

REPUBLIC OF KENYA



COUNTY GOVERNMENT OF KAKAMEGA

FINANCE, ECONOMIC PLANNING AND ICT

MEDIUM TERM

**COUNTY FISCAL STRATEGY
PAPER**

A Wealthy and Vibrant County

February 2021

Kakamega County Fiscal Strategy Paper 2021

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The document is also available on the official county website www.kakamega.go.ke

Foreword

The Kakamega County Fiscal Strategy Paper (CFSP 2021) is prepared as provided under section 117 of PFM Act of 2012. It sets out the county priority programmes to be implemented during the financial year 2021/2022 and over the MTEF period. Preparation of this document has been done through collaborated effort and therefore reflects the needs of people of Kakamega County. The document has been aligned to key National and County policy documents which include and not limited to; the Kenya Vision 2030, MTP III 2018-2022, Kakamega County Integrated Development Plan (CIDP 2018-2022) and Kakamega County Annual Development Plan (CADP 2021/2022).

The County has continued to record positive economic development as a result of improved infrastructure, revitalized agricultural sector and the significant investments in other sectors including health, education and trade. To keep this development pace, the main focus of FY 2021/2022 will be geared towards wealth and employment creation. The County will focus on five core areas which are aligned to the Big four agenda as outlined: Transforming the Agricultural Sector; Infrastructure Development including motorable road networks and housing units; Achieve universal Health Care; Promote trade and industrial development and Access to clean and safe water by all.

Despite the tremendous progress made, the County is still faced with several challenges that hold it from achieving its full potential. These challenges include; inadequate financial resources, high unemployment rates, COVID-19 pandemic, and political related issues. However, strategies and measures geared to address these challenges have been captured in this document.

This fiscal strategy paper also gives parameters for the FY 2021/2022 budget and the Medium-Term Expenditure Framework which are consistent with both County and National Government priority programs, strategies and policies.

Dr. Beatrice Sabana Awimbo

Executive Committee Member

Finance, Economic Planning and ICT

Acknowledgement

The development of the FY 2021/2022 CFSP was a collaborative effort throughout the County under the leadership of His Excellency the Governor, Hon. Dr. FCPA Wycliffe Ambetsa Oparanya and the County Executive Committee Members, County Chief Officers, agency/departmental heads and the public.

In addition, I appreciate the Commission for Revenue Allocation (CRA), the National Treasury, the Controller of Budget (COB), the County Budget and Economic forum (CBEF) members among other stakeholders who were very instrumental in the preparation of this document by providing important information in their policy documents and advisories.

Lastly, Special thanks to the Chief Officers, Economic Planning and Investments, and ICT, the staff in the Department of Finance, Economic Planning and ICT for their significant contribution to the development of the 2021 CFSP.

Ambassador CPA James Ochami
Chief Officer
Finance.

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ABBREVIATIONS AND ACRONYMS

ASDSP	Agricultural Sector Development. Support Programme
ATVET	Agricultural Technical and Vocational Education and Training
BPS	Budget Policy statement
CADP	County Annual Development Plan
CBR	Central Bank Rate
CBROP	County Budget Review Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDC	County Industrial Development Centres
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CSWGs	County Sector Working Groups
CTRH	County Teaching and Referral Hospital
ERP	Enterprise Resource Planning
FY	Financial Year
GDP	Gross Domestic Product
HELB	Higher Education Loans Board
ICT	Information Communication & Technology
IFMIS	Integrated Financial Management Information System
KALRO	Kenya Agricultural Livestock Research Organization
KES	Kenya Shillings
KCSAP	Kenya Climate Smart Agriculture Program
KDDC	Kakamega Dairy Development Corporation
KIHBS	Kenya Integrated Household Budget Survey
KIWASH	Kenya Integrated Water, Sanitation and Hygiene
KNBS	Kenya National Bureau of Statistics
KYISA	Kenya Youth Inter County Sports Association
MSME	Micro Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NEMA	National Environmental Management Authority
ODF	Open Defecation Free
OVOP	One Village One Product
PFM	Public Financial Management
PPP	Public Private Partnership
SDG	Sustainable Development Goals
UNICEF	United Nations International Children's Emergency Fund

Legal Basis for the Publication of the County Fiscal Strategy Paper

The County fiscal strategy paper is prepared in accordance with Section 117 of the Public Financial 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

Responsibility Principles in the Public Financial Management Law

In line with the Constitution, the new Public Financial Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107(b)) states that:

- 1) The County Government's recurrent expenditure shall not exceed the County Government's total revenue.
- 2) Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure.
- 3) The County Government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the County Government revenue.
- 4) Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- 5) Public debt and obligations shall be maintained at a sustainable level as prescribed by the executive and approved by the County Assembly.
- 6) Fiscal risks shall be managed prudently.
- 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

OUTLINE OF THE COUNTY FISCAL STRATEGY PAPER FY 2021/2022.

This paper contains six sections as summarized below;

Section I Provides the county strategic blueprint which is to have **a wealthy and economically vibrant county** and further explains how the county government intends to transform its economy.

Section II Outlines the economic context in which the 2021/2022 MTEF budget is prepared. It provides an overview of the recent economic developments and the macroeconomic outlook covering the national government and county level.

Section III Outlines the fiscal framework that is supportive of growth over the medium term, while continuing to provide adequate resources to facilitate service delivery and execute the policy priorities of the county Government.

Section IV Provides a framework of managing the county government's administrative units and the budgetary allocation of the county revenue among its departments.

Section V Presents the resource envelope and spending priorities for the proposed FY 2021/2022 MTEF Budget. Sector achievements and priorities are also reviewed for the FY 2019/20 MTEF period.

Section VI Gives the conclusion.

1.0 EXECUTIVE SUMMARY

This County Fiscal Strategy Paper (CFSP 2021) covers MTEF period 2021/2022-2023/2024 and has been prepared as provided for in Section 117 of the Public Financial Management Act, 2012. In line with the law, the CFSP sets out County priority programs outlined in the next paragraphs to be implemented in FY 2021/2022 and the MTEF period.

The implementation of the county priority programs over the medium term is expected to achieve the County vision of wealthy and economically vibrant County. The priorities to be pursued are in line with Kenya Vision 2030, MTP III, Big Four Agenda, Sustainable Development Goals (SDGs), the Governor's Manifesto and County Integrated Development Plan (2018-2022), Covid 19 Economic Re-engineering Strategy 2020/21-2022/23 among other policy documents. The strategic priority areas include; infrastructure development, revitalization of agriculture, provision of quality education and training, increasing access to clean and safe water, provision of affordable quality health care and improving business environment. These priority programmes are aimed at creating employment and ensuring socio-economic stability hence improving living standards.

This CFSP also incorporates the national economic outlook updates to reflect changes in economic and financial trends. In the preparation of this document, the National Budget Policy Statement (BPS) was a key reference document in aligning the County's priorities to the national's economic policy principles.

1.1 Building a wealthy and economically vibrant County

The focus of the County Government is to steer the county towards wealth creation and building an economically vibrant County through numerous strategies and a proper sustainable fiscal policy framework. Riding on the available resources and the potential that the county has in agricultural value chains, mining, transport infrastructure, cultural tourism, strong governance and administrative structures, medical tourism, forestry and favorable weather conditions that present broad opportunities for investment.

The County has elaborate plans towards strengthening the framework upon which a wealthy and economically vibrant county agenda would be built, however, there are challenges that need to be addressed gradually. They include: low level of local revenue collection due to effects of Covid 19 pandemic, uncertainties arising from national government fund disbursement and expenditure pressures with respect to

salary demands and operational costs which have impacted negatively on the county development agenda.

The County's broad strategic priorities for attaining economic vibrancy include:

- a. Transforming the Agricultural Sector;
- b. Infrastructure development
- c. Achieve universal Health Care;
- d. Promote trade and industrial development
- e. Improve education and training standards
- f. Access to clean and safe water by all.

To achieve the above priority areas, the county government acknowledges that there is need to partner with other stakeholders in its implementation.

This County Fiscal Strategy Paper therefore articulates priorities for economic policies and sectors expenditure programs to be implemented under the MTEF for 2021/2022-2023/24 in order to achieve the County goals.

1.2 Programs for achieving a wealthy and vibrant County.

Strategic priority I: Transforming the Agricultural Sector.

- Enhance uptake of new technologies for agricultural production which will improve yields and reduce costs of production;
- Enhance Agribusiness development focussing on: Commercialization and value addition of dairy, fish, poultry, horticulture and cereals;
- Strengthening of smallholder farmer organizations and developing market linkages for smallholder farmers including linkages to regional and international retail and wholesale value chains.

Strategic priority II: Infrastructure Development.

- Improvement of road network and connectivity through construction and maintenance of tarmac and gravel roads as well as bridges and box culverts;
- Connecting households and institutions to electricity;
- Sports promotion through construction of stadia and talent centres;
- Improvement of service delivery through construction of administrative offices.

Strategic priority III: Achieve universal Health Care

- Complete and equip the County Teaching and Referral Hospital to offer specialised treatment and other health facilities;
- Strengthen community health strategy;
- Strengthen the County medical supply chain to ensure all health facilities have adequate supply of drugs and non-pharmaceutical products;
- Digitize all health care service operations;
- Expand scope and coverage of the “Imarisha Afya ya Mama na Mtoto” Programme to all health facilities in the county to reduce infant, child and maternal deaths;

- Enhance Universal Health care through enrollment to NHIF.

Strategic priority IV: Promote trade and industrial development

- Promotion of secure trading environment through improvement of market infrastructure;
- Promotion of industrial growth;
- Enhance cultural tourism;
- Promotion of fair trade practices and consumer protection.

Strategic priority V: Improve education and training standards.

- Implementation of the Capitation programme at ECDE and County polytechnics;
- Improvement of learning and training environment through infrastructure development;
- Implementation of the ECDE school based feeding program ;
- Provide education support through bursaries and scholarships to improve access to education.

Strategic priority VI: Access to clean and safe water by all.

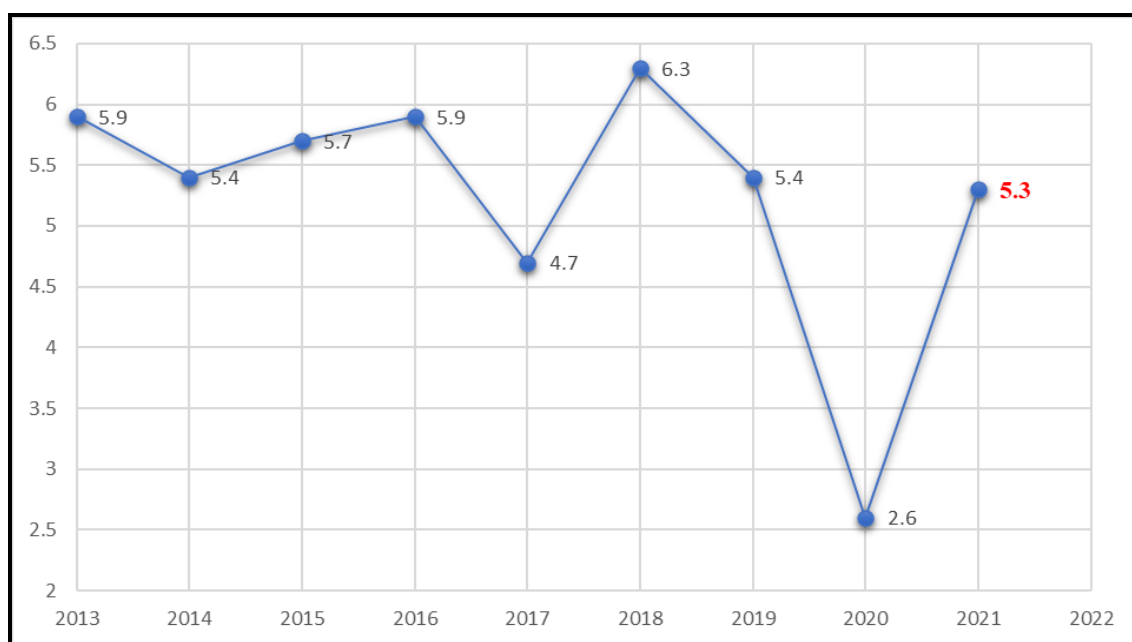
- Construction and augmentation of water infrastructure to improve access to water;
- Promote adoption of rain water harvesting and storage technologies at household and institutional level;
- Mobilise resources to construct sewerage lines in Kakamega and Mumias Towns and other upcoming urban centres.

2.0. RECENT ECONOMIC DEVELOPMENT AND POLICY OUTLOOK IN 2020/21

2.1 Review of Recent Economic Performance

The Country's economy was affected by the effects of the global Covid-19 pandemic in early 2020. This has brought containment measures to contain spread of the disease which has further slowed down economic activities in key sectors of the economy in the first quarter of 2020, resulting to a lower growth of 4.9 percent compared to a growth of 5.5 percent in a similar period in 2019, according to National Budget Review Outlook, 2020. Overall, taking into account the available indicators for second quarter for 2020, the economy is projected to grow by 2.6 percent in the calendar year 2020 compared to the initial projection of 6.1 percent in the 2020 Budget Policy Statement. The economy is projected to rebound to 5.3 percent in 2021 and 5.9 percent over the medium term. In terms of fiscal years, the economy is projected to grow by 4.0 percent in the FY 2020/21 and 5.9 percent over the medium term.

