FOREWORD

One of the key stages in the county budget cycle is the preparation of the County Fiscal Strategy Paper (CFSP). This is an annual paper that shows the various fiscal strategies a county Government intends to employ to meet its overall objective of improving the livelihoods of its citizens.

As a build-up on the County Budget Review and Outlook Paper (CBROP) 2015 which analysed the performance in the 2014/2015 financial year’s budget, scanned the current year’s fiscal environment and provided an outlook for the 2016/2017 and the medium term, this CFSP shows the allocation of resources in all sectors and departments. Key considerations in all the sectors are the priorities as put forth in the CIDP 2013-2017 and the ADP for the 2016/17 FY.

The main sources of County revenue in the medium term will be equitable share from National Government, local revenue collections and donor funding. In the 2016/17 FY and the medium term, the County Government proposes a series of measures to increase revenue and balance its fiscal spending. The County will thus focus on strengthening the potential it is endowed with to stimulate economic growth and development. The County Government’s fiscal policies in 2016/2017 will focus on re-orientation of expenditure from recurrent to development.

This paper therefore puts into perspective how the County anticipates to expend its scarce resources in the 2016/17 FY and the medium term.

HON. NDERI NDIANI
COUNTY EXECUTIVE COMMITTEE MEMBER-Finance and Economic Planning.
ACKNOWLEDGEMENTS
# Table of Contents

- **FOREWORD** ......................................................................................................................................................... i
- **ACKNOWLEDGEMENTS** ............................................................................................................................................... ii
- **Table of Contents** ...................................................................................................................................................... iii
- **CHAPTER ONE: BACKGROUND INFORMATION** ...................................................................................................... 5
  1.1 Introduction ............................................................................................................................................................... 5
  1.2 Legal Basis ................................................................................................................................................................. 5
  1.3 Objectives of the CFSP ............................................................................................................................................... 6
  1.4 Fiscal responsibility principles .................................................................................................................................. 7
- **CHAPTER TWO: ECONOMIC OUTLOOK** .................................................................................................................. 8
  2.1 Introduction ............................................................................................................................................................... 8
  2.2 National Economic Outlook ...................................................................................................................................... 8
  2.3 County outlook for the Medium Term ...................................................................................................................... 9
  2.4 Medium term risks & challenges .............................................................................................................................. 11
- **CHAPTER THREE: FISCAL POLICY AND BUDGET FRAMEWORK** ................................................................. 13
  3.1 Introduction ............................................................................................................................................................... 13
  3.2 Prudent Fiscal Policy ............................................................................................................................................... 13
  3.3 Observing fiscal responsibility principles ................................................................................................................ 14
  3.4 Fiscal Structural Reforms ....................................................................................................................................... 15
  3.5 County Budget Framework for 2016/17FY .............................................................................................................. 18
    3.5.1 Revenue projections ........................................................................................................................................ 19
    3.5.2 Expenditure projection .................................................................................................................................. 19
  3.6 County 2015/16 First Half-year fiscal performance .................................................................................................. 20
    3.6.1 Revenue performance .................................................................................................................................. 21
    3.6.2 Expenditure performance .................................................................................................................................. 21
    3.6.3 Departmental 2015/2016 first half-year expenditure ......................................................................................... 22
- **CHAPTER FOUR: MEDIUM TERM EXPENDITURE FRAMEWORK** ................................................................. 25
  4.1 Introduction ............................................................................................................................................................... 25
  4.2 Governance and Administration Sector .................................................................................................................. 25
  4.3 Infrastructure Sector ................................................................................................................................................. 26
  4.4 Productive Sector ....................................................................................................................................................... 28
  4.5 Human Resource Development Sector ................................................................................................................ 30
4.6 Agriculture Sector ........................................................................................................ 32
4.8 Compensation for Employees ..................................................................................... 33
4.9 Departmental Ceilings and criteria for resource allocation ......................................... 34
CHAPTER FIVE: SUMMARY AND CONCLUSION ............................................................. 35
ANNEX I: 2016/17 DEPARTMENTAL RESOURCE ALLOCATION .................................. 36
CHAPTER ONE: BACKGROUND INFORMATION

1.1 Introduction
This chapter outlines the legal basis upon which the CFSP is prepared and specifies objectives of the CFSP. It also highlights the fiscal responsibility principles that stipulates how county resources will be expended.

1.2 Legal Basis
Preparation of County budget is a process guided by various legislations. They include the Constitution of Kenya, the County Government Act 2012 and the PFM Act 2012 among others.

Chapter 12 of the Constitution of Kenya on public finance explains the form, content and timing of county budgets. Article 220(1) of the Constitution stipulates that Budgets of the national and county governments shall contain—

(a) Estimates of revenue and expenditure, differentiating between recurrent and development expenditure;
(b) Proposals for financing any anticipated deficit for the period to which they apply; and
(c) Proposals regarding borrowing and other forms of public liability that will increase public debt during the following year.

Article 220(2) of the Constitution of Kenya states that national legislation shall prescribe—

(a) The structure of the development plans and budgets of counties;
(b) When the plans and budgets of the counties shall be tabled in the county assemblies; and
(c) The form and manner of consultation between the national government and county governments in the process of preparing plans and budgets.
It is in fulfilment of the requirement of the constitution that the PFM Act 2012 was enacted to, among other things, guide the preparation of the County budgets.

Section 117 of the PFM Act 2012 provides that a County Treasury;

1) Shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and shall then submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year;
2) Subsection 5 of 117 states that in preparation of the CFSP the County treasury shall seek and take into account the views of
   - The Commission on Revenue Allocation
   - The Public
   - Any interested persons or groups
   - Any other forum that is established by legislation
3) Additionally the County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County Assembly.

1.3 Objectives of the CFSP
The main objectives of the CFSP are to specify:

- The county’s broad strategic priorities and policy goals that will guide in preparation of its budget for the coming financial year and over the medium term;
- The county’s financial outlook with respect to revenues, expenditures and borrowing for the coming financial year and over the medium term;
- A review of the current financial year and the projected state of the economy for the medium term;
- Revenues targets, aggregate expenditure, domestic and external borrowing for the following financial year and the medium term,
Resources allocated to individual programmes within a sector indicating the outputs expected from specific programme during that period and

Criteria applied in apportioning the scarce public resources among the various programmes.

