



REPUBLIC OF KENYA

COUNTY GOVERNMENT OF KIAMBU

COUNTY FISCAL STRATEGY PAPER (CFSP)

FEBRUARY 2014

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To obtain copies of the document, please contact:

Public Relations & Communications Office

Kiambu County Treasury

P. O. Box 2344-00900

KIAMBU, KENYA

Tel: +254-067 5858167/71

The document is also available on the County website:

www.kiambu.go.ke

Foreword

This is the first County Fiscal Strategy Paper (CFSP) under the devolved governance structure and marks a continuation of the budget process aimed at planning for the County. In it, we present the policy priorities of the County and the resource constraints binding us. We set out budgetary provisions that adhere to the required fiscal rules that ensure sound financial management as we demonstrate the County Government's commitment to service delivery.

The Paper sets out 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. It gives a description of the County Government fiscal policy, strategies, and rules as well as providing the fiscal projections and indicative budget ceilings for use in the 2014/15-2016/17 MTEF Budget. The County recognizes the importance of transparency and accountability as being not only necessary for good governance but also for the formulation of sensible economic policies. It is therefore a resolve of the Government to continue its successes in making its operations more open to the public. Towards this end, the County conducted public participation forums from 3rd to 8th February, 2014 and has incorporated the views received from the members of the public and all stakeholder's who gave in their submissions. The paper has also taken on board the views of the Commission on Revenue Allocation(CRA) as required by the law.

The paper is a culmination of hard work by many people:

- The County Public Service Administration Department, whose task was to ensure alignment between technical processes and political imperatives
- The County Executive Committee, which took the policy decisions that are given expression in the paper; and

- Numerous County Government officials, members of the public and the private sector groups who contributed and participated in processes culminating in the document.

Special recognition goes to the Budget Committee led by Ann Nduta for their unflagging energy and attention to detail. Finally, my special word of thanks goes to the entire County Treasury team for their hard work and unwavering support in producing yet another good piece of Budget document.

Mary Nguli

County Executive Committee Member, Finance & Economic Planning

TABLE OF CONTENTS

Foreword	iii
Abbreviations	vi
Fiscal Responsibility Principles for the National and County Governments.....	viii
Legal Basis for the Publication of the County Fiscal Strategy Paper	ix
1.0 INTRODUCTION.....	10
Strategic Interventions for 2014/15 Financial year and the Medium term.....	10
2.0 RECENT NATIONAL AND COUNTY ECONOMIC DEVELOPMENTS	15
National economic outlook	15
Update on Fiscal performance and emerging challenges	16
3.0 FISCAL FRAMEWORK FOR THE FY 2014/15.....	19
2014/15 Budget Framework	19
Revenue.....	19
Expenditure	20
Overall deficit and financing.....	21
Risks to the 2014/15 Budget framework	21
Fiscal Structural Reforms	22
4.0 MEDIUM TERM EXPENDITURE FRAMEWORK.....	24
Resource Envelope	24
Resource Sharing Guidelines	25
5.0 DEPARTMENTAL SECTOR REPORTS.....	26
Finance and Economic Planning.....	26
Trade, Industry, Tourism and Cooperatives department	28
Agriculture, Fisheries and Livestock Department	30
Youth, Sports and Communications Department	31
Roads, Transport, Public Works and Utilities.....	32
Lands, Physical Planning & Housing	33
Education, Culture and Social services.....	Error! Bookmark not defined.
Water, Environment and Natural resources.....	34
Administration and Public Service	36
County Executive	37

County Assembly	38
Appendix	39
Annex 1: Total Expenditure Ceilings for the MTEF Period 2013/14 - 2017/18 (in Kshs.) .	39
Annex 2: Operations MTEF period 2013/14-2017/18 (in Kshs.)	40
Annex 3: Recurrent Sector Ceilings for the MTEF Period 2013/14-2017/18 (in Kshs.)	41
Annex 4: Development Sector Ceilings for the MTEF Period 2013/14-2017/18 (in Kshs.)	43
Annex 5: Total Revenue Ceilings for the MTEF Period 2014/2015 - 2017/2018(Kshs.)...	44

Abbreviations

BPS Budget Policy Statement

CFSP	County Fiscal Strategy paper
CBROP	County Budget Review and Outlook Paper
CIDP	County Integrated Development Plan
ECDE	early Childhood Development Education Centre
FY	Financial Year
ICT	Information, Communication & Technology
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure framework
MTP	Medium Term Plan
PFMA	Public Finance Management Act

Fiscal Responsibility Principles for the National and County Governments

In line with the Constitution, the new Public Finance Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. The PFM law (Section 15) states that:

- 1) Over the medium term, a minimum of 30 percent of the national and county budgets 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) 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.
- 4) Over the medium term, the national and county government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- 5) Public debt and obligations shall be maintained at a sustainable level as approved by Parliament for the National Government and the county assembly is for the County Governments.
- 6) Fiscal risks shall be managed prudently; and
- 7) 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.

Legal Basis for the Publication of the County Fiscal Strategy Paper

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance Management Act, 2012. The law 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 finalising the budget proposal for the financial year concerned.
8. The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the county assembly.

1.0 INTRODUCTION

1. This is the first County Fiscal Strategy Paper (CFSP) to be tabled in the County Assembly under the Public Finance Management Act, 2012. It outlines the broad strategic developmental issues and fiscal framework, together with a summary of county government spending plans, as a basis of 2014/15 budget and the medium-term. The policy paper is informed by the draft Kiambu County Integrated Development Plan (CIDP), the Vision 2030, the governor's manifesto, feedback from members of the public and National Government policies as outlined in the 2014 Budget Policy Statement (BPS).
2. The 2014/15 MTEF budget is premised on a fiscal policy that aims to curtail non-priority and unproductive recurrent expenditures in order to release funds for implementation of development projects. In this regard, the need for continued fiscal discipline and prudent utilization of public resources is emphasized.
3. The fiscal framework presented provides the means for the county to continuously roll out devolution in a sustainable fiscal policy path while allowing continued spending on infrastructure and devolved functions listed under the Fourth Schedule to the Constitution. This calls for greater transparency and accountability in public financial management that ensures fiscal discipline and safeguards economic stability of not only the County but the Country as a whole.

Strategic Interventions for 2014/15 Financial year and the Medium term

4. Interventions to guide transformation of the County are anchored on five strategic pillars. These are security, employment & agriculture, education, health, and urban planning. The foundations under the security pillar will include lighting up of urban areas and partnerships with the police in order to fight crime and make Kiambu safe and secure everywhere and every time. This will promote the county to become a centre of development and a preferred investment destination.
5. Achievement of the employment and agriculture pillar will see creation of over 1,000 direct jobs through the Governor's Business Challenge Fund(GBCF) that aims at delivering on the Governor's promise of making the youth gainfully engaged and productive. This will be achieved by promoting self -employment through provision

of start-up supplies, materials and equipment, mentoring and financing innovative ideas. High potential small and medium start-up projects will be supported in order to grow them into businesses with high job creation capacity. The high population in the county will continue being a good source of labour for industrial production and agricultural value addition as well as the services sector. This is in line with the County Government's policy of accelerating job creation through self-employment. The initiatives will go a long way in the creation of equal opportunities for the youth.

6. Other initiatives to promote employment creation will include the pooling of youth into co-operatives to access capital, adoption of appropriate technologies, creating ICT centers and creation of an enabling environment to attract Investments through harmonization and simplification of the existing fees and charges. It will promote development of industrial units for business start-ups and incubation centres for innovation development, harnessing and growing of business ideas. Cultural, heritage centres, film and theatre production projects will also be undertaken.
7. Agriculture will continue to play an important role in the county. Generally, the County aims at putting in place strategies to increase value addition in coffee production, pineapple, dairy(including installation of milk coolers in various parts of the County), hides and fish among other activities. To this effect, the Government will be constructing an agri-business centre within the County to promote value addition. It will also put in place mechanisms to ensure access to agricultural inputs at lower costs and stimulate the start of new factories for low cost animal feeds. The County will continue with the construction of green houses project, fish ponds and irrigation projects to ensure food security. Additionally, the County will embark on sourcing for markets for agricultural produce both locally and internationally. A commodities exchange is proposed.
8. The Government will develop key infrastructural facilities and public works countywide to stimulate investments, create employment and reduce poverty. It will set aside funds to provide waste management and sewerage services. In the energy sector, it will endeavor to promote micro power generation and green energy e.g. wind, biogas, biodiesel and solar briquetting for solid waste management and fuel supply. With regard to county infrastructural development, the County targets to grade, gravel and maintain 1,500 km of roads across the County, reconstruct 150 km of dilapidated tarmac roads, construct 100 km of new

tarmac roads in townships and shopping centers, upgrade all existing earth roads which are about 430 km to gravel standard, rehabilitate/ and reconstruct 28 bridges around the County, construct 12 bus parks and 20 boda boda sheds in the medium term. The County will rehabilitate markets and provide them with sanitary facilities.

