inherited a revenue collection system that local authorities used for revenue administration. In order to increase the efficiency of revenue administration and thereby increase local resources, the County Government has initiated the process of automating revenue collection and continuous review of fees and charges.

112. In order to broaden the revenue base and thereby increase resource potential, the County Government will undertake a number of reforms highlighted in various sections of this paper to the county's revenue generation potential is enhance and harnessed for greater prosperity.

113. On the expenditure side, the County Government will continue with expenditure management reforms initiated by the National Treasury to improve efficiency and reduce wastage in line with the PFM Act, 2012. Compliance with the budgetary requirements and full adoption of the Integrated Financial Management Information System (IFMIS) from budgeting to reporting will be necessary.

114. In order to manage and contain wage bill and wage related expenses, it is important for the County entities to formulate their organisational structures complete with necessary staff establishment. It has been noted that defending the rationale for recruiting more staff without an established structure is really difficult. These structures have to be approved by the appropriate authority.

115. In line with the above proposed measures, the County Government will undertake job realignment to ensure that staffs inherited from the Local Authorities and the National Government are well oriented to the work assignment for efficiency and effectiveness in service delivery.

116. The overall budget ceiling for spending entities are based on the broad priorities of the County as outlined in this paper. The budget framework adopted over the medium term for 2015/16 will be rolled over to 2016/17, in line with the 2015/16-2017/18 MTEF. Programs initiated during the last financial year will continue to be funded to ensure intended benefits are realised.

117. The County will pursue prudent management of resources as outlined in the PFM Act, 2012. With ministerial and itemised budget, delivery of goods and services in the county will be hastened. This will be made possible by full adoption of IFMIS procedures/modules and ensuring efficiency in procurement procedures. This will majorly entail planning county activities in advance.

118. In order to guard against fiscal irresponsibility arising from passing of legislations and regulations fixing the percentage of wage bill, it will be important for the county government to ensure recruitment of new personnel does not lead to unsustainable wage bill. In order to achieve this objective, all county entities will need to prepare their operation structure to show staffing requirements.

119. In adhering to the principles of fiscal responsibility set out in PFM Act 2012, the county government shall ensure that revenue projections are not overstated to minimise the risk of budget deficit that could affect projects implementation.

Revenue Projections

120. Article 202 of the Constitution requires that revenues raised nationally be shared equitably between the National and County Governments. Article 203(2) of the Constitution requires that; in dividing the shareable revenue between the two levels of government, County Government shall not receive less than 15 per cent of the recently audited revenue received as approved by National Assembly.

121. In proposing resources allocation between the national and County Government to the National Treasury, the Commission for Revenue Allocation (CRA) takes into account the functions that each level of the government has been assigned by the Transition Authority. The principle of resources follow functions is applied when allocating resources. This function of transfer is the responsibility of Transition Authority.

122. The county budget for the FY 2016/17 is based on a revenue projection Kshs 8,519,797,755 up from Kshs 8,158,993,473 budget for the FY 2015/16. This amount comprise of funds expected from the national government, development partners (grants) and the County Government of Kitui own resources generated locally.

123. This amount includes grants from national government meant for specific programs being implemented by the national government in collaboration with county government. These grants comprise of (i) compensation for user fee forgone Kshs 23,606,211 (ii) Free maternity services Kshs 63,640,000 and (iii) Road maintenance fuel levy Kshs 120,484,293. Also included in this projection is a total of Kshs 150,020,244 being grants from development partners for health sector support programme.

124. The county government also expects to raise Kshs 638m locally to complement equitable share and grants from the national government and the development partners. This amount, comprising about 7.5 per cent of the total budget is decrease in percentage value from previous estimate of 7.45 per cent to the total budget.

