

COUNTY GOVERNMENT OF TANA RIVER



COUNTY BUDGET REVIEW AND OUTLOOK PAPER

SEPTEMBER 2015

FOREWORD

The County Budget Review Outlook Paper (CBROP) is prepared in line with section 118 of the Public Finance Management Act, 2012. It reviews the actual fiscal performance of the financial year 2014/2015 and makes comparisons to the budget appropriations of the same year. It also provides the recent economic developments and the updated economic and financial forecast with sufficient information to show changes from the forecast in the County Fiscal Strategy Paper (CFSP) of February, 2014.

In reviewing the fiscal performance, this paper analyzes the performance of county own revenue in the FY 2014/2015. This paper highlights the total revenue collected during the financial year 2014/2015 and compared with the projected revenue for the same year. Additionally, the causes of the underperformance of revenue are also highlighted. This analysis also includes the performance on expenditures of the various county departments during the period under review.

This paper has also provided an overview of how the actual performance of the FY 2014/2015 affected the financial objectives as detailed in CFSP of 2014. The performance of 2014/2015 budget has formed the basis for projecting the 2015/2016 budget based on the recent economic development trends.

It is anticipated that, the projected revenue and expenditure for 2015/2016 will be achieved with strict expenditure controls and enhanced revenue collection measures. This will be achieved through fiscal discipline to ensure proper management of public resources and delivery of expected output.

To ensure transparency and accountability the executive will involve and relay out performance indicators to all stakeholders as required by the constitution 2010 and Public Finance Management Act, 2012

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Finance and Economic Planning,
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ABBREVIATIONS AND ACRONYMS

CBROP	County Budget Review Outlook Paper
CEC	County Executive Committee
CFSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
CPSB	County Public Service Board
FY	Financial Year
PFMA	Public Financial Management Act
SRC	Salaries Enumeration Commission

Introduction

The Public Finance Management (PFM) Act, 2012 section 118 states that among other responsibilities, the ‘County Treasury to prepare a County Budget Review and Outlook paper’. This paper is therefore, prepared in accordance with this section of the PFM Act 2012. The Act requires that every county prepares a CBROP and submit it to the County Executive Committee (CEC) by 30th September of that financial year.

The CEC shall in turn:

- i) Within fourteen days after submission, consider the CBROP with a view to approving it, with or without amendments.
- ii) Within seven days after the CEC approval of the paper, the county treasury shall arrange for the paper to be laid before the County Assembly and after doing so, publish and publicize the paper.

Objective of the CBROP

The objective of the County Budget Review and Outlook Paper is to provide:

- i) A review of the county fiscal performance in the financial year 2014/2015 compared to the appropriation of that year and how this had an effect on the economic performance of the county;
- ii) An updated economic and financial forecast with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper
- iii) Information on any changes in the forecasts compared with the CFSP; and reasons for any deviation from the financial objectives in the CFSP together with the proposals to address the deviation and the time estimated for doing so.

Review of Fiscal Performance in 2014/2015

A. Overview

This section provides an overview of the performance and implementation of the budget for the financial year 2014/2015 and how this may have affected compliance with the fiscal responsibility with regard to the CFSP. This will be useful in providing a basis for setting out broad fiscal parameters for subsequent budgets as well as a way forward for Tana River County.

B. Fiscal Responsibility

In observing fiscal responsibility the PFMA, 2012 section 15(2) states that:

- i) Over medium term a minimum of thirty percent of the national and county governments’ budget shall be allocated to the development expenditure.

- ii) The county expenditure on wages and benefits for its public officers shall not exceed a percentage of the county revenue as prescribed by regulations.
- iii) Over medium term the county government borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- 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.

C. Fiscal Performance

The fiscal performance for 2014/2015 was pleasing despite a number of short comings which included:

- i) Delays in disbursement of funds as scheduled by the national government;
- ii) Under-performance of the local revenue.

D. Revenues

During the period under review the county had two sources of funding namely; the equitable share of the national government revenue and county government's local revenue. The financing from the equitable share amounted to Kshs. **3, 463,985,934** and that of own county revenue was targeted at Kshs. **120million**. The total local revenue collected during the financial year 2014/15 from the various sources was Kshs. **32,479,852** equivalent to 27 percent of the target as indicated in Table 1 below. This reflects an underperformance of 73 percent which is equivalent to Kshs. **86 million**.

The underperformance of revenue collection was due to;

- i) Inadequate number of enforcement officers
- ii) Inadequate number of vehicles for supervision
- iii) Delay in automation of revenue collection
- iv) Lack of clear departmental mandates hence overlapping of the revenue function across the various departments
- v) Resistance from the business community due to lack of awareness
- vi) Increased revenue cartels
- vii) Lack of support from the heads of department
- viii) Some of the revenue sources were not yet earmarked in the finance act 2014, example mango.

The Directorate of Revenue which is charged with revenue administration and management is in place to address the challenges.