Figure 1: Country's GDP trend between 2013-2020



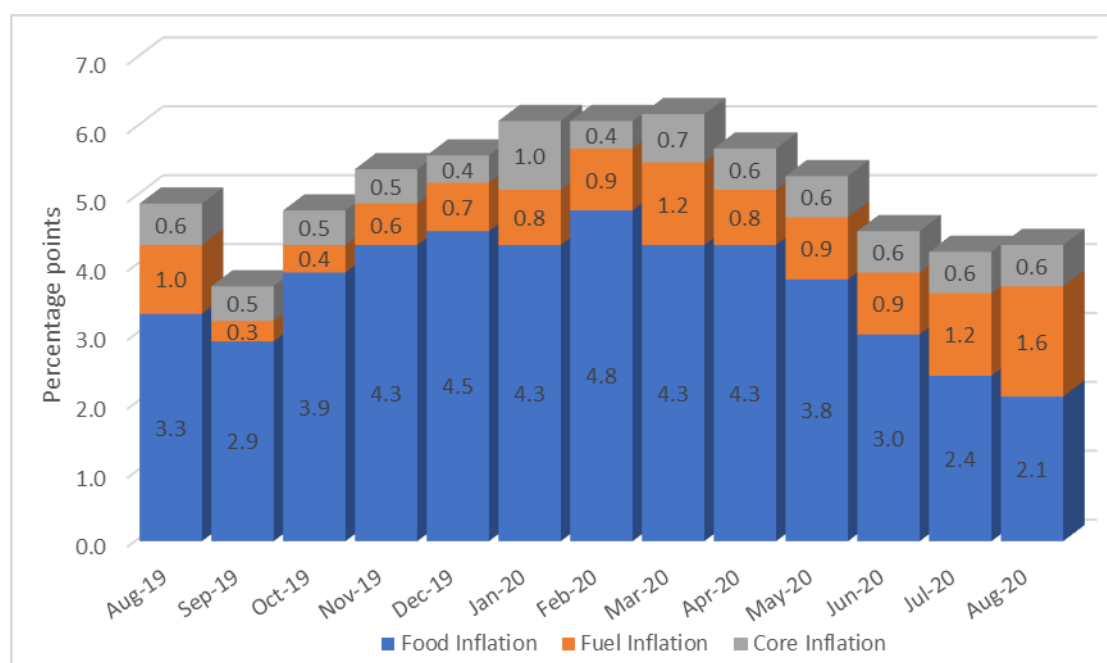
Source: KNBS Economic Survey, 2019 Report

2.1.1 Inflation Rate

Overall inflation has remained within the Government’s range of 5 ± 2.5 per cent. The inflation rate was at 4.4 percent in August 2020, declining from 5.0 percent in August 2019. This decline reflected favorable weather conditions which resulted to declines in the prices of key food items such as cabbages, tomatoes, Irish potatoes, spinach and loose maize grain. Paraffin, petrol, diesel and 200KWh electricity prices also declined during the same period due to lower international oil prices.

The contribution of core inflation to overall inflation has been low and stable reflecting the impact of the reduction of VAT and muted demand pressures in the economy on account of prudent monetary policies. The contribution of fuel inflation has also been low, a reflection on stable energy prices despite the increase in the Petroleum development levy in July 2020. The major driver of overall inflation in the period under review has been food inflation

Figure 2: Monthly Inflation Rates



Source: KNBS Economic Survey, 2020 Report

Figure 3: Kenya’s inflation rates from 2013-2018

2.1.2 Interest Rate

Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent on July 29, 2020 same as in April 2020 to signal lower lending rates in order to support credit access by borrowers especially the Small and Medium Enterprises distressed by Covid-19 pandemic. The interbank rate remained low and fairly stable at 2.5 percent in August 2020 from 3.6 percent in August 2019 in line with the easing of the monetary policy and adequate liquidity in the money market. The 91-day Treasury Bills rate declined to 6.2 percent in August 2020 compared to 6.4 percent in August 2019. Over the same period, the 182-day Treasury Bills rate declined to 6.6 percent from 7.1 percent while the 364-day decreased to 7.5 percent from 9.2 percent.

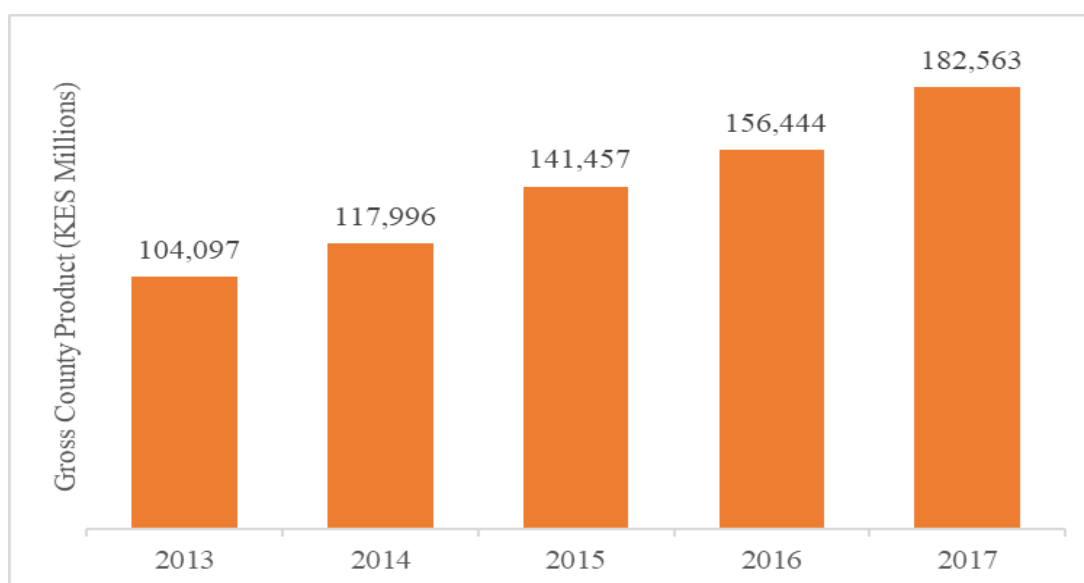
2.1.3 Kenya Shilling Exchange Rate

The foreign exchange market has experienced some volatility in 2020, largely due to uncertainties with regard to the impact of Covid-19 Pandemic and a significant strengthening of the US Dollar in the global markets. However, the Kenya Shilling remained competitive supported by a stable current account deficit. The Shilling depreciated against the US Dollar, Sterling pound and the Euro exchanging at an average of Kshs 107.3, Kshs 135.3 and Kshs 122.5 in July 2020 from Kshs 103.2, Kshs 128.7 and Kshs 115.8 in July 2019, respectively

2.2 Kakamega County Gross County Product

According to KNBS, Gross County Product Report 2019, the county's GDP was estimated at KES 182,563 Million which is 2.4 per cent of the national GDP in 2017 (KES 7.524 Trillion). The agriculture sector contributed 52.1 per cent of GCP while service subsector and manufacturing sector constituted 40.0 per cent and 4.4 per cent, respectively (figure 1). The services sector includes such activities as wholesale and retail trade. Agriculture is mainly dominated by crop farming activities while manufacturing is dominated by the small-scale production of consumer goods, such as plastic, furniture, textiles and food processing.

Figure 4: County Gross Product 2013-2017



Economic impact of the COVID-19 pandemic

The County was hit by Covid-19 pandemic which have adversely affected various sectors of economy. According to 2020 KNBS COVID-19 survey, about 52.1 per cent of the county population were self-employed in 2015/16 but the share declined to 26.3 per cent in 2020 survey on labor participation with majority of workers (36.8 per cent) reporting decrease in income due to COVID-19.

Due to the pandemic, the total visitor numbers, revenue and employment generated by tourism establishments declined by close to 50 per cent. Micro Small and Medium Enterprises sector was mostly affected. The wholesale and retail trade sector which has the highest number of establishments lost 12.5 hours in usual and actual hours in a week. This indicating the adverse effects on the service sector implying loss of productivity, output and employment. In addition, the manufacturing sector was hard hit and lost 14.8 hours.

Gender Based Violence (GBV) in the county increased amid COVID-19. Based on the survey 26.6 per cent of the respondents in the county indicated to have witnessed or heard any form of domestic violence in their community since MOH instituted COVID-19 measures.

2.2 Update on fiscal performance and emerging challenges

The fiscal and economic assumption underlying the 2019/20 budget entailed improved collection of revenue from local sources and timely releases of funds by the national treasury. The updated Fiscal Economic framework is optimistic, given that the local revenue collection trend has improved. Despite the several challenges that still exist, the County Government will continue with its policy of expenditure rationalization with a view to provide more funds to core services.

2.2.1 County Revenue performance for Previous Year 2019/2020

The total local revenue collection was **KES 1.180 Billion** compared to the target in the revised budget of **KES 1.628 Billion**. This represents revenue shortfall of **KES 448,42 million** or **27.5%**. The National Government disbursements amounted to **KES 11.21 Billion** consisting of conditional grants amounting to **KES 1.71 Billion** and equitable shareable revenue of **KES 9.51 Billion** as provided in table 2. The total revenue available for spending was **KES 14,122,829,621** after the incorporation of transfers from the National Government and the balance from the previous FY 2018/19 of **KES. 1.705 Billion**.

2.2.1.1 Locally Collected Revenue

The County Revenue collection performance was better than the previous year (2018/19). In the FY 2019/2020, local revenue was KES 1.180 Billion against the revised budget of KES. 1.628 Billion

Table 1: Comparison of Yearly Revenue Collection

Total Revenue and Grants	Actual Receipts		Approved Budget	Revised Budget	Actual Receipts
	2017/2018	2018/2019	2019/2020		
Own sources	441,333,276	896,660,752	2,113,000,000	1,628,643,695	1,180,803,459
Market Fees	25,824,915	33,397,604	42,000,000	35,000,000	23,269,805
Single Business Permit	68,599,290	79,968,601	190,000,000	100,000,000	73,590,133
Rates	30,750,567	18,555,615	500,000,000	200,000,000	21,997,559
Cess	27,155,400	49,240,668	60,000,000	45,000,000	47,722,650

Total Revenue and Grants	Actual Receipts		Approved Budget	Revised Budget	Actual Receipts
	2017/2018	2018/2019	2019/2020		
Cess on Murram	-	5,000	6,000,000	4,000,000	2,098,900
Slaughter House	1,840,155	2,094,795	15,300,000	9,000,000	7,437,500
Bus Park	47,579,674	40,742,790	45,000,000	35,000,000	25,255,360
Street Parking	6,994,650	11,667,960	12,000,000	12,000,000	9,575,180
Motor Bike	1,107,160	5,933,010	6,500,000	5,500,000	5,582,800
Kiosk Fee	2,013,180	3,385,980	5,500,000	5,500,000	3,980,220
Ground Rent			6,000,000	6,000,000	2,405,503
Stall Rent	1,516,460	1,512,360	2,200,000	2,000,000	1,681,050
Impounding Fee	369,250	1,144,295	3,000,000	2,643,120	2,084,840
Plan Approval	8,250,495	16,531,643	41,000,000	38,518,760	18,870,896
Public Toilet	870,506	1,113,330	2,000,000	1,357,050	1,445,888
Reg of Groups	115,200	226,420	500,000	300,000	258,310
Fire Compliance			2,000,000	3,000,000	1,204,275
Noise Control	21,100	715,050	1,500,000	1,000,000	716,300
Stock Sales	11,085,320	11,985,875	15,000,000	7,000,000	5,539,130
Bukhungu Stadium	1,529,700	3,913,200	2,500,000	2,500,000	968,450
Hire Fee	421,900	1,412,430	2,500,000	1,476,300	3,523,190
Advertisement	7,548,005	17,535,426	25,000,000	20,000,000	11,069,224
House Rent	2,560,755	1,516,416	3,000,000	3,500,000	3,020,332
Public Health	7,383,301	15,367,433	20,000,000	15,000,000	16,244,467
Bukura ATC	2,747,861	5,295,121	9,000,000	6,000,000	5,566,024
Veterinary Services	6,506,526	4,820,570	7,000,000	7,000,000	5,035,625
Farm Mechanization	-	1,495,033	10,000,000	3,000,000	1,750,750
Farm Input	-	178,928,435	381,500,000	382,892,254	314,642,850
Health Services	148,164,792	202,918,504	270,000,000	257,116,036	218,548,945

Total Revenue and Grants	Actual Receipts		Approved Budget	Revised Budget	Actual Receipts
	2017/2018	2018/2019	2019/2020		
NHIF	-	130,502,050	350,000,000	350,000,000	285,926,691
Weights & Measures	316,205	696,700	1,500,000	700,000	433,400
Interest	-	450,000	500,000	452,411	1,313,320
Liquor	12,717,890	17,886,326	25,000,000	20,000,000	16,915,000
Kiosks	2,013,180	3,385,980	-	-	-
Nursery fees	56,000	20,700	-	-	-
Others	17,287,019	35,681,412	50,000,000	46,187,764	41,128,892

2.2.1.2 National Government Revenue

Revenue from the National Government consisted of equitable shareable revenue of KES 9.517 Billion, and total Conditional grants of KES 1.71 Billion. The summary of transfers from the National Government including conditional grants is highlighted in table 2.