9. The County will ensure that its residents have access to clean and safe water by increasing the coverage from the current 35 percent to 60 percent in the medium term. It also aims to reduce the unaccounted for water from the current average of 45 percent to less than 25 percent and reduce rationing programs from the current average of 2 days in a week to 4 days. It will boost the capacity of water towers by putting in place mechanisms to ensure the saving of forests, working to replenish forest cover, sharing of water going to Nairobi via Kiambu. The county will work on tourism attractions to ensure Kiambu becomes a tourist hub, and the most preferred tourist destination.
10. The education pillar aims to have everyone educated, skilled and competent. A child's earliest years of development are the most critical. The vast majority of neurons are developed between birth and age three, as this is the brain's peak capacity to retain new information. Since children are most receptive to information at a young age, early learning exposure plays an essential role in fostering mental development and hence the government will aim to offer the best foundation. The County will develop computer based work stations to ECD's. The County will continue to expand the construction and support skills development centres(Polytechnics) to ensure all wards are eventually served. Initiatives and modern equipment will be put in the facilities to boost the county's skills base and ensure that the quality of mentorship and talent development addresses the challenges of modern day.
11. Health performance is a key development contributor and indicator for the County. To achieve the County's goal of having everyone healthier and stronger, the County Government will upgrade the existing facilities and ensure improved equipping of hospitals and health centres and increased supply of medical drugs. The initiated neurosurgical institute will be equipped to create a unique specialized surgical unit. The County is also in the process of computerization to improve record keeping and access.

12. Proper urban planning will give rise to planned development that will ensure everywhere looks fabulous. The County will adopt a land information management system, continue to carry out feasibility and appraisal studies, engineering and design plans to ensure a well integrated urban planning. Other spatial planning projects and programmes envisaged in the county include the zoning of land. Next year's budget will also set aside enough funds for the purchase of real time kinematics GPS, purchase of GIS software, preparation, advertisement and processing of PDPs. The County Spatial Plan will set out objectives of the county in a spatial form indicating the land use patterns, the spatial reconstruction of the county, guidance to the location of the projects, basic guidelines for land use, the environmental impact assessment of projects, public and private developments, areas for towns and capital investment guideline.
13. Improvement in the investment climate, coupled with further structural and revenue reforms in the enactment and implementation of various revenue legislation and policies is expected to improve competitiveness of the private sector and promote overall productivity, boost investor confidence and increase private investment in the County. The gains from revenue administrative reforms arising from increased efficiency, sealed revenue loopholes, and automation of processes will be channeled to development expenditure.
14. To cut back on the high recurrent expenditures, the County has already begun implementing various expenditure rationalization strategies. With regard dealing with the issues of inadequate capacity, the County has adopted a strategy that entails a review and determination of the ideal organizational structure; establishment of optimal staffing levels; an assessment of the human resource capacity needs in terms of numbers, skills and competencies. The staff rationalization exercise will also deal with the problem of the high wage bill. Redundant staff will be referred back to the National Government for proper placement. The above exercise is therefore expected to lead to a lean but efficient workforce.
15. The County's Finance Department has strengthened its internal control measures in order to promote economical, efficient and effective operations and to safeguard resources against loss due to waste or even abuse. Key among these measures include establishment of a well functioning internal audit section, regular issuance of

circulars, issuance of guidelines to promote adherence to statutes, regulations, and procedures and the development and proper maintenance of reliable financial data. Training of staff is ongoing and there is separation of duties among staff with respect to the approval processes. Information in the various reports is captured accurately and is being submitted in a timely manner.

2.0 RECENT NATIONAL AND COUNTY ECONOMIC DEVELOPMENTS

16. According to the February 2014 Budget Policy Statement (BPS) by the National Treasury, the Kenyan economy grew by 4.6 percent in 2012 compared to a growth of 4.4 percent in 2011. The growth was driven by expansion in agriculture, transport and communication, wholesale and retail trade and manufacturing. Reports by World Bank and the International Monetary Fund (IMF) highlight that even though the Country is likely to match the average growth rate of 6 percent as its peers in the East African Community and Sub-Saharan Africa, it will still be significantly short of the Vision 2030 target growth rate of 10 percent. Poverty remains high despite the Government commitment of over 6 years to fight corruption.
17. The County's performance is largely dependent on the formulation and implementation of prudent policies to guide service delivery. The County's performance will also depend highly on the country's economic performance. Despite the optimism, risks do remain. The economy is still vulnerable to exogenous shocks as the large current account deficit threatens macroeconomic stability. The real appreciation of the shilling could erode Kenya's competitiveness and lead to a stifling the export sector. The macroeconomic management and performance of most of the sectors have a ripple effect on how certain sectors in the County will perform.

National economic outlook

18. At the political level, Kenya has not only overhauled its form of government by implementing the 2010 Constitution, but also gone through a delicate political transition—a transition that culminated with the March 2013 peaceful elections. Kenya's new system of checks and balances means that management of public resources is now more transparent and subject to more accountability. These changes if well managed should support overall economic stability.
19. The activity level recorded at the county level is definitely expected to impact on country's economic performance going forward. This will also depend on the implementation of devolution at the two tiers. Recurrent Vis a Vis development

expenditure calls for a delicate balance to ensure that national and county goals are achieved as reflected in the County's Development Plan.

Update on Fiscal performance and emerging challenges

20. Implementation of the FY 2013/14 budget begun albeit at a slow pace in the early months of the financial year, as the organizational and service delivery structure of the new administration took shape. Initial transitional issues also delayed the enactment of the County Allocation of Revenue Act slightly affecting timely disbursements to the counties and hence we did not get transfers from the national government in a timely manner for the better part of the first half of the FY 2013/14.
21. In addition, when the Act finally took effect there was a pre-condition of an approved fully funded budget before any disbursement from the National government. This meant going back to revising our budget estimates to have a balanced budget, further delaying the disbursements. Thus for the better part of the first half of the financial year, the County was only accessing half of its allocations from the National Government.
22. The adjournment of County Assembly due to the agitation for higher remuneration by the members also affected performance. During that time, only recurrent expenditures like paying of salaries could be met. Despite having put in place proper procedures such as preparation of cash flow forecasts, procurement plans, and other developmental plans, the low absorption rate continued being reflected because the county continued to access only half of its allocation. The County's Supplementary budget was passed in December 2013.
23. Going forward, we expect a better performance for the remaining part of the year since we are now able to access our full monthly allocation as per the disbursement schedule and we are now therefore undertaking various projects as per the approved budget.
24. On the revenue side, the county has so far received Kshs. 2.6 billion since the start of the Financial Year out of its total allocation of Kshs. 6.2 billion. Assessment of the revenue performance under the first half of the financial year indicates underperformance amounting to over Kshs. 522 million. By end of January, 2014, internal revenue collections amounted about Kshs. 512 million. The previous year's

revenue collection under the same period amounted to Kshs. 481 million. Despite being above the previous year's collection, the amount is below this year's target. The underperformance is attributable to a number of factors, key among them being the delay in passing of the County's Finance Bill whose certain sections had been overemphasized in the wrong way.

25. Other factors that have led to the lower than expected performance in revenue collection is the ongoing restructuring in building plan approvals that have led to a moratorium on certain sections including in subdivision of land and change of user approvals. These have been a main source of revenue for the county and the lifting of these moratoriums is expected to improve revenue collections. Other factors included an unstable political environment for collection of fees, charges and levies, delays in procurement of automated revenue collection system occasioned by lengthy procurement procedures and the need to comply with National Government directives to ensure compliance with certain standards (which are yet to be released); and, finally the low staff morale occasioned by the uncertain operating environment for inherited and devolved staff, among others.

