

REPUBLIC OF KENYA



BARINGO COUNTY GOVERNMENT  
COUNTY TREASURY AND ECONOMIC PLANNING

# COUNTY FISCAL STRATEGY PAPER

## 2016/2017

THEME

Effective resource allocation for socio-economic development

FEBRUARY 2016

## Foreword



The 2016 County Fiscal Strategy Paper (CFSP) is developed in accordance with the requirements of the Public Finance Management (PFM) Act 2012; Section 17. This fiscal strategy paper is framed against a broad fiscal policy and reform measures underpinning the budget for the year 2016/17. It outlines expenditures on priority programmes and allocation of resources as per CIDP (2013-2017), ADP 2016/17 and Sector plans (2013-2017).

The fiscal strategy paper takes cognizance of the reality of scarce Resource and the fact that there is need to invest on high impact programmes within a framework of sustainable fiscal stance.

From the time devolution began, Baringo County government has financed a massivenumber of services to all citizens, with a particular focus on the poor population who are largely engaged in the agricultural sector. We have done so in a sustainable way, ensuring that our public finances remained healthy so that we continue doing our part in building the society envisioned in the Kenyan vision 2030.

The 2016 Medium Term Budget Policy Statement provides a roadmap to safeguard the county public finances. The county has ensured that fiscal principles are adhered to and that budgeting for the next financial year greatly focuses on ongoing programmes and projects as the first priority as well as embarking on long-term expenditure planning and alignment with the national government's policy objectives.

In considering these proposals, we must emphasize that containing expenditure growth will not compromise front-line services. Key social programmes will be protected and the county government will continue to rollout its capital investment programmes especially in the roads sector as well as provision of clean water which are a relief line and key economic macro-enablers. In this regard, a comprehensive program on water supplies and harvesting will be rolled out in the fiscal year as well as road infrastructure as spelt in the Governor's manifesto.

The 2014 CFSP identified the following eight enablers whose implementation has laid a firm foundation for sustainable economic growth:

- a) Enabler I: Investing in reviving, maintaining and extension of existing irrigation schemes, water supplies and sanitation systems; this is key in ensuring that a health livelihood of the residents is guaranteed.
- b) Enabler II: In the medium term, the County government will invest in key infrastructural facilities including - opening of rural access roads, improving existing rural and urban roads;
- c) Enabler III: Investing in quality, affordable and accessible (curative, preventive and rehabilitative) healthcare services through infrastructural development towards

upgrading of Kabarnet and Eldama Ravi County hospitals to level five and five Sub-county hospitals to level 4, equipping existing hospitals and health centres as well as ensuring continuous supply of drugs and other non-pharmaceuticals;

- d) Enabler IV: Investing in agricultural transformation, including opening up of land under irrigation, subsidized farm preparation and inputs, livestock upgrading, creating disease free zones, value addition and fisheries development;
- e) Enabler V: Promoting social welfare, education and improved standard of living by investing in E-CDE, Youth Polytechnics, Sports and social programs for women, youth, vulnerable groups and talent development
- f) Enabler VI: Creating conducive business environment through investments in enterprise development, tourism, value addition and collaboration with national government to reduce insecurity.
- g) Enabler VII: Working toward effective management of land, environment and natural resources/spatial planning and land banks for strategic developments.
- h) Enabler VIII: Investing in county governance structures to enhance service delivery through building a competent, responsive and accountable county public service.

Finally, I like to express my gratitude to all those who participated in this year's budget process including County Assembly Members, the private sector, civil society, development partners, public forums who have continued providing valuable comments.



Geoffrey K. Bartenge  
County Executive  
Treasury and Economic Planning

## Acknowledgment

This is the third county fiscal strategy paper to be tabled in county assembly, it outlines the broad strategic issues and medium term fiscal framework, together with a summary of county spending plans, as a basis of the 2016/17 budget. We expect the document to improve the public's understanding of County's public finances and guide public debate on economic and development matters.

The overriding policy thrust of 2016 Fiscal Strategy Paper is to effectively resource allocate for socio economic development by focusing on economic policies and structural reforms aimed at facilitating private sector to expand, promote productivity and build the resilience necessary for employment creation and poverty reduction. We are grateful to His Excellency the Governor together with the county executive committee for insightful leadership and policy guidance.

The preparation of the 2016 CFSP was achieved through consultation and co-operation between County Treasury and all County sectors as well as report from the Budget Policy Statement 2016. Much of information was from various county government departments and agencies; we are also grateful to them. Much gratitude and appreciation goes to national treasury through BPS, County Budget and Economic Forum, public sector hearings and other agencies which provided inputs and other comments to this 2016 CFSP. We also acknowledge the valuable input from the public forum consultations.

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## AbbreviationandAcronyms

ADP	Annual DevelopmentPlan
BPS	Budget Policy Statement
CBR	CentralBank Rate
CBROP	County BudgetReview andOutlook Paper
CCTV	Closed-CircuitTelevision
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development plan
CLMC	County Livestock Marketing Council
CRA	CommissiononRevenue Allocation
GDP	Grossdomestic product
ICT	Information andCommunicationTechnology
IFMIS	Integrated Financial management InformationSystem
KBRR	Kenya BanksReferenceRate
LMA	Livestock Markets Association
LMA	Local MarketAssociation
MTEF	MediumTerm ExpenditureFramework
MTP	MediumTerm Plan
NSE	NairobiStock Exchange
PFM	Public Finance ManagementAct

Legal basis of CFSP

Section 117 of the Public Finance Management Act, 2012, provides that the County Treasury shall prepare and submit to the County Executive Committee a County Fiscal Strategy Paper (CFSP) for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by the 28th February of each year. In preparing the Paper:

(1) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement;

(2) 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 its budget for the coming financial year and over the medium term;

(3) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing from and within for the subsequent financial year and over the medium term; and

(4) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of:

(a) The Commission on Revenue Allocation;

(b) The public;

(c) Any interested persons or groups; and

(d) Any other forum that is established by legislation.

(5) 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.

(6) The County Treasury shall consider any recommendations made by the county assembly when finalizing the budget proposal for the financial year concerned.

(7) The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the county assembly.

## National and County Government Fiscal Responsibility Principles

In order to ensure prudence and transparency in management of resources, the County Treasury shall be guided by the fiscal responsibility principles as spelt out in the PFM Act 2012, section 107 and that;

- i. Over the Medium Term, a minimum of 30 percent of the County budget shall be allocated to development expenditures
- ii. The County Government's expenditure on wages and benefits for county public officers shall not exceed thirty five (35) percent of the County revenue.
- iii. Upon approval of the borrowing framework by Parliament, over the Medium Term, the county government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure. Short term borrowing shall be for purposes of cash management.
- iv. Public debt and obligations shall be maintained at a sustainable level as approved by the County Assembly
- v. Fiscal risks shall be managed prudently
- vi. 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 future

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## I. OVERVIEW

1. The 2016 County Fiscal Strategy Paper (CFSP) is the third to be prepared by the county treasury in accordance with section 117 of the Public Finance Management Act, 2012 (PFM). It reaffirms the broad policies and strategies outlined in the 2014 CFSP under the eight enabler transformation program.
2. The Enablers are: (I) Investing in reviving, maintaining and extension of existing irrigation schemes, water supplies and sanitation systems; this is a key in ensuring that a health livelihood of the residents is guaranteed, (II) In the medium term, the County government will invest in key infrastructural facilities including - opening of rural access roads, improving existing rural and urban roads, (III) Investing in agricultural transformation, including opening up of land under irrigation, subsidized farm preparation and inputs, livestock upgrading, creating disease free zones, value addition and fisheries development, (IV) Investing in quality, affordable and accessible (curative, preventive and rehabilitative) health care services through upgrading of Kabarnet County hospital to level five and five Sub-county hospitals to level 4 and improvement of existing health centers and dispensaries, (V) Infrastructure development is also a key priority for the county. In the medium term, the County government will invest in key infrastructural facilities such as roads, education facilities, ICT, markets, water and sanitation systems, rural electrification among others, (VI) Creating conducive business environment through investments in enterprise development, tourism, value addition and collaboration with national government to reduce insecurity, (VII) Working towards effective management of land and natural resources resource/spatial planning and land banks. (VIII) Promoting social welfare and improved standard of living by investing in social programs for women, youth, vulnerable groups and talent development.
3. The implementation of programs under the eight enablers is expected to raise efficiency and productivity in the county economy and in turn, accelerate and sustain inclusive growth, create opportunities, and improve livelihoods. This CFSP, therefore, reiterates the county government manifesto and priority programs and structural reform measures to be implemented in the Medium Term Expenditure Framework (MTEF) for 2016/17 – 2018/19.
4. Through the various priority economic policies, structural reforms and sectoral expenditure programs outlined in this 2016 County Fiscal Strategy Paper, the

county government is taking determined steps to further address those challenges, bolster resilience to shock and fosters sustained high and inclusive growth as part of the strategy of achieving economic transformation for a shared prosperity.

5. The document was developed in consultation with the public, county departments, development partners and the county budget and economic forum whose contributions are key. The document also benefited greatly from the 2016 Budget Policy Statement (BPS) of the National Treasury and 2014 KNBS abstract.

#### OUTLINE OF THE CFSP

6. Section I outlines the overview of the CFSP
7. Section II outlines the Recent Economic and Fiscal Developments context in which the 2016/17 MTEF budget is prepared. It provides an overview of the recent economic developments and the macroeconomic outlook covering the national and county scene and Sector achievements.
8. Section III outlines the forward economic and fiscal outlook
9. Section IV outlines the strategies, priorities and interventions of projects that will be implemented over the medium term in line with the ADP 2016/17 and CIDP 2013/17.
10. Section V outlines strategic priorities and interventions
11. Section VI outlines the fiscal policy and budget framework that is supportive of growth over the medium term,
12. Section VII outlines the medium term expenditure framework, resource envelope and spending priorities for the proposed 2016/17 Budget and the Medium Term Sector priorities are also reviewed for the MTEF period.
13. Section VIII is the conclusion.

## II. RECENT ECONOMIC & FISCAL DEVELOPMENTS

### National Economic & Fiscal overview

14. Kenya's economic growth has been robust supported by significant infrastructure investments, construction, mining, and lower energy prices and improvement in agriculture following improved weather. The economy grew by 5.3 percent in 2014 and is projected at 5.6 percent in 2015, 6.0 percent in 2016 and 6.5 percent in the medium term.
15. Macroeconomic stability has been preserved with inflation remaining on average within target. Overall month on month inflation was at 8.0 percent in December 2015 from 6.0 percent in December 2014. This was attributed to the increase in

prices of several food items which outweighed the decreases as well as increase in the Alcoholic Beverages, Tobacco & Narcotics index.

