



**COUNTY GOVERNMENT OF  
MOMBASA  
COUNTY TREASURY**

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**MEDIUM TERM  
FISCAL STRATEGY PAPER**

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## **Foreword**

The 2018 Mombasa County Fiscal Strategy Paper identifies the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for Financial Year (FY) 2018/2019 and the Medium Term in accordance with the Public Finance Management Act 2012, section 117. The paper covers the following broad areas: review of the fiscal performance of first half of the FY 2017/2018; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2018/2019 as indicated in the Medium Term Fiscal Framework and as outlined in the draft Mombasa County Integrated Development Plan (CIDP) 2018-2022. This is the fifth Fiscal Strategy Paper since the operationalization of the County Governments and the first one to implement the CIDP 2018-2022.

The County priorities and goals outlined herein are based on the County Integrated Development Plan and the inputs from the public participation fora with focus on: Increased accessibility to water, improved health services, provision of quality education, Youth, Sports & Gender empowerment, Improved Land Services and investing in infrastructure development.

The Fiscal Framework hereby is expected to raise efficiency and productivity in the County's economy and in turn accelerate and sustain inclusive growth, create opportunities for productive growth and ensure high standards of living for Mombasa County residents.

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**COUNTY EXECUTIVE COMMITTEE MEMBER**  
**FINANCE AND ECONOMIC PLANNING**

### **Acknowledgement**

The Mombasa County Fiscal Strategy Paper 2018/2019 was a result of contribution and concerted efforts of many people. The paper is informed by the Public Finance Management Act 2012 Section 117 (1) which stipulates that the County Treasury should prepare the Fiscal Strategy Paper for the County. This Strategy Paper sets out broad strategic priorities and policy goals that will guide the Mombasa County Government in preparing its budget for the Financial Year 2018/2019 and over the medium term.

The preparation of this fiscal strategy paper continues to be a collaborative effort from an array of expertise of professionals and key stakeholders in the County. We are grateful for their inputs. We are also grateful for those who provided inputs during the various public participation fora conducted in the County, in addition to comments from the Commission for Revenue Allocation and other stakeholders.

Immense appreciation goes to the Executive Member for Finance and Economic Planning for the good will and guidance provided during the entire period of preparation of this document. A core team in the Accounting and Budget and Economic Planning units spent significant amount of time consolidating this policy document.

We are particularly grateful to Ms. Jane Githui (Head of Budget & Economic Planning) and Mr. Affan Mohamed (Head of External Economic Affairs) for working tirelessly in the development of this document.

**MS. ASHA ABDI**

CHIEF OFFICER

FINANCE AND ECONOMIC PLANNING

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## Abbreviations and Acronyms

<b>ADP</b>	<b>Annual Development Plan</b>
<b>CAPEX</b>	Capital Expenditure
<b>CBEF</b>	County Budget and Economic Forum
<b>CIDP</b>	County Integrated Development Plan
<b>CFSP</b>	County Fiscal Strategy Paper
<b>CGM</b>	County Government of Mombasa
<b>COB</b>	Controller of Budget
<b>ECDE</b>	Early Childhood Development
<b>FY</b>	Financial Year
<b>G-Pay</b>	Government pay System
<b>ICT</b>	Information Communication Technology
<b>IFMIS</b>	Integrated Financial Management Information System
<b>KNBS</b>	Kenya National Bureau of Statistics
<b>LAIFOMS</b>	Local Authority Integrated Financial Operating Management System
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTP</b>	Medium Term Plan
<b>PFM</b>	Public Finance Management



## **Executive Summary**

The fiscal strategy of the County Government of Mombasa for the year 2018/2019 is set out in this paper. The CFSP is prepared in accordance to PFM Act section 117 which states that, the County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper (CFSP) for approval and then shall submit the approved Fiscal Strategy Paper to the County Assembly, by the 28<sup>th</sup> February of each year. The contents of the CFSP are largely informed by the PFM Act section 117(2) which provides for the aligning of the CFSP with the national objectives in the Budget Policy Statement.

The fiscal framework is guided by various principles which are in line with the medium term expenditure framework and the County Integrated Development Plan (CIDP) among them: A strong revenue effort to ensure that the county budget has no deficit, budget expenditures are consistent with agreed county and sectoral priorities with increased shift away from recurrent to capital expenditures while ensuring resources for operation and maintenance of capital stock is provided for while at the same time providing sufficient fiscal space for infrastructural and social programmes necessary to implement the CIDP. The critical programmes to be implemented are expected to accelerate economic activities and socio-economic development. The key County priority areas are; Increased accessibility to water, improved health services, provision of quality education, Youth, Sports & Gender empowerment, Improved Land Services and investing in infrastructure development. The County Government is committed to ensuring prudence in public expenditure management.

The fiscal strategy Paper serves as the basis for the preparation of the annual estimates of revenue and expenditure for the County of Mombasa Budget 2018/19.

This strategy is framed against a backdrop of improving global and regional economic prospects. Global growth is projected to improve to 3.7 percent in 2018 up from 3.6 percent in 2017. The positive global outlook reflects recovery in investment, trade, and industrial production, coupled with strengthening business and consumer confidence. Similarly, growth in sub-Saharan Africa is projected to pick up, albeit with variations across the region. At the sub region, the East African Community economies continue to record relatively higher economic growth supported by stable

macroeconomic environment, on-going infrastructure investments and strong private consumption. On the domestic front, the economy has remained resilient, with growth supported by a stable macroeconomic environment, resilient domestic demand and ongoing public infrastructural investments.

Overall, Kenya's economy remains resilient, growing robustly despite the emerging challenges. 2017 being an electioneering year, some economic sectors including tourism, wholesale and retail were affected by the wait and see attitude of investors. Nevertheless, macroeconomic stability has been preserved as a result of prudent fiscal and monetary policies that remain supportive of growth.

Significant progress has been achieved over the past five years in terms of Kenya's social economic development. However, much more remains to be done to further boost sustainable and shared economic growth, employment opportunities and wealth creation. Accordingly, the pivotal policy thrust of the 2018 BPS, is to achieve a better quality of life for all Kenyans by implementing "The Big Four" strategic areas namely: raise the share of manufacturing sector to 15 percent of GDP; ensure that all citizens enjoy food security and improved nutrition by 2022; achieve universal health coverage; and deliver at least five hundred thousand (500,000) affordable housing units. These policy objectives will be achieved through sustaining economic growth, macroeconomic stability and implementing reforms aimed at providing an enabling environment for all stakeholders to play their role towards achieving the "The Big Four" Plan.

In the financial year 2017/2018 the Mombasa County estimates total revenue amounting to 12.5 Billion; Total exchequer issues of Kshs 9 Billion; including equitable share of Kshs 8.1 Billion, Conditional grants Kshs 900 Million, and local collected revenue of 3.5 Billion.

In the 2017/2018 fiscal year, an annual budget of Kshs 12.5 Billion was enacted.

The approved combined spending of Kshs 12.5 Billion, of which Kshs 4 Billion was allocated to capital spending and 8.5 Billion to recurrent spending. The budget is to be financed from 9 Billion from exchequer issues and 3.5 Billion from local revenue collections. Of budgeted revenue for FY 2017/2018 as at 30<sup>th</sup> December, 2017 which is

the first half; Kshs3,483,583,109 has been realized which is 28% of the total estimated budget of Kshs.12,534,448,384. This consists of the National Government transfers of Kshs. 3,483,583,109 and local revenue of Kshs 578,260,262. The shortfall in local revenue is expected to be bridged by the end of 3<sup>rd</sup> quarter.

The main challenges that continue to be experienced relate to low levels of local revenue collection, bloated wage bill and huge pending bills some of which are statutory deductions that accrue huge interests.

There is still lack of technical capacity at the county level and the conflicting interests between sustaining of the old and new systems coupled with an over estimation of revenue that would be collected locally which brings in place an over ambitious budget which in turn accrues pending bills.

The challenges will be tackled by effectively operationalizing the MTEF, through deepening the existing institutional framework, increased partnership between the public, private, civil and community organizations in prioritizing of needs and allocation of resources, coming up with realistic revenue projections, strengthening planning and budgeting capacities at the county levels through provision of adequate resources, improving on the systems of accountability and transparency and ensuring that all budgeting processes are grounded on a firm legal framework. In the light of current revenue realities and some unanticipated expenditure items, the Government is seeking to rationalize recurrent spending and to identify and resolve Revenue leakages. In addition the county has fully adopted IFMIS, G-Pay systems and automated some main revenue streams such as electronic business permit, e-construction, and parking and introduced an Mpesa platform for barriers and Kongowea market aimed at improving service delivery, enhancing financial accountability and reporting.

## Legal Context

The Mombasa County Fiscal Strategy Paper is prepared in accordance with Section 117 of the Public Finance Management Act, 2012. It states that;

- (1) The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by the 28th February of each year.
- (2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
- (3) In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.
- (4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.

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

- (a) The Commission on Revenue Allocation;
- (b) The public;
- (c) Any interested persons or groups; and
- (d) Any other forum that is established by legislation.

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the county assembly, the county assembly shall consider and may adopt it with or without amendments.

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

## Fiscal Responsibility Principles

In line with the Constitution, the new Public Finance Management (PFM) Act, 2012, sets out the responsibility principles to ensure prudence and transparency in the management of public resources.

The PFM law (Section 15) states that:

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

## **CHAPTER ONE**

### **Introduction**

#### **1.0. CFSP Overview**

- 2 The 2018 Mombasa County Fiscal Strategy Paper identifies the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for Financial Year (FY) 2018/2019 and the Medium Term. The paper covers the following broad areas: review of the fiscal performance of FY 2016/17, the fiscal performance of first half of the FY 2017/2018; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2018/2019 as outlined in the Medium Term Fiscal Frame work and in the draft Mombasa County Integrated Development Plan (CIDP) 2018-2022.
- 3 The county will continue reorienting expenditure towards those priority programmes outlined in County's Integrated Development Plan 2018-2022 and as identified in public consultative forums. The strategy will thus implement the priority programmes/ projects as entailed in the draft CIDP 2018-2022. The critical programmes to be implemented are expected to stimulate the County's socio-economic development. The key County proposed priority areas are;
  - Increased accessibility to water
  - Improved health services
  - Provision of Quality Education
  - Youth, Sports & Gender empowerment
  - Improved Land Services
  - Investing in infrastructure development
- 4 The focus of the County Fiscal Strategy paper and Medium Term Plan is to; invest in transport infrastructure for economic efficiency and scaling investments in other key infrastructures, Provide quality portable water and improve sanitation and sewerage services, Create a conducive business environment and better livelihoods through improved land services, Invest in quality and accessible healthcare services and Provision of quality basic education. The implementation of projects and programs under the five strategic objectives are all geared towards an enhanced economic development.

### **1.1. CFSP Process Overview**

- 5 In accordance with Section 117 of the Public Finance Management Act, 2012 various stakeholders were consulted in the preparation of the Mombasa County Fiscal Strategy Paper 2018. Prior to the Public participation fora there was an invite in the local dailies (Standard and the Star Newspapers) on 15<sup>th</sup> February 2018; this was followed by mobile public address system to sensitize the public on the oncoming Fiscal Strategy Paper consultative fora from 21<sup>st</sup> - 22<sup>nd</sup> February 2018 in six different venues in the sub counties. The residents gave their contributions on the key priority areas as captured in the 2018 Mombasa County fiscal strategy paper.
- 6 A draft fiscal strategy paper was compiled and circulated to the Executive committee members for their input.

### **1.2. Objective**

- 7 The objective of the 2018/2019 County Fiscal Strategy Paper is to lay down the frame work for the preparation of the County budget. It is a requirement under section 117 of the Public Finance Management Act, 2012 that each County Treasury shall prepare and submit to the County Executive Committee the Fiscal Strategy Paper for approval, and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly by the 28<sup>th</sup> February of each year.
- 8 This Fiscal Strategy Paper contains the following:
- The principles that will guide the 2018/2019 budgetary process;
  - The broad fiscal parameters for the 2018/2019 budget and the key strategies and policies for management of revenues and expenditures;
  - The broad strategic priorities and policy goals that will guide the preparation of the budget over the medium term;
  - A discussion of risks to the budget parameters and Budget Strategies;
  - The medium-term outlook for county government revenues and expenditures;



- A discussion of how the Budget Strategies relates to the County priorities as drawn from the County Integrated Development Plan (CIDP) 2018-2022; and
- A framework for the preparation of departmental budget estimates and the development of detailed budget policies

### **1.3. Outline of the 2017/18 Fiscal Strategy Paper**

- 9 The Fiscal Strategy Paper is presented in four Chapters. After the Introduction presented in Chapter One, which presents an overview and objective of the Paper, Chapter Two outlines the economic context within which the 2018/2019 budget will be prepared. It also presents an overview of the recent economic developments and the macroeconomic outlook covering the global and domestic scene.
- 10 In Chapter Three, the Paper describes the fiscal framework that will support sustained growth over the medium-term to long term, while continuing to provide adequate resources to facilitate the policy priorities of the County Government while at the same time ensure that the public debt is sustainable.
- 11 Chapter Four presents the resource envelope and spending priorities for the proposed FY 2018/2019 budget and medium term.