26. On the expenditure side, the County spent Kshs. 3.1 billion as of January 2014 equivalent to 33.2 percent of the total budget for FY 2013/14. The slow spending is as a result of initial challenges as outlined above. However, the departments have picked up and we are optimistic that the programmes planned for the year will be achieved. (see Table 1 below)

Table 1: Analysis of County Expenditures by January 2014

DEPARTMENT	REVISED ESTIMATES(Ksh s.)	TOTAL EXP. (Kshs.)	% OF TOTAL ALLOCATION
County Assembly	733,584,611	210,164,253	28.6%
County Executive	723,039,294	459,908,735	63.6%
Finance & Economic planning	1,237,798,233	325,919,811	26.3%
Public Service	425,361,997	238,680,502	56.1%
Agriculture Livestock & Fisheries	584,671,890	205,325,466	35.1%
Water, Environment & Natural Resources	259,138,865	58,880,360	22.7%
Health Services	2,918,655,208	1,144,280,950	39.2%
Education, Culture & Social Services	514,560,480	84,525,786	16.4%
Youth & Sports	240,521,676	47,595,304	19.8%
Lands, Physical Planning & Housing	215,489,819	39,498,179	18.3%
Trade, Tourism & Cooperatives	258,693,146	65,958,446	25.5%
Roads & transport	1,211,487,724	215,798,072	17.8%
TOTALS	9,323,002,943	3,096,535,86	33.2%

3.0 FISCAL FRAMEWORK FOR THE FY 2014/15

27. The County government is committed to fiscal consolidation while ensuring that resources are availed for development in order to positively impact on productive sector growth and overall economic growth. In this regard, the county government is committed to reducing the recurrent expenditures to devote more funds to development. Reforms in the expenditure management and revenue administration will be implemented to reduce wastages and increase revenues collected and hence create fiscal space for spending on development programmes within the budget.

2014/15 Budget Framework

28. The 2014/15 budget framework is set out against background of the medium term fiscal policy of the national and the county government, the strategic plan as outlined in the 2014 BPS and county government broad policies as domesticated in the County through the CIDP and department strategies and programmes.

Revenue

29. The draft County allocation Bill, 2014 as prepared according to section 190 of the PFM Act set out the division of county governments' share of revenue among the counties for the FY 2014/15. From these allocations, the county will get an equitable share of Kshs 6.35 billion. In addition, the County government will get an additional conditional allocation of Kshs 210.1 million for rural electrification. The allocation for grants and loans will be Kshs. 148.2 million. These makes the revenues expected from the national government for the FY 2014/15 amount to Kshs 6.71 billion.

30. The County is also allowed to raise its own revenues through imposition of property taxes, entertainment taxes as well as other taxes that the county is authorized to impose by an Act of Parliament as well as user fees and charges authorized by county laws. For the FY 2014/15, the County projects revenue from these sources amounting to Kshs. 3.3 billion.

31. The total revenue projections for the FY 2014/15 is therefore Kshs 9.7 billion with Kshs. 3.3 billion being county's own revenues and Kshs. 6.7 billion from the intergovernmental transfers from national Government.

Expenditure

32. Due to the limited resources facing the county Government, departmental funding requests will have to be in line with the county and national goals and objectives as outlined in this document, the Budget Policy Statement (BPS) 2014 and the County Integrated Development Plan. In this regard, departments will have to rationalize and prioritize their expenditure programmes in the FY 2014/15 to focus only on the strategic interventions and projects that are captured in these documents. The expenditure has to be geared towards promotion of service delivery that supports social development, economic growth and transformation of the County.

Recurrent Expenditure

33. Total recurrent expenditures in FY 2014/15 will be Kshs. 6.45 billion as compared to Kshs. 6.51 billion in FY 2013/14 revised Budget estimates. The slowdown in recurrent expenditure is necessary to release resources for funding to critical development programs which are necessary for economic growth and social development.

34. Salaries and the wage bill for FY 2014/15 have been estimated at Kshs. 4.2 billion as compared to revised budget level of about Kshs. 4.3 billion for this FY. This spending item is expected to decline over the medium term given the staff rationalization exercise the County is undertaking to match skills and functions and the expected release of redundant staff.

35. The Operations and Maintenance expenditures will be lower in the medium term due to removal of one-off expenditures such as office infrastructure and equipment from the recurrent budget coupled with other expenditure rationalization measures that will free resources for development expenditures. The estimated amount for 2014/15 FY is however Kshs.2.3 billion up from the revised estimate of Kshs 2.1 billion for 2013/14 FY.

Development Expenditure

36. The FY 2014/15 Budget is the second to be prepared by the county Government under the new dispensation of devolved government which shall see the

implementation of second MTP 2013-2018 of the Vision 2030 and the Agenda of the new Administration. The overall development expenditure for FY 2014/15 will be Kshs. 3.5 billion up from the FY 2013/14 revised estimates of Kshs. 2.8 billion.

Overall deficit and financing

37. To ensure fiscal discipline, the 2014 BPS encourages the County governments not to include deficits in their budgets for the FY 2014/15 without a clear and realistic plan of how the deficit will be funded. It is in this regard that the county government has attempted to allocate resources for spending that are commensurate to the revenues expected in the FY 2014/15.
38. During the FY 2014/15 the county budget shall be financed through transfer from the national government and own revenue collected from local sources such as fees and charges, rates, among others as allowed by the governing Acts.
39. The FY 2014/15 fiscal framework is therefore fully financed.

Risks to the 2014/15 Budget framework

40. The risks to the 2014/15 financial year's budget include challenges in revenue performance as the county continues to put structures in place, seal loop holes and expand the revenue base.
41. The high wage bill will also be a major challenge in the implementation of the budget. The County government inherited over 3,600 staff from the national government in addition to the 1,300 staff from the defunct Local authorities. Recruitment of any additional staff if any will be based on the outcome of the on-going job evaluation exercise aimed at staff rationalization to achieve a lean and efficient workforce and a sustainable wage bill. The lack of clear guidelines to bring clarity and harmony of operations is a hindrance. The conflicting messages coming from the Transition Authority (TA) Vis a Vis the various provisions in the law have tended to create confusion. The senate has also not provided clear guidelines on how these issues should be handled.

42. Uncertainties associated with low staff morale and other transition issues as the County develops structures will continue to affect performance.
43. Timely release of funds by the national government will be another challenge. Delay in funds release could lead to disruption in the activities of counties and compromise service delivery.
44. There is also need to improve coordination amongst County Departments, leaders in the County and National Government initiatives to help bolster development initiatives.
45. Inherited liabilities from the defunct local councils that have led to a buildup of pending bills continue to be a big challenge on the financial performance of the County. Negotiations are currently in place at the intergovernmental level to chart a way forward. Ideally, legislation should be passed requiring the National Government to take over the huge debts inherited from the defunct local authorities. The idea will be to enable the County Governments start on a clean slate without the burden of debt obligations.
46. Adoption of Programme Based budgeting though a good initiative is a challenge due to shortage of trained personnel. The county is currently facing capacity constraints on qualified and well trained personnel. As such, this year's budget will base on line items as before.

Fiscal Structural Reforms

Revenue mobilization

47. The County intends to strengthen enforcement and restructure the organizational structure of finance department to enhance collection of revenues. It further intends to complete administrative reforms in revenue collection, key of which will be completion of the automation exercise. The county shall also strengthen controls and seal revenue leakages to raise levels of revenues collected.
48. Key among the strategies to be adopted by the county Government includes; automation of processes, integration and digitization of data, collection of high quality data and a mapping of the various revenue sources.

Expenditure management

49. The county shall undertake capacity building initiatives to properly support other departments in implementation of projects. To ensure there is proper planning and also to adhere to the PFM Act on budget process, the County Budget and Economic forum (CBEF) shall be established to promote public participation with specific sectors in the county.
50. The County Government will also to initiate ward level development projects to be identified by committees in each ward. The purpose of this is to better target priority areas for each ward and to promote equitable development in the county. The type of projects will vary from one ward to another depending on the community needs.
51. The County Government has already begun civic education programmes to enhance awareness and facilitate proper flow of information. Increased collaboration between the County Government and the County Assembly will expedite enactment of necessary legislations to ensure there is efficient running of County government thereby improving service delivery.
52. To complement the staff rationalization exercise, the County has adopted an ambitious policy of expenditure rationalization with a view to funding core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies. The Government will also ensure continuous sector performance reviews as a strategy to encourage accountability within departments.

4.0 MEDIUM TERM EXPENDITURE FRAMEWORK

Resource Envelope

53. The resource envelope available for allocation among the departments is informed by the guiding principles of ensuring fiscal responsibility. It is derived from:

1. Internal revenue generation which finances over 30 percent of the total budget. This calls for accurate estimation of such fees from licenses, other fees and charges, rates, cess fees etc.
2. National Government financing. Funds transferred from the National Government finances over 70 percent of the county budget. In the FY 2014/15, the county anticipates to receive Kshs 6.7 billion.

