



**COUNTY GOVERNMENT OF LAIKIPIA**

**DEPARTMENT OF FINANCE AND ECONOMIC PLANNING**

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER**

**SEPTEMBER 2018**

# **COUNTY VISION, MISSION, AND CORE VALUES**

## **Vision Statement**

The greatest county with the best quality of life

## **Mission Statement**

To enable every household in Laikipia county to lead a prosperous life

## **Core Values**

People-centeredness

Equity

Accountability

Efficiency

Professionalism

Integrity

Innovativeness

Passion

## **FOREWORD**

The 2018 County Budget Review and Outlook Paper(C-BROP) is prepared in accordance with the Public Finance Management Act, 2012. The paper's main focus is enhancing efficiency in resource mobilization and efficiency in budget implementation. This is achieved through the realistic allocation of the County Government resources, to ensure that such resources go into full utilization in a mission of meeting the needs of the citizenry.

In this regard, the expenditure and revenue policy framework for the 2018/19 financial year and the medium term revolves around the following fiscal principles;

- i. Entrenching fiscal discipline in the management of Public Finances,
- ii. Continued support to the growth of the economy to provide employment opportunities for the citizens,
- iii. Aligning Laikipia County development agenda with the National Development Goals, and
- iv. Ensuring public participation in the selection and implementation of projects to ensure equity in service provision.

Fiscal discipline will seek to ensure that each spending agency in the county can keep and support sustainable economic growth. The implementation of the County budget will focus on reducing poverty levels by improving access to health care, public infrastructure, enterprise development, and agricultural productivity.

The County Government remains committed to maintaining the trend of economic growth and development in line with the needs and commitments made to the people of Laikipia. Towards this end, the County Government will ensure that there is transparency and accountability by engaging stakeholders in development planning, implementation, and monitoring as required by the Constitution and the Public Finance Management Act, 2012.

**Boniface Murungi Ndai**  
**County Executive Committee Member**  
**FINANCE AND ECONOMIC PLANNING**

## **ACKNOWLEDGEMENTS**

The preparation of the fifth Laikipia County Budget Review and Outlook Paper 2018 was a collaborative effort supported by County Government entities and individual staff members.

The County Executive Committee Members played a key role by providing departmental support towards the finalization of this paper. The Finance and Economic Planning Department played a critical role by steering the process and providing technical inputs.

Special appreciation is hereby extended to County Executive Committee Member for Finance and Economic Planning for his policy guide and overall leadership in the preparation of the paper. The Chief Officers who provided vital inputs to the paper are also sincerely acknowledged.

I recognize the staff of the Economic Planning Unit, Budgeting and Treasury Accounting for their invaluable technical contribution into the compilation of the Paper.

Special thanks to every member of staff in the Finance and Economic Planning Department for their tireless efforts during the preparation and finalization of this Paper.

**Paul Njenga Waweru,**  
**Ag Chief Officer, Finance and Economic Planning Department**  
**COUNTY GOVERNMENT OF LAIKIPIA**

## TABLE OF CONTENTS

COUNTY VISION, MISSION, AND CORE VALUES .....	ii
FOREWORD .....	iii
ACKNOWLEDGEMENTS .....	iv
LIST OF TABLES .....	vii
ABBREVIATIONS .....	viii
CHAPTER ONE .....	1
INTRODUCTION.....	1
1.1 Legal basis for the preparation of CBROP .....	1
1.2 Significance of the CBROP .....	1
1.3 Objectives of the CBROP .....	1
1.4 Structure of the CBROP .....	2
CHAPTER TWO .....	3
REVIEW OF FISCAL PERFORMANCE IN 2017/18 .....	3
2.1 Performance Overview .....	3
2.2 Fiscal Performance in 2017/18 .....	3
2.3 Overall Balance and Financing .....	5
2.4 Implication of 2017/18 Fiscal Performance on Financial Objectives Contained in the 2018/19 Approved Budget .....	5
CHAPTER THREE.....	6
RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK .....	6
3.1 Introduction.....	6
3.2 Recent Economic Developments .....	6
3.3 Progress Report on Budget Implementation.....	9
3.4 County Economic Outlook and Policies.....	10
3.5 Medium Term Fiscal Framework .....	11

3.6 Risks to the Outlook.....	11
CHAPTER FOUR.....	13
RESOURCE ALLOCATION FRAMEWORK .....	13
4.1 Introduction.....	13
4.2 Adjustment to the 2018/19 Budget Estimates.....	13
4.2 Medium Term Expenditure Framework .....	14
4.3 Proposed Budget 2018/19 Framework .....	15
CHAPTER FIVE.....	16
CONCLUSION AND NEXT STEPS.....	16
5.1 Conclusion and Next Steps .....	16
ANNEXES.....	18
Annex 1: 2019/20 Budget Calendar .....	18
Annex 2: Revenue Projections for 2017/18, 2018/19 and 2019/20.....	19
Annex 3 (a): Local Revenue Collection statement For FY 2016/17 and 2017/18 .....	19
Annex 3 (b): Hospital Local Revenue Collection Statement for FY 2016/17 and 2017/18 .....	22
Annex 4(a): Annual Development Plan 2018/19 Estimates (ADP 2018/19).....	22
Annex 4(b): Personnel Emoluments Projections 2018/19(ADP 2018/19) .....	23
Annex 5: Sector Ceilings in 2018/19 and Medium Term (CFSP2018) .....	23

## **LIST OF TABLES**

Table 2.2. 1 County Revenue Performance .....	3
Table 2.2. 2 County Expenditure Performance .....	4
Table 2.2. 3 2017/18 Sectoral Expenditure .....	5
Table 4.2. 1 Total Sector Ceiling for the MTEF Period 2018/2019-2020/2021.....	14

## **ABBREVIATIONS**

<b>ADP</b>	Annual Development Plan
<b>AGPO</b>	Access to Government Procurement Opportunities
<b>CBROP</b>	County Budget Review and Outlook Paper
<b>CDMS</b>	County Debt Management Strategy
<b>CFSP</b>	County Fiscal Strategy Paper
<b>CRA</b>	Commission on Revenue Allocation
<b>CSWGs</b>	County Sector Working Groups
<b>EAC</b>	East Africa Community
<b>FY</b>	Financial Year
<b>GDP</b>	Gross Domestic Product
<b>HFIF</b>	Health Facility Improvement Fund
<b>ICT</b>	Information Communication Technology
<b>IEBC</b>	Independent Electoral and Boundaries commission
<b>IFMIS</b>	Integrated Financial Management Information System
<b>KRA</b>	Kenya Revenue Authority
<b>MTEF</b>	Medium Term Expenditure Framework
<b>NSE</b>	Nairobi Securities Exchange
<b>PFM</b>	Public Finance Management
<b>PFMA</b>	Public Finance Management Act



# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Legal basis for the preparation of CBROP**

The Public Finance Management Act (PFMA) 2012 section 118 provides for the preparation of the CBROP by the County Treasury. The Act states that; a County Treasury shall prepare a County Budget Review and Outlook Paper (CBROP) in respect to the county for each financial year; and submit the paper to the County Executive Committee by the 30th September of that year.