## **CHAPTER TWO RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK**

### **2.1. National Economic and Fiscal Overview**

- 12 The fiscal plan in 2017/18 entailed a deliberate effort to continue exercising prudence in public expenditure management with the principal goal of containing fiscal risks, gradually lowering the fiscal deficit, and containing growth of recurrent expenditures in favor of productive capital spending. To achieve this, the Government endeavored to accelerate spending in infrastructure, agriculture, security, health, education, social protection and youth empowerment. The overall objective of this was to realize sustainable, shared and equitable growth that would in return lead to job creation.
- 13 Kenya's economy remained resilient in 2017 despite adverse weather conditions, a prolonged electioneering period as well as subdued credit growth to the private sector which combined to weaken growth in the first half of the year. Economic growth for 2017 is estimated at 4.8 percent from 5.8 percent in 2016. On the positive side, growth in 2017 was supported by the ongoing public infrastructure investments, improved weather towards end of 2017, recovery in the tourism sector and a stable macroeconomic environment.
- 14 The overall month on month inflation declined 4.5 percent in December 2017 from 6.4 percent in December 2016. Due to the fall in the prices of potatoes, kale, oranges and mangoes mainly attributed to favorable climatic conditions at end of 2017 and Government measures on prices of maize, powdered milk and sugar. The inflation of 4.5 percent in December 2017 was within Government's target range.
- 15 The foreign exchange market has remained relatively stable supported by resilient tea and horticultural exports, strong diaspora remittances, and a continued recovery in tourism. The 12-month current account deficit stabilized at 7.0 percent of GDP in November and September 2017 and is expected to narrow to below 6.5 percent by December 2017 as the bulk of SGR-related imports are completed,

while favorable weather conditions is expected to support food production and agricultural exports.

- 16 Over the medium term, growth is projected to increase by more than 7.0 percent due to investments in strategic areas under “The Big Four” Plan, namely: increasing the share of manufacturing sector to GDP; ensuring all citizens enjoy food security and improved nutrition by 2022; expanding universal health coverage; and delivering at least five hundred thousand (500,000) affordable housing units. These efforts will support the business environment, create jobs and ultimately promote broad based inclusive growth.
- 17 Kenya is ranked favorably in the ease of doing business and as a top investment destination. In 2017, the World Bank’s Doing Business Report, ranked Kenya third in Africa in the ease of doing business after Rwanda and Mauritius, as the country moved up 12 places to position 80.
- 18 Growth of the Kenyan economy remained resilient; broad based and registered strong performance in the past 5 years supported by strong public and private sector investment and appropriate economic and financial policies. The economy, specifically, grew at an average of 5.5 percent per year in the five years (2013 - 2017) outperforming the average growth rate of 4.7 percent in the period 2008 to 2012. The value of goods and services produced therefore raised the per capita income from Ksh 104,700 in 2013 to an estimated Ksh 174,200 in 2017. The economy generated an average of 817.0 thousand new jobs per year in the period 2013 - 2017 up from 656.5 thousand jobs per year in the period 2008-2012. Going forward, the economy is projected to expand further by 6.0 percent in 2016 and above 6.5 percent in the medium term supported by strong output in agriculture with a stable weather outlook, continued recovery of tourism and completion of key public projects in roads, rail and energy generation. In addition, strong consumer demand and private sector investment as well as stable macroeconomic environment will help reinforce this growth.
- 19 However, uncertainty associated with elections coupled with the effects of adverse weather conditions slowed down the performance of the economy in

2017. As a result, the economy is estimated to grow by 4.8 percent in 2017, which is a slowdown from the estimated growth of 5.1 percent in the 2017 Budget Review and Outlook Paper (BRON).

20 In 2017, the economy grew by 4.4 percent in Quarter 3, 5.0 percent in Quarter 2, and 4.7 percent in Quarter 1, largely supported by robust activities in the service sectors particularly; accommodation and restaurant; real estate and information and communication. The growth was somewhat constrained by subdued performances in agriculture forestry and fishing, manufacturing, electricity and financial intermediation sectors.

21 The resilient strong growth of the economy over the past five years reflects the broad based nature of our economy that has been largely driven by growth in the non-agriculture sectors. The non-agricultural sector has remained vibrant growing at 6.7 percent in 2016 from 5.4 percent in 2013 and continues to be the main source of growth.

## **2.2. County Economic and Fiscal Overview**

22 This County Fiscal Strategy Paper 2018/19 is prepared at a time when Inflation averaged 6.7 percent in the period (2013-2017) compared with 7.4 percent in the period (2002-2007), 10.6 percent in the period (2008-2012). Inflation during the period 2008 to 2012 was highly volatile following a steep depreciation of the Kenya shilling exchange rate and policy responses.

23 However, inflation increased to above target in the first half of 2017 due to drought that affected food prices. Inflationary pressures started to ease in the second half of 2017 as the weather situation improved and earlier measures taken by the Government to address the food shortages took effect. These measures included: allowing duty free imports of major food items (maize, wheat, sugar, and milk) and introducing a temporary subsidy on maize meal prices. As a result, overall month on month inflation was 4.5 percent in December 2017 from 6.4 percent in December 2016, and was within the Government's target range.

24 In the first five months of the year, revenues collection have consistently lagged behind targets due to the under performance of the main revenue tax heads. On

the other hand, there have been elevated expenditures pressures as a result of the adverse spillover effects of the prolonged drought, the repeat of the Presidential Election and salary awards for Universities Staff and Nurses.

- 25 On infrastructure, the movement of goods and people around the country has been made cheaper and more effective through expansion of most roads, seaports and airports. On the Standard Gauge Railway (SGR), the Government completed the construction of Phase 1 (Mombasa - Nairobi) in 2017. The railway has significantly reduced transportation costs and eased the movement of people and goods from Nairobi to Mombasa.
- 26 On the blue economy, the Government targets to significantly expand fishing to 18,000 metric tonnes of fish annually from the current 2,500 metric tonnes. To facilitate the development of the blue economy, the Government will strengthen enforcement measures to curb illegal fishing activities along Kenya's Indian Ocean territory; suspend the fishing licenses of all international trawlers operating in Kenya's territorial waters until they comply with the local input requirement; clean up the ocean; and enhance processing before export to improve value of fish and marine products and remove structural bottlenecks in the sector.
- 27 In addition to the above measures, the Government will continue to develop industrial infrastructure such as Export Processing Zones (EPZs), Special Economic Zones (SEZs) and industrial parks across the country. More specifically the establishment of the Dongo Kundu SEZs and infrastructures.

### **2.3. Fiscal Performance and Emerging Challenges**

- 28 The Mombasa County Assembly approved the 2017/2018 budget with expenditures amounting to Kshs.12,534,448,384, comprising of recurrent expenditure of Kshs.8,571,878,715, and development expenditures of Kshs.3,962,569,669. This budget is financed by Kshs. 3,500,000,000 from local revenue sources and total exchequer issues of Kshs 9,034,448,384 including Kshs.8,154,000,000 from national equitable share, Kshs.388,439,306 conditional Grant for Level Five Hospital, Free Maternal Health Care Grant Kshs. 125,722,505 ,CA-User Fees Forgone Kshs.23,385,934, Road maintenance levy Grant

Kshs.221,466,275, leasing of Health Equipment Kshs. 95,744,681 Million, Conditional Allocation for development of Youth Polytechnics Kshs. 30,586,320, Agriculture Sector Development Support Program II Kshs13,400,000, Kenya Devolution Support Program Kshs. 49,809,062 and Conditional Grant-Other Loans and Grants of Kshs. 57,616,806.

- 29 Fiscal outcome for the first half of the financial year was dismal, as the revenue shortfalls continue to persist amid rising expenditure pressures. Expenditure pressures relate to the rising wage bill resulting from personnel emoluments. Currently the wage bill is amounting to Kshs. 4.8 Billion which is 39 percent of the budget taking up a substantial amount of the county revenue. Wage pressures are likely to also impact on pensions that would increase the County Government's contingent liability. Nearly half of the personnel budget is going to the health sector due to the increased allowances and ongoing promotions. Continued recruitment and promotions is unsustainable and poses risk to the stability of the budget for 2018/2019 in the face of resource requirement for County development. There is therefore, need to develop a wage policy for the county.
- 30 Budget implementation continues to be a challenge due to frequent downing of Integrated Financial Management Information (IFMIS) to the main server at the National Treasury. There is therefore an urgent need to address the challenge of connectivity and the corresponding bandwidth to increase the transaction speed. The inadequate human capacity and infrastructure to operationalize the system more efficiently also needs redress.
- 31 Inadequate resources, Non adherence to budget preparation and implementation guidelines by departments and other spending units and low levels of local revenue collection continues to hamper budget implementation. In addition, the County has other revenue collection systems that are not fully automated which hinder accurate revenue report generation.

### Budget Out-turn, July - December 2017

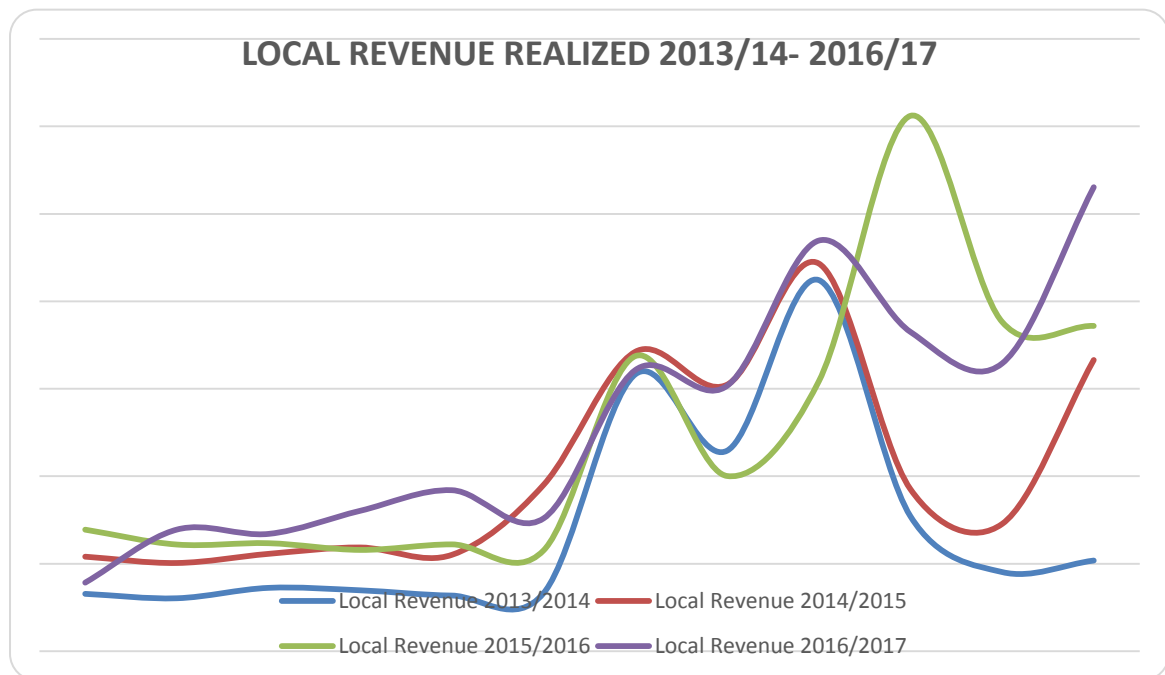
32 In the current financial as at 30<sup>th</sup> December 2017 the actual revenue collection attained in the half of the FY was Kshs. 3,483,583,109 which is 28% of the total estimated budget of Kshs. 12,534,448,384. The National Government transfers was Kshs. 3,483,583,109 and local revenue of Kshs 578,260,262

**Table 1: Local Revenue Realized Figures within FOUR FINANCIAL YEARS**

<b>MONTH</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
<b>JULY</b>	65,474,678	107,993,724	138,888,662	78,327,409
<b>AUGUST</b>	60,450,661	100,777,052	121,870,568	138,978,980
<b>SEPTEMBER</b>	72,349,333	111,228,807	123,410,370	134,037,320
<b>OCTOBER</b>	69,522,513	118,510,601	115,703,161	160,474,776
<b>NOVEMBER</b>	63,509,029	110,127,777	122,057,894	183,999,072
<b>DECEMBER</b>	66,354,138	190,190,455	115,254,598	151,828,812
<b>JANUARY</b>	316,481,290	342,310,961	337,329,057	321,392,757
<b>FEBRUARY</b>	229,137,754	304,617,946	200,260,788	303,286,028
<b>MARCH</b>	424,318,844	443,292,331	308,215,252	469,422,317
<b>APRIL</b>	154,261,569	185,264,925	612,075,951	365,071,728
<b>MAY</b>	90,435,591	145,379,105	376,582,733	328,912,588
<b>JUNE</b>	103,573,432	332,906,461	371,871,652	530,509,174
<b>ACTUAL</b>	<b>1,715,868,832</b>	<b>2,492,600,145</b>	<b>2,943,520,686</b>	<b>3,166,240,961</b>
<b>BUDGETED</b>	<b>7,846,900,092</b>	<b>5,121,608,018</b>	<b>4,148,199,619</b>	<b>5,289,747,004</b>