Table 2: National Government Revenue 2019/2020

Revenue Source	Amount in KES
Equitable Shareable	9,517,344,900
Level 5 Hospital	427,283,241
Roads Maintenance Levy Fund	295,575,656
DANIDA	42,358,750
User Fees forgone	37,789,290
Youth polytechnics	76,923,328
World bank-Universal Health Care Fund	61,794,598
Agricultural Sector Development Support Programme	18,926,430
World Bank-KCSAP	100,133,871
World Bank-KUSP(DEV)	278,312,862
World Bank-KUSP(REC)	8,800,000
KDSP Level 1	30,000,000
Covid 19 Grant	262,173,000
Covid 19 Allowances for Health Staff	78,930,000
Total	11,236,345,926

Table 3: Comparison of Yearly Revenue receipts from the National Government

FY	Equitable share	Conditional grants	Total
2016/2017	9,612,093,312	798,793,312	10,410,886,624
2017/2018	9,935,800,000	1,022,691,107	10,958,491,107
2018/2019	10,330,000,000	1,644,381,649	11,974,981,652
2019/2020	9,517,344,900	1,719,000,990	11,236,345,926

2.2.2 County Expenditures for previous FY 2019/2020

Total expenditure was KES 12.667 Billion against revised expenditure estimates of KES15.407 Billion, representing an under-spending of KES 2.740 billion (17.78%). Overall absorption rate was 82.22% of which 92.69% was recurrent and 70% development. As indicated above, the performance for FY 2019/2020 was slightly lower as compared to that of FY 2018/2019 which was 85.25%.

Total recurrent expenditure for FY 2019/2020 amounted to KES.7.743 Billion; representing an under-spending of KES. 610.383 Million (7%) deviation from the revised expenditure estimates. The under-spending was generally in respect to delayed disbursements for May and June 2020 equitable shareable revenue and the unmet target of revised local revenue.

The total recurrent expenditure consists of 56% for Operations and Maintenance, 32% for Salaries & wages and 13% transfer to County Assembly.

2.2.2.1 Economic Classification of County Expenditure

The table 4 gives the details of the classifications of the expenditure as per the various economic items.

Table 4: Economic Classification of Expenditure for FY 2019/2020

PAYMENTS	2018/2019	2019/2020			
	Actual	Approved budget	Revised budget	Actual	Deviation
1. RECURRENT	7,299,315,002	7,810,969,107	8,353,658,627	7,743,275,411	-520,821,730
Compensation of Employees	4,469,521,710	4,770,206,900	4,577,641,552	4,403,293,692	-174,347,860
Operations and Maintenance	1,778,487,462	1,979,397,617	2,709,080,301	2,362,606,431	-346,473,870
County Assembly	1,051,305,830	1,061,364,590	1,066,936,774	977,375,288	-89,561,486
2. DEVELOPMENT	5,053,002,551	7,061,076,272	7,053,400,561	4,924,447,648	-2,128,952,913
Development projects	5,053,002,551	7,061,076,272	7,053,400,561	4,924,447,648	-2,128,952,913
TOTAL EXPENDITURE	12,352,317,553	14,872,045,379	15,407,059,188	12,667,723,059	-2,739,336,129

Source: County Treasury 2020.

Table 4 groups the total county expenditures for the previous year into three main categories;

- i. **Compensation of Employees;** This includes basic salaries paid to permanent and temporary employees and personal allowances paid as part of salary among other related costs.
- ii. **Operations/Use of goods and services;** It includes utilities, supply and services, domestic travel and subsistence, and other transportation costs, training expenses, hospitality supplies and services, routine Maintenance among other related costs.
- iii. **Development expenditures;** These are the funding to the various capital projects and programmes in the county departments.

2.2.2.2 Expenditure by Departments

The overall departmental expenditure was satisfactory. Most departments performed fairly well with the Departments of ICT, E-government & Communication and Trade, Tourism & Industrialization being the highest at 100% each while the Departments of Lands, Housing, Physical Planning and Urban Areas and County Public Service Board were lowest at 49% and 41% respectively.

Table 5: Departmental Expenditure for the period ending 30th June 2020

	Actual Expenditures			Budget	Revised Budget	Actual	Absorption rate (%)
	2016/2017	2017/2018	2018/2019	2019/2020			
EXPENDITURES	10,850,616,953	11,154,027,983	12,352,317,553	14,872,045,379	15,407,059,188	12,667,723,059	82
Office of the Governor	195,791,392	269,222,770	212,498,784	152,865,387	229,098,822	194,191,616	85
Current	182,315,545	239,222,770	178,009,734	129,665,387	205,118,822	178,035,859	87
Development	13,475,847	30,000,000	34,489,050	23,200,000	23,980,000	16,155,757	67
Public Service and Administration	3,874,085,249	4,904,586,912	4,970,638,300	5,380,015,279	5,013,296,270	4,862,678,119	97
Current	3,781,851,579	4,798,713,628	4,910,587,561	5,216,506,749	4,898,787,740	4,852,059,106	99
Development	92,233,670	105,873,284	60,050,739	163,508,530	114,508,530	10,619,013	9
County Treasury	190,236,242	304,780,353	301,614,031	289,806,337	370,094,469	185,126,067	50
Current	112,748,043	179,780,353	220,033,703	184,806,337	370,094,469	185,126,067	50
Development	77,488,199	125,000,000	81,580,328	105,000,000	-	-	
Water, Environment and Natural Resource	129,442,205	157,915,053	224,708,216	589,176,460	587,116,460	290,642,127	50
Current	12,509,456	30,728,948	39,372,086	38,592,783	38,752,783	30,876,291	80
Development	116,932,749	127,186,105	185,336,130	550,583,677	548,363,677	259,765,836	47
Social Services, Youth & Sports	268,439,451	298,436,204	176,046,659	889,903,929	659,109,943	536,740,520	81
Current	13,851,972	26,641,572	37,149,341	74,903,929	66,809,943	52,619,276	79
Development	254,587,479	271,794,632	138,897,318	815,000,000	592,300,000	484,121,244	82

	Actual Expenditures			Budget	Revised Budget	Actual	Absorption rate (%)
	2016/2017	2017/2018	2018/2019	2019/2020			
Roads, Public Works and Energy	2,086,199,967	1,539,262,134	1,817,139,333	1,841,339,687	1,706,402,704	1,377,082,787	81
Current	8,072,567	10,911,433	26,040,410	22,764,031	22,726,531	19,045,980	84
Development	2,078,127,400	1,528,350,701	1,791,098,923	1,818,575,656	1,683,676,173	1,358,036,807	81
Lands, Housing, Urban Areas and Physical Planning	134,091,728	178,594,564	288,525,232	678,923,595	1,099,024,395	538,468,262	49
Current	25,083,991	92,961,647	173,526,755	168,704,795	217,704,795	131,538,969	60
Development	109,007,737	85,632,917	114,998,477	510,218,800	881,319,600	406,929,293	46
Health Services	1,853,700,917	1,673,577,719	1,477,247,946	1,925,547,030	2,401,804,526	2,118,934,349	88
Current	517,119,015	488,744,742	389,103,216	551,547,030	1,051,947,057	1,018,097,753	97
Development	1,336,581,902	1,184,832,977	1,088,144,730	1,374,000,000	1,349,857,469	1,100,836,596	82
Agriculture, Livestock, Fisheries and Co-operatives	395,284,577	355,855,298	789,696,278	670,834,334	1,051,293,841	599,120,529	57
Current	28,809,817	57,962,757	51,585,066	52,118,027	58,118,027	32,693,744	56
Development	366,474,760	297,892,541	738,111,212	618,716,311	993,121,814	566,426,785	57
Trade, Tourism & Industrialization	312,261,875	162,885,933	141,850,444	355,610,171	288,494,019	160,161,577	56
Current	17,604,339	29,501,573	37,428,247	50,610,171	55,994,019	31,867,667	57
Development	294,657,536	133,384,360	104,422,197	305,000,000	232,500,000	128,293,910	55
Education, Science & Technology	478,798,315	379,798,444	688,699,202	727,237,209	721,787,209	671,585,960	93

	Actual Expenditures			Budget	Revised Budget	Actual	Absorption rate (%)
	2016/2017	2017/2018	2018/2019	2019/2020			
Current	9,601,437	30,776,950	112,661,111	200,313,911	204,863,911	176,259,151	86
Development	469,196,878	349,021,494	576,038,091	526,923,298	516,923,298	495,326,809	96
County Public Service Board	33,767,471	35,595,861	29,732,599	26,327,735	31,760,124	31,624,954	100
Current	33,767,471	35,595,861	29,732,599	26,327,735	31,760,124	31,624,954	100
County Assembly	898,517,564	893,516,738	1,051,305,830	1,111,364,590	1,066,936,775	977,375,288	93
Current	898,517,564	893,516,738	1,051,305,830	1,061,364,590	1,066,936,775	977,375,288	92
Development	-	-	-	50,000,000	-	-	-
ICT, E-government & Communication	-	-	182,614,699	233,093,632	180,893,632	123,991,095	69
Current	-	-	42,779,342	42,743,632	64,043,632	26,055,197	41
Development	-	-	139,835,357	190,350,000	116,850,000	97,935,898	84

2.3. Major Programmes and projects implemented for the period 2017/18– 2019/2020

2.3.1 Agriculture, Livestock, Fisheries and Cooperatives

- ❖ **One Cow Initiative** – 1080 in-calf dairy cows have been distributed to households, of which 900 have calved down producing over 2 Million litres of milk annually. 308 calves have been passed over.
- ❖ **Smart Dairy unit Established** - Matungu, Bukura and Kabras Smart dairy units with 20 dairy cows in each unit and Khwisero unit awaiting stocking;
- ❖ **Artificial Insemination (AI)** – Enhanced access to AI services through training of 23 AI service providers and acquired 12 Motor bikes for administration of subsidized AI services that has served 28,119 cows;
- ❖ **Poultry Farming** – 40,000 chicks distributed and 4,665 chicks brooded and distributed to groups;
- ❖ **Disease Prevention** – 900,501 cattle, 12,313 sheep, 9,546 goats, 64 donkeys and 379 pigs vaccinated against major diseases; 68,779 dogs and 678 cats vaccinated against rabies;
- ❖ **KALRO diagnostic Laboratory** – The laboratory at KALRO has been renovated and operationalized;
- ❖ **Livestock sale yards**- Constructed Lubao and Nambacha modern stock-rings
- ❖ **Fish Farming and Productivity** – Purchased and distributed 98.025 tonnes of fish feeds and 489,200 male Tilapia fingerlings purchased and distributed to 489 farmers

- ❖ **Farm Input Subsidy** – Distributed 461,073 bags of planting fertilizer, 407,366 bags of top-dressing fertilizer and 515,235 (2 kg) packets of maize seeds;
- ❖ **Tea development** – 607,000 Seedlings were distributed to farmers in Shinyalu, Ikolomani and Khwisero Sub-counties for infilling.
- ❖ **Farm Mechanization Services (Tractor services)** – A total of 4,613.75acres of land have been ploughed;
- ❖ **Irrigation** –Total area of land under irrigation is 362 acres, 4,315 acres under drainage;
- ❖ **Bukura ATC**- Developed tea nursery, Dairy unit constructed, block A renovated, constructed a concrete slab, purchased ICT equipment and furniture from prisons
- ❖ **Cooperatives Support**-Provided tools and equipment for value addition and agro-processing to 14 Cooperatives Societies. Developed cooperative policy.

Impact

These initiatives have improved County food security and enhanced people's standards of living. Maize production has increased from 2.2 million bags in 2014 to 2.8 million bags in 2018 while milk production has increased by 2 million litres over the same period.

2.3.2 Roads, Public Works and Energy

- A total of 81 Km of gravel roads upgraded to bitumen standards (Bukura -Shibuli rd 9.2km) Soy – Kogo Rd 13 km, Khayega – Shinyalu Rd 11 km, Khumailo - Khwisero Rd, Khwisero – Akatsa Rd 7.2, Lumakanda Town – Lumakanda Junction Rd 4 km, Hill School Logma Guest House, National Housing network, Kakamega Teaching and Referral road, Shibuli Bukura road, Kencom Road, and various in Mumias and Kakamega towns)
- A total of 1,758.05 Km of gravel roads has been constructed and 1,84.3 Km of gravel road maintained;
- Constructed 47 bridges and box culverts have been constructed across the County including Khaunga Bridge that connects 3 sub-counties and several others are still ongoing;
- Installed 80 high mast floodlights have been erected in various trading centres across the County;

Impact

Investment in the road sector, where 85 % of the County roads are motorable has increased connectivity and improved accessibility. Moreover, installation of high mast flood lights has increased hours of doing business thus increased incomes among households.

2.3.3 Health Services

Key achievements of the sector for 2017/18 – 2019/2020

- Construction of Kakamega County Teaching and Referral Hospital Phase I at 90%;
- Construction of two new level 4 hospitals at Shamakhubu in Shinyalu and Mumias Town in Mumias West at 82% and 98% respectively;
- Construction and operationalization of modern funeral parlour
- Construction and operationalization of; Eshikhuyu, Chepkombe, Nyapora, Chegulo and Silungai dispensaries
- Regular supply of drugs and medical consumables in all public health facilities
- Kakamega General Hospital has been refurbished and expanded with Construction of Amenity Block C and Pharmacy Store; Parking lot, renovation of Amenity block A and B, renovation of Old mortuary and waste management plant.
- In partnership with UNICEF, over 45,000 mothers have been able to access safe delivery and full vaccination cycle under the ‘Imarisha Afya Ya Mama Na Mtoto’ Programme;

Impact

The employment of more health care workers and the expansion of infrastructure in various health facilities has increased access to medical health care. There has also been a reduction in maternal and child mortality due to the roll out of the Imarisha Afya Ya Mama na Mtoto programme. There is reduced distances travelled to access medical services while provision of ambulance services has ensured prompt and safe emergency evacuation of patients through the revamped referral system. Furthermore, skilled deliveries have improved from 59.7% in 2016 to 64.7% in 2018 while infant mortality has dropped to below 65 per 1000 live births. Acquisition of stand-by power generators has reduced service interruptions by ensuring continuous power supply.