As indicated in Annex 1, the highest sources of revenue were permit fees, gypsum and sand harvesting which contributed Kshs. 4,560,100, 3,606,940 and 3,289,300 respectively. This indicates that there is a great potential of generating more revenues from these three sources. Deliberate measures need therefore be put in place to tap this potential. The lowest sources of revenue during the period under review were ghee and milk, green grams, daily advertisement and sale of old newspapers contributed Kshs.100, 1000 and 1600 respectively. These figures reflect either under-reporting or capacity of these sources of revenue is yet to be established and taken advantage of.

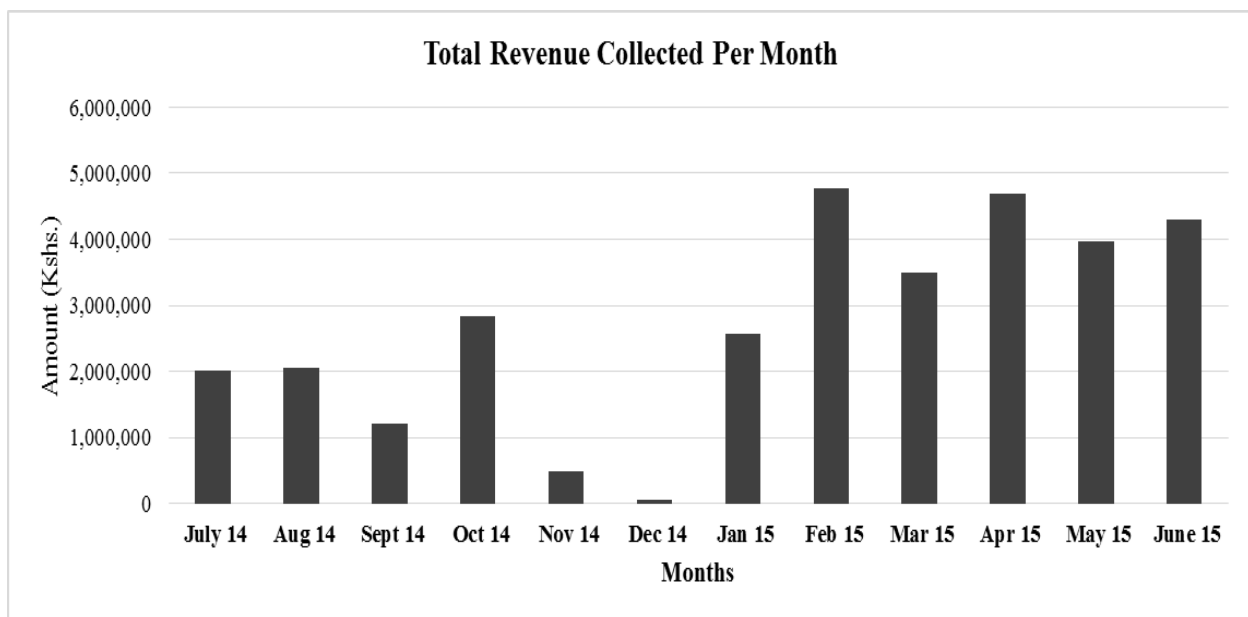


Figure 1: A bar graph showing the total revenue collected per month (Amounts in Kshs)

Source: County Treasury

The highest amount of revenue was collected in the second half of the financial year with February, April and June 2015 being the highest months. Revenue collected in the months of November and December were critically low due to reduced business activities. Therefore, the county government needs to put appropriate measures in place to address the situation.

E. Expenditures

The total approved expenditure in the financial year 2014/2015 as per County Fiscal Strategy Paper, 2015 was Ksh 1,811,934,890 recurrent and Kshs.**1,774,582,468** development totaling to Kshs.**3,586,517,358**. During the period under review this was revised to **Ksh. 2,993,133,922** developments and a recurrent of Ksh. **1,930,303,627** as indicated in Table 2 below. The

expenditure during the year was Kshs. **3,505,760,000** against the target of Kshs. **4,887,711,549**. This represents an underperformance of **28 %** which was attributed to low absorption in both recurrent and development expenditure.