Table 1: Projected Revenue 2016/17 – 2018/19

S/N o	Source	Actual Revenue 2014/15	Revenue Estimates 2015/16 (Kshs)	Revenue Estimates 2016/17 (Kshs)	Projected Revenue (Kshs)	
					2017/18	2018/19
1	Equitable share	6,340,498,549	7,267,273,063	7,523,437,007	8,781,408,886	9,659,549,774
2	Grants					
	Free Maternal Healthcare	-	63,610,400	63,640,000	70,004,000	77,004,400
	Compensation for User Fees Forgone	-	23,606,211	23,606,211	25,966,832	28,563,515
	Road Maintenance Fuel Levy	-	92,318,534	120,484,293	132,532,722	145,785,995
	Grants from UNDP	-	20,000,000	-	-	-
	HSSP/HSPS - (DANIDA/IDA)	34,610,000	83,985,266	150,020,244	165,022,268	181,524,495
	Subtotal	34,610,000	283,520,411	357,750,748	393,525,823	432,878,405
		6,535,108,549	7,550,793,474	7,881,187,755	9,174,934,709	10,092,428,179
3	Own Revenue			-	-	
	County Ministries/Entity			-	-	
	Governor's Office	10,154,130				
	Ministry of Administration and Coordination	379,687	128,666,410	135,099,731	141,854,717	148,947,453
	Ministry of Agriculture water and Irrigation	10,473,105	26,000,000	27,300,000	28,665,000	30,098,250
	Basic Education Training and Skills Development	162,200	-	-	-	-
	Ministry of Land Infrastructure and Urban Development	4,001,502	57,243,581	60,105,760	63,111,048	66,266,600
	Ministry of Health and Sanitation	113,746,911	131,000,000	137,550,000	144,427,500	151,648,875
	Ministry of Trade, Industry IT and Cooperative Development	178,231	1,000,000	1,050,000	1,102,500	1,157,625
	Ministry of Culture, Youth, Sports & Social Services	12,000	1,000,000	1,050,000	1,102,500	1,157,625
	Ministry of Environment, Energy and Minerals Investment Development	74,000	1,000,000	1,050,000	1,102,500	1,157,625
	Ministry of Tourism and Natural Resources	140,900	200,000	210,000	220,500	231,525
	Ministry of Finance & Economic Planning	294,945,539	123,661,974	129,845,073	136,337,326	143,154,193
	Kitui Town Administration	-	97,111,415	101,966,986	107,065,335	112,418,602
	Mwingi Town Administration	-	41,316,620	43,382,451	45,551,573.55	47,829,152
	Subtotal	434,268,205	608,200,000	638,610,000	670,540,500	704,067,525
	TOTAL	6,809,376,754	8,158,993,474	8,519,797,755	9,845,475,209	10,796,495,704

NB:*Revenue*

It is envisaged that the growth in revenue collection in 2016/17 financial year will be anchored on the following:-

- i. Revenue mapping planned for 2015/16 to establish the county optimal levels of revenue potentials rationalisation of revenue administration to seal off leakages.
- ii. Continuation of automation process – this process started in 2014/15 financial year with the aim of eliminating revenue leakages in improving efficient revenue management.
- iii. Capacity building of staff – the staff in revenue collection will be capacity build in order to foster attitude change towards revenue collection and public relation/ communication skills. It will serve as morale booster to the collectors

- iv. Operationalization of Finance Act – continuous review of the Finance Act to revenue administration cost effective and customer friendly. This is expected to increase the revenue generation over the period.
- v. Supervision and logistical support – in order to ensure continuous improvement in revenue collection, adequate supervision and necessary support to revenue staff is essential and shall be provided.

Conditional grants and allocations

- i. All funds allocated as conditional grants to various ministries (Ministry of Health and Sanitation and Ministry of Lands Infrastructure and Urban Development) will be disbursed to the County Revenue Fund Account together with the equitable share, but based on schedule to be provided by the National Treasury.
- ii. These funds should be budgeted either in separate items or programs for identification by either the donor or the government since they require separate returns for accounting to the donor.