The Act further states that the County Executive Committee shall consider the CBROP with a view of approving it with or without amendments, not later than fourteen days after its submission.

### **1.2 Significance of the CBROP**

The significance of the paper is to ensure that the government reviews its previous financial performance; outlook on the level of future revenues; and set preliminary sector ceilings in the light of reviewed performance and projected revenues. The C-BROP is also a key document in linking policy formulation, development of annual planning and budgeting.

The County Government is in its second fiscal year of implementing the Second County Integrated Development Plan and Third Medium Term Plan that guide budget preparation and implementation in the County. The C-BROP is embedded on the MTEF priorities and takes into account priority needs of the citizenry in the devolved system of government. The Sector Working Groups will formulate programmes for the Medium Term Expenditure Framework period focusing on priority programmes.

### **1.3 Objectives of the CBROP**

The core objectives of CBROP are:

- (i) To provide details of the actual fiscal performance of the financial year 2017/18, and deviations from the approved 2018/2019 budget.
- (ii) To specify the updated economic and financial forecasts in relation to the changes from the forecasts in the County Fiscal Strategy Paper of February, 2018.

- (iii) To provide information on any changes in the forecasts compared with the CFSP of February, 2018
- (iv) To specify how actual financial performance for the year 2017/18 may have affected compliance with the fiscal responsibility principles, or the financial objectives in the CFSP.
- (v) To point out reasons for any deviation from the financial objectives in the CFSP of February, 2018 together with proposals and timelines to address the deviations.

#### **1.4 Structure of the CBROP**

This paper is organized into five sections. Section one introduces the C-BROP, Section two details the review of the County fiscal performance for the year 2018/19 and its implications. Section three focuses on the recent economic developments and the outlook for period 2018/19 and the medium term. Section four sets out the resource allocation framework across government departments by setting preliminary expenditure limits or ceilings for each government department. Section five provides a conclusion on 2017/18 fiscal outcome, updated macroeconomic forecast that indicate changed circumstances and their implications on the financial objectives as elaborated in County Fiscal Strategy Paper of February, 2018. This section also contains relevant attachments that will guide county departments during the preparation of annual budgets.

## CHAPTER TWO

### REVIEW OF FISCAL PERFORMANCE IN 2017/18

#### 2.1 Performance Overview

The fiscal performance in the year 2017/18 was generally good with mixed trends in both local revenue collection and expenditure. The 2017/18 budget was Ksh. 5,706,495,720. The total cumulative revenue in 2017/18 was Ksh.5,522,496,974 with total expenditure amounting to Ksh. 4,868,534,067 representing a deviation of kshs 837,961,653. The 2017/18 expenditure performance was negatively affected by non implementation of some of the planned projects.

#### 2.2 Fiscal Performance in 2017/18

Revenues received from national government (equitable share) and grants improved, own source revenues also increased as compared to the year 2016/17. The revenue performance in 2017/18 is depicted in Table 2.2.1 that summarizes revenue and grants for the financial year 2017/18, the deviations from the approved revenue estimates and the growth recorded on previous year's actuals. Annex 3 further details the local revenue collections for financial 2016/17 and 2017/18.

**Table 2.2. 1 County Revenue Performance**

Total Revenue and Grants	Financial year 2016/17	Financial Year 2017/18		Deviation (Ksh)	Growth (%)
	Actual (Ksh)	Targets (Ksh)	Actuals (Ksh)		
National Revenue Allocation	3,722,107,269	4,499,800,000	4,499,800,000	0	20.9
County Local Revenue	469,458,975	700,000,000	608,463,783	(91,536,217)	29.6
Grants	219,001,667	506,695,720	351,451,484	(155,244,236)	60.5
Balances b/f	312,129,960		62,781,707	62,781,707	-79.9
<b>Total Revenue</b>	<b>4,722,697,871</b>	<b>5,706,495,720</b>	<b>5,522,496,974</b>	<b>(183,998,746)</b>	<b>16.9</b>

The total cumulative revenue was Ksh. **5,522,496,974** against the target in the supplementary budget of Ksh. **5,706,495,720**. This represents a revenue deficit of Ksh. -183,998,746 which is -3.2% deviations from the approved budget. The local revenue collection for the period amounted to Ksh 608,463,783 against a target of Ksh700,000,000 reflecting an under collection of Ksh.91,536,217. There was a marked improvement in the revenue collected as compared to 2016/17. The deviation in local revenue collection for 2017/18 was mainly

attributed to economic and environmental challenges and inadequate collection compliance systems. Further details are provided in Annex 3.

There was mixed Expenditure performance in 2017/18 as compared to the performance 2016/17. There was improved absorption of the recurrent votes and a decline was recorded for the development votes. The overall expenditure performance in 2017/18 is depicted in Table 2.2.2 that details actual expenditure and the deviations from the approved estimates.

**Table 2.2. 2 County Expenditure Performance**

Expenditure	Financial year 2016/17 Actual (Ksh)	Financial year 2017/18		Deviation (Ksh)	% growth
		Target (Ksh)	Actual (Ksh)		
<b>(1) Recurrent Expenditure</b>					
County Executive	2,807,579,893	3,363,126,472	3,336,938,909	-26,187,563	18.6
County Assembly	372,173,415	453,000,000	446,476,335	-6,523,665	20
<b>Total</b>	<b>3,179,753,308</b>	<b>3,816,126,472</b>	<b>3,783,415,244</b>	<b>-32,711,228</b>	<b>19</b>
<b>(2) Development Expenditure</b>					
County Executive	1,549,188,525	1,862,651,068	1,057,978,422	-804,672,646	-31.7
County Assembly	15,642,289	27,718,180	27,140,401	-577,779	73.5
<b>Total</b>	<b>1,564,830,814</b>	<b>1,890,369,248</b>	<b>1,085,118,823</b>	<b>-805,250,425</b>	<b>-30.7</b>
<b>Total Expenditure</b>	<b>4,744,584,122</b>	<b>5,706,495,720</b>	<b>4,868,534,067</b>	<b>-837,961,653</b>	<b>2.6</b>

The total expenditure was Ksh. **4,868,534,067** against a target of Ksh.**5,706,495,720** representing an under spending of Ksh **837,961,653** or -14.7%. The growth in total recurrent expenditure stood at (19 %) compared to total development expenditure which recorded a growth of (-30.7 %). The sectoral expenditures were utilized by the County Assembly as well as 8 departments of the County Executive. The sectoral expenditures performance in 2017/18 is depicted in Table 2.2.3