Table 1. Approved Estimates and Expenditures per department FY 2014/15

VOTE	Approved estimates			Actual Expenditure			% Absorption	
	Recurrent expenditure	Development	Total	Recurrent	Development	Total expenditure	Recurrent	Development
County Assembly	619,247,522	188,750,000	807,997,522	486,844,775	60,875,000	547,719,775	78.62	32.25
Office of the Governor	258,631,246	186,844,382	445,475,628	258,406,053	82,690,000	341,096,053	99.91	44.26
Finance and Economic Planning	313,788,609	52,583,000	366,371,609	281,049,530	52,291,150	333,340,680	89.57	99.44
Education Vocational Training and Sports	24,174,557	313,646,000	337,820,557	24,087,279	134,323,000	158,410,279	99.64	42.83
Health, Water and Sanitation	313,054,488	661,660,400	974,714,888	307,550,000	188,580,200	496,130,200	98.24	28.50
Agriculture, Lands, Livestock and Fisheries	197,665,230	87,216,840	84,882,070	186,832,615	86,604,000	73,436,615	94.52	99.30
Environment & Natural Resources	33,890,982	6,450,000	40,340,982	31,654,251	6,225,500	93,909,251	93.40	96.51
Cohesion & Special Programme	10,945,000	134,560,000	145,505,000	10,872,500	133,280,000	144,152,500	99.34	99.05
Gender, Culture & Social Services	28,160,417	103,850,000	132,010,417	26,080,209	102,925,000	129,005,209	92.61	99.11
Trade, Tourism cooperative Dept. and Industry	30,341,036	39,553,300	69,894,336	29,770,518	37,776,650	67,547,168	98.12	95.50
Roads and Public Works	64,678,540	1,218,020,000	1,282,698,540	34,339,270	851,010,000	885,349,270	53.09	69.86
Public Service Board	35726000			35,663,000	-	35,663,000	99.82	
TOTAL BUDGET	1,930,303,627	2,993,133,922	4,887,711,549	1,713,150,000	1,792,610,000	3,505,760,000		