16. The Kenya Shilling exchange rate has stabilized following increased foreign exchange inflows in the money market. The current level of foreign exchange reserves, backstopped by the precautionary program with the IMF, continues to provide an adequate cushion against exogenous shocks. Furthermore, the current account deficit narrowed, mainly due to a lower oil import bill, and a slowdown in consumer imports.

17. Short term interest rates have declined following improved monetary conditions that led to increased liquidity in the money market. The interbank rate was at 6.2 percent as of 21<sup>st</sup> January 2016 while the 91 day Treasury bill rate was 11.4 percent as of 22<sup>nd</sup> January 2016.

#### Growth Update

18. The economy grew by 5.3 percent in 2014 (Chart 2.1) supported by strong performance in most sectors of the economy which offset the contraction in the tourism sector. Kenya's economic growth remained resilient in 2015. The first three quarters of 2015 recorded an average of 5.5 percent growth compared to 5.3 percent growth in a similar period in 2014.

19. In Quarter three of 2015, the economy grew by 5.8 percent, an improvement from a growth of 5.0 percent and 5.6 percent in quarter one and two of 2015 respectively. The growth in the third quarter was supported by improved performance in agriculture, forestry and fishing (7.1 percent), construction (14.1 percent), wholesale and retail trade (6.5 percent), transport and storage (8.7 percent) and electricity and water supply (11.0 percent). The accommodation and restaurant sector improved during the third quarter of 2015 with a contraction of 2.3 percent from a contraction of 16.0 percent during the same period 2014. This improvement is a result of the withdrawal of the travel advisories by some key tourist source countries.

#### Inflation within target

20. Overall month on month inflation was at 8.0 percent in December 2015 from 7.3 percent in November 2015. This was attributed to the Food and Non-Alcoholic Drink's Index which increased by 1.23 percent following increases in prices of several food items; the Alcoholic Beverages, Tobacco & Narcotics index increased by 11.46 percent from November 2015. However, during the same period there were notable falls in the cost of electricity, kerosene and cooking gas.

21. On average, the annual inflation rate was 6.5 percent in December 2015 compared to 6.9 percent in December 2014 and was therefore, within the current allowable margin of 2.5 percent on either side of the target of 5.0 percent.

#### Interest rates

22. Liquidity conditions remained tight between September and October 2015, with short-term interest rates remaining above the Central Bank Rate (CBR) and the rates on treasury bills rising substantially. This tight liquidity situation improved beginning November 2015 resulting in reduction in all the money market interest rates.

23. The interbank rate averaged 6.2 percent as of 21st January 2016 compared to 7.3 percent in December 2015 and 8.8 percent in November 2015. The 91-day Treasury bill rate declined to 11.4 percent as of 22<sup>nd</sup> January 2016 from 21.7 percent in October 2015. The 182-day Treasury bill also declined to 13.7 percent as of 22<sup>nd</sup> January 2016 from 21.5 percent in October 2015 while the 364-day Treasury bill rate averaged at 14.3 percent from 21.6 percent over the same period.

24. The Kenya Banks Reference Rate (KBRR) was reviewed upwards from 8.5 percent in January 2015 to 9.87 percent in July 2015 as a result of the upward revision of CBR. The increase of the KBRR resulted to the increase of the average lending rates to 17.4 percent in December 2015 compared to 16.0 percent in December 2014 while the deposit rate increased to 7.9 percent from 6.8 percent over the same period (Chart 2.3). As a result, interest rate spread was at 9.5 percent in December 2015 from 9.2 percent in December 2014, a reflection of the increase in both the lending rate and deposit rate.

#### Foreign Exchange Reserves

25. Gross foreign exchange holdings of the banking system increased by 5.0 percent from US\$8,964 million in November 2014 to US\$9,411 million in November 2015. Gross official reserves held by the Central Bank decreased to US\$7,161 million (4.6 months of import cover) in November 2015 from US\$7,274 million (4.6 months of import cover) in November 2014. The commercial banks' reserves increased from US\$1,691 million in 2014 to US\$2,250 million in 2015.

#### The Kenya Shilling Exchange Rate

26. The Kenya Shilling exchange rate which had weakened against major international currencies, for most of the year strengthened following foreign exchange inflows

into the money market. The currency stabilized at Ksh 102.2 against the US dollar as of 21st January 2016 compared to Ksh 102.8 in October 2015. The depreciation of the currency was mainly due to the global strengthening of the US Dollar on the international market, and high dollar demand by importers in the domestic market.

27. Against the Sterling Pound, the shilling strengthened to Ksh 145.2 as of 21st January 2016 from Ksh 153.3 in December 2015 and against the Euro, the exchange rate also strengthened to Ksh 110.8 from Ksh 111.1 over the same period. The Kenya shilling has continued to display relatively less volatility compared with the major regional currencies due to Diaspora remittances, increased foreign investor participation in the NSE.

#### Stock Market Developments

28. Activities at the stock market remained strong in the year to December 2015. The NSE 20 share index stood at 4,003 points in December 2015, an improvement from 3,994 points in November 2015. At the same time, Market capitalization improved to Ksh 2,031 billion in December 2015 from Ksh 2,015 recorded in November 2015, although lower than Ksh 2,300 billion in December 2014. The drop in market capitalization in the year to December 2015 is a result of an increase in shares supply which depressed the overall share prices.
29. Foreign equity market turnover for the month of December 2015 stood at Ksh 16.1 billion from Ksh 11.7 billion in November 2015, representing an increase of 37.6 percent. December 2015 bond turnover stood at Ksh 23.4 billion, 27.2 percent higher than Ksh 18.4 billion recorded in November 2015.

#### County Economic & Fiscal Overview

30. The County Government has continued to invest in priority areas and will continue to invest significantly on Water and Irrigation, Roads and Infrastructure, Health and Agriculture Development. The County Government has continued to invest in key development areas over the last MTEF period as follows; Kshs. 1,193,708,731 in the financial year 2013/14, Kshs. 2,051,774,651 in the subsequent year, Kshs. 1,582,103,916 in this financial year and it is expected to invest Kshs. 1,669,359,538.18 in 2016/17.
31. During the first half year of 2015/2016 the local revenue realized was Kshs 129.68 Million which consists of Kshs. 77.32 million raised in the first quarter and Kshs. 52.35 million in the second quarter against a targeted of Kshs 144.34 Million. The shortfall of Kshs 14.66 Million was attributed to low collections

from game park fees, animal stocks sale fee and plot rent and rates. A low collection from game park fees was attributed by low turnout by school children as a result of teacher strike in the second quarter. Additionally, foot and mouth disease which affected livestock sales in the county. The local revenue raised in the first half of FY 2015/16 was an improvement from Kshs. 118.22 million collected in a similar period of FY 2014/15 as shown in the figure below.

32. However, there was improved revenues on produce and other cess, market fees and hospital revenues as of strong internal controls system on revenue points, opening up of new markets and more collection on liquor licensing.

County Trend in Local Revenue Collection by Quarter from the FY 2013/14 to the second quarter of FY 2015/16



Source: Baringo County Treasury

33. The County Government has been under pressure to deliver services to its citizens and moving forward, the county is negotiating with external lenders to support its budget. The subsector of treasury and economic planning shall forward debt management strategy paper to the assembly for ratification as the county intends to borrow some funds from domestic sources to finance the construction of county executive offices.

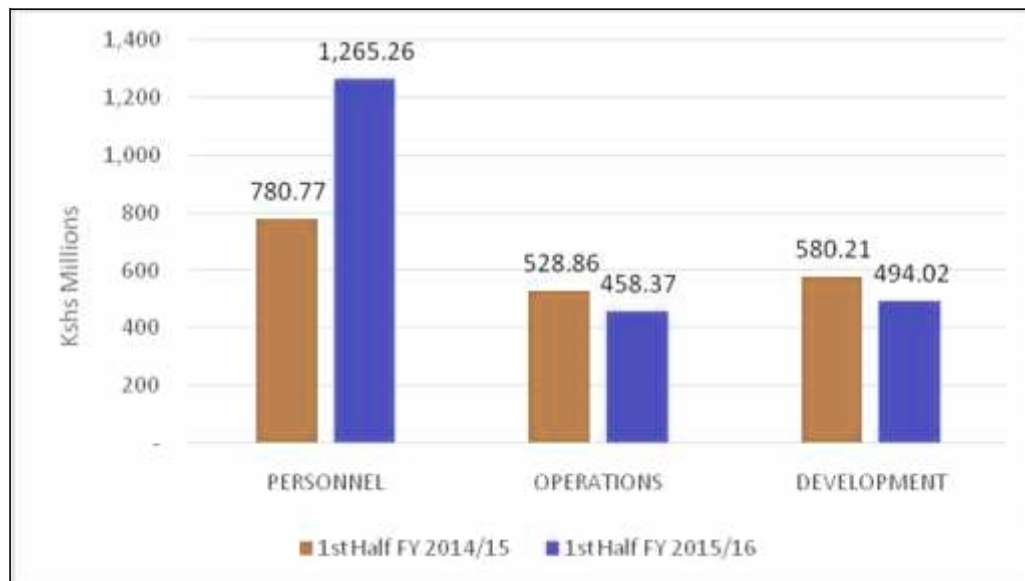
34. The County spent a total of Kshs. 2.22 billion during the first half of FY 2015/16 which was 90.7 percent of the total funds released for operations. This was a



decline from the Kshs. 1.89 billion spent in a similar period of FY 2014/15. A total of Kshs. 1.72 billion was spent on recurrent activities and Kshs. 494.01 million on development activities. Recurrent expenditure was 95.9 percent of the funds released for recurrent activities while development expenditure accounted for 76.3 percent of the funds released for development activities. The expenditure excludes commitments as of 31st December, 2015 that amounted to Kshs. 36.65 million for development and Kshs. 27.34 million for recurrent expenditure.