2.3.4 Education Science and Technology

Polytechnic Improvement

- ❖ Polytechnic tuition subsidy capitation of KES 15,000 per trainee has increased enrolment from 6,966 in 2017/18 to 9,559 in 2019/20;
- ❖ Through the ATVET Programme, 2,500 farmers and youth have been trained in Agri-preneur skills;
- ❖ Completed 35 twin workshops in County polytechnics;
- ❖ Registration of County Polytechnics by TVETA increased from 14 to 55.
- ❖ Provision of Textbooks and branded exercise books to all the 63 County Polytechnics.
- ❖ Employed 250 Instructors on BOM terms

ECDE

- Free ECDE tuition(capitation) of KES 1,000 per child has increased enrolment from 107,777 in 2017/18 to 117,442 in 2019/20;
- Improved ECDE education through employment of 1,901 EDCE teachers
- A total of 532 ECDE Classrooms have been constructed;
- Improved learning environment through the provision of 3,340 child sized tables and 22,044 chairs to 334 ECDE Centres.
- Provided Teachers guides, Children's Workbooks and branded exercise books to all ECDE Centres.
- 859 ECDE teachers trained on Competency Based Curriculum.
- Capacity Built 859 ECDE teachers on Financial Management

Education support

- ❖ Enhanced access to higher education through County Higher Education Loans Scheme where 5,694 students benefited;
- ❖ County Ward Based Bursary Scheme benefitted 30,839 students studying in colleges and secondary schools;
- ❖ Contracted 545 Board of Management teachers in secondary schools across the County;
- ❖ The County University Education Scholarship Scheme has benefited 47 students who are studying in local and foreign universities;

- ❖ Completed 6 Centres of Excellence (i.e., Sir. Henry Saisi, Malava, Namulungu, Shikondi, Elukho, Lubinu and St Kizito Lusumu secondary schools)
- ❖ Supported public learning institutions in provision of learning infrastructure and equipment;

Impacts

Improved the education and training standards as indicated by increased enrolment in ECDEs from 87,465 in 2017/18 to 117,442 in 2019/20 and increased Count Polytechnic enrolment from 5,001 in 2017/18 to 9,559 in 2019/20.

2.3.5 Trade Industrialization and Tourism

- ❖ The County has constructed 4 modern markets (Nambacha, Mumias West, Malinya and Bukura)
- ❖ Fabricated and installed 50 modern kiosks;
- ❖ Completed construction of 2 ablution blocks in Nangili and Kambiri markets;
- ❖ Prepared a Master Plan for the Industrial Park
- ❖ Prepared Master Plan and Land Valuation for Ikhongo Murwi
- ❖ Acquired primary Weights and Measures standards

Impacts

The County initiatives have improved access to better market environment and increased incomes and revenues.

2.3.6 Water, Environment and Natural Resource

- Developed the County Water and Sewerage Master Plan (2018-2023);
- In partnership with KIWASH, constructed a 100m³ distribution tank at Bishop Stam, laid main line to the tank and also expanded distribution lines in Butere;
- Constructed Misango water project
- Constructed Sisokhe school, Makunga Health Centre, Lugari school and Likuyani hospital water supply projects;
- Rehabilitated 40 boreholes across the County;
- Extension of Mumias town water supply scheme
- Expansion of Koyonzo water scheme and
- Constructed Likuyani water scheme
- Improved the infrastructure at the solid waste disposal site at Roasterman by constructing a Management Office block, access roads and fencing. There is also regular maintenance of the site by fumigation and compacting waste
- Through the County Greening program, increased tree cover by planting over 500,000 trees in public institutions, hill tops and river banks. The department has also established over 15 tree nurseries in collaboration with community groups
- Capacity building of Artisanal miners across the County on sustainable land management and safety at work. This was done in collaboration with the National Environmental Management Authority (NEMA), Occupational Safety and Health Administration (OSHA), and the Ministry of Mining

- In support of the principle of Reduce – Reuse – Recycle the department fabricated and installed separation at source elevated litter bins in selected market areas of the County. So far 183 three -in- one litter bins have been installed
- Environmental Legislations developed to address the effects of human activity on the natural environment including Kakamega County Environmental Management Act 2019 and Kakamega County Climate Change Act 2020
- Improved natural resource management through conducting Baseline Surveys and digitization of County Natural Resource and county wetlands and development of Community Based Management Plans
- Strategy development- County Solid waste management strategy, Strategic Plan, Climate change Policy, climate change finance policy, Climate change adaptation Plan and climate change Action plan
- Establishment of County Technical Committee to build the capacity of the community to determine and enhance the access to genetic/biological resources, and to ensure that the benefits arising from their utilization, are shared in a fair and equitable manner

Impacts

The initiatives of the Sector have led to a clean and secure environment, reduced prevalence of waterborne diseases and improved access and coverage to safe water.

2.3.7 Social Services, Youth and Sports

- Upgraded Bukhungu Stadium to international standards (Phase I complete);
- Upgraded Bukhungu Stadium to international standards (Phase II 20% complete);
- Promoted the development of sports talent through KYISA games, KICOSCA, EALASCA and Sports Support Programmes;
- Constructed 720 low cost housing units for the vulnerable under the Shelter Improvement Programme;
- Constructed Gender Based Violence Rescue Center 60% complete;
- Conducted baseline survey for PWDs in the County;
- Donated foodstuff to Kakamega Vocational Rehabilitation Center;
- Trained County Senior officers on industrial labor laws;
- Donated foodstuff to Children Charitable Institutions;
- Established and implemented the County Youth Service where 3,000 youth and women have been engaged to provide services to the County;
- Trained and issued drivers' license to 600 boda boda operators
- Conducted mapping of boda boda operators in the county;
- Conducted capacity building for 600 youth and 300 women on various talent and empowerment skills;
- Procured 400 seats and ICT equipment for the Library users at Kakamega Library
- Conducted capacity building for cultural groups and artists;
- Held a consultative forum for council of elders, Maendeleo ya Wanawake and H.E the governor;
- Renovated Khayega Art Gallery 90% complete;

- Promoted integration among East African Countries by participating in Jumuia ya Africa Mashariki Festival in Uganda 2017 and Tanzania 2019;
- Held exhibition for African Traditional Medicine practitioners;
- Promoted indigenous languages by observing international mother language day;
- Participated in UNESCO cultural festival in Kisumu to promote national integration;
- Ranked position 1 in the Kenya National Music and Cultural Festival seven years in a row.

Impact

The County has improved the socio-economic situation of the disadvantaged members of the society, promoted social cohesion and increased the participation of youths in development activities and nurtured talents.

2.3.8 Lands, Housing, Urban Areas and Physical Planning

- a) Upgraded roads to bitumen standards which include Mjini – St. Peters road (0.55KM), St. peters – Nyapora Road (1.9 KM) and Triangle roads in Mumias Municipality and Apple Gate School – Milimani Resort School – State Lodge Junction road (0.73KM), KAMADEP – MMUST Catholic Church Road (0.6KM), Coast Bus – Nala Lane – Friends Hotel Road (0.6km), Amalemba Pri – MOW – Mwauda-Assembly (0.8km)
- b) Land scaping -of St. Mary’s sec school – Total Petrol Station in Mumias, PC Roundabout – CGH road, Muliro Gardens, Sudi Lane – Supa Loaf road and Taxi Parking Lot in Kakamega Municipality
- c) Landscaping and installation of fountain at Kakamega Round about
- d) Continuous cleaning of Both Kakamega and Mumia Municipalities
- e) Constructed Bus park in Sabatia Butere
- f) Constructed Kambi Somali Market.

Impact

Improved the business environment, hygiene and town planning.

2.3.9 Office of the Governor & Public Service and Administration

1. Constructed seven (7) ward offices, Ikolomani sub-county office, Rehabilitation centre and county court
2. Refurbished five (5) offices (Butere and Lugari Audit offices, Sahajanand, Current County HQs and Kotecha Building)
3. Constructed police houses in Navakholo.
4. Initiated operationalization of Community Area Councils across the 400 Community Areas.
5. Handled various disaster Occurrences in the County (Floods and Musingu High School dorm fire)
6. Organized 66 awareness forums on effects of alcohol and drug abuse across the County.

Impact

There has been improved efficiency in service delivery up to the Community level and improved response to disasters and emergencies.

2.3.10 Finance and Economic Planning

- ❖ Revenue collection improved from 682 million in 2017 to 896 million in 2019;
- ❖ Improved internal control environment which has enhanced efficiency in financial management and reduced audit queries;
- ❖ Fully implemented the e-procurement module;
- ❖ Developed the Kakamega CIDP 2018-2022;
- ❖ Training of staff on revenue management.

Impact

Improved financial management and enhanced coordination in implementation of County Plans.

2.3.11 ICT, e-Government and Communication

- ❖ Full implementation of ERP module
- ❖ ICT connectivity i.e., Local Area Network (LAN) at the County Headquarter and other County offices and WIFI services availed at the county headquarter offices.
- ❖ Rolling out of cashless systems;
- ❖ Enhanced information sharing through county documentary

Impact

Internet connectivity and developed communication systems have ensured efficiency and effectiveness in service delivery to citizens and increased transparency and accountability in financial management.

2.4 Implementation of FY 2020/21 Budget and Emerging Fiscal Challenges

The implementation of budget for FY 2020/21 started smoothly despite uncertainty in release of funds from the national government due to late approval of County Disbursement schedule. Most spending during the first quarter was majorly recurrent in nature with employee cost taking a bigger percentage.

Challenges arising from the outbreak of COVID-19 pandemic has affected the implementation of the budget for the FY 2020/21. The revenue collection prospects in FY 2020/21 is promising. The data provided up to end of second quarter in December 2020 is **KES 429 million** as compared to **KES 228 million** during the same period. It is expected that the revenue target of **KES 2.1Billion** will be met.

Some of the notable challenges faced in the implementation of the County Projects and programmes included;

- Outbreak of COVID 19 pandemic
- High expectation from the Public for development;
- Expanding wage bill which limits funds meant for development;
- Delays in disbursement of funds from the National government;
- Inadequate financial resources;
- Low domestic revenue collection;
- Inadequate policy and legal framework;
- Inadequate technical staff;

2.5 Revised budgets

In the course of the budget implementation during the first half of the financial year 2020/2021 several challenges emerged. Key among them is; COVID-19 pandemic, insufficient budget for some programmes resulting from payment of pending bills, delays in exchequer releases by the National Treasury and continued expenditure demands from departments.

In view of the financial constraints from revenue and emerging expenditure pressures, a supplementary budget for FY 2020/2021 reflecting these changes has been approved by the County Assembly.

Adjustments to the 2020/21 budget has taken into account actual performance of expenditure and absorption capacity for the remainder of the financial year. Due to resource constraints, the County Government will continue to rationalize and re-prioritize development and operational expenditures in order to spend within the budget.

2.6 Risks to the outlook

Expansion of devolved system up to the grass root has brought in itself several challenges to the county. Expenditure pressures have continued with salaries and operational demands from all county departments especially Health, Education and Public Service & Administration. The high wage bill at the county poses a risk to sustainable implementation of the 2020/21 budget in the medium term by limiting funding to the capital expenditure.

The County government will undertake appropriate measures such as budget rationalization to safeguard economic stability in order to neutralize its effects to fiscal outlook.

3.0 FISCAL POLICY AND BUDGET FRAMEWORK

3.1 Overview

The 2021/2022 Medium-Term Fiscal Policy aims at supporting a sustainably wealthy and vibrant county by providing high quality services to improve the livelihoods of its citizens. The county will pursue prudent fiscal policies to ensure economic growth and development. In addition, these policies will provide support to economic activities while allowing for sustainable implementation of the projects and programs. Adhering to these policies will also enhance local revenue collection which will ensure there are adequate resources for capital investments.

In respect to local revenue generation, the county is striving to institute corrective measures to reduce revenue leakages through operationalization of the County Revenue Agency which is responsible for efficient and effective revenue collections, enforcement of local revenue laws and regulations, automation of revenue collection systems and speedy implementation of collection of other revenue streams. It also has responsibility to undertake sensitization and education of the public on revenue matters.

For efficient and effective service delivery, there is need to increase the County human resource capacity especially the technical staff.

3.1.1 Legal Framework

Budget process is provided in legal frame work including but not limited to the Constitution of Kenya, County Government Act, 2012 and the Public Finance Management Act, 2012, Such processes require collaboration with all stakeholders and ensure harmony in the operation of the county governments and also boosting the inter and intra government relations.

3.1.2 Adherence to Fiscal Responsibility Principles

To have sustainable development and growth, the County is required to meet its fiscal targets. This is made possible by strict adherence to fiscal responsibility principles. These policies will aim at rationalizing allocation of more resources from recurrent to capital and development programmes so as to promote sustainable and inclusive growth.

Some of the fiscal responsibility principles to be observed include:

- Over the medium term, a minimum of 30% of the county budget shall be allocated to development expenditure. The County Government is committed to spend more in the development expenditure as compared to the recurrent expenditures.
- The County Government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the County Government revenue as prescribed by the Public Financial Management Act (PFMA 2012). This is a challenging fiscal principle as the county is faced with huge wage bill without equivalent

corresponding revenue that support cash flow to meet this requirement. The wage bill stands at 37%.