Expenditure Projections

125. In the FY 2016/17, total expenditure is projected to be Kshs 8,519,797,755, this is 4.5 per cent above the previous year's budget of Kshs 8,158,993,473. Recurrent expenditure will be 62.1 per cent compared to 58.7 in 2015/16 FY.

126. Expenditure ceilings on goods and services is based on the 2015/16 FY as the basis point then adjusted to cater for general increase in prices

127. Ceiling for development including grants is Kshs 3.23 billion. This includes funds from development partners to support health which are usually recurrent in nature but factored in development budget of Kshs 150m.

128. This budget also includes a contingency of Kshs 60m to be transferred to emergency fund to cater for emergencies that may arise during the FY 2016/17. Also included in this budget is Kshs 300m for staff car loans and mortgages.

129. In order to address the risks associated with wage bill and other operational expenses crowding out development, the proportion of was shall be managed in a manner that it should decrease or remain constant as the total expenditure increases. In this personnel costs have been capped at 35 per cent and operations and maintenance at 25 per cent.

130. To ensure that the County Government get competitive rates for goods and services from its suppliers, payments shall be made on timely basis to forestall confidence and creditworthiness.

131. The analysis of proposed budgetary allocations to County Government entities and ministries is provided in table 2 and 3 below. In table 2, the amount proposed for allocation for total recurrent and development are provided alongside those allocated for the period 2015/16 FY. Table 3 further provides the breakdown for proposed allocation between personnel emoluments, operations and maintenance as well as development.

Table 2: Proposed Budgetary Allocation among Ministries

KITUI COUNTY BUDGET ESTIMATES 2015-16 AND 2016-17 PROJECTIONS

	Vote	Recurrent				Development				Totals			
		Actual Budget 2015/16	(%)	2016-17 Projection Total	(%)	Total Development 2015/16	(%)	2016-17 Total Allocation	(%)	Budget 2015/16	(%)	2016-17 Projection	(%)
3711	Office of the Governor	434,331,776	9	456,048,365	9	760,716,446	24	538,209,042	22	1,194,606,139	15	964,257,407	14
3712	Ministry of Administration and Coordination of County Affairs	496,086,877	10	530,812,958	10	151,485,585	5	410,111,507	4	647,572,462	8	940,924,465	8
3713	Ministry of Agriculture, Water and Irrigation	390,815,256	8	414,264,171	8	550,659,202	17	500,948,805	16	941,474,458	12	915,212,976	11
3714	Ministry of Basic Education, Training and Skills Development	362,653,228	8	395,292,019	7	176,297,274	6	154,224,035	5	538,950,502	7	549,516,053	7
3715	Ministry of Lands, Infrastructure and Urban Development	253,431,659	5	350,876,750	7	386,845,378	9	394,841,268	12	640,277,037	8	745,718,018	9
3716	Ministry of Health and Sanitation	1,565,115,555	33	1,721,627,111	33	380,947,579	9	411,645,880	13	1,946,063,134	24	2,133,272,991	25
3717	Ministry of Trade, Industry, ICT and Cooperatives	61,490,426	1	67,639,469	1	172,984,164	5	151,137,814	5	234,474,590	3	218,777,282	2
3718	Ministry of Culture, Youth, Sports and Social Services	61,843,936	1	66,667,763	1	153,804,042	5	143,271,191	4	215,647,978	3	209,938,954	2
3719	Ministry of Environment, Energy and Mineral Investment Development	40,629,282	1	44,692,210	1	204,058,892	6	190,084,474	6	244,688,174	3	234,776,684	3
3720	Ministry of Tourism and Natural Resources	44,529,980	1	48,537,678	1	73,902,792	2	63,841,760	2	118,432,772	1	112,379,438	1
3721	Ministry of Finance and Economic Planning	256,121,252	5	299,661,865	6	55,433,647	2	51,637,425	2	311,554,900	4	351,299,290	4
3722	County Public Service Board	60,648,075	1	66,712,882	1	0	0	0	0	60,648,075	1	66,712,882	1
3723	County Assembly	678,238,011	14	729,105,862	14	51,000,000	2	0	1	729,238,011	9	759,613,266	9
3724	Kitui Town Administration	50,629,691	1	58,224,145	1	166,372,855	5	141,405,042	4	217,002,546	3	199,629,186	2
3725	Mwingi Town Administration	34,382,251	1	39,539,588	1	83,980,446	3	78,229,273	2	118,362,697	1	117,768,862	1
	Total	4,790,947,255	100	5,289,702,836	100	3,368,046,218	100	3,230,094,919	100	8,158,993,473	100	8,519,797,755	100
		58.7		62.1		41.3		37.9		100.0		100	

