



COUNTY TREASURY

COUNTY BUDGET REVIEW
AND OUTLOOK PAPER

SEPTEMBER 2020

© Budget Review and Outlook Paper (BROP) 2020

To obtain copies of the document, please contact:

Kiambu County Treasury

P. O. Box 2344-00900

THIKA SUB COUNTY BUILDINGS.

Tel: +254-067 5858167/71

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FOREWORD

The 2020 County Budget Review and Outlook Paper is set against the backdrop of a contracting global economy occasioned by the outbreak and the rapid spread of the Covid-19 Pandemic. The Pandemic and the attendant containment measures has led to contraction of the global economy disrupting businesses leading to loss of livelihoods for millions of people globally. This paper has been prepared in accordance with section 118 of the Public Finance Management Act, 2012 and its regulations. It provides actual fiscal performance for the FY 2019/2020 given the budget appropriations for the same year as well as a review of the recent economic developments. It further provides an overview of how the actual performance of the FY 2019/2020 affected our compliance with the fiscal responsibility principles and the financial objectives spelt out in the PFM Act as well as information showing changes from the projections outlined in the 2020 County Fiscal Strategy Paper. It presents the recent economic developments and provides updated forecasts with sufficient information to show changes from the projections outlined in the latest County Fiscal Strategy Paper (CFSP), released in February 2020.

The fiscal performance of the FY 2019/20 budget was below target on account of revenue shortfalls and rising expenditure pressures. In particular, the revenue shortfalls in the third and fourth quarters of the FY 2019/20 was largely due to the Covid-19 Pandemic. Revenue performance was further worsened by the levies incentives introduced to cushion businesses from the economic impact of the Pandemic. In this CBROP we are re-emphasizing the Government's fiscal policy strategy, which focuses on initiation of a number of reforms to boost revenues and trim expenditures from recurrent to productive capital expenditures and optimally ensuring efficiency and effectiveness in the use of public resources. A strategy that recognizes the need to strike a balance between growth and fiscal sustainability.

We expect revenue collection in the FY 2020/21 to spring back sustained by the improving economic environment and revenue administration measures that we have

put in place. Together with expenditure rationalization measures that we have introduced in the FY 2020/21 budget, we expect the funding pressures to ease and create fiscal space for priority programmes in the FY 2021/22 Medium-Term Budget. As we prepare for the FY 2021/22 budget, emphasis will be on strategic interventions under the Post Covid-19 Economic Recovery Strategy that will further re-position the economy on a steady and sustainable growth trajectory.

Lastly, I wish to note that the ceilings provided in this CBROP are indicative and will be affirmed by the County Fiscal Strategy Paper (CFSP-2021). The ceilings provided in this CBROP will assist the department to development sector reports for their respective departments, I therefore, call upon all departments to adhere to the set ceilings, and the strict deadlines provided in this document to facilitate the finalization and appropriation of the FY 2021/22 and the medium term budget.

WILSON MBURU KANG'ETHE
COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE, ICT AND ECONOMIC PLANNING

ACKNOWLEDGEMENT

The 2020 Budget Review and Outlook Paper has been prepared in accordance with the Public Finance Management (PFM) Act, 2012 and its Regulations. The document provides the fiscal outturn for the FY 2019/20, the macro-economic projections and sets the department ceilings for the FY 2021/22 and the Medium Term Budget. The document also provides an overview of how the actual performance of the FY 2019/20 affected our compliance with the fiscal responsibility principles and the financial objectives spelt out in the PFM Act as well as information showing adjustments made in the projections outlined in the 2020 County Fiscal Strategy Paper. We are operating under tight resource constraints amidst significant revenue shortfalls occasioned by declining economic activity as a result of the adverse effects of the Covid-19 Pandemic. This calls for proper prioritization to ensure that our expenditures go to the most impactful programmes with highest welfare benefits to people of Kiambu. Thus, all departments are expected to ensure that their budgets are aligned to the overall County Government priorities while taking into account the available resources.

The preparation of the 2020 CBROP was a collaborative effort of various County departments and was spearheaded by the County Executive Committee Member, Department of Finance, ICT and Economic Planning.

The County is indebted to the Governor Hon. Dr. James Nyoro for his leadership and support in the preparation of this report. We thank all the County Government Departments for the timely provision of useful data and information on their budget execution for the FY 2019/20. This document also benefited from key inputs from Directorates of budget and economic planning within the County Treasury who reviewed this document to ensure it satisfies the PFM Act, 2012 and sets out guidelines on the preparation of FY 2021/22 and the Medium Term Budget. I wish to thank the core team especially Ms. Nduta Kahi, Ms. Sophia Kamau, Mr. Stephen Mungai, Mr. Eliaph Karanja and Ms Alice Wanjiku. Their relentless commitment and teamwork is duly acknowledged. We further express our appreciation to the County Treasury staff from other directorates for their invaluable contribution in developing this paper.

Lastly, I take this opportunity to thank all our partners who directly or indirectly supported preparation of this paper.

WILLIAM KIMANI

CHIEF OFFICER, FINANCE, ICT & ECONOMIC PLANNING

Legal Basis for the Publication of the County Budget Review and Outlook

Paper

The County Budget Review and Outlook Paper (CBROP) is prepared in accordance with Section 118 of the Public Financial Management Act, 2012 which states:

- 1) A County Treasury shall-
 - a) prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and
 - b) Submit the paper to the County Executive Committee by the 30th September of that year.

- 2) In preparing its County Budget Review and Outlook Paper, the County Treasury shall specify—
 - a) the details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
 - b) the updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper;
 - c) information on—
 - (i) any changes in the forecasts compared with the County Fiscal Strategy Paper; or
 - (ii) how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
 - d) Reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated for doing so.

- 3) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.

- 4) Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall—
 - a) arrange for the Paper to be laid before the County Assembly; and
 - b) as soon as practicable after having done so, publish and publicize the Paper

Fiscal Responsibility Principles to be enforced by the County Treasury

In line with the Constitution, the Public Financial Management (PFM) Act, 2012, sets out the fiscal responsibility principles that the County Treasury need to enforce. The PFM law (Section 107) states that:

- 1) A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.
- 2) In managing the County Government's public finances, the County Treasury shall enforce the following fiscal responsibility principles
 - a) the County Government's recurrent expenditure shall not exceed the County Government's total revenue;
 - b) over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure;
 - c) the County Government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County Government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
 - d) over the medium term, the County Governments' borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;
 - e) the county debt shall be maintained at a sustainable level as approved by County Assembly;
 - f) the fiscal risks shall be managed prudently; and
 - g) a reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.
- 3) For the purposes of subsection (2)(d), short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited county government revenue.
- 4) Every County Government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the County Assembly.