- The County government will prepare balanced budget where the expenditure estimates will be equal to the total revenue resource. This will help in avoiding instances of deficit financing thus eliminating the occurrence of pending bills at the end of each financial year.
- Borrowing shall be used for capital and development estimates only. While the county desires to borrow in future to fund its development agenda, this will be determined by the framework developed between the National Government and the County Governments. Currently, the framework is being developed.

3.2. Fiscal structural reforms

The County Government aims to widen the tax base by reviewing the relevant revenue legislations in order to improve revenue raising measures and efficiency. In order to achieve this objective, the county government has strengthened the county revenue agency.

Over the medium term, the county government will rationalize its expenditure with an aim to reduce wastage. This will be done by ensuring there is improved accountability and transparency among the accounting officers who are in charge of public finances. The on-going fiscal structural reforms will eliminate duplications.

The county will strive to ensure that there is efficient and effective execution of the budget. This will be made possible through expenditure tracking and taking corrective measures on any deviations and instilling strong internal controls on expenditure. To achieve value for money there is need to strengthen audit function through continuous review of audit risks and periodic monitoring and evaluation of projects and programmes.

3.2.1 Deficit Financing Policy

The county intends to borrow from domestic and external sources for capital investments upon the completion of a framework that is being developed by the National Treasury. Borrowing will be undertaken upon careful and critical analysis of financial position and capability of the county in repaying its debts. The funds will cater for budget deficit for FY 2021/22. The County plans to borrow up to a maximum of KES. 2 Billion in the FY 2021/22. Borrowed funds will be used in the health sector for purchase of medical equipment and other infrastructural programme.

3.3 Revenue projections

The FY 2021/22 budget estimates will target total revenue of **KES 16.158 Billion** which has both the CRA shareable revenue, conditional grants and own source of revenue. Out of this, the County expects to receive Equitable Shareable Revenue of **KES 12.389 Billion** and conditional grants totaling to **KES 691.1Million**. Local revenue source target is **KES 2.113 Billion** and the expected balance brought forward of **KES 965 million**. The County also expects additional donor funding through USAID programmes. This has not been captured in the Budget but will be considered when the partnership agreement is finalized.

3.3.1 Expenditure Forecasts

As required by Public Finance Management Act, 2012 on fiscal responsibility principles the County will have to prepare a balanced budget where expenditure is equivalent to the revenue projections. The County expects overall expenditure estimates to remain almost the same as the approved budget of FY 2020/21. The expenditure estimates for the FY 2021/2022 is **KES 16.158 billion**.

Expenditure ceilings on goods and services for the County departments are based on the County priorities extracted from the CIDP 2018-2022. The ceilings are also adjusted based on expenditure trends, COVID-19 reengineering recovery strategy and the County change of priority programs within the spending units. Inflation which affects the expenditure trends has been put into consideration.

An emergency fund of **KES 100 million** will be set aside to cater for any emergency issues that might arise during the financial year FY 2021/2022.

3.4 The FY 2021/2022 Budget framework

The FY 2021/2022 budget framework is prepared in consideration of the macro-fiscal framework set where real GDP is expected to grow by 6.0 percent in FY 2021/2022 and by 6.2 percent in FY 2022/2023. Inflation rate is expected to remain low and stable below 6 percent.

4.0 MEDIUM-TERM EXPENDITURE FRAMEWORK

4.1 Resource Envelope

The resource envelope available for allocation among the spending entities is based on the updated medium term fiscal framework which is outlined in Section IV.

In view of the continued pressure that arise from wage bill and limited resources, MTEF budgeting will focus on adjusting expenditures to cater for the priority sectors. Financing of County budget priorities revolve around two main financing sources namely; transfers from the National Government and own source revenue. The shareable revenue transfers will account for 76.67 percent of the expenditure priorities in the budget and 4.28 percent for Conditional Grants while 13.08 percent will be financed from own revenue source. This will comprise of **KES 12.389 billion** equitable shareable revenue, **KES 691.1Million** conditional grants and **KES 2.113 billion** as own sources. The unspent balance from FY 2020/2021 is estimated to be **KES 965Million** which makes up the 5.97 percent of total resource envelope estimates of **KES 16.158 Billion**. This amount excludes proposed borrowing of approximately **KES 2 Billion**.

Table 6: Revenue resource envelope:

Revenue source	Approved Budget Estimates	Revised Budget	Budget estimates		
	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
Own sources	2,113,000,000	2,113,000,000	2,113,000,000	2,113,000,000	2,113,000,000
Exchequer balance brought forward	1,033,587,342	1,365,120,444	965,400,461	965,400,461	935,677,000
Allocations from the National Government					
Total equitable share	10,571,100,000	10,412,850,000	12,389,412,168	12,389,412,168	12,389,412,168
Conditional Grants					
Level 5 Hospital	427,283,237	480,522,535			
World Bank Universal Health Care Fund	50,214,024	86,636,203			
KUSP (Kenya Urban Support Programme)	389,118,800	466,078,378			
KCSAP-Kenya Climate Smart Agriculture Project	302,964,820	369,775,565			
User Fees forgone	37,789,290	37,789,290			
Road maintenance levy	315,071,072	391,040,226			
ASDSP (Agricultural	23,041,144				

Revenue source	Approved Budget Estimates	Revised Budget	Budget estimates		
Sector Development Support Programme		55,836,567			
Youth Polytechnic	102,349,894	140,811,560			
DANIDA Grant	29,610,000	41,125,000			
Kenya Devolution Support Programme- Level 1	45,000,000	226,682,180			
Kenya Devolution Support Programme- Level 2	-				
EU-Water Tower Protection and Climate Change Mitigation and Adaptation Programme (WaTER)	42,632,067	42,632,067	-		
Urban Institutional Grant-UIG	-	8,800,000	-	-	-
Covid-2019 funds	-	262,173,000			
Total conditional allocations - Development Partners	1,765,074,348	2,609,902,571	691,090,920	691,090,920	691,090,920
TOTAL REVENUE	15,482,761,690	16,500,873,015	16,158,903,549	16,158,903,549	16,129,180,088

4.2 Spending Priorities for FY 2021/2022 – FY 2023/24 MTEF Budget

The county will focus on the following key priority areas;

- Transforming the agricultural sector;
- Development of road network to enhance accessibility;
- Enhance access to universal and affordable health care;
- Increase access to safe and clean water;
- Enhance access to quality education and training;
- Promote fair trade development and industrial growth and investment;
- Improve ICT infrastructure;

4.3 Medium Term Expenditure Estimates

Table 7 gives the ministerial total ceiling and gives guidance on resource allocation. Annex 1 and 2 provides provision for both recurrent and development estimates. This guides departments to adjust their budgets within their overall total ministerial ceiling.

Table 7: Baseline ceilings 2020/21-2023/24

Vote /Department	2020/21	2021/22	2022/23	2023/24	% Share of Revenue estimates			
		Approved Budget			CFSP			
	Approved Budget	Forecast		2020/21	2021/22	2022/23	2023/24	
Office of the Governor	353,721,311	408,050,439	424,224,109	441,161,208	2.28	2.53	2.62	2.65
Employee Cost	108,783,879	113,135,234	117,660,644	122,367,069				
Current	209,437,432	232,965,205	244,613,465	256,844,139				
Development	35,500,000	61,950,000	61,950,000	61,950,000				
Public Service and Administration	1,405,909,283	1,570,011,117	1,641,299,068	1,715,862,912	9.08	9.72	10.14	10.29
Employee Cost	693,519,728	721,260,517	750,110,938	780,115,375				
Current	547,389,555	700,250,600	735,263,130	772,026,287				
Development	165,000,000	148,500,000	155,925,000	163,721,250				
County Treasury	817,545,519	780,377,449	816,084,182	853,443,767	5.28	4.83	5.04	5.12
Employee Cost	318,474,867	331,213,862	344,462,416	358,240,913				
Current	394,070,652	354,663,587	372,396,766	391,016,605				
Development	105,000,000	94,500,000	99,225,000	104,186,250				
Water, Environment and Natural Resource	453,435,315	515,269,626	521,138,954	527,280,419	2.93	3.19	3.22	3.16
Employee Cost								

Vote /Department	2020/21	2021/22	2022/23	2023/24	% Share of Revenue estimates				
		Approved Budget	Forecast			Approved Budget	CFSP		
	Approved Budget	2020/21	2021/22	2022/23	2023/24	2020/21	2021/22	2022/23	2023/24
	51,270,312	53,321,124	55,453,969	57,672,128					
Current	83,032,936	74,729,642	78,466,124	82,389,430					
Development	319,132,067	387,218,860	387,218,860	387,218,860					
Social Services, Youth & Sports	766,217,931	1,143,024,754	730,265,837	766,289,013	4.95	7.07	4.51	4.60	
Employee Cost	45,314,002	47,126,562	49,011,625	50,972,090					
Current	74,903,929	67,413,536	70,784,213	74,323,423					
Development	646,000,000	1,028,484,656	610,470,000	640,993,500					
Roads, Public Works & Energy	1,746,647,566	1,582,678,483	1,587,214,672	1,591,945,891	11.28	9.79	9.81	9.55	
Employee Cost	76,397,665	79,453,572	82,631,714	85,936,983					
Current	30,178,829	27,160,946	28,518,993	29,944,943					
Development	1,640,071,072	1,476,063,965	1,476,063,965	1,476,063,965					
Lands, Housing, Urban Areas and Physical Planning	777,317,404	712,884,692	747,540,999	783,890,604	5.02	4.41	4.62	4.70	
Employee Cost	94,993,060	98,792,782	102,744,494	106,854,273					
Current	169,605,544	152,644,990	160,277,240	168,291,101					
Development	512,718,800	461,446,920	484,519,266	508,745,229					

Vote /Department	2020/21	2021/22	2022/23	2023/24	% Share of Revenue estimates			
		Approved Budget			Forecast	Approved Budget	CFSP	
	Approved Budget		Forecast	2020/21	2021/22	2022/23	2023/24	
Health Services	4,584,331,086	4,852,930,343	5,002,148,396	5,157,707,028	29.61	30.03	30.91	30.94
Employee Cost	2,693,088,320	2,800,811,853	2,912,844,327	3,029,358,100				
Current	826,346,215	743,711,594	780,897,173	819,942,032				
Development	1,064,896,551	1,308,406,896	1,308,406,896	1,308,406,896				
Agriculture, Livestock, Fisheries and Co-operatives	1,426,292,542	1,375,534,491	1,390,505,515	1,406,100,672	9.21	8.51	8.59	8.43
Employee Cost	299,080,013	311,043,214	323,484,942	336,424,340				
Current	56,206,565	50,585,909	53,115,204	55,770,965				
Development	1,071,005,964	1,013,905,368	1,013,905,368	1,013,905,368				
Trade, Tourism & Industrialization	423,063,349	424,521,683	428,868,600	433,417,697	2.73	2.63	2.65	2.60
Employee Cost	36,458,349	37,916,683	39,433,350	41,010,684				
Current	56,605,000	56,605,000	59,435,250	62,407,013				
Development	330,000,000	330,000,000	330,000,000	330,000,000				
Education, Science & Technology	1,297,305,832	1,329,310,915	1,356,969,637	1,385,827,852	8.38	8.23	8.39	8.31
Employee Cost	440,969,038	458,607,800	476,952,112	496,030,196				

Vote /Department	2020/21	2021/22	2022/23	2023/24	% Share of Revenue estimates			
		Approved Budget			CFSP			
	Approved Budget	Forecast			2020/21	2021/22	2022/23	2023/24
Current	206,986,900	186,288,210	195,602,621	205,382,752				
Development	649,349,894	684,414,905	684,414,905	684,414,905				
County Public Service Board	75,510,133	78,913,461	82,416,812	86,077,637	0.49	0.49	0.51	0.52
Employee Cost	42,531,011	44,232,251	46,001,541	47,841,603				
Current	32,979,122	34,681,210	36,415,271	38,236,034				
County Assembly	1,116,936,774	1,166,936,774	1,222,783,613	1,281,422,793	7.21	7.22	7.56	7.69
Current	1,066,936,774	1,116,936,774	1,172,783,613	1,231,422,793				
Development	50,000,000	50,000,000	50,000,000	50,000,000				
ICT, E-government & Communication	238,527,645	218,459,322	229,101,158	240,263,841	1.54	1.35	1.42	1.44
Employee Cost	27,031,724	28,112,993	29,237,513	30,407,013				
Current	41,495,921	37,346,329	39,213,645	41,174,328				
Development	170,000,000	153,000,000	160,650,000	168,682,500				
TOTAL	15,482,761,690	16,158,903,549	16,180,561,552	16,670,691,335	100	100	100	100

4.4 Baseline Ceilings

The baseline estimates reflect the current ministerial spending levels in sector Programmes. In development Programmes, adjustment has been made to take into consideration the new projects which are key to development of the county economy and also the governor's objectives as outlined in his manifesto.

The departmental ceilings in table 9 will form the indicative baseline for the FY 2021/22 budget. In the recurrent expenditure category, non-discretionary expenditures take first charge. Compensation of employees for the county overall expenditure should account for a maximum of 35 % of the budget estimates. Adhering to this principle may not be achieved as there are challenges which affect the county in realizing local revenue targets and continued recruitment to cover the gap on capacity which has continually led to increase in county wage bill. Going forward, the County will address the issue of low local revenue and staff rationalization.

