

SAMBURU COUNTY GOVERNMENT



MEDIUM TERM

COUNTY FISCAL STRATEGY PAPER

JANUARY 2017

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Foreword

This Fiscal Strategy Paper sets out county policy goals and strategic priorities that will be the basis for formulation of County's Financial Year 2017/18 budget and the Medium Term. The Paper is prepared in accordance with the Public Finance Management Act, 2012. The County priorities and goals outlined herein are based on the County Integrated Development Plan, Annual Development Plan and the strategic plan, with emphasis on investment in:

- a) Creating conducive business environment,
- b) Investing in agriculture transformation and food security,
- c) Investing in quality and accessible health care and education,
- d) Scaling up investment in infrastructure development and maximizing the use of county natural resources.

The paper therefore links county planning and policies to Budget which is the main objective of the Medium Term Expenditure Framework. The paper covers the following broad areas; review of the fiscal performance of financial year 2015/2016; highlights of the recent economic developments and the economic outlook; broad strategic priorities and policies for the Medium Term and the Medium Term Fiscal Framework.

The fiscal framework presented in the paper ensures a sustainable financing while allowing continued spending on priority programmes. Achievement of the set objectives calls for greater transparency, effectiveness and efficiency in public financial management in order to ensure fiscal discipline.



Jonathan K. Leisen.

CECM -Finance and Economic Planning

Acknowledgement

The 2017 County Fiscal Strategy Paper (CFSP) is part of the Samburu County Government effort to ensure effective linkages between policies, plans and budgets. It provides an essential resource envelop and presents the fiscal framework for the 2017/18 budget and subsequent budgets falling within the Medium Term Expenditure Framework.

The CFSP 2017 is aligned to the national objectives as set out in the budget policy statement of November 2016.

The paper provides specific expenditure ceilings for county departments and details guidelines that aim at structuring the pattern of county government expenditure towards priority areas for investment. These priorities are derived from sectoral reports which have recommendations for expenditure reviews. The preparation of this fiscal paper was a collaborative effort. Much of the information in this report was obtained from various county departments.

We are indeed grateful for the collaboration and the comments received from the Public sector Hearing, SWGs, Members of the County Executive Committee, technical staff of County Departments and other stakeholders during public participation process for their much valued input.

A core team in the Department of Finance/Treasury spent a significant amount of time to put together this report. Since it would not be possible to list everybody individually in this page, I would like to take this opportunity to thank the entire staff of the Finance and Economic Planning department for their dedication, sacrifice and commitment to public service.

Daniel N. Lenolkirna

Chief Officer-Finance and Economic Planning

Legal Basis

Legal Basis for the Publication of the CFSP.

The county fiscal strategy paper is prepared in accordance with Section 117 of the PFMA. The law states that:

The County Treasury shall prepare and submit to the County Executive Committee the CFSP for approval and the County Treasury shall submit the approved CFSP to the County Assembly, by the 28th February of each year.

(2) The County Treasury shall align its CFSP with the national objectives in the BPS.

(3) In preparing the CFSP, 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 CFSP 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 CFSP, the County Treasury shall seek and take into account the views of —

(a) the CRA;

(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 CFSP 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 2017/18.

(8) The County Treasury shall publish and publicize the CFSP within seven days after it has been submitted to the county assembly.

Fiscal Responsibility

Fiscal Responsibility Principles in the PFM Law

In line with the Constitution, the PFM, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107) states that:

- (a) The county government's recurrent expenditure shall not exceed the county government's total revenue;
- (b) Over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure;
- (c) The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
- (d) Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;
- (e) The county debt shall be maintained at a sustainable level as approved by county assembly;
- (f) The fiscal risks shall be managed prudently; and
- (g) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

Abbreviations and Acronyms

ADP	Annual Development Plan
BPS	Budget Policy Statement
CFSP	County Fiscal Strategy Paper
CRA	Commission on Revenue Allocation
CIDP	County Integrated Development Plan
ECD	Early Childhood Development
FY	Financial Year
ICT	Information, Communication and Technology
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
KSH	Kenya Shillings
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
PBB	Programme Based Budget
PFMA	Public financial Management Act 2012
SNR	Samburu National Reserve

CHAPTER ONE: OVERVIEW

1. Introduction:

1. The 2017 CFSP continues with the established fiscal policy being undertaken by Samburu county government. For the 2017/18 financial year, the County Government proposes a series of measures to increase revenue and balance expenditure. These steps are necessary to ensure the sustainability of Samburu County's most important public spending programmes in the current economic environment.

The County Government is well aware that the burden of development cannot be carried by the fiscal policy alone but the private sector must be encouraged to invest and thereby create employment and revenue for the county coffers. Removing obstacles to private investment continues to remain a priority for the County Government.

As noted in County Budget Review and Outlook Paper (CBROP) 2016, the key features of sectoral resource allocation for 2017/18 will be guided by the emerging priorities, county sector plans and the principles of PFMA to ensure effective utilization of public finances. The sector allocations are also informed by the county goals and people's aspirations as captured in the County Integrated Development Plan (CIDP). The theme for the budget 2017-18 will be “**Achieving equitable social and economic development in Samburu County.**”

2. Outline of the 2017 County Fiscal Strategy Paper

Section II outlines the economic context in which the 2017/18 MTEF budget is prepared. It provides an overview of the recent economic developments and the macroeconomic outlook covering the global and domestic scene . A description of budget implementation for the first three months of the year (July to September), including revenue and expenditure performance.

Section III outlines the fiscal framework that is supportive of growth over the medium-term, while continuing to provide adequate resources to facilitate the policy priorities of the county Government. An overview of the expected revenue and expenditure totals for the coming year, based on an assessment of the economy and any other factors, such as changes in national transfers, which will affect the county, is analyzed.

Section IV presents the spending priorities for the county in the medium term.

Section V presents the resource envelope and spending priorities for the proposed 2017/18 MTEF Budget and the Medium Term. Sector achievements and priorities are also reviewed for the 2016/17 MTEF period. Ceilings (or limits) on the amount of money each sector (agriculture, tourism, etc.) will get in the upcoming budget and narrative explaining these are given.

Section VI: Conclusion of the document.

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CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK

3. Overview of Recent Economic Performance

This chapter highlights the recent economic situation in the two levels of government, national and Samburu County. It also identifies the relationship between the county and the national economy while recommending various fiscal measures to be employed in the prudent use of the county's resources. Various risks and challenges in the medium term have also been identified.

4. Kenya Economy

Kenya's growth is projected to rise to 5.9% in 2016 and 6.1 % in 2017. The positive outlook is predicated on infrastructure investments. Fiscal consolidation is expected to ease pressure on domestic interest rates and increase credit uptake by the private sector. The contraction in the current account deficit will continue to be supported by declining commodity prices and rising exports of tea.

Sound monetary policy restored stability in the currency markets and contained the 12-month average overall inflation at 6.6% in December 2015. The Central Bank effectively managed currency volatility and running down Forex reserves to cushion the shilling. So, the Kenya shilling stabilized, and the depreciation moderated in comparison to other regional currencies.

Low commodity prices had a net positive impact in Kenya in 2015. The gains through low oil prices and the rising earnings from tea have offset the loss in earnings from other exports (coffee and horticulture). As a result, the current account deficit contracted from 10.4% to 7.1% of GDP.