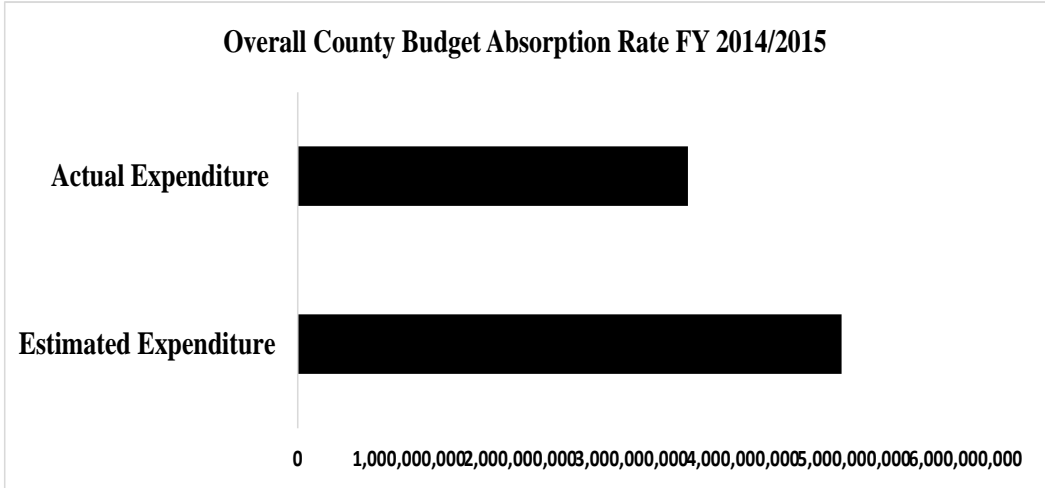


Figure 2: Overall County Budget Absorption Rate FY 2014/2015

Source: County Treasury

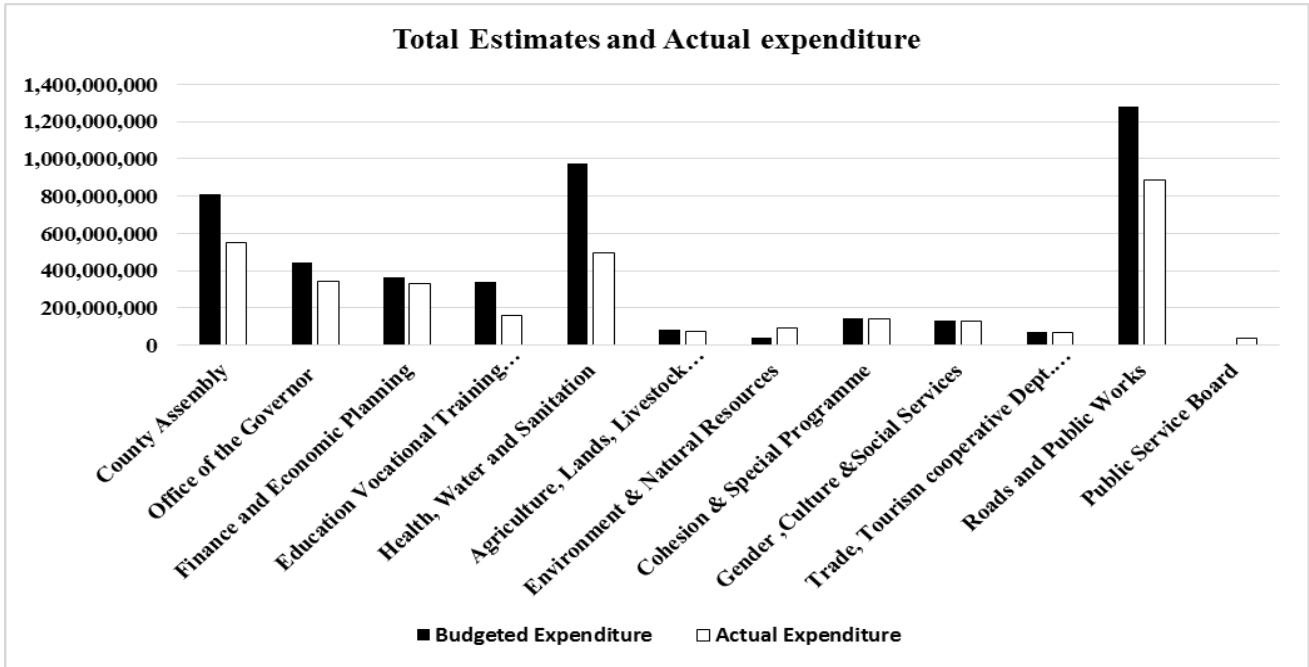


Figure 3: Total estimates and actual expenditure

Source: County Treasury

- i) The highest spenders of development funds during the period under review include; the County Assembly, Health water and sanitation, finance and planning. On the other hand, the largest losers of development budget were Cohesion and Special programme; and Education.
- ii) During the year, development expenditure was Kshs. 2,204,980,000 against the target of Kshs. 1,793,133,922. This shows that the development expenditure during the period under review was exceeded by approximately Kshs. 1.2 billion. Kenya shillings. 1.2 billion Was unspent development funds for 2013/2014 financial year, this was reallocated through a supplementary budget of 2014/2015.
- iii) The recurrent expenditure incurred amounted to Kshs. 1,713,150,000 against the target of Kshs. 1,930,303,627, representing 89 per cent. This shows that during the 2014/2015 financial year, the recurrent budget allocation was under-spent by 11 per cent.
- iv) As indicated in Table 2 above the department of Roads and Public Works was allocated the highest budget of Kshs. 1,282,698,540 which translates to 26 per cent of the total budget for FY 2014/15. The department was charged with the task of addressing poor road network in the county. Most of the roads in the county are gravel and earth and they become impassible during rainy season and hence the need to make them all weather roads to increase connectivity in the county.
- v) The second highest allocation was made to the department of Health amounting to Kshs. 974,714,888 for construction and renovation of maternity wards, purchase of medical equipment and improvement on other health infrastructure. The following departments got the lowest allocation during the period under review; Environment & Natural Resources, Trade, Tourism, Cooperative Development Industry, Gender Culture and Social Services which were allocated Kshs. 40,340,982, Kshs. 69,894,336 and Kshs. 132,010,417 respectively. The absorption rate of both recurrent and development by various departments depended on the amount of funds that were disbursed from national government and local revenue collected.

Implication of 2014/15 Fiscal Performance on the fiscal responsibilities and financial objectives contained in the CFSP of 2015

- i) The underperformance of own county revenue in the FY 2014/15 has implications in the resource envelop and the base used to project the revenue for the FY 2015/16. Therefore in projecting the revenue for FY 2015/16 new base of the current trend of revenue has been taken into account that has necessitated the mapping of revenue sources.
- ii) The under spending in both recurrent and development expenditure for the FY 2014/15 has implication on the base used to project expenditures in the FY 2015/16 and the medium term. Corrective revisions were undertaken during the preparation of

the budget 2015/16 and the projected expenditure in the last CFSP has been modified to reflect the revisions.

Recent Economic Developments and Its Outlook

A. Overview

- i) GDP growth remained robust in 2013 at 5.7% based on rebased statistics and stood at 4.4%, 5.8% and 5.5% in the first three quarters of 2014 compared with 6.4%, 7.2% and 6.2% in comparable quarters of 2013. According to the central bank's economic monthly review of November 2014, growth was mainly supported by expansion in construction, manufacturing, finance and insurance, information, communications and technology, and wholesale and retail trade.
- ii) The economy slowed in the third quarter of 2014, partly due to a sharp drop in tourism following terrorist attacks in the country. Overall GDP growth is expected to amount to 6.6% and 6.3% in 2015 and 2016, respectively. Consumer price index (CPI) inflation is expected to remain in the single digits, at around 5%, during the same period.
- iii) The short- to medium-term positive growth projections are based on assumptions of: increased rainfall for enhanced agricultural production; a stable macroeconomic environment; continued low international oil prices; stability of the Kenya shilling; improvement in the security situation for a positive influence on the tourism sector; and reforms in the areas of governance and justice.
- iv) Generally the country operated under a stable macroeconomic environment and this had a direct effect on the county's performance.