In this document, the ceilings include; employee cost, operations and development estimates. The employee cost will be centralized in the department of Public Service and Administration for easier implementation. *This will be effected in the Appropriation Act of 2021 thus causing slight difference between the submitted budget and the Appropriation Act.*

Development expenditures are undertaken on the basis of CIDP 2018-2022, Annual Development Plan (2021), the Governors Manifesto, Public participation report of 2021 as well as departmental strategic priorities. The Proposed capital projects will have to be evaluated in the context of the following elements:

- (a) Ongoing projects-emphasis on the completion and operationalization of the ongoing projects within the various departments;
- (b) Projects that are in compliance with the County Government regulations and priorities as outlined in the County Integrated Development Plan, Annual Development Plan and which are fully justified for financing;
- (c) Community needs identified through public participation;
- (d) Department strategic needs that contribute greatly in addressing county's socio-economic needs.

The following were also taken in consideration in order of priorities.

- (a) COVID-19 reengineering and recovery strategy
- (b) Emerging issues which require much attention in provision of service delivery such as education support programmes;
- (c) Cross cutting issues and other special programmes of importance such as disaster management, youth development, gender, disability and HIV/AIDS;

- (d) Implementing projects that require massive resources in phases such as construction of Bukhungu Stadium, bitumen roads and Kakamega Teaching & Referral Hospital.

4.5 Details of Department Priorities

The MTEF for FY 2021/2022 - FY 2023/2024 period will ensure that there is adequate resource allocation based on programme priorities that are aligned to CIDP 2018-2022 and CADP 2021/2022.

The Medium-Term Expenditure Framework is based on prioritized programmes aligned to the County Integrated Development Plan and Strategic Policy Initiatives of the county administration to accelerate growth, employment creation and poverty reduction.

The sector development priorities are;

4.5.1 Agriculture, Livestock, Fisheries and Cooperatives Development

This sector comprises of the following departments; Crop production, Livestock Production, Veterinary Services, Cooperative Development, Irrigation, Fisheries Development and ATCs.

The sector's vision is to be an innovative, commercially-oriented and modernized agriculture sector. The mission is to improve livelihoods of Kakamega county residents through promotion of competitive agriculture, sustainable livestock and fisheries production, quality and affordable veterinary services and growth of viable cooperatives through quality training in effective and efficient farming methods.

Agriculture accounts for over 65 percent of the total earnings in the county employing over 80% of residents. Multi-Sectorial strategies will be employed to increase the productivity and maximize earnings in this sector.

To achieve its objectives the department will implement the following programmes over the medium term.

Programmes to be implemented

Programme 1: Agricultural Extension and Research

Sub programme	Projects
Strengthening Agricultural extension services	Establish demonstration centres. Capacity building of farmers and staff through various extension methods and approaches (training, fields exhibitions and field days/visits) Promote agribusiness, Agri nutrition and environmental conservation and Aquaculture.

Sub programme	Projects
Agricultural training Infrastructure development	Construction of Multi-purpose hall at Bukura ATC Renovation works at Bukura ATC Farm development for training and revenue
Agriculture research liaison and value chains development	Adopt and promote new technologies and innovations in value chains Implement value chain-based programs (ASDSPII, IFAD and KCSAP) Develop climate smart agriculture investment plan (CSAIP) Conduct surveys on county projects Development of data management systems Establish laboratory for quality assurance
Agricultural institutional development and Governance	Develop governance structures and legal frameworks,

Programme 2: Livestock development

Sub programme	Projects (Investment)
Dairy Development	Animal Breeding (AI) Pasture and fodder development
KDDC-infrastructure and dairy development	One Cow initiative expansion Development of Smart Dairy farms Construction of KDDC headquarters.
Poultry development	Supply Poultry to farmers Support poultry value chain
Other livestock development	Rabbit farming promotion Dairy Goat farming promotion Pig farming promotion Apiculture (Bee Farming) Emerging livestock
Livestock disease and pest control	Vaccination Cattle dip rehabilitation Tick and pest control Construction of spray race Equipping and rehabilitation of Veterinary Labs
Veterinary public health	Rehabilitation and maintenance of slaughter slabs Construction of slaughter houses

Programme 3: Smallholder Irrigation and drainage Programme

Sub programme	Projects
Irrigation and drainage infrastructure development	Capacity building of small-holder irrigation farmers Development of Small holder irrigation and drainage schemes;

Programme 4: Cooperatives development

Sub programme	Projects
Governance of cooperatives	Revamping and strengthening of co-operatives
Support to Cooperatives	Establish cooperative enterprise development fund
	Grants to cooperative societies to support value chains development and marketing

Programme 5: Fish Farming Productivity

Sub programme	Projects
Fish Pond Development	Construction of fish ponds Rehabilitation of fish ponds Provision of fish subsidies- (fish feeds, fingerlings, DAP and lime) Provision of fish feeds processing machines Fish gears support
Hatchery Development	Establishment of Lutonyi fish hatchery
Fish Marketing and value addition	Development of fish buying centres
Riverine and dam fisheries development	Capacity building to management committees Purchase and installation of cages Stocking of dams and rivers

Programme 5: Crop Production and Management services

Sub programme	Projects
Cash crop development	Promotion of tea, coffee, soya beans, macademia and sugarcane production
Food crop production	Seeds and fertilizers subsidy provision Provision of farm produce storage services Farm mechanization- (Tractor services) Promotion of Nerica rice production
Horticulture promotion and development	Banana production, promotion of fruit trees, floriculture, herbs and spices Construction of green houses Promotion of indigenous vegetable production Food safety policy development
Crop pest and disease management	Farmer capacity building, surveillances Purchase of pesticides and equipment
Soil conservation and management	Farmer capacity building

To undertake these programmes, the 2021/22 MTEF estimates for this sector are estimated to be KES 1,375,534,491. This comprises of KES 1,013,905,368, KES 311,043,214 and KES 50,585,909 for Development, employee costs and Recurrent respectively

4.5.2 Roads, Public Works and Energy

This sector comprises of Roads, Public Works and Energy. The vision of the sector is to be a world class provider of cost-effective physical infrastructure, energy facilities and public works services. And the mission of the department is, provide efficient, affordable and reliable infrastructure and energy for sustainable economic growth and development through construction, modernization, rehabilitation and effective management of all infrastructure, provision of public works services and energy facilities.

The state of the County infrastructural network is crucial for the overall development of the county. Reliable, adequate and quality infrastructure increases economic productivity, lowers production costs, improves quality of life, raises county's regional and global competitiveness, attracts Foreign Direct Investment (FDI), Public Private Partnerships and including Public Partnerships and this has a direct impact in the modernizing the economy. The Multiplier effect created by the investment in this sector is critical to sustain all the other sectors of the county economy.

Programmes to be implemented

Programme 1: Roads Infrastructure Development

Sub Programmes	Projects
Road construction and Maintenance	a) Bitumen road b) Gravel road (10 km per ward) c) Roads maintainance
Bridges and culverts Construction	a) Bridges b) Box culverts
Road construction equipment	Acquisition of Road equipment: Graders, water bowser trucks, bull dozers, excavators, rollers, bed trailers.

Programme 2: Energy Reticulation

Sub programme	Projects
Rural Electrification programme	a) Electricity connections to households and public institutions b) Highmast power erection c) Electricity supply to households on existing transformers
Renewable energy	a) Green energy installation - Biogas, solar

Programme 3: Public works Management

Sub programme	Projects
Public works management	a) Refurbishment and maintenance of public works b) Construction and equipping of mechanical workshop and material testing lab

To undertake these programmes, the 2021/22 MTEF estimates for this sector are estimated to be KES.1,582,678,483. This comprises of KES. 79,453,572, KES. 27,160,946 and KES. 1,476,063,965 for Employee costs, Recurrent Operation and Development respectively

4.5.3 Health Services

Key sector statistics

The Sector comprise of two departments namely; Public Health and Medical Services. The County has 1 County General Teaching and Referral hospital, 4 County hospitals, 7 sub-county hospitals 3 Mission hospitals, 61 Health Centers, 117 Dispensaries, 66 private clinics and 422 Community health units. The total bed capacity in the county for all the public and private facilities is 3,949 with the public sector having 2,338 beds while the private hospitals have 197 beds. The bed capacity in the mission/NGO health facilities is 1,414.

The **vision** of the department is *“to provide Quality Health Services for all”*. Its **mission** is dedicated towards *“delivering accessible, equitable, efficient health care services through Promotive, preventive, curative and rehabilitative health services to all”*

The strategic objectives of the Health sector are;

- ❖ To increase the awareness and knowledge on healthcare services by equipping the community with health information;
- ❖ To renovate, construct, upgrade, equip and network health facilities;
- ❖ To ensure adequate number of skilled, motivated, knowledgeable health workers with positive attitude;
- ❖ To improve the maternal and child health care;
- ❖ To ensure availability and access to essential health products and technologies and effective management system in all health facilities; and
- ❖ To reduce the risks and impact of non-communicable diseases(NCDs).

Sector Priorities for MTEF Period 2021/2022 – 2023/2024

Access to affordable and quality health care by County residents will enhance their economic productivity and investment.

Programmes to be implemented

Programme 1: Promotion of Curative health services

Sub programme	Projects
Health Infrastructure Development	<ul style="list-style-type: none"> a) Operationalization of the CTRH (phase 1) b) Construction of phase 2 of the CTRH c) Continuous upgrading of Level five Hospital (CGH) – Mental Unit, Doctor’s Plaza & Intern’s Flat d) Upgrading health centres to level IV hospitals - Khwisero, Shianda, Makunga, Elwesero and Matete e) Progressive Expansion and renovation of the existing level IV hospitals f) Equipping of Mumias West and Shamakhubu level IV hospitals g) Equipping of all other health facilities; levels II, III and IV h) Construction and Equipping of Sango, Marakusi and Forest Dispensaries i) Purchase of 2 No. Advance life support ambulances j) Continuous rehabilitation and renovation of Health Centres and Dispensaries k) Construction of Mortuaries- Butere and Likuyani Hospitals l) Completion and operationalization of stalled health projects from CDF, Ward Fund and former local authorities (LATIF) m) Construction Butere Level IV Hospital
Quality health products and Technology	<ul style="list-style-type: none"> a) Purchase and distribution of drugs and non-pharms b) Construction of drug storage facilities

Programme 2: Preventive and Promotive Health care services

Sub programme	Projects
Disease control	<ul style="list-style-type: none"> a) Malaria control b) TB and leprosy treatment and management c) HIV/AIDS control d) Improving capacity for Covid -19 prevention
Maternal and child healthcare promotion	Imarisha Afya ya Mama na Mtoto programme
Family Planning	Promotion of family planning initiatives
Universal health care programme	Promote access to medical care
Blood transfusion services.	<ul style="list-style-type: none"> a) Acquisition of equipment for processing and screening blood components; b) Establish blood satellite centres (Navakholo and Lumakanda Hospitals)
Nutrition services	Promotion of child and mother nutrition
Community Health strategies	<ul style="list-style-type: none"> a) Disease surveillance b) Hygiene promotion c) Jigger control and prevention

Sub programme	Projects
	<ul style="list-style-type: none"> d) Alcohol and drug abuse prevention e) Training/sentisization and awareness creation f) Establish integrated and comprehensive community service implementation g) Certification of Open Defacation Free (ODF) villages
Promotion of Immunization Services	Increase no of facilities providing immunization and expand immunization coverage
Health education and promotion	<ul style="list-style-type: none"> a) Integrated school health education and promotion b) Increase proportion of population with knowledge in key health messages
Programme 3: General Administrative, Finance and Support Services	
Administrative support services	<ul style="list-style-type: none"> a) Purchase of utility vehicles b) Gazettement of health facilities c) Signage for all Health facilities
Health standards and Quality Assurance	a) Trainings, Mentorship, Support supervision, Information products, Reviews of work plans, Project M & E
Human Resource management	<ul style="list-style-type: none"> a) Recruitment and promotion of healthcare workers b) Staff training and grants to medical training centres
Disability mainstreaming	<ul style="list-style-type: none"> a) Assess and categorize PWDs for registration b) Train CUs on Community based rehabilitation modules c) Assessment of learners with special needs d) Purchase of post rape kits e) Train Health care workers on Gender mainstreaming
Health Data and Information Management	<ul style="list-style-type: none"> a) Digitization of health facilities b) Establish Health Enterprise Architecture

To undertake these programmes, the 2021/22 MTEF estimates for this sector are to be KES 4,852,930,343 comprising KES. 2,800,811,853, KES. 743,711,594 of KES 1,308,406,896 for Employee costs, Recurrent and Development respectively.

4.5.4 Trade, Industrialization and Tourism

The Department is responsible for formulating and supporting strategies, plans and programs that promote and ensure expansion and diversification of trade, promotion of fair-trade practices, environmentally sustainable industrialization and tourism.

The vision of this department is to be the preferred hub for Trade Industrialization, and Tourism. The mission is to promote and sustain trade development fair trade, Industrial growth, Investment, Tourism development and regulation for wealth creation and employment.

Priority Areas.