**Table 2.2. 3 2017/18 Sectoral Expenditure**

<b>County Departments</b>	<b>Recurrent Expenditure (Ksh)</b>	<b>Development Expenditure (Ksh)</b>	<b>Total (Ksh)</b>
County Assembly Services	446,476,335	27,140,401	473,616,736
Public Service and County Administration	2,725,930,644	27,718,756	2,753,649,400
Finance and Economic Planning	172,938,692	295,149,266	468,087,958
Lands, Housing and Urban Development	31,788,397	115,752,643	147,541,040
Agriculture, Livestock and Fisheries Development	36,461,170	65,233,586	101,694,756
Education, ICT and Social Services	92,057,678	6,173,128	98,230,806
Health and Sanitation	210,602,301	355,914,217	566,516,518
Trade, Tourism and Co-operative Development	39,197,692	78,548,407	117,746,099
Water, Environment and Natural Resources	27,962,335	113,488,419	141,450,754
<b>Total</b>	<b>3,783,415,244</b>	<b>1,085,118,823</b>	<b>4,868,534,067</b>

All departments recorded under absorption of both recurrent and development expenditure. The under performance in expenditure is mainly attributed to under collection of revenues and lack of timely procurement of goods and services.

Overall, the expenditure analysis for FY 2017/18 will be made conclusive after the completion of statutory audit by Office of the Auditor General. This is because external auditors report may necessitate adjustments of the final expenditure and revenue figures.

### **2.3 Overall Balance and Financing**

In 2017/18 there was an under absorption of Kshs **837,961,653** of the total budget which is the difference between actual total expenditure against the budgeted/ appropriated amounts. This amount was committed into pending bills to be spent in the 2018/19 financial year.

### **2.4 Implication of 2017/18 Fiscal Performance on Financial Objectives Contained in the 2018/19 Approved Budget**

In the view of revenue performance of 2017/18, the local revenue projections for 2018/19 need to be reevaluated to conform to the realities of own source revenue collections. There is therefore need for enhancement in revenue collection and improved revenue systems to enhance efficiency and reduce revenue leakages.

There is also need for speedy conclusion of procurements procedures in order to ensure high absorption of development expenditure in the financial year 2018/19.

## **CHAPTER THREE**

### **RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK**

#### **3.1 Introduction**

This section provides an analysis of national macroeconomic variables such as GDP growth rate and inflation and their impact on the implementation of 2018/19 County budget. It also discusses the prospects for growth given the recent economic events and circumstances.

#### **3.2 Recent Economic Developments**

Diverse activities with significant bearing on county economic growth have continued to be undertaken, including road infrastructure improvement, expansion of health delivery services, livestock production, horticulture production, and provision of social services. These will be affected by various macroeconomic developments which include:

##### **a) Macroeconomic Environment**

First Quarter 2018 GDP report by the Kenya National Bureau of Statistics, indicate that the Kenya's economy expanded by 5.7 per cent during the first quarter of 2018 compared to 4.8 per cent in a similar quarter in 2017. This acceleration in growth was mainly attributed to improved weather conditions and a boost in business and consumer confidence after the conclusion of general elections in 2017.

Sector wise, the growth was mainly driven by a recovery in agricultural activities; improved output in Wholesale and Retail Trade; Manufacturing; and Real Estate sectors. Robust growth was also recorded in Information and Communication activities. However, slowdown in growth was recorded in Financial and Insurance; Transportation and Storage; Construction; Electricity supply; and Mining and Quarrying sectors. Growth of activities in Accommodation and Restaurants slowed significantly but remained relatively strong.

The Kenya Shilling exchange rate appreciated against the US dollar, Euro and Sterling Pound during the period July-August 2018 but weakened against the Euro and the Sterling pound in the second week of September 2018. It also recorded a mixed performance against the Japanese Yen during the same period. The currency appreciated against the US dollar to Kshs 100.612 in August 2018 from Kshs 100.672 in July 2018. In the second week of September 2018, the shilling depreciated slightly to Kshs. 100.855 from Kshs 100.690 in the first week of September 2018. The shilling gained against the Euro to Kshs 116.248 in August 2018

from Kshs 117.596 in July 2018. The currency however weakened to Kshs. 117.190 in the second week from Kshs. 116.927 in the first week of September 2018. In comparison to the Sterling Pound, the Shilling strengthened to Kshs 129.676 in August 2018 from Kshs 132.584 in July 2018 but depreciated slightly to Kshs. 131.234 by second week of September from Kshs. 130.070 in the first week of September. Against the Japanese Yen, the Kenya Shilling marked mixed performance recording marginal depreciation to Kshs. 90.670 in August 2018 from Kshs 90.355 in July 2018 but recorded a slight appreciation to Kshs 90.569 by the second week of September from Kshs 90.689 in the first week of September 2018.

In the East African Community (EAC) region, the Kenya Shilling marginally appreciated against three of the four main currencies. The Shilling depreciated against the Uganda Shilling to Kshs 37.057 in August 2018 from 37.412 in July 2018. However, the shilling appreciated marginally to Ksh.37.607 in the second week of September 2018 from Kshs 37.475 in the first week of September 2018. The currency strengthened against the Burundian Franc to 17.582 in August 2018 from 17.519 in July 2018. Similarly, during the second week of September, the Kenya Shilling further appreciated to 17.589 from Kshs. 17.583 in the first week of September 2018. Against Tanzania shilling, the Kenya Shilling recorded marginal appreciation to Kshs 22.713 in August 2018 from 22.613 in July 2018. However, the shilling weakened to Kshs. 22.670 during the second week of September from Kshs. 22.705 in the first week of September 2018. In comparison to the Rwandese Franc, the Shilling appreciated to Kshs. 8.725 in August 2018 from Kshs. 8.690 in July 2018. However, the shilling weakened slightly to Kshs. 8.708 in Week Two of September compared to Kshs. 8.746 in the first week of September 2018.

The overall national Consumer Price Index increased by 0.31 % from 191.59 points in July 2018 to 192.18 in August 2018. The overall year on year inflation rate stood at 4.04 per cent in August 2018 as compared to 8.04 percent in August 2017. This slowdown in inflation is influenced by lower food prices. The average monthly retail price of a kilogram of dry maize at Nanyuki market decreased to Kshs. 44.12 in June 2018 from Kshs. 58.04 in May 2018. However, the average monthly retail price of a kilogram of dry beans at Nanyuki market marginally increased to Kshs 113.22 in June 2018 from Ksh.102.25 in May 2018. This trend was similar at Nyahururu market where the average monthly retail price of a kilogram of dry maize decreased to Kshs. 55.66 in June 2018 from 64.89 in May 2018. The average monthly

retail price of a kilogram of dry beans at Nyahururu market slightly decreased to Ksh.110.91 in June 2018 from Ksh.111.29 in May 2018.