Growth is being sustained by several infrastructure projects, including a new container terminal at the Mombasa port that is expected to increase its cargo capacity by 50%, which is also crucial for Kenya's plan to become an oil producer and exporter in 2017. Increased tea output, coupled with the ongoing recovery in the tourism sector, is supporting exports and foreign reserves.

The reintroduction of an interest rate cap, which limits how much lenders can charge for loans, risks hampering growth in the medium term as it might curb lending and investment. Besides, the 2016 Country Economic Memorandum says that Kenya's growth prospects will depend a lot on innovation, oil, and urbanization in the long term.

5. Political Context

Devolution is rated the biggest gain from the Promulgation of August 2010 Constitution of Kenya, which ushered in a new political and economic governance system. It is transformative and has strengthened accountability and public service delivery at local levels. The approval of an electoral reform—which allows the replacement of current election officials and the audit of votes by an independent organization—eases the risk of violences in forthcoming general election scheduled for August 2017. The government's agenda is to deepen implementation of devolution and strengthen governance institutions, while addressing other challenges including land reforms and security to improve economic and social outcomes, accelerate growth and equity in distribution of resources, and reduce extreme poverty and increase youth employment.

6. Social Developments

Kenya has met a few of the millennium development goals (MDG) targets, including reduced child mortality, near universal primary school enrolment and narrowed gender gaps in education and this will be enhanced on newly adapted SDGs . Interventions and increased spending on health and education are paying dividends. Devolved health care and free maternal health care at all public health facilities will improve health care outcomes and develop a more equitable health care system.

7. Development Challenges

Kenya has the potential to be one of Africa's great success stories from its growing and youthful population, a dynamic private sector, a new constitution, and its pivotal role in East Africa. Addressing challenges of poverty, inequality, governance, low investment and low firm productivity to achieve rapid, sustained growth rates that will transform the lives of ordinary citizens, will be a major goal for the country.

County Economy

8. Public Administration Sector

The County Executive supervises the administration and delivery of services to citizens as well as conceptualizes and implements policies and county legislations. The County Assembly is a legislative organ and plays an oversight role on all County activities. The County Treasury uses the prescribed system by public sector accounting board and the national treasury. Staff capacity building is on continuous basis at all levels. The funds allocated and collected are inadequate relative to the various needs articulated during public participation meetings. The National Government should ensure that where functions have been devolved, resources should be allocated to execute those county functions. There are strategies which have been put in place to ensure more local revenues are raised.

9. Health Sector

The County Government have constructed new health facilities, installed solar panels and put up staff houses in various health facilities across the county. The health facilities have been allocated health personnel and also provision of medical supplies continues to be offered. Various forms of renovation have been done in different health facilities. The outreach programmes have been continuing and the donors have contributed immensely in terms of finances and equipments to the sector. In the course of the financial year 2016-17 the county received the leased equipments from National Government

10. Education Sector

The County Government have constructed more classes, sanitary blocks, provision of water tanks and have provided curriculum materials to the ECD units. To enhance the enrollment, the feeding program continued over the period where the donors have been contributing previously. In trying to maintain standards, the county government have recruited more tutors and also quality assurance personnel. Also County Government have continued awarding bursaries and scholarships to bright needy students.

11. Transport ,Infrastructure and water sector

Investment in infrastructure over time has greatly improved accessibility of all areas across the county. The investment includes the Probase tarmac in Maralal town. In the rural areas murraming and opening of new roads have been done. To enhance road construction, various road construction equipments have been procued. Improved road infrastructure will greatly improve accessibility across the county. Programmes and investments to improve productivity and competitiveness will be initiated.

The street light program have been undetaken in maralal town and the same is expected to be extended in the other major urban centres at sub county level.

In water provision, various water expolations have been undetaken, drilling of boreholes in different sites, provision of water pipes, provision of solar panels and repairing different water distribution networks. Different water pans and dams have been contructed and or dissilted.In areas with water shortage there have been provision of water services through water trucking and purchase of water storage tanks. In the various major urban centres's drainage system for storm water management have been constructed.

12. Agriculture,Livestock and Fisheries Sector

Livestock sector is widely regarded as one that gives impetus to the County Economy. The sector is still operating at its primary level of production. To improve the breeds various initiatives have been undetaken which includes procurement of improved breeds and promotion of artificial insemination. The procurement of various drugs for vaccination comes in hardy to assist in disease control.

In crop production the area under cultivation continue to increase after purchase of agricultural machinery. The provision of certified seeds and fertilizer acts like a catalyst in the process. The guaranteed market for the produce by county government is another motivator to the farmers. Irrigation has been undertaken to reduce the overreliance on rain fed agriculture which are bearing fruits.

Nevertheless, the sector is striving to embrace value addition in all their products to make sure that the farmers' incomes increase.

13. Tourism ,Trade and Cooperative Sector

Tourism is a major source of revenue to the County Government. The Government have continued to support the existing conservancies and also established new ones. In some conservancies construction of fortified camps have been undertaken and in some it is ongoing. To step up the conservation efforts and promote security the county have employed several scouts and rangers. To promote trade the county offer sites for thriving market for Samburu artifacts such as beads, necklaces and bracelets. To promote local enterprise the county continue disbursing loans to various groups while monitoring their repayments mode. Various cooperative societies have been revived and trainings done to members of the existing ones.

14. Environment and Natural resources Sector

Environmental conservation has been enhanced by sensitizing pastoral communities on importance of controlled grazing and also training them. Promotion of tree planting and nurseries establishment to increase areas under forest conservation is an activity which continues to be undertaken.

To control soil erosion conservation structures have been constructed in various sites. Rehabilitation of degraded areas and control of invasive plant species is undertaken in different locations. Sustainable methods of natural resources are always advocated and promoted in various locations. To enhance water conservation and management policies water resources users associations continue to be trained.

15. Lands, Housing and Urban development Sector

The Preparation of County spatial plan is underway. The County have developed strategic urban plan for some urban centers'. Land adjudication and beaconing of various adjudication sections continues to be undertaken. The issuance of group ranches title deeds and the implementation of Maralal master plan will continue.

16. Culture and Social services sector.

Promotion of cultural beliefs has continued to be undertaken for women in the County. From FGM to early marriages, opportunities for advancement in education, women in the county continue to reap in a big way.

The levels of poverty, maternal deaths and lack of participation in decision making affecting them have greatly improved.

On the other hand the county has a rich cultural heritage that is being preserved and acts as a basis of tourist attraction (Cultural Manyattas). The County has constructed social amenities such as social halls and stadiums where residents can access the much needed social services. In addition, categories of persons or groups previously disadvantaged are also considered.

Emerging Challenges

Over the medium term, the county anticipates to encounter the following risks and challenges in implementing its development agenda:

(a) Global shocks. Uncertainties in future economic performance associated with global and national influences such as price of crude oil that affect cost of production, and exchange rate fluctuations will eventually have an impact on the performance of the county's economy.

(b) Insecurity threats. Ethnic conflicts and terrorism in the country poses a threat to development and tourism industry.

(c) Country's financial shocks. Domestic borrowing and its effect on interest rates will influence the performance of the county economy.

(d) Unreliability of local revenue flows. Unreliable weather conditions pose a major risk to the county economy and the county's projected revenue since agricultural produce cess continues to be among the highest local revenue source.

(e) Electioneering mood. The budget for 2017/18 will be implemented in an election year. Political goodwill will be required to implement the budget to meet its objectives.