B. Recent Development

- i) The largest amount of the development budget in the FY 2014/15 was spent on infrastructural development. This constituted construction of access roads that has greatly improved accessibility to health centers, market places as well as deployment of human capital to all parts of the county.
- ii) To improve the retention rate in primary and secondary schools the County Government through the department of Education, Youth and Sports established Bursary Programmes and constructed 70 ECDE classrooms across the county. In addition the department put in place measures to address the rate of unemployment among the youths through establishment and equipment of youth polytechnics where they can acquire various skills to sustain their livelihood.

- iii) One of the main development challenges in the county is accessibility to water. To address this, the county government completed excavation of four water pans with a total capacity of 80,000 m³ and will serve an estimated population of about 6,000 people. Two new boreholes were drilled and five others were rehabilitated which will serve an estimated population of 50,000 people.
- iv) The county also embarked on a comprehensive strategy to improve the healthcare, this was done through construction of seven new dispensaries in Wadesa, Kalanani, Kilindini, Kone, Mandigo, Kamaguru and Kipao, provision of medicine in public hospitals and construction and refurbishment of community health centers in each ward. The county further constructed 20 new health staff houses across the county at a cost of Shs.102 million.
- v) Agriculture being the highest contributor to the county economy, significant efforts were made to boost the sector. The county government launched a programme to give farmers subsidized farm inputs and purchasing of maize at a favorable price. So far the county has purchased over 30, 000 bags from farmers at Kshs.3, 000 per bag, which were distributed to drought stricken families in the county. This has improved production in the agriculture sector. However, strategies to ensure value addition of both agriculture and livestock products, especially, milk need to be put in place. Such strategies can result to agriculture sector creating new sources of revenue.
- vi) During the FY 2013/14 and greater part of 2014/2015 there were several non-core expenditures which were necessary in order to have the county run and also provide a stable administrative framework. They included purchase of vehicles, construction and refurbishment of offices, purchase of furniture, computers and other office equipment. The strategy of the county is therefore to reduce these costs and reallocate these funds to other major development activities without crippling the operations of the various departments.

C. Economic Risks

Although the growth of Tana River County economy is sluggish, it is still prone to risks both macro and micro.

Macro-Economic risks include;

- i) The continued weak growth in advanced economies that will impact negatively on Kenya's exports and tourism activities. This impact will trickle down to the county government economy since 99 per cent of the revenue comes from the national government.
- ii) Continued drop in the value of the Kenyan shilling against the US dollar will have a negative impact on the consumer price index and inflation leading to increased cost of

living as well as increased interest rates. This will greatly affect the cost of doing business.

Micro-Economic risks include;

- i) Insecurity has been a major drawback to the economic development in the county. Most of the cases of insecurity are as a result of banditry and conflict resulting from ethnic differences over control of natural resources. This scares away potential investors in the county.
- ii) Most of the roads are intercepted by seasonal rivers (commonly known as laghas), which make them impassable during the rainy seasons. Although the county produces majority of the marketed mango fruits in major towns in the Coast region, most of the produce end up rotting in farms due to poor road network. The county government therefore, has allocated adequate resources in FY 2015/2016 budget for improvement and opening up new roads. The CDF and roads maintenance levy fund can complement county government effort in this regard.
- iii) Agriculture and livestock production is faced with unreliable weather patterns and therefore greater attention need to be taken and structures put in place to address over reliance of rain fed agriculture production.
- iv) Public expenditure pressures especially recurrent expenditures pose fiscal risks. With the commitment to improve infrastructure within the county, the share of resources going towards improvement of physical infrastructure will rise over the medium term.

The county government will take appropriate measures to safeguard the stability of the county economy.

Resource Allocation Framework

- a. In order to ensure effective utilization of public finances, recourse allocation will be guided by the following ;
 - i) PFMA, 2012
 - ii) Ongoing projects
 - iii) Emerging priorities
 - iv) County Integrated Development Plan (CIDP
 - v) Medium Term Plan II (2013-17).
- b. Adjustments to the 2015/2016 budget will take into account the actual performance of expenditure so far and absorption capacity in the remainder of the financial year. Because of the resource constraint, the county will rationalize expenditures by cutting those that are non-core. These may include reprioritizing development expenditures in order for the

county to live within its means. However resources earmarked for development purposes will be utilized for development projects and will not be expended as recurrent.

- c. Any reviews of salaries and benefits for the county public officers will be conducted by the County Public Service Board (CPSB) in consultation with Salaries and Remuneration Commission (SRC).
- d. The County Government has prioritized key strategic interventions across all departments to accelerate economic growth for social economic transformation and prosperity. The main areas being boosting agriculture productivity, improved access to quality health care and clean water, expanding access to affordable energy access, empowering youth and promoting education and facilitating infrastructural development.

Revenue Outlook

Local revenue target in the FY 2015/2016 budget is Kshs. 120 million as per annex 1 and receipts from national government is **Kshs. 4,173,655,601**. The performance will be underpinned by the measures that have been put in place to enhance revenue collection and the Finance Act 2015 when enacted.