35. Recurrent expenditure for the period under review represented 50.3 percent of the approved annual recurrent budget, an increase from 44.4 percent spent in a similar period of FY 2014/15. On the other hand, development expenditure recorded an absorption rate of 20.5 percent, a decrease from 24.3 percent spent in a similar period of FY 2014/15. A comparison of the total expenditure between the second half of FY 2014/15 and that of FY 2015/16 is shown below;

**County Expenditure by Economic Classification for First Half of FY 2014/15 and FY 2015/16**



Source: Baringo County Treasury

36. In line with county economic and fiscal overview the county government has implemented various development activities as outlined below within different sectors:

## Water and Irrigation Development

37. The County Government has invested Ksh 704,286,438 in Water and Irrigation in the last three years to bolster water supplies and irrigation for food security. Irrigation schemes in Barwesa, Ngenyin, Emining, Mosuro are almost complete and have been constructed to increase food production and increase income. This will increase household incomes and diversify sources of income. In the last two years the County has constructed communitatively; water pans, Drilling of Boreholes, Construction of Irrigation projects, Rehabilitation of water supplies and Purchase of pipes for water supplies in wards. Ongoing irrigation projects include Cheraik, Kapkelelwa, Ketiptergek, Oighony, Rebeko, Mukuyuni, Lonoo, Lobo Lorwai, Emsos, Kamae chare set to be completed in 2016/17 FY.

## Agriculture, Livestock and Fisheries Development

38. The county regards agriculture as one of the flagship projects that facilitates increase in incomes and reduces poverty and thus it has invested Ksh 381,185,773 on Agriculture, Livestock and Fisheries development in the last three years.

## Roads and Infrastructure Transformation

39. In the past three years, a total of Ksh 948,032,348 has been invested on infrastructure as it is key in unlocking the rural potential in economic development. The County Government continues to enhance road network connectivity across the county with the aim of enhancing trade, commerce, agricultural productivity and regional integration. To that effect the county government has earmarked to opening and rehabilitating of rural roads across the whole county; Upgrade of rural roads to bituminous standards; Construct foot bridges; and the purchase of construction plants and equipment has significantly improved the response time taken to repair damaged sections of roads. In order to ensure sustained economic transformation, the county government will continue embarking on massive public investments in road and infrastructure.

40. Other key areas invested by the county include health whose development in past FYs' has been allocated Kshs 678,332,537 for construction and upgrading of health facilities. Education and ICT has also been allocated cumulative money amounting to Kshs 444,771,941 and industrialization, commerce, tourism and enterprise development has invested Kshs 263,749,551 as annexed.

## Fiscal Policy

41. The County Fiscal Policy aims at ensuring sustainable growth in revenue so as to support the county government in service delivery. Fiscal policy underpinning the F/Y

2016/17 Budget and MTE aims at raising revenue from Kshs 249 Million in 2014/15 to Kshs 300 Million and further to Kshs 350 million in 2016/17. The equitable share has continued to fund greater proportion in the County Budget contributing to 94% (3.3 million) in 2013/14 FY, 93.8% (3.8 Million) in 2014/15 FY and 93.67% (4.4 Million) in 2015/16 FY and 93% (4.8 Million) in 2016/17 FY. The increase is informed by an increase in resource mobilization by both national and county through identification of new revenue streams.

42. The national government introduced Compensation for user fees forgone; this grant is for purposes of compensating counties for expenses from the user fees charged by health centres and dispensaries. In this financial year (2015/16) Ksh 12,950,107 is budgeted and the county expects the same amount in the next financial year (FY 2016/17).

43. The Department of Health has continued to receive the highest support through free maternity healthcare - with Kshs. 65,759,400 in financial year 2015/16 and expect Kshs. 65,790,000 in financial year 2016/17. This fund is granted by national government based on percentage contribution to total number of maternity deliveries in health facilities.

44. To facilitate purchase of modern specialized healthcare equipment for at least two county referral hospitals, the national government provided Leasing of medical Equipment funds. This has been budgeted at Kshs. 95,744,681 in this financial year and will budget equivalent amount in the subsequent year.

45. World Bank support to health facilities is noted with a contribution of Kshs. 73,673,500 in 2014/15 financial year, Kshs. 17,224,300 in the current financial year and Kshs. 90,746,278 in 2016/17 financial year.

46. Danida has continued to prioritize health as one of the key sectors in Kenya's overall development strategy. Danida is a signatory to the Code of Conduct for the health sector in Kenya as well as the Paris Declaration on Aid Effectiveness and the Accra Agenda on Action. In the spirit of the declaration, Danida is aligned with government policies and strategies and moves towards a sector Budget Support Strategy. In the financial year 2014/15 and 2015/16 the county received Kshs. 23,790,000 and Kshs. 25,970,000 respectively.

47. Roads maintenance levy fund was established to cater for maintenance of public roads (unclassified roads). The national government has continued to allocate Kshs. 56,410,082 in this financial year and will allocate Kshs 73,620,416 in 2016/17 FY.

48. During the 2014/15 financial year the county spent Kshs 5.02 billion for both recurrent and development expenditure. The county intends to spend Kshs. 5.566 billion in 2016/17 FY up from Kshs. 5.014 billion in current financial year.

49. Expenditures for employee compensation and other emoluments have continued to increase from Kshs. 1.5 billion in 2013/14 financial year to Kshs. 2 billion in 2014/15 financial year to Kshs. 2.1 billion in the current financial year. This is expected to rise to Kshs. 2.5 billion in the next financial year as a result of employee promotion majority being 700 health workers, recruitment of village administrators and 1188 ECDE teachers salary increment and employment of other necessary technical staff.
50. The County Government spent Kshs. 960 Million in 2014/15 on operation and maintenance which was a reduction from Kshs. 1.3 billion in 2013/14 financial year. The County Government has budgeted Ksh. 1.2 billion in the financial 2015/16 for operation and maintenance Kshs 1.38 billion for the financial year 2016/17. The increase is due to non-discretionary items.
51. The County Government has been mobilizing its revenue from the following streams; animal stocks sale fees; produce & other cess; single business permit; plot rent/ rates; market fees & others; public health licenses; veterinary; Koibatek ATC; Marigat AMS; Hospital Revenue. To improve this revenue, new measures will be deployed by the county government including and not limited to Automation of revenue; Valuation rolls/ Motorbikes/ Cillor - valuation of forest products/ Alcohol permits issuance / Enforcement of bylaws/ LMA/ Public Health/ Hospitals/ Veterinary user charges/ Housing registration, improved land adjudication policies and strengthening of internal control system.

#### Sector Specific Achievements

52. The subsector of county assembly was able to establish an effective county assembly service board, a four-year strategic plan, improved organizational structure, enhanced members and staff capacity, passed numerous laws, regulations, plans and policies, refurbished the chambers, developed an ICT infrastructure, reviewed the standing orders, established the house committees, established a Human Resource Policy, renovated the assembly restaurant, procured Hansar equipment, established assembly research infrastructure and library, established ward offices and personnel.
53. Also the following were achieved, expansion of the office block, construction of security gate, renovation of the restaurant with the construction of residences (speaker & clerk), installation of CCTV gadgets, expansion of chambers - public gallery at procurement stage.
54. Programmes being undertaken during 2015/2016 financial year by the assembly include: completions of office block, installation of CCTV security and construction of speaker and clerk residence.
55. The office of the governor and county public service board initiated various reforms geared towards streamlining the operations of the county and improving performance. In pursuit of its mandate the department has realized the following: strengthened

intergovernmental relations, initiated peace efforts, recruited key staff of various departments, implemented disaster mitigation activities, capacity building of staff, established staff regulations and office expansion.

56. Additionally, the sub sector has been able to carry out interior renovations and refurbishments of the official residence, refurbished and repaired county headquarters, external works and landscaping of Governor's residence, construction of the county executive office complex and ward offices infrastructure. Also, several civic education forums, peace meetings were undertaken. Internal employee and customer satisfaction survey was also done.

57. Currently, the office of governor will embark on expansion of county headquarters to accommodate all sectors in the county. The public service board has developed a policy guiding decision on development and 13 other policies on management of human resources sensitized 2,742 staff on national values and principle act and staff recruitment.

58. The county in its 2014 CFSP identified education as a key area of investment. With the limited resources, the sector has constructed 218 ECDE classrooms to completion and 131 a reat va rious stages of implementation. Under vocational centres, 2 dormitories have been constructed at Kabimoia and Kabarnet; workshops constructed at Marigat, Cheberen, Kamelilo, Kipkimbirwo, Kerio Valley, Muguyuni, Kapkwang and Churo and Marigate equipped. To further increase enrolment and retention of need students, the sector has disbursed Kshs 54 million as bursaries to over 2,000 need students.

59. The department of Industrialization, Commerce, Tourism and Enterprise development over the past two years has been able to disburse SME funds to 198 traders, supported 12 cooperatives societies with subsidized loans, supported Torongo Cooperative society with milk cooler, distributed community grants to 10 conservancies and gave grants to Lake Bogoria Community for specified projects within the area. It has also been able to construct 9 markets, 2 industrial parks in Kabarnet and Eldama Ravine towns, restored Lake Kapnarok National reserve, installed highway signage's, constructed Loboig ate, repaired 18 Km road at Lake Bogoria game reserve and constructed honeystalls at Loboijunction and Radat Market. Through these initiatives, county revenue is expected to increase as well as increased income to the community as a result of alternative livelihoods.

60. In agriculture, efforts have been put in place to address the persistent food insecurity through a number of projects including installation of 10 greenhouses, purchased 7 farm tractors, coffee development including rehabilitation and equipping of two factories at Kituro and Kabartonjo and subsidized 10,000 coffee seedlings and 100 kgs coffee seeds, others included distribution of 11,200 mango seedlings, 2,800 avocado seedling, 11,200 papaw seedlings, 1,000 kg maize seeds and 2,410 bags of fertilizer to farmers and development Irish potato in Eldama Ravine Sub-county.