Review of Fiscal Performance in 2016/17

18. County revenue

The County Government reports show slow performance in revenue collection in the current financial year. The total revenue budgeted was ksh 356 million in local revenue. The collection for first quarter was ksh 65 million as shown below (Table 1). The revenue collected is further analyzed by departments as shown in Table 2. Local revenue collection forms part of the total revenue for the county and its adequacy is important to funding of development projects.

19. Total County Expenditure

There has been a lot of public and the media attention on county government spending. The County Government always aim to shift more public resources from recurrent to capital investment so as to promote sustainable and inclusive growth. However the county Government reliance on disbursements from the national government to meet operational costs, means development will take the backseat. The budgeted expenditure for the f/y 2016-17 amounted to ksh **4,315,974,421**. The budget for recurrent was ksh **2,626,349,421** and development ksh **1,689,625,000**. The expenditure for the first quarter was ksh **767,781,670** of which recurrent was ksh **671,566,355** and development was ksh **96,215,315** as shown in Table 3 .

The expenditure can further be categorized into three major economic classification (as shown Table 4) namely ;

- a) Personnel emolument is composed of basic staff salaries and all allowances.
- b) Operation and maintenance include expenditure incurred in running the offices such as payment of bills, maintenance of vehicles, maintenance of buildings, fueling of vehicles, travelling cost and purchase of working tools such as stationeries, computer and accessories and any other cost incurred in running the offices.
- c) Development expenditure involves costs incurred in payment of capital projects.

Majority of the project in budget will be implemented in the second half and proportion of expenditure on development is expected to improve . Personnel emoluments, operation and maintenance expenditure are expected to remain relatively the same. This requires the departments to be more cautious on spending and cut on unnecessary cost while at the same time fast tracking implementation of projects to ensure that they are completed within the time frame set in contract agreement.

CHAPTER THREE: FISCAL POLICIES AND BUDGET FRAMEWORK

20. Overview

This chapter provides the county's fiscal policy, how the county will observe the fiscal responsibility principles and the fiscal reforms the county will implement to improve its fiscal performance. The chapter also outlines the county budget framework for 2017/2018 and the first quarter year fiscal performance for 2016/2017.

21. Continuing with Prudent fiscal policy

The county fiscal policy covering the collection and spending of funds is inbuilt in the operations of the county government. The impact of County government fiscal policy will be reflected in the county's contribution in improving the livelihoods of the residents. The County treasury's mandate will involve managing the budget process in an efficient and effective way. The County's economic policy will be pursued along the fiscal policy of the County Treasury. The 2017/2018 – 2019/20 Medium-Term Fiscal Framework for the County is targeted at ensuring provision of essential County government services to the citizens. The County's policy will be to continue with the fiscal balance through a balanced budget which will ensure the level of expenditure continues to sustain growth through continued investment in infrastructure and business development.

The County Treasury will continue to tighten the fiscal policy to avoid fiscal deficit. This will be achieved through strengthening revenue mobilization, containing unproductive expenditures and leakages during the medium term period. The budget deficit will therefore be expected to remain at zero in the medium term though the borrowing framework has been developed.

In the long term, however, efforts will be made to maintain the budget deficit at less than five percent of total expenditure to secure the County's fiscal sustainability. This policy will be achieved through the County Government's commitment to ensure a strong local revenue collection and prudent finance management which is in line with best practices.

22. Fiscal Strategy Paper's obligation to observe Fiscal Responsibility Principles

In line with Public Finance Management (PFM) Act, 2012, and in keeping with the prudence and transparent management of public resources, the Government has adhered to the fiscal responsibility principles as set out in the statutes as follows:

- a) *Balanced Budgets are mandatory*: The County Government's expenditure have not exceeded its total revenue hence no deficit in our budget in the current year.
- b) *Over the medium term, a minimum of 30% of the County Budget shall be allocated to development expenditure*. The County Government's development budget allocation over the medium term is above 30 percent, the minimum set out in law. In FY 2016/17 the County Government allocated 39.1% to development. Similarly, delays in disbursement by National government snow balled to delays in procurement by County departments; hence uptake of development funds is low.
- c) *Limit county wage bill to thirty five percent of the government's total revenue*: The County expenditure on wages and benefits for its public officers in 2016/17 was 30 % which did not exceed 35% of the County Government's total as prescribed in the regulations.
- d) *Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure*. It is a prudent fiscal policy for a government to procure external financing only for development projects. Although the County Government envisages maintaining a balanced budget, it will seek to adhere to borrowing guidelines as set out in the PFM regulations, if need arises.
- e) *Public debt and obligations shall be maintained at a sustainable level as approved by National Assembly (NA) and County Assembly (CA)*. The County Government borrowing level is set in the Medium Term Debt Strategy approved by the County Assembly. The sustainability of debt is guided by PFM Act section 107 (2) (e) and section 107 (4).

As per section 107 (2) (e) the county debt shall be maintained at sustainable level as approved by county assembly. Section 107 (4) further states that every county government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by resolution of the county assembly. Over the medium term the Samburu County Government will continue to maintain a balanced budget where total revenue equal total expenditure. Nevertheless, if need arises, the County will adhere to laid out laws by the County Assembly, using guidelines passed by the National Parliament and senate.

- f) *Fiscal risks shall be managed prudently.* The County Government also takes into account the fiscal risks arising from contingent liabilities, liquidity risk arising from failure to actualize local revenue targets. The County government continues to put measures in place to enhance revenue collection, majorly through widening of revenue base.
- g) *Predictable taxes:* A reasonable degree of predictability to the level of tax rates and tax bases is maintained and there are no major changes in our Finance Acts over the years. The same stability is expected in the future.

23. For the County to achieve the above fiscal responsibilities the following controls will be exercised;

Executive Control: This will be exercised through the County Treasury in conjunction with other departments. The county treasury will manage, supervise, control and direct all matters related to financial affairs. The accounting officers in each department will ensure accuracy, propriety and accountability in expenditures.

Legislative (County Assembly) control: The Authority of raising revenue and their appropriation is provided by the County Assembly. The County Executive will work closely with the county assembly to ensure legitimacy of collection of taxes and appropriation of the same.

The Controller of budget: the office of the controller of budget will oversee the implementation of county budgets by authorizing withdrawals from the county revenue fund.

The Auditor General : The office of the Auditor general will be involved in auditing the accuracy of all accounts, the propriety of the expenditure and the appropriateness of all county public finance matters.

In collaborating with the office the county treasury will ensure efficiency, effectiveness and guard against unauthorized expenditure.

24. Fiscal structural reforms

The County has great potential to improve its revenue collection and administration. This will be achieved by improving efficiency in collection, enforcement of revenue collection guidelines and employing new methods to enhance revenues.

The improvement in County revenue collection and administration will be informed by the need to reduce the cost of revenue collection through offering more innovative and efficient procedures. The focus of the county government will be to sustain the ongoing reforms in revenue collection and administration. To achieve this, the county will leverage on the following:

(a) Legislation

The County government will enact the required legislation to anchor its revenue administration process. These will include legislation on property rates, County revenue administration and trade licenses among others. There will be adequate public participation in the public finance management to increase the compliance of rate payers while at the same time reducing the incidences of litigation against the County.

(b) Computerization and Automation

The County plans to computerize and automate all the activities related to revenue administration in the near future.

(c) Leverage and maximize on the role of auditing (internal and external).