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ABBREVIATIONS AND ACRONYMS

CADP	County Annual Development Plan
CARA	County Allocation of Revenue Act
CBROP	County Budget Review and Outlook Paper
CECM	County Executive Committee Member
CFSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
COVID	Corona Virus Disease
FY	Financial Year
GDP	Gross Domestic Product
IFMIS	Integrated Financial Management Information System
KDSP	Kenya Devolution Support Program
KUSP	Kenya Urban Support Program
MTEF	Medium Term Expenditure Framework
MTP	Medium-Term Plan
NG	National Government
OSR	Own Source of Revenue
PFM	Public Financial Management
UDG	Urban Development Grant
USSD	Unstructured Supplementary Service Data

I. INTRODUCTION

Objective of the 2020 County Budget Review and Outlook Paper (CBROP)

1. The 2020 CBROP provides a review of fiscal performance for the FY 2019/2020 and how this performance has impacted on the financial objectives and fiscal responsibility principles set out in the 2020 County Fiscal Strategy Paper (CFSP). This together with updated macroeconomic developments and outlook provides a basis for revision of the current budget in the context of Supplementary Estimates and the broad fiscal parameters underpinning the FY 2020/2021 budget and the medium term. Details of the fiscal framework and the medium term policy priorities will be firmed up in the 2021 County Fiscal Strategy Paper (CFSP).
2. The 2020 CBROP is a key policy document that will guide the development of the 2021 CFSP. It will highlight the progress in the implementation of County projects/programmes prioritized in the CIDP (2018-2022), the “Big Four” National Plan and Third Medium Term Plan (MTP III 2018-2022), while also taking into account emerging macroeconomic challenges including COVID-19 pandemic effect on the economy. The document further provides indicative sector ceilings for the FY 2021/2022 and the Medium Term and this sets in motion the budget preparation for the FY 2021/2022 and the Medium Term. The Sector ceilings are based on the projected resource envelope and will be firmed up in the CFSP 2021. The County Government has finalized the preparation of the County Annual Development Plan (CADP) for FY 2021-2022 which spells out County priorities and will guide budgetary preparation and programming for FY 2021/22.
3. As required by the PFM Act, 2012, the budget process aims to promote the efficient and effective use of public resources. To meet the resource requirements of the FY 2020/21 budget and the medium term, the County Government will continue to implement prudent measures aimed at enhancing the revenue and rationalizing expenditures. In this regard, this CBROP provides indicative sector ceilings which will set in motion the budget preparation for the FY 2021/22 and the medium term. The

sector ceilings are guided by the overall resource envelope that is informed by the macroeconomic and fiscal outlook as presented in this document. Budgetary allocations in this CBROP are in line with 2020 CFSP.

4. During the FY 2019/2020, the emergence of COVID-19 as a global pandemic presented unprecedented challenges to virtually all aspects of life. The pandemic forced countries to go into partial or total lockdown and this in turn affected economic performance and plunged many economies into recession. This in turn affected the revenue collection both at National and County level. As we lay the groundwork for the Medium-Term Budget for FY 2021/22, we have to be content with the reality of the worsening macroeconomic conditions across the entire globe. Both National and County's revenue collection is likely to be adversely affected by the poor business environment occasioned by COVID-19 pandemic.
5. Performance in both revenue collection and expenditure in the FY 2019/20 had implications on the financial objectives outlined in the 2020 CFSP and the fiscal projections of the 2020/21 Budget. The County Government missed the target on collection of revenue from its own sources of revenue and underperformed in expenditure due to delays of exchequer releases. The underperformance in expenditure in the FY 2019/20 had implications on the financial objectives outlined in the 2020 CFSP and the fiscal projections of the 2020/21 Budget. In particular, the baseline for projecting both the revenue and expenditures for the FY 2021/22 and the medium term has changed given the outcome of FY 2019/20 and the first two months in FY 2020/21. To remedy these deviations, the 2020 CBROP details appropriate revisions of the FY 2021/22.
6. In addition, this CBROP presents a fiscal outlook underpinned by revenue administration measures to promote compliance and facilitate economic growth. To complement the revenue reforms, the County Government has cut down on non-priority expenditures, thereby availing resources for high priority projects that have the highest impact on Kiambu Residents.

Organization of the Document

- 7. With this background, the rest of the document is organized as follows: **Section I** provides the introduction, **Section II** Provides review of the fiscal performance in the FY 2019/2020 and its implications on the financial objectives set out in the County Fiscal Strategy Paper submitted to the County Assembly in February 2020, **Section III** gives brief highlights of the recent economic developments and updated macroeconomic outlook; **Section IV** looks at Implementation of FY 2020-2021 Budget; **Section V** provides the resources allocation framework, and **Section VI** concludes the paper.

II. REVIEW OF FISCAL PERFORMANCE ON THE FY 2019/2020 BUDGET

A. Overview

8. The fiscal performance for the FY 2019/2020 was moderately satisfactory despite challenges emanating from missed revenue targets due to the COVID-19 pandemic and growing expenditure pressures resulting from broad policy measures. The underperformance of revenues was mostly due to missed target on Own Source Revenues (OSR), non-remittance of equitable share and conditional grant by the national government.

2019/2020 Fiscal Performance

Table 1: Fiscal Out-turn of the FY 2019/2020

	Actual Revenue	Approved Revenue Budget	Deviation
	A	AB	A-AB
Total Revenue	15,218,321,289	17,861,836,933	(2,643,515,644)
National Government Transfer	11,557,313,376	13,126,239,069	(1,568,925,693)
Local Revenue	2,466,256,110	3,540,846,061	(1,074,589,951)
Unspent Balances B/f FY 2018/2019	1,194,751,803.0	1,194,751,803.0	-
Other revenues	-	-	-
	Actual Expenditure	Approved Budget	Deviation
	A	AB	A-AB
Total Expenditure	14,581,447,841	17,861,836,933	(3,280,389,092)
Recurrent	10,007,968,193	11,651,488,203	(1,643,520,010)
Development	4,573,479,648	6,210,348,730	(1,636,869,082)

Source: County Treasury

9. As seen from the above table, the total approved resource envelope for FY 2019/20 was KShs. 17.86 billion, which comprised KShs.9.43 billion equitable share, 3.69 billion as conditional grant from the national government, 3.54 billion own source revenue, and 1.19 billion as unspent balance carried forward from FY 2018/19.