The average interest rate for the 91-day Treasury bills dropped to 7.64 per cent in the month of August 2018 from 7.69 per cent in the month of July 2018 on the latest issues. Similarly, the average interest rate for the 182-day Treasury Bills decreased to 9.02 per cent in the month of August 2018 from 9.35 per cent during the month of July 2018. Further, the average interest rate for the 364-day Treasury Bills decreased to 9.98 per cent during the month of August 2018 from 10.33 per cent during the month of July 2018. The overall inter-bank rates increased to 6.81 percent in August 2018 from 4.82 per cent in July 2018.

The Nairobi Securities Exchange (NSE) 20 share index increased from 3,286 points in June 2018 to 3,320 points in July 2018, while the total number of shares traded dropped from 453 million shares to 323 million shares during the same period. The total value of NSE shares traded decreased from Kshs 13.69 billion in June 2018 to Kshs 9.74 billion in July 2018.

#### **b) Weather Patterns**

Laikipia County is dominantly rural with a significant population in the agriculture sector and associated linkages. The county received above normal rainfall during April-May 2018 period. There was early onset of the March-May rains in most parts of the county. The rains started within the first 10 days of March and ceased in the third to fourth week of May in Laikipia north and east while Laikipia west continued into the month of June. The rains were well distributed in time and space over the entire season.

The period June-September 2018 was characterized by sunny and dry conditions with high temperatures during the day and low temperatures at night except some areas in Laikipia west which received rains during the period. A few areas in Laikipia east and central were hit by frost which destroyed crops before maturation affecting agricultural produce.

The above normal rains have resulted to enhanced crop production. The pasture and browse conditions have also been restored to good conditions. The good conditions are estimated to last up to the onset of short rains season. The climate outlook for the short rain season during October to December 2018 indicates generally above normal rainfall in most parts of the county. The rainfall is expected to be well distributed both in time and space, throughout the season thus maintaining agricultural production. Onsets expected in the second to third week of October and cessation will be third to fourth week of December.



### **c) Tourism**

Enhanced security and concerted efforts instituted by the national government to market Kenya as a favourite tourist destination have led to improved performance of the sector. The total number of visitors arriving through JKIA and Moi International Airports increased to 76,608 in June 2018 up from 75,028 persons in May 2018.

Laikipia County being part of the northern circuit receives a large number of tourists due to its attraction sites such as scenic view of Mt. Kenya peaks, Thompson Falls in Nyahururu, proximity to Mt Kenya Game Park, expansive savannah landscape, game lodges and restaurants, conservancies and a rich Maasai culture.

The large numbers of tourists and positive performance of this sector assumes Kenya's stability on security concerns with no issuance of travel advisories by major tourists' source countries.

In addition, the county government has put measures in place towards promotion of tourism activities and marketing of Laikipia as a leading wildlife tourism destination.

### **d) Trade and Investment**

This sector has continued to expand through increased investment in construction industry; wholesale and retail trade; and agriculture. The County has diverse investment opportunities especially in agriculture and tourism sectors. Some of these include value addition on agricultural produce, horticultural contract farming, hotels and conference facilities, eco-tourism and conservancies, tours and travel services, artefacts and sports tourism among others. The County government has invested in, promotion and development of Micro Small and Medium industries; enterprise development; co-operative development and marketing, market infrastructure development and road network improvement.

## **3.3 Progress Report on Budget Implementation**

The implementation of the County Budget 2018/19 has been marked by slow progress during the first quarter of the year. This is attributed to delays in adoption of e-procurement and non-compliance to end year procedures.

The County Annual Procurement Plan 2018/19 and Two Year Prequalification Plan (2016/17-18/19) are in place and uploaded to the IFMIS. In addition, continued sensitizations on compliance with AGPO and e-procurement system are expected to ensure inclusivity and efficiency in supply chain management.

The local revenue collection estimates during the period July-August 2018, recorded Kshs. 123,489,705. This represents 15.4% realization of the projected annual target.

As the first quarter ends, nine exchequer releases have been effected with amount received totalling to Kshs 757,699,355. The recurrent expenditure received Kshs. 701,522,005 for county executive and Kshs. 51,000,000 for County Assembly. The development expenditure received Kshs 5,177,350 for health support programme.

### **3.4 County Economic Outlook and Policies**

Despite the National Government efforts, Kenya growth rate is still below the target of 10 per cent as per Kenya Vision 2030. The County Government will continue to implement policies aimed at enhancing productivity amongst priority sectors. Consistent growth will be contributed through increased production and services in: agriculture, horticulture, wholesale and retail trading, tourism, construction and transport industry.

The County Government is committed to enhance agricultural sector output through promotion of agribusiness, post-harvest management, access to quality farm inputs, water harvesting and irrigation technologies, extension services and promotion of climate resilient agricultural technologies. Breed improvement, fodder production and conservation, feedlot systems, livestock vaccination and diseases surveillance and refurbishment and maintenance of existing slaughter houses will also be supported to boost livestock production. The government will continue to implement revolving enterprise and co-operative development funds to support enterprise growth and co-operative movement that significantly contribute to improved livelihoods through job creation, marketing and access to business capital. Urban development initiatives such as smart towns are at the epicenter of the County government development blue print. In addition, wholesale, retail and related service industries have increasingly set base within the county and this generally indicates a positive growth prospects in the medium term.

Due to inadequacy of resources against high development needs, the County Government aims at increased role of the National Government agencies, private sector, development partners and civil societies in meeting the economy's resource requirements while at the same time developing a conducive investment environment. Local revenue collection in the year is projected at Kshs 800 Million and the County Finance Bill 2018/19 is expected to be fully implemented.

Key policies expected in the medium term include: Annual Development Plan, County Spatial Plan, County Climate Change Policy and Act, County Water Master Plan, County Valuation Roll and Rating Act among others. These policies will mirror the priorities stipulated in the Third Medium Term Plan of Kenya Vision 2030.

### **3.5 Medium Term Fiscal Framework**

The County Government will continue to pursue prudent fiscal policy to assure economic stability. In addition, the county fiscal policy objectives will provide an avenue to support economic activities while allowing for implementation of the programmes within sustainable public financing.

With respect to revenue, the County Government hopes to maintain strong revenue collection mechanisms that will realize 100 per cent of estimated revenue in 2018/2019 and higher in subsequent years. Measures in place to enhance local collections include; up scaled automation of revenue collection streams, diversification of revenue sources, improved tax compliance, strengthened operations of Laikipia County Revenue Board and partnerships with KRA. It is expected that the amount of revenue collected will be 31 % percent higher in year 2018/2019 than in 2017/2018.

On expenditure, the County Government will continue with rationalization of expenditure to improve efficiency and reduce wastages. Expenditure management will be strengthened with enhanced use of the Integrated Financial Management Information System (IFMIS), e-procurement and operationalization of the County Operations Management System (COMS). The various provisions in PFM Act, 2012 and its regulations shall continue to be entrenched towards accelerating reforms in expenditure management system. The fiscal standing envisages no borrowing from domestic sources. Joint initiatives with development partners will be pursued to support increased public expenditure on capital projects.