54. Table 2 below summarizes the resource allocation;

Table 2: Summary of Resource Allocations

Details	2013/14 (Revised (in Kshs)	FY Budget)	2014/15 (in Kshs)	% to Total Budget
Recurrent Budget				
Personnel Emoluments	4,284,975,320		4,160,251,049	41.6
Operations and Maintenance	2,226,943,197		2,292,829,091	22.9
Sub-total	6,511,918,517		6,453,080,140	64.6
Development Budget				
Total Development Budget	2,811,084,426		3,543,605,152	35.4
Total Budget	9,323,002,943		9,996,685,292	

Source: Kiambu County Treasury

55. The proposed budget adheres to the fiscal responsibility principles of allocating a minimum of 30 percent of the county budget to development expenditure, containing wage expenditures, managing fiscal risks prudently; and observing a reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained.

Resource Sharing Guidelines

56. The allocation of departmental ceilings over the medium term is informed by the following guidelines:

1. Non-discretionary expenditures: This takes first charge and includes payment of Salaries and wages which are projected to use about 42 percent of the expected total revenue receipts.
2. Operations and maintenance: Departments are allocated funds for basic operations and maintenance. This accounts for 23 percent of the projected total Revenue.
3. Development expenditure: As indicated, 35 percent of the total revenue that will be available will be used to finance development expenditure. The entire Development expenditures are shared out on the basis of County priorities.

57. Further to the above mentioned guidelines, consideration is also given to completion of on-going projects and in particular focus on investment projects in priority areas that support social development, economic growth and transformation of the County.

58. The departmental resources ceilings are summarized in the table below.

Table 3: Analysis of resource requirement by sectors

Department	TOTAL EXPENDITURE (KSHS.)				
	Printed Estimates 2013/14	Revised Estimates 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17
County Assembly	785,040,000	733,544,611	739,932,336	778,428,953	808,850,400
County Executive	896,462,917	723,039,294	409,191,259	429,650,822	451,133,363
Finance and Economic Planning	1,326,476,737	1,237,039,233	1,049,027,458	1,071,028,831	1,124,580,273
Public Service	640,862,213	425,361,997	556,961,602	468,961,602	492,409,682

Department	TOTAL EXPENDITURE (KSHS.)				
	Printed Estimates 2013/14 Estimates	Revised Estimates 2013/14	Projected 2014/15	Projected 2015/16	Projected 2016/17
Agriculture, Livestock and Fisheries	416,568,147	548,671,890	613,905,485	649,850,759	682,343,297
Water, Environment & Natural resources	357,880,007	239,138,865	372,095,808	411,700,598	432,285,628
Health Services	2,614,529,915	2,918,655,208	3,064,692,968	3,317,927,616	3,378,823,997
Education, Culture, ICT & Social Services	985,113,899	514,560,480	540,288,504	567,302,929	595,668,076
Youths & Sports	-	240,521,676	842,547,760	720,175,148	756,183,905
Lands, Physical Planning & Housing	503,287,620	215,489,819	226,264,310	231,373,219	242,941,880
Trade, Industry, tourism & Cooperatives	847,218,688	258,693,146	323,627,803	339,809,193	356,799,653
Roads, Transport & Public Works	3,257,959,462	1,211,487,724	1,258,150,000	1,407,157,500	1,477,515,375
Totals	12,631,399,605	9,323,002,943	9,996,685,292	10,393,367,170	10,799,535,529

5.0 DEPARTMENTAL SECTOR REPORTS

Finance and Economic Planning

59. The department plays a key role in enhancing county public service delivery, organization and co-ordination through planning, mobilization of financial and human resources in the County. The sector is also a link of the other sectors with the National government in matters of resource mobilization and cooperation with other counties.

60. The department is mandated with the preparation of annual estimates of revenues and expenditures that will be laid before the County Assembly every year for

approval including the preparation of supplementary estimates as the need arises. It is the County's think tank responsible for policy analysis on a wide range of issues including: fiscal issues, trade issues and private sector development issues. It's also mandated to ensure that external resources (grants, loans, donations) are effectively mobilized, disbursed and effectively utilized and that there is prudent public debt management. It is responsible for the administration and enforcement of revenue laws and for that purpose collecting and accounting for all rates, taxes, fees and charges payable by or under any laws in the County; collection of statistical data needed for planning purposes; County budget implementation, monitoring and evaluation.

61. Some of the key achievements of the department include substantial progress in alignment of prioritized expenditure to available resources; coordinated the development a draft County Integrated Development Plan(CIDP), drafting and ensuring the enactment of the Finance Act and its implementation; timely development of the County Budget Review and Outlook Paper(CBROP); developed a policy of disaster management and establishment of the County Emergency Fund; and, consolidated a list of assets and liabilities inherited from the defunct councils, the report of which is currently being authenticated.
62. The key challenges facing the department include a high wage bill, poor flow of information from the national to the County government; lack of awareness by the public, delayed adoption of systems, guidelines and structures by the County departments, lack of reliable baseline information especially statistics at County level, inadequate levels of revenue from the national government, human resource constraints especially for the skilled/trained cadre; poor coordination amongst departments; among others.
63. Funding for the 2014/15 -2016/17 MTEF period will focus on delivery of the department's priorities and in particular those aimed at creating an efficient and motivated human resource base, coordinate and supervise County affairs, promote sound public financial and economic management for socio economic development, mainstreaming National government development agenda into County's policy, planning and budgetary process, implementation, monitoring and evaluation.

64. Some of the specific programmes to be undertaken in the FY 2014/15 include mobilizing additional revenue by strengthening enforcement and completion of administrative reforms in revenue collection including the automation of systems; civic education programmes to enhance awareness and proper flow of information; establishing County Budget and Economic forum (CBEF) to promote public participation in development of sector programmes in the county; and enhancing capacity building initiatives to support departments in implementation of projects.
65. The total MTEF estimate for the department is Kshs. 3,244.6 million. For the FY 2014/15, Kshs. 1,049.0 million has been set aside to fund the programmes of the department down from the FY 2013/14 revised budget of Kshs. 1,237.0 million. This is projected to increase to Kshs.1,1071.0 million for FY 2015/16 and Kshs.1,124.6 million FY 2016/17.

Trade, Industry, Tourism and Cooperatives department

66. The Department plays a vital role in positioning the County as an industrial, trade and tourism hub. It envisions a competitive County for sustainable and equitable social economic development with a mission of promoting, coordinating and implementing integrated social economic policies and programmes for a rapidly industrializing economy. The Department works to advance and support Kiambu County's economic vitality through comprehensive business attraction, retention and support efforts coordinated by the proposed Business Support Centers (BSC). The Department also preserves Kiambu County's heritage and historic record as an attraction to tourists.
67. The county aims to enhance the overall quality of life for Kiambu County residents by advancing and supporting the County's economic strength as well as cultural and historical programs and civic engagement. This shall be achieved through managing a robust logistics, travel and tourism marketing program that highlights Kiambu County's distinct and varied cultural, historic and natural attractions. In addition, the sector will support development of cooperatives as well as investing in commodity warehousing and trading platform to maximize farmer's and primary producer's returns through an efficient and effective supply and value chain that reduces the middlemen engagements.

68. Key challenges of the department include: inadequate legal, regulatory and institutional frameworks; limited access to credit for businesses; high cost of production especially energy; influx of sub-standard and contraband goods hence reduced market for good produced within the county; and low technology and innovation.
69. Funding for the 2014/15 -2016/17 MTEF period will focus on delivery of the department's priorities and in particular those aimed at growth and development of trade and industry; tourism promotion and development; savings and investments mobilization; industrial and entrepreneurship development and employment creation.
70. Some of the specific programmes to be undertaken in the FY 2014/15 include: support in establishment of Industrial parks; development of wholesale markets and construction/rehabilitation of retail markets; construction of Boda Boda sheds; equipping of existing Industrial Development Centers for optimum utilization, as business incubation and to offer support services to accelerate growth and development of MSMEs in the County; establishment of livestock markets; establishment of Business Support Centers; beautification of markets centers; establishment of warehouses and trading platform for commodities; establishment of input supply and distribution centers for cooperative societies. The centers aim at increasing productivity by timely channeling of essential inputs like agricultural equipment, seeds, fertilizers, chemicals, animal feeds and pesticides to agricultural and livestock cooperative members at reasonable prices. Establishment of Cultural Centers, Art and Curios Sales Centers and promotion of Monuments and Attractions at Historical Sites will also be undertaken.
71. The total MTEF estimate for the department is Kshs. 1,020.2 million. For the FY 2014/15, Kshs. 323.6 million has been set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs 258.7million. This is projected to increase to Kshs. 339.8 million and Kshs. 356.8 million in the FY 2015/16 and FY 2016/17 respectively.