61. To improve further farmers capacity the county government has upgraded the one farmers training centres by renovation of kitchen and hostels and also drilling of borehole in the facility that will enhance agribusiness and farmer training.
62. In Livestock, Veterinary services and fisheries development, 30 cattle dips have been constructed and commissioned, 15 renovated and 30 are at various stages of implementation. The subsector has also constructed 3 slaughter houses, 1 honey refinery, 21 livestock sale yards, milk coolers, fish pellets palletizing plant at Emining, distributed 570 KBHT beehives, distributed breeding stock to farmers and constructed fish ponds.
63. The sector of social protection, culture and recreation over the time has achieved the following: erection and completion of 6 youth empowerment centres, expansion and equipping 4 special need schools, construction of two athletic camps and two stadiums, construction of one cultural centre, one social hall, play theatre and rehabilitation of four sports grounds. During the 2015/2016 period the department continues upgrading stadiums and athletic camps, construction of youth empowerment centres, community libraries, construction of social halls, cultural centres, enhancing youth and women enterprise fund and equipping of 5 schools with special needs.
64. The department of Water and Irrigation rehabilitated and expanded 140 water projects, drilled and equipped 7 boreholes serving approximately 7,400 people, developed new water supplies which include the construction of weirs, installation of hydrams, storage structures and distribution system. The department is also upgrading five water supplies at Chesakam, Chebarsiat, Ngaratuko, Barkibi and Natan, construction of 22 water pans (increasing the volume of storage facilities increased by 660,000 cubic metres) serving more than 33,000 livestock. Masonry tanks have also been constructed and 11 plastic tanks issued to schools. Under irrigation, construction of weirs and canals/conveyance are ongoing at the following irrigation schemes; Barwesa, Ngenyin, Emining and Mosuro. Cheraik, Kapkelelwa, Ketiptergek, Oighony, Rebeko, Mukuyuni, Lonoo, Lobo Lorwai, Emsos, Kamaech are also at various implementation stages.
65. The health sector strategic objective is provision of quality curative and preventive health care through, expansion and modernization of health facilities, promotion of Primary health care, sensitization, public awareness, immunizations and control of drugs and substance use. Over the years the department has been upgrading Kabarnet hospital to referral hospital, upgrading of 4 subcounty hospital, expansion of 26 health centres and 190 dispensaries, acquisition of 19 ambulances, construction of 14 maternity, 10 staff houses, installation of mortuary coolers and 6 general wards and renovation of 16 health facilities.
66. The department of Environment, Energy and Natural Resources implemented soil erosion control projects along Salawa–Kaptara and along Kisanana–Olkokwe valley,



natural resource mapping, solid waste management and installation of litter bins in towns, established a model tree nursery at Mogotio and also implemented school fruiting programme.

67. In the Energy, Infrastructure and ICT sector much progress has been achieved in the implementation of road rehabilitation and opening up of new roads. To date, the county government has opened up 600 km new roads, rehabilitated and maintained 100 km of existing road, upgraded 1.3 km of urban roads to bituminous standards, construction of 13 foot bridges and drifts and installation of streetlights. During the 2015/2016 financial year the department is undertaking the following activities; further opening of more rural access roads and upgrading, construction of roads crossing and improvement of urban roads including street lighting.
68. ICT sub sector has been able to establish two ICT incubation centers, supported departments in acquisition of computer software and hardware and established a working relationship with several stakeholders on computer training.
69. Over the period, the subsector of treasury has achieved good progress in strengthening its institutional capacity towards public financial management through setting up its structures. Also it has achieved the following: formed county economic forum and audit committee, acquisition of revenue management system and structures and 7 revenue vehicles acquired, full implementation of IFMIS system, written key statutory documents including monitoring and evaluation policy, CIDP, CFSP, CBROP, ADP, Quarterly reports, annual budgets, finance act, regulations and budget circulars and currently implementing revenue management software. In 2015/2016 financial year the subsector is undertaking the following activities: purchase of monitoring and evaluation vehicle, construction, and renovation of sub-county administration and revenue offices.
70. The department of land and housing over the past three years has been able to initiate the development of a county spatial plan, revision of PD Ps at Kampi Ya Samaki, Timboroa, Poror and Koriema, development of 9 new PD Ps, survey of marigatt town, Kimalel, Bondeni in Kabarnet and Maji Mazuri, purchase of dumpsite at Kiboino, identification of land banks, acquisition of survey equipments (total station) and supported the adjudication of community land.
71. For urban development the following has been attained in the last two years; street lighting of all subcounty headquarters, gabbrows and drainage systems in both towns and tree planting and town beautification.

### III. FORWARD ECONOMIC AND FISCAL OUTLOOK

#### County Economic & Fiscal Outlook

##### Overview

72. County fiscal framework is grounded in a sustainable, countercyclical approach to managing revenue and expenditure. Over the medium term, County Government will balance continued support for economic growth with fiscal consolidation. Key social and economic programmes will be maintained, complemented by efforts to improve value for money. Spending will be well contained over the medium-term expenditure framework (MTEF) period.
73. Slower wage bill growth and robust expansion of capital budgets will result in a moderate improvement in the composition of spending by 2016/17. The 2016/2017 Budget also maintains tight control of goods and services budgets, which will decline in real terms over the three-year spending period. Budget allocations have been revised to ensure that goods and services required for core areas of service delivery, such as educational materials (for ECDEs) and medical supplies, are protected. Expenditure on travel, catering, consultants and other administrative payments declines as a share of spending.
74. The County Government expects improvement in business sector after holding Baringo Expo Entrepreneurship Summit in 2015/2016. Investors are expected to invest in small and medium enterprises that will create a multiplier effect on local revenue and creation of employment.
75. Other assumptions in the outlook are the expected external investment on value additions on agriculture products i.e. Aloe Vera and also in water sector. Other investments on the social sector are the investment by the Austrian bank to the tune of Kshs. 300 million guaranteed by the national government to equip Kabarnet County Referral Hospital. These investments will release more funds to other capital outlays.
76. The County Government in 2016/17 will bridge the current deficit (297 million), with a positive current balance enables government to finance capital expenditure without drawing on private savings. The County Government is budgeting for the establishment of County Headquarter offices over the MTEF period. In the outer year of the fiscal framework the county government will borrow from other financing agencies to fund high capital outlay expenditures in construction of county offices and residential houses for the Governor and the county executive.
77. In line with the National Government 2016 Medium Term Budget Policy Statement; the County Government is committed to:
- Maintaining an explicit nominal expenditure ceiling, while reducing establishment costs.



- Reducing the budget deficit (overcommitment to ongoing projects) to stabilize debt.
- Improving the quality of spending and reducing waste.

78. Fiscal policy ensures the health of the public finances by applying the principles of fiscal discipline, debt sustainability, fairness and value for money. Over the next three years, the County Government will continue to finance real increases in spending that enhance service delivery, within an explicit expenditure ceiling.

- The composition of development expenditure improves moderately over the medium term, with capital spending emerging as the fastest - with a target of an annual increment of 5 percent.
- Operations and maintenance shall increase due to operationalize new facilities that the County Government has invested.

79. Robust economic growth and efforts to expand the revenue base through installation of revenue management system will produce consistent revenue overruns.

#### IV. STRATEGIC PRIORITIES AND INTERVENTIONS

##### **Public Participation Hearings on Prioritization**

80. The constitution Article 118(1)(b) and 196(b) provide that the public should be involved in the budget making process through public participation. In this respect, the county treasury organized public hearings. During public participation forums, the county residence gave out their sector strategic priority areas which needed urgent resource allocation. It came out clearly that majority of the county citizens want the challenge of accessibility of clean water be given first priority, followed by health services, energy, infrastructure and ICT in that order. The least prioritized sectors include social protection, culture and recreation and public administration as annexed.

81. Specific issues raised by the public during the forum include: water scarcity, poor and inaccessible road network, need for early preparation of public participation, the need for implementation of projects prioritized by the public, slow implementation of projects, alteration of sector priorities by local leaders, equipping and completion of completed and ongoing projects, supervision of personnel in education and health sectors, low quality workmanship by contractors and theneed for feasibility studies to be conducted for projects viability.

##### **Environment Protection Water and Natural Resources Sector**

82. Household water is very essential for economic transformation and other social development. Also, safe drinking water and sanitation do complement efforts towards improved primary health care and productivity in labour. Therefore, water

provision during the fiscal year has been given priority. The county has and will continue investing significant resources to enable access and sustainable water supplies. Phase two of Kirandich Damin Kabarnet needs to be expanded to serve higher population as it is currently underutilized. The water distribution system also needs to be expanded in all parts of the county by allocating funds to all wards.

83. Water accessibility as of 2013/14 FY was 35% but funding for the three consecutive years has improved the coverage to 56.5%. Out of this, households with access to safe water are 25.9% as per 2014 KNBS. Therefore, the subsector intends to construct, expand and rehabilitate water supplies to increase coverage by further 10%.

84. To achieve this, the subsector will implement the following: rehabilitate water supplies and extensions in the wards, maintain and expand existing water supplies. The existing Irrigation projects are expected to be expanded to explore their respective potential through canal lining, conveyance extensions, and construction of on-farm structures. Establishment of town sewer systems will be financed over the period to provide water for town dwellers.

85. To achieve sustainability in forest cover as well as environmental conservation, environment protection and natural resources subsector will embark on natural resource conservation and management through tree planting in schools, water catchment areas and green parks. Control of soil erosion which threatens to degrade land for agricultural potential, the subsector will implement Soil and water conservation.

86. In addition in the period 2016/17 FY, the department intends to carry out environmental Conservation and management and Natural resource Conservation and management as a key area of priority. Proposed programmes include upgrading and development of dumpsites, litter bins provision, river bank protection, community awareness campaigns and promotion of agroforestry and conservation and protection of county forests among other things.

### Energy, Infrastructure and ICT

87. Going forward, the county government will continue investing in expansion of road network to open up rural areas to ease movement of goods and passengers and encourage growth of business and employment throughout the county. To lay more emphasis, resource allocation to the subsector is prioritized.

88. Additionally, alternative methods will be adopted through the pull-off fuel to fund the county road machinery and equipment and further hire more machinery to be used in implementation of roads infrastructure development.

89. Further the sector has prioritized establishment of ICT data and recovery centre, Installation of structured cabling and internet at county headquarters,

Establishment of wide area network (WAN), establishment of ICT centers at all Sub-Counties, digitization of county government documents. The subsector will continue partnering with its development partners (WBF, ICTA, CA, Pilot School) in building capacity of county residents.

### Agriculture Rural and Urban Development

90. The strategic priorities for the Agriculture rural development and urban development sector over the medium term will be to increase productivity through facilitating access to affordable and quality inputs and services; increase market access through promotion of value addition and development of standards along the value chain; promote adoption of appropriate technologies for crops, livestock and fisheries development and promotion of field extension services.
91. The sub-sector of land housing and urban development prioritizes the completion of county spatial plan, establishment of land banks, revision of physical development plans, acquisition of additional survey tools and equipments and establishment of land information systems. It will also enhance gabbrows on main streets in the urban areas and continue improving drainage systems.

### Health Services

92. In order to continue with its mandate of setting and maintaining quality health standards through provision of health service, the sector has prioritized to continue upgrading county and sub county referral hospitals, upgrading of health centers and dispensaries. These sectors main focus will be to complete projects under implementation stages.

### Education

93. Tremendous progress has been achieved over the recent time including construction of ECDE classes and recruitment of teachers. To sustain this, the sector has prioritized equipping the completed classrooms for the learners and construct 60 more. Other areas of priority include improvement and construction of hostels and purchase of equipment for skill development vocational centre and Bursary scholarships for needy students.