### **3.6 Risks to the Outlook**

External factors such as bank rates, exchange rates and inflation may contribute towards negative variances on the performance of the economic growth. Proposed VAT on fuel products may lead to rise in prices of essential goods and services. This may in turn lead to lower local revenue collections and increased expenditure. However, the national government in collaboration with county governments will undertake appropriate measures to minimize

negative variances thereby safeguarding macroeconomic stability. In addition, bank interest rates, inflation and shilling exchange rate are expected to be stable within expected margins.

The climate outlook for the short rain season during October to December 2018 indicates generally above normal rainfall in all parts of the county. However, onsets, intensity and spatial distribution may vary across various parts of the county. This may pose risks in the production sector such as agriculture that is heavily dependent on rain water.

Public expenditure pressures, especially recurrent expenditures, continue to pose fiscal risk to the County Governments. The county government will continue mitigating internal risks that include delays in passage of the finance related bills, court cases and weak implementation framework of development projects. In addition, competing political interests may adversely affect timely realization of development programmes and related outcomes.

## **CHAPTER FOUR**

### **RESOURCE ALLOCATION FRAMEWORK**

#### **4.1 Introduction**

This section establishes resource envelop and allocates revenues across government departments by setting expenditure limits or ceilings for each government department.

#### **4.2 Adjustment to the 2018/19 Budget Estimates**

Laikipia County will get an equitable share of Ksh. 4,113,400,000 in 2018/19. In addition, the County government will raise revenue from local collections at Ksh. 550,000,000. This makes the shareable revenues expected for the FY 2018/19 amount to Ksh. 4,663,400,000. Conditional allocations from national government revenue include Ksh 28,525,000 for Development of Vocational Training Centres, Ksh. 9,968,208 for compensation of user fee foregone, Ksh.200, 000,000 for lease of medical equipment and Ksh.109,128,974 for road maintenance.

A total of Ksh. 457,285,005 will also be received as loans and grants comprising of: Ksh. 90,000,000 European Union (EU) support on maize storage facilities; Ksh. 117,000,000 for climate smart agriculture; Ksh. 90,000,000 for urban support project; Ksh. 67,077,728 on transforming health care systems; 15,086,250 on universal health in devolved systems Kshs. 41,121,027 and kshs 37,000,000 on devolution support programme. Extra budgetary provisions will include Hospital Facility Improvement Fund (HFIF) to the tune of Ksh. 250,000,000 under hospital facilities and ksh 800,000,000 on pending bills. The total expected revenue amounts to Ksh. 4,663,400,000 excluding grants.

Total recurrent allocation represents 62% whereas development allocation represents 38 % of the total budget. Major reforms are expected under Laikipia County Revenue Board towards generating targeted local collections including collection enhancement plans, formulation of supportive legislations to the Finance Bill, automation up scaling and enhanced implementation of the Finance Bill.

In the view of low absorption rate of development expenditure at 57.4 % in 2017/18, elaborate mechanisms are called for, in ensuring that programmes and projects are completed on time to meet development expenditure annual targets in 2018/19 and the medium term.

Close collaboration and consultations with national institutions and organs shall be maintained to ensure that funding is well timed in line with sector programmes. These institutions and organs include; Office of the Controller of Budget, the National Treasury, the Summit, Council of Governors, Intergovernmental Budget and Economic Council, Salaries and Remuneration Commission and the Central Bank.

#### 4.2 Medium Term Expenditure Framework

The County Integrated Development Plan, Annual Development Plans and Annual Procurement Plans will continue to guide resource allocations in the medium term. The County Sector Working Groups will work closely with the County Budget and Economic Forum in prioritizing core areas of financing and public investment. Focus will be towards optimal funding of infrastructure development, social services, productive sectors, and supportive services.

The sectoral ceilings targeting various county departments in the year 18/19 and the medium term are detailed in Table 4.2

**Table 4.2. 1 Total Sector Ceiling for the MTEF Period 2018/2019-2020/2021**

Total Expenditure (Ksh)			Projections		% Share of Total Expenditure		
County Sector	Estimates 2018/2019	CFSP Ceilings 2018/19			Estimates	Projections	Projections
			2019/2020(Ks)	2020/2021(Ksh)	2018/19	2019/2020	2020/2021
County Assembly	471,000,000	430,000,000	518,100,000	569,910,000	10%	10%	10%
Agriculture Livestock and Fisheries	447,075,463	453,175,463	491,783,009	540,961,310	10%	10%	10%
Education and ICT and Social Services	258,736,919	270,236,919	284,610,611	313,071,672	6%	6%	6%
Public Service and County Administration	483,762,438	447,762,438	532,138,682	585,352,550	10%	10%	10%
Lands, Housing and Urban Planning	258,476,047	265,176,047	284,323,652	312,756,017	6%	6%	6%
Trade, Tourism Co-operatives	186,197,567	194,697,567	204,817,324	225,299,056	4%	4%	4%
Health	1,700,750,406	1,712,150,406	1,870,825,447	2,057,907,991	36%	36%	36%
Water Environment and Natural Resources	356,598,764	366,898,764	392,258,640	431,484,504	8%	8%	8%
Finance and Economic Planning	500,802,396	473,302,396	550,882,636	605,970,899	11%	11%	11%
<b>Total</b>	<b>4,663,400,000</b>	<b>4,613,400,000</b>	<b>5,129,740,000</b>	<b>5,642,714,000</b>	<b>100</b>	<b>100</b>	<b>100</b>

**NB:** Conditional grants for 2018/19, 2020/20 and 2020/21 are excluded

### **4.3 Proposed Budget 2018/19 Framework**

#### **(a) Revenue Projections**

In the financial year 2018/19 the county is estimated to receive revenue of Ksh. 4,663,400,000 inclusive of Ksh. 550,000,000 raised as own source collections. In the year 2019/20, the revenues are projected to grow to Ksh. 5,129,740,000 inclusive of 605,000,000 raised locally.

The key sources of local revenue include: land rates, business permits, cess, parking fees, natural resource exploitation, garbage dumping fees, lease changes, market fees, and technical services and building approvals. Hospital collections will also be channelled towards health service delivery.

#### **(b) Expenditure Forecasts**

In the financial year 2018/19 the approved budgets total expenditure is estimated to be Ksh. Kshs 6,536,307,188 which includes conditional grants expenditures of Kshs1,072,907,188 and Pending bills for the financial year 17/18 totalling to Ksh.800,000,000. The FY 2018/2019 expenditure represents a 15% increase compared to the expenditure in the financial year 2017/2018 which was Ksh 5,706,495,720

The overall county recurrent expenditure is expected to decrease in FY 2018/19 to 62% of the total budget from 67% of the total budget in FY 20 17/18. The estimated amount for FY 2018/19 is Ksh.4,052,922,506 from Ksh. 3,816,126,472 in 2017/18. Pending bills for the year 17/18 amounting to Kshs 100,000,000 will be spent for recurrent expenditure while kshs 700,000,000 will be spent on development expenditure. The major spending departments in recurrent expenditure include: Health, Finance and Economic Planning, Public Service and County Administration, Agriculture and the County Assembly.