This will ensure compliance as well as evaluate effectiveness of internal controls in revenue administration. It will involve regular audits with dedicated follow up on auditor's recommendations.

Budget Framework

The County's 2017/18 budget framework is set against the background of the medium-term fiscal framework and the strategic objectives as outlined in the County Integrated Development Plan.

25. Revenue projections;

The projected resources accruing from the national government for the financial year 2017/2018 will be Ksh 4,090,532,282. Additionally it's projected that revenue from local collections will amount to ksh 301,234,866. This will include monies collected from issue of single business permits, SNR, payment for land rate, facility improvement fund, and agricultural machinery services among others.

The County also some conditional grants from the national government. In total, the county's projected resource envelope for 2017/18 will be KSh 4,519,058,245 .The locally mobilized resources will account for 7% of the 2017/2018 budget, while external resources will account for 93% of the total expected revenues.

Table 5 indicates the projected revenue by source for the period under consideration.

26. Expenditure Forecasts

Based on the county's fiscal policy and in compliance with the fiscal responsibility principles outlined above, the county's expenditure for the budget in 2017/2018 is projected as follows:

a. Recurrent Expenditure.

Recurrent expenditure is projected to be at 60 % of total expenditure. This will however be spent to support capital expenditure in line with the programme based budgeting framework. This will go a long way in supporting robust economic growth in the County while ensuring prudence and caution in the application of resources.

b. Development Expenditure

Development expenditure in 2017/2018 and the medium term are projected at 40% of total expenditure. This is consistent with the objective of progressively allocating more resources for critical development projects. The projection is based on the assumption that there will be high absorption capacities for the spending departments for development funds and that there will be continued implementation of the county government's development projects as outlined in the CIDP.

CHAPTER FOUR : STRATEGIC PRIORITIES

Overview

The broad key priority areas for resources allocation will be handled by the different departments to address the theme of the budget. The sector working groups were launched in September 2016. One of the mandates of the groups was to prioritise the programs in line with the CIDP and their respective strategic plan.

Priority Areas

The priority areas to be considered in resource allocation by F/Y 2017/18 budgets are in;

- 1) **Infrastructure:** - The County is vast and developments of infrastructure have been lagging over the years which affect delivery of services to the residents. As a matter of priority, the County shall focus on providing basic infrastructure to facilitate delivery of other services. These shall include roads, water, and other related public works.
- 2) **Economic Development:** - To improve the lives of its residents, the county shall provide economic development services that shall increase economic activities as well as attract investments and provide employment. Key areas of intervention shall include promotion of agribusiness, agriculture, trade, tourism, microenterprises and cooperative development.
- 3) **Social Development:**-The County shall also focus on improving the quality of life for its residents as well as ensure the rights of the vulnerable members of the community are protected. These shall include providing essential services in early childhood education, technical training, health, culture, and sports.
- 4) **Sustainable Environment**-The areas of intervention includes: right to a clean and healthy environment, good governance, public participation and inclusiveness, social and cultural values, and joint management of trans boundary environmental resources.

From the above, Annual Development Plan and the SWG the broad priorities to be handled by the different departments are detailed below;

A. Department of Cooperatives, Trade, Investment, Tourism & Enterprise Development

- 1) Development of tourism and wildlife conservation policies.
- 2) Development of Tourism Marketing plan for Samburu County.
- 3) Development of Conservancy Management plans for the Six Conservation areas.
- 4) Development of Community Eco-lodges.
- 5) Development of campsites in the new establishment.
- 6) Establishment conference facility at Maralal Safari lodge.
- 7) Continued support and empowerment of the newly established conservancies.
- 8) Construction of Animal Orphanage at Maralal Sanctuary and Keeno. Fencing of Maralal sanctuary and support of reteti Elephant orphanage in Ngilai.
- 9) Marketing of Samburu County as the best Tourism destination and for other trade and investment opportunities.
- 10) Continued development and equipping of fortified camps in the county.
- 11) Supporting communities through benefit – revenue sharing.
- 12) Review Samburu National Reserve boundary and livestock corridor.
- 13) Training and Development of small and medium enterprises.
- 14) Procurement of Loans management software.
- 15) Construction and development of market/ shades in various urban centers. Fencing of open air markets to provide security, have specific market days.
- 16) Funding for Samburu County Youth and Women enterprise development fund.
- 17) Funding for Joint loans board scheme.
- 18) Development of Information System for Publicity of Trade Information.
- 19) Funding for Trade exhibitions and County investment forums.

- 20) Continued support of co-operative societies and saccos.
- 21) Rehabilitation of Old Market stalls in Maralal town.
- 22) Protection of historic wildlife corridors.
- 23) Development of cooperatives policies and all cooperatives to join export promotion council.
- 24) Construction of boda boda sheds and bus parks in every major town for revenue collection.

B. Education, Youth Affairs and Sports

- 1) Construction of more ECDE classrooms.
- 2) Construction of sanitary blocks.
- 3) Provision of water tanks to all ECDEs.
- 4) Enhance school feeding programme and ensure timely distribution of food.
- 5) Enhancing the provision of bursaries and scholarships.
- 6) Provision of furniture to the existing ECDE centers.
- 7) Provision of play materials/fixed outdoor materials to ECDE centers.
- 8) Provision of ECDE learning materials with consideration of special cases in ECDES.
- 9) Recruitment of more ECDE teachers.
- 10) Capacity development for officers and in-service training for ECDE teachers.
- 11) Construction of one workshop (masonry) at Maralal Youth Polytechnic.
- 12) Recruitment of 6 polytechnic instructors, 1 cook and secretary.
- 13) Provision of workshop equipments to the polytechnic.
- 14) Furnishing of the dining hall and kitchen to the polytechnic.
- 15) Continue with the construction of the third phase of the high altitude sports center in Loiborngare, Loosuk ward.
- 16) Provision of sports equipment to clubs in various sports disciplines.
- 17) Fencing of all the completed ECDE centres in the County.
- 18) Provision of ramps to ECDE to cater for disabled children and supervisors.
- 19) Building of staff quarters in some ECDES.

C. County Transport and Public Works

- 1) Improve major rural and urban roads through murraming.
- 2) Open up new roads.
- 3) Continue constructing drifts, culverts and bridges.
- 4) Continue with street lighting in Maralal and other major centers.
- 5) Construct Maralal Bus Park and mark other designated parking bays.
- 6) Improvement of storm water drainage systems in major urban centers.
- 7) Conduct capacity building for the water users committees.
- 8) Continue to subsidize the Samburu Water and Sewerage Company.
- 9) Continue with construction and supervision of office block.
- 10) Exploration of underground potential through Drilling and equipping of more boreholes.
- 11) Support some of the bore holes drilled.
- 12) Continue with water extension and piping facilities.
- 13) Augmentation and rehabilitation of existing water supplies.
- 14) Construction and rehabilitation of Pans/dams.
- 15) Continue with water trucking to vulnerable schools, Health facilities and communities.
- 16) Fencing and protection of dams.

D. Department of Environment and Natural Resources

- 1) Construction and fencing of Baragoi town dumpsite .
- 2) Environmental Sanitation in major towns and markets.
- 3) Support Sustainable Land Management in conservancies and community areas (through Reseeding, invasive species control and capacity development).
- 4) School Greening Programme- Support to Environmental Clubs & Planting of tree seedlings).
- 5) Community Forest Associations (CFA's) and Charcoal Producer's Associations (CPAs) established & capacity developed to enhance Sustainable Forest Management (SFM).
- 6) Promote and support Income Generating Activities (e.g. brick making and clean energy stoves)- reduction on over-reliance on forest products.