1.4 Fiscal responsibility principles

Section 107(2) the PFM Act, 2012 sets out the following fiscal responsibility principles to ensure prudent and transparent management of public resources:

i. The County Government’s recurrent expenditures shall not exceed the County Government’s total revenue;

ii. Over the Medium Term, a minimum of thirty percent of the County Government’s budget shall be allocated to the development expenditures;

iii. The County Government’s expenditures on wages and benefits for its public officers shall not exceed a percentage of the county government’s total revenue as prescribed by the Executive Committee Member for Finance in regulations and approved by County Assembly;

iv. Over the Medium Term the government borrowing shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;

v. The county debt shall be maintained at sustainable level as approved by county assembly;

vi. The fiscal risks shall be maintained prudently; and

vii. 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.

The county will ensure that it observes these principles in its budget preparation and implementation.
CHAPTER TWO: ECONOMIC OUTLOOK

2.1 Introduction
This chapter highlights the recent economic situation in the two levels of government, national and Nyandarua 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.

2.2 National Economic Outlook
Changes in the world economic scenario has greatly affected the key national sectors socio-economically. Many sectors are sensitive to what is happening externally. The volatility of the foreign exchange rate is a prime example of how national macroeconomic variables can be affected and also has an effect in the counties. Fuel and energy price fluctuations though regulated by the Energy Regulatory Commission have a wider effect in terms cost of production. Dependence on fuel generated from outside the country makes the economy vulnerable. In the financial sector the cost of credit is volatile. Whenever the finance cost hikes the economy stutters as investments will dwindle. However anticipated increase in remittances from abroad will help in bolstering investments and forex. Vulnerability to the global financial tightening will cause lending rates in the Kenyan economy to fluctuate with the US Federal Reserve anticipated to raise their interest rates.

The general commodity prices have relatively stabilized with the inflation rate at the month of November 2015 being 7.32%. This will ensure that the consumption patterns in the economy will be a bit favorable which is good for producers and traders especially considering that our economy is free market.

Growth in the economy is mainly expected to be supported by expansion in infrastructure, manufacturing, finance, risk/portfolio management, information technology, extractive industries, tourism, transport, agriculture
and general commerce. Expansion of Public Private Partnerships (PPPs) will greatly assist in bridging the gap in resource scarcity in the country. Foreign Direct Investment (FDI) have continuously increased as the Government continues to ease the requirements in starting up businesses. With a GDP annual growth of about 5.5 % as at June 2015, there is need to come up with policies both fiscal and monetary policies to reinvigorate the expansion of the economy towards the 10% growth rate envisaged in the Kenya Vision 2030. Reorienting the exports from local and regional market to the global market is one of the key ingredients for improvement in the balance of trade.

2.3 County outlook for the Medium Term
The county realizes that it is not operating in a vacuum, with knowledge that major changes in economic and financial trends in the country will affect the revenue and expenditure trends by the County Government. Undesired shift in expenditure trends due to economic shocks will delay the development agenda for the county. Economic changes like inflation and exchange rates, will most likely affect the county’s products value. Thus, how the county plans to mitigate for these exogenous shocks will determine how much the county’s economy will grow. The incidence of such shocks are ultimately borne by the hard-working citizens in the county.

For the three years that County Governments have been in place, different experiences have been gained. Numerous positive experiences have helped the county improve in its planning, budgeting and implementation of its projects. Aligning of the County plans to plans with national outlook such as the Vision 2030, the Medium term Plan (MTP II), MDGs succeeded by the Sustainable Development Goals (SDGs) among others has eased in implementation and tracking of the progress in development.

Based on the strengths of the County, key sectors will need to be addressed with a “prejudice” as they are envisaged to have a higher multiplier effect in growing the County economy. Resource allocation in key sectors in the county will be championed to come up with programs which have a wider impact as far as the county citizens are concerned. There will also be need to
mainstream areas which have hitherto been given low attention but have ability to be key contributors to the county wealth creation.

Agricultural sector is widely regarded as one that gives impetus to the County Economy. The strengths in agriculture sector within the county are horticulture, Dairy farming and fish farming. The sector is still operating at its primary level of production. Nevertheless, the sector is striving to embrace value addition in all its products to make sure that the farmers’ incomes burgeon.

Tourism, sports, general commerce, technological innovations, artistic ventures and transport will be addressed to ensure they become part of the main employment creation avenues. Investment in other enabling sectors such as the human resource and infrastructure will continue for the benefit of all the players in the county economy.

In determining the county’s medium-term strategic objectives, it will be necessary to factor in how changes in environment, economic and financial trends will impact the County’s current priorities as contained in this Fiscal Strategic Paper. As a player in the national economy, Nyandarua County will strive to play a crucial role in contributing to the regional, national and global development. Investments in key sectors in the county will help in bolstering the economic output of the county.

The county is currently in the process of preparing to hold its first investment conference. During the conference the county intends to showcase all its potentials for investment and how it will create an enabling environment for people intending to pump their private resources into the county. The existing trade environment provides various opportunities for the County to greatly shift their production from subsistence and local market to exports. Regional trade and finance blocks (between county governments) will be put in place to have greater bargaining power and assist in exploring new untapped markets.
Investment in infrastructure over time has greatly improved accessibility of remote areas. Improved road infrastructure will greatly improve accessibility across the county. Programmes and investments to improve productivity and competitiveness, particularly in core productive sectors and new areas with potential, such as mechanized agriculture will be initiated. These reforms will complement structural shifts that are already under way in the main sectors of the economy.

In continuance of its core mandate of improving the livelihood of its citizens, the County Government will strive to invest prudently the available resources in areas perceived to be able to;

✓ Increase the wealth of the county,
✓ Create employment for its citizens,
✓ Build the capacity of its residents,
✓ Utilize available raw/untapped materials and
✓ Improve transport and communication in the county.