Source: County Treasury

**Figure 1: Local Revenue Trend Analysis from Year 2013/2014 to 2016/2017**



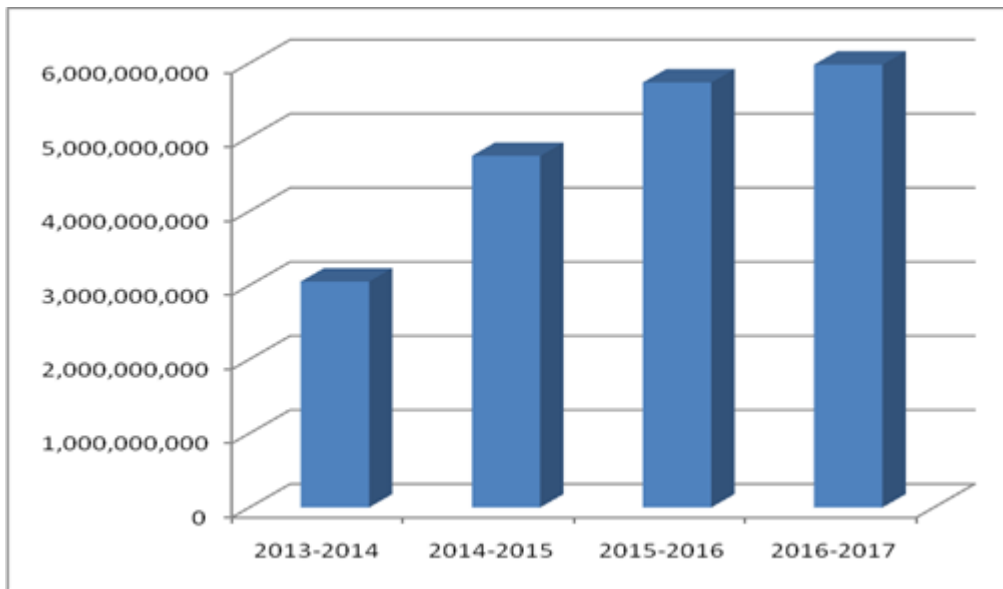
Source: County Treasury

**Table 2: Monthly Exchequer Issues Over Four Financial Years**

MONTH	EXCHEQUER ISSUES 2013-2014	EXCHEQUER ISSUES 2014-2015	EXCHEQUER ISSUES 2015-2016	EXCHEQUER ISSUES 2016-2017
JULY		0	0	0
AUGUST	358,371,898	586,876,135	448,064,387	1,037,748,641
SEPTEMBER	358,371,898	429,125,363	0	501,676,603
OCTOBER	-	0	957,032,726	518,083,015
NOVEMBER	421,613,997	360,893,811	517,858,857	558,883,251
DECEMBER	-	402,257,434	517,237,435	501,676,603
JANUARY	-	404,421,512	450,078,941	478,282,890
FEBRUARY	801,066,594	0	448,064,387	15,105,000
MARCH	421,613,997	882,750,497	12,399,574	577,456,833
APRIL	421,613,997	403,373,486	500,043,327	525,787,311
MAY	268,235,855	851,962,570	955,030,610	1,111,343,905
JUNE	358,371,898	427,029,311	933,956,255	538,706,387
<b>ACTUAL</b>	<b>3,050,888,236</b>	<b>4,748,690,119</b>	<b>5,739,766,499</b>	<b>6,364,750,439</b>
<b>BUDGETED</b>	<b>4,215,769,985</b>	<b>4,748,690,119</b>	<b>5,831,286,654</b>	<b>6,357,949,738</b>



**Figure 2: Monthly Exchequer Issues Over Four Financial Years**



**Table 3: Summary of Revenue Analysis FY-2016/2017**

REVENUE SOURCE/ITEM	ANNUAL BUDGETED	ACTUAL REVENUE COLLECTED	(%) PERFORMANCE
Equitable share	5,608,593,922	5,608,593,922	100%
Level 5 Hospital Grant	369,942,197	369,942,197	100%
Free Maternal Health Care Grant	125,722,505	125,722,505	100%
Leasing of Medical Equipment	95,744,681	35,823,495	37%
DANIDA	3,150,000	3,150,000	100%
CA-User Fees Forgone	23,514,312	23,514,312	100%
Other Loans and Grants-Nurses and Doctors Arrears	16,000,000	111,828,000	700%
World Bank	29,106,112	0	0%
Road maintenance levy Grant	86,176,009	86,176,009	100%

*Source: County Treasury*

## 2.4. 2017/18 FY Development and Recurrent Expenditures

33 The Expenditure for the first half is Kshs. 3,435,899,096 out of which Kshs.1,672,340,530 was Compensation to Employees, Kshs. 310,082,593 was spent on goods and services, Kshs. 138,806,713 on Transfers to Other Government Entities, Kshs. 870,644,774 on Other Payments, Kshs. 36,342,619 was spent on other grants and transfers and Kshs. 407,681,867 spent on Acquisition of Assets.

**Table 4: Overview of the County’s Receipts and Expenditures Performance as at 30<sup>th</sup> December 2017**

2 <sup>nd</sup> Half 2017-2018	
<b>RECEIPTS</b>	Kshs
Exchequer releases	2,802,036,229
Transfers from Other Government Entities	103,286,618
Other Receipts (Local Revenue)	578,260,262
<b>TOTAL REVENUES</b>	<b>3,483,583,109</b>
<b>PAYMENTS</b>	
Compensation of Employees	1,672,340,530
Use of goods and services	310,082,593
Transfers to Other Government Units	138,806,713
Other grants and transfers	36,342,619
Acquisition of Assets	407,681,867
Other Payments	870,644,774
<b>TOTAL PAYMENTS</b>	<b>3,435,899,096</b>
<b>SURPLUS/DEFICIT</b>	<b>47,684,013</b>

Source: County Treasury

**Table 5: Departmental Percentage Recurrent Expenditure as compared to their budget FY2016/2017**

S/NO	DEPARTMENTS	Approved Budget FY 2016/2017	Supplementary Budget 2016/2017	Total Recurrent Expenditure	%age
3011	County Executive	338,231,610	299,821,317	221,064,489	74%
3012	County Assembly	618,543,360	652,217,202	219,236,418	34%
3013	Public Service Board	107,384,365	78,448,976	47,783,171	61%
3014	Finance & Economic Planning	1,069,958,796	1,940,242,826	1,531,620,112	79%
3015	Tourism Development and Culture	118,510,365	90,108,685	70,677,866	78%
3016	Children ( Care, Education, Environment)	830,743,324	1,041,918,231	872,685,884	84%
3017	Health Services	2,339,643,755	2,296,387,520	2,462,950,107	107%
3018	Water & Natural Resources	46,865,815	114,816,233	49,740,699	43%
3019	Youth, Gender & Sports	163,415,320	154,937,574	110,495,992	71%
3020	Trade, Energy & Industry	329,585,083	210,090,836	148,296,133	71%
3021	Land, Planning & Housing	217,768,303	146,173,429	108,593,484	74%
3022	Transport & Infrastructure	490,916,847	504,399,543	433,392,178	86%
3023	Agriculture, Livestock & Fisheries	178,315,976	128,274,401	113,950,971	89%
	<b>TOTAL</b>	<b>6,849,882,919</b>	<b>7,657,836,773</b>	<b>6,390,487,504</b>	<b>83%</b>

Source: County Treasury

**Table 6: Departmental percentage Development Expenditure as compared to their budget FY2016/2017**

S/NO	DEPARTMENTS	Original Budget FY 2016/2017	Approved Budget FY 2016/2017	TOTAL	%age
3011	County Executive	191,195,979	130,660,814	68,615,528	53%
3012	County Assembly	40,613,408	0	0	
3013	Public Service Board	19,197,984	0	0	
3014	Finance & Economic Planning	475,005,592	958,918,483	745,371,502	78%
3015	Tourism Development and Culture	33,442,835	2,500,000	0	0%
3016	Children ( Care, Education, Environment)	393,606,748	202,375,455	160,384,533	79%
3017	Health Services	350,075,022	131,869,596	69,375,246	53%
3018	Water & Natural Resources	60,000,000	54,167,968	23,706,897	44%
3019	Youth, Gender & Sports	352,458,256	433,558,448	259,219,822	60%
3020	Trade, Energy & Industry	120,341,126	56,792,268	37,945,627	67%
3021	Land, Planning & Housing	173,669,448	139,490,482	77,378,199	55%
3022	Transport & Infrastructure	827,711,617	1,864,954,455	1,298,454,676	70%
3023	Agriculture, Livestock & Fisheries	38,553,359	14,572,000	2,695,000	18%
	<b>TOTAL</b>	<b>3,075,871,374</b>	<b>3,989,859,969</b>	<b>2,743,147,029</b>	<b>69%</b>

Source: County Treasury

**Table 7: Departmental Percentage Total Expenditure as compared to their budget  
FY2016/2017**

	DEPARTMENTS	Approved Budget FY 2016/2017	Supplementary Budget FY 2016/2017	Total Expenditure	%age
3011	County Executive	529,427,589	430,482,131	289,680,017	67
3012	County Assembly	659,156,768	652,217,202	219,236,418	34
3013	Public Service Board	126,582,349	78,448,976	47,783,171	61
3014	Finance & Economic Planning	1,544,964,388	2,899,161,309	2,276,991,615	79
3015	Tourism Development and Culture	151,953,200	92,608,685	70,677,866	76
3016	Children ( Care, Education, Environment)	1,224,350,072	1,244,293,686	1,033,070,417	83
3017	Health Services	2,689,718,777	2,428,257,116	2,532,325,353	104
3018	Water & Natural Resources	106,865,815	168,984,201	73,447,595	43
3019	Youth, Gender & Sports	515,873,576	588,496,022	369,715,814	63
3020	Trade, Energy & Industry	449,926,209	266,883,104	186,241,760	70
3021	Land, Planning & Housing	391,437,751	285,663,911	185,971,683	65
3022	Transport & Infrastructure	1,318,628,464	2,369,353,998	1,731,846,854	73
3023	Agriculture, Livestock & Fisheries	216,869,335	142,846,401	116,645,971	82
	<b>TOTAL</b>	<b>9,925,754,293</b>	<b>11,647,696,742</b>	<b>9,133,634,533</b>	<b>78</b>

*Source: County Treasury*

## **2.5. Strategic Priorities and Interventions**

34 The County Government will continue with strategic interventions to accelerate growth and improve service delivery. Specifically, the following strategies will be implemented:

### **1. Increase Accessibility to Water**

35 In Mombasa County the department of Water, Sanitation & Natural Resources has the role of ensuring that every citizen has access to portable water in a clean and secure environment. Adequate supply of water is essential for increased agricultural production, manufacturing activities and serving the urbanizing population. Currently the water demand is quite high compared to the supply. The County Government, national government and development partners will continue to invest in clean water supply and prioritize on construction of Mwache Dam which will lead to an increase in water supply.

36 The county will also prioritize the Drilling of more deep boreholes and also embark on the sea water desalination project so as to increase water supply in the County.

37 The county will continue engaging in public private partnerships like the World Bank who has initiated the projects of construction and rehabilitation of the pipeline network aimed at reducing the non-revenue water to 20%.

### **2. Improved Health Services**

38 The county government is committed to continuously improve access to quality of health services in the county through promotion and provision of integrated and high quality curative, preventive and rehabilitative services that are equitable, responsive, accessible and accountable to everyone.

39 A review of age specific health impact indicators show improvement of the health situation in Mombasa County. Comparison of impact level indicators between the National averages and Mombasa County shows that the latter is performing better. Neonatal, infant, under five and maternal mortalities are all above the national average.

- 40 However, the health sector faces numerous challenges, which include inadequate infrastructure for service delivery, shortage of qualified health personnel, and erratic supply of medicines and medical supplies among others.
- 41 The sector will seek to address these challenges through continued investment in service delivery, health workforce, health infrastructure, health products and technologies, health information, health financing including venturing on Public Private Partnerships (PPP) and leadership governance.
- 42 The key interventions will include construction of a regional oncology center, construction & equipping of Cardiac Catheterization laboratory, Increasing access to health care services to clients in informal settlements through container clinics, Increasing access to drug abuse rehabilitation services, rehabilitation of Mwembe Tayari dispensary into a detox center and MAT dispensing center, increasing immunization coverage, health education and screening services, procuring essential medical supplies, procuring and/ leasing equipment and furniture, construction and equipping health facilities through the proposed Accelerated health service programme, refurbishment of existing health facilities and strengthening the Health management information system (HMIS).
- 43 The resources required under the Health Department are captured under budget estimates and guided by the core mandates of the sectors. The resources allocated will be used to implement projects aimed at achieving accessibility, affordability of health services, and reduction of health inequalities and optimal utilization of health services. These resources will, therefore, target to improve access, quality and equity in the provision of health services.

### **3. Provision of Quality Education**

- 44 Mombasa County Government is committed to providing quality education services. The sector was created in line with Schedule 4 of the Kenya Constitution 2010 whereby the County Government was given responsibility for Libraries, Village Polytechnics (City Polytechnics), Home Craft (Master Craft) Centres, Child Care Centres and Pre-Primary Education. The sector endeavors to promote social development by establishing safer cities for the children of

Mombasa County, transforming the human capital and educating the present and future workforce in an effort to compete in an ever-evolving knowledge economy.

- 45 The Department will continue rolling out the school milk feeding program, Governor's Award Program, equip library facilities, Increase the scope of vocational training to include apprenticeships and institutionalize these programs within a legal policy framework.
- 46 Economic growth in a knowledge and technical economy is dependent on raising education standards, increasing the number of college graduates, and improving workforce skills. The Sector has prioritized quality learning and teaching that facilitates lifelong learning and an education curriculum tied to workforce and the economy's needs.
- 47 To reduce drop-out rate, address underperforming schools, improve achievement rate, the Department intends to use technology to offer more flexible learning environments within the county.

#### **4. Youth, Sports and Gender Empowerment**

- 48 Mombasa county government will continue addressing the unemployment issue through continued implementation of empowerment programs targeting the youth, women and people living with disabilities. Currently the Youth, Gender, Sports and Cultural Affairs Department is involved in training of youth in entrepreneurial skills and livelihood skills, issuance of revolving fund, refurbishment of sports facilities, gender mainstreaming, Provision of Sportsequipment's for various clubs in the county and Promotion of talents (Art and music).
- 49 Mombasa county government will continue to; empower the youth with livelihood skills, promote sports development in the county, support women and persons living with disability with start-up kits, Provide and maintain public entertainment and recreational facilities.