- 7) Soil conservation and management projects at Opiroi, South-horr (Phase 2) and Lpashie in Wamba East Ward.
- 8) Natural Resource mapping & inventory.
- 9) Capacity Strengthening of Water Resource User Associations & Development of Sub-Catchment Management Plans- helps protect and conserve water catchment areas.
- 10) Water source protection (construction of embankment) in Lesirikan to reduce soil erosion affecting the borehole.
- 11) Procure one garbage collection truck (a compactor) for garbage collection for Baragoi town.
- 12) Promotion of green energy projects through awareness creation and creating an enabling environment for the Public-Private Partnerships to thrive on these projects .
- 13) Sensitize communities and other stakeholders on minerals prospecting and mining activities in the county.

E. Agriculture, Livestock and Fisheries

- 1) Breed improvement – support accessibility to breeding resources.
- 2) Enhance drought resilience and food security through adoption of alternative livelihoods e.g. Camel, Beekeeping, poultry and fish farmings.
- 3) Pasture Production (rangeland reseeding) and conservation.
- 4) Livestock Market Infrastructure development.
- 5) Market analysis and Value addition ventures for livestock and livestock products through partnerships.
- 6) Equipping of veterinary laboratory in Maralal.
- 7) Disease control and management e.g. surveillance missions, (Revival of Dips and Crutches), regular vaccinations and establish a holding/disease cleaning ground in the county.
- 8) Capacity building of farmer groups – advocacy for high value Livestock and crops.
- 9) Ensure access to certified seed and fertilizer.

- 10) Promote Dryland farming technologies.
- 11) Market analysis and access for Livestock and Crop products.
- 12) Introduce Livestock insurance to cushion the livestock against the impacts of drought.
- 13) Develop various policies and legislations related to agricultural activities.
- 14) Continue Refurbish Nomotio LIC through ; Creating of more paddocks and fencing, Restocking the farm new pure breeding small stock (Galla , Alpine, Dorper), Pasture production and conservation
- 15) Support Smallholders- Dairy farmers; water storage tanks, chuff-cutters and Aluminum milk cans.
- 16) Support Agricultural Machinery Services .

F. Department of Gender, Culture and Social Service

- 1) Identification of historical site and rehabilitating the old ones.
- 2) Development and equipping of a County cultural information centre.
- 3) Women and girl child empowerment programmes.
- 4) Support to rehabilitation/ rescue centres for victims gender based violence.
- 5) Constructing and equipping a county library at Maralal to be used for research purposes as well as reading for leisure and recreation.
- 6) Construction of four playgrounds at Loikumkum, Nkwe Entome, Marti and Ndonyo wasin.
- 7) Construction of Archers Post stadium and completion of Maralal and Wamba stadiums.
- 8) Construction of three Social halls at Samburu East, North and Central.
- 9) Formulation of policies and bills that regulate various activities in the department e.g pornographic literatures in social places.
- 10) Awareness creation on effects of drug and substance use and abuse.
- 11) Promotion of social welfare programmes in the society.
- 12) Promotion of culture and heritage.
- 13) Improve existing play grounds .
- 14) Promote beads business by creating a market for them.

G. Department of Lands, Housing and Urban Development

- 1) Completion of continuing projects.
- 2) Disseminating new building technologies.
- 3) Beacon all county government land.
- 4) Finalisation of County spatial plan.
- 5) Planning and survey of small urban centres.
- 6) Completion of integrated development plans of various towns eg Baragoi, Wamba and Archers Post, as well development of Local Physical Development Plans for various Urban centers.
- 7) Declaration of new adjudication sections.
- 8) Enhancement of the Geographical Information System.
- 9) Acquisition of title deeds for county land parcels.
- 10) Hasten issuance of title deed to demarcated group ranches.
- 11) Land cadastral survey should be undertaken for the County land.
- 12) Construction and equipping of a Land Registry
- 13) Renewal of Urban Centers through beautification and landscaping programmes.
- 14) Employment of more county surveyors and planners.

H. Health Service

- 1) Support for outreaches services (30 facilities) hard to reach areas.
- 2) Setting up of 20 Community Units.
- 3) Supervision/oversight public Health activities.
- 4) Strengthening health promotion activities.
- 5) Strengthen nutrition activities in the county.
- 6) Construction of seven staff houses (Ljakwai Dispensary, Tuum Dispensary, Waso Rongai Dispensary, Loroonyokie Dispensary, Wamba Health Centre, Laresoro Dispensary Anderi, Loonjorin, Marti, Nachola, loogelei and sererit).

- 7) Fencing of new/existing facilities (Ngaroni Dispensary, Lengusaka Dispensary, Nairimirimo, Lkiloriti Dispensary, Anderi Dispensary, Urah Dispensary, Marti Dispensary ,Opiroi Dispensary ,Laresoro, Ledero, Ngilai,Loogetei, sererit and Lesidai
- 8) Construction of Laboratories,equiping and networking (Marti Dispensary, Lodungokwe Dispensary, kirimun and Porro health centre).
- 9) Construction of Wards (Sereolipi Health Centre, Barsaloi Health Centre and South Horr Health Centre).
- 10) Complete/ Renovation of Longewan Staff House, Sereolipi Health Centre Replacement of Asbestos, Major renovation of staff House in Baragoi Sub County Hospital.
- 11) Wamba Health Centre- Administration Block.
- 12) Baragoi – Construction Outpatient clinic Block.
- 13) Construction of Modern referral laboratory.
- 14) Construction of Surgical and Gynecology ward.
- 15) Construction of modern outpatient block (Phase two).
- 16) Equipping of Kitchens.(Maralal Referral, Wamba Health Centre).
- 17) Construction and Equiping Intesive Care Unit Block.
- 18) Procure assorted medical equipments/spare parts.
- 19) Procure two utility vehicles (Land Cruiser Hard top) for the Baragoi SCHMT and Wamba SCHMT .
- 20) Procure 15 Yamaha motorbikes and 100 bicycles for Health workers .
- 21) Construction of mortuary in Wamba and Baragoi Hospitals to reduce transport charges to and from Maralal.
- 22) Completion of incomplete health facilities.
- 23) Construction of new dispensaries in places like Pura, Mugur and Ngano, Lare-orok/ Ejok ,Loodua ,Lekuru Resim and Loruko.
- 24) Construction of sanitary blocks in all dispensaries.
- 25) Renovation and expansion patient ward in south horr.
- 26) Construction of mortuary, Surgical, Medical wards and incinerator at Baragoi Hospital.
- 27) Construction of Phase two fence for County Referral.
- 28) Construction of Isolation Ward at County Referral Hospital.

- 29) Construction and Fencing of the Mortuary at the County Referral Hospital.
- 30) Installation of a Cold Room in Ware house .
- 31) Completion of Lmisigiyo Dispensary.

I. Finance and Economic Planning

- 1) Developing and circulating guidelines on financial matters.
- 2) Ensure compliance with PFMA while undertaking financial matters to promote good governance, accountability and transparency in management of county affairs.
- 3) Develop and maintain accounting procedures to allow the generation of accounting statements.
- 4) Ensure maximum local revenue collection with installation and monitoring of revenue collection system.
- 5) Promote effective and efficient allocation and utilization of resources.
- 6) Completion of County Integrated Development plan (2018-2022).
- 7) Develop and supporting ICT systems in the county.