Table 3: Allocation between PE, O&M and Development

Code	Vote	%	Recurrent				%	Development			%	Totals	
			2016-17 Projection			2016-17 Conditional Allocations		2016-17 Projected Allocation	2016-17 Total Allocation	2016-17 Projection		%	
			PE	O&M	Total								
3711	Office of the Governor	9	186,696,491		269,351,874	456,048,365	9		538,209,042	538,209,042	16	964,257,407	11
3712	Ministry of Administration and Coordination of County Affairs	10	414,188,155		116,624,803	530,812,958	10		410,111,507	410,111,507	13	940,924,465	11
3713	Ministry of Agriculture, Water and Irrigation	8	276,883,097		137,381,074	414,264,171	8		500,948,805	500,948,805	16	915,212,976	11
3714	Ministry of Basic Education, Training and Skills Development	8	346,214,964		49,077,055	395,292,019	7		154,224,035	154,224,035	5	549,516,053	6
3715	Ministry of Lands, Infrastructure and Urban Development	5	214,254,054		136,622,696	350,876,750	7	120,484,293	274,356,975	394,841,268	12	745,718,018	9
3716	Ministry of Health and Sanitation	33	1,074,296,107	87,246,211	560,084,793	1,721,627,111	33	150,020,224	261,625,656	411,645,880	13	2,133,272,991	25
3717	Ministry of Trade, Industry, ICT and Co-operatives	1	48,160,206		19,479,263	67,639,469	1		151,137,814	151,137,814	5	218,777,282	3
3718	Ministry of Culture, Youth, Sports and Social Services	1	33,974,145		32,693,618	66,667,763	1		143,271,191	143,271,191	4	209,938,954	2
3719	Ministry of Environment, Energy and Mineral Investment Development	1	24,215,238		20,476,973	44,692,210	1		190,084,474	190,084,474	6	234,776,684	3
3720	Ministry of Tourism and Natural Resources	1	30,195,248		18,342,430	48,537,678	1		63,841,760	63,841,760	2	112,379,438	1
3721	Ministry of Finance and Economic Planning	5	143,296,735		156,365,131	299,661,865	6		51,637,425	51,637,425	2	351,299,290	4
3722	County Public Service Board	1	29,540,172		37,172,711	66,712,882	1		0	0	0	66,712,882	1
3723	County Assembly	14	264,454,884		464,650,978	729,105,862	14		0	0	1	759,613,266	9
3724	Kitui Town Administration	1	39,065,294		19,158,850	58,224,145	1		141,405,042	141,405,042	4	199,629,186	2
3725	Mwingi Town Administration	1	24,270,629		15,268,959	39,539,588	1		78,229,273	78,229,273	2	117,768,862	1
	Total	100	3,149,705,418	87,246,211	2,052,751,207	5,289,702,836	100	270,504,517	2,959,590,402	3,230,094,919	100	8,519,797,755	100
						62.1			34.7	37.9		100	

132. Allocation to County sector priorities as outlined in 2015/16 CFSP have been maintained to ensure programs started within this MTEF period are implemented and intended impacts realised by the residences. Major emphasis has been put on:

- Agriculture, Water and Irrigation, which received 12 per cent in 2015/16 financial year, has been allocated 11 percentage in order to continue to address the broad objective of food security and water issues in the county.
- Health and Sanitation, which had been allocated 24 per cent for health delivery services received a slightly higher this financial, bagging 25 per cent. This amount includes conditional allocations to address maternal health, compensation for user fees forgone and other grants from development partner towards health sector support programme.
- Lands, Infrastructure and Urban Development which received 8 per cent in 2015/16 will receive 9 per cent this financial year. This is after allocation of funds in the last three financial years for acquisition of the necessary machinery for road construction by the ministry.
- Investment in Basic Education has received more share this year from 6 per cent last financial year to 7 per cent to address the additional burden of refurbishing village polytechnics and personnel devolved towards the end of 2014.
- Office of the Governor has received slightly lower proportion than allocated in the last financial year. The office of the Governor, though not a development entity houses key projects (community level infrastructure program and pro-poor program).
- Other service and social sectors have generally retained the allocations to ensure service delivery is not affected.

V. ANNEXTURE

Table 4: Revenue streams and projections

County Ministry/ Institution	ANNUAL TARGET 2015/ 2016	ANNUAL PROJECTIONS 2016/ 2017 (5% GROWTH)	ANNUAL PROJECTIONS 2017/ 2018 (5% GROWTH)
Ministry of Agriculture, Water and Irrigation			
Machinery And Workshop Services, Transport And Farm Planning Services.			
1. Agricultural Machinery and Workshop Services			
a) Tractor powered operations			
Ploughing per acre:			
Ploughing old land	1,000,000	1,050,000	1,102,500
2. Heavy earth moving machinery			
Agricultural Work - Dry Rate			
Cat D6, Honamag D600C, TD15, and all other 150-17HP	2,000,000.00	2,100,000	2,205,000
Cat D7, Komatsu D75, TD20E and other 180HP TO 240HP	10,000,000	10,500,000	11,025,000
4. Transport Hire			
Low loader - 40 tons capacity	2,000,000.00	2,100,000	2,205,000
Veterinary			
Meat Inspection		-	-
- Goat/cow	1,457,000	1,529,850	1,606,342
Slaughter House Licence	20,000.00	21,000.00	22,050.00
Slaughter man's Licence	8,000	8,400	8,820
Slaughter man's Licence Registration	2,000.00	2,100	2,205
Dispatch Note (Hides & skins)	5,000	5,250	5,512
Meat carrier licence.	8,000	8,400	8,820
Vaccination of animals	3,000,000	3,150,000	3,307,500
Agricultural Institute			
Sale of farm produce	1,000,000	1,050,000	1,102,500
Hire of training equipment	50,000	52,500	55,125
Hire of grounds for wedding	40,000	42,000	44,100
Training and Accommodation	5,410,000	5,680,500	5,964,525
TOTAL	26,000,000.00	27,300,000.00	28,665,000.00
Ministry of Environment, Energy and Mineral Investment Development			
Sale of County trees			
Hardwood	24,000.00	25,200.00	26,460.00
Softwood	24,000.00	25,200.00	26,460.00
Tree cutting/pruning certificate within towns:			-
Tree cutting - Large size	12,000.00	12,600.00	13,230.00
Medium size	12,000.00	12,600.00	13,230.00
Small size	12,000.00	12,600.00	13,230.00
Penalty for illegal cutting of trees	6,000.00	6,300.00	6,615.00
Waste Disposal Charges:		-	-