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

(1) **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.

(2) **Insecurity threats**

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

(4) **Unreliability of local revenue flows.** The county is agro based. Unreliable weather conditions poses 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.

(5) **Recurrence Expenditure.** The county wage bill continues to be a great concern in implementation of the budget thereby hindering realization
of the County's fiscal goals. Additional recruitment of staff will need to be based on the outcome of job evaluations to achieve a lean and efficient workforce and a sustainable wage bill.

(6) Electioneering mood. The budgets for 2016/17 and 2017/18 will be implemented in an election year. Political goodwill will be required to implement the budget to meet its objectives.
CHAPTER THREE: FISCAL POLICY AND BUDGET FRAMEWORK

3.1 Introduction
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 2016/2017 and the Half year fiscal performance for 2015/2016.

3.2 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 2016/2017 – 2018/19 Medium-Term Fiscal Framework for the County is targeted at ensuring provision of essential County government services and supporting business growth. 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 as the freeze on county borrowing holds.

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 management which is in line with best practices.

3.3 Observing fiscal responsibility principles.
In order to comply with the fiscal responsibility principles as outlined in section 107(2) of the PFM Act 2012, the county will continue working with the following institutions for effective public expenditure control:

**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 the departments will ensure accuracy, propriety and accountability in expenditure.

**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.

By working with these institutions the county will ensure efficiency, effectiveness and guard against unauthorised expenditure.

**Expenditure control instruments**

The county treasury will apply and enforce the following techniques for control:
Line item appropriations- this will confine discretion over spending within specific items. Departments will only be allowed to spend for those items of expenditure approved in the budget.

Use of monthly expenditure returns: regular financial information supplied to the county treasury at monthly intervals will show the trend of expenditure in the line department. This will facilitate the tracking of effectiveness in the implementation of budgets.

Monthly ceilings: this will provide the limit of resources (exchequer releases) available for the departments and hence the allowable expenditure limit in the relevant month.

3.4 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. 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) **Policies and Guidelines**

The County will develop policies and guidelines to align its revenue administration activities to the law and best practices. These guidelines will ensure consistency in the execution of duties by all staff removing any ambiguities in revenue administration. The policies will cover the following areas:

i. Policy on Waiver of Fees (will provide guidelines on who qualifies for waivers and on what circumstances)

ii. Policy on Payment of Fees and Charges (will provide clear information on the allowed modes of payments, and where they should be made).

iii. Policy on Banking of Revenue (will provide information on the duration within which revenue is expected to be banked and the consequences of non-compliance)

(c) **Computerization and Automation**

The County plans to computerize and automate all the activities related to revenue administration. This will involve the following:

i. Improvement of the management information system to be capable of performing certain accounting activities automatically, e.g. billing, bank reconciliation;

ii. Establishment of a data base of all tax payers;

iii. Provision of remote payment options. E.g. through M-Pesa, credit/debit cards and other online options;

iv. The use of mobile automated mobile devices revenue collection devices; and

v. Provision of avenues for Customer self-service e.g. printing of online statements and receipts.
(d) **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 of auditor’s recommendations.

(e) **Unique coding of all payments.**
This will allocate each payment a unique number that will capture all the inherent characteristics of the payment. This will facilitate reconciliation of the individual revenue stream.

(f) **Enforcement**
The county will ensure enforcement of rules and regulations governing revenue administration. This is in recognition of the fact that use of penalties and fines will only act as a deterrent if the consequences of non-compliance are guaranteed to all rate payers.

(g) **Harmonization of revenue collection from all devolved functions**
Clarity of purpose will assist in demarcating the roles of both levels of county government. This will be reflected in the passing of conducive/supporting legislation by the county assembly to harmonize revenue collection from all the devolved functions. Ultimately, this will result in all revenues from devolved functions especially agriculture and health being forwarded to the County Revenue Fund account.
3.5 County Budget Framework for 2016/17FY

The County’s 2016/17 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.

Table 1: Nyandarua County Fiscal Framework for 2016/2017 and the Medium Term

<table>
<thead>
<tr>
<th>Fiscal Framework for 2016/2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
</tr>
<tr>
<td>2014/15 (actual)</td>
</tr>
<tr>
<td>National Transfers</td>
</tr>
<tr>
<td>Local Collections including F.I.F, VSDF</td>
</tr>
<tr>
<td>Maternity Fee</td>
</tr>
<tr>
<td>Fuel Levy</td>
</tr>
<tr>
<td>Roads 2000</td>
</tr>
<tr>
<td>User fee foregone</td>
</tr>
<tr>
<td>Leasing of medical equipment</td>
</tr>
<tr>
<td>Donor fund</td>
</tr>
<tr>
<td>Balance B/F</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENDITURE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrent</td>
</tr>
<tr>
<td>Development</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
<tr>
<td>Balance C/F</td>
</tr>
</tbody>
</table>

Source: Nyandarua County Treasury
3.5.1 Revenue projections
The projected resources accruing from the national government for the financial year 2016/2017 will be Kshs. 4,565,495,081. Additionally it's projected that revenue from local collections will amount to kshs. 430,000,000. This will include monies collected from issue of business permits, payment for land rate, royalty fees, produce inspection fees, facility improvement fund, and veterinary services development fund among others.

The County also expects to receive funds from Danida (kshs 18,860,000) and some conditional grants from the national government. In total, the county's projected resource envelope for 2016/2017 will be KShs. 5,218,224,359.

The locally mobilized resources will account for 8% of the 2016/2017 budget, while resources from the equitable share will account for 87%. The balance 5% will be conditional grants from Danida and the national government.

3.5.2 Expenditure projection
Based on the county's fiscal policy and in compliance with the fiscal responsibility principles outlined above, the county’s expenditure for the budget period in 2016/2017 is projected as follows:

a. Recurrent Expenditure

Recurrent expenditure is projected to be at 65% 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 2016/2017 and the medium term is projected at 35% 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 agencies for development funds and that there will be continued implementation of the county government’s development agenda by investment in high impact flagship and other projects as outlined in the CIDP.