J. County Administration

- 1) Public awareness and participation in development programs.
- 2) Intergovernmental Relations and external relations(Donor, Investor Liaison) & Resource Mobilization.
- 3) Corporate Communication.
- 4) Disaster ,risk management and mitigation.
- 5) Conflict mitigation, management and peace building.
- 6) Coordination of cross sectoral service delivery.
- 7) Oversight of project implementation at administrative levels.
- 8) Performance Management system in the County.

K. County Assembly

- 1) Legislation of various Acts to allow good governance, accountability and transparency in the management of county affairs.
- 2) Seek public participation in the development of the Acts.
- 3) Provide an oversight role in the management of County affairs.
- 4) Set up structures that allow the conduct of Assembly business for representation purpose.
- 5) Build capacity of members and staff of County Assembly.
- 6) Establish and strengthen the reseach in the County Assembly.
- 7) Improve communication of County Assembly affairs.

CHAPTER FIVE: MEDIUM TERM EXPENDITURE FRAMEWORK

Resource Envelope

27. In accordance with the provisions of the constitution and PFMA on enhancing openness and accountability in public finances, the County Government will facilitate full participation of the people in the budget making process as well as observe fairness in allocation of resources.

The sectoral allocation for the 2017/18 financial year and the medium term are influenced by the necessity to finance projects that directly support economic growth and reduce poverty. Attention will be given to projects that improve the quality of life of the residents in the county. The allocations are informed by the county goals and peoples aspirations as captured in the CIDP 2013-2017.

Spending Priorities

28. The County Key focus in the FY 2017/18 Medium Term Budget will be guided by the County's medium term, strategic plan and the Annual sectoral reports as prepared by the SWG. Respective sector reports have been prepared with keen inputs from the Public participation. As the County deepens the adoption of PBB the focus will be on revision of the departmental programmes to align them with core County mandate. This is expected to eliminate non-core expenditures and eliminate overlap and or duplication of activities across sectors.

In adherence with the Provisions of Constitution and the PFMA on enhancing openness and accountability in public finances, the County Government will facilitate full participation of the people in the budget making process.

Departmental Ceilings and criteria for resource allocation

29. The county will continue with expenditure rationalization with a view to funding only core services and reducing costs through elimination of duplication, inefficiencies, and wasteful expenditure. These decisions will have implications in the departmental ceilings.

The following criteria will therefore serve as a guide for allocating resources to programmes:

- Linkage of the programme with the objectives of the CIDP;
- Degree to which the programme addresses core poverty interventions;

- Degree to which the programme is addressing the core mandate of the department;
- Expected outputs and outcomes from a programme and cost effectiveness and sustainability of the programme.

30. Going forward the FY 2017/18 Medium Term Budget will be guided by the baseline estimates reflected in the current sector spending levels in the sector programmes. The recurrent expenditure includes compensation to employees, use of goods and services and maintenance. This represents 60% of total expenditure while the development costs are estimated to be 40% of the budget.

Revenues from local sources are expected to finance 7 % of the County Government's expenditures while the balance will be financed by transfers from National Government and donors.

32. For the financial year 2017/2018, the Agriculture, Livestock and Fisheries Sector is poised to get an allocation of 5.8% of the total budget. The sector is critical to the economy in ensuring food security as well as value addition, hence enhancing job and wealth creation. In the sector 2.9% of the allocation will go towards the recurrent expenditure. This will be majorly utilized in rendering extension services to farmers and promotion of value addition to livestock farming.

33. The Roads ,public works and water Sector has been allocated a ceiling of 19.3% of total budget ceiling. Although there is a decline in the ceiling, the sector is the major beneficiary of the Ward development projects. The priorities in this department are those derived through public participation forums and include road construction, improvement and maintenance .There are plans to light some urban centers through the street lighting program. In addition, the sector will also benefit from the proposed allocation from the Fuel Levy Fund of Ksh 107,887,500 .

34. The Trade sector with a ceiling of 6.5 % of the budget will undertake policies with a bias on building and promotion of market infrastructure and promotion of local tourism. The sector will work towards achievement of creating conducive environment for the development and growth of trade and industrialization, cooperatives and tourism in the county.

35. In Education Sector the ceiling is 11.7 % of the total budget. The department will continue in promotion of Early childhood education, polytechnic management as well as promotion of sports activities. The Education subsector benefited hugely in development expenditure, in constructing the ECD classrooms in the FY 2013/2014 and 2014/2015. Going forward, the education sector will focus on equipping and optimal running of the ECD centres.

37. The Environment and Natural Resources, Sector, with an allocation of 2.4 % of the total budget will gear their resources towards enhanced environmental conservation and solid waste management.

38. The Health Sector will have a ceiling of 15.6%. Of this ceiling 12 % will go towards recurrent expenditure which covers compensation to employees as well as provision of drugs to the health facilities. This will improve service delivery to the public and offer healthier lives.

39. The County Assembly, with a ceiling of 9.1% for recurrent and 2.7% for construction of county assembly chambers. The county assembly is tasked with providing the relevant legislations framework to allow the County Executive effectively implement its mandate, in addition to playing the oversight role in the County as well as representation.

40. The County Executive with a ceiling of 7.7 % and is focusing on employee training and development, coordinate County legal service & other crosscutting County functions as well as spearhead the roll out the performance management programme for the County Government.

41. The ceiling of the County Treasury is pegged at 8.9 % in recurrent expenditure and 3.9% in development expenditure of the total budget. The department ensures that the county practices sound financial management and also caters for pending bills (Ksh 33m) and ward projects of ksh 150m.

Risk Management

42. Although the growth of Samburu County economy is promising, it is still prone to risks both macro and micro economic environment. The macroeconomic management and performance of the sectors under the National Government has an effect on how the sectors of the county perform. The risks that affect the country's economy that will have an impact on the performance of the County's economy include;

a) The main risk to the county outlook remains the timely release of resources from the National Government to the Counties. The observed tussles between the various governments agencies involved in effecting the transfer of funds to the County will definitely affect the performance if they recur.

b) Although agriculture and livestock are the main drivers of the county economy it is faced with unreliable weather patterns and exposure to poor returns, therefore greater attention need to be taken and structures put in place to address overreliance of rain fed agriculture production and marketing.

c) Public expenditure pressures especially recurrent expenditures pose fiscal risks. The recurrent expenditure limits the funds available to development, curtailing the ability of the county to expand its infrastructure and fulfill other development initiatives as outlined in the budget.

d) Land tenure system – The current land ownership system of community is not conducive for attracting investors.

Should these risks materialize the county government will undertake appropriate measures to safeguard macroeconomic stability.

CHAPTER SIX – CONCLUSION

43. The 2017/2018 budget will be an extension of the solid economic plan to take Samburu to the next level. Through the budget, we will continue focusing on implementing priorities areas critical to not only addressing the challenges we have mentioned but also driving the county economy up the value chain. The 2017/18 budget will:

- a) Commit more resources towards infrastructure development and adopting innovative ways to hasten delivery of better roads and other infrastructure necessary for reducing the cost of business and promoting competitiveness and the productivity of the county economy;
- b) Scale up resources to enhance the quality of the health care and early childhood education system;
- c) Prioritize creating a friendly business environment for the private sector so as to unleash the efficiency gains necessary for achieving prosperity for all;
- d) Put in place measures to drive to agricultural transformation so as to build resilience in the county economy, ensure food security and accelerate inclusive growth;
- e) Open up opportunities to tap talents and entrepreneurial capabilities of the youth, women and persons living with disability so as to enable them actively participate in the economic transformation agenda.