### General Economic and Commercial Affairs

94. The sector will embark on programs geared towards creating an enabling business environment, development of tourism products and services, promotion of Medium Enterprises funding and value addition and marketing. Sectors priorities include: completion and equipping Mogoti tourism and business information centre and tannery, Cooperative produce value addition and marketing, Construction of Marigat Market, Small and Medium Enterprises funding and capacity building, Cooperative development fund (loan).

## Social Protection Culture and Recreation

95. The sector intends to prioritize on development of stadiums and training camps, equipping of youth empowerment centres, Support to Sports, cultural activities and talent development. Further, the sector has prioritized on cash transfer to the elderly and PWD and women and youth fund and support to special schools.

## Public Administration

96. In provision of quality services and oversight, the county government will continue to support the administrative services through allocation of resources. In improving county assembly service delivery and management in the fiscal year, it will continue with the construction of office block and construction of two residential buildings and a parking bay.

97. To effectively discharge its mandate, administrative infrastructure is strategic as this will increase efficiency and effectiveness of county government. Therefore in the 2016-/2017 financial year, it will embark on extension of office complex to accommodate all sectors, gab row works, bodaboda shades and construction of sub county revenue, ward and county treasury office. In addition monitoring and evaluation, statistics, audit and asset management software's has also been given priority to enhance transparency and accountability in prudent utilization of public funds.

## V. FISCAL POLICY AND BUDGET FRAMEWORK

### Overview

98. The resource envelope available for allocation among the programmes is based on the fiscal policy and medium term fiscal framework which is explained as follows:

#### i. Fiscal Policy Framework

99. The County Government proposes a comprehensive package of measures to balance the budget and have no deficit in the medium term to ensure fiscal sustainability. In ensuring this, deficit financing will be funded by borrowing from financial institutions towards financing construction of office block. Moderating expenditure growth, combined with revenue measures will improve the fiscal performance, expenditure on core social and economic programmes will be maintained, with reductions focused on non-essential goods and services and riding on the favorable national economic growth, the fiscal proposals will enable the county government to remain broadly in line with balanced budget.

## ii. Fiscal Responsibility Principles

100. The County Government is committed to fiscal consolidation while ensuring that resources are available for development in order to positively impact on productive growth and overall economic growth. In this regard, the County Government is committed to reducing the recurrent expenditures to devote more funds to development. This will be achieved through austerity measures and cutting on travel costs and reforms in the expenditure management and revenue administration will be implemented to reduce wastages and increase revenues collected and hence create fiscal space for spending on development programmes within the budget.
101. In finalizing the preparation of the 2016 MTEF budget, spending proposals will undergo rigorous scrutiny to identify areas of inefficient and non-priority expenditure in the areas including telephone, and mobile phone services, courier and postal services, domestic travel and subsistence, foreign travel and subsistence, and other transportation costs, printing (calendars, diaries, promotional materials), advertising and information supplies and services, hospitality supplies and services, office and general supplies and services, fuel lubricants and maintenance of motor vehicles, contracted professional services and contracted technical services.
102. The County Government will in its fiscal operations respect and ensure compliance with provisions of Section 107 of Public Finance Management Act, 2012 so as to entrench fiscal discipline.

## iii. Fiscal and Public Financial Management Reforms

103. The Fiscal Policy underpinning the FY 2015/16 Budget and MTEF aims at increasing revenue and containing growth of total expenditure. Further, the policy aims at shifting more public resources from recurrent to capital investment so as to promote sustainable and inclusive growth. The fiscal policy will undertake reforms on the following areas, namely:
- Enhancing resource mobilization, including broadening revenue base; Revenue collection efforts will be enhanced to ensure all potential rates and fees payers make their contribution towards county's development agenda. Revenue administration capacity will be strengthened through organizational and modernization reforms. The ongoing automation of county revenues systems remains a priority in order to enhance revenue collection.
  - Expenditure rationalization will continue being a priority focusing on non-productive areas. Additionally, with the ongoing public service rationalization, redundancies and duplications will be eliminated in the public service.
  - Expenditure efficiency and effective implementation of budget programs through enforcement of cost benchmarks for all projects and consumables. There will be further enforcement of a project implementation performance benchmark of at least 80 percent, expenditure tracking and value for money audit to ensure efficiency and effectiveness in use of resources at both levels of Governments. Project planning and management as well as engagement with development partners will be strengthened.

- The county government will through the implementation of e-procurement module of the IFMIS apply prudent expenditure management on items such as office goods and their pricing that should as much as possible reflect actual market prices. Time for paying for goods should be reduced to enable the county government get competitive price in the market.

## Budget Framework

104. The 2016/17 budget framework is set out against background of the medium term county government strategic objectives as outlined in the CIDP, ADP, Governors manifesto and the sector plans.

### Revenue projection

105. The county will get an equitable share of Kshs 4.877 billion up from Kshs 4.44 (10%) in FY 2015/16 in addition to conditional grants and loans of Kshs 90.74 million (7%), allocations-Free Maternal Health Care Kshs. 65.45 million, allocations-Leasing of Medical Equipment Kshs. 97.744 million and allocations for Road Maintenance Fuel Levy Fund Kshs. 73.62 million increase of 31%. These make the revenue expected from the national government for the FY 2016/17 amount to Kshs 5.216 billion.

106. The County will raise its own revenues through imposition of property rates, entertainment rates as well as other rates that the county is authorized to impose by an Act of Parliament as well as user fees and charges authorized by county laws. For the FY 2016/17, the county projects revenue from those sources amounting to Kshs. 350 million an increase of 17%. This leads to total revenue projection of Kshs 5.566 billion i.e. an 11% increase from 2015/16 financial year.

### Expenditure Forecasts

107. Due to the limited resources, funding requests will have to be in line with the County and national goals and objectives priorities as outlined in the 2016 Budget Policy Statement (BPS) 2016, the County Integrated Development Plan (CIDP) 2013/17 and Annual Development Plan (ADP) 2016/17. In this regard, sectors will have to rationalize and prioritize their expenditure programmes in the FY 2016/17 to focus only on the strategic interventions and projects that are captured in these documents. The expenditure has to be geared towards promotion of service delivery that supports social development, economic growth and transformation of the County.

### Recurrent Expenditure

108. Total recurrent expenditures in Budget estimates FY 2016/17 will be Kshs 3.897 billion as compared to Kshs 3.43 billion in FY 2015/16. The increase in recurrent expenditure is due to promotion of staff and new employment, non discretionary items like medical supplies, emergency fund, bursaries and support of women and youth activities and PLWDs.

109. Salaries and the wage bill for FY2015/16 have been estimated at Kshs 2.176 billion compared to projected budget of Kshs 2.516 billion for 2016/17 FY. This spending item is expected to decline over the medium term given the staff rationalization exercise the county is undertaking to match skills and functions and the expected release of redundant staff.
110. The Operations and Maintenance expenditures will be lower/in the medium term due to removal of on e-off expenditures such as office infrastructure and equipment from the recurrent budget coupled with other expenditure rationalization measures that will free resources for development expenditures. The 2016/17 projection on operations and maintenance is Kshs 1.381 billion up from Kshs 1.255 billion of 2015/16 estimates.
111. Under implementation of second MTP 2013-2018, CIDP and sector plans, the overall development expenditure for FY2016/17 has been projected to be Kshs 1.669 billion up from the FY2015/16 approved of Kshs. 1.582 billion.

#### Risk Management summary

112. The main risks to the fiscal outlook are economic performance, the public-sector wage bill, insecurity and the forthcoming general elections and the constitutional office of Commission on Revenue Allocation (CRA) which change the formula on revenue allocations.
113. The overall county wage is of significant concern in the implementation of the budget or indeed in the realization of Baringo fiscal goals. The recruitment of any additional staff must therefore be based on the outcome of the on-going job evaluation exercise aimed at staff rationalization to achieve a lean and efficient workforce and a sustainable wage bill. Another specific concern is the revenue effort and specific and targeted interventions will be designed to ensure that the budget of the county remains fully financed and no project or programme is jeopardized by inadequate resources.

## VI. MEDIUM TERM EXPENDITURE FRAMEWORK

### Overview

114. This Section presents the resource envelope and spending priorities for the proposed 2016/17 MTEF Budget and the Medium Term. In addition sector achievements and priorities are also reviewed for the 2016/17 MTEF period.



## Resource Envelope

115. The resource envelope available for allocation among the spending sectors is based on the medium term fiscal framework;

- Domestically mobilized budget resources finances approximately 6.3 percent of the budget while 87.6 percent is financed by equitable share from the National government.
- Committed National or external financing in the form of grants and concessional borrowing tied to specific development programmes/projects as determined by the relevant legislation totaling to 6.1 percent.

The 2016/17 budget revenue estimates:

NO	SOURCE	AMOUNT IN KSHS	PERCENTAGE
1	Equitable Share	4,877,972,475	87.6%
2	Compensation For Use Fees Forgone	12,950,107	0.2%
3	Free Maternity Healthcare	65,790,000	1.2%
4	Road Maintenance Levy Fund	73,620,416	1.3%
5	Leasing Of Medical Equipments	95,744,681	1.7%
7	Local Revenue	350,000,000	6.3%
8	World Bank/DANIDA Support To Health Facilities	90,746,278	1.6%
	GROSS TOTAL	5,566,823,957	100%

## Other resources

116. The county will engage development partners to fund other development projects and also intend to borrow from financial institutions to supplement construction of county offices.

## Overall Spending Priorities

117. Development expenditures have been shared out on the basis of the MTP priorities and strategic interventions. The following criteria will be used in apportioning capital budget:

- On-going projects: emphasis has been given to completion of on-going projects and in particular infrastructure projects with high impact on poverty reduction, equity and employment creation.
- Roads Infrastructure development: priority is given to adequate allocations for development of urban roads to bitumen standard, opening rural access roads and maintenance and foot bridge projects.



- Water infrastructure development: priority is also given to water supplies, boreholes, water pans and dams
118. The medium term expenditure framework for 2016/17–2018/19 ensures continuity in resource allocation based on prioritized programmes aligned to the Second MTP (2013-2017) of Vision 2030, CIDP (2013-2017), ADP 2016/17 and Sectoral plans (2013-2017). It also focuses on strategic policy initiatives of the Governor's manifesto to accelerate growth, reducing unemployment, poverty reduction and hunger. The recent achievements and key priority targets for each sector are based on the sector reports.