B. Revenue Performance

10. During the FY 2019/20, the County had a total of KShs.15.218 billion available for budget implementation in the County Revenue Fund (CRF). This amount consisted of KShs.8.62 billion received as equitable share of the revenue raised nationally, KShs.2.94 billion as conditional grants, KShs.2.466 billion generated from own sources of revenue, and had a cash balance of KShs.1.194 billion from FY 2018/19.

11. The actual revenue of KShs 15.218 (85 percent of the revised revenue target) represents a revenue shortfall of KShs. 2.64 billion against a target revenue of 17.8billion. The shortfall comprised 811 million and 757 million unremitted equitable share and conditional grant by the national government respectively. Unmet revenue from its own revenue source was 1.07 billion, which is 30 percent of the revised own source of revenue target.

12. The unmet OSR can be attributed to a number of factors among them; shut down of the economy due to the COVID-19 pandemic, political turmoil which affected compliance to pay county fees, change of County administration which led to general apathy making revenue administration difficult and unrealistic own source of revenue projection.

13. The FY 2019/2020 budget was not fully funded, and therefore budgetary fiscal deficit of 2.6 billion was occasioned.

Table 2: Own Sources of Revenue Analysis FY 2019/2020

Revenue Stream	Actual Revenue 2019/20FY	Revenue Budget 2019/20FY	Variance	Actual Revenue as a Percentage of Annual Targets (%)
Agriculture, Livestock and Fisheries Management unit	7,630,549	3,876,149	3,754,400	197%
Physical Planning unit	497,407,107	769,094,160	(271,687,053)	65%
Business Permit Management Unit	185,192,395	319,757,547	(134,565,152)	58%
Cess Management Unit	95,050,081	182,067,007	(87,016,926)	52%
Education, Culture, ICT & Social Services Unit	18,000	45,547	(27,547)	40%
Health Services Management unit	916,247,060	1,171,624,054	(255,376,994)	78%
Housing Management unit	17,090,205	11,545,610	15,544,595	148%
Land rates Management unit	241,976,369	428,188,820	(196,212,451)	55%
Market Management unit	33,359,712	27,930,828	5,428,884	119%
Others	6,561,703	-	6,561,703	0%
Roads, Transport, Public Works Management unit	49,307,164	63,625,076	(14,317,912)	77%
Slaughterhouse Management unit	36,865,578	51,899,235	(15,033,657)	71%
Trade, Tourism Industry and Cooperative units	11,374,507	20,966,562	(9,592,055)	54%
Vehicle Parking Management unit	230,746,433	327,284,957	(96,538,524)	71%
Water Environment & Natural Resources Management unit	48,308,462	83,183,362	(34,874,900)	58%
Liquor Licenses Management unit	89,120,787	79,757,147	9,363,640	112%
Total	2,466,256,111	3,540,846,061	(1,074,589,950)	70%

Source: County Treasury

14. Own Source of Revenue collection was Kshs. 2.46 billion (70 percent of the revised revenue target). This led to a deficit of Kshs. 1.07 billion against a target of Kshs 3.54 billion.
15. The following revenue streams surpassed their annual revenue projection; Agriculture, Livestock and Fisheries Management unit, housing and liquor licensing stream. This was attributed to enhanced enforcement and better administration of the revenue streams. For example the liquor licensing unit was able to develop a new policy on bar licensing. In addition proper coordination of revenue collection at the sub county level by a dedicated team positively impacted on revenue collection in respective streams.
16. However, the following revenue streams underperformed; physical planning, business permits, cess management, health services, land rates, and vehicle parking, which had a deficit of 271.68 million, 134.56 million, 87.01million, 255.37million, 196.21million and 96.53 million respectively. This was attributed to transition of county administration that led to general public apathy. For example in land rate revenue stream the implementation of the new valuation roll was met with numerous challenges and therefore the county had to revert to the old valuation roll pending public participation.

Equitable Share and Conditional Grant from National Government Revenue

Table 3: Revenue Analysis by Source

TOTAL EQUITABLE SHARE AND CONDITIONAL GRANT FOR FY 2019/20			
	ACTUAL REVENUE	APPROVED BUDGET REVENUE	Actual receipt as percent of annual allocation
Equitable Share	8,620,573,800	9,431,700,000	91%
THSUCP	80,079,440	80,079,440	100%
DANIDA	38,367,500	27,937,500	137%
KDSP Level2	-	73,731,600	0%
KDSP Level1	30,000,000	30,000,000	100%
KUSP-UIG	8,800,000	8,800,000	100%
NARIGP	230,751,500	331,195,210	70%
ASDSP-Agriculture	11,452,110	17,404,219	66%
KUSP-UDG	1,348,935,361	1,885,993,000	72%
Level 5	538,716,763	538,716,763	100%
Fuel Levy	267,725,062	267,725,063	100%
Youth Polytechnic	55,113,298	55,113,298	100%
User Fees	34,671,542	34,671,542	100%
Covid Health Allowances	106,635,000	-	0%
Covid-19 Grant	185,492,000	185,492,000	100%
Other Loans And Grants -MSF Belgium	-	25,764,540	0%
Leasing Of Medical Equipment	-	131,914,894	0%
TOTAL	11,557,313,376	13,126,239,069	88%

Source: County Treasury

17. As illustrated in table 3 above, the County Government received Kshs. 11.56 billion as a total of both equitable share and conditional grant from the National Government against a revised revenue target of Kshs. 13.13 Billion as per the 2019 County Allocation of Revenue Act(2019 CARA). The county did not receive in full the following grants; Equitable Share allocation for June 2020 Kshs.811 million, National Agricultural and Rural Inclusive Growth Project(NARIGP) Kshs.100 million, Kenya Devolution Support Project (KDSP) Level II Grant Kshs. 73 million, Kenya Urban Support Project (KUSP) –Urban Development Grant (UDG) Kshs. 537 million and Agricultural Sector Development Support Programme (ASDSP)II Kshs. 5.9 million.
18. The County also received additional conditional grants from the National Government towards COVID-19 pandemic as follows; Kshs. 106.6 million for

Frontline COVID Health workers Allowances and Kshs. 10.4 million for DANIDA respectively.

Performance of Expenditure

Overall Expenditure Review

19. During the financial year a total of Kshs. 15.2 billion was availed for absorption in the county revenue fund (CRF). The County treasury requisitioned for funds totalling to Kshs.14.581 Billion from the County Revenue Funds (CRF) representing 96 per cent of the total funds available for use. This amount consisted of Kshs. 10.01 Billion for recurrent expenditure (69 per cent) and Kshs. 4.5 billion for development expenditure (31 per cent). The overall County Governments' actual absorption was Kshs. 14.58 billion (99.3 percent). Out of Kshs. 15.2 billion that was received in the CRF account, Kshs. 491.38 million was not requisitioned due to late release of some of the conditional grants by the National Government.