Annexes

Table 1:Quarter One Revenue 2016-17

MONTH	EXCHEQUER	LOCAL REVENUE	DONOR ,USER FEE &MATERNITY	TOTAL
JULY	223,338,426	14,218,664.00	0	237,557,090
AUGUST	307,626,958	15,321,767.20	0	322,948,725.2
SEPTEMBER	267,986,178	35,668,980.05	0	303,655,158.05
TOTAL	798,951,562	65,209,411.25	0	864,160,973.25

Source: County Treasury

Table 2: Local Revenue Analysis by departments (30-9-2016)

Department	Budget	QUARTER ONE	%
Agriculture	37,214,050	2,750,560.00	7.39
Culture	8,531,397	0	-
Environment	8,190,575	1,456,100.00	17.78
Health	12,000,000	2,109,890.50	17.58
Land	26,775,000	2,028,174.00	7.57
Trade	224,890,250	50,083,376.20	22.27
Treasury	1,050,000	6,665,110.55	634.77
Works	23,216,150	116,200.00	0.50
Totals	341,867,422	65,209,411.25	19.07

Source: County Treasury

Table 3: Comparison of Budget Estimates and Actual Expenditure. (30-9-2016)

DEPARTMENT	Budget Estimates (Ksh)	Total Expenditure (Ksh)	Balance (Ksh.)	% of Budget Absorption
County Assembly	527,808,782	96,995,886	430,812,896	18
County Executive	325,272,853	104,446,390	220,826,463	32
Finance and Economic Planning.	408,645,702	140,769,694	267,876,008	34
Agriculture, Livestock and Fisheries	250,928,855	56,609,055	194,319,800	23
Environment and Natural Resources	99,351,696	11,798,509	87,553,187	12
Education, Youth Affairs and Sports	525,162,677	101,429,935	423,732,742	19
Health Services	700,132,443	93,782,469	606,349,974	13
Physical Planning, Housing and Urban Development	185,117,279	23,342,682	161,774,597	13
Public Works, County Roads and Water	916,403,535	70,143,087	846,260,448	8
Trade, Tourism and Co-operatives Development	279,049,401	49,626,158	229,423,243	18
Gender, Culture and Social services	98,101,198	18,837,806	79,263,392	19
TOTAL	4,315,974,421	767,781,671	3,548,192,750	18

Source: County Treasury 2016

Table 4: Economic Classification of Expenditure (30-9-2016)

Description	Budget Estimates 2016/2017	Total Expenditure 2016/2017	% of Budget Absorption
Personnel Emoluments	1,259,505,872	340,955,627	27.07
Operational & Maintenance	1,366,843,549	330,610,728	24.19
Development Expenditure	1,689,625,000	96,215,315	5.69
TOTAL	4,315,974,421	767,781,670	17.79

Source: County Treasury 2016

Table 5: Revenue Estimates for the period

	ITEMS	APPROVED 2016/2017	PROJECTED ESTIMATES 2017/2018	PROJECTED ESTIMATES 2018/2019	PROJECTED ESTIMATES 2019/2020
	COUNTY GENERATED REVENUE				
1130104	Land Rates	26,775,000	27,846,000	28,113,750	28,120,000
1420328	Single Business Permits	19,393,500	20,169,240	20,363,175	20,400,000
1110104	Total Cess Receipts	33,899,250	35,255,220	35,594,213	35,600,000
1420327	Game Parks/Nature Reserves Fees	200,000,000	154,520,000	155,525,000	156,000,000
1420405	Markets and Slaughter House Fees	5,496,750	5,716,620	5,771,588	5,800,000
1420404	Vehicle Parking Receipts/Transport	3,216,150	3,344,796	3,376,958	3,380,000
1110104	Wheat Cess	762,300	792,792	800,415	800,500
1140509	Prospecting Licenses	190,575	198,198	200,104	200,000
1420601	Tender Application Fees	1,050,000			
1140501	Liquor License	8,531,397	8,719,400	9,418,625	9,500,000
	Various Health Departments Fees	12,000,000	9,128,000	9,222,500	922,500
	Agricultural Machinery Services	10,552,500	10,974,600	11,080,125	11,100,000
	Approval of plans and supervision	20,000,000	24,570,000	24,806,250	24,820,000
	SUB-TOTAL LOCAL SOURCES	341,867,422	301,234,866	304,272,703	296,643,000
	SUMMARY				
	Revenue from Local Sources	341,867,422	301,234,866	304,272,703	296,643,000
	Revenue transfer from national government	3,832,957,535	4,090,532,282	4,203,640,253	4,305,498,280
	Road Maintenance Fuel Levy	58,898,587	107,887,500	107,887,500	107,887,500
	User fees forgone in hospitals	5,321,855	5,220,197	5,220,197	5,220,197
	Free maternity grant	16,946,829	14,183,400	14,190,000	14,190,000
	Conditional allocation(loans and grants)	29,848,554			
	Kenya Devolution Support Program (KDSP)	24,638,639			
	DANIDA (Health support funds)	5,495,000	0	0	
	Leasing				
	GRAND TOTAL	4,315,974,421	4,519,058,245	4,635,210,653	4,729,438,977