#### Sector/Departmental Priorities for the MTEF period

##### Public Administration

119. The Sector is composed of County Assembly, Office of The County Executive Services and Treasury & Economic Planning. The sector provides overall policy, leadership and oversight management to the county, oversees county legislation, public service delivery and resource mobilization. It further coordinates implementation, monitoring and evaluation. Other key cross-cutting mandates falling under the sector include resource mobilization and management, oversight, implementation of as well as oversight on use of public resources and service delivery.
120. In order to implement the prioritized programmes, the Sector has been allocated Ksh 1.284 billion, Ksh 1.387 billion and Ksh 1.484 billion for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. The recurrent expenditure allocation for FY 2016/17, 2017/18 and 2018/19 is Ksh 1.137 billion, Ksh 1.228 billion and Ksh 1.314 billion respectively, while development expenditure allocation is Ksh 147.1 million, Ksh 158.9 million, and Ksh 170.1 million for the same period respectively.

## Agriculture Rural and Urban Development

121. The overall strategic goal for the Sector is to attain food security and sustainable land management. Over the MTEF period, resources will be directed to enhancement of Strategic food security, research and development, value addition, subsidized seed and fertilizer to farmers in vulnerable households, establishment of disease free zone and live stock upgrading. Under land and urban development, key areas include: spatial planning, purchase of land banks and survey equipment and hydro form equipment.
122. In order to implement the prioritized programmes, the Sector has been allocated Ksh 519.8 million, Ksh 561.4 million and Ksh 600.7 million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation is Ksh 325 million, Ksh 351 million and Ksh 375.6 million for FY 2016/17, 2017/18 and 2018/19 respectively, whereas development expenditure for the same period is Ksh 194.8 million, Ksh 210.4 million, and Ksh 225.1 million.

## Education

123. The overall goal of the sector is to expand access and enhance the quality of pre-primary education and vocational training. The mandate of the sector is derived from schedule IV of the Constitution of Kenya, 2010 specifically to deliver on pre-primary education, village polytechnics, home craft centres and childcare facilities.
124. In order to implement the prioritized programmes, the Sector has been allocated Ksh 386.9 million, Ksh 417.9 million and Ksh 447.1 million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY 2016/17, 2017/18 and 2018/19 is Ksh 303.6 million, Ksh 327.9 million and Ksh 350.8 million. While the development expenditure allocation is Ksh 83.3 million, Ksh 89.9 million, and Ksh 96.2 million respectively.

## General Economic and Commercial Affairs Sector

125. The general objectives of the sector, include; promotion and development of trade, tourism, industrialization and entrepreneurship, innovation, savings mobilization and investment and regional integration.
126. To implement the prioritized programmes, the Sector has been allocated Ksh 154.9 million, Ksh 167.3 million and Ksh 179 million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY 2016/17, 2017/18 and 2018/19 is Ksh 87 million, Ksh 93.9 million and Ksh 100.5 million. While the development expenditure allocation is Ksh 67.8 million, Ksh 73.3 million, and Ksh 78.4 million respectively.

## Environment Protection Water and Natural Resources

127. The Environment Protection, Water and Natural Resources sector comprises three sub-sectors namely: Environment, Natural Resources, Water and Irrigation; and Mining subsectors. The sector's mission is to contribute to quality

living standards of Baringo people by increasing water sources, food and pasture sufficiency under irrigation and sustainable exploitation of resources and environmental conservation.

128. In order to implement the prioritized programmes, the Sector has been allocated Ksh550.6million, Ksh614.5million and Ksh666.5million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY2016/17, 2017/18 and 2018/19 is Ksh160.4million, Ksh173.3million and Ksh185.4million. While the development expenditure allocation is Ksh390.2million, Ksh441.2million, and Ksh481.1million respectively.

### Health sector

129. The Health sector goal to improve the quality of life of the citizen and reduce disability from disease and early deaths. This will be done through the elimination of communicable conditions; Halting and reversing the rising burden of communicable and non-communicable conditions in the country; Reducing the burden of violence and injuries; Providing essential health care that is affordable, equitable, accessible and responsive to client needs; Minimizing exposure to health risk by strengthening health promoting interventions that address risk factors to health; and Strengthening collaboration with the private and other sectors that have an impact on health. In addition, adopting a 'Health in all Policies' approach, which ensures it interacts with and influences design implementation and monitoring processes in all health related sector.
130. In order to implement the prioritized programmes, the Sector has been allocated Ksh 2.09 billion, Ksh2.25 billion and Ksh2.41 billion for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY2016/17, 2017/18 and 2018/19 is Ksh1.49billion, 1.61billion and Ksh1.73billion. While the development expenditure allocation is Ksh328.3million, Ksh354.6million and Ksh379.49million respectively. The other recurrent expenditure averaging Ksh265.231million annually from leasing of equipment, loans and grants, conditional allocation for maternity and compensation for use fees forgone.

### Energy, Infrastructure and ICT

131. The sector aims at improving both quality and quantity of the existing infrastructure facilities in order to contribute to attaining and sustaining economic growth of over 10% per annum. The programmes prioritized in the MTEF period 2016/17-2018/19, intends to facilitate provision of clean, sustainable, affordable, reliable and secure energy, quality, and accessible transport infrastructure, efficient, reliable and affordable ICT services that supports socio-economic transformation in Kenya.
132. In order to implement the prioritized programmes, the Sector has been allocated Ksh454.2million, Ksh490.6million and Ksh524.9million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY2016/17, 2017/18 and 2018/19 is Ksh92.3million, Ksh99.6

million and Ksh 106.6 million. While the development expenditure allocation is Ksh 288.3 million, Ksh 311.4 million, and Ksh 333.2 million respectively. In addition, the sector will receive Ksh 73.6 million from RMLF.

### Social Protection Culture and Recreation

133. Social Protection, Culture and Recreation Sector is mandated to address the issues on promotion and exploitation of county's diverse culture for peaceful co-existence; enhancing county's reading culture; development and promotion of sports; preservation of county's heritage; promotion of cultural.
134. In order to implement the prioritized programmes, the Sector has been allocated Ksh 124.6 million, Ksh 134.5 million and Ksh 143.9 million for the financial years 2016/2017, 2017/2018 and 2018/2019 respectively. Recurrent expenditure allocation for FY 2016/17, 2017/18 and 2018/19 is Ksh 29 million, Ksh 31.3 million and Ksh 33.5 million. While the development expenditure allocation is Ksh 95.5 million, Ksh 103.2 million and Ksh 110.4 million respectively.

## VII. CONCLUSION

135. The fiscal framework presented herein is prepared pursuant to the PFMA and lays ground for the next financial year in terms of preparing the final spending estimates as well as prioritization of resource allocation. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds especially on capacity building on different sectors of the County will be crucial in ensuring that the County gets to deliver on its functions. In pursuit of this, effective budget implementation at the county level will be facilitated through capacity building and development of systems for close monitoring and evaluation of spending entities to ensure that resource application bears the most fruit to the taxpayer. Involvement of all stakeholders in budget execution is also key in enhancing overall budget implementation and the public will be key in shaping the final budget policies and allocations for the 2016/17 Financial year. The county will also revamp its revenue collecting and management systems with the goal of generating more revenue to strive towards budgetary self-reliance as well as ensuring the stability of county fiscal framework.

# Annexes

## Annex 1: Revenue and Expenditure for the MTEF Period

		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	DESCRIPTION	KSHS	KSHS	KSHS	KSHS	KSHS	KSHS
1	EQUITABLE SHARE	3,247,937,841.00	3,874,911,817.00	4,440,576,026.00	4,877,972,475.00	5,219,430,548.25	5,636,984,992.11
2	COMPENSATION FOR USE FEES FORGONE	-	-	12,950,107.00	12,950,107.00	13,856,614.49	14,965,143.65
3	FREE MATERNITY HEALTH CARE	-	-	65,759,400.00	65,790,000.00	70,395,300.00	76,026,924.00
4	ROAD MAINTAINANCE LEVY FUND	-	-	56,410,082.00	73,620,416.00	78,773,845.12	85,075,752.73
5	LEASING OF MEDICAL EQUIPMENTS	-	-	95,744,681.00	95,744,681.00	102,446,808.67	110,642,553.36
7	LOCAL REVENUE	260,000,000.00	255,800,000.00	300,000,000.00	350,000,000.00	450,000,000.00	495,000,000.00
8	World Bank support to Health Facilities	382,555,501.00	73,673,500.00	17,224,300.00			
9	DANIDA (Health Facilities)	-	23,790,000.00	25,970,000.00	90,746,278.00	97,098,517.46	104,866,398.86
10	Roll Over	137,000,000.00	784,166,119.00	-	-	-	-
	TOTAL ALLOCATION	4,027,493,342.00	5,012,341,436.00	5,014,634,596.00	5,566,823,957.00	6,032,001,633.99	6,523,561,764.71
	EXPENDITURE OVER MTEF						
1	Employee Compensation	1,507,759,309.31	2,000,415,346.00	2,176,672,950.00	2,516,357,592.80	2,692,502,624.30	2,907,902,834.24
2	Operations and Maintenance	1,326,025,301.69	960,151,439.00	1,255,857,730.00	1,381,106,826.02	1,444,293,303.54	1,559,836,767.83
4	Development Expenses	1,193,708,731.00	2,051,774,651.00	1,582,103,916.00	1,669,359,538.18	1,895,205,706.15	2,055,822,162.64
5	GRANT TOTAL	4,027,493,342.00	5,012,341,436.00	5,014,634,596.00	5,566,823,957.00	6,032,001,633.99	6,523,561,764.71
	Ratio of Employee compensation				45%	45%	45%
	Ratio of O & M				24%	24%	24%
	Ratio of Development				30%	31%	32%

## Annex 2: Local Revenue Projections 2013/2014-2018/2019

		2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	202018/2019
No	Sources	Actuals	Actuals	Approved Budget	Projections		
1	Game Park Fees	69,456,838	54,429,063	65,378,064	76,274,407.80	87,170,751.78	99,331,071.65
2	Animal Stock Sale Fees	7,497,705	9,928,000	14,269,644	16,647,918.54	19,026,192.62	21,680,346.49
3	Produce & Other Cess	18,374,372	32,385,244	26,754,431	31,213,503.16	35,672,575.04	40,648,899.26
4	Single Business Permit	31,737,095	35,722,947	44,430,982	51,836,145.73	59,241,309.40	67,505,472.06
5	Plot Rent/ Rates	15,127,880	17,317,051	29,476,586	34,389,349.97	39,302,114.25	44,784,759.19
6	Market Fees & Others	29,184,504	30,303,827	28,871,413	33,683,315.23	38,495,217.41	43,865,300.24
7	Koibatek ATC	-	7,404,056	5,113,620	5,965,890	6,818,160.00	7,769,293.32
8	Marigat AMS	-	4,159,189	8,522,700	9,943,150	11,363,600.00	12,948,822.20
9	Public Health	570,900	1,136,942	6,000,000	7,000,000	8,000,000.00	9,116,000.00
10	Veterinary	266,320	1,200,000	6,000,000	7,000,000	8,000,000.00	9,116,000.00
11	Hospital Revenue	29,303,991	55,737,110	65,182,560	76,046,320	86,910,080.00	99,034,036.16
Total		201,519,604	249,723,428	300,000,000	350,000,000	400,000,000	455,800,000.57