### 3.6 County 2015/16 First Half-year fiscal performance

The county 2015/16 first half year performance indicate that the county had been able to absorb 80% of the total funds released as illustrated in the table below.

**Table 2: 2015/2016 first half year performance**

<table>
<thead>
<tr>
<th></th>
<th>2014/15 (actual)</th>
<th>2014/15 1st Half year</th>
<th>2015/16 1st Half Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance B/F</td>
<td>479,953,921</td>
<td>398,881,333</td>
<td>591,051,794</td>
</tr>
<tr>
<td>National Transfers</td>
<td>3,758,296,517</td>
<td>1,089,905,991</td>
<td>1,421,333,373</td>
</tr>
<tr>
<td>Local Collections</td>
<td>240,629,472</td>
<td>52,118,413</td>
<td>87,643,134</td>
</tr>
<tr>
<td>Donor fund</td>
<td>16,480,123</td>
<td>8,240,000</td>
<td>0</td>
</tr>
<tr>
<td>Maternity Fee</td>
<td></td>
<td>0</td>
<td>17,346,170</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4,495,359,910</strong></td>
<td><strong>1,549,145,737</strong></td>
<td><strong>2,117,374,471</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurrent</td>
<td>2,593,422,152</td>
<td>940,681,438</td>
<td>1,343,541,880</td>
</tr>
<tr>
<td>Development</td>
<td>1,310,885,964</td>
<td>112,020,260</td>
<td>367,453,621</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,890,964,587</strong></td>
<td><strong>1,052,701,698</strong></td>
<td><strong>1,710,995,501</strong></td>
</tr>
<tr>
<td>Balance c/d</td>
<td>591,051,794</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3.6.1 Revenue performance
In the current budget year, 2015/16, the county expects to have received a total of Ksh. 5,577,056,815 from the various sources such as: National transfer as part of the equitable share, local collection, donor funding and conditional grants from the national government.

In the period July to December, 2015 the county had received total of Ksh. 2,117,374,471 comprising of Ksh. 1,421,333,373 from National transfer, Ksh. 87,643,134 local collection, Ksh. 17,346,170 conditional grant for maternal health and Ksh. 591,051,794 as balance brought forward.

The total receipts of Ksh. 2,117,374,471 was an improvement compared to the Ksh. 1,549,145,737 received in the same period in the financial year 2014/15.

3.6.2 Expenditure performance
The County total outlay for the 2015/16 FY is expected to be Ksh. 5,577,056,815. Out of this, Ksh. 3,356,064,730 (60%) is meant for recurrent expenditure and Ksh. 2,220,992,085 (40%) is meant for development expenditure.

In the period July to December 2015, the county had spent a total of Ksh. 1,710,995,501 comprising of Ksh. 1,343,541,880 (47.9%) on recurrent expenditure and Ksh. 367,453,621 (24.9%) on development expenditure.

This is an improvement from Ksh. 1,052,701,698 spent during the same period in the year 2014/15.
3.6.3 Departmental 2015/2016 first half-year expenditure

Departmental half-year expenditure analysis shows that the Departments have been able to absorb 35.6% of the budget as shown in the table below.

**Table 3 : Departmental 2015/2016 first half year expenditure**

<table>
<thead>
<tr>
<th>MINISTRY</th>
<th>BUDGET ESTIMATES</th>
<th>Recurrent Expenditure 1ST HALF yr</th>
<th>Development Expenditure 1ST HALF yr</th>
<th>Total Expenditure 1ST HALF yr</th>
<th>Absorption rec.</th>
<th>Absorption dev.</th>
<th>Absorption total (%) 1ST HALF yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gubernatorial Office</td>
<td>193,882,717</td>
<td>66,523,547</td>
<td>-</td>
<td>66,523,547</td>
<td>34.3</td>
<td>0.0</td>
<td>34.3</td>
</tr>
<tr>
<td>County Attorney, E-Government &amp; Intergovernmental Relations</td>
<td>70,670,000</td>
<td>7,068,720</td>
<td>-</td>
<td>7,068,720</td>
<td>11.8</td>
<td>0.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Finance &amp; Economic Planning</td>
<td>709,816,672</td>
<td>279,817,214</td>
<td>35,698,807</td>
<td>315,516,021</td>
<td>67.9</td>
<td>12.0</td>
<td>44.5</td>
</tr>
<tr>
<td>Agriculture Livestock &amp; Fisheries</td>
<td>354,956,608</td>
<td>116,200,359</td>
<td>28,227,157</td>
<td>144,427,516</td>
<td>47.4</td>
<td>25.8</td>
<td>40.7</td>
</tr>
<tr>
<td>Lands, Housing &amp; Physical Planning</td>
<td>128,800,000</td>
<td>7,693,421</td>
<td>13,032,886</td>
<td>20,726,307</td>
<td>15.0</td>
<td>16.8</td>
<td>16.1</td>
</tr>
<tr>
<td>Roads Transport &amp; Public Works</td>
<td>565,137,540</td>
<td>9,899,221</td>
<td>126,667,832</td>
<td>136,567,053</td>
<td>9.0</td>
<td>27.8</td>
<td>24.2</td>
</tr>
<tr>
<td>Health Services</td>
<td>964,813,000</td>
<td>516,445,045</td>
<td>58,663,317</td>
<td>575,108,362</td>
<td>59.4</td>
<td>61.7</td>
<td>59.6</td>
</tr>
<tr>
<td>Education, Gender, Youth, Culture and Social Services</td>
<td>321,590,779</td>
<td>75,221,425</td>
<td>7,040,000</td>
<td>82,261,425</td>
<td>35.9</td>
<td>6.3</td>
<td>25.6</td>
</tr>
<tr>
<td>Tourism, Wildlife and Sports</td>
<td>45,872,424</td>
<td>1,513,501</td>
<td>1,210,762</td>
<td>2,724,263</td>
<td>5.9</td>
<td>5.9</td>
<td>5.9</td>
</tr>
<tr>
<td>Industrialization Coop, trade and Enterprise Development</td>
<td>93,233,000</td>
<td>11,959,854</td>
<td>5,264,292</td>
<td>17,224,146</td>
<td>24.5</td>
<td>11.9</td>
<td>18.5</td>
</tr>
<tr>
<td>Water &amp; Environment</td>
<td>261,432,000</td>
<td>5,990,698</td>
<td>54,054,889</td>
<td>60,045,587</td>
<td>7.7</td>
<td>29.4</td>
<td>23.0</td>
</tr>
<tr>
<td>County Assembly</td>
<td>570,000,000</td>
<td>245,208,876</td>
<td>37,593,679</td>
<td>282,802,555</td>
<td>48.9</td>
<td>54.5</td>
<td>49.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,280,204,740</td>
<td>1,343,541,880</td>
<td>367,453,621</td>
<td>1,710,995,501</td>
<td>47.9</td>
<td>24.9</td>
<td>40.0</td>
</tr>
</tbody>
</table>