Agriculture, Fisheries and Livestock Department

72. Agriculture is the predominant economic activity in the County with majority of the people in the county depending on agriculture for their livelihood. About 304,449 people are directly or indirectly employed in the sector. It contributes 17.4 per cent of the county's population income and is the leading sub-sector in terms of employment, food security, income generation and overall contribution to the socio-economic well being of the people.
73. According to the Part 2 of the Fourth Schedule of the Constitution, the county government's functions in agriculture include: Crop and animal husbandry; Livestock sale yards; County abattoirs; Plant and animal disease control; and Fisheries.
74. The Sector's Vision is to be an innovative, commercially-oriented and modern Agriculture, Livestock and Fisheries Sector with a mission to improve livelihoods of Kenyans through promotion of competitive agriculture and sustainable livestock and fisheries sub-sectors.
75. Key constraints in the department include: Land shrinkage due to fragmentation; high costs and fluctuating quality of inputs; lack of organized marketing groups and marketing structures for eggs, poultry and dairy; low producer prices (- buyers dictate prices); lack of value addition since most of the produce is sold in raw form; lack of exposure by both Agricultural staff and producers and; laxity among the technology providers.
76. In the face of these challenges, the sector has proposed a number of strategies to counter these challenges. They include: re-structuring the sector units; promotion of adoption of intensive farming using the modern technologies; establishment of a 'one stop shop' for the Kiambu farmers through an e-agriculture system; promoting peri-urban agriculture as a strategy for survival of the urban poor and at the same time as a contribution to food security; encouraging private sector involvement in agricultural enterprises and agribusinesses; and, tapping the vast irrigation potential of the County.
77. The department's ongoing activities include: farm development activities(demonstrations, field days farmer group trainings); Abattoirs and Slaughter

house refurbishment; Rehabilitation of cattle dips; Construction of Fishponds; Greenhouses construction; Purchase of vaccines, serums, fertilizers, certified seeds, breeding stock and live animals; Promotion of emerging livestock (rabbits and quails); technology dissemination and marketing infrastructure; development of biogas Processing for cooking and lighting and up-scaling production to commercial status among the communities; Value addition of livestock products (Yoghurt, meat, hides and skins); capacity building of field/extension services officers among others.

78. Funding for the 2014/15 -2016/17 MTEF period will focus on delivery of the sector priorities and in particular review of legislations that govern the sector in consultation with the national government, exploiting the untapped agriculture potential in ASAL regions of the County; Hides, skins and leather development; value addition and product diversification; promotion of greenhouse farming; adoption of appropriate technology; Capacity building to both farmers and staff; providing seed money or affordable credit to the farmers especially women and youth for agricultural enterprises among other programmes.

79. The total MTEF estimates for the Department are Kshs. 1,946.1 million. For the FY 2014/15, Kshs. 613.9 million has been set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs. 548.7 million. This is projected to increase to Kshs. 649.9 million and Kshs. 682.3 million in the FY 2015/16 and FY 2016/17 respectively.

Youth, Sports and Communications Department

80. This department deals with all matters relating to youth including promotion of their welfare, training and prospects. It is involved in organization and mobilization of the youths for voluntary participation in development activities across the county; Co-ordination of youth services in liaison with other Departments; Programs to encourage a sense of adventure, responsibility, confidence and achievement in youths; Research and study on youths and youth development activities; Promoting activities for creating employment opportunities for the unemployed and under employed youths; Promotion and development of games and sports as well as organization and participation in National and International games and athletics.

81. The Department's vision is to create an enabling environment for the promotion and development of youth and sports with a mission to transform and inspire through youth empowerment and sporting excellence.
82. Key challenges in the Department include: inadequate funding; planning and time management; encroachment of public fields/stadiums; widespread drug and substance abuse by the youth; high levels of unemployment; and low levels of transition of the youth to higher institutions of learning.
83. Funding for the 2014/15-2016/17 MTEF period will focus on delivery of the sector priorities and in particular establishment of County sports league, tournaments and talent festivals; upgrading of stadiums; establishing a Sports Academy and Talent development centre; Establishment of a Sports Council; Capacity building and mentorship, agribusiness programs; creating job opportunities for the youth including waste management programmes; and implementing the policy of setting aside a third of County jobs to the Youth and Equipping of social halls.
84. The department's ongoing activities include: Soccer tournaments; Governors Business Challenge; legislation on Kiambu Youth Enterprise Development (bill drafted and submitted to the county assembly); planning for a Drug free County youth walk; Training on films and arts (undertaken in each of the 12 sub counties where a total of 150 youth graduated) and holding youth forums.
85. The total MTEF estimates for the department are Kshs. 2,318.9 million. For the FY 2014/15 Kshs. 842.5 million has been set aside to fund the programmes of the Department up from the FY 2013/14 revised budget of Kshs. 240.5 million. The allocation has been more than doubled due to the transfer of the Governor's Business Challenge Fund(GBCF) from the Office of the Governor's to this department. The GBCF is essentially meant to address youth unemployment. allocation under this docket is projected to stabilize at Kshs. 720.2 million and Kshs. 756.2 million in the FY 2015/16 and FY 2016/17 respectively.

Roads, Transport, Public Works and Utilities

86. The Roads, Transport & Public Works department consists of the directorate of County Roads, County Transport and Public Works. The department aspires to be a

world class provider of integrated transport system by enabling the development, operation and maintenance of an efficient, cost effective, safe and integrated transport system in Kiambu County. Key achievements of the department in the FY 2013/14 include gravelling of 77 Km of access roads, heavy grading of 405 km of roads among other projects.

87. The key challenges facing the department include poor terrain that poses a great challenge for road maintenance, Poor storm water drainages, neglected roads, encroachment of roads reserves, and lack of connecting bridges, financial resources constraints and trained human resources constraints.

88. The strategies and measures to be pursued in the Medium term include Maintenance and tarmacking of all feeder/access roads, Installation of flood lights, Rehabilitation and completion of bus parks, Construction of toilets in trade centers and Construction of bridges.

89. Some of the specific programmes to be undertaken in the FY 2014/15 include: grading and gravelling about 1500 km of roads across the County; Rehabilitating/reconstructing 150 km of dilapidated tarmac roads; Constructing about 100 km of new tarmac roads in townships and shopping centers; Upgrading all existing earth roads 430 km to gravel standard; Rehabilitating/ reconstructing 28 bridges across the County; and, Construction of 12 bus parks and 20 boda boda sheds.

90. The total MTEF estimates for the department is Kshs. 4,142.8 million. For the FY 2014/15, Kshs.1,258.2 million has been set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs 1,211.5 million. This is projected to increase to Kshs. 1,407.2 million And Kshs. 1,477.5 million in the FY 2015/16 and FY 2016/17 respectively.

Lands, Physical Planning & Housing

91. The Lands, Physical Planning & Housing department consists of three directorates, namely: physical (spatial) planning; survey and Geo-informatics; and, Housing and community Development directorate. The department aspires to have secure, well governed, competitive and sustainable urban and rural areas by

facilitating sustainable urbanization through good governance and service delivery. Key achievements of the department in the FY 2013/14 include the preparation of the County Spatial plan which will free land for agriculture and preparation of a base map. The Department has carried out the first stakeholders meeting.

92. The key challenges facing the department include poor planning, inadequate infrastructure and equipment, inadequate financial resources, rudimentary methods of data collection and record keeping, lack of digitized data/ information, use of outdated survey methods, lack of framework upon which to build in on current information, dilapidated housing stock, underutilization of available residential land encroachment of public resources, among others.
93. The strategies and measures to be pursued in the medium term include: updating of the county spatial plan in order to improve the livelihood of the people as well as attract investors, amendment of RIMs where acquisition has been done, acquisition of land for land banking, improve land data collection and management through establishment of a GIS laboratory, securing all public utility through preparation of PDPs for lease certification, enhance the housing stock through employment of modern high-rise housing technology, acquire of up to date equipment and offer necessary training
94. Some of the specific programmes to be undertaken in the FY 2014/15 include preparation of at least four urban plans, acquisition of land for public utility and land banking, Preparation of Part Development plans for public institutions and public utility plots, Implementation and development control, Setting up of a GIS laboratory, and setting up land information management systems.
95. The total MTEF estimate for the department is Kshs. 700.6 million. For the FY 2014/15, Kshs. 226.3 million has been set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs. 215.5 million. This is projected to increase to Kshs. 231.4 million and Kshs. 242.9 million in the FY 2015/16 and FY 2016/17 respectively.