Vehicle 7 tonnes	30,000.00	31,500.00	33,075.00
Vehicle 3 tonnes	50,000.00	52,500.00	55,125.00
Vehicle 1 tonne pick up	72,000.00	75,600.00	79,380.00
Hand cart load	12,000.00	12,600.00	13,230.00
Charcoal Cess Permit	240,000.00	252,000.00	264,600.00
Registration to transport sand permit	120,000.00	126,000.00	132,300.00
Sand approval fee for commercial buildings	60,000.00	63,000.00	66,150.00
Initial mining approval	200,000.00	210,000.00	220,500.00
Mining or Natural Resource Extraction operation	100,000.00	105,000.00	110,250.00
Vaccination services done (card & vaccine owners)	14,000.00	14,700.00	15,435.00
Unscheduled vaccination charges	12,000.00	12,600.00	13,230.00
TOTAL	1,000,000.00	1,050,000.00	1,102,500.00
Ministry of Health and Sanitation			
Medical examination			
Food handlers	300,000.00	315,000.00	330,750.00
Colleges, schools & universities	300,000.00	315,000.00	330,750.00
Inspection certificate to Hotels & Restaurants Authority	150,000.00	157,500.00	165,375.00
Inspection of Medical Institutions			
Clinics	300,000.00	315,000.00	330,750.00
Hospitals	300,000.00	315,000.00	330,750.00
Public Health Inspection Certificate	240,000.00	252,000.00	264,600.00
Application for Examination of Drain layers & plumbers	200,000.00	210,000.00	220,500.00
Plumber & drain layers licence	120,000.00	126,000.00	132,300.00
Public Health School Inspection Reports:			
Nursery Schools	60,000.00	63,000.00	66,150.00
Primary schools	120,000.00	126,000.00	132,300.00
Secondary Schools	100,000.00	105,000.00	110,250.00
Liquor License fee and report	120,000.00	126,000.00	132,300.00
Food and Hygiene Licenses			
Food & Hygiene Application form	100,000.00	105,000.00	110,250.00
Categories of premises:		-	-
General shops, market stall & retail grocery shops	360,000.00	378,000.00	396,900.00
Dairies, milk shops, milk bars, canteens	60,000.00	63,000.00	66,150.00
Fish shops, Butcheries, meat roasting, house cafes, snacks bars, wines & spirits	120,000.00	126,000.00	132,300.00
Posho mills	60,000.00	63,000.00	66,150.00
Restaurants, members clubs, medium supermarkets, vehicles, meat wholesalers.	360,000.00	378,000.00	396,900.00

Hotels, nightclubs, slaughter houses, large scale supermarkets, warehouses, whole sellers, go downs, medium class bakeries, Food processing small scale	844,000.00	886,200.00	930,510.00
Food factories, bottling plants, creameries. Canning plants, flour millers and other food processing factories.	1,200,000.00	1,260,000.00	1,323,000.00
Kitui District Hospital-User fee	60,000,000.00	63,000,000.00	66,150,000.00
Mwingi District Hospital-user fees	42,000,000.00	44,100,000.00	46,305,000.00
Migwani District hospital-user fees	8,400,000.00	8,820,000.00	9,261,000.00
Kauwi sub -district hospital-user fees	5,040,000.00	5,292,000.00	5,556,600.00
Katulani Sub-district Hospital-user fees	2,820,000.00	2,961,000.00	3,109,050.00
Ikanga Sub-district hospital-user fees	2,004,000.00	2,104,200.00	2,209,410.00
Tseikuru sub-district hospital-user fees	1,620,000.00	1,701,000.00	1,786,050.00
Kyuso sub -district hospital -user fees	1,200,000.00	1,260,000.00	1,323,000.00
kanyangi sub-district Hospital -user fees	1,200,000.00	1,260,000.00	1,323,000.00
Mutitu Sub-district hospital-User fees	900,000.00	945,000.00	992,250.00
Nuu-Sub district hospital-user fees	402,000.00	422,100.00	443,205.00
TOTAL	131,000,000.00	137,550,000.00	144,427,500.00
Ministry of Culture, Youth, Sports and Social Services			
hire of county stadia	305,000.00	320,250.00	336,262.50
Camel/Horse riding(per animal)	100,000.00	105,000.00	110,250.00
Manual Miniature car	150,000.00	157,500.00	165,375.00
Motorized Miniature car/motorbike	50,000.00	52,500.00	55,125.00
Fixed Swing	100,000.00	105,000.00	110,250.00
Mobile/Manual swing	200,000.00	210,000.00	220,500.00
Bouncing castle	50,000.00	52,500.00	55,125.00
Boat hire services-KIAMBERE			
Small boat(4 passengers)	10,000.00	10,500.00	11,025.00
Medium boat(6 passengers)	15,000.00	15,750.00	16,537.50
Big boat(more than 6 passengers)	20,000.00	21,000.00	22,050.00
TOTAL	1,000,000.00	1,050,000.00	1,102,500.00
Ministry of Lands, Infrastructure and Urban Development			
Approval of building plan	2,564,352.00	2,692,569.60	2,827,198.08
Alteration of building	6,017.00	6,317.85	6,633.74
Change of user	13,359.00	14,026.95	14,728.30
Application for parcel of land	10,000.00	10,500.00	11,025.00
Plot application fee	12,000.00	12,600.00	13,230.00
plot subdivision	361,053.00	379,105.65	398,060.93
Allotment fee	480,000.00	504,000.00	529,200.00
Application for declared vacant plot	84,000.00	88,200.00	92,610.00
Plot transfer fee	480,000.00	504,000.00	529,200.00
Amalgamation of plots	60,000.00	63,000.00	66,150.00
Plot extension fee	3,008.00	3,158.40	3,316.32