The department of health had the highest absorption at 59.6%. The department spent 59.4% of its recurrent budget and 61.7% of its development budget in the first half. This was an improvement for the first half of 2014/2015 when the department absorbed 42% of its recurrent budget and 50% of the development budget.

The department of tourism and sports on the other hand had the least absorption at 5.9%. It spent 5.9% of its recurrent budget and 5.9% of its development expenditure in the first half.
**Recurrent expenditure**

Department of Finance and Economic Planning had the highest absorption on recurrent expenditure (67.9%) while Tourism and Sports had the least absorption (5.9%) in the first half.

In contrast, in first half of 2014/2015 FY, the County Assembly had the highest absorption (45%) and department of ICT and E government had the least absorption (1%)

**Development expenditure**

Department of health services had the highest absorption for development funds (61.7%) in the first half while the county attorney, E government & intergovernmental relations had the least.

The first half year expenditures by the other departments was as follows:

**Gubernatorial office:** the department absorbed 34.3 % of its budget. This was entirely on recurrent expenditure.

**County Attorney, E-Government & Intergovernmental Relations:** the department absorbed 10% of its budget in the first half. This comprised of 11.8% on recurrent and zero on development expenditure.

**Finance & Economic Planning:** this department absorbed 44.5% of its budget in the first half. The department expended 67.9% of its recurrent budget and 12% of its development budget.

**Agriculture livestock and fisheries:** the department absorbed 40.7% of its budget in the period July to December 2015. This comprised of 47.4% of recurrent and 25.8% of development budget.

**Lands housing & physical planning:** this department absorbed 16.1% of its budget in the first half. The department spent 15% of its recurrent budget and 16.8% of its development budget in that period.
Roads, transport & Public works: the department absorbed 24.2% of its budget in the period July to December 2015. This comprised 9% of recurrent budget and 27.8% of development budget.

Education, culture and social services: the department expended 25.6% of its budget in the first half. This comprised 35.9% of its recurrent budget and 6.3% of its development budget.

Industrialization, Cooperatives, trade and Enterprise Development: the department absorbed 18.5% of its budget in the period July to December 2015. This comprised 24.5% of its recurrent budget and 11.9% of its development budget.

Water & Environment: The department absorbed 23% of its budget in the first half. This comprised absorption of 7.7% of its recurrent budget and 29.4% of its development budget.

County Assembly: the assembly expended 49.6% of its budget in the first half. The department spent 48.9% of its recurrent budget and 54.5% of its development budget in the period July to December 2015.
CHAPTER FOUR: MEDIUM TERM EXPENDITURE FRAMEWORK

4.1 Introduction
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 2016/17 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 county integrated development plan (CIDP) 2013-2017.

The main areas of intervention during the medium term will be through the following sectors:
1) Governance and administration;
2) Infrastructure;
3) Agriculture;
4) Productive; and
5) Human resource development

The allocation to these sectors will continue to rise with the enhanced share from the national kitty and improved local revenue collection in the medium term.

4.2 Governance and Administration Sector
The major role of the sector is to provide sound policies and a solid framework for quality and efficient service delivery to the public. The sector’s mandate is to offer services that will enable the other sectors to achieve growth through attaining efficiency in county administration, planning, budgeting, provision of legal services, personnel management, monitoring and evaluation. The County Government will continue to support the establishment and
operationalization of sub county units that include sub county offices, ward and village offices. To ensure that devolution bears the intended fruits to the residents, the County Government will build the capacity of the institutions in the devolved units. It will also ensure that the principle of inclusiveness in the constitution is implemented e.g. through public participation in decision making and ensuring the one third gender rule is adhered to.

The key priorities for the sector include:

- Instituting county public service reforms to ensure efficient and effective service delivery;
- Providing leadership and guidance in human resource management;
- Spearheading rapid and sustainable economic development through coordination of MTEF process, economic planning policies and programmes, and ensure prudent fiscal policies;
- Effective management and coordination of government operations; and
- Promote the effective and efficient allocation and utilization of resources.

4.3 Infrastructure Sector

This sector consists of two sub sectors namely; Roads, Public Works & Transport and Land, Housing & Physical Planning. The sector will concentrate on design, documentation, construction and supervision of roads and other infrastructure services.

**Roads, Public Works And Transport**

In order to drive economic growth over the medium term, create jobs and wealth for the County, the focus will be on improvement of infrastructure especially roads. In particular, expansion of infrastructure shall include improvement of rural access roads to facilitate faster movement of goods and
services across and outside the County as well as putting plans in place to open up major roads connecting the County to outside markets. The priorities of this sub-sector are:

i. Completion of ongoing projects;
ii. Reconstruction, rehabilitation and maintenance of existing degraded county road infrastructure that lies under the jurisdiction of Nyandarua County Government;
iii. Development and maintenance of public buildings;

**Land, Housing and Physical Planning**

This sub sector is responsible for deriving policies and instituting systems to promote improved land use management; development of low cost housing and regularisation of squatter settlements. This sub sector will work closely with the National Government in issuance of land ownership documents. It will take part in surveying, planning and mapping so as to ensure that investors and the residents are able to benefit from land as a factor of production. Informal settlements upgrading and spatial planning of the County will preoccupy the departments activities to provide secure land tenure given that the County is lacking an updated spatial plan to guide optimal land use. The medium term priorities are:

i. Land surveying and mapping;
ii. Development of low cost housing and regularization of squatter settlements;
iii. Development of integrated physical development plans and policies for all towns.
4.4 Productive Sector
This sector consists of three sub sectors namely: Industrial Development, Trade, cooperatives & Enterprise Development; Tourism, Youth & Sports; and Water & Environment.