Water, Environment and Natural resources

96. Development of Water and Sanitation systems for both rural and urban areas is key to health livelihoods and survival. According to the Fourth Schedule of the Constitution, Water and Sanitation is a fully devolved function. The County Government of Kiambu is responsible for ensuring provision of safe and adequate water to the residents of the County. The Water, Environment and Natural resources department aims to provide a world class environmental management and water and sanitation services within the County.
97. Currently there are a number of Water and sewerage projects that are on-going or at design or procurement stage within Kiambu County. These developments will improve the current average of water and sanitation coverage from 35 percent to 60 percent by the year 2017. The Department also wishes to reduce the unaccounted for water from the current average of 45 percent to less than 25 percent as well as reducing the rationing programs.
98. Medium term programmes include reclaiming and fencing public cemeteries; enhancing sanitation in all sub counties; ensuring reliable supply of clean and safe water to all residents; promoting water harvesting in schools; Construction of sewerage plants and sewer lines; Provision of sanitary landfills ,recycling of waste garbage; drilling of boreholes, construction of low cost dams and storage tanks among others.
99. Some of the specific programmes to be undertaken in the FY 2014/15 include construction of water pipelines and civil works like weirs, low cost dams and water pans, Drilling and equipping of boreholes, construction of water tanks; carrying out feasibility studies for sewerage systems in Githunguri, Kiambu town and Ruaka/ Banana urban centers; construction of public sanitation blocks; acquire of land for a landfill within the County; development of integrated solid waste management system that includes equipment for separation, recycling, composting and electricity generation; procurement of modern garbage trucks for some of the sub-counties; and, environmental conservation through forestation programs to increase tree cover and conserve the water catchment areas.
100. Challenges facing the Department include: High cost of putting up infrastructure for water and sewerage systems; Inadequate resources to address water and sanitation services bearing in mind that these are basic rights enshrined in Kenya

Constitution 2010; Negative attitude towards solid and liquid waste management/disposal and lack of awareness of 'Polluter Pays Principle'; and Diminishing water resources due to environmental degradation and deforestation.

101. The total MTEF estimate for the department is Kshs. 1,216.1 million. For the FY 2014/15, Kshs. 372.1 million has been set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs. 259.1 million. This is projected to increase to Kshs.411.7 million and Kshs. 432.3 million in the FY 2015/16 and FY 2016/17 respectively.

Administration and Public Service

102. The Administration and Public Service Department is in charge of County public service management. The department comprises of two Sub-Sections, Administration and Public Service. The department visualizes an excellent Public Service Management, Leadership and Governance with a mission to create harmonious, conducive and functioning structures that ensures quality service delivery. The mandate of the department is to provide strategic leadership and direction in the administration of the county.

103. The Strategic objectives of the Administration and Public Service department are;

- To provide policy, strategic leadership and direction for social, economic development.
- To facilitate creation of County Government structures and institutional frameworks for optimal public service delivery and response to Kiambu county needs.
- To ensure continuous recruitment, development and retention of human resources and application of best practices in the management of the Public Service for improved performance.
- To promote good governance, transparency and accountability in the Public Service.
- To mainstream and coordinate implementation of devolution and Kenya vision 2030 programmes

104. Key achievements of the department in the FY 2013/14 include: Establishment and operationalization of county head office andSub county offices; establishment of

various departments and Staff deployment; Renovation of Kiambu County offices; Operationalization of Liquor Committees at Sub county level; continuous training of staff to build capacity and enhance skill development; co-ordination of various stakeholders meetings/forums(citizen fora); co-ordination of Human Resource Audit, streamlining of the necessary structures for procurement and promotion of service delivery; and preparation of administrative guidelines to guide the conduct of county business affairs.

105. The strategies and programmes to be pursued in the Medium term include: Management and coordination of County Affairs; Coordination and supervision service delivery; provision of effective County Executive Committee services; Sub county Planning and development; Coordination of policy formulation, provision of administrative support; management and development of Human Resource; and providing Legal and public affairs services.

106. The total MTEF estimates for the public service department are Ksh1,605.5 million. For the FY 2014/15, Kshs. 557.0 million will be set aside to fund the programmes of the department up from the FY 2013/14 revised budget of Kshs. 425.4 million. This is projected to increase to Kshs. 539.3 million and Kshs. 678.2 million in the FY 2015/16 and FY 2016/17 respectively.

County Executive

107. The County Executive is responsible for implementation of county legislation; implementing national legislation within the county; managing and coordinating the functions of the county administration and its departments. The Committee also proposes legislation for consideration by the County Assembly; provides information to the County Assembly on matters relating to the County; Is generally responsible for maintaining good governance in the performance of the county functions and offering strategic direction of the county. The budget allocation to the County Executive is meant to facilitate efficient performance of the above functions.

108. The budget for the County Executive for the MTEF period will be Kshs. 1,290.0 million. It will comprise Kshs. 409.2 million for FY 2014/15, Kshs. for 429.6 million for FY 2015/16 and Kshs. 451.1 million for FY 2016/17 respectively. The budget for the

county Executive has been cut down tremendously due to movement of the GBCF to Youth, Sports & Communications Department.

County Assembly

109. The County Assembly total MTEF budget allocation will be Kshs. 2,327.2 million comprising Kshs. 739.9 million for FY 2014/15, Kshs. for 778.4 million for FY 2015/16 and Kshs. 808.8 million for FY 2016/17 respectively.

Appendix

Annex 1: Total Expenditure Ceilings for the MTEF Period 2013/14 - 2017/18 (in Kshs.)

COUNTY GOVERNMENT OF KIAMBU												
SECTOR	TOTAL EXPENDITURE						PERCENTAGE SHARE OF TOTAL EXPENDITURE					
	Printed Estimates 2013/14	Revised Estimates 2013/14	2014/15	2015/16	2016/17	2017/18	Approved 2013/14	Revised 2013/14	2014/15	2015/16	2016/17	2017/18
County Assembly	785,040,000	733,584,611	739,932,336	776,928,953	815,775,400	856,564,170	6.2	7.9	7.4	7.4	7.4	7.4
County Executive	896,462,917	723,039,294	409,191,259	429,650,822	451,133,363	473,690,031	7.1	7.8	4.1	4.1	4.1	4.1
Finance & Economic Planning	1,326,476,737	1,237,798,233	1,049,027,458	1,101,478,831	1,156,552,773	1,214,380,411	10.5	13.3	10.5	10.5	10.5	10.5
Public Service & Administration	640,862,213	425,361,997	556,961,602	584,809,682	614,050,166	644,752,675	5.1	4.6	5.6	5.6	5.6	5.6
Agriculture, Livestock & Fisheries	416,568,147	584,671,890	613,905,485	644,600,759	676,830,797	710,672,336	3.3	6.3	6.1	6.1	6.1	6.1
Water, Environment & Natural Resources	357,880,007	259,138,865	372,095,808	390,700,598	410,235,628	430,747,410	2.8	2.8	3.7	3.7	3.7	3.7
Health Services	2,614,529,915	2,918,655,208	3,064,692,968	3,217,927,616	3,378,823,997	3,547,765,197	20.7	31.3	30.7	30.7	30.7	30.7
Education, Culture, ICT & Social Services	985,113,899	514,560,480	540,288,504	567,302,929	595,668,076	625,451,479	7.8	5.5	5.4	5.4	5.4	5.4
Youths & Sports	-	240,521,676	842,547,760	884,675,148	928,908,905	975,354,351	0.0	2.6	8.4	8.4	8.4	8.4
Lands, Physical Planning & Housing	503,287,620	215,489,819	226,264,310	237,577,525	249,456,402	261,929,222	4.0	2.3	2.3	2.3	2.3	2.3
Trade, Industry, Tourism & Cooperatives	847,218,688	258,693,146	323,627,803	339,809,193	356,799,653	374,639,636	6.7	2.8	3.2	3.2	3.2	3.2
Roads, Transport & Public Works	3,257,959,462	1,211,487,724	1,258,150,000	1,321,057,500	1,387,110,375	1,456,465,894	25.8	13.0	12.6	12.6	12.6	12.6
Totals	12,631,399,605	9,323,002,943	9,996,685,293	10,496,519,557	11,021,345,535	11,572,412,812	100	100	100	100	100	100

Annex 2: Operations MTEF period 2013/14-2017/18 (in Kshs.)

County Government of Kiambu Operations MTEF period 2013/14-2017/18 (in Kshs.)						
	Printed Estimates FY 2013/14	Revised Estimates FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
TOTAL REVENUE						
National Transfers	5,458,860,860	5,458,860,860	6,354,545,405	6,672,272,675	7,005,886,309	7,356,180,624
Local Collections	6,366,963,937	3,058,567,275	3,283,797,944	3,447,987,841	3,620,387,233	3,801,406,595
Donor Funds	805,574,808	805,574,808	148,204,518	155,614,744	163,395,481	171,565,255
Rural Electrification	-	-	210,137,426	220,644,297	231,676,512	243,260,338
TOTAL	12,631,399,605	9,323,002,943	9,996,685,293	10,496,519,557	11,021,345,535	11,572,412,812
EXPENDITURE						
Personnel	4,025,729,395	4,284,975,320	4,160,251,049	4,368,263,602	4,586,676,782	4,816,010,621
Operations & Maintenance	3,137,881,361	2,226,943,197	2,292,829,092	2,407,470,546	2,527,844,073	2,654,236,277
Development	5,467,788,849	2,811,084,426	3,543,605,152	3,720,785,409	3,906,824,680	4,102,165,914
TOTAL	12,631,399,605	9,323,002,943	9,996,685,293	10,496,519,557	11,021,345,535	11,572,412,812

Annex 3: Recurrent Sector Ceilings for the MTEF Period 2013/14-2017/18 (in Kshs.)