Consent to charge a plot	56,000.00	58,800.00	61,740.00
Inspection fee during construction	520,000.00	546,000.00	573,300.00
Certificate per building	600,000.00	630,000.00	661,500.00
Application for sub division of a registered parcel of land	640,000.00	672,000.00	705,600.00
Plot reinstatement fee	361,327.00	379,393.35	398,363.02
Drawing of a building plan	638,947.00	670,894.35	704,439.07
Penalty for illegal construction	120,000.00	126,000.00	132,300.00
survey fees	47,537.00	49,913.85	52,409.54
survey fees(court summons)	230,400.00	241,920.00	254,016.00
EIA	432,000.00	453,600.00	476,280.00
Sale of maps	360,000.00	378,000.00	396,900.00
boundary resolutions	360,000.00	378,000.00	396,900.00
registration of mutations	480,000.00	504,000.00	529,200.00
disputed road disputes	360,000.00	378,000.00	396,900.00
plot beacon identification	720,000.00	756,000.00	793,800.00
Land rates	45,809,370.00	48,099,838.50	50,504,830.43
Penalties	1,434,211.72	1,505,922.31	1,581,218.42
TOTAL	57,243,581.72	60,105,760.81	63,111,048.85
Office of the Governor			
Alcoholic Drinks License:			
Ordinary bar Per Annum	18,000,000.00	18,900,000.00	19,845,000.00
Wines & spirits Per Annum	11,000,000.00	11,550,000.00	12,127,500.00
Brewers Per Annum	200,000.00	210,000.00	220,500.00
Wholesalers Per Annum	5,000,000.00	5,250,000.00	5,512,500.00
Bottler's Per Annum	40,000.00	42,000.00	44,100.00
Distributors Per Annum	16,000,000.00	16,800,000.00	17,640,000.00
Hotels Per Annum	4,800,000.00	5,040,000.00	5,292,000.00
Importers Per Annum	2,400,000.00	2,520,000.00	2,646,000.00
Restaurants Per Annum	15,829,552.00	16,621,029.60	17,452,081.08
clubs(Members, Proprietary, night club & Discotheque) Per Annum	1,700,000.00	1,785,000.00	1,874,250.00
Supermarkets	4,800,000.00	5,040,000.00	5,292,000.00
Franchised Retail Stores Per Annum	2,400,000.00	2,520,000.00	2,646,000.00
Theatre Per Annum	500,000.00	525,000.00	551,250.00
Traveller's Per Annum	96,000.00	100,800.00	105,840.00
Temporary or occasional per day	7,200,000.00	7,560,000.00	7,938,000.00
sale of tender documents	10,800,000.00	11,340,000.00	11,907,000.00
Impounding Charges	11,300,857.46	11,865,900.33	12,459,195.35
Penalties	6,600,000.00	6,930,000.00	7,276,500.00
TOTAL	128,666,409.46	135,099,729.93	141,854,716.43
Ministry of Tourism and Natural Resources			
Game reserves	100,000.00	105,000.00	110,250.00
Plant sanctuaries	50,000.00	52,500.00	55,125.00