20. A total of Kshs.14.58 billion was spent on both development and recurrent expenditures. This represented an actual absorption rate of 95 percent of the total funds received in the County Revenue Fund account. The expenditure excluded cumulative pending bills of Kshs. 4.288 Billion, of which Kshs.2.49 billion was for development expenditure and Kshs.1.798 billion was for recurrent expenditure as at June 30, 2020.

21. Both Recurrent and Development expenditure recorded an absorption rate of 55.3 percent and 26 per cent of the annual total budget allocation respectively.

Recurrent expenditure

22. The County Government's recurrent expenditure was Kshs. 10 billion (85.6 percent of the revised recurrent budget) against revised budget allocation of Kshs.11.65 billion. This represents an under-spending of Kshs 1.64 billion (14.1 percent deviation

from the revised recurrent expenditure). This underspending is as a result of unremitted exchequer and missed targets on own source of revenue.

23. Under recurrent expenditure, Administration and Public Service, and water departments recorded the highest absorption rate of 90 percent and 88.4 percent. While the department of trade recorded the lowest absorption at 65.8 percent.
24. The total recurrent expenditure of Kshs.10.01 billion comprised Kshs.6.865 billion (69.5 per cent) incurred on personnel emoluments and Kshs.3.2 Billion (30 percent) on operations and maintenance. Expenditure on personnel emoluments represented an increase of 1.3 per cent compared with 2018/19 FY when the County spent Kshs.6.78 billion.

Development Expenditure

25. The total development expenditure for the FY 2019/20 was Kshs. 4.57 billion (equivalent to 73.6 percent of the revised development budget) compared to a revised budgetary allocation of Kshs. 6.21 billion. This represents an under-spending of Kshs. 1.56 billion (25.6 percent deviation from the revised development expenditure).
26. Under development expenditure, Administration and Roads departments recorded the highest absorption rate of 92 percent and 86.7 percent. While the department of trade recorded the lowest absorption at 38.6 percent. This was affected by funds allocated towards construction of Githurai market which was not transferred.
27. The County could not finance some of the planned projects due to inadequate funds hence underperformance. Pending bills and carryovers will be accommodated in the first supplementary budget of 2020/2021 Financial Year. Through Treasury Circular on supplementary budget, accounting officers of all departments are required to rationalize and re-prioritize planned activities to provide for the pending bills/carry over from within the voted provision. This will affect some of the programs and

projects for the current financial year. However, priority will be given to pending bills and ongoing projects before embarking on new ones.

Table: 2019/2020 BUDGET ABSORPTION DEPARTMENT

Vote	Department	Approved Budget (AB)	Cumulative Expenditure(AE)	Deviation AB-AE	Absorption (AE/AB)%
	Recurrent	Amount	Amount	Amount	%
4061	County Assembly	1,160,723,535	996,372,927	164,350,608	85.84
4062	County Executive	411,661,758	328,583,461	83,078,297	79.82
4063	County Public Service Board	68,417,805	56,220,257	12,197,548	82.17
4064	Finance & Economic Planning	1,755,093,555	1,559,270,474	195,823,081	88.84
4065	Administration & Public Service	751,131,546	709,643,908	41,487,638	94.48
4066	Agriculture, Crop Irrigation & Marketing	519,490,122	409,990,495	109,499,627	78.92
4067	Water, Environment & Natural Resources	298,959,883	266,036,940	32,922,943	88.99
4068	Health Services	4,889,325,704	4,307,402,496	581,923,208	88.10
4069	Education, Culture, Youth, Sports & Social Services	815,421,998	575,199,963	240,222,035	70.54
4070	Youth and Sports	178,011,302	146,151,853	31,859,449	82.10
4071	Lands, Physical Planning & Housing	234,571,527	194,179,339	40,392,188	82.78
4072	Trade, Tourism, Industry & Co-Operative	135,944,538	91,764,174	44,180,364	67.50
4073	Roads, Transport & Public Works	432,734,930	367,151,906	65,583,024	84.84
	TOTAL	11,651,488,203	10,007,968,193	1,643,520,010	85.89
Development					
4061	County Assembly	34,000,000	-	34,000,000	0.00
4062	County Executive	-	-	-	0.00
4063	County Public Service Board	-	-	-	0.00
4064	Finance & Economic Planning	408,757,298	145,459,859	263,297,439	35.59
4065	Administration & Public Service	25,036,700	23,033,630	2,003,070	92.00
4066	Agriculture, Crop Irrigation & Marketing	525,317,254	338,283,847	187,033,407	64.40
4067	Water, Environment & Natural Resources	246,786,792	136,720,514	110,066,278	55.40
4068	Health Services	950,467,562	800,959,918	149,507,644	84.27
4069	Education, Culture, Youth, Sports & Social Services	160,436,013	133,848,848	26,587,165	83.43
4070	Youth and Sports	61,322,251	49,547,151	11,775,100	80.80
4071	Lands, Physical Planning & Housing	1,939,892,200	1,445,957,678	493,934,522	74.54
4072	Trade, Tourism, Industry & Co-Operative	232,090,702	89,616,638	142,474,064	38.61
4073	Roads, Transport & Public Works	1,626,241,958	1,410,051,565	216,190,393	86.71
	TOTAL	6,210,348,730	4,573,479,648	1,636,869,082	73.64
	Total Budget Recurrent+Expenditure	17,861,836,933	14,581,447,841	3,280,389,092	81.63

Source: County Treasury

FISCAL DEFICIT

28. The revised Budgets for the FY 2019/2020 was Kshs. 17.86 Billion financed from both external and internal revenues as well as unspent balances for the FY 2018/19. Total cumulative revenue receipt was Kshs.15.22 Billion therefore recording a fiscal deficit of Kshs. 2.64 Billion due to shortfalls in both external and local revenues. The County is paying attention to the factors that affected revenue collection with a view

to reverse this trend in the FY 2020/2021 while pursuing additional strategies to grow revenues in the medium term.

PENDING BILL

29. The provisional pending bills owed by the county government of Kiambu as at 30th June 2020 stood at KShs. 4.29 billion which comprised KShs 1.79 billion recurrent and KShs. 2.49 billion As development as shown in **the table below**. The health department has the largest recurrent pending bills at KShs. 1.26 billion while the road department has the largest development pending bill at KSh. 1.81 billion.
30. The county government should therefore ensure that both the level and rate of growth in pending bills is managed prudently since a huge pending bill will continue to negatively affect service delivery to the people of Kiambu County. This can be done by cutting down county expenditure at the same time coming up with ways and means Of increasing resource envelope fund budgetary expenditures. In addition, the national government should consider increasing the sharable revenues to the counties.