County Government of Kiambu Recurrent Sector Ceilings for the MTEF Period 2013/14-2017/18 (in Kshs.)						
	Printed Estimates FY 2013/14	Revised Estimates 2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
COUNTY ASSEMBLY						
Total	630,040,000	674,584,611	678,313,842	712,229,534	747,841,011	785,233,061
Personnel	279,200,000	156,546,557	304,673,495	319,907,170	335,902,528	352,697,655
Operations	350,840,000	518,038,054	373,640,347	392,322,364	411,938,483	432,535,407
COUNTY EXECUTIVE						
Total	796,462,917	403,039,294	399,191,259	419,150,822	440,108,363	462,113,781
Personnel	165,962,917	164,694,294	165,178,164	173,437,072	182,108,926	191,214,372
Operations	630,500,000	238,345,000	234,013,095	245,713,750	257,999,437	270,899,409
FINANCE & ECONOMIC PLANNING						
Total	1,048,466,737	747,382,217	850,822,940	893,364,087	938,032,291	984,933,906
Personnel	388,220,645	453,932,217	393,475,324	413,149,090	433,806,545	455,496,872
Operations	660,246,092	293,450,000	457,347,616	480,214,997	504,225,747	529,437,034
PUBLIC SERVICE & ADMINISTRATION						
Total	635,862,213	425,361,997	446,961,602	469,309,682	492,775,166	517,413,925
Personnel	351,402,762	291,914,366	247,120,097	259,476,102	272,449,907	286,072,402
Operations	284,459,451	133,447,631	199,841,505	209,833,580	220,325,259	231,341,522
AGRICULTURE, LIVESTOCK & FISHERIES						
Total	280,568,147	496,671,890	498,905,485	523,850,759	550,043,297	577,545,461
Personnel	81,353,478	395,521,306	246,483,734	258,807,921	271,748,317	285,335,733
Operations	199,214,669	101,150,584	252,421,751	265,042,838	278,294,980	292,209,729
WATER, ENVIRONMENT & NATURAL RESOURCES						
Total	142,380,007	137,138,865	149,595,808	157,075,598	164,929,378	173,175,847
Personnel	82,719,747	99,487,678	90,991,722	95,541,308	100,318,374	105,334,292
Operations	59,660,260	37,651,187	58,604,086	61,534,290	64,611,005	67,841,555
HEALTH SERVICES						
Total	2,065,179,915	2,578,367,456	2,287,410,828	2,401,781,369	2,521,870,438	2,647,963,960

Personnel	1,876,928,915	2,152,744,858	2,022,000,000	2,123,100,000	2,229,255,000	2,340,717,750
Operations	188,251,000	425,622,598	265,410,828	278,681,369	292,615,438	307,246,210
EDUCATION, CULTURE, ICT & SOCIAL SERVICES						
Total	470,113,620	309,560,480	330,288,504	346,802,929	364,143,076	382,350,229
Personnel	213,327,529	125,350,724	208,150,724	218,558,260	229,486,173	240,960,482
Operations	256,786,091	184,209,756	122,137,780	128,244,669	134,656,902	141,389,748
YOUTH & SPORTS						
Total	-	135,521,676	142,547,760	149,675,148	157,158,905	165,016,851
Personnel	-	74,541,676	74,541,676	78,268,760	82,182,198	86,291,308
Operations	-	60,980,000	68,006,084	71,406,388	74,976,708	78,725,543
LANDS, PHYSICAL PLANNING & HOUSING						
Total	215,787,620	138,989,819	149,264,310	156,727,525	164,563,902	172,792,097
Personnel	78,434,620	63,529,819	66,706,310	70,041,625	73,543,707	77,220,892
Operations	137,353,000	75,460,000	82,558,000	86,685,900	91,020,195	95,571,205
TRADE, INDUSTRY, TOURISM & COOPERATIVES						
Total	235,218,688	181,693,146	163,627,803	171,809,193	180,399,653	189,419,636
Personnel	146,894,020	124,933,146	130,929,803	137,476,293	144,350,108	151,567,614
Operations	88,324,668	56,760,000	32,698,000	34,332,900	36,049,545	37,852,022
ROADS, TRANSPORT & PUBLIC WORKS						
Total	643,530,892	283,607,066	356,150,000	373,957,500	392,655,375	412,288,144
Personnel	361,284,762	181,778,679	210,000,000	220,500,000	231,525,000	243,101,250
Operations	282,246,130	101,828,387	146,150,000	153,457,500	161,130,375	169,186,894
TOTAL RECURRENT						
GROSS	7,163,610,756	6,511,918,517	6,453,080,141	6,626,059,000	6,957,361,950	7,305,230,047
Personnel	4,025,729,395	4,284,975,320	4,160,251,049	4,289,994,842	4,504,494,584	4,729,719,313
Operations	3,137,881,361	2,226,943,197	2,292,829,092	2,336,064,158	2,452,867,366	2,575,510,734

**Annex 4: Development Sector Ceilings for the MTEF Period
2013/14-2017/18 (in Kshs.)**

County Government of Kiambu Development Sector Ceilings for the MTEF Period 2013/14-2017/18 (in Kshs.)						
Sector	Printed Estimates 2013/14	Revised Estimates 2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
County Assembly	155,000,000	59,000,000	61,618,494	64,699,419	67,934,390	71,331,109
County Executive	100,000,000	320,000,000	10,000,000	10,500,000	11,025,000	11,576,250
				-	-	-
Finance & Economic Planning	278,010,000	490,416,016	198,204,518	208,114,744	218,520,481	229,446,505
				-	-	-
Public Service & Administration	5,000,000	-	110,000,000	115,500,000	121,275,000	127,338,750
				-	-	-
Agriculture, Livestock & Fisheries	136,000,000	88,000,000	115,000,000	120,750,000	126,787,500	133,126,875
				-	-	-
Water, Environment, & Natural Resources	215,500,000	122,000,000	222,500,000	233,625,000	245,306,250	257,571,563
				-	-	-
Health Services	549,350,000	340,287,752	777,282,140	816,146,247	856,953,559	899,801,237
				-	-	-
Education, Culture, ICT & Social Services	515,000,279	205,000,000	210,000,000	220,500,000	231,525,000	243,101,250
				-	-	-
Youth & Sports	-	105,000,000	700,000,000	735,000,000	771,750,000	810,337,500
				-	-	-
Lands, Physical Planning & Housing	287,500,000	76,500,000	77,000,000	80,850,000	84,892,500	89,137,125
				-	-	-
Trade, Industry, Tourism & Cooperatives	612,000,000	77,000,000	160,000,000	168,000,000	176,400,000	185,220,000
				-	-	-
Roads, Transport & Public Works	2,614,428,570	927,880,658	902,000,000	947,100,000	994,455,000	1,044,177,750
TOTAL DEVELOPMENT	5,467,788,849	2,811,084,426	3,543,605,152	3,720,785,409	3,906,824,680	4,102,165,914

Annex 5: Total Revenue Ceilings for the MTEF Period 2014/2015 - 2017/2018(Kshs.)