This sector plays a key role in accelerating economic growth in the county, employment creation, poverty reduction, industrial development, achieving equitable and sustainable use of resources and attainment of Millennium Development Goals (MDGs) through trade, investments and environmental conservation.

**Industrial Development, Trade, Cooperatives and Enterprise**
Trade is a key productive sub-sector due to its immense potential for wealth and employment creation as well as poverty reduction. Given its catalytic effect to sustained inclusive growth and huge potential for job creation and poverty reduction, the County Government will deepen business regulatory reforms, facilitating capacity building, simplifying and modernizing regime for small and medium businesses in order to amplify their multiplier effect on employment opportunities and accelerating growth.

Further, the county will focus on industries that are labour intensive, with the potential to expand and increase market opportunities for small and medium enterprises. Strategic efforts will be made to diversify markets by providing an environment conducive for business and ensuring that there is investor confidence. This will be achieved through development of policy, legal and institutional reforms for the growth of the sub-sector.

In addition specific measures will be undertaken to provide incentives to both local and international investors in order to position Nyandarua County as the premier investment hub in the country.

The Cooperatives sub-sector will promote, revive and strengthen cooperatives with the aim of increasing the role they play in marketing of produce, provision of credit facilities, training the members as well as increasing savings and investments.
The Enterprise development subsector will place a lot of emphasis on promotion of light industries for value addition and processing of agricultural output. This subsector will also facilitate stimulation of growth of MSEs to generate much needed employment opportunities.

The priority areas include:

- Investment in cooling plants to ensure the preservation of fresh produce particularly milk and secure good market prices for the farmers;
- Capacity building of cooperatives to ensure efficient management of all cooperatives in the county;
- The Trade Fund and Construction of market sheds across major centres which will lead to improved business environment through access to credit and market infrastructure;
- Growth of cottage industries through establishment of jua kali sheds across the county which will improve incomes for Micro and Small Enterprises (MSEs)

**Tourism, Youth and Sports**

The county Government will put in place strategies to develop tourism infrastructure that can serve local, regional and international visitors. This will include improving the quality of tourism facilities and developing areas with greatest potential to attract tourists such as Aberdare ranges, caves and Lake Ol Bollosat. In addition, the county government will position itself as a major destination for agro-based tourism. To achieve this, the county government will create an enabling environment for private investments in this sector.

The county appreciates that sports is a major source of inflows, hence it endeavor to develop sports facilities including sports academies with a view to developing and nurturing sports talents in the county. This would also go a long way in promoting sports tourism. It will engage in activities to promote sports and sporting activities in the county. This will increase employment opportunities among the youth.
The priorities of this sub-sector will be:

- Rehabilitation of Lake Olbollosat, Mau Mau Caves, Happy Valley Homes;
- Creation of nature trails and hiking trail along Aberdares;
- Enactment of Tourism Act;
- Tourism festivities (Great chapati festival, Cultural week, Miss Tourism;
- Development of sports, talents and sporting facilities.

**Water and Environment**

The county government through the water department will invest in provision of clean and reliable water for domestic use as well as protecting the water catchment areas which are also a source of water for neighbouring counties. Priorities will be given to developing a county water master plan that will be used to guide investments in the sector.

Meanwhile the environment department in collaboration with NEMA will focus on general environmental status. This will include environmental conservation measures and protection of wetlands.

The major priority is increasing access to clean and reliable water in the county through:

- County and community based water projects;
- Construction and rehabilitation of dams and water pans.

**4.5 Human Resource Development Sector**

This sector comprises of Education, culture & social services and Health services subsectors.

**Education, Culture and Social Services**

Proper and early development of a child lays good foundation necessary for entry into primary school education. The county government appreciates this and therefore, intends to develop ECDE in the county. Over the medium term
the county shall endeavor to increase access to quality early childhood education through subsidized cost of education, and training of staff. The county will also direct resources towards renovations of ECD centers in rural areas and village polytechnics, ensuring improved and effective youth participation in all structures of decision making. To equip the youths with skills necessary to enable them enter the labour market, the county will invest in equipping the existing village polytechnics and establishing more. The County Government shall move with speed to complete the already started ECDE classrooms constructions.

Culture is an integral part of a community and its promotion is a noble course. The county government will achieve this by partnering with community leaders to identify those with cultural knowledge, identify and collect cultural artifacts and promote intercultural partnerships. Cultural sites will also be protected. The subsector will also be responsible for control of Alcoholic drinks, community mobilization and cultural development. The sector will have the following targets:

- Increase ECDE enrolment and gross completion rate;
- Improving access and enrolment in youth polytechnics.

**Health**

Access to affordable health care services is vital for economic transformation. The need for well-equipped and adequately functioning health care facilities need not be over-emphasized. To achieve the Kenya Vision 2030 on lowering maternal and infant mortality, service delivery in health facilities has to be improved, distance to the nearest facilities reduced and health care professional to population ratio substantially reduced. The County will need to reduce, over the medium term, the number of deliveries not attended by skilled health professional and increase the proportion of children completing immunization as required.
Investments in the health sector will greatly improve the human resource development in the county. Key projects include the upgrading of Ol Kalou hospital to a referral hospital in the county. In addition, the county will deploy more health workers to cope with the increased demand for services in public health centres.

Over the MTEF period, a large share of the subsector resources will be allocated to expanding provision of preventive and curative healthcare to ensure a healthy population in the county. This will be achieved through the following projects:

i. Installation of key health Infrastructure which aims at improving health services and broadening the scope of health services by way of elevating J.M memorial hospital to a referral hospital and Engineer hospital to a level 4 hospital;

ii. Service delivery which involves establishing community health units in all villages, carrying out outreach services and strengthening referral health services;

iii. Improving access to health care through equipping existing health facilities.