#### **5. Improved Land Services**

- 50 The Department of Land, Housing and Physical Planning in the County continues to be the highest source of local revenue through land rates; there are

intentions to improve land services through enhancing the budget allocation and collaborating in PPPs. The Department intends to: facilitate attainment of high quality of life for its residents of the county through efficient land administration and management, facilitate provision and or manage decent, safe & affordable housing to the residents, ensure optimal use of land for Development

- 51 In lands unit, the major advancement was the preparation and submission of county departmental policies such as county land policy, preparation of integrated strategic urban development plan, Gate city master plan preparation including valuation roll preparation, zoning regulations and county housing policy and urban renewal programme which is ongoing.

#### **6. Investing in Infrastructure Development**

- 52 The Infrastructure sub-sector is involved with: Construction, improvement and maintenance of roads and drainage infrastructure; Provision of effective, efficient and safe transport system for people, goods and services; Installation, rehabilitation and maintenance of traffic signs and lighting; Transport logistics and mechanical services; County property development, maintenance and management; Provision of Professional Services (Architectural, Structural, Civil, Mechanical and Quantity Surveying) for public buildings and facilities for the County Government, National Government (CDF and other projects); Fire Fighting and rescue services ; and Advertisement and compliance.
- 53 To enhance economic growth the county government will continue to invest in key infrastructural projects. The county is committed to have a world class infrastructure for sustainable socio-economic development of Mombasa .
- 54 The Department of Transport and Infrastructure have prioritized the following programmes: constructions of missing links on major roads; construction of access roads; Construction and maintenance of storm water drains; construction and maintenance of street lights; and construction and maintenance of public buildings.



## **2.6. Deepening Inter-County Integration**

- 55 The Jumuiya ya Kaunti za Pwani, formed in 2015, is an economic bloc that brings together the six Coast counties in Kenya (Mombasa, Kwale, Taita-Taveta, Kilifi, Lamu and Tana River. It is anchored on Article 189 (2) of the constitution that allows cooperation among counties as well as the national government to improve performance and delivery.
- 56 There are Cross- County short and long term interventions which will be undertaken including :Joint approach into investing and utilization of specialized services, establishment of Community Based Health Insurance Mechanisms, disease surveillance and outbreak/emergency preparedness and response mechanisms, disease surveillance systems, outbreak management schemes, joint approach into subcontracting of certain services through Public-Private- Partnership (PPP) initiatives and establishment of Jumuiya Health Summit.

## **2.7. Sustaining Inclusive Growth**

- 57 The County will continue mobilizing significant resources and providing an appropriate environment for businesses to thrive, sustaining inclusive growth by continually building transparent, responsive, accountable, efficient and effective government.
- 58 In addition, the County Government will continue providing leadership and coordination in county development planning, policy formulation and management, designing effective, efficient and secure systems of collecting revenue, to prudently mobilize and manage resources while ensuring compliance with policies, standards, procedures and applicable financial and procurement laws and regulations. These will be complimented by measures to address socio-economic inequities and improving the county's human capital. To this end, the County Government will continue implementing the socio-economic priority programmes articulated in the County's Integrated Development Plan.

## 2.8. Risks to the Outlook

- 59 The risk to the outlook for Mombasa County 2018/2019 budget and medium-term emanate from both external and domestic sources. The economy remains vulnerable to both domestic and external shocks. For prudent management of risks, the PFM Act, 2012 requires the preparation of a “Statement of Fiscal Risks”.
- 60 The “Statement of Specific Fiscal Risks” outlines Kenya’s exposure to fiscal risks that are associated with macroeconomic assumptions used for fiscal projections, public debt dynamics, operations of state corporations, contingent liabilities, vulnerabilities of the financial sector, as well as risks posed by nature.
- 61 The Government remains committed to fiscal consolidation in order to assure on the long-term sustainability of public finances. Nevertheless, the Government will monitor the risks and take appropriate measures to safeguard macroeconomic stability.
- 62 Looking ahead, due to revenue shortfalls, the ever increasing pending bills and a high wage bill, continues to pose a threat of a budget deficit. Systems are being put in place to improve local revenue performance following revenue collection reforms and moderation in recurrent expenditure, so as to increase the revenue bases and the fiscal position in the medium term.

## 2.9. Response to Overview of the County’s Performance for FY 2018/2019

- 63 The following strategies will continue to be employed to raise the revenue for the County to ensure that the planned budget is attained.
- 64 **Enforcement of the Finance Acts and Regulations:** The County Government will ensure that fees and charges are collected according to the Finance Act 2017.
- 65 **New Sources of Revenue mapping:** The County Government continues to pursue strong revenue collection and identification of new sources of revenues from the devolved functions e.g. betting and Gaming, Liquor Licensing, Museums, County Parks, Beaches, Recreation facilities, Ferries and Harbors and legislation on the revenue sharing from the Kenya Ports Authority.

- 66 **Full automation of revenue collection:** The County has automated main revenue streams such as electronic business permit, e-construction, and parking and introduced an Mpesa platform for barriers and Kongowea market aimed at enhancing financial accountability and reporting and is looking into automating all the other sources.
- 67 **Expand the revenue base through outsourcing of revenue collection**
- 68 **Decentralization of revenue collection at the sub counties and ward levels:** This will ensure that there is maximum revenue collection realized from all corners. Plugging the revenue leakages by training the collectors and ensuring that all the revenue collected are deposited to the nearest commercial bank before the closure of the business. The revenue collectors will also be frequently rotated to new stations to avoid familiarity.
- 69 **Regular monitoring of revenue** collection points to enhance accountability and seal corruption loopholes.

## CHAPTER THREE

### FY 2018/2019 BUDGET AND THE MEDIUM TERM

#### 3.1. Overview

- 70 The Mombasa County 2018 Medium-Term Fiscal Framework aims at supporting rapid and inclusive economic growth, reducing vulnerabilities, operating a balanced budget, ensuring effective delivery of services and supporting sustainable economic growth in the County.
- 71 The fiscal framework for the FY 2018/19 Budget is based on the Government's policy priorities and macroeconomic policy framework set out in Chapter I and Chapter II. This policy underscores the need to shift more public resources from Recurrent Expenditure to Capital Expenditure in order to enhance economic growth. Precisely, the 2018/19 Fiscal Strategy Paper highlights the following:
- The county will continuously look into ways of enhancing local revenue collection and achieving greater efficiency in terms of cost savings in recurrent expenditure to ensure priority is given to the development projects.
  - Maintaining a lean workforce will assist in checking the wage bill. This will create fiscal space for spending on the key county priorities especially in the social sectors and other development programmes. This will further provide adequate room for future countercyclical fiscal policy in the event of a shock.
  - Fiscal consolidation while ensuring that county resources are adequate to promote growth. The County Government is committed to a reduction in the recurrent expenditure to devote more resources to development. At least thirty percent of the total county revenue shall be used in the implementation of development projects.
  - In addition, the county will continue venturing in public private partnerships with potential local and foreign investors and other development partners to assist in development of the county.

#### 3.2. Fiscal Policy Framework

- 72 Fiscal policy will continue to support County development economic activities while providing platform for the implementation of the CIDP within a context of sustainable public financing. Over the last one year, the County Government has reoriented

expenditure towards priority programmes in Health, Youth, Gender and Sports, Education, Transport and Water Infrastructure and Lands under the medium-term expenditure framework (MTEF). This process will be strengthened in the FY 2018/19 by encouraging more private-sector engagement in order to build concrete public private Partnership in pursuit of new economic opportunities.

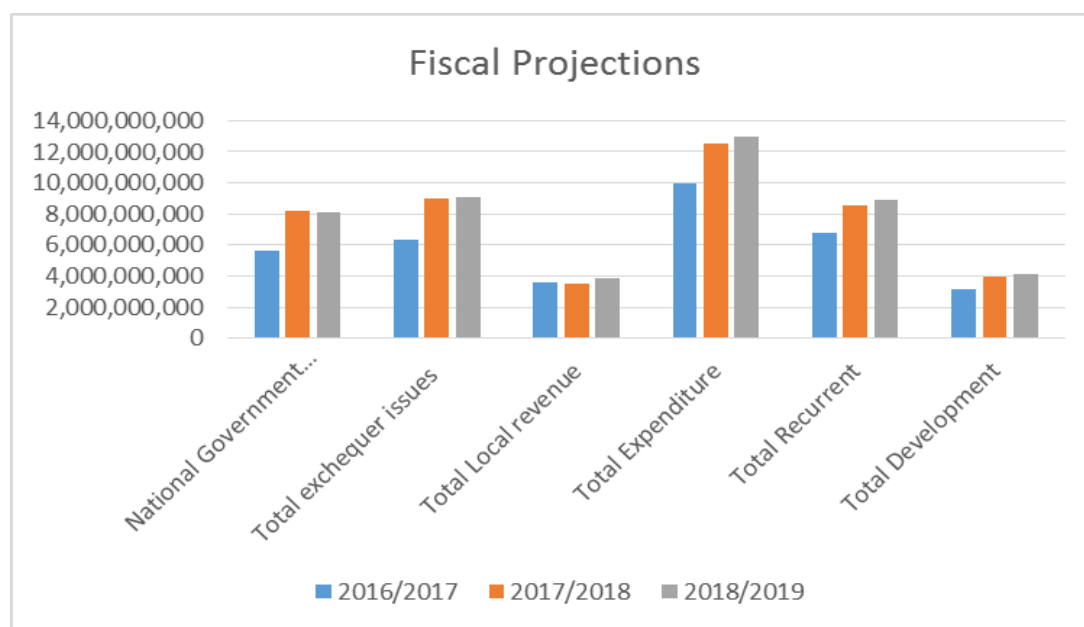
- 73 The county will continue reorienting expenditure towards those priority programmes as identified in public consultative forums. The critical programmes to be implemented are expected to accelerate economic activities and socio-economic development. The expected share of development funds of the total expenditure will be 32%. Recurrent expenditure takes huge chunk of the budget; this is largely attributed to the county wage bill totaling Kshs. 5,311,999,788 which is 62% of the recurrent budget and 39% of the total budget.

**Table 2 : County Government Fiscal projections 2016/17- 2018/19**

Revenue Source	2016/2017	2017/2018	2018/2019
National Government - Equitable Share	5,608,593,922	8,154,000,000	8,226,800,000
Conditional allocation - Level 5 Hospital	369,942,197	388,439,306	388,439,306
Conditional allocation - Free maternal health care	125,722,505	-	-
Leasing of medical equipment	95,744,681	95,744,681	-
DANIDA - Health care support services	3,150,000	-	27,337,500
Conditional Grant-compensation For User Fees Forgone	23,514,312	23,385,934	23,385,934
Transforming Health Systems for Universal Care Project (World Bank-IDA)	-	-	50,000,000
Conditional Grant-Road Maintenance Fuel Levy	86,176,009	221,466,275	216,604,479
Conditional Grant-Other Loans and Grants	16,000,000	57,616,806	-
Kenya Devolution Support Program	-	49,809,062	53,333,725
Agriculture Sector Development Support Program II	-	13,400,000	30,697,405
Conditional Allocation for development of Youth	-	30,586,320	39,043,936
Total exchequer issues	6,328,843,626	9,034,448,384	9,114,556,493
World Bank Development Project (World Bank)	29,106,112	-	-
World Bank Development Project (WSDP Project- World Bank)	-	-	600,000,000
Total Local revenue	3,567,804,555	3,500,000,000	3,877,215,398
Total Expenditure	9,925,754,293	12,534,448,384	13,591,771,891
Total Recurrent	6,749,512,919	8,571,878,715	8,626,124,854
Total Development	3,176,241,374	3,962,569,669	4,965,647,037

Source: County Treasury

**Figure 2: County Government Fiscal projections 2016/17- 2018/19**



Source: County Treasury

### 3.3. Fiscal Responsibility Principles

74 The County Government recognizes that the fiscal stance it takes today will have implications into the future. The principle of sharing the burdens and benefits of the use of resources and public borrowing between the present and future generation implies that we have to make prudent policy decisions today so that we do not impose unwarranted debt burden to our future generations. The County Government will ensure strict adherence to Section 107 of the Public Finance Management (PFM) Act of 2012 which outlines the fiscal responsibility principles.

75 In compliance with Fiscal responsibility as per the Kenya’s Constitution 2010, the County Government will progressively provide for a minimum basic standard of economic and social rights to its citizens within available resources. To ensure economic sustainability increase in government spending will be matched with a corresponding increase in tax revenue yield through efficient collection, widening of tax bases, and reasonable tax rates. It is therefore imperative to reform and modernize the tax regimes to ensure stability of revenue effort, while at the same time continuing to restructure expenditure systems to ensure efficiency and create fiscal space required to fund these basic needs expenditures on sustainable basis.

### **3.4. Fiscal Structural Reforms**

- 76 Underpinning the fiscal program are measures to raise the proportion of local revenue as a proportion of County's total revenue. For effective and efficient management of financial resources, the County through the revenue directorate will continue to eliminate leakages and enhance revenue collection as well as rationalize expenditure. This will be achieved through continued measures to simplify licenses and fees levies, improve compliance and automation of revenue collection system in order to eliminate leakages and to widen revenue base.
- 77 On the expenditure side, the County Government will continue to enhance prudent financial management; to improve efficiency and reduce wastage in accordance to section 107 of the PFM Act of 2012.
- 78 The County Government will continue to institute measures to contain the public wage bill and release needed resources for development funding. These would include payroll cleansing, staff rationalization, identification and trimming off of excess personnel. The County Government will also enhance capacity of the County Government staff so as to encourage proper and transparent use of resources and encourage quality service delivery.

### **3.5. Financing Policy**

- 79 The County Government of Mombasa will have a balanced budget in the FY 2018/2019 and over the medium term.