- Market infrastructure development
- Fair trade practices and consumer protection.
- Industrial development
- Tourism promotion and development
- Micro ,Small and Medium Enterprises (MSME) development

Programmes To Be Implemented

Trade Development and Investment

Sub programme	Projects
Market infrastructure Development	<ul style="list-style-type: none"> ✓ Construction of 14 Open air markets ✓ Completion of Modern markets–Malinya ✓ Refurbishments and maintenance of existing markets(Munami, Shikoti) ✓ Fabrication and installation of modern Kiosks ✓ Construction of stock rings ✓ Construction of Boda Boda sheds ✓ Construction of abolition blocks
Micro and small enterprises development	<ul style="list-style-type: none"> ✓ Issuance and recovery of loans ✓ Training of the MSME

2: Programme2: Fair trade and consumer protection

Sub Programme	Projects
Weights and Measures infrastructure development	<ul style="list-style-type: none"> ✓ Purchase of mobile weigh bridge inspection Unit ✓ Refurbishment of weight and Measures laboratory in Kakamega ✓ Construction of a new Weight and Measures laboratory ✓ Acquisition of secondary working standards
Fair Trade and consumer protection services	<ul style="list-style-type: none"> ✓ Inspection, verification of the standards ✓ Certification of the standards ✓ Sensitization of public on fair trade practices

3: Programme 3: Industrial development

Sub programme	Projects
Industrial development	<ul style="list-style-type: none"> ✓ Establishment of Maize factory; ✓ Completion of Dairy factory; ✓ Establishment of Tea factory; ✓ Establishment of leather treatment and buying Centre.
Cottage industrial development and SME development	<ul style="list-style-type: none"> ✓ Construction of Jua kali shades; ✓ Development of an Industrial park; ✓ Acquisition of common user small scale processing equipment which will be installed at the Juakali sheds, e.g Peanut processing machine, oil pressing machine, ✓ Establishment of textile and clothing centres ✓ Development of OVOP ✓ Establishment of Incubation centres.

4. Programme 4: Tourism promotion

Sub programme	Projects
Heritage tourism	<ul style="list-style-type: none"> ✓ Land acquisition at Ikhongo Murwi ✓ Development of Nabongo shrines heritage site in partnerships with the local communities
Marketing and promotion	<ul style="list-style-type: none"> ✓ Organize digital marketing ✓ Sports tourism-organize Kakamega Rugby sevens ✓ Promote bull sport ✓ Organize tourism cultural festival and event
Ecotourism	<ul style="list-style-type: none"> ✓ Establish a wild life sanctuary
Branding	<ul style="list-style-type: none"> ✓ Establishment of signage at entry points and heritage sites

To undertake these programmes, the 2021/22 MTEF estimates for this sector are estimated to be KES 424,521,683 comprising of KES. 37,916,683, KES 56,605,000 and KES. 330,000,000 for Employee costs, Recurrent and Development expenditure.

4.5.5 Education, Science and Technology.

This department comprises of; ECDE, County Polytechnics and Education Support Programmes.

The department vision is to be globally competitive in education, training, research and innovation for sustainable development.

The mission is to provide, promote and coordinate quality education and training, integration of science and technology, and innovation for sustainable socio-economic development process.

The sector development priorities are;

Programmes to be implemented

Programme 1: Polytechnic Improvement

Sub programme	Projects
Polytechnic Tuition Subsidy	a) Provision of subsidized polytechnic tuition (capitation); b) ATVET programme.
Polytechnic Infrastructure Development	a) Construction and equipping of new polytechnics; b) Construction and equipping of twin workshops; c) Construction of classrooms; d) Staffing.

Programme 2: Early Childhood Development Education

Sub programme	Projects
ECDE Development	a) Provision of free ECDE Tuition (Capitation) b) Construction and equipping of ECDE Centers c) Construction of toilets for Phase I and Phase II ECDE centres d) Repair and maintenance of ECDE centres e) Feeding programme.

Programme 3: Education Support Programme

Sub programme	Projects
Education support	a) Provision of County Education Scholarships; b) Provision of Ward Based Bursary; c) Extension of County Higher Education Loans Board(HELB) Scheme d) Education awards.

To undertake these programmes, the 2020/21 MTEF estimates for this department are KES. 1,329,310,915 comprising of KES. 458,607,800, KES. 186,288,210 and 684,414,905 for Employee costs, Recurrent and Development respectively.

4.5.6 Social services, Youth, Sports and culture

This department has the directorates namely; Social Services, Labour and Children; Sports, Youth and gender; Culture, Heritage and Library Services, and Administration.

The directorate of Sports, Youth and gender has two key programs; the Kakamega County Youth and Women Empowerment Service; the Kakamega County Youth and Sport fund.

The department vision is to be a leader in provision of quality Social Services in an all-inclusive and just environment.

The mission is to improve the welfare of people through Social Services, Sports, Culture and empowerment programs for Children, Youth, Women and persons living with Disabilities (PWD'S)

The philosophy is “*empowering lives*” with the core values of team work, Integrity, Professionalism, Innovation and fairness.

Program 1: Social Services, Labour and Children

Sub Programme	Project
Social Development and Protection	<ul style="list-style-type: none"> • Shelter improvement • PWDs Empowerment • Social Halls • Support to vulnerable groups • GBV Rescue Centre
Child Welfare services	<ul style="list-style-type: none"> • Children services • Child Rescue Centre • Children Mentorship week

Program 2: Management and Development of Sports

Sub Programme	Projects
Development and promotion of sports and Talents	<ul style="list-style-type: none"> • Bukhungu Stadium • Bukhungu Southern C-Section (Phase III) • Sub-county mini stadia • Sports funds • Bull Sport Arena • Sports tournament

Program 3: Youth Empowerment and Gender mainstreaming

Sub Programme	Projects
Youth Empowerment and Gender mainstreaming	<ul style="list-style-type: none">• Empowering of Boda boda operators• Youth talent identification and nurturing• Women empowerment

Program 4: Culture, Heritage and Library services

Sub Programme	Project
Culture and heritage conservation	<ul style="list-style-type: none">• Cultural Centre• Cultural music festivals• Culture week• Recording Studio• Support Cultural practitioners

Programme 5: Development of Library Services

	Sub Programme	Project
1	Library services	Kakamega library

To undertake these Programmes, the 2021/22 MTEF estimates for this sector are estimated to be KES. 1,143,024,754 comprising of KES. 47,126,562. KES. 67,413,536 and KES 1,028,484,656 for Employee Costs, Recurrent and Development respectively.

4.5.7 Office of the Governor

This includes Governor's Office, Deputy Governor's Office, Cabinet Secretariat, County Secretary Office, Internal Audit, Liaison, Security and Enforcement, Chief of staff and Protocol, Advisory and Service Delivery Unit, Press Unit and Legal Unit.

The office of the Governor is the central administrative unit for the county. Its overall function is to ensure effective and efficient leadership, accountability and administration of justice. This is achieved through Civic education, fairness to all and dissemination of government policies to communities.

The department vision is to provide a conducive environment for a competitive and prosperous County.

The mission is to ensure effective and accountable leadership, promote a just, democratic environment and establish strong governance institutions to empower citizens for the achievement of socio-economic and political development.

Programmes to be implemented

1: Audit services

Sub programme	Projects
Audit services development	Acquisition of teamMate audit software

2: Programme2: Legal services

Sub Programme	Projects
Promotion of rule of law	Construction of county Court in the northern region

3: Programme 3: County enforcement services

Sub programme	Projects
Security and county enforcement	Purchase of at least 1 vehicle per Sub county and 24 motorcycles; Acquisition of Enforcement Officers Uniforms Acquisition of specialized equipment. (radio calls, handcuffs, riot gear) Capacity Building Construction of sentry boxes Construction of communication Mast

3: Programme 3: Governors Press Services

Sub programme	Projects
Governors press services	Acquisition of a specialized Communication Mounted system Vehicle Acquisition of specialized communication equipment

To undertake these programmes, the 2020/21 MTEF estimates for this department are estimated to be KES. 408,050,439 comprising of KES. 113,135,234, KES. 232,965,205 and KES. 61,950,000 for Employee cost, Recurrent and Development respectively.

4.5.8 Public Service and Administration

The MTEF for 2021/2022 - 2023/2024 period will ensure that there is adequate resource allocation based on programme priorities that are aligned to CIDP 2018-2022 and CADP 2021/2022

The sector comprises of the following sub-sectors; County Administration, Human Resource Management, Public participation and Civic Education, Records Management, Alcoholic Drinks Control Directorate, Performance Management, HIV/AIDS, Anti-Corruption.

The vision is to be the leading department in the provision of excellent human resource and administrative services in the county and beyond.’

The mission is ‘To provide quality and timely human resource and administrative services for sustainable environmental, social and economic development of Kakamega County.

Sector Priority areas

- Enhance management of human resource in the County Public Service;
- Manage incidences of alcohol and drug abuse
- Ensure proper administrative structures at all devolved units in the county
- Enhance information and records management
- Establish efficient disaster and emergency response systems
- Coordinate County Government functions

Programmes to be implemented

Programme 1: County Administration

Sub Programme	Projects
County administration infrastructure Development	<ul style="list-style-type: none"> a) Construction of County HQ block; b) Installation of Clocking System in all county offices c) Completion and Construction of sub county,& ward offices; d) Refurbishment of County offices; e) Establishment of a County Training College
Disaster response and mitigation	<ul style="list-style-type: none"> a) Construction of disaster Operation Centers; b) Purchase disaster specialized equipment. c) Purchase of Fire Engine d) Conducting Risk Mapping Surveys.

Sub Programme	Projects
Alcohol and Drug Abuse Control	a) Construction of a Rehabilitation center in the Northern and Southern region; b) Purchase of Specialized equipment for Rehabilitation Centres.

To undertake these programmes, the 2020/21 MTEF estimates for this sector is KES. 1,570,011,117 comprising of KES. 721,260,517, KES. 700,250,600 and KES. 148,500,000 for Employee costs, Recurrent and Development respectively. Emergency Fund of KES. 100,000,000 is included in Recurrent Expenditure estimates.

4.5.9 Finance, Economic Planning and ICT

The department is made up of the following units; Accounting, Revenue Agency, Budget, Procurement, Debt Management, Economic Planning and Investment Agency.

The vision is to be the leading sector in formulation of economic policies and provision of prudent public financial management in Kenya.

The mission is to provide prudent financial management through effective Economic planning, robust resource mobilization, investment promotion, sustainable budgeting, transparent procurement, timely monitoring & evaluation and financial reporting.

Programmes to be implemented

Programme 1: Public Financial Management

Sub programme	Projects
Resource Mobilization	a) Acquisition of the Revenue automation system b) Acquisition of motor vehicles and motor cycles
Accounting and Financial services	a) Asset tagging and valuation. b) Acquisition and installation of Asset management system.

Programme 2: Debt management

Sub programme	Projects
Public debt management	a) Develop risk management framework; b) Develop compliance guidelines.

Programme 3: Economic policy formulation and management

Sub programme	Projects
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Sub programme	Projects
Economic policy formulation	<ul style="list-style-type: none"> a) Preparation of County development plans; b) Development of County project implementation guidelines; c) Undertake Monitoring and Evaluation of County projects, Programmes and Policies.

Programme 4: Investment Promotion

Sub programme	Projects (Investment)
Investment promotion	<ul style="list-style-type: none"> a) Investment in the Lake Region Bank b) Establishment of an Investment Centre c) Promotion of investment in affordable housing, tourism and agriculture through PPPs

To undertake these programmes, the 2020/21 MTEF estimates for this sector is KES. 780,377,449 comprising of KES. 331,213,862 KES. 354,663,587 and KES. 94,500,000 for Employee costs, Recurrent and Development respectively

ICT, e-Government and Communication

The department consists of ICT, e-Government and Communication. It was established to facilitate, through the implementation of an e-Government Programme, the provision of County services electronically anytime anywhere for the greater convenience of the citizens.

The Vision is to be a leading county in providing of ICT, e-government and communication services in Kenya. The mission is to provide efficient and robust innovative information systems and infrastructure as well as accessible communication services that enable the county meet its set goals, aspirations and targets for delivery of quality services to the citizens of Kakamega County.

Programme 5: County Information Management

Sub programme	Projects (Investment)
Information and Communication Technology	<ul style="list-style-type: none"> a) Development of a County Production studio; b) Implementation of the ERP Modules(continuous); c) Enhance county connectivity; d) Establishment of the WI-FI sub-stations; e) Establishment of e-Government portals; f) upscaling of the Integrated surveillance system.

To undertake these programmes, the 2020/21 MTEF estimates for this sector is KES. 218,459,322 comprising of KES. 28,112,993 KES. 37,346,329 and KES. 153,000,000 for Employee costs, Recurrent and Development respectively

4.5.10 Water, Environment & Natural Resources

The county will focus on the following key priority areas;

- ❖ Increase clean and safe water connectivity (Amatsi khumukuru)
- ❖ To expand water storage and establish new water schemes
- ❖ Promote climate change, adaptation and mitigation
- ❖ Increase County forest and tree cover and optimize sustainable utilization of natural resources
- ❖ Ensure proper provision of water and urban sanitation

Programmes to be implemented

Programme 1: Water and Urban Sanitation service provision and management

Sub-programme	Projects
Water Supply Services	<ul style="list-style-type: none"> a) Containerized Water Treatment and Supplies (One per Sub County) b) Countywide Water Connectivity c) Solarization of existing and new water schemes d) Upgrading and developing sewerage system. e) Operationalizing the Rural Water Company
Management on non revenue water	<ul style="list-style-type: none"> a) Metering of water connections
Urban Sanitation	<ul style="list-style-type: none"> a) Expansion of sewerage network in Kakamega town; b) Construction of sewerage plants in Mumias and other urban areas.