## Annex 3: Performance Revenue for the Half Year 2015/2016

	Sources	Actual First Quarter	Actual Second Quarter	Total	Target	Variance
1	Game Park Fees	25,315,920	7,626,050	32,941,970	50,620,281	17,678,311
2	Animal Stock Sale Fees	3,345,400	4,208,295	7,553,695	8,951,366	1,397,671
3	Produce & Other Cess	10,234,502	9,970,783	20,205,285	11,175,682	(9,029,603)
4	Single Business Permit	5,932,383	2,843,226	8,775,609	7,971,492	(804,117)

	Sources	Actual First Quarter	Actual SecondQuarter	Total	Target	Variance
5	Plot Rent/ Rates	3,825,204	2,429,175	6,254,379	12,126,544	5,872,165
6	Market Fees&Others	8,933,680	8,612,128	17,545,808	11,635,006	(5,910,802)
7	Public HealthLicenses	487,770	406,280	894,050	3,000,000	2,105,950
7	Veterinary	651,467	1,054,985	1,706,452	3,000,000	1,293,548
9	KoibatekATC	349,882	957,197	1,307,079	2,215,902	908,823
10	MarigatAMS	50,000	153,277	203,277	2,556,810	2,353,533
11	Hospital Revenue	18,199,953	14,095,819	32,295,772	31,091,760	(1,204,012)
		77,326,161	52,357,215	129,683,376	144,344,843	14,661,467

#### Annex4: Medium Term Expenditure Ceilings Per Sector

SECTOR							% share of the total expenditure				
		ACTUAL BUDGET	APPROVED ESTIMATES	CFSP CEILING	PROJECTIONS		Actual	Budget	CFSP Ceiling s	Projections	
		204/15	2015/16	2016/17	2017/18	2018/19	2014/15	2015/16	2016/17	2017/18	2018/19
Agriculture Rural And Urban Development	SUB TOTAL	459,805,306	513,363,334	519,880,689	561,471,144	600,774,124	11.5	10.1	9.3	9.3	9.2
	REC	312,496,106	293,352,121	325,047,839	351,051,666	375,625,282	7.8	5.7	5.8	5.8	5.8
	DEV	147,309,200	220,011,213	194,832,850	210,419,478	225,148,842	3.7	4.3	3.5	3.5	3.5
Energy, Infrastructure And Ict	SUB TOTAL	376,467,310	493,303,574	454,267,501	490,608,901	524,951,524	9.4	9.7	8.2	8.1	8.1
	REC	53,149,668	53,553,030	92,300,417	99,684,450	106,662,362	1.3	1.0	1.7	1.7	1.6
	DEV	323,317,642	383,340,462	288,346,668	311,414,401	333,213,409	8.1	7.5	5.2	5.2	5.1
	RMLF	0	56,410,082	73,620,416	79,510,049	85,075,753	0.0	1.1	1.3	1.3	1.3

SECTOR		% share of the total expenditure									
		ACTUAL BUDGET	APPROVED ESTIMATES	CFSP CEILING	PROJECTIONS		Actual	Budget	CFSP Ceiling	Projections	
		204/15	2015/16	2016/17	2017/18	2018/19	2014/15	2015/16	2016/17	2017/18	2018/19
General Economic And Commercial Affairs	SUB TOTAL	215,104,637	182,142,443	154,918,886	167,312,396	179,024,264	5.4	3.6	2.8	2.8	2.7
	REC	93,871,561	96,967,249	87,029,350	93,991,698	100,571,117	2.3	1.9	1.6	1.6	1.5
	DEV	121,233,075	85,175,194	67,889,535	73,320,698	78,453,147	3.0	1.7	1.2	1.2	1.2
Health	SUB TOTAL	1,256,900,322	1,678,592,237	2,090,859,959	2,258,128,756	2,416,197,769	31.3	32.9	37.6	37.4	37.1
	REC	1,178,979,295	1,377,574,161	1,497,234,185	1,617,012,920	1,730,203,825	29.4	27.0	26.9	26.8	26.6
	DEV	77,921,027	267,172,027	328,394,708	354,666,284	379,492,924	1.9	5.2	5.9	5.9	5.8
	Leasing of Equipment	0	33,846,049	95,744,681	103,404,255	110,642,553	0.0	0.7	1.7	1.7	1.7
	Loans And Grant	0	43,194,300	90,746,278	98,005,980	104,866,399	0.0	0.8	1.6	1.6	1.6
	Conditional Allocation Free Maternity	0	65,759,400	65,790,000	71,053,200	76,026,924	0.0	1.3	1.2	1.2	1.2
	Compensation For Use Fees Forgone	0	12,950,107	12,950,107	13,986,116	14,965,144	0.0	0.3	0.2	0.2	0.2
Education	SUB TOTAL	376,074,291	437,121,895	386,966,953	417,924,310	447,179,011	9.4	8.6	7.0	6.9	6.9
	REC	249,534,495	268,049,954	303,651,230	327,943,329	350,899,362	6.2	5.3	5.5	5.4	5.4
	DEV	126,539,796	169,071,941	83,315,723	89,980,981	96,279,649	3.2	3.3	1.5	1.5	1.5
Public Administration	SUB TOTAL	895,672,499	1,292,890,417	1,284,639,176	1,387,410,310	1,484,529,032	22.3	25.3	23.1	23.0	22.8
	REC	831,518,304	1,178,036,615	1,137,453,096	1,228,449,344	1,314,440,798	20.7	23.1	20.4	20.4	20.2
	DEV	64,154,195	114,853,802	147,186,080	158,960,966	170,088,234	1.6	2.2	2.6	2.6	2.6
Social Protection Culture And Recreation	SUB TOTAL	99,727,319	107,131,267	124,601,211	134,569,308	143,989,159	2.5	2.1	2.2	2.2	2.2



SECTOR							% share of the total expenditure				
		ACTUAL BUDGET	APPROVED ESTIMATES	CFSP CEILING	PROJECTIONS		Actual	Budget	CFSP Ceiling	Projections	
		204/15	2015/16	2016/17	2017/18	2018/19	2014/15	2015/16	2016/17	2017/18	2018/19
	REC	63,797,073	48,353,145	29,027,653	31,349,865	33,544,355	1.6	0.9	0.5	0.5	0.5
	DEV	35,930,247	58,778,122	95,573,558	103,219,443	110,444,804	0.9	1.2	1.7	1.7	1.7
Environment Protection Water And Natural Resources	SUB TOTAL	333,650,792	400,345,560	550,689,582	614,576,510	666,596,865	8.3	7.8	9.9	10.2	10.2
	REC	219,257,920	116,644,405	160,489,582	173,328,749	185,461,761	5.5	2.3	2.9	2.9	2.8
	DEV	114,392,872	283,701,155	390,200,000	441,247,761	481,135,104	2.9	5.6	7.0	7.3	7.4
	TOTAL	4,013,402,477	5,104,890,727	5,566,823,957	6,032,001,634	6,514,561,765	100.0	100.0	100.0	100.0	100.0
	GROSS REC	2,897,739,375	3,432,530,680	3,897,464,419	4,209,261,572	4,546,002,498	72.2	67.2	70.0	69.8	69.8
	GROSS DEV	1,115,663,102	1,672,360,047	1,669,359,538	1,822,740,062	1,968,559,267	27.8	32.8	30.0	30.2	30.2

### Annex 5: Development Analysis Expenditure Per Sub Sector for the Past Three Years

MTEF DEVELOPMENT ANALYSIS						
Department	2013/2014	2014/2015	2015/2016	Total For Three Years	2016/2017	Grand Projected
County Assembly	20,000,000	63,200,000	24,128,950	107,328,950	20,000,000	127,328,950
Office of County Executive	46,500,000	37,000,000	53,083,690	136,583,690	60,000,000	196,583,690
County Treasury	-	5,000,000	14,477,370	19,477,370	50,186,080	69,663,450
Sub-County Administration	-	18,000,000	23,163,792	41,163,792	27,000,000	68,163,792
Transport and Infrastructure	333,441,886	231,250,000	383,340,462	948,032,348	346,967,083	1,294,999,431
Trade and Tourism	96,000,000	82,574,357	85,175,194	263,749,551	76,889,535	340,639,086
Education and ICT	156,200,000	119,500,000	169,071,941	444,771,941	98,815,723	543,587,664
Health Services	140,500,000	270,660,510	267,172,027	678,332,537	333,394,707	1,011,727,244
Lands and Housing	-	40,600,000	55,472,456	96,072,456	48,777,979	144,850,435
Eldama Ravine Town	8,000,000	13,200,000	11,316,478	32,516,478	20,000,000	52,516,478
Kabarnet Town	8,000,000	21,120,000	18,579,292	47,699,292	20,000,000	67,699,292

MTEF DEVELOPMENT ANALYSIS						
Department	2013/2014	2014/2015	2015/2016	Total For Three Years	2016/2017	Grand Projected
Agriculture, Fisheries	101,400,000	145,142,784	134,642,989	381,185,773	121,054,871	502,240,644
Youth and Sports	18,000,000	59,200,000	58,778,122	135,978,122	100,573,558	236,551,680
Water and Irrigation	244,666,845	211,050,000	248,569,593	704,286,438	340,000,000	1,044,286,438
Environment and Natural Resources	21,000,000	25,100,000	35,131,562	81,231,562	50,200,000	131,431,562
<b>TOTAL</b>	<b>1,193,708,731</b>	<b>1,342,597,651</b>	<b>1,582,103,918</b>	<b>4,118,410,300</b>	<b>1,713,859,536</b>	<b>5,832,269,836</b>