Source: County Treasury 2016

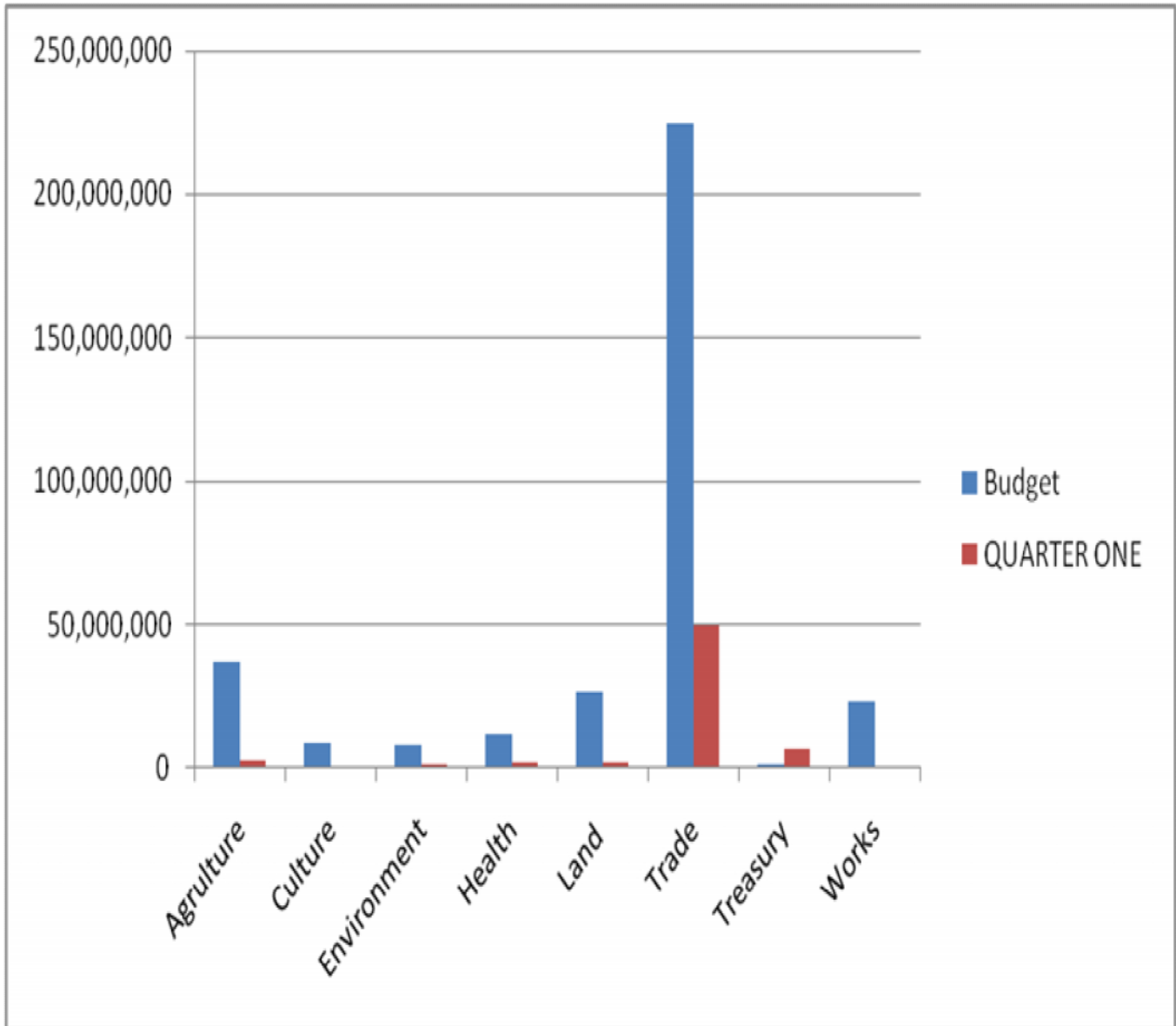
Table 6:MTEF Sector Ceilings 2017/2018 – 2019/2020 with Indicative Projections

		Total Expenditure, Ksh Million in FY			Projections		%SHARE OF TOTAL EXPENDITURE		
		Approved 2016/17	CBROP Ceilings 2017/18	CFSP Ceilings 2017/18	2018/19	2019/20	Approved 2016/17	CBROP Ceilings 2017/18	CFSP Ceilings 2017/178
County Assembly	SUB-TOTAL	527,808,782	530,935,024	530,935,024	486,750,000	496,500,000	12.2	12.2	11.7
	Rec. Gross	407,808,782	410,935,024	410,935,024	426,750,000	456,500,000	9.4	9.5	9.1
	Dev. Gross	120,000,000	120,000,000	120,000,000	60,000,000	40,000,000	2.8	2.8	2.7
County Executive	SUB-TOTAL	325,272,853	327,199,463	347,199,463	360,000,000	389,000,000	7.5	7.5	7.7
	Rec. Gross	320,272,853	322,199,463	322,199,463	340,000,000	369,000,000	7.4	7.4	7.1
	Dev. Gross	5,000,000	5,000,000	25,000,000	20,000,000	20,000,000	0.1	0.1	0.6
County Treasury	SUB-TOTAL	408,645,702	411,066,134	579,597,272	587,800,000	598,290,000	9.5	9.5	12.8
	Rec. Gross	398,645,702	401,066,134	404,235,911	410,000,000	417,400,000	9.2	9.2	8.9
	Dev. Gross	10,000,000	10,000,000	175,361,361	177,800,000	180,890,000	0.2	0.2	3.9
Agriculture, Livestock, Fisheries	SUB-TOTAL	250,928,855	252,415,121	262,415,121	280,750,000	282,625,000	5.8	5.8	5.8
	Rec. Gross	125,928,855	126,415,121	132,415,121	137,250,000	138,500,000	2.9	2.9	2.9
	Dev. Gross	125,000,000	126,000,000	130,000,000	143,500,000	144,125,000	2.9	2.9	2.9
Environment and Natural resources	SUB-TOTAL	99,351,696	99,940,162	109,940,162	121,266,800	124,205,000	2.3	2.3	2.4
	Rec. Gross	47,851,696	48,940,162	55,940,162	8,750,000	60,500,000	1.1	1.1	1.2
	Dev. Gross	51,500,000	51,000,000	54,000,000	2,516,800	63,705,000	1.2	1.2	1.2
Education, Youth and Sports	SUB-TOTAL	525,162,677	528,273,246	528,273,246	542,750,000	548,202,500	12.2	12.2	11.7
	Rec. Gross	358,462,677	362,273,246	362,273,246	376,700,000	381,200,000	8.3	8.3	8.0
	Dev. Gross	166,700,000	166,000,000	166,000,000	166,050,000	167,002,500	3.9	3.8	3.7
Health	SUB-TOTAL	700,132,443	704,279,369	704,279,369	758,259,754	780,760,808	16.2	16.2	15.6
	Rec. Gross	537,807,443	544,279,369	544,279,369	570,150,000	590,385,808	12.5	12.5	12.0
	Dev. Gross	162,325,000	160,000,000	160,000,000	188,109,754	190,375,000	3.8	3.7	3.5
Physical planning, Housing, Urban develop	SUB-TOTAL	185,117,279	186,213,739	186,213,739	202,465,000	203,450,750	11.0	11.1	10.2
	Rec. Gross	80,117,279	83,213,739	82,213,739	90,750,000	91,500,000	1.9	1.9	1.8
	Dev. Gross	105,000,000	103,000,000	104,000,000	111,715,000	111,950,750	2.4	2.4	2.3
Public works, Roads, Water	SUB-TOTAL	916,403,535	921,831,447	870,820,360	876,789,099	879,165,000	21.2	21.2	19.3
	Rec. Gross	168,903,535	171,831,447	181,831,447	185,800,000	187,600,000	3.9	4.0	4.0
	Dev. Gross	747,500,000	750,000,000	688,988,913	690,989,099	691,565,000	17.3	17.3	15.2
Trade ,Tourism ,Cooperatives	SUB-TOTAL	279,049,401	280,702,227	295,702,227	295,080,000	300,084,000	6.5	6.5	6.5
	Rec. Gross	114,049,401	120,702,227	130,702,227	135,000,000	137,000,000	2.6	2.8	2.9
	Dev. Gross	165,000,000	160,000,000	165,000,000	160,080,000	163,084,000	3.8	3.7	3.7
Culture ,Gender, Social Service	SUB-TOTAL	98,101,198	98,682,262	103,682,262	123,300,000	127,155,919	2.3	2.3	2.3
	Rec. Gross	66,501,198	67,182,262	70,682,262	78,900,000	80,800,000	1.5	1.5	1.6
	Dev. Gross	31,600,000	31,500,000	33,000,000	44,400,000	46,355,919	0.7	0.7	0.7
TOTAL		4,315,974,421	4,341,538,194	4,519,058,245	4,635,210,653	4,729,438,977	100.0	100.0	100.0
TOTAL REC. GROSS		2,626,349,421	2,659,038,194	2,697,707,971	2,810,050,000	2,910,385,808			
TOTAL DEV. GROSS		1,689,625,000	1,682,500,000	1,821,350,274	1,825,160,653	1,819,053,169			

Source: County Treasury 2016

Figure 1: Quarter One Revenue 2016-17

Bar Graph



Source: County Treasury 2016