### **3.6. Mombasa County 2018/2019 Budget Framework**

- 80 The Mombasa County 2018/19 Budget Framework is set against the background of the Medium-Term macro-fiscal framework set out above, the County Government's strategic objectives and priorities as outlined in the CIDP 2018-2022. The County is expected to actualize key developments programmes by ensuring sufficient budgetary allocations of the priority areas.

### **3.7. Revenue Projections**

- 81 The Mombasa County 2018/2019 financial year budget targets total revenue amounting to 13.6 billion; Total exchequer issues of Kshs 9.7 Billion; including equitable share of Kshs 8.2 billion, Conditional grants Kshs 1.5 billion and local collected revenue of 3.9 billion. This performance will be underpinned by the on-going reforms in revenue administration. The revenue department will continue instituting measures for expansion of the revenue base as well as curbing revenue leakages.

### **3.8. Expenditure Forecasts**

82 The County Government's expenditure for the FY 2018/19 budget is based on the Government's policy priorities and macroeconomic policy framework set out in Chapter I and Chapter II. The total government expenditure is projected to be Kshs.13.6 Billion.

### **3.9. Recurrent Expenditure**

83 In the 2018/19 financial year the total recurrent expenditure is estimated to remain at Kshs. 8.6 Billion as the previous FY 2017/18. There is a decrease in operations and maintenance allocation so as to cater for an increase in personnel emoluments. The Departmental allocation is guided by their expenditures for goods and services in the previous year budget as the baseline.

### **3.10. Development Expenditure**

84 The County Government will endeavor to ensure that at least 30% of the total budget is allocated towards development as guided by the PFMA and as outlined in this strategy paper. The County development expenditure for financial year 2018/19 is projected to be at Kshs 5 Billion from Kshs. 3.9 Billion in the 2017/18 FY.

### **3.11. Fiscal Balance**

85 The county government will adopt a balanced budget for FY 2018/19. In the short term the County will ensure its expenditure and commitments are based on the actual cash flow. In the medium term, the County will embark on Public Private Partnership (PPP) to enable the County Government implement critical programmes that will accelerate socio-economic development thus providing budget support. In an eventuality of a forthcoming deficit the county government will take prudent measures to reduce appropriations with minimal effects on public service delivery.

### **3.12. Summary**

86 The County fiscal policy 2018, aims at improving revenue efforts as well as containing total expenditures. This will be achieved through efforts aimed at enhancing resource mobilization while improving efficiency in government expenditure. The created fiscal space will avail resources to scale up investments in the county's priority areas of Health, Youth, Gender and Sports development, Education, Transport & Water infrastructure and Lands and as captured in the CFSP.



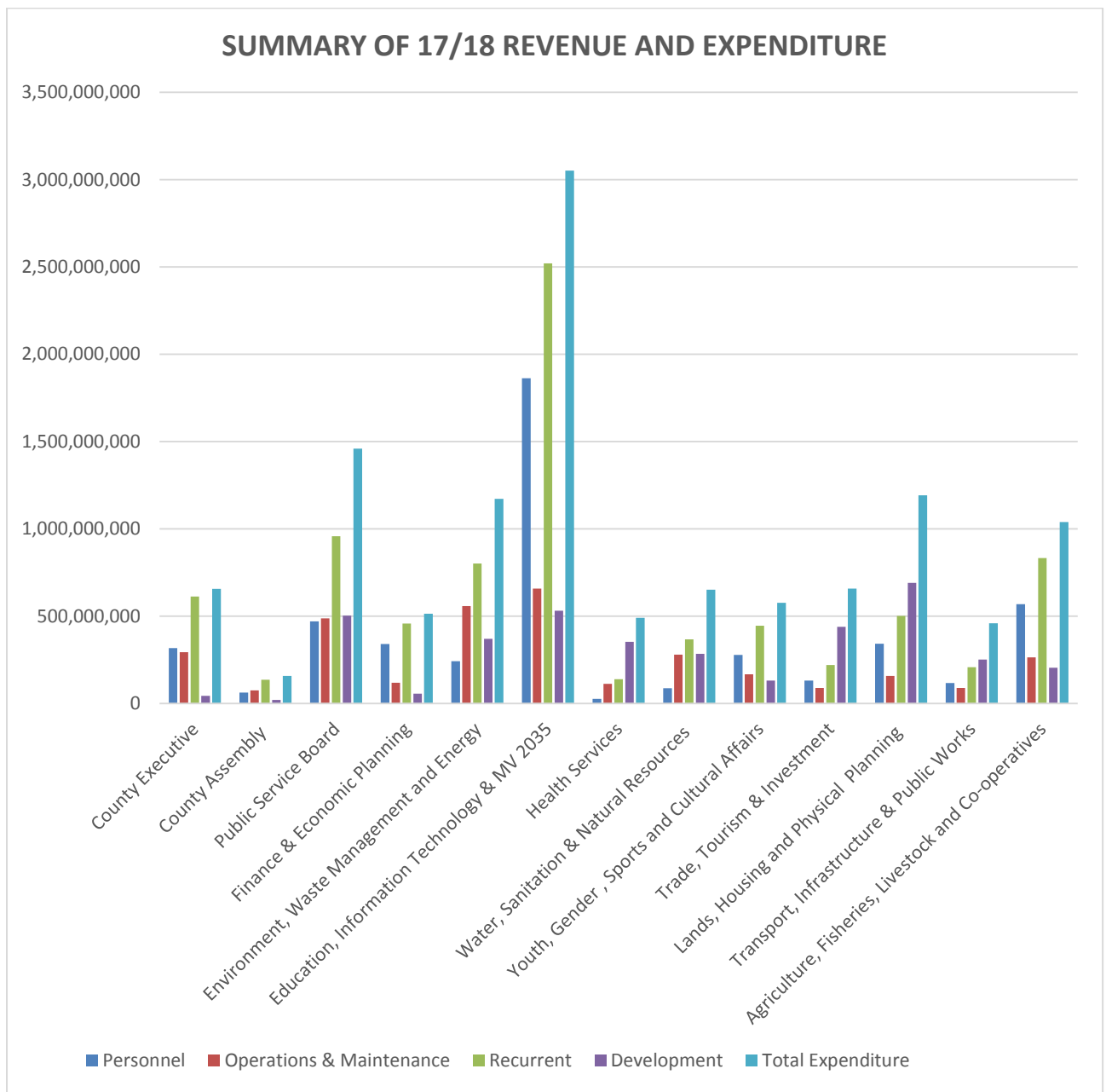
Table 7, below shows the approved FY 2017/2018 Departmental Budget,

**Table 3: Approved Budget 2017/18**

SUMMARY OF REVENUE AND EXPENDITURE							
	CONSOLIDATED REVENUE	PERSONNEL	OPERATIONS AND MAINTENANCE	RECURRENT	DEVELOPMENT	TOTAL EXPENDITURE	%
County Executive		-	375,123,017	375,123,017	81,648,620	456,771,637	3.6
County Assembly		317,710,817	294,227,519	611,938,336	44,268,615	656,206,951	5.2
Public Service Board		61,939,939	74,179,955	136,119,894	20,925,803	157,045,697	1.3
Finance & Economic Planning	12,534,448,384	469,730,307	487,491,282	957,221,589	502,657,429	1,459,879,018	11.6
Environment, Waste Management and Energy		339,764,686	118,228,125	457,992,811	56,452,690	514,445,501	4.1
Education, Information Technology & MV 2035		242,572,251	558,237,101	800,809,352	370,414,890	1,171,224,242	9.3
Health Services		1,862,294,447	658,155,545	2,520,449,992	531,581,774	3,052,031,766	24.3
Water, Sanitation & Natural Resources		25,698,309	112,731,085	138,429,394	352,650,000	491,079,394	3.9
Youth, Gender, Sports and Cultural Affairs		87,160,255	279,665,256	366,825,511	284,179,499	651,005,010	5.2
Trade, Tourism & Investment		277,752,159	167,564,000	445,336,159	131,171,827	576,507,986	4.6
Lands, Housing and Physical Planning		131,391,410	88,792,000	220,183,410	438,299,698	658,483,108	5.3
Transport, Infrastructure & Public Works		342,503,858	158,304,000	500,807,858	691,205,663	1,192,013,521	9.5
Agriculture, Fisheries, Livestock and Co-operatives		117,769,470	89,538,057	207,307,527	252,023,161	459,330,688	3.7
Devolution & Public Service Administration		568,807,564	264,546,300	833,353,864	205,090,000	1,038,443,864	8.3
<b>TOTAL</b>		<b>4,845,095,472</b>	<b>3,726,783,242</b>	<b>8,571,898,715</b>	<b>3,962,569,669</b>	<b>12,534,468,384</b>	<b>100</b>

Source: County Treasury

Figure 10: Approved Budget 2017/18



## CHAPTER FOUR

### MEDIUM TERM EXPENDITURE FRAMEWORK

#### 4.1. Resource Envelope

- 87 The Constitution of Kenya 2010 stipulates that County Governments should have reliable, stable and predictable sources and allocation of revenue. Mombasa County has two main sources of funding. Revenue from local sources and the exchequer issues which include equitable share from the National Government and conditional grants as provided under Article 201 of the Constitution. The resource envelope available for allocation among the spending units is based on the medium term fiscal framework outlined in Chapter Three.
- 88 The 2018/19 budget targets total revenue amounting to Ksh. 13.6 billion. The 2018/19 revenue shall comprise of total exchequer issues of Kshs 9.7 Billion; including equitable share of Kshs 8.2 billion, Conditional grants Kshs 1.5 billion and local collected revenue of 3.9 billion. Locally mobilized revenue will finance about 29 percent of the budget in FY 2018/19.

#### 4.2. Spending Priorities

- 89 Prioritization of resource allocation will be based on the CIDP 2018-2022 first MTEF which spells out programmes to achieve County priorities identified during the County-wide budget consultative meetings. The County Government will promote budget transparency, accountability and effective financial management of resources based on clearly set priorities to ensure that budgets are directly linked to plans.

#### 4.3. The Fiscal Strategy FY 2018/19 of the County Government

- 90 This outlines County Government's spending plans and the manner in which this expenditure will be funded in the FY 2018/2019. The fiscal strategy of the Government is guided by contemporary events which have impacted on the economy, the CIDP 2018-2022 and the realities of the FY 2017/2018 actual revenue collections and expenditures. In this view, the 2018/2019 fiscal strategy paper has been designed to continue addressing these specific challenges by focusing on the following objectives:
- To improve the efficiency and quality of CAPEX spending by promoting Public Private Partnership;

- To place greater focus on critical infrastructure development as a means of promoting long-term economic growth;
- Continued application of a fiscal stimulus in the medium term to kick-start the economy, taking into consideration the current revenue constraints and its impact on the fiscal deficit;
- Rationalizing the outlay on recurrent expenditure through the identification of cost-saving measures;
- Pegging commitments and expenditure on the actual cash flow;
- Coming up with sustainable personnel policy to address the ballooning wage bill;
- Boosting revenue receipts and identifying and plugging revenue leakages through audits of Revenue- generating units.

**Table 4: Projected FY 2018/2019 Revenues and Expenditure**

<b>REVENUE/EXPENDITURE PROJECTIONS</b>	<b>2018/2019 (KSHS.)</b>
National Government Equitable Share	8,226,800,000
Conditional Grants	1,437,947,431
<b>Total Exchequer Issues</b>	<b>9,664,747,431</b>
County Local Sources	3,877,215,398
<b>Total Revenue</b>	<b>13,591,771,891</b>
<b>Expenditure</b>	
Personnel	5,311,999,788
Operations Repair and Maintenance	3,314,125,066
Capital Expenditure	4,965,647,037
<b>Total Expenditure</b>	<b>13,591,771,891</b>
<b>Surplus/(Deficit)</b>	<b>0</b>

*Source: County Treasury*

**Table 9: FY 2018/19 Departmental Ceilings**

DEPARTMENT	CONSOLIDATED REVENUE	PERSONNEL	TOTAL OPERATIONS AND MAINTENANCE	RECURRENT	DEVELOPMENT	TOTAL EXPENDITURE	PERCENTAGE
County Executive		-	382,877,200	382,877,200	84,424,673	467,301,873	3.4
County Assembly		357,665,869	253,320,409	610,986,278	45,773,748	656,760,026	4.8
Public Service Board		64,047,457	67,702,073	131,749,530	21,637,280	153,386,810	1.1
Finance & Economic Planning	13,591,771,891	449,367,412	621,820,843	1,107,521,980	302,447,782	1,409,969,762	10.4
Environment, Waste Management and Energy		351,316,685	158,891,909	510,208,594	410,372,081	920,580,675	6.8
Education, Information Technology & MV 2035		262,795,134	315,712,162	578,507,296	244,499,756	823,007,052	6.1
Health Services		2,173,454,745	509,932,834	2,683,387,579	240,255,554	2,923,643,133	21.5
Water, Sanitation & Natural Resources		26,572,052	111,063,942	137,635,994	767,050,100	904,686,094	6.7
Youth, Gender , Sports and Cultural Affairs		90,123,704	140,173,875	230,297,579	1,269,841,602	1,500,139,181	11.0
Trade, Tourism & Investment		287,195,733	118,261,176	405,456,909	95,631,669	501,088,578	3.7
Lands, Housing and Physical Planning		147,093,916	79,310,928	226,404,844	221,201,888	447,606,732	3.3
Transport, Infrastructure & Public Works		331,148,989	137,444,297	468,593,286	837,855,896	1,306,449,182	9.6
Agriculture, Fisheries, Livestock and Co-operatives		121,773,632	110,929,757	232,703,389	266,591,948	499,295,337	3.7
Devolution & Public Service Administration		649,444,460	270,349,936	919,794,396	158,063,060	1,077,857,456	7.9
<b>TOTAL</b>		<b>5,311,999,788</b>	<b>3,314,125,066</b>	<b>8,626,124,854</b>	<b>4,965,647,037</b>	<b>13,591,771,891</b>	<b>100.0</b>
SURPLUS / (DEFICIT)	0						
REVENUE SOURCES							
Local Revenue	3,927,024,460						
Exchequer Issues	9,664,747,431						
<b>TOTAL REVENUE</b>	<b>13,591,771,891</b>						

*Source: County Treasury*

#### 4.4. Baseline ceilings

- 91 The baseline estimates reflects the current spending levels in sector programmes. In the recurrent expenditure category, non-discretionary expenditures takes first charge and includes payment of statutory obligations such as interest payments, compensation of employees covering all county staff, staff medical scheme and key utilities.
- 92 Development expenditures are shared out on the basis of the first MTEF in the CIDP 2018-2022 priorities as outlined in the CFSP as well as other strategic interventions geared towards improved service delivery. The following guidelines are used:
- 93 **On-going projects:** emphasis is given to completion of on-going projects and in particular infrastructure projects and other projects with high impact on poverty reduction and equity, employment and wealth creation especially in the social sectors aimed at reducing vulnerabilities.
- 94 **Strategic policy interventions:** priority is also given to policy interventions covering the entire county, social equity and environmental conservation.