PENDING BILLS AS AT 30TH JUNE, 2020

Department	Recurrent	Development	Totals
	KShs.	KShs.	KShs.
Lands Housing & Physical Planning	8,739,026.00	10,919,748.00	19,658,774.00
Administration and Public Service	34,111,631.31	32,551,328.60	66,662,959.91
Youth and Sports	11,297,974.00	51,894,530.00	63,192,504.00
County Executive	95,147,752.30	0	95,147,752.30
Finance, ICT and Economic Planning	218,585,601.66	0	218,585,601.66
Water, Environment & Natural Resources	26,578,163.00	183,200,842.00	209,779,005.00
Trade, Cooperatives & Tourism	12,388,911.00	31,356,022.26	43,744,933.26
Livestock	3,519,563.00	78,934,875.00	82,454,438.00
Health services	1,264,625,135.75	185,222,618	1,449,847,753.65
Public Service Board	5,256,265.00	0	5,256,265.00
Agriculture	8,432,099.00	65,618,954.00	74,051,053.00
Roads, Transport & Public Works	70,778,531.20	1,815,707,329.16	1,886,485,860.36
Education, Culture and Social Services	38,958,982.00	41,195,080.00	80,154,062.00
TOTALS	1,798,419,635.22	2,496,601,326.92	4,295,020,962.14

Source: County Treasury

FISCAL PERFORMANCE FOR THE FINANCIAL YEAR 2019.20 WITH REGARD TO FINANCIAL OBJECTIVES

31. In line with the Constitution, the Public Finance Management (PFM) Act, 2012, the PFM regulations, and in keeping with prudent and transparent management of public resources, the County Government has largely adhered to the fiscal responsibility principles as set out as follows:

Allocation on Compensation of Employees

- Regulation 25(1) (b) of the PFM (County Governments) Regulations, 2015, requires that the county government's expenditure on wages and benefits for its public officers should not exceed thirty-five (35) percent of the county government's total revenue. The County's total expenditure on employees' wages and benefits was Kshs. 6.865 Billion translating to 38.4 percent of the revised budget estimates FY 2019/20. This is higher than the required threshold of 35 percent. Going forward, the County Government is committed to bringing the proportion of the expenditure on wages down in the long term.

Allocation on Development Expenditure

- In managing the County Government's finances, the Public Finance Management Act, 2012 Section 107(b) requires that over the medium term, a minimum of 30 percent of each County Government's budget shall be allocated to development expenditure. In the FY 2019/20 outturn, budgetary allocation to development expenditures amounted to KShs. 6.21 billion of the revised estimates accounting for 35 percent. Nonetheless, actual expenditure on Development spending was Kshs. 4.65 billion which was 26 percent of the total revised budget. This was less than 30 percent meaning that the County governments did not meet this requirement for actual expenditure. The County Government will work towards attaining the required levels by reducing recurrent and improving revenue collection to increase fiscal space for spending on development.

Recurrent Expenditure to total county revenue

- On the principle of total recurrent not exceeding total revenue, the County Government's actual recurrent expenditure which was Kshs. 9.87 billion did not exceed the County Government's total revenue of Kshs. 17.86 billion hence the County has complied with the fiscal responsibility principle.

Borrowing of funds

- The County Government did not borrow any funds during the year to supplement budget financing.

Degree of predictability on tax rates and tax bases

- On the principle of maintaining a reasonable degree of predictability with respect to the level of tax rates and tax bases, the County Government continues to carry out revenue reforms and amendments by revising its fees and charges through the proposed 2020 Finance bill.

32. The fiscal performance was generally satisfactory in both recurrent and development in the approved revised budget estimates.

Fiscal Performance for the FY 2019/2020 in Relation to Financial Objectives

33. The performance in the FY 2019/20 affected the financial objectives set out in the 2019 County Fiscal Strategy Paper and the Budget for the FY 2019/20 in the following ways;

- Revenue projections and expenditure were adjusted downward to reflect realistic revenue targets and to reduce the chances of generating pending bills at the end of the period.
- Pending bills/carryovers from 2019/20 FY will be accommodated hence affecting Programs and projects initially projected for the period FY 2020/21.

- The base used to project expenditures in the FY 2020/21 and the medium term is affected as a result of unmet revenue targets.
- Taking into account the budget outturn for the FY 2019/20, appropriate revisions have been undertaken in the context of this CBROP.
- Consequently, the baseline ceilings for the formulation of 2021 CFSP will be lower than set out in the previous year.

34. As explained above, the main reasons for the deviations include: delayed release of exchequer, unmet own source of revenue and under-spending mostly in development

35. The County government will focus on the following in order to remedy these variances:-

- Enhancing Own Source of Revenues collection capacity.
- Exploring legal options to capping County OSR growth estimates, based on previous performance
- Reforms to improve public resources utilization and budget execution.
- Capitalizing in County infrastructure and social welfare services in order to unlock the county's potential and improve competitiveness.
- Strengthening capacity-building in public financial management to ensure good governance and effective service delivery.
- Implementing development budget as approved.

III. RECENT ECONOMIC DEVELOPMENTS IN KENYA'S ECONOMY AND OUTLOOK

36. The County performance has been depending largely on the Country's economic performance and formulation and implementation of sound and prudent policies. Like most economies all over the world in recent times, performance of Kenya's economy in 2020 will largely be determined by how long life and economic activities are going to be disrupted by the Coronavirus disease (Covid-19). Most of the economic activities have been slowed down by restrictions resulting from containment and cessation of sections of the population, the nationwide curfew and stoppage of international passenger travel.
37. Kenya's economic growth rate is estimated to decline to 5.4 percent growth in 2019 from 6.3 percent growth in 2018. The growth was spread across all sectors of the economy but was more pronounced in service-oriented sectors. The decline is attributed to Covid-19 and associated containment measures that weighed heavily on domestic and foreign demand.
38. The Agriculture, Forestry and Fishing sector accounted for a sizable proportion of the slowdown, from 6.0 per cent growth in 2018 to 3.6 per cent in 2019. The slowdown resulted due to mixed weather phenomenon characterized by drought during the first half of the year, followed by high rainfall in the second half of the year. This culminated in reduced production of selected crops and pasture for livestock. Agriculture production was also affected by the second locust invasion.
39. The economy remains one of the most attractive business environments in Africa. The Country is ranked favorably in the ease of doing business and as a top investment destination. According to the World Bank's Doing Business Report 2020, Kenya's ranking improved by 5 positions from 61 out of 190 economies in 2019 to 56 in 2020 but the ranking in Africa declined by one position from position 3 in the previous period to position 4 in 2020. The score improved by 2.9 from 70.3 out of 100 in 2019 to 73.2 in 2020 which was attributed to the improvement of 6

among 11 areas of the life of a business. Additionally, the Country is recognized for the efforts made in implementing reforms attributable to good leadership and coordination between agencies.