Expenditure Outlook

Conclusion and Way Forward

The fiscal outlook presented herein will seek to achieve the objectives outlined in the PFMA, 2012. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds by the various departments will be crucial in ensuring the county delivers her functions.

The county has outstanding revenue amounting to approximately Kshs. 99 million accrued over several financial years. Strategies to recover the accumulated amount should be put in place.

Annex I: Performance of Revenue for different categories from July, 2014 to June, 2015 (Amounts in Kshs.)

Month Category	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cooperative audit fee											103,460		103,460
Slaughtering Fees		10,000		34,800									44,800
Slaughter House Inspection Fees								69,865	118,285		147,625		335,775
Hire of Tractors					69,100							271,150	340,250
Hospital Services/Drugs								2,208,770	170,200				2,378,970
Hides & skins								1,000	1,400		2,250		4,650
Charcoal		314,500	58,400	122,200			61,240	143,700	56,415	47,900	40,250	75,000	919,605
Fish		6,440					17,900			900	900	81,400	107,540
Mango	12,750	22,750	149,800				37,200	243,200	40,950	5,300	174,300	124,650	810,900
Lemon	2,800	800						11,500	300		4,000		19,400
Fruits and vegetables		10,000		28,480									38,480
Agricultural Produce		80,520	13,800	30,450			29,010	17,650		62,750	2,200	3,750	240,130
Ghee & milk									100				100
Crocodile eggs								150,000	200,000	25,000	25,000		400,000
maize	916,000										3,000	500	919,500
Green Gram											1,000		1,000
Export	75,000	170,900	3,050	281,500	18,600		79,100	54,900	130,000	305,700	303,182	443,200	1,865,132
Miraa	34,000	41,000		10,000.00			299,350	65,000	65,000	74,000	150,150	83,000	821,500
Sand	411,000	400,000	137,300	548,500			334,100	230,000	301,700	466,300	253,000	207,400	3,289,300
Gypsum	329,000			338,100			633,000	432,000	297,600	359,440	375,800	842,000	3,606,940
Others													48,420

Month Category	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		4,500	1,000	24,100			2,600	4,700	2,400		1,700	7,420	
Scrape Mental									950	250	700		1,900
Business promotions								3,500			32,000		35,500
Land revenue											16,000		16,000
Plot rent	21,000	68,600	90,000	27,000	104,500		172,100	52,000	530,400	16,000	136,875	135,000	1,353,475
Plot registration fees		32,000	9,000	19,000	42,000		80,100	18,000		20,000	9,000	57,000	286,100
Plot transfer fees	15,000	6,000	53,000	24,000	74,000		3,500	5,000		111,100	17,500	33,000	342,100
Land application fees		29,000	9,000	22,000	42,000		177,750	19,000	2,600	16,000	88,400	28,000	433,750
Land Rates			611,100	336,600	18,533			499,833		597,106	279,559	40,000	2,382,731
School Registration fees		247,900	5,000	6,000	21,500		3,000	0	0	0			283,400
Plot Allotment letter									950	12,000	3000	53,000	68,950
Application fees					1,600			11,200	2,600	83,000	109,900	24,000	232,300
Permit fees	7,800	146,000	24,200	210,600			139,050	206,000	1,002,300	1,496,600	604,500	723,050	4,560,100
Motor bike				383,300			26,000	22,000		202,000	202,000	193,000	1,028,300
Grazing fees		5,000		20,000					54,100	80,000	107,000		266,100
Market Fees	3,700	3,000	6,000					2,200		2,200	2,200	600	19,900
Slaughter Fees		10,000		34,800			14,700			49,700	49,700		158,900
Auction fees	75,710	220,650	1,650	245,200	1,000		244,364	156,600	100,050	312,150	231,900	385,570	1,974,844
Toll fees		184,000	3,150	8,200			171,200	86,650	2,150		43,350	109,300	608,000
Daily Advertising F/sale of newspaper				1,600									1,600

Month Category	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTAL
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Signboard							20,000	45,000	30,000		5,000		100,000
Conservancy fees		18,400					2,800	600	2,150		32,100	12,500	68,550
Plan approval. Fees		15,000			3,500								18,500
Sale of Tenders documents	111,000					57,000		5,000	373,000	338,000	402,000	264,000	1,550,000
Consent to mining											9,000		9,000
Wayleaves	3,000		3,500	13,000	9,500				1,000				30,000
Office Rent		9,000											9,000
Housing Estates Monthly Rent	5,400	5,400	30,100	65,600	76,650	3,500	16,800	13,200	8,900	2,700	8,100	99,650	336,000
Property Certification Fee (Use as Collateral)												9,000	9,000
TOTAL SOURCES	2,023,160	2,061,360	1,209,050	2,835,030	482,483	60,500	2,564,864	4,778,068	3,495,500	4,686,096	3,977,601	4,306,140	32,479,852

Annex II: Projected revenue.