#### 4.5. Finalization of spending plans

- 95 As indicated earlier, the finalization of the preparation of the detailed budgets continues to entail thorough scrutiny to curtail spending on non-productive areas and ensure resources are directed to priority programmes. The County Government will utilize resources to accommodate key county strategic priorities with sound business plans. Specifically, the following will receive priority:

**Table 10: Priority Areas of Consideration for Additional Resources**

	<b>Priority Areas of Consideration for Additional Resources</b>
1.	Intervention identified during the county stakeholders consultation for 2017/18 MTEF budget.
2.	Strategic interventions with emphasis in investing in quality and accessible health care services and quality basic education, Youth, gender and sports empowerment, road infrastructure (especially access roads), provision of clean and safe water, improvement in land services, as well as policy interventions
3.	Specific consideration to job creation for the youth based on sound initiatives identified within and outside the normal budget preparation as well as disability and gender mainstreaming.
4.	Completion of ongoing programs and projects so as to ensure the County has fully implemented the first CIDP 2013-17 and onset of the implementation of the CIDP 2018-2022.

**Table 5: Summary of Medium Term Costs and Ceiling (Recurrent)**

2016/2017 DEPARTMENTS	ACTUAL FY 2016/2017	NEW DEPARTMENTS	Budget 2017/2018	Projected 2018/2019	Projected 2019/2020
Recurrent	C	D	E	F=E*1.034	G=F*1.04
County Executive	218,164,489	County Executive	375,123,017	382,877,200	403,392,288
County Assembly	540,457,810	County Assembly	611,938,336	610,986,278	658,054,009
Public Service Board	47,783,171	Public Service Board	136,119,894	131,749,530	146,377,889
Finance & Economic Planning	1,219,709,593	Finance & Economic Planning	957,221,589	1,107,521,980	1,029,830,859
Tourism Development and Culture	70,677,866	Environment, Waste Management and Energy	457,992,811	510,208,594	492,507,149
Children (Care, Education, Environment)	872,685,884	Education, Information Technology & MV 2035	800,809,352	578,507,296	861,158,345
Health Services	2,829,980,333	Health Services	2,520,449,992	2,683,387,579	2,710,391,104
Water & Natural Resources	49,740,699	Water, Sanitation & Natural Resources	138,429,394	137,635,994	148,861,433
Youth, Gender & Sports	110,495,992	Youth, Gender , Sports and Cultural Affairs	366,825,511	230,297,579	394,469,482
Trade, Energy & Industry	148,296,133	Trade, Tourism & Investment	445,316,159	405,456,909	478,875,185
Land, Planning & Housing	108,593,484	Lands, Housing and Physical Planning	220,183,410	226,404,844	236,776,432
Transport & Infrastructure	433,392,178	Transport & Infrastructure	500,807,858	468,593,286	538,548,738
Agriculture, Livestock & Fisheries	113,950,971	Agriculture, Fisheries, Livestock and Co-operatives	207,307,527	232,703,389	222,930,223
		Devolution & Public Service Administration	833,353,864	919,794,396	896,155,411
<b>TOTAL</b>	<b>6,763,928,603</b>		<b>8,571,878,715</b>	<b>8,626,124,854</b>	<b>9,218,328,546</b>

Source: County Treasury



**Table 6: Summary of Medium Term Costs and Ceiling (DEVELOPMENT)**

2016/2017 DEPARTMENTS	ACTUAL FY 2016/2017	NEW DEPARTMENTS	Budget 2017/2018	Projected 2018/2019	Projected 2019/2020
Development	C	D	E	F=E*1.034	G=F*1.04
County Executive	68,615,528	County Executive	81,648,620	84,424,673	87,801,660
County Assembly	0	County Assembly	44,268,615	45,773,748	47,604,698
Public Service Board	0	Public Service Board	20,925,803	21,637,280	22,502,772
Finance & Economic Planning	745,371,502	Finance & Economic Planning	502,657,429	302,447,782	540,537,693
Tourism Development and Culture	0	Environment, Waste Management and Energy	56,452,690	410,372,081	60,706,965
Children (Care, Education, Environment)	160,384,533	Education, Information Technology & MV 2035	370,414,890	244,499,756	398,329,356
Health Services	69,375,246	Health Services	531,581,774	240,255,554	571,641,776
Water & Natural Resources	23,706,897	Water, Sanitation & Natural Resources	352,650,000	767,050,100	379,225,704
Youth, Gender & Sports	259,219,822	Youth, Gender , Sports and Cultural Affairs	284,179,499	1,269,841,602	305,595,266
Trade, Energy & Industry	37,945,627	Trade, Tourism & Investment	131,171,827	95,631,669	141,056,936
Land, Planning & Housing	77,378,199	Lands, Housing and Physical Planning	438,299,698	221,201,888	471,329,963
Transport & Infrastructure	1,298,454,676	Transport & Infrastructure	691,205,663	837,855,896	743,294,922
Agriculture, Livestock & Fisheries	2,695,000	Agriculture, Fisheries, Livestock and Co-operatives	252,023,161	266,591,948	271,015,626
	0	Devolution & Public Service Administration	205,090,000	158,063,060	220,545,582
<b>TOTAL</b>	<b>2,743,147,030</b>		<b>3,962,569,669</b>	<b>4,965,647,037</b>	<b>4,261,188,919</b>

Source: County Treasury

**Table 7: Summary of Medium Term Costs, Ceilings**

2016/2017 DEPARTMENTS	ACTUAL FY 2016/2017	NEW DEPARTMENTS	Budget 2017/2018	Projected 2018/2019	Projected 2019/2020
TOTAL	C	D	E	F=E*1.034	G=F*1.04
County Executive	286,780,017	County Executive	456,771,637	467,301,873	491,193,948
County Assembly	540,457,810	County Assembly	656,206,951	656,760,026	705,658,707
Public Service Board	47,783,171	Public Service Board	157,045,696	153,386,810	168,880,660
Finance & Economic Planning	1,965,081,096	Finance & Economic Planning	1,459,879,018	1,409,969,762	1,570,368,552
Tourism Development and Culture	70,677,866	Environment, Waste Management and Energy	514,445,501	920,580,675	553,214,114
Children( Care, Education, Environment)	1,033,070,417	Education, Information Technology & MV 2035	1,171,224,242	823,007,052	1,259,487,701
Health Services	2,899,355,579	Health Services	3,052,031,766	2,923,643,133	3,282,032,880
Water & Natural Resources	73,447,595	Water, Sanitation & Natural Resources	491,079,394	904,686,094	528,087,138
Youth, Gender & Sports	369,715,814	Youth, Gender , Sports and Cultural Affairs	651,005,010	1,500,139,181	700,064,748
Trade, Energy & Industry	186,241,760	Trade, Tourism & Investment	576,487,986	501,088,578	619,932,121
Land, Planning & Housing	185,971,683	Lands, Housing and Physical Planning	658,483,108	447,606,732	708,106,395
Transport & Infrastructure	1,731,846,854	Transport & Infrastructure	1,192,013,521	1,306,449,182	1,281,843,660
Agriculture, Livestock & Fisheries	116,645,971	Agriculture, Fisheries, Livestock and Co-operatives	459,330,689	499,295,337	493,945,849
	-	Devolution & Public Service Administration	1,038,443,864	1,077,857,456	1,116,700,993
<b>TOTAL</b>	<b>9,507,075,633</b>		<b>12,534,448,384</b>	<b>13,591,771,891</b>	<b>13,479,517,466</b>

Source: County Treasury

## **4.6. Details of Departmental Priorities**

96 The medium term expenditure framework for 2018/19 – 2020/2021 ensures continuity in resource allocation is based on prioritized programmes aligned to the ADP 2018 and strategic policy initiatives of the county government to accelerate growth, employment creation and poverty reduction. The recent achievements and key priority targets for each sector are based on the Departmental reports.

### **4.6.1. County Assembly**

97 The functions of the County Assembly include enacting county laws and superintend over all the affairs of the county including receiving and approving the development plans and policies of the county. It also oversees the development and management of the county infrastructure and institutions; and is responsible for approval of the county budgets and expenditures. Due to the crucial role of this sub-sector, it has been allocated Kshs 656,760,026 in FY 2018/2019. The County Assembly budget consists of 4.8 % of the total county budget.

### **4.6.2. County Executive**

98 Under Article 179 (3) (b), of the Constitution, provides for the number of Executive Committee members in the County Government. Each respective County Executive Committee Member provides policy direction in their ministry and a Chief Officer is the accounting officer. The Executive Committee Member is therefore responsible for: Implementing county legislation; Implementing within the county, national legislation to the extent that the legislation so requires; Managing and coordinating the functions of the county administration and its departments; and performing any other functions conferred to it by the Constitution or national legislation; Preparing legislation for consideration by the County Assembly; Providing regular reports to the County Assembly for deliberation and decision-making; and Preparing County budgets and plans. This sub-sector consists of the Governor, Deputy Governor's office, the County Secretary and County Attorney's office.

99 This sub-sector requires considerable funding to oversee the implementation of the Kenyan Constitution, Vision 2030, and the County's Vision 2035, CIDP, the CFSP through provision of leadership and policies in governing of the county. It has the task of supervising the County Government department.

100 The department has been allocated Kshs. 467,301,873 in the FY 2018/2019. The budget consists of 3.4% of the total county budget.

### **4.6.3. Public Service Board**

101 The County Public Service Board, which is established under an Act of Parliament as provided for under Article 235(1) of the Constitution of Kenya, 2010. The Article provides for a County Public Service Board in each county with control over the County Public Service. It also ensures that the county has adequate and competent personnel. The department has been allocated Kshs. 153,386,810 in the FY 2018/2019. The budget consists of 1.1% of the total county budget.

### **4.6.4. Department of Finance & Economic Planning**

102 The key role of the Department is to ensure optimal collection, distribution and utilization of the scarce resources, provide leadership and policy direction in the governance of the County, coordination and supervision of County Financial and Economic affairs, promote sound public financial and economic management for socio-economic development, promote macroeconomic stability, planning and budgetary process, and evaluation performance.

103 The department targets to maintain a database of all county assets, continue tracking all development projects and programmes; prepare quarterly briefs or reports on development; enhance revenue collection; source for development partners and ensure that funds in the county are prudently utilized to achieve the county objectives and the realization of the vision 2030.

104 Due to the crucial role of the department, it has been allocated Kshs 1,409,969,762 in FY 2018/2019. The budget consists of 10.4% of the total county budget. Most of the allocations have been set aside for servicing pending bills and statutory deductions accrued from all the county departments.

### **4.6.5. Department of Trade, Tourism & Investment**

105 The Department significantly contributes towards generation of income and employment through tourism and trade development thus promoting self-employment, improving trading environment and attracting more tourists in the region.

106 The department has been allocated Kshs 501,088,578 in FY 2018/2019. The allocation consists of 3.7% of the total county budget.

#### **4.6.6. Department of Education, Information Technology & MV 2035**

- 107 In the financial year 2018/2019 and over the medium term the department intends to carry out the following programmes; To provide quality and accessible basic education through renovation and equipping of ECD centers, recruitment of ECD teachers and care givers as well as strengthening the capacity of the city Polytechnics. This Department is also in charge of Information Technology which is very key in the current technology era and Mombasa Vision 2035.
- 108 In the financial year 2018/2019 and over the medium term the department will continue carrying out the following programmes: completion of the ongoing ECD Centres, School Feeding Program and milk fortification, vocation and technical training, establishment and equipping of the Maktaba Centres and Operationalizing the Elimu Development Corporation and Elimu Fund to source funds for Education.
- 109 Due to the crucial role of the department, it has been allocated Kshs 823,007,052 in FY 2018/2019. The allocation consists of 6.1 % of the total county budget.

#### **4.6.7. Department of Health Services**

- 110 The department is committed to improving access to quality health services in the county through promotion and provision of integrated and high quality curative, preventive and rehabilitative services that are equitable, responsive, accessible and accountable to everyone.
- 111 In the medium term, the department will continue investing in service delivery, health workforce, health infrastructure, health products and technologies, health information, health financing and leadership governance. The resources allocated will be used to implement projects aimed at achieving accessibility, affordability of health services, and reduction of health inequalities and optimal utilization of health services.
- 112 Due to the crucial role of the department, it has been allocated Kshs 2,923,643,133 in FY 2018/2019. The allocation consists of 21.5% of the total county budget.