40. As a result of prudent monetary and fiscal policies, the annual inflation rate has remained within the Government target range of 5+/-2.5 percent in the period 2013 to 2020. The overall annual inflation rate decreased by 1.87 percent from 6.27 percent in July 2019 to 4.4 percent in July 2020. This was majorly as a result of considerable declines in the prices of food & non-alcoholic beverages; housing & utilities; restaurants & hotels; furnishings & household equipment; and recreation & culture.
41. The overall Balance of Payments position improved from a surplus of KSh 103.4 billion in 2018 to a surplus of KSh 106.4 billion in 2019, on account of a build-up in official reserves. The current account balance worsened to a deficit of KSh 567.0 billion in 2019 from a deficit of KSh 511.3 billion in 2018. The financial account net inflows declined by 3.9 percent from a surplus of KSh 662.0 billion in 2018 to a surplus of KSh 636.3 billion in 2019. This was mainly occasioned by declines in net inflows of direct investment and other investment liabilities.
42. The Kenyan Shilling depreciated against all major trading currencies in July 2020. The shilling weakened against the US dollar, Sterling Pound, Euro and Japanese yen with the exchange rate standing at 107.27, 135.30, 122.52 and 100.34 respectively in July 2020 as compared to 103.16, 128.92, 115.83 and 97.12 respectively in July 2019. The depreciation of the shilling was attributed to increased demand for import and excess liquidity in the money market.
43. Short-term interest rates have remained fairly low and stable. The Central Bank rate decreased from 9.0 percent in July 2019 to 7.0 percent in 2020. The decision was aimed at boosting growth and stimulating higher private-sector lending, especially the Small and Medium Enterprises distressed by Covid-19 pandemic. The interbank

rate remained low at 2.12 percent in July 2020 from 2.28 percent in July 2019 in line with the easing of the monetary policy and ample liquidity in the money market. Growth this year should be fueled by the ongoing economic recovery package aimed at improving household incomes and recovery in the agricultural sector, completion of key infrastructure projects, and a focus on investment in sectors prioritized by the government's "Big Four" agenda.

44. The average yield rate for the 91-day Treasury bills, which is a benchmark for the general trend of interest rates dropped by 0.16 percent from 6.4 percent in August 2019 to 6.24 percent in July 2020. Activity in the capital market slowed down with equity share prices declining as shown by the NSE 20 Share Index, which stood at 2,628 points by end July 2019 compared to 1,804 points by end July 2020. The total value of NSE shares traded increased by 17.6 percent from KSh 11.45 billion in July 2019 to KSh 13.47 billion in July 2020.
45. On the expenditure side, the County Government of Kiambu will continue with rationalization of expenditure to improve efficiency and reduce wastage. Expenditure management will be strengthened with implementation of all modules of the Integrated Financial Management Information System (IFMIS) across Departments. The County will further continue reorienting expenditure towards priority programmes.
46. With respect to revenue, the County Government will maintain a strong revenue effort of revenue growth over the medium term. Measures to achieve this effort include use of Unstructured Supplementary Service Data (USSD) application for self service revenue payment, rationalize existing fees and charges incentives, mapping revenue sources and enforcement to encourage compliance.
47. The County Government of Kiambu made an effort to achieve a broad-based expansion touching in all sectors of the economy. Emphasis was given to key sectors

of agricultural development, health, tourism and supportive services such as infrastructural investment, information communication and technology.

48. Going forward, the County Government will continue to invest in sectors implementing the Big Four Agenda. Food nutrition and security, upgrading and expansion of health, housing, road and water infrastructure will be prioritized. The County Government will further continue to invest in socio-economic sectors of education and social protection with an aim of controlling and eventually eliminating Covid-19 pandemic thus cushioning residents from adverse effects resulting from the pandemic.

IV. IMPLEMENTATION OF THE FY 2020/2021 BUDGET

49. The County's FY 2020/2021 Approved Budget is Kshs.16,684,832,798 consisting of Kshs.11,048,293,356 (66.2 per cent) and Kshs. 5,636,539,442 (33.8 per cent) allocation for recurrent and development expenditure respectively. To finance the budget, the County expects to receive Kshs. 9,843,150,000 (59 per cent) as equitable share of revenue raised nationally, Kshs.3,172,128,015 (19 percent) as total conditional grants, and generate Kshs.3,669,554,783 (22 per cent) from own-sources of revenue.
50. The revenue collection for the FY 2020/2021 has started on a slow pace owing to the post covid effects on the economy. However, as the curve starts to flatten it is expected to pick up in the course of the financial year. Total Revenue available to the county as at 31st August 2019 was Kshs. 1,676,918,512 which comprised Own Source of revenue of Kshs. 228,391,422 and the unspent balances carried forward from FY 2019/2020 amounted to Kshs. 491,381,798 and June 2020 exchequer from equitable share of Kshs. 811,126,200. The County had nil receipts from the National Government. This was attributed to delay in passing of Division of Revenue Bill 2020.
51. Total expenditure as at 31st August 2020 was Kshs. 1,457,072,920 as compared to Kshs. 1,534,128,278 absorbed the same period last financial year on 31st August 2019. This comprised Kes. 1,247,195,878 and Kes. 209,877,042 being recurrent and development expenditure respectively. The low absorption has been occasioned by delayed disbursement of revenues from the National Government (NG). The absorption rate is expected to rise in the coming months as revenue flows both from the National Government and own sources picks up as well as payment from development projects become due.
52. Spending on non-discretionary expenditures like personnel emoluments will be given first priority. Development expenditures are therefore considered after settling

these non-discretionary expenditures hence any delay in the release of funds or revenue flows will definitely have a negative impact on them.

53. The County will continue to enhance public finance management systems at all levels in order to increase efficiency; increased service delivery; seal leakages and increase productivity.