Historical sites, rocks, ridges and rivers	50,000.00	52,500.00	55,125.00
TOTAL	200,000.00	210,000.00	220,500.00
Ministry of Trade, Industry, ICT and Co-operatives			
Verification of weighing and measuring equipment	750,000.00	787,500.00	826,875.00
Co-operative audit services	250,000.00	262,500.00	275,625.00
Total	1,000,000.00	1,050,000.00	1,102,500.00
Ministry of Finance and Economic Planning			
Single business permits	18,053,125.46	18,955,781.73	19,903,570.82
House and stalls rents	3,146,613.49	3,303,944.16	3,469,141.37
Market fees	20,488,903.60	21,513,348.78	22,589,016.22
Cess	69,852,810.00	73,345,450.50	77,012,723.03
Penalty charges	2,774,629.85	2,913,361.34	3,059,029.41
Sing board & advertising	2,939,701.15	3,086,686.21	3,241,020.52
Transportation fees	2,639,765.00	2,771,753.25	2,910,340.91
Slaughter fees	2,310,171.11	2,425,679.67	2,546,963.65
Burial fee	61,686.33	64,770.65	68,009.18
Registration fees	1,219,598.83	1,280,578.77	1,344,607.71
Sale of bylaws	5,000.00	5,250.00	5,512.50
Consent to charge/ certificate.	114,000.00	119,700.00	125,685.00
Search of record charges	55,969.00	58,767.45	61,705.82
Total	123,661,973.82	129,845,072.51	136,337,326.14
KITUI TOWN			
Signboard and advertising	2,200,000.00	2,310,000.00	2,425,500.00
Single business permits	17,700,000.00	18,585,000.00	19,514,250.00
Transportation fees	839,765.00	881,753.25	925,840.91
Enclosed parking	20,113,400.00	21,119,070.00	22,175,023.50
Street parking	18,225,000.00	19,136,250.00	20,093,062.50
Market fees	33,720,000.00	35,406,000.00	37,176,300.00
Penalty charges	2,783,000.00	2,922,150.00	3,068,257.50
Burial fee	30,250.00	31,762.50	33,350.63
Registration fees	500,000.00	525,000.00	551,250.00
TOTAL	97,111,415.00	101,966,985.75	107,065,335.04
MWINGI TOWN			
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SIGNBOARD AND ADVERTISING	2,248,000.00	2,360,400.00	2,478,420.00
SINGLE BUSINESS PERMITS	7,700,000.00	8,085,000.00	8,489,250.00
TRANSPORTATION FEES	530,000.00	556,500.00	584,325.00
ENCLOSED PARKING	8,200,000.00	8,610,000.00	9,040,500.00
STREET PARKING	8,792,000.00	9,231,600.00	9,693,180.00
MARKET FEES	11,500,000.00	12,075,000.00	12,678,750.00
PENALTY CHARGES	2,246,200.00	2,358,510.00	2,476,435.50
BURIAL FEE	2,420.00	2,541.00	2,668.05
REGISTRATION FEES	98,000.00	102,900.00	108,045.00

TOTAL	41,316,620.00	43,382,451.00	45,551,573.55
	262,090,008.82	275,194,509.26	288,954,234.72
<u>GRAND TOTAL</u>	608,200,000.00	638,610,000.00	670,540,500.00