#### **4.6.8. Department of Water, Sanitation & Natural Resources**

- 113 The Department of Water and Natural Resources have the following priority programmes: Management and conservation of natural resources; Control and mitigate environmental pollution; Solid waste management and resource recovery; Provision of technical assistance and improvement of staff capacity to implement devolved functions; Promoting the integration of climate change adaptation and mitigation measures in county's projects/activities; Increase water supply and sewerage coverage;

Reduce non-revenue water to acceptable global levels; Rehabilitate/Expand the existing dilapidated water/sanitation systems; and Improve management of water and sanitation services.

- 114 In the financial year 2018/2019 and over the medium term, Water and Sewerage services through increased Water Supply, Sanitation and Sewerage coverage, Rehabilitation /Expansion of the existing Water, Sanitation and sewerage network and ensuring compliance with the policies, standards, regulations and laws. The Department will continue ensuring natural resources are protected; their use promoted and conserved hence proper management of natural resources for economic growth.
- 115 Due to the crucial role of the department, it has been allocated Kshs 904,686,094 in FY 2018/2019. The budget consists of 6.7% of the total county budget.

#### **4.6.9. Department of Youth, Gender, Sports and Cultural Affairs**

- 116 The department's mission is to formulate, mainstream and implement responsive programmes through coordinated strategies for sustainable and balanced socio-economic development of the County and empowerment of vulnerable and marginalized groups.
- 117 In the 2018/19, The Department will continue: To empower the youth with livelihood skills; To harness the full potential of our cultural heritage; To promote sports development in the county; To support women and persons living with disability with start-up kits and Provide and maintain public entertainment and recreational facilities.
- 118 Due to the crucial role of the department, it has been allocated Kshs 1,500,139,181 in FY 2018/2019. The budget consists of 11% of the total county budget.

#### **4.6.10. Department of Environment, Waste Management and Energy**

- 119 The Department's priorities and strategies are: Promoting of green energy power generation plants (Organizing initiatives forums for green energy) generation and utilization; County carbon credit initiative program, Environmental conservation and protection, Develop effective and efficient waste collection system, Environmental governance compliance and enforcement, Renewable energy generation and Control of air and noise pollution.
- 120 Due to the crucial role of the department, it has been allocated Kshs 920,580,675 in FY 2018/2019. The budget consists of 6.8% of the total county budget.

#### **4.6.11. Department of Lands, Housing and Physical Planning**

- 121 The department is in charge of management of land use and ownership; Physical Planning, provision of adequate, clean, affordable and quality housing.
- 122 In the financial year 2018/2019 and over the medium term, the objectives of the department are; to continue ensuring proper management of land use and ownership, optimal use of land for development, promoting the provision of adequate and affordable housing. The proposed priority programmes to be undertaken to achieve these objectives include; Promoting sustainable use of land and its resources through land use planning and provision of secure land tenure and management.
- 123 The Department will also promote development of adequate, affordable quality housing through developing and implementing county housing unit, provision of affordable and quality housing units, refurbishment of county residential houses and maintenance of offices and promotion of appropriate building technology.
- 124 Due to the vital role the department plays, in the FY 2018/2019 budget, it has been allocated Ksh.447, 606,732. This is constitutes 3.3 % of the total budget.

#### **4.6.12. Department of Transport and Infrastructure**

- 125 There Department of Transport and Infrastructure will continue to focus on road infrastructure improvement through maintaining the already existing road networks and also opening up new access roads so as to restore confidence of residents and making the cost of doing business favorable. Transport infrastructure development will also help revamp the tourism sector and foster social integration in the County.
- 126 The County is embarking on expanding on the following priority programmes: Construction of missing links on major roads in order to make transport affordable and faster for economic efficiency; construction of access roads; construction and maintenance of storm water drains; construction and maintenance of street lights which is geared towards promoting a vibrant economy by encouraging 24 hour economy; and to enhance security within the County at night; and construction and maintenance of public buildings.
- 127 Due to the vital role of the department, it has been allocated Kshs 1,306,449,182 in FY 2018/2019. The budget consists of 9.6% of the total county budget.

#### **4.6.13. Department of Agriculture, Fisheries, Livestock and Co-operatives**

- 128 The overall objective of the Department is continued improvement of livelihoods of the people of Mombasa County through promotion of competitive and sustainable

agriculture, livestock, and fisheries enterprises for development, cooperative development and cooperative marketing and value addition.

- 129 In the financial year 2018/2019 and over the medium term, the department will continue undertaking the following; provision of efficient and effective agricultural, livestock and fisheries services in Mombasa County; improving food security and; promoting affordable agricultural land use and efficiency in farm operations through crop management; the veterinary services will continue preventing and controlling spread of disease from within and other counties; safeguarding human health; providing animal health and extension and welfare services; Improved livelihood for the households in income generation activities through cooperative marketing and value addition.
- 130 The Department's priorities are: Increase crop production and productivity through dissemination of better farming practices and protection of farming area; Increase market access for livestock products through marketing initiatives and establishment of processing and value addition facility and Enhancing sustainable Fisheries Supply.
- 131 The Department will also enhance productivity of livestock and livestock produce through effective extension services and ensure sustainable use of fisheries resources for better livelihoods for fisher folk and food security of the county.
- 132 The department has been allocated Kshs 499,295,337 in FY 2018/2019. The budget consists of 3.7% of the total county budget.

#### **4.6.14. Department of Devolution & Public Service Administration**

- 133 The Department of Devolution and Public Service Administration is in charge of public service management, sub county administration and devolution. The key objectives include: coordination, supervision and management of County functions; inter-departmental relations at the Sub County and Ward levels; achieve efficient public service management to improve service delivery and; Improve established channels of communication between citizens and the County Government.
- 134 To enhance coordination of Government programs for efficient and effective service delivery and enhance teamwork within the Government departments, the Department has been allocated Kshs 1,077,857,456 in FY 2018/2019. The allocation consists of 7.9% of the total county budget.



## 5.0. ANNEXES

## ANNEX I: COUNTY REVENUE 2016/2017 FINANCIAL YEAR

<b>1. EQUITABLE SHARE (EXCHEQUER RELEASES)</b>		
	BUDGET	TOTAL
<b>FINANCE AND ECONOMIC PLANNING</b>		
Equitable Share	5,608,593,922	5,608,593,922
<b>2. PROCEEDS FROM FOREIGN GRANTS/ DEVELOPMENT PARTNERS</b>		
	BUDGET	TOTAL
DANIDA	3,150,000	3,150,000
<b>3. CONDITIONAL ALLOCATION TO LEVEL 5 HOSPITALS</b>		
	BUDGET	TOTAL
Level5 Hospital Grant	369,942,197	369,942,197
<b>4. TRANSFERS FROM NATIONAL GOVERNMENT ENTITIES</b>		
	BUDGET	TOTAL
Leasing of medical Equipment Grant	95,744,681	35,823,495
user fees forgone	23,514,312	23,514,312
Free Maternal Health Care Grant	125,722,505	125,722,505
	244,981,498	185,060,312
<b>5. CONDITIONAL ADDITIONAL ALLOCATION TO COUNTY GOVERNMENTS</b>		
	BUDGET	TOTAL
Other Loans and Grants-Nurses and Doctors Arrears	16,000,000	111,828,000
	BUDGET	TOTAL
World Bank	29,106,112	0
	BUDGET	TOTAL
Road maintenance levy Grant	86,176,009	86,176,008
<b>6. COUNTY OWN GENERATED REVENUE</b>		
REVENUE.	ANNUAL BUDGETED	GRAND TOTALS.
<b>Other Property Income-RATES</b>		
Land Rates Current Year	528,035,361	568,995,403
Land Rates Penalties	163,190,152	216,511,713
Land Rates Other Years	135,581,851	150,882,238
Other Property Charges	3,113,356	26,012
Ground Rent - Current Year	5,620,037	2,304,399
Ground Rent - Other Years	1,392,904	1,737,047
Administration Cost	15,831,597	195,370
<b>Other Property Income</b>	<b>852,765,257</b>	<b>940,652,182</b>
<b>Receipts from Administrative Fees and Charges</b>		
REVENUE.	ANNUAL BUDGETED	GRAND TOTALS.
County Plants & Equipment Hire	126,138	
Document Search Fee	1,683,111	237,900
Sales of County's Minutes / Bylaws	22,256	4,000
Valuation & Survey Fees	4,670,034	2,023,000
Ground Rent- current Year		264,713,743
Plot Transfer Fee	5,347,009	323,000
Provisional Assessment Fees	2,336,882	1,801,000

Consent to Sub-Lease	166,920	586,000
Sales of County's Maps		1,300
Beacon Search pointing Fee	1,556,678	42,500
Survey Fee	6,259,506	182,122
Subdivision & Consolidation Fees	9,398,553	3,722,500
Change of User	4,416,429	2,340,000
Temporary Occupation License (TOL)	4,645,945	889,600
Impounding charges	222,560	0
Dog Licenses	806,781	140,995
Storage Fee	5,410,994	1,057,727
Training/Learning Center Fee	2,921,103	40,000
Debts Clearance Certificate Fee	67,477,473	10,357,000
Refund of Over Payment	29,147,542	206,161
Consent to Charge Fee/Property certification Fee (Use as collateral)	879,113	301,000
Incidental Charges	4,471,637	0
Imprest	1,190,334	1,679,099
Other Property Charges	256,815,087	5,254,266
Application Fee		200
Sand, Gravel, and Ballast Extraction Fees	961,384,722	447,600,903
Mineral Extraction Royalties(Cement, Silica, etc)		24,376,750
Incidental Charges	27,820	92,000
Tender Documents Sale	4,200,824	127,000
Hotel Levy	65,121,952	6,578,930
Stadium Hire	1,420,261	0
Stadium Entrance Fee	2,130,391	0
Social Hall Hire	4,290,338	555,300
Hire of County Grounds	1,367,438	134,500
Digging poles	13,248	0
Emptying cesspits Septic Soakage Pits	11,922	0
Sewer Connection Charge	9,273	0
Sewer Use Charge	397	0
County Vehicles Hire	159	0
Fire Inspection Fees	52,412,929	4,387,230
Hearse Services Fee	776,179	21,500
Fire-Fighting Services	2,306,281	1,423,000
Land Scape Scheme		62,250
Hoarding & Scaffolding Charges	3,348,139	53,100
Occupational Permits	17,709,254	0
Buildings Plan Preparation Fee	258,214,497	7,835,543
Buildings Plan Approval Fee	38,978,444	31,520,393
Buildings Inspection Fee	16,222,141	0
Demolition of Structures	3,415,188	297,185
<b>Receipts from Administrative Fees and Charges</b>	<b>1,843,333,884</b>	<b>820,968,697</b>
<b>Business Permits / Cesses</b>		
<b>REVENUE.</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Business Permits, Current Year	385,094,781	403,030,694
Business Permits Late Payment Penalties, Current Year	12,898,679	146,390
Business Permits, Other Years (Including Penalties)	1,232,647	45,150
Business Subletting / Transfer Fee	1,936,842	597,000
<b>Business Permits / Cesses</b>	<b>401,162,949</b>	<b>403,819,234</b>
<b>Plot Rents</b>		
<b>REVENUE.</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>

Plot Transfer Fee	1,845,858	27,200
Document Search Fee	166,920	1,000
Allottees Documents		12,016
Instalment Fee (HDD Scheme)	5,252,560	540
Annual Ground Rent (HDD Scheme)	6,281,178	1,567,512
Material Loan (HDD Scheme)		0
Plots Charges (HDD Scheme)	119,118,223	8,776,559
Survey Fee	2,086,502	131,250
<b>Plot Rents</b>	<b>134,751,242</b>	<b>10,516,077</b>
<b>Market/Trade Centre fees</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
<b>0302-02-05 Mackinnon Market</b>		0
Market Stalls Rent	24,270,991	3,662,752
Market Stalls Rent	11,949,950	1,120,710
Market Entrance / Gate Fee	166,468,137	9,747,512
Market Stalls Rent(Rental store w/s mkt)		4,924,869
Off loading	11,366,150	3,437,743
Hawking Fee	162,214,539	22,221,580
Market Stalls Rent	11,270,930	979,490
Market Stalls Rent	4,125,437	46,750
Market Stalls Rent	860,617	104,600
Market Stalls Rent	11,444,632	1,462,200
Market Stalls Rent	13,872,522	730,100
Market Stalls Rent	6,829,671	817,200
Market Stalls Rent	10,816,935	1,513,007
Market Stalls Rent	32,719,254	4,391,500
Market Stalls Rent	6,825,722	0
<b>Market/Trade Centre fees</b>	<b>475,035,488</b>	<b>55,160,013</b>
<b>Vehicle Parking Fees</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Drainage Certificate Charges	5,516,380	9,000
Road Cutting Application Fees	8,776,010	1,392,350
Other Vehicles Enclosed Park Fees (Cars, lorries, etc)	5,935,234	109,100
Street Parking Fee	19,871,212	251,045,611
Towing Fee.	111,603	105,000
TLB Matatu Levy	729,584,638	186,587,586
Penalties For Illegal Connections		23,463,100
Right-of-Way / Way-Leave Fee (KPLN, Telkom, etc)	15,881,162	51,229,450
<b>Vehicle Parking Fees</b>	<b>785,676,239</b>	<b>513,941,197</b>
<b>Housing</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Housing Estates Monthly Rent	258,015,271	52,203,372
<b>Housing</b>	<b>258,015,271</b>	<b>52,203,372</b>
<b>Environment and Conservancy Administration</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Decorations Adverts on Vehicle	46,014,510	5,175,750
Sign Boards & Advertisement Fee	314,084,333	50,438,719
Horticulture Consultation Fee		240,400
Cemeteries Charges	990,393	251,500
Garbage Dumping Fee	77,217,265	1,656,400
Refuse Collection Fee	10,668,981	421,500
Encroachment	22,534,226	60,000
<b>Environment and Conservancy Administration</b>	<b>471,509,708</b>	<b>58,244,269</b>
<b>Other Education Related Fees</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>