Adjustments to the FY 2020/2021 Budget

54. The underperformance in revenue collection in the FY 2019/2020 and delay of release of equitable share as provided in 2019 CARA has implications on the financial objectives outlined in the 2020 CFSP and the 2020/2021 Budget. In particular, the baseline for projecting revenue and expenditures for the FY 2020/2021 and the medium term has changed given the outcome of FY 2019/2020 and the first two months of FY 2020/21.
55. In light of these new developments, Revenue for FY 2020/2021 will be revised to take into account June 2020 exchequer late release and unspent balances of 2019/2020 FY. Similarly, Own Source of Revenue will be adjusted downward given the underperformance of OSR in the 2019/2020 financial year. The adjustments are contained in the proposed 2020 Finance Bill.
56. In light of the above adjustments in revenue projections for the 2020/2021 Financial Year, Expenditure projections for FY 2020/2021 will also be revised to accommodate the revenue adjustment through trade-offs and reallocations of existing budgetary provisions supported by austerity measures instituted on less productive areas of spending across the County Government.

RISKS TO THE 2020/2021 BUDGET IMPLEMENTATION

57. Given the fiscal performance in the FY 2019/2020 and the updated macroeconomic outlook for the FY 2020/2021, some of the inherent risks to the FY 2020/2021 budget framework includes;

i. Projected Own Source Of Revenue Shortfalls

58. The main fiscal risk that is likely to be faced by the county government is the shortfall in local revenue flows. Missed revenue targets from internal sources have continued to face challenges that must be progressively mitigated in order to achieve county development goals. For instance revenues from land rates have continued to be below expectation due to noncompliance by the land owners. The implementation of the new valuation roll has experienced several challenges and therefore the county has continued to use outdated valuation rolls to collect land rate revenues. Handling of cash by officers has led to loss of revenue in some instances.

59. The County has started initiating mitigation measures guided by a revenue enhancement report that has been compiled. The County is deliberating on appointment of agents through contractual agreement that ensures they are committed to collect revenue on behalf of the county. In September 2020 the county adopted a cashless system which will enhance better reconciliation and reduce loss of funds. In addition, the administration of revenue collection is being monitored by several officers to ensure proper coordination. Further, the County intends to recruit disciplined personnel officers to work under enforcement unit.

ii. Pending Bills

60. The issue of Pending debts/bills continues to be a major fiscal challenge facing the County government having inherited a huge debt from the defunct local authorities. The huge pending bills will continue to negatively affect the service delivery by the county government. To mitigate this, the county should come up with a payment plan of the pending bill and avoid commitment of expenditures outside the budget.

iii. Wage Bill

61. The county has a huge wage bill which is way above the recommended 35 percent which has constrained budgetary allocations towards development.

V. RESOURCE ALLOCATION FRAMEWORK

62. The Medium Term Fiscal Framework (MTFF) for the FY 2021/2022 emphasizes on efficiency and effectiveness of public spending and improving revenue collection to ensure provision of core services, stimulate and sustain economic activities, mitigate the adverse impact of COVID-19 pandemic on the economy and achieve economic recovery for the people of Kiambu County. Resource allocation and priority expenditure in the 2021/2022 financial year and the medium term will be guided by the following policy documents;

- i. County Integrated Development Plan (2018-2022)
- ii. County Annual Development Plan (2021-2022)
- iii. Ongoing projects
- iv. Emerging priorities
- v. Public Finance Management Act, 2012
- vi. Medium Term Plan III (2018-2022).

VI. FY 2021/2022 BUDGET FRAMEWORK

Revenue Projections

63. The FY 2021/2022 resource envelope is projected at Kshs. 15.752 billion Constituting: Kshs. 3.206 billion Own Source Revenue and Kshs. 12.545 billion from the National Government. The County will continue to periodically review the revenue administration policies to enhance performance on County's own source revenue. These figures are indicative and will be firmed up in the 2021 CFSP.

Expenditure Projections

60. The overall projected budgetary expenditure for FY 2021/2022 is Kshs. 15.752 billion. This is projected to increase to Kshs. 16.622 billion in the FY 2022/2023 and further to Kshs. 17.620 billion in the FY 2023/24.

61. The recurrent expenditure is expected to increase from Kshs. 11.028 billion in the FY 2021/22 to Kshs. 11.690 billion in the FY 2022/2023, and further to Kshs. 12.391

billion in FY 2023/2024. Similarly, the development expenditure is also expected to increase from Kshs.4.723 billion in FY 2021/2022 to Kshs. 4.933 billion and 5.229 billion in FY 2022/23 and FY 2023/24 respectively. More resources will be shifted to development to support critical infrastructure as the County realigns to meet the fiscal responsibility requirements.

VII. CONCLUSION AND NEXT STEPS

62. The FY 2021/22 and the Medium Term Budget and Fiscal framework is being prepared against a backdrop of a slowdown in growth of the economy. The Covid-19 pandemic has led to contraction of the economy resulting in loss of livelihoods of the people. The County Government will therefore focus on empowerment of the people and revenue enhancement. The projections presented in this CBROP have further taken into account the expected recovery in the global economy and risks facing our economy.
63. Health, roads, water, physical Planning and Housing will be prioritized in allocating resources over the Medium term given the tight resource constraints amidst significant revenue shortfalls occasioned by the adverse effects of the Covid-19 Pandemic. To finance the identified key priority areas, mobilization of Own Source of Revenue through enhancement of revenue collection backed by an effective enforcement strategy.
64. The indicative departmental ceilings annexed herewith will guide the County Departments in preparation of the FY 2021/2022 budget. These ceilings will be firmed up in the 2021 CFSP. (Annex 2)