CATEGORY	FY 2015/16	FY 2016/17	FY 17/18
Hides & skins	2,400,000	2,640,000	2,904,000
Charcoal	1,060,000	1,166,000	1,282,600
Fish	798,523	878,375	966,213
Fruits	2,850,000	3,135,000	3,448,500
Rice & paddy	2,600,000	2,860,000	3,146,000
Ghee & milk	500,000	550,000	605,000
Crocodile eggs	2,550,000	2,805,000	3,085,500
Maize	2,400,000	2,640,000	2,904,000
Export	2,824,930	3,107,423	3,418,165
Miraa	2,220,000	2,442,000	2,686,200
Gypsum	5,810,000	6,391,000	7,030,100
Others	800,000	880,000	968,000
Plot rent	2,970,000	3,267,000	3,593,700
plot registration fees	2,400,000	2,640,000	2,904,000
plot transfer fees	2,536,500	2,790,150	3,069,165
land application fees	2,321,220	2,553,342	2,808,676
land lease fees	2,800,000	3,080,000	3,388,000
Area rates	20,376,430	22,414,073	24,655,480
Application fees	2,820,000	3,102,000	3,412,200
permit fees	5,455,000	6,000,500	6,600,550
A.I.A (Health facilities)	20,000,000	22,000,000	24,200,000
Bus park fees	2,815,000	3,096,500	3,406,150
Grazing fees	3,355,016	3,690,518	4,059,569
Market Fees	300,000	330,000	363,000
Slaughter Fees	2,600,000	2,860,000	3,146,000
Auction fees	2,550,000	2,805,000	3,085,500

water charges	1,400,000	1,540,000	1,694,000
Daily Advertising Fees	300,000	330,000	363,000
Conservancy fees	920,000	1,012,000	1,113,200
Dev application fee	1,100,000	1,210,000	1,331,000
Plan application. Fees	1,200,000	1,320,000	1,452,000
Penalty on Building Plans	1,500,000	1,650,000	1,815,000
Renewal / Extension of Lease	200,000	220,000	242,000
Survey Fees	2,367,381	2,604,119	2,864,531
Plot Sub-letting/Plot Sub-division	2,600,000	2,860,000	3,146,000
PPI Forms	600,000	660,000	726,000
Interest from bank(savings)	500,000	550,000	605,000
Inspection Fee	3,200,000	3,520,000	3,872,000
Consent to mining	4,000,000	4,400,000	4,840,000
TOTAL	120,000,000	132,000,000	145,200,000

Annex III: Approved Programmed Based Budget 2014/15 per Department.

VOTE	VOTE TITLE	PROGRAM	GROSS CURRENT EXPENDITURE	GROSS CAPITAL EXPENDITURE	GROSS TOTAL EXPENDITURE
			Kshs.	Kshs.	Kshs.
1	County Assembly	Totals	489,247,522	61,750,000	550,997,522
		P.1 Administration, planning and support services.	211,595,810	44,000,000	255,595,810
		P.2 Legislation and Oversight	277,651,712	17,750,000	295,401,712
2	Governor's Office	Totals	380,813,727	83,380,150	464,193,877
		Administration, planning support services	370,813,727	-	370,813,727
		Justice and Legal Services	10,000,000	-	10,000,000
		ICT Infrastructure	-	83,380,150	83,380,150
3	Finance & Economic Planning	Totals	253,808,597	52,583,000	306,391,597
		Administration, planning support services	106,054,708	-	106,054,708
		Financial management	144,160,000	50,538,000	194,698,000
		Economic planning	3,593,889	2,045,000	5,638,889
4	County Public Service Board	Totals	34,443,123	-	34,443,123
		Board Administration, Planning and Governance	34,443,123	-	34,443,123
5	Trade, tourism and industry	Totals	27,586,795	39,563,300	67,150,095
		Administration, planning & support Services	27,586,795	-	27,586,795
		Promotion of Trade	-	5,115,000	5,115,000
		Promotion of Tourism	-	2,542,300	2,542,300
		Promotion of Cooperative Development	-	10,600,000	10,600,000
		Weights and measures	-	1,426,000	1,426,000
		Infrastructure development	-	18,900,000	18,900,000
		Construction of boda boda sheds	-	300,000	300,000