Hire of School Fields	166,920	0
Tuition Fees Public Nursery	1,556,679	0
<b>Other Education Related Fees</b>	<b>1,723,599</b>	<b>0</b>
<b>Other Health and Sanitation Revenues</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Medical Examination	359,958	0
Sundry Income		1,348,366
Cost Sharing Services	919,304	53,307
Cost Sharing Services	86,738	0
Cost Sharing Services	101,948	0
Cost Sharing Services	38,871	0
Cost Sharing Services	25,177	0
Cost Sharing Services	32,214	0
Cost Sharing Services	17,575	0
Cost Sharing Services	132,163	39,937
Cost Sharing Services	2,564,243	0
Inoculation Fee	13,072,803	0
Medical Clearance Certificate Fees	1,824,573	5,000
Food Preparation Premises Hygenization	113,496,621	0
Health Inspection Fees	7,932,139	0
Premises Inspection Fees	8,670,566	301,843,343
Cost Sharing Services	4,572	0
Cost Sharing Services	8,768	0
Cost Sharing Services	8,189	10,143
Cost Sharing Services	9,471	0
Cost Sharing Services	4,734,007	0
Cost Sharing Services	4,768	0
Cost Sharing Services	5,478	0
Cost Sharing Services	2,797	0
Cost Sharing Services	7,405	0
Cost Sharing Services	2,302	0
<b>Other Health and Sanitation Revenues</b>	<b>154,062,649</b>	<b>303,300,096</b>
<b>Fines Penalties and Forfeitures</b>	<b>ANNUAL BUDGETED</b>	<b>GRAND TOTALS.</b>
Court Fines	88,721,582	4,668,824
Cash Bail	88,721,582	2,767,000
<b>Fines Penalties and Forfeitures</b>	<b>177,443,163</b>	<b>7,435,824</b>

Annex II: SUMMARY OF REVENUE ANALYSIS 2016-17

<b>FINANCE AND ECONOMIC PLANNING</b>		
Equitable Share	<b>5,608,593,922</b>	5,608,593,922
Compensation For User Fees Forgone Grant		
<b>FINANCE AND ECONOMIC PLANNING-National Government Equitable Share</b>	<b>5,608,593,922</b>	<b>5,608,593,922</b>
Level5 Hospital Grant	<b>369,942,197</b>	369,942,197
Leasing of medical Equipment Grant	<b>95,744,681</b>	35,823,495
user fees forgone	<b>23,514,312</b>	23,514,312
Other Loans and Grants	<b>16,000,000</b>	111,828,000
Free Maternal Health Care Grant	<b>125,722,505</b>	125,722,505
DANIDA	<b>3,150,000</b>	3150000
<b>COUNTY HEALTH</b>	<b>634,073,695</b>	<b>669,980,509</b>
Road maintenance levy Grant	86,176,009	<b>86,176,008</b>
<b>TOTAL</b>	<b>6,357,949,738</b>	<b>6,364,750,439</b>
	<b>5,289,747,004</b>	<b>3,166,240,961</b>
	<b>11,647,696,742</b>	<b>9,530,991,400</b>

Annex III: EXPENDITURE PER PROGRAM 2016/2017

		Original Budget FY 2016/2017	Approved Budget FY 2016/2017	TOTAL	% AGE
<b>3011 THE EXECUTIVE</b>					
201-The Governor's Office	RECURRENT	114,350,000	155,689,817	128,332,015	82%
	DEVELOPMENT	92,220,000	101,412,037	58,541,662	58%
211-Executive Services	RECURRENT	86,026,736	51,699,686	28,602,397	55%
	DEVELOPMENT	42,650,000	6,006,980	1,744,552	29%
212-Cabinet Affairs Policy Research and Development	RECURRENT	29,170,800	34,193,158	25,197,969	74%
	DEVELOPMENT	3,000,000	1,916,483	967,241	50%
213-Public Service Management and Enforcement	RECURRENT	79,125,074	49,505,483	33,904,760	68%
	DEVELOPMENT	5,547,360	1,626,575	0	0%
214-Headquarters-Decentralized Units and Service Centres	RECURRENT	19,319,000	8,733,173	3,333,348	38%
	DEVELOPMENT	28,500,000	16,637,879	7,299,772	44%
215-E-Government and Operations	RECURRENT	10,240,000	0	1,694,000	
	DEVELOPMENT	19,278,619	3,060,860	62,302	2%
		<b>529,427,589</b>	<b>430,482,131</b>	<b>289,680,017</b>	<b>67%</b>
<b>3012 COUNTY ASSEMBLY</b>					
101-Human Resource Management Unit	RECURRENT	512,225,860	544,244,425	215,981,018	40%
	DEVELOPMENT	34,325,000	0	0	
201-Legal Unit	RECURRENT	106,317,500	107,972,777	3,255,400	3%
	DEVELOPMENT	6,288,408	0	0	
		<b>659,156,768</b>	<b>652,217,202</b>	<b>219,236,418</b>	<b>34%</b>
<b>3013 COUNTY PUBLIC SERVICE BOARD</b>					
101-Administration Unit	RECURRENT	107,384,365	78,448,976	47,783,171	61%
	DEVELOPMENT	19,197,984	0	0	
		<b>126,582,349</b>	<b>78,448,976</b>	<b>47,783,171</b>	<b>61%</b>
<b>3014 FINANCE AND ECONOMIC PLANNING</b>					
201-Administration Unit	RECURRENT	573,167,216	1,303,994,585	1,038,146,322	80%
	DEVELOPMENT	449,005,592	944,568,531	736,039,179	78%
203-Accounting Unit	RECURRENT	486,430,240	577,767,013	469,331,886	81%
	DEVELOPMENT	15,000,000	9,731,352	5,479,284	56%
204-Planning and Monitoring Unit	RECURRENT	10,361,340	58,481,228	24,141,904	41%
	DEVELOPMENT	11,000,000	4,618,600	3,853,039	83%
		<b>1,544,964,388</b>	<b>2,899,161,309</b>	<b>2,276,991,615</b>	<b>79%</b>
<b>3015 TOURISM AND CULTURE DEVELOPMENT</b>					
Administration Unit	RECURRENT	91,601,807	78,258,382	64,523,098	82%
	DEVELOPMENT	4,442,835	0	0	
Tourism Unit	RECURRENT	11,233,072	6,663,499	2,754,599	41%
	DEVELOPMENT	19,000,000	2,500,000	0	0%
Culture Unit	RECURRENT	7,866,050	3,761,754	2,852,769	76%
	DEVELOPMENT	10,000,000	0	0	
Betting Control and Licensing Unit	RECURRENT	4,511,162	1,090,450	547,400	50%
	DEVELOPMENT	0	0	0	
Liquor Control and Licensing Unit	RECURRENT	3,298,274	334,600	0	0%
	DEVELOPMENT	0	0	0	

		<b>151,953,200</b>	<b>92,608,685</b>	<b>70,677,866</b>	<b>76%</b>
<b>3016 CHILDREN (CARE, EDUCATION, ENVIRONMENT)</b>					
Administration Unit	RECURRENT	570,647,464	644,091,578	575,686,473	89%
	DEVELOPMENT	7,650,000	12,584,690	5,851,033	46%
Quality In Learning and Learning Unit	RECURRENT	23,700,000	16,689,951	11,886,600	71%
	DEVELOPMENT	58,000,000	120,285,236	103,947,154	86%
Safer Cities Unit	RECURRENT	102,700,000	165,652,113	119,580,402	72%
	DEVELOPMENT	257,006,748	12,178,000	8,944,138	73%
Elimu Development Fund Unit	RECURRENT	118,245,860	211,387,415	162,892,200	77%
	DEVELOPMENT	30,950,000	45,922,657	32,587,296	71%
Child Care	RECURRENT	15,450,000	4,097,174	2,640,209	64%
	DEVELOPMENT	40,000,000	11,404,872	9,054,913	79%
		<b>1,224,350,072</b>	<b>1,244,293,686</b>	<b>1,033,070,417</b>	<b>83%</b>
<b>3017 HEALTH SERVICES</b>					
103-Administration Unit	RECURRENT	1,836,511,683	1,985,368,827	1,709,910,138	86%
				501,623,425	
	DEVELOPMENT	22,000,000	13,155,845	12,704,172	97%
104-Clinical/Health Services Unit	RECURRENT	391,715,548	311,018,693	250,155,052	80%
	DEVELOPMENT	237,075,022	101,261,822	56,671,074	56%
102-Preventive and Promotive Services Unit	RECURRENT	111,416,524	0	1,261,491	
	DEVELOPMENT	91,000,000	17,451,929	0	0%
		<b>2,689,718,777</b>	<b>2,428,257,116</b>	<b>2,532,325,353</b>	<b>104%</b>
<b>3018 ENVIRONMENT, ENERGY &amp; NATURAL RESOURCES</b>					
Administration unit	RECURRENT	45,265,815	114,816,233	49,740,699	43%
	DEVELOPMENT	0	54,167,968	23,706,897	44%
Cleansing Unit	RECURRENT	1,000,000	0	0	
	DEVELOPMENT	40,000,000	0	0	
Natural Resources	RECURRENT	600,000	0	0	
	DEVELOPMENT	20,000,000	0	0	
		<b>106,865,815</b>	<b>168,984,201</b>	<b>73,447,595</b>	<b>43%</b>
<b>3019 YOUTH,GENDER AND SPORTS</b>					
102-Administration Unit	RECURRENT	116,884,378	117,403,299	87,057,876	74%
	DEVELOPMENT	52,458,256	37,080,200	9,884,936	27%
105-Youth Affairs Unit	RECURRENT	14,920,000	9,707,500	6,065,172	62%
	DEVELOPMENT	120,000,000	77,000,000	60,862,415	79%
106-Gender Affairs Unit	RECURRENT	19,130,000	12,253,490	9,548,245	78%
	DEVELOPMENT	50,000,000	39,478,248	14,603,129	37%
204-Sports Unit	RECURRENT	12,480,942	15,573,285	7,824,698	50%
	DEVELOPMENT	130,000,000	280,000,000	173,869,342	62%
		<b>515,873,576</b>	<b>588,496,022</b>	<b>369,715,814</b>	<b>63%</b>
<b>3020 TRADE AND COOPERATIVE DEVELOPMENT</b>					
Administration Unit	RECURRENT	260,516,847	199,514,176	146,563,799	73%
	DEVELOPMENT	341,126	0	0	

Trade unit	RECURRENT	39,990,056	5,655,190	908,463	16%
	DEVELOPMENT	0	0	0	
Cooperatives Unit	RECURRENT	14,257,950	2,281,323	708,229	31%
	DEVELOPMENT	0	0	0	
Market Unit	RECURRENT	14,820,230	2,640,147	115,642	4%
	DEVELOPMENT	120,000,000	56,792,268	37,945,627	67%
		<b>449,926,209</b>	<b>266,883,104</b>	<b>186,241,760</b>	<b>70%</b>
<b>3021 LANDS, PLANNING &amp; HOUSING</b>					
Administration Unit	RECURRENT	203,558,303	140,681,429	108,251,484	77%
	DEVELOPMENT	28,169,448	13,838,349	3,823,983	28%
Land Management Unit	RECURRENT	4,700,000	3,000,000	0	0%
	DEVELOPMENT	43,000,000	65,827,635	22,704,033	34%
Housing Development Unit	RECURRENT	9,510,000	2,492,000	342,000	14%
	DEVELOPMENT	102,500,000	59,824,498	50,850,183	85%
		<b>391,437,751</b>	<b>285,663,911</b>	<b>185,971,683</b>	<b>65%</b>
<b>3022 TRANSPORT AND INFRASTRUCTURE</b>					
Administration Unit	RECURRENT	384,466,847	453,002,716	392,912,370	87%
	DEVELOPMENT	0	0	0	
Road and Transport Unit	RECURRENT	18,800,000	2,605,600	12,147,851	466%
	DEVELOPMENT	614,211,617	1,511,598,970	1,105,027,072	73%
Works Unit	RECURRENT	25,800,000	13,715,261	14,426,878	105%
	DEVELOPMENT	0	51,835,184	38,051,777	73%
Operations and Services	RECURRENT	61,850,000	35,075,966	13,905,079	40%
	DEVELOPMENT	213,500,000	301,520,301	155,375,826	52%
		<b>1,318,628,464</b>	<b>2,369,353,998</b>	<b>1,731,846,854</b>	<b>73%</b>
<b>3023 AGRICULTURE, LIVESTOCK &amp; FISHERIES.</b>					
112-Administration Unit	RECURRENT	129,518,896	116,860,763	92,879,498	79%
	DEVELOPMENT	0	7,072,000	2,695,000	38%
111/3-Crop Management Unit	RECURRENT	13,368,980	1,551,129	639,222	41%
	DEVELOPMENT	7,001,000	0	0	
104-Livestock Unit	RECURRENT	10,870,000	1,750,640	952,191	54%
	DEVELOPMENT	8,997,359	0	0	
103-Fisheries Unit	RECURRENT	11,070,000	6,035,026	5,002,321	83%
	DEVELOPMENT	15,055,000	0	0	
105-Veterinary Services	RECURRENT	13,488,100	2,076,843	14,477,739	697%
	DEVELOPMENT	7,500,000	7,500,000	0	0%
		<b>216,869,335</b>	<b>142,846,401</b>	<b>116,645,971</b>	<b>82%</b>
3010-MOMBASA COUNTY		<b>9,925,754,293</b>	<b>11,647,696,742</b>	<b>9,133,634,533</b>	<b>78%</b>