### Annex 6: Sub Sector Ceiling For 2016/17 FY

Sub Sectors	Recurrent	Development	Total
County Assembly	512,000,000.00	20,000,000.00	532,000,000.00
Office Of The County Executive	187,419,231.92	50,000,000.00	237,419,231.92
Office of County Secretary	63,232,534.80	~	63,232,534.80
County Public Service Board	45,634,601.00	~	45,634,601.00
County Treasury	243,229,169.80	50,186,080.00	293,415,249.80
Sub County Administration	85,937,558.60	27,000,000.00	112,937,558.60
Transport And Infrastructure	92,300,416.98	346,967,083.75	439,267,500.73
Trade and Tourism	87,029,350.18	67,889,535.40	154,918,885.58
Education	303,651,230.32	98,315,723.00	401,966,953.32
Health	1,762,465,251.32	328,394,707.78	2,090,859,959.10
Land And Housing	85,215,749.98	43,777,979.20	128,993,729.18
Eldama Ravine Town	7,200,000.00	17,500,000.00	24,700,000.00
Kabarnet Town	7,200,000.00	17,500,000.00	24,700,000.00
Agriculture	225,432,088.52	116,054,871.05	341,486,959.57
Youth	29,027,652.70	95,573,558.00	124,601,210.70
Water	121,852,788.76	340,000,000.00	461,852,788.76
Environment	38,636,793.66	50,200,000.00	88,836,793.66
<b>Gross Total</b>	<b>3,897,464,418.54</b>	<b>1,669,359,538.18</b>	<b>5,566,823,956.72</b>

## Annex: Sub Sector MTEF Ceilings-2016-2019

Sector		Actual Budget	Approved Estimates	CFSP Ceiling	Projections	
		2014/2015	2015/2016	2016/17	2017/18	2018/19
County Assembly	Sub Total	484,930,101.00	585,869,962.00	532,000,000.00	571,980,227.99	612,018,843.95
	E.C	193,194,060.00	301,203,714.00	274,022,799.00	295,944,622.92	316,660,746.52
	O & M	211,454,809.00	205,256,066.00	237,977,201.00	254,635,605.07	272,460,097.42
	DEV	80,281,232.00	79,410,182.00	20,000,000.00	21,400,000.00	22,898,000.00
Office Of The County Executive	Sub Total	352,658,881.00	248,766,885.16	237,419,231.92	254,038,578.15	271,821,278.63
	E.C	116,685,509.00	83,754,055.16	100,980,438.40	108,049,069.09	115,612,503.92
	O & M	170,257,907.00	81,829,140.00	86,438,793.52	92,489,509.07	98,963,774.70
	DEV	65,715,465.00	83,183,690.00	50,000,000.00	53,500,000.00	57,245,000.00
Office Of County Secretary	Sub Total	-	123,508,029.03	63,232,534.80	67,658,812.24	72,394,929.09
	E.C	-	17,682,766.00	18,314,835.00	19,596,873.45	20,968,654.59
	O & M	-	105,825,263.03	44,917,699.80	48,061,938.79	51,426,274.50
	DEV	-	-	-	-	-
County Public Service Board	Sub Total	-	39,162,675.00	45,634,601.00	48,829,023.07	52,247,054.68
	E.C	-	20,131,013.00	23,344,650.00	24,978,775.50	26,727,289.79
	O & M	-	19,031,662.00	22,289,951.00	23,850,247.57	25,519,764.90
	DEV	-	-	-	-	-
County Treasury	Sub Total	231,713,176.00	283,099,602.84	293,415,249.80	313,954,317.29	335,931,119.50
	E.C	138,255,277.00	124,308,000.00	117,430,908.00	125,651,071.56	134,446,646.57
	O & M	88,457,899.00	128,594,232.84	125,798,261.80	134,604,140.13	144,026,429.93
	DEV	5,000,000.00	30,197,370.00	50,186,080.00	53,699,105.60	57,458,042.99
Sub-County Administration	Sub Total	18,000,000.00	113,584,494.87	112,937,569.60	120,843,199.47	129,302,223.44
	E.C	-	62,872,226.30	59,182,737.60	63,325,529.23	67,758,316.28
	O & M	-	27,548,476.57	26,754,832.00	28,627,670.24	30,631,607.16
	DEV	18,000,000.00	23,163,792.00	27,000,000.00	28,890,000.00	30,912,300.00
Transport,Energy& Infrastructure	Sub Total	463,448,134.00	570,543,593.00	439,257,500.48	470,005,525.51	502,905,912.30
	E.C	44,793,157.00	34,642,431.00	46,918,524.60	50,202,821.32	53,717,018.81
	O & M	16,508,589.00	18,910,599.00	45,381,892.38	48,558,624.85	51,957,728.59
	DEV	402,146,388.00	460,580,481.00	273,346,667.50	292,480,934.23	312,954,599.62
	RMLF	-	56,410,082.00	73,610,416.00	78,763,145.12	84,276,565.28
General Economic And Commercial Affairs	Sub Total	237,452,001.00	210,208,801.00	154,918,885.58	165,763,207.57	177,366,632.10
	E.C	63,985,203.00	53,056,509.00	53,633,088.60	57,387,404.80	61,404,523.14
	O & M	26,161,299.00	43,910,740.00	33,396,261.58	35,733,999.89	38,235,379.88

	DEV	147,305,499.00	113,241,552.00	67,889,535.40	72,641,802.88	77,726,729.08
Education And Ict	Sub Total	495,162,169.00	489,621,896.24	401,966,953.32	430,104,640.05	460,211,964.86
	E.C	183,416,182.00	192,259,954.24	228,002,023.80	243,962,165.47	261,039,517.05
	O & M	61,948,703.00	75,790,000.00	75,649,206.52	80,944,650.98	86,610,776.54
	DEV	249,797,284.00	221,571,942.00	98,315,723.00	105,197,823.61	112,561,671.26
Health	Sub Total	1,415,154,673.00	1,874,520,868.60	2,090,859,958.30	2,237,220,155.38	2,393,825,566.26
	E.C	887,898,754.00	1,040,053,203.90	1,262,584,978.00	1,350,965,926.46	1,445,533,541.31
	O & M	241,588,367.00	215,617,149.70	234,649,206.52	251,074,650.98	268,649,876.54
	DEV	270,660,510.00	427,172,027.00	328,394,707.78	351,382,337.32	375,979,100.94
	Leasing of Equipment	-	95,744,681.00	95,744,681.00	102,446,808.67	109,618,085.28
	World Bank support to Health Facilities	15,007,042.00	17,224,300.00	90,746,278.00	97,098,517.46	103,895,413.68
	Conditional Allocation Free Maternity	-	65,759,400.00	65,790,000.00	70,395,300.00	75,322,971.00
	Compensation For Use Fees Forgone	-	12,950,107.00	12,950,107.00	13,856,614.49	14,826,577.50
Lands And Housing	Sub Total	169,893,971.00	112,273,036.33	128,993,729.18	138,023,290.22	147,684,920.54
	E.C	105,450,510.00	27,945,580.33	45,314,934.60	48,486,980.02	51,881,068.62
	O & M	23,843,461.00	11,855,000.00	39,900,815.38	42,693,872.46	45,682,443.53
	DEV	40,600,000.00	72,472,456.00	43,777,979.20	46,842,437.74	50,121,408.39
Eldama Ravine Town	Sub Total	16,213,276.00	38,057,489.74	24,700,000.00	26,429,000.00	28,279,030.00
	E.C	-	9,249,028.74	-	-	-
	O & M	-	10,491,983.00	7,200,000.00	7,704,000.00	8,243,280.00
	DEV	16,213,276.00	18,316,478.00	17,500,000.00	18,725,000.00	20,035,750.00
Kabarnet Town	Sub Total	23,956,200.00	48,743,692.76	24,700,000.00	26,429,000.00	28,279,030.00
	E.C	-	16,122,647.76	-	-	-
	O & M	-	7,041,753.00	7,200,000.00	7,704,000.00	8,243,280.00
	DEV	23,956,200.00	25,579,292.00	17,500,000.00	18,725,000.00	20,035,750.00
Agriculture,Veterinary,Fisheris And Urban Development	Sub Total	431,427,780.00	446,133,839.00	341,486,959.57	365,391,046.74	390,968,420.01
	E.C	174,466,600.00	180,134,705.00	190,782,882.00	204,137,683.74	218,427,321.60
	O & M	17,818,396.00	30,511,423.00	34,649,206.52	37,074,650.98	39,669,876.54
	DEV	239,142,784.00	235,487,711.00	116,054,871.05	124,178,712.02	132,871,221.87
Social Protection Culture And Recreation	Sub Total	149,451,101.00	153,331,266.50	124,601,211.00	133,323,295.77	142,655,926.47
	E.C	44,258,585.00	14,179,274.50	14,785,629.00	15,820,623.03	16,928,066.64
	O & M	22,866,574.00	34,173,870.00	14,242,023.70	15,238,965.36	16,305,692.93
	DEV	82,325,942.00	104,978,122.00	95,573,558.30	102,263,707.38	109,422,166.90

Water And Irrigation	Sub Total	458,649,256.00	502,349,869.00	461,852,788.76	566,952,944.39	666,959,668.19
	E.C	57,554,467.00	45,721,598.00	57,574,195.20	61,604,388.86	65,916,696.08
	O & M	27,793,257.00	42,608,678.00	64,278,593.56	68,778,095.11	73,592,561.77
	DEV	373,301,532.00	414,019,593.00	340,000,000.00	436,570,460.42	527,450,410.34
Environment Protection And Natural Resources	Sub Total	64,230,717.00	76,545,691.00	88,836,793.60	95,055,369.15	101,709,244.99
	E.C	22,957,747.00	21,059,042.00	23,484,968.20	25,128,915.97	26,887,940.09
	O & M	3,953,431.00	7,255,087.00	15,151,825.40	16,212,453.18	17,347,324.90
	DEV	37,319,539.00	48,231,562.00	50,200,000.00	53,714,000.00	57,473,980.00
	Total	5,012,341,436.00	5,846,547,011.29	5,566,813,966.91	6,032,001,633.00	6,514,561,765.00
	GROSS REC	2,960,575,785.00	3,432,530,679.29	3,897,464,418.54	4,209,261,571.00	4,546,002,498.00
	GROSS DEV	2,051,765,651.00	2,414,016,332.00	1,669,359,538.18	1,822,740,062.00	1,968,559,267.00
	Total	5,012,341,436.00	5,846,547,011.29	5,566,823,956.72	6,032,001,633.00	6,514,561,765.00
		59.1%	58.7%	70.0%	69.8%	69.8%
		40.9%	41.3%	30.0%	30.2%	30.2%

Annex7: Public participation forum (priority) analysis