In FY 2018/2019, overall development expenditures is expected at Ksh. 2,483,384,682 representing 38 % compared to Ksh 1,809,369,248 representing 33 % in 17/18 budget. The major spending departments in development expenditure include: Lands Housing and Urban Development; Health; and Water, Environment and Natural Resources.

## **CHAPTER FIVE**

### **CONCLUSION AND NEXT STEPS**

#### **5.1 Conclusion and Next Steps**

The set of policies outlined in this C-BROP reflect the changed circumstances and are broadly in line with the County Integrated Development Plan, Annual Development Plan and the fiscal responsibility principles outlined in the PFM Act 2012. They are also consistent with the national and international strategic objectives which include the Vision 2030 pillars, and the big four agenda, SDGs, medium term plans and Africa agenda 2063 pursued by the County Government as a basis of allocation of public resources. Details of the strategic objectives are provided in the second generation CIDP 2018-2022. The policies and sector ceilings in Annex 5 will guide the County Sector Working Groups and line departments in preparation of the 2019/20 budget. This is further guided by the provisions in the Annual Development Plan 2018/19 whose summary expenditure is detailed in Annexes 4(a) and 4(b).

As budgetary resources are finite, it is critical that CSWGs and county departments prioritize their programmes within the available ceilings to ensure that use of public funds is in line with county government priorities. Towards minimizing increase in pending bills, all departments will be required to clear outstanding liabilities that are largely creditors. There is also need to ensure that resources are utilised efficiently and effectively. CSWGs need to carefully consider detailed costing of projects, strategic significance, deliverables (output and outcomes), alternative interventions, administration and implementation plans in allocation resources. The budget calendar in Annex 1 therefore requires to be adhered to in line with the Budget Circular of August 2018.

In pursuit of this, effective budget implementation at the county level will be facilitated through capacity building and the development of systems for close monitoring and evaluation of spending entities to ensure that resource application bears maximum benefits to the taxpayer. Involvement of all stakeholders in budget execution is also key in enhancing overall budget implementation and the priority public needs will be key in shaping the final budget policies and allocations for the 2019/20 financial year.

The county will also strengthen its revenue collection and management systems with the goal of generating more revenues to strive towards budgetary self-reliance while ensuring the



stability of the fiscal framework and financial health of the County. This way, the various projections for revenue streams provided in Annex 2 will be realized.

## ANNEXES

### Annex 1: 2019/20 Budget Calendar

S/ No	Activity	Due Date
1	Issue County Treasury Budget Circular	20 <sup>th</sup> July 2018
2	Submit County Annual Development Plan to the CECM-Finance	15 <sup>th</sup> August, 2018
3	Submit County Annual Development Plan to the County Executive Committee	20 <sup>th</sup> August, 2018
4	Submit County Annual Development Plan to the County Assembly	31 <sup>st</sup> August, 2018
5	Submit the County Budget Outlook Paper (CBROP) to the County Executive Committee Member-Finance	14 <sup>th</sup> September, 2018
6	Submit the County Budget Outlook Paper (CBROP) to the County Executive Committee	20 <sup>th</sup> September, 2018
7	Submit the County Budget Outlook Paper (CBROP) to the County Assembly	28 <sup>th</sup> September, 2018
8	Launch/Convene Sector Working Groups	6 <sup>th</sup> November, 2018
9	Submit Sector Working Groups Reports to the County Treasury	30 <sup>th</sup> November, 2018
11	Submission of Budget Proposals and Feasibility Study data by County Sectors to County Treasury	12 <sup>th</sup> January, 2019
12	Review and Analysis of Annual Budget Proposals by County Budget Team	15 <sup>th</sup> January, 2019 up to 20 <sup>th</sup> April, 2019
14	Public Participation Meetings on CFSP	21 <sup>st</sup> -31 <sup>st</sup> January, 2019
15	Submit the County Fiscal Strategy Paper (CFSP)to the County Executive Committee Member-Finance	8 <sup>th</sup> February, 2019
16	Submit the County Fiscal Strategy Paper (CFSP) to the County Executive Committee	13 <sup>th</sup> February 2019
17	Submit the County Debt Management Strategy (CDMS) to the County Executive Committee	13 <sup>th</sup> February, 2019
18	Submit the County Fiscal Strategy Paper (CFSP) to the County Assembly	21 <sup>st</sup> February 2019
19	Submit the County Debt Management Strategy (CDMS) to the County Assembly	21 <sup>st</sup> February 2019
20	Dispatch of Reviewed Annual Budget Proposals to Sectors	15 <sup>th</sup> March, 2019
21	Conduct Public Participation Fora on Annual Budget Estimates	20 <sup>th</sup> - 29 <sup>th</sup> March, 2019
22	Submit Finalized Sector Annual Budget Estimates to the County Treasury	10 <sup>th</sup> April,2019
23	Submit Finalized County Annual Budget Estimates to the County Executive Committee	15 <sup>th</sup> April, 2019
24	Submit Finalized County Annual Budget Estimates to the County Assembly	25 <sup>th</sup> April, 2019
25	Submit Proposed Annual Procurement Plans to the Supply Chain Unit	30 <sup>th</sup> May, 2019
26	Submit County Annual Cash Flow Projections to CRA and copied to IBEC and National Treasury	13 <sup>th</sup> June, 2019
27	Debate and Approval of County Annual Budget Estimates	28 <sup>th</sup> June,2019
28	Submission of Finance Bill to the County Assembly	30 <sup>th</sup> August,2019
29	Approval of Finance Bill by the County Assembly	30 <sup>th</sup> September,2019
29	Quarterly /Cumulative Compliance Reports of Revenue and Expenditure	Within two weeks after the end of every quarters