Item	Details	Actuals 2012/13	Revised Estimate 2013/2014	Estimate 2014/2015	Estimate 2015/2016	Estimate 2015/2017	Estimate 2015/2018
	(Receiver of Revenue - Chief Officer for Finance)						
		Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
1130101	Stand Premium	1,911,038	3,017,429	3,168,300	3,326,715	3,493,051	3,667,703
1130102	Plot Rents Poll Rates	39,919,013	63,030,021	66,181,522	69,490,598	72,965,128	76,613,384
1130103	Contribution in Lieu of Rates (CILOR)	15,752,330	23,628,495	24,809,920	26,050,416	27,352,937	28,720,583
	of which Contribution in Lieu of Rates (CILOR), Arrears	1,900,000	113,000,000	0	0	0	0
1130104	Land Rates	289,468,467	706,967,542	814,618,224	855,349,135	898,116,592	943,022,422
	Total Taxes on Property	347,050,848	796,643,487	908,777,966	954,216,864	1,001,927,707	1,052,024,093
1110104	Cess	151,276,047	302,552,094	317,679,699	333,563,684	350,241,868	367,753,961
	Of Which:						
	Tea Cess	25,412,500	50,825,000	53,366,250	56,034,563	58,836,291	61,778,105
	Coffee Cess	15,623,082	31,246,164	32,808,472	34,448,896	36,171,341	37,979,908
	Quarry Cess	95,000,000	190,000,000	199,500,000	209,475,000	219,948,750	230,946,188
	Fruits and Vegetables/Produce Cess	6,882,750	13,765,500	14,453,775	15,176,464	15,935,287	16,732,051
	Other Cesses	8,357,715	16,715,430	17,551,202	18,428,762	19,350,200	20,317,710
	Total Cess Receipts	151,276,047	302,552,094	317,679,699	333,563,684	350,241,868	367,753,961
	1140500 Receipts from Permission to Use Goods or to Perform Services and Activities						
1140501	Liquor Licence	8,000,000	24,000,000	25,200,000	26,460,000	27,783,000	29,172,150
	Total Receipts from Permission to Use Goods or to Perform Services and Activities	8,000,000	24,000,000	25,200,000	26,460,000	27,783,000	29,172,150
	1140800 Other Taxes on Goods and Services						
1140801	Entertainment Tax	142,500	285,000	299,250	314,213	329,923	346,419
	Of which:						
	Video Cinema	142,500	285,000	299,250	314,213	329,923	346,419
	Total Receipts from Entertainment Tax	142,500	285,000	299,250	314,213	329,923	346,419
	1140401 Taxes on Specific Services						
1140401	Betting and Control	950,000	1,425,000	1,496,250	1,571,063	1,649,616	1,732,096
	Total Taxes on Specific Services	950,000	1,425,000	1,496,250	1,571,063	1,649,616	1,732,096
	1300000 Grants						
1330200	Grants from other levels of Governments	1,089,278,698	6,264,435,668	6,712,887,349	7,048,531,716	7,400,958,302	7,771,006,217
	Of Which:						
	Unconditional Grants	1,089,278,693	5,458,860,860	6,354,545,405	6,672,272,675	7,005,886,309	7,356,180,624
	Conditional Grants	-	367,887,752	148,204,518	155,614,744	163,395,481	171,565,255
	Donor Funded Projects	-	437,687,056	210,137,426	220,644,297	231,676,512	243,260,338

	Total Grants	1,089,278,698	6,264,435,668	6,712,887,349	7,048,531,716	7,400,958,302	7,771,006,217
	1410000 Property Income						
1410400	Lease / Rental of Councils Infrastructure Assets	17,048,144	34,096,288	35,801,102	37,591,158	39,470,715	41,444,251
1410404	Housing Estates monthly Rent	82,957,950	165,915,900	174,211,695	182,922,280	192,068,394	201,671,813
	Total Property Income	100,006,094	200,012,188	210,012,797	220,513,437	231,539,109	243,116,065
	1420000 Sales of Goods and Services						
1420102	Various Fees	37,889,800	75,779,600	79,568,580	83,547,009	87,724,359	92,110,577
1420203	Registration of private schools/Self Help groups	816,491	1,632,982	1,714,631	1,800,363	1,890,381	1,984,900
1420328	Single Business Licences	89,678,249	179,356,498	188,324,323	197,740,539	207,627,566	218,008,944
	of Which:						
	Business Permits	62,176,513	124,353,026	130,570,677	137,099,211	143,954,172	151,151,880
	Business Subletting/Transfer fee	27,501,736	55,003,472	57,753,646	60,641,328	63,673,394	66,857,064
1420335	Document Search Fee	1,119,575	2,239,150	2,351,108	2,468,663	2,592,096	2,721,701
1420404	Parking Fees	165,639,448	331,278,896	347,842,841	365,234,983	383,496,732	402,671,569
	Of which:						
	Vehicle Parking Fee	154,904,448	309,808,896	325,299,341	341,564,308	358,642,523	376,574,649
	Matatu Parking fees	10,735,000	21,470,000	22,543,500	23,670,675	24,854,209	26,096,919
1420405	Market /Trade Centre Fee	110,346,718	220,693,436	231,728,108	243,314,513	255,480,239	268,254,251
1420601	Tender Documents Sale	5,338,615	10,677,230	11,211,092	11,771,646	12,360,228	12,978,240
	Total Sales of Goods and Services	410,828,896	821,657,792	862,740,682	905,877,716	951,171,601	998,730,182
	1430000 Fines, Penalties and Forfeitures						
1430100	Impounding Charges	8,345,232	16,690,464	17,524,987	18,401,237	19,321,298	20,287,363
	Total Fines, Penalties and Forfeitures	8,345,232	16,690,464	17,524,987	18,401,237	19,321,298	20,287,363
	1450000 Other Receipts Not Elsewhere Classified						
1450105	Other County Government Revenue	407,383,703	804,799,671	845,039,654	887,291,637	931,656,219	978,239,029
	Of which:						
	Plot Almgamation Fee	91,200	182,400	191,520	201,096	211,151	221,708
	Rates Clearance	5,605,000	11,210,000	11,770,500	12,359,025	12,976,976	13,625,825
	Concent to Charge	482,848	965,696	1,013,981	1,064,680	1,117,914	1,173,810
	Visiting Fee	323,000	646,000	678,300	712,215	747,826	785,217
	Debt Clearance Certificate	6,197,295	12,394,590	13,014,320	13,665,035	14,348,287	15,065,702
	Application fee	18,341,233	36,682,466	38,516,589	40,442,419	42,464,540	44,587,767
	Isolation Fee	5,833,000	11,666,000	12,249,300	12,861,765	13,504,853	14,180,096
	Plot Subdivision	19,941,471	29,912,207	31,407,817	32,978,208	34,627,118	36,358,474
	Change Of Trade	28,500	60,000	63,000	66,150	69,458	72,930
	Addition of Trade	28,500	57,000	59,850	62,843	65,985	69,284
	Tenant Fee	38,475	76,950	80,798	84,837	89,079	93,533

	Public Auction	190,000	380,000	399,000	418,950	439,898	461,892
	Change Of User	1,425,000	2,850,000	2,992,500	3,142,125	3,299,231	3,464,193
	Cheque Clearance Fee	1,004,150	2,008,300	2,108,715	2,214,151	2,324,858	2,441,101
	Change of Ownership	2,256,250	4,512,500	4,738,125	4,975,031	5,223,783	5,484,972
	Slaughtering fee	28,699,500	57,399,000	60,268,950	63,282,398	66,446,517	69,768,843
	Hides and skins fee	5,043,550	10,087,100	10,591,455	11,121,028	11,677,079	12,260,933
	Sign Board & Advertisement	49,004,974	98,009,948	102,910,445	108,055,968	113,458,766	119,131,704
	Building Plan / Inspection fee	180,869,977	361,739,954	379,826,952	398,818,299	418,759,214	439,697,175
	Beacon certificate fee	1,732,800	3,465,600	3,638,880	3,820,824	4,011,865	4,212,458
	Provisional Rates	95,000	190,000	199,500	209,475	219,949	230,946
	Extension of Lease	28,500	57,000	59,850	62,843	65,985	69,284
	Sale of Council Assets	2,954,500	5,909,000	6,204,450	6,514,673	6,840,406	7,182,426
	Sub County Premises & Assets Renting /Hiring	2,380,700	4,761,400	4,999,470	5,249,444	5,511,916	5,787,511
	Survey Fee	712,500	1,425,000	1,496,250	1,571,063	1,649,616	1,732,096
	Public Health facilities Operations	38,570,000	77,140,000	80,997,000	85,046,850	89,299,193	93,764,152
	Miscellaneous	35,505,780	71,011,560	74,562,138	78,290,245	82,204,757	86,314,995
1450202	Environment & Conservancy Administration	45,250,790	90,501,580	95,026,659	99,777,992	104,766,892	110,005,236
	Total Other Receipts Not Elsewhere Classified	452,634,493	895,301,251	940,066,313	987,069,629	1,036,423,110	1,088,244,266
	Total Revenue	1,479,234,110	3,058,567,275	3,283,797,944	3,447,987,841	3,620,387,233	3,801,406,595
	Total Grants	1,089,278,698	6,264,435,668	6,712,887,349	7,048,531,716	7,400,958,302	7,771,006,217
	Net Domestic Borrowing	0	0	0	3,000,000,000	0	0
	GRAND TOTAL	2,568,512,808	9,323,002,943	9,996,685,293	13,496,519,557	11,021,345,535	11,572,412,812