Annex 1: Revenue Projections FY 2021-2022

Source Of Revenue	Actual Revenue FY 2019/20	Revenue Projection FY 2021/22
Total grants from National Treasury & Development Partners	12,752,065,179	12,545,736,552
EQUITABLE SHARE	8,620,573,800	9,843,150,000
CONDITIONAL GRANT FROM NATIONAL GOVT SHARE OF REVENUE	1,188,353,665	1,150,447,494
Level 5	538,716,763	538,716,763
Fuel Levy	267,725,062	293,374,561
Youth Polytechnic	55,113,298	61,984,894
User Fee Fore Gone	34,671,542	34,671,542
Leasing of Medical Equipment	-	55,113,298
COVID Health Allowances	106,635,000	131,914,894
Covid-19 grant	185,492,000	34,671,542
CONDITIONAL GRANT FROM DEV'T PARTNERS	1,748,385,911	357,387,255
THSUCP	80,079,440	49,790,789
NaGIRP	230,751,500	222,340,320
KDSP-level 1	30,000,000	45000000
KUSP-UDG	1,348,935,361	-
DANIDA	38,367,500	26,820,000
KDSP level2	-	-
KUSP-UIG	8,800,000	-
ASDSP-Agriculture	11,452,110	13,436,146
other Loans and grants Grants -MSF Belgium	-	-
Unspent Balance	1,194,751,803	1,194,751,803
OWN SOURCE REVENUE STREAMS		
Agriculture Livestock & Fisheries Management Unit	7,630,549	9,919,713
Physical Planning Management Unit	497,407,107	646,629,239
Business Permit Management Unit	185,192,395	240,750,114
Cess Management Unit	95,050,081	123,565,105
Education Culture ICT & Social Services Unit	18,000	23,400
Health Services Management Unit	916,247,060	1,191,121,177
Housing Management Unit	17,090,205	22,217,267
Land Rates Management Unit	241,976,369	314,569,280
Market Management Unit	33,359,712	43,367,626
Others	6,561,703	8,530,214
Roads Transport Public Works Management Unit	49,307,164	64,099,313
Slaughterhouse Management Unit	36,865,578	47,925,251
Trade Tourism Industry & Cooperatives Unit	11,374,507	14,786,859
Vehicle Parking Management Unit	230,746,433	299,970,363
Water Environment & Natural Resources Mgt Unit	48,308,462	62,801,001
liquor management unit	89,120,787	115,857,023
Total	2,466,256,111	3,206,132,944
TOTAL REVENUE	15,218,321,290	15,751,869,496

Annex II: Medium Term Expenditure Framework 2021/22-2023/2024

Recurrent	Approved Supplementary Budget	Approved Printed Estimates	Projections		
	2019/20	2020/21	2021/22	2022/23	2023/24
County Assembly	1,160,723,535	1,105,527,936	1,085,527,936	1,150,659,612	1,219,699,189
Executive	411,661,758	373,361,105	373,361,105	395,762,771	419,508,538
County Public Service	68,417,805	78,962,096	78,962,096	83,699,822	88,721,811
Finance & Econ. Planning	1,755,093,555	1,275,421,276	1,275,421,276	1,351,946,553	1,433,063,346
Admin.& Public Service	751,131,546	647,149,999	647,149,999	685,978,999	727,137,739
Agric., Livestock & Fisheries	519,490,122	500,799,803	500,799,803	530,847,791	562,698,659
Water, Environment & Natural Resources	298,959,883	342,371,300	342,371,300	362,913,578	384,688,393
Health Services	4,889,325,704	4,913,592,705	4,913,592,705	5,208,408,267	5,520,912,763
Education, Culture, & Social Services	815,421,998	883,296,202	883,296,202	936,293,974	992,471,613
Youth Affairs & Sports, ICT and Communication	178,011,302	132,115,300	132,115,300	140,042,218	148,444,751
Lands, Physical Planning & Housing	234,571,527	223,534,698	223,534,698	236,946,780	251,163,587
Trade, Industry, Tourism & Cooperatives	135,944,538	148,885,025	148,885,025	157,818,127	167,287,214
Roads, Transport & Public Works	432,734,930	423,275,910	423,275,910	448,672,465	475,592,812
Total Recurrent	11,651,488,203	11,048,293,355	11,028,293,355	11,689,990,956	12,391,390,414
Development					
County Assembly	34,000,000	70,000,000	70,000,000	-	-
County Executive	-	-	-	-	-
County Public Service Board	-	-	-	-	-
Finance& Econ Planning	408,757,298	106,249,021	70,000,000	74,200,000	78,652,000
Admin & Public Services	25,036,700	50,000,000	80,500,000	85,330,000	90,449,800
Agric, Livestock & Fisheries	525,317,254	435,776,466	600,000,000	636,000,000	674,160,000
Water, Environment & Natural Resources	246,786,792	204,944,735	350,000,000	371,000,000	393,260,000
Health Services	950,467,562	838,716,765	985,000,000	1,044,100,000	1,106,746,000
Education, Culture, & Social Services	160,436,013	161,984,894	200,000,000	212,000,000	224,720,000
Youth Affairs & Sports, ICT and Communication	61,322,251	109,500,000	220,000,000	233,200,000	247,192,000
Lands, Physical Planning & Housing	1,939,892,200	2,005,993,000	250,000,000	265,000,000	280,900,000
Trade, Industry, Tourism & Co-operatives	232,090,702	250,000,000	325,000,000	344,500,000	365,170,000
Roads, Transport & Public Works	1,626,241,958	1,403,374,561	1,573,000,000	1,667,380,000	1,767,422,800
Total Development	6,210,348,730	5,636,539,442	4,723,500,000	4,932,710,000	5,228,672,600
Totals	17,861,836,933	16,684,832,797	15,751,793,355	16,622,700,956	17,620,063,014

ANNEX III: Kiambu County Budget Calendar FY 2021-2022

Activity	Responsibility	Timeframe/Deadline
Develop and issue circular on Budget Preparation and MTEF Guidelines	CECM Finance & Economic Planning	30 th August, 2020
Undertaking of Departmental Expenditure Reviews	All Departments	16 th September, 2020
Submission of County Annual Development Plan (CADP) to the County Assembly and a copy to the Commission on Revenue Allocation (CRA)	CECM Finance and Economic Planning	1 st September, 2020
Development of County Budget Review and Outlook Paper(CBROP)	County Treasury	21 st September, 2020
Approval of County Budget Review and Outlook Paper by the County Executive Committee	CECM Finance	30 th September, 2020
Submission of County Budget Review and Outlook Paper(CBROP) to the County Assembly	County Treasury	21 st October, 2020
Start of Sector Consultations	All Departments- Finance and Economic planning to coordinate	1 st November 2020
Submission of final sector reports to the County Treasury	All CECMs for their respective Departments	30 th December, 2020
Draft 2020 County Fiscal Strategy Paper(CFSP)	County Treasury	31 st January 2021
Presentation of County Fiscal Strategy Paper to County Budget and Economic Forum(CBEF)	C.E.C Finance & Economic Planning in consultation with the Governor	3 rd February 2021
Submission of 2020 County Fiscal Strategy Paper(CFSP) to County Executive Committee for approval	County Treasury	19 th February, 2021
Submission of County Fiscal Strategy Paper(CFSP) to the County Assembly	County Treasury	26 th February 2021
Issue of circular for finalization of 2020/21-2022/23 MTEF estimates and PBB	County Treasury	9 th March, 2021
Submission of Budget proposals to County Treasury	All Departments	31 st March, 2021
Deadline for Consolidation of Final budget	County Treasury	19 th April, 2021
Submission of Budget Estimates to County Executive for approval	County Treasury	20 th April 2021
Submission to the County Assembly the budget estimates, supporting documents and any other Bills required to implement the budget	CECM Finance & Economic Planning	30 th April 2021