## Annex 2: Revenue Projections for 2017/18, 2018/19 and 2019/20

Revenue Streams	2017/18	2018/19	2019/20
	Target (Ksh)	Target (Ksh)	Target (Ksh)
Land Rates and related charges	110,500,000	121,550,000	133,705,000
Business Permits and related charges	100,400,000	110,440,000	121,484,000
Various Cesses	59,670,000	65,637,000	72,200,700
Plot Rent and related charges	18,000,000	19,800,000	21,780,000
Administrative Services fees.	9,896,436	10,886,080	11,974,688
Various fees and court fines	1,929,305	2,122,236	2,334,459.60
Natural Resources Exploitation	31,384,840	34,523,324	37,975,656.40
Sale of County Government Old Assets	699,748	769,723	846,695.30
Lease/Rental of County Government Infrastructure Assets and Social Premises Use Charges	8,746,850	9,621,535	10,583,688.50
Market/Trade Centre Fees	13,994,960	15,394,456	16,933,901.60
Enclosed Bus Park Fees and Other Parking Charges	66,581,022	73,239,124	80,563,036.40
Housing Estate Monthly Rent and Related Charges	21,242,350	23,366,585	25,703,243.50
Education institutions fees	899,676	989,644	1,088,608.40
Public Health and Sanitation Fees including slaughters houses	13,770,041	15,147,045	16,661,749.50
Land Survey and Building Fees	11,795,752	12,975,327	14,272,859.70
Right-of-Way/Way-Leave Fees (KPLC, Telkom, etc.)	7,997,120	8,796,832	9,676,515.20
Fire -Fighting Service	1,999,280	2,199,208	2,419,128.80
Other Miscellaneous Revenues	20,492,620	22,541,882	24,796,070.20
<b>Total</b>	<b>500,000,000</b>	<b>550,000,000</b>	<b>605,000,000</b>

## Annex 3 (a): Local Revenue Collection statement For FY 2016/17 and 2017/18

venue Streams	Actual 2016/2017	Actual 2017/2018	variance
1520100 Land Rates	441,375	0	-441,375
1520101 Land Rates Current Year	32,390,370	35,407,310	3,016,940
1520102 Land Rate Penalties	2,491,084	5,520,038	3,028,954
1520103 Land Rates Other Years	14,631,259	3,600,097	-11,031,162
1520104 Other Property Charges	1,658,234	749,150	-909,084

1520200 Business Permits	265,000	0	-265,000
1520201 Business Permits, Current Year	60,138,616	76,824,807	16,686,191
1520202 Business Permits Late Payment Penalties, Current Year	3,147,952	2,515,758	-632,194
1520203 Business Permits, Other Years (Including Penalties)	643,784	1,895,249	1,251,465
1520300 Cesses	23,960	0	-23,960
1520304 Wheat & Maize Cess	4,022,280	1,596,833	-2,425,447
1520311 Fruits & Vegetables / Produce Cess	5,474,106	3,717,478	-1,756,628
1520314 Log Cess	384,230	179,450	-204,780
1520315 Charcoal Cess	572,520	280,310	-292,210
1520321 Livestock Cess	15,878,210	17,063,150	1,184,940
Goat Cess	0	1,338,500	1,338,500
1520500 Plot Rents	1,861,940	0	-1,861,940
1520501 Ground/Plot Rent - Current Year	9,209,021	8,156,556	-1,052,465
1520502 Ground Rent - Other Years	5,064,923	480,714	-4,584,209
1520503 Stand Premium	15,800	262,000	246,200
1520504 Temporary Occupation License (TOL)?TOP	477,880	153,008	-324,872
1520600 Other Local Levies	362,500	0	-362,500
1530000 Miscellaneous Fees & Charges	266,030	0	-266,030
1530101 Debts Clearance Certificate Fee	1,417,900	1,653,325	235,425
1530102 Application Fee	1,583,925	2,403,100	819,175
1530103 Plot Transfer Fee	409,150	412,160	3,010
1530104 Plot Subdivision Fee	608,150	300,200	-307,950
1530105 Business Subletting / Transfer Fee	600,000	366,000	-234,000
1530106 Isolation Fee (Surcharge on Business Permit)	32,500	4,800	-27,700
1530107 Document Search Fee	46,500	20,000	-26,500
1530111 Agency Fee (Fees from KHC, Insurance Firms, etc.)	0	0	0
1530121 Customers Deposits (Other than Water & Sewerage)	95,075	0	-95,075
1530122 Cheque Clearance Fee/bank charges	0	0	0
1530200 Various Fees	0	0	0
1530201 Ambulant Hawkers Licences (Other than BSS Permits)	0	0	0
Encroachment Fee	0	2,128,560	2,128,560
Miscellaneous income	0	1,489,086	1,489,086
1530202 Court Fines	0	281,650	281,650
1530203 Impounding Charges	0	303,680	303,680
1530204 Liquor Licences	0	0	0
1530205 Tender Documents Sale	0	0	0
1530204 Sales of County's Minutes / Bylaws	24,424,600	0	-24,424,600
1530205 Tender Documents Sale	1,550	0	-1,550
1530300 Council's Natural Resources Exploitation	1,179,000	0	-1,179,000
1530301 Sand, Gravel, and Ballast Extraction Fees	13,664,000	24,724,666	11,060,666
1530302 Quarry Extraction Fees	23,600	179,560	155,960
1530303 Mineral Extraction Royalties (Cement, Silica, etc.)	12,000	8,700	-3,300
1530311 Sales of Flowers, Plants, Firewood, Produce, etc.	1,500	0	-1,500
1530321 Garbage Dumping/Conservancy Fee	7,151,772	12,155,438	5,003,666
1530331 Game and Nature Park Fee	7,780,480	7,969,616	189,136
1530400 Sales Of Council Assets	751,770	0	-751,770

1540104 Consent to Charge Fee/Property Cert Fee	0	63000	63,000
1550100 Market/Trade Centre Fee	27,440	0	-27,440
1550101 Market Entrance / Gate Fee	7,305,380	8,927,346	1,621,966
1550102 Market Plots Rent	341,530	487,280	145,750
1550103 Market Shops Rent	174,276	449,600	275,324
1550104 Market Kiosks Rent	0	340,600	340,600
1550105 Market Stalls Rent	0	301,600	301,600
1550106 Market Shelters Fee	0	0	0
1550201 Enclosed Bus Park Fee	26,698,950	31,864,804	5,165,854
1550211 Other Vehicles Enclosed Park/Reserved Fees	2,686,150	419,127	-2,267,023
1550221 Street Parking/ motorbike Fee	19,722,010	21,301,665	1,579,655
1550225 Clamping Fee	2,427,940	929,405	-1,498,535
1550226 Towing Fee	157,800	0	-157,800
1560101 Housing Estates Monthly Rent	18,342,909	20,826,730	2,483,821
1560102 NHC Loan Repayments	368,200	0	-368,200
1560104 Advertisement Charges Recovery	1,303,440	4,710,000	3,406,560
1560201 Social Hall Hire	54,200	43,700	-10,500
1560211 Stadium Hire	173,500	131,500	-42,000
1560212 Stadium Entrance Fee	0	0	0
1560213 Training/Learning Centre Fee	0	15,000	15,000
1570100 SCHOOL FEES	65,000	0	-65,000
1570101 Nursery Schools Fee	196,000	123700	-72,300
-	863,500	0	-863,500
1580102 Innoculation Fee	222,300	248,400	26,100
1580111 Food Quality Inspection Fee	3,393,880	1,213,190	-2,180,690
1580112 Food/Liquor Preparation Premises Hygeservice	4,496,715	0	-4,496,715
1580200 Public Health Facilities Operations	0	0	0
Public health licence	0	944,400	944,400
1580211 Health Centres Services Fee/Hospital tranfer	261,550	258,700	-2,850
Medical Examination Certificate	0	240100	240,100
1580231 Public Toilets Fee	18,700	17860	-840
Annual Renewal Certificates	0	4684140	4,684,140
1580241 Burial Fees	115,200	135750	20,550
1580242 Hearse Services Fee	5,800	0	-5,800
1580401 Slaughtering Fee	5,976,915	8,053,843	2,076,928
1580402 Hides & Skins Fee	164,255	13,275	-150,980
1580403 Manure Sale	578,240	1,079,400	501,160
1580411 Slaughter Houses Inspection Fee	20,600	439,790	419,190
1590101 Beacon Search Pointing Fee	320,200	325,135	4,935
1590102 Survey Fee	47,500	1,200	-46,300
Allotment Fee	0	137,325	137,325
1590111 Buildings Plan Preparation Fee	455,994	213,200	-242,794
1590112 Buildings Plan Approval Fee	3,062,792	4,548,100	1,485,308
1590113 Buildings Inspection Fee	2,762,980	1,539,250	-1,223,730
1590121 Right-of-Way / Way-Leave Fee (KPLN, Telkom, etc.)	143,110	0	-143,110
1590132 Sign Boards & Advertisement/promotion Fee	5,371,024	5,999,360	628,336