VOTE	VOTE TITLE	PROGRAM	GROSS CURRENT EXPENDITURE	GROSS CAPITAL EXPENDITURE	GROSS TOTAL EXPENDITURE
			Kshs.	Kshs.	Kshs.
		Construction of beach operators market	-	280,000	280,000
		Construction of tourism IDC	-	400,000	400,000
6	Agriculture, Livestock, Fisheries & Land	Totals	178,738,787	116,669,040	295,407,827
		Administration and planning support services	178,738,787	-	178,738,787
		Agricultural Development project	-	5,641,400	5,641,400
		Veterinary Development	-	25,090,960	25,090,960
		Livestock Development	-	42,672,020	42,672,020
		Land Management	-	32,384,660	32,384,660
		Fisheries Development	-	10,880,000	10,880,000
7	Gender, social service & youth Development	Totals	20,081,341	107,208,000	127,289,341
		Administration and planning support services	20,081,341	-	20,081,341
		Social Development	-	102,224,500	102,224,500
		Culture	-	4,983,500	4,983,500
8	Education, Vocational Training and sports.	Totals	21,580,633	245,646,000	267,226,633
		Programme 1 : Early childhood Education Development	-	6,150,000	6,150,000
		SP 1.1 Early Childhood Education infrastructure	-	56,426,000	56,426,000
		SP1. 2 Community Bursary	-	80,000,000	80,000,000
		Vocational Training and sports programme	-	103,070,000	103,070,000
		General Administration, Planning and Support services	21,580,633	-	21,580,633
9	Water, Health Services and Sanitation	Totals	299,443,001	347,160,400	646,603,401
		Administration, planning & support Services	299,443,001	-	299,443,001

VOTE	VOTE TITLE	PROGRAM	GROSS CURRENT EXPENDITURE	GROSS CAPITAL EXPENDITURE	GROSS TOTAL EXPENDITURE
			Kshs.	Kshs.	Kshs.
		Water services programme	-	177,750,000	177,750,000
		Irrigation and Land Reclamation Programme	-	9,327,900	9,327,900
		Health Services Programme	-	160,082,500	160,082,500
10	Special Programme and Cohesion	Totals	7,683,240	135,505,000	143,188,240
		Administration, planning & support Services	7,683,240	-	7,683,240
		Natural Disaster mitigation programme	-	116,410,000	116,410,000
		Conflict Resolution and Peace Building	-	19,095,000	19,095,000
11	Public Works and Roads	Totals	33,886,641	616,020,000	649,906,641
		Public Works	-	200,020,000	200,020,000
		Roads	-	416,000,000	416,000,000
		Administration, planning, Operation and Maintenance	33,886,641	-	33,886,641
12	Environment and Natural Resources	Totals	27,269,061	6,450,000	33,719,061
		Programme 1: General Administration, Support and Support Services	27,269,061	-	27,269,061
		Programme 2: Environmental Management Programme	-	3,300,000	3,300,000
		SP 2.2 Forest management	-	3,150,000	3,150,000
TOTAL VOTED EXPENDITURE Kshs			1,774,582,468	1,811,934,890	3,586,517,358

Annex 111: Budget Calendar for the FY 2015/2016

1.	Issue guidelines for preparation of 2016/17 County Budget	County Treasury	30 th August 2015
2.	Submission of 2016/2017 Annual Development Plan (ADP) to the County Assembly for approval	Member responsible for Finance and Planning	1 st September, 2015
3.	Expenditure Reviews	Member responsible for Finance and Planning	10 th September , 2015
4.	Draft County Budget Review and Outlook Paper (CBROP)	County Treasury	15 th September 2015
5.	Submission CBROP to the County Executive Committee for deliberation and approval	County Executive Committee Member for Finance and Planning	30 th September 2015
6.	Deliberation and approval of CBROP by the County Executive Committee	County Executive Committee	14 th October 2015
7.	Submission of approved CBROP to County Assembly	County Executive Committee Member for Finance and Planning	21 st October 2015
8.	Issue guidelines for reviewing 2015/2016 County Budget (Supplementary)	County Treasury	1 st October 2015 October.
9.	Submission of Supplementary Budget Proposals to the County Treasury	All Accounting Officers	8 th October, 2015.
10.	Submission of Supplementary Budget Proposals to County Executive Committee	County Executive Committee Member for Finance and Planning	By 16 th October , 2015
11.	Submission of Supplementary Budget Proposals to County Assembly	County Executive Committee Member for Finance and Planning	By 17 th October 2015
12.	Draft County Fiscal Strategy Paper (CFSP) circulated to stakeholders	County Treasury	15 th January 2016
13.	Public Participation on 2016/2017 budget	County Treasury	By end of January 2016
14.	Submission of the CFSP to County Assembly Submission of the Debt Management strategy paper	County Executive Committee Member for Finance (CECMF	28 th February 2016

15.	Submission of budget Estimates proposal for 2016/2017 to county treasury	All Accounting officers	By 10 th March 2016.
16.	Consolidation of budget estimates for FY 2016/2017	County treasury	By 30 th March 2015.
17.	Submission of County Budget Estimates and other supporting documents to County Executive	County Executive Committee Member for finance	15 th April 2016
18	Submission of county budget estimates and other supporting documents to county assembly	County Executive Committee Member for finance	30 th April 2016
19	Submission of cash flow statements to treasury, controller of budget and commission of revenue allocation	County Executive Committee Member for finance	15 th June 2016
20	Approval of the Budget Estimates	County Assembly	30 th June 2016