Programme 2: Environmental Conservation

Sub-programme	Projects
Environmental Conservation	<ul style="list-style-type: none"> a) Establish a waste to energy plant through public private partnership in waste management b) Establish 2 solid waste transfer stations; c) Construct refuse chambers and temporary holding sites d) Acquire 35 skips (refuse collection containers) e) Conduct environmental education and awareness f) Acquire 10 noise measuring devices g) Acquire ambient Air Quality Monitoring devices
Climate Change Management	<ul style="list-style-type: none"> a) Integrate climate change adaptation into county level development planning and budgeting processes

Sub-programme	Projects
	<ul style="list-style-type: none"> b) Develop a Disaster Risk Reduction strategy c) Map out environment disaster prone areas d) Promote the use of renewable energy and green technologies e.g. solar, biogas e) Carry out community vulnerability assessment to climate change f) Installation of Automatic Environmental and Climate Monitoring mechanisms g) Promote climate smart agriculture and conservation practices h) Establish county climate outlook forums

Programme 3: Natural Resource Management

Sub programme	Projects
Afforestation and Re-afforestation	<ul style="list-style-type: none"> a) Establishment of environmental demonstration Centre. b) Promote forest restoration capacity through afforestation and re-afforestation c) Protect and conserve riparian areas and other environment significant areas d) Promotion of appropriate technologies on grafting and budding of indigenous fruit species and fodder production e) Rehabilitate and reclaim abandoned mining sites
Promotion of nature based enterprises	<ul style="list-style-type: none"> a) Establishment of a wildlife Conservancy Centre; b) Capacity building of environmental conservation groups.
Mineral Resource management	<ul style="list-style-type: none"> a) Development of policy framework on Sand, quarrying and Murram harvesting; b) Training artisanal mining groups; c) Rehabilitation of degraded areas.

To undertake these programmes, the 2020/21 MTEF estimates for this sector are estimated to be KES. 515,269,626 comprising of KES. 53,321,124, KES. 74,729,642 and KES 387,218,860 for Employee costs, Recurrent Operations and Development costs respectively.

4.5.11 Lands, Housing, Physical Planning and Urban Development

The department comprises of Lands, Survey, Physical Planning, Housing and Urban Development.

The vision is to ensure Sustainable and equitable access to land, quality housing and coordinated urban development.

The mission is to facilitate improvement of the livelihood of county residents through efficient administration, equitable access, secure tenure, and sustainable management of land resources, implementation of Housing policy, improvement of living conditions of the urban poor within the context of a well-planned urban and rural environment.

Impacts

Improved transport, business environment, hygiene within the Municipalities.

Sector Priorities

- Availing land for development projects and investments
- Improving of urban transportation infrastructure
- Provision of Conducive business environment within urban areas through construction of markets
- Improving of citizens living conditions through provision of affordable housing and adoption of Appropriate Building Materials Technology.
- Ensuring that urban environment is conducive through cleaning services
- Provision of recreational facilities through investment in parks and open spaces

Programmes to be implemented

Program 1: Land Management Services

Sub Program	Projects
Land use Planning	a) Preparation of Physical development Plans b) Preparation of Part Development plans c) Establishment of a Land Bank
Land administration Services	a) Updating of valuation roll b) Establishment of County Land Registry
Survey services	a) Digitize land survey records b) Survey of public land c) Purchase of Survey equipment

Program 2: Public Housing Development

Sub Program	Projects
Housing Infrastructure improvement	a) Renovations of Residential Houses b) Promotion of Appropriate Building Technology (ABMT) c) Development of affordable housing through Public Private Partnerships

Program 3: Urban Development Services – Mumias Township

Sub Program	Projects
Urban infrastructure services	<ul style="list-style-type: none"> a) Construction of new bitumen roads and maintaining the existing ones. b) Construction of Non-Motorized transport and storm water drains c) Purchase of fire engine d) Street Lights (along newly constructed roads) e) Construction of Mumias municipality library
Urban Recreational Services	<ul style="list-style-type: none"> a) Landscaping and beautification
Urban Sanitation Services	<ul style="list-style-type: none"> a) Continuous urban cleaning within the Municipality

Program 4: Urban Development Services- Kakamega Municipality

Sub Program	Projects
Urban infrastructure services	<ul style="list-style-type: none"> a) Establishment of Sichirai Business Hub b) Construction of new bitumen roads c) Maintenance of other urban infrastructure d) Construction of a Conference hall e) Construction of storm water drains, and Non-motorized transport
Urban Recreational Services	<ul style="list-style-type: none"> a) Landscaping and beautification
Urban Sanitation Services	<ul style="list-style-type: none"> a) Continuous Cleaning Services within the Municipality b) Construction of a slaughter house c) Installation of dustbins d) Construction of Ablution blocks e) Extension of Kakamega Sewage to Kakamega Primary

Programme 5: Development of Other Urban Areas

Sub Program	Projects
Urban Infrastructure services	<ul style="list-style-type: none"> a) Completion of Symbio City i.e., construction of a mini stadium, and a recreational park b) Develop Physical Plans for other upcoming Urban centres c) Improve urban infrastructure d) Cleaning services e) Provision of public toilets

Out of the estimated KES. 712,884,692, which comprises KES. 98,792,782 Employee costs, KES. 152,644,900 as recurrent and KES, 461,446,920 as development. This includes budget for municipalities.

4.5.12 The County Assembly

The county Assembly's functions include oversight, Legislation and representation. The estimate for County Assembly programmes may change in the course of MTEF budgeting once the Commission of Revenue Allocation gives the ceilings for budget for FY 2020/2021.

To undertake these programmes, the 2020/21 MTEF estimates Ksh.1,116,936,774 comprising of KES. 1,116,936,774 recurrent and Ksh.50,000,000 development expenditure for this section.

Flagship projects/programmes

- a. Construction of the County Assembly Chambers

4.5.13 County Public Service Board

The vision is to be a leading Board in providing human resource for high quality client-centered service. The mission is to build an optimal, efficient and effective human resource for quality service delivery to the people of Kakamega County and beyond

Overall Goal

A Public Service Board that inculcates transparent and merit-based recruitment practices for competent personnel of appropriate skills mix into the service, development and enforcement of standards and ensuring continuing professional development and progression of public servants.

Flagship Programmes

Build institutional capacity through the development of a skills inventory for the County.

To undertake these programmes, the MTEF estimates for this sector are KES. 78,913,461 comprising of KES. 44,232,251 recurrent and KES. 34,681,210 employee cost.

5.0 CONCLUSION

The set of policies outlined in this CFSP aim at striking a balance between priorities which keep changing and the emerging issues that are broadly in line with the CIDP and the fiscal responsibility principles outlined in the PFM law. They are also consistent with the national strategic objectives which set a basis for County Government allocation of public resources.

Details of these strategic objectives are contained in the CIDP (2018-2022). The policies and sector ceilings provided in this document will guide the Sectors/departments in preparation of the 2021/22 MTEF budget.

Budgetary resources are usually limited; thus, it is imperative that departments prioritize their programmes within the available resources to ensure that utilization of public funds are in line with county government priorities. Departments need to carefully consider detailed costing of projects, strategic significance, deliverables (output and outcomes), alternative interventions, administration and implementation plans in allocating resources. There is also need to ensure that recurrent resources are being utilized efficiently and effectively before funding is considered for programmes.

Monitoring and Evaluation will play a critical role in tracking the implementation of the projects and programmes envisaged in this document.

Proper implementation of the budget is critical towards providing services that will promote sustainable growth. Sustainability requires greater effort from all the stakeholders including county government departments, civil societies, communities, County Assembly and development partners to get things done. This means providing for continuous consultations with each other, finding solutions and encouraging innovation to build a sustainable County.

Annex 1: Recurrent Budget Estimates Ceilings

Recurrent Budget Estimates Ceilings

Vote/Department	Approved Budget	Revised budget	Forecast		
	2020/2021	2020/2021	2021/22	2022/23	2023/24
Office of the Governor	318,221,311	307,521,311	346,100,439	362,274,109	379,211,208
Employee Cost	108,783,879	108,783,879	113,135,234	117,660,644	122,367,069
Current	209,437,432	198,737,432	232,965,205	244,613,465	256,844,139
Public Service and Administration	1,240,909,283	1,285,928,640	1,421,511,117	1,485,374,068	1,552,141,662
Employee Cost	693,519,728	728,964,085	721,260,517	750,110,938	780,115,375
Current	547,389,555	556,964,555	700,250,600	735,263,130	772,026,287
County Treasury	712,545,519	770,464,875	685,877,449	716,859,182	749,257,517
Employee Cost	318,474,867	318,474,867	331,213,862	344,462,416	358,240,913
Current	394,070,652	451,990,008	354,663,587	372,396,766	391,016,605
Water, Environment and Natural Resource	134,303,248	77,006,526	128,050,766	133,920,094	140,061,559
Employee Cost	51,270,312	51,270,312	53,321,124	55,453,969	57,672,128
Current	83,032,936	25,736,214	74,729,642	78,466,124	82,389,430
Social Services, Youth & Sports	120,217,931	118,296,938	114,540,098	119,795,837	125,295,513
Employee Cost	45,314,002	45,314,002	47,126,562	49,011,625	50,972,090
Current	74,903,929	72,982,936	67,413,536	70,784,213	74,323,423
Transport, Infrastructure & Public Works	106,576,494	279,294,586	106,614,518	111,150,707	115,881,926
Employee Cost	76,397,665	76,397,665	79,453,572	82,631,714	85,936,983
Current	30,178,829	202,896,921	27,160,946	28,518,993	29,944,943
Lands, Housing, Urban Areas and Physical Planning	264,598,604	278,275,706	251,437,772	263,021,733	275,145,375
Employee Cost	94,993,060	94,993,060	98,792,782	102,744,494	106,854,273
Current	169,605,544	183,282,646	152,644,990	160,277,240	168,291,101
Health Services	3,519,434,535	3,520,217,626	3,544,523,447	3,693,741,500	3,849,300,132
Employee Cost	2,693,088,320	2,693,088,320	2,800,811,853	2,912,844,327	3,029,358,100

Vote/Department	Approved Budget	Revised budget	Forecast		
	2020/2021	2020/2021	2021/22	2022/23	2023/24
Current	826,346,215	827,129,306	743,711,594	780,897,173	819,942,032
Agriculture, Livestock, Fisheries and Co-operatives	355,286,578	341,471,578	361,629,123	376,600,147	392,195,304
Employee Cost	299,080,013	299,080,013	311,043,214	323,484,942	336,424,340
Current	56,206,565	42,391,565	50,585,909	53,115,204	55,770,965
Trade, Tourism & Industrialization	93,063,349	75,443,349	94,521,683	98,868,600	103,417,697
Employee Cost	36,458,349	36,458,349	37,916,683	39,433,350	41,010,684
Current	56,605,000	38,985,000	56,605,000	59,435,250	62,407,013
Education, Science & Technology	647,955,938	644,433,438	644,896,010	672,554,732	701,412,947
Employee Cost	440,969,038	440,969,038	458,607,800	476,952,112	496,030,196
Current	206,986,900	203,464,400	186,288,210	195,602,621	205,382,752
County Public Service Board	75,510,133	69,068,558	78,913,461	82,416,812	86,077,637
Employee Cost	42,531,011	42,531,011	44,232,251	46,001,541	47,841,603
Current	32,979,122	26,537,547	34,681,210	36,415,271	38,236,034
County Assembly	1,066,936,774	1,156,498,260	1,116,936,774	1,172,783,613	1,231,422,793
Current	1,066,936,774	1,156,498,260	1,116,936,774	1,172,783,613	1,231,422,793
ICT, E-government & Communication	68,527,645	65,746,245	65,459,322	68,451,158	71,581,341
Employee Cost	27,031,724	27,031,724	28,112,993	29,237,513	30,407,013
Current	41,495,921	38,714,521	37,346,329	39,213,645	41,174,328
TOTAL	8,724,087,342	8,989,667,636	8,961,011,979	9,357,812,292	9,772,402,612

Annex 2: Development Budget Estimates Ceilings

Vote /Department	Approved Budget	Revised Budget	Forecast		
	2020/2021	2020/2021	2021/22	2022/23	2023/24
Office of the Governor	35,500,000	10,500,000	61,950,000	61,950,000	61,950,000
Public Service and Administration	165,000,000	220,000,000	148,500,000	155,925,000	163,721,250
County Treasury	105,000,000	20,000,000	94,500,000	99,225,000	104,186,250
Water, Environment and Natural Resource	319,132,067	470,814,247	387,218,860	387,218,860	387,218,860
Social Services, Youth & Sports	646,000,000	569,000,000	1,028,484,656	610,470,000	640,993,500
Transport, Infrastructure & Public Works	1,640,071,072	1,341,443,034	1,476,063,965	1,476,063,965	1,476,063,965
Lands, Housing, Urban Areas and Physical Planning	512,718,800	795,678,378	461,446,920	484,519,266	508,745,229
Health Services	1,064,896,551	1,408,446,028	1,308,406,896	1,308,406,896	1,308,406,896
Agriculture, Livestock, Fisheries and Co-operatives	1,071,005,964	1,620,612,132	1,013,905,368	1,013,905,368	1,013,905,368
Trade, Tourism & Industrialization	330,000,000	310,000,000	330,000,000	330,000,000	330,000,000
Education, Science & Technology	649,349,894	522,811,560	684,414,905	684,414,905	684,414,905
County Assembly	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
ICT, E-government & Communication	170,000,000	171,900,000	153,000,000	160,650,000	168,682,500
TOTAL	6,758,674,348	7,511,205,379	7,197,891,570	6,822,749,260	6,898,288,723

Annex 3: Public Participation Report, 2021