1590200 External Services Fees	95,100	0	-95,100
1590201 Fire-Fighting Services	2,287,050	2,919,480	632,430
1590202 weight & measures	0	227,480	227,480
liquor licence	0	10,735,300	10,735,300
<b>TOTAL</b>	<b>330,158,676</b>	<b>349,050,684</b>	

### Annex 3 (b): Hospital Local Revenue Collection Statement for FY 2016/17 and 2017/18

Revenue Streams	Actual 2016/2017	Actual 2017/2018	Variance
Hospital Collections	139,648,851	258,505,504	118,856,653
<b>Total</b>	<b>139,648,851</b>	<b>258,505,504</b>	<b>118,856,653</b>

### Annex 4(a): Annual Development Plan 2018/19 Estimates (ADP 2018/19)

Sector	Programme	Estimated Cost (Kshs)
County Administration and Public Service	County Administration	189,548,000
	Human capital Management and Development	2,772,854,600
	Security and Policing Support Services	30,000,000
	Public Safety, Enforcement and Disaster Management	41,000,000
	Public participation and civic education	21,000,000
	<b>Subtotals</b>	<b>3,054,402,600</b>
Finance, Economic Planning and County Development	Administration and personnel services	194,000,000
	Public Finance Management Services	74,800,000
	Development Planning Services	60,200,000
	Revenue management services	54,500,000
	<b>Subtotals</b>	<b>383,500,000</b>
Medical Services and Public Health	General administrative and planning services	44,000,000
	Curative and Rehabilitative health	635,500,000
	Preventive health services	290,000,000
	<b>Subtotals</b>	<b>969,500,000</b>
Agriculture, Livestock and Fisheries	Administrative and Support Services	28,000,000
	Crop Development	103,000,000
	Irrigation Development and Management	58,000,000
	Livestock Resource Development and Management	191,000,000
	Veterinary Services Management	58,000,000
	Fisheries Development and Management	10,500,000
	<b>Subtotals</b>	<b>448,500,000</b>
Education, ICT and Social Development	Administration, Planning and Support Services	13,000,000
	Education and Training	206,800,000
	Information Communication and Technology	8,500,000
	Sports, Arts and Social Services	41,000,000
	<b>Subtotals</b>	<b>269,300,000</b>
Lands Housing and Urban Management	Administration ,planning and support services	7,000,000
	Road Network Improvement, Housing and urban development	211,000,000
	Housing improvement and Urban development	193,000,000
	Physical Planning and survey	31,000,000
	Public works service delivery improvement	14,000,000
	Renewable/Green energy services	14,000,000
	<b>Subtotals</b>	<b>470,000,000</b>
Trade, Tourism and Cooperatives Development	Administration planning and support Services	12,000,000
	Trade development and promotion	159,700,000
	Tourism development and promotion	38,500,000
	Cooperative development and marketing	47,000,000
	<b>Subtotals</b>	<b>257,200,000</b>

Water, Environment and Natural Resources	General Administration, Planning and Support Services	28,000,000
	Water Development	3,971,200,000
	Environment and natural resources	116,500,000
	<b>Subtotals</b>	<b>4,115,700,000</b>
	<b>Grand totals</b>	<b>9,968,102,600</b>

#### Annex 4(b): Personnel Emoluments Projections 2018/19(ADP 2018/19)

Sector/Department	Estimated Cost (Ksh)
County Administration and Public Service	235,750,130
Finance, Economic Planning and County Development	168,640,620
Medical Services and Public Health	1,638,993,751
Agriculture ,Livestock and Fisheries	196,457,986
Education, ICT and Social Development	323,469,986
Lands Housing and Urban Management	63,738,646
Trade, Tourism and Cooperatives Development	31,869,323
Water, Environment and Natural Resources	91,534,159
<b>Totals</b>	<b>2,750,454,601</b>

#### Annex 5: Sector Ceilings in 2018/19 and Medium Term (CFSP2018)

County Sector	2017/2018 Supplementary Estimates		2018/2019 Projections		2019/2020 Projections	
	Recurrent	Development	Recurrent	Development	Recurrent	Development
County Assembly	453,000,000	27,718,180	493,445,630	11,000,000	265,100,000	0
Agriculture Livestock and Fisheries	42,000,000	173,424,000	44,000,000	144,566,400	44,000,000	110,000,000
Education, ICT and Social Services	95,027,000	90,989,878	63,279,700	150,844,100	99,000,000	66,000,000
Public Service County Administration	2,685,265,000	77,069,871	2,854,241,500	78,300,200	3,276,900,000	39,600,000
Lands, Housing and Urban Development	40,649,900	293,501,666	67,154,890	353,238,710	49,500,000	247,500,000
Trade, Tourism, Co-operatives	39,881,752	104,689,500	37,451,700	193,600,000	132,000,000	33,000,000
Finance and Economic Planning	197,079,820	424,281,000	165,877,800	149,510,970	99,000,000	33,000,000
Health	231,579,000	532,695,153	106,236,900	308,701,800	55,000,000	345,400,000
Water, Environment and Natural Resources	31,644,000	166,000,000	59,429,700	218,900,000	38,500,000	251,240,000
<b>Total</b>	<b>3,816,126,472</b>	<b>1,890,369,248</b>	<b>3,891,117,820</b>	<b>1,608,662,180</b>	<b>4,059,000,000</b>	<b>1,125,740,000</b>