4.6 Agriculture Sector
This sector is the mainstay of the County economy with linkages in manufacturing, distribution and other service-related sectors. The County therefore aims at raising agricultural productivity and increasing commercialization of agriculture. This will be achieved through improvement of land use and crop development, enhanced accessibility to affordable farm inputs, adding value to agricultural produce, linking the farmers to markets for their produce, extension services, use of environmentally friendly products, promotion of agro-based industries and development of post-harvest farm management systems. In addition, training of farmers in agribusiness and linking them to the available sources of credit is expected to transform the sector to make it competitive. To reduce reliance on rain fed
agriculture, the county will target to increase acreage under irrigation. Projects targeting the improvement of livestock husbandry and fodder supply will also be implemented in the budget period.

The resources in the sector resources will fund the following priorities:

i. Interventions to improve productivity through;
   - Supply of certified seeds and other farm implements
   - Micro irrigation projects
   - Enhance capacity building for farmers

ii. Increasing mechanization;

iii. Storage, Agro-processing and linking farmers to markets;

iv. Improving the delivery of research, extension, advisory support services;

v. Value chain development;

vi. Pest and disease control;

vii. A.I Improvement services; and

viii. Sustainable land and water management

4.7 Flagship Projects

The county has identified some landmark projects in the 2016/2017 financial year. These are projects that have high impact on economic and social development of the county. These projects will be implemented by the technical departments.

The allocation was informed by the capacity of the departments to absorb the funds in 2016/2017 financial year.

4.8 Compensation for Employees

The wage bill for the county has been on the rise and this could undermine growth if not mitigated. In the budget period, (2016/2017) the compensation for employees is expected to account for 37% of the total budget. Restraining the growth of the county’s wage bill is a priority in the medium term in order to sustain growth. This will be achieved through the following measures:

- Contain wages and salaries of public entities by limiting the size of the public service.
➢ Carry out a job evaluation exercise in the county.
➢ Realigning the existing staff with the functions of the county government as entrenched in the constitution to avoid duplication of roles in the departments.

4.9 Departmental Ceilings and criteria for resource allocation
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 ministry/department;
➢ Expected outputs and outcomes from a programme and cost effectiveness and sustainability of the programme.

The details of departmental ceilings are provided in annex I.
CHAPTER FIVE: SUMMARY AND CONCLUSION

The 2016/2017 budget will be an extension of the solid economic plan to take Nyandarua 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 2016/17 budget will:

- Prioritise creating a friendly business environment for the private sector so as to unleash the efficiency gains necessary for achieving prosperity for all;
- 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;
- Put in place measures to drive to drive agricultural transformation so as to build resilience in the county economy, ensure food security and accelerate inclusive growth;
- Scale up resources to enhance the quality of the health care and early childhood education system; and
- 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.
ANNEX I: 2016/17 DEPARTMENTAL RESOURCE ALLOCATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>County Bursary Fund</td>
<td>68,900,000</td>
<td>73,034,000</td>
</tr>
<tr>
<td>County Emergency Fund</td>
<td>43,877,054</td>
<td>46,509,677</td>
</tr>
<tr>
<td>County Mortgage Fund</td>
<td>53,000,000</td>
<td>56,180,000</td>
</tr>
<tr>
<td>Trade Fund</td>
<td>21,518,000</td>
<td>22,809,080</td>
</tr>
<tr>
<td>Ward Development Fund</td>
<td>250,000,000</td>
<td>250,000,000</td>
</tr>
<tr>
<td>Compensation to Employees(permanent &amp; contract)&amp; gratuity for contractual employees</td>
<td>1,818,000,000</td>
<td>1,927,080,000</td>
</tr>
<tr>
<td>County Pension fund</td>
<td>16,434,702</td>
<td>17,420,784</td>
</tr>
<tr>
<td>General and Medical Insurance</td>
<td>50,000,000</td>
<td>74,200,000</td>
</tr>
<tr>
<td>Sub Total</td>
<td>2,321,729,756</td>
<td>2,449,812,757</td>
</tr>
<tr>
<td>County flagship projects</td>
<td>365,894,762</td>
<td>392,648,446</td>
</tr>
<tr>
<td>GOVERNANCE &amp; ADMINISTRATION</td>
<td>405,185,015</td>
<td>432,334,462</td>
</tr>
<tr>
<td>Gubernatorial office</td>
<td>105,079,826</td>
<td>111,384,616</td>
</tr>
<tr>
<td>Governor service delivery programme</td>
<td>100,079,000</td>
<td>106,083,740</td>
</tr>
<tr>
<td>Investment promotion and development</td>
<td>5,000,000</td>
<td>5,300,000</td>
</tr>
<tr>
<td>County Public Service Board</td>
<td>13,904,381</td>
<td>14,738,644</td>
</tr>
<tr>
<td>Human resource management</td>
<td>13,904,381</td>
<td>14,738,644</td>
</tr>
<tr>
<td>Office of the County Secretary</td>
<td>35,260,953</td>
<td>37,376,610</td>
</tr>
<tr>
<td>Administration and compliance</td>
<td>35,260,953</td>
<td>37,376,610</td>
</tr>
<tr>
<td>Finance and Economic Planning</td>
<td>170,532,017</td>
<td>180,763,938</td>
</tr>
<tr>
<td>County economic planning and budgeting</td>
<td>35,200,000</td>
<td>37,312,000</td>
</tr>
<tr>
<td>County monitoring and evaluation</td>
<td>20,000,000</td>
<td>21,200,000</td>
</tr>
<tr>
<td>Community Empowerment and Institutional Support Programme</td>
<td>11,200,000</td>
<td>11,872,000</td>
</tr>
<tr>
<td>Public Finance Management</td>
<td>47,800,000</td>
<td>50,668,000</td>
</tr>
<tr>
<td>Supply Chain Management</td>
<td>10,000,000</td>
<td>10,600,000</td>
</tr>
<tr>
<td>Audit, Internal Control and Risk Management</td>
<td>6,000,000</td>
<td>6,360,000</td>
</tr>
<tr>
<td>Revenue Collection</td>
<td>40,332,017</td>
<td>42,751,938</td>
</tr>
<tr>
<td>County Attorney, E-Government &amp; Intergovernmental relations</td>
<td>80,407,838</td>
<td>85,232,308</td>
</tr>
<tr>
<td>Service Description</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Legal services</td>
<td>30,490,782</td>
<td>32,320,229</td>
</tr>
<tr>
<td>Intergovernmental Relations</td>
<td>4,720,000</td>
<td>5,003,200</td>
</tr>
<tr>
<td>Communication Services</td>
<td>5,000,000</td>
<td>5,300,000</td>
</tr>
<tr>
<td>ICT and E-Government services</td>
<td>40,197,056</td>
<td>42,608,879</td>
</tr>
<tr>
<td><strong>AGRICULTURE SECTOR</strong></td>
<td><strong>152,947,560</strong></td>
<td><strong>162,124,414</strong></td>
</tr>
<tr>
<td>Agriculture, Livestock and Fisheries</td>
<td>152,947,560</td>
<td>162,124,414</td>
</tr>
<tr>
<td>Extension Services</td>
<td>36,000,000</td>
<td>38,160,000</td>
</tr>
<tr>
<td>Crop Value Chain Development</td>
<td>53,447,560</td>
<td>56,654,414</td>
</tr>
<tr>
<td>Animal Value Chain Development</td>
<td>5,500,000</td>
<td>5,830,000</td>
</tr>
<tr>
<td>Animal Health and AI(VSDF)</td>
<td>29,000,000</td>
<td>30,740,000</td>
</tr>
<tr>
<td>Sustainable Land and Water Management (Irrigation)</td>
<td>7,000,000</td>
<td>7,420,000</td>
</tr>
<tr>
<td>Input Cost Reduction</td>
<td>10,000,000</td>
<td>10,600,000</td>
</tr>
<tr>
<td>Pest and Disease Control</td>
<td>5,000,000</td>
<td>5,300,000</td>
</tr>
<tr>
<td>Agriculture Infrastructure Development</td>
<td>7,000,000</td>
<td>7,420,000</td>
</tr>
<tr>
<td><strong>INFRASTRUCTURE SECTOR</strong></td>
<td><strong>517,625,250</strong></td>
<td><strong>472,991,312</strong></td>
</tr>
<tr>
<td>Roads Public Works and Transport</td>
<td>397,025,250</td>
<td>420,846,765</td>
</tr>
<tr>
<td>General administration planning &amp; support services</td>
<td>99,618,220</td>
<td>105,595,313</td>
</tr>
<tr>
<td>Development and Maintenance of County Roads, Bridges And Drainage Works</td>
<td>150,000,000</td>
<td>159,000,000</td>
</tr>
<tr>
<td>Development, Management &amp; maintenance of public transport and bus parks</td>
<td>20,000,000</td>
<td>21,200,000</td>
</tr>
<tr>
<td>Public Works Design, Documentation, Construction and Supervision of Government Buildings</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Development &amp; Maintenance of fire &amp; emergency response services</td>
<td>50,000,000</td>
<td>53,000,000</td>
</tr>
<tr>
<td>Development &amp; maintenance of boda boda sheds</td>
<td>6,000,000</td>
<td>6,360,000</td>
</tr>
<tr>
<td>Roads maintenance levy fund</td>
<td>71,407,030¹</td>
<td>75,691,452</td>
</tr>
<tr>
<td><strong>Lands ,Housing and Physical Planning</strong></td>
<td><strong>120,600,000</strong></td>
<td><strong>127,836,000</strong></td>
</tr>
<tr>
<td>-Land Use Administration and Management</td>
<td>35,600,000</td>
<td>37,736,000</td>
</tr>
<tr>
<td>County Spatial Planning and Digitization</td>
<td>40,000,000</td>
<td>42,400,000</td>
</tr>
</tbody>
</table>

¹ Conditional grant from National government
<table>
<thead>
<tr>
<th><strong>PRODUCTIVE SECTOR</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industrialization, Cooperatives, Trade and Enterprise Development</strong></td>
</tr>
<tr>
<td>Cooperatives development &amp; capacity building</td>
</tr>
<tr>
<td>Industrial development</td>
</tr>
<tr>
<td>Enterprise development</td>
</tr>
<tr>
<td>Trade development (including weights &amp; measures)</td>
</tr>
<tr>
<td><strong>Water and Environment</strong></td>
</tr>
<tr>
<td>Water Resource Management</td>
</tr>
<tr>
<td>Environmental Conservation and development of Alternative Energy Sources</td>
</tr>
<tr>
<td><strong>Tourism, Sports and Youth</strong></td>
</tr>
<tr>
<td>Promotion of Tourism</td>
</tr>
<tr>
<td>Promotion of Sports and Sports Activities management</td>
</tr>
<tr>
<td>Promotion of Youth activities and youth empowerment programmes</td>
</tr>
<tr>
<td><strong>HUMAN RESOURCE DEVELOPMENT SECTOR</strong></td>
</tr>
<tr>
<td>Health Services</td>
</tr>
<tr>
<td>Health infrastructure and equipment</td>
</tr>
<tr>
<td>Preventive &amp; promotive Health Care</td>
</tr>
<tr>
<td>Curative Health care</td>
</tr>
<tr>
<td>Solid waste management and cemeteries</td>
</tr>
<tr>
<td>Education, Culture and Social Services</td>
</tr>
<tr>
<td>ECD Development</td>
</tr>
<tr>
<td>Talent and cultural services development</td>
</tr>
<tr>
<td>Youth Polytechnics Development</td>
</tr>
<tr>
<td>Social Development services</td>
</tr>
<tr>
<td>Alcoholics drinks control</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>SUB TOTAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>County Assembly</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>GRAND TOTAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>County Assembly</td>
</tr>
</tbody>
</table>