



REPUBLIC OF KENYA

COUNTY GOVERNMENT OF NYANDARUA

**COUNTY BUDGET REVIEW
AND OUTLOOK PAPER
(CBROP)**

JANUARY 2014

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Abbreviations

CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal strategy Paper
CG	County Government
FY	Fiscal Year
PFMA	Public Financial Management Act
TA	Transition Authority
LATF	Local Authority Transfer Fund
CIDP	County Integrated Development Plan

TABLE OF CONTENTS

Introduction.....	5
Legal Background.....	6
Review of Fiscal Performance for FY 2012/13.....	7
Recent developments and the outlook for the year.....	8
Resources allocation framework.....	9
Revenue outlook.....	12
Conclusion and way forward.....	12
Annexes	

I. Introduction

The Public Finance Management Act, 2012 brought in a paradigm shift in budget making process at the national level, and at the same time provided for the same at the County level. Sections 117 and 118 of the Act provides for the preparation of the County Fiscal Strategy Paper (CFSP) and County Budget Review and Outlook Paper (CBROP) respectively, by the County Treasury.

The law requires CBROP to present the fiscal outcome for the previous financial year and to state how this outcome affects the financial objectives contained in that year's CFSP. This year is however the first under the devolved governance structure and this year's BROP cannot therefore contain information to show changes in the forecasts in the CFSP, a policy document that is not there since the County Government only came in place with the 4th March General 2013 elections. On that note this CBROP does not make reference to the CFSP and is further limited to the four months of the 2012/2013 FY, which is from the period March to June 2013. During this period, the county operated on a transitional budget which was designed to lay the foundation and guide the operations of the devolved governance structure. It focuses on the fiscal outlook of the current financial year and the medium term.

Fiscal discipline will seek to ensure that the county is able to transit into devolution smoothly. In addition, the County will work towards reducing poverty levels by bringing the relevant and essentials services to the people. The absolute poverty is estimated at 21.7 percent, urban poverty at 45 percent, rural poverty at 27.2 percent, and food poverty 25.1 percent. There is need for a concerted effort to bring these figures down.

We are committed to maintain the trend of economic growth and development in line with the expectations and commitments we have made to the people of Nyandarua County. Towards this end, we shall ensure there is transparency and accountability by relaying our performance indicators to the public as well as publicizing other publications as required by the Constitution and the Public Finance Management Act.

II. Legal Background

The County Budget Review and Outlook Paper (CBROP) were prepared by the County Treasury in accordance with Section 118 of the Public Finance Management (PFM) Act. The Act states that a County Treasury;

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

The main objectives of a CBROP are to specify;

- The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
- the updated economic and financial forecasts in relation to the changes from the forecasts in the most recent County Fiscal Strategy Paper(CFSP);
- any changes in the forecasts compared with the CFSP;
- how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the CFSP for that financial year; and
- Reasons for any deviation from the financial objectives in the CFSP together with proposals to address the deviation and the time estimated for doing so.

In summary, this BROP is expected to present a review of the fiscal performance for the previous year, in our case, for the four months covering March to June 2013, the period that the County Governments (CGs) were in operation in the last Fiscal Year.

The CBROP is expected to provide a summary of the national macroeconomic outlook and how this will affect the County's economic performance. The key macro-economic indicators are, however, not currently available at the county level thereby making it difficult to provide macro-economic statistics for Nyandarua as a county for analytic purposes.

The above statistics would partly provide the basis for the revision of the Financial Year 2013/14 budget in the context of the Revised Budget, as well as setting out the broad fiscal parameters for the next budget and medium term. The fiscal framework presented in this document provides a strong basis for building our common future under the current constitutional dispensation. The paper also presents an overview of budget financing sources that includes revenue and grants. In the last section, the paper offers some conclusions and the way forward.

III. Review of fiscal performance for FY 2012/2013

This section is meant to review how the actual financial performance for the 2012/13 financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the CFSP for that financial year. However as highlighted earlier, the county financial operations can only be reported as from March 2013.

During the period under review, the County was allocated Kshs 3,150,207,683 from national government. It also received Kshs 223,723,384 from Transition Authority to cater for startup infrastructure development and Kshs. 0 as Local Authority Transfer Fund (LATF).

Comment [N1]: LATF has been repealed

With regard to revenue, a total of Kshs. 56,153,756 was collected. A breakdown of the locally collected revenue is shown in table 1

Table 1: Revenue Collection by Category

Revenue Sources	March	April	May	June	Totals
SINGLE BUSINESS PERMIT	9,429,100	4,668,960	3,704,047	2,292,290.00	21,797,267.00
SALE OF APPLICATION FORMS	294,908	159,020	68,030	77,300.00	648,238.00
PLOT RATES	1,615,098	726,996	497,553	452,291.00	3,528,238.00
IMPOUNDAGE FEES	230	138,520	30,840	67,790.00	298,430.00
LAND RATES	358,906	196,856	233,925	167,069.00	1,104,155.00
MISC INCOME	322,947	117,285	484,494	434,435.00	1,739,206.00
CATTLE DIPS	61,139	52,228	70,750	51,763.00	283,987.00
A. I. SERVICES	104,600	111,250	181,150	30,500.00	479,050.00
OPEN AIR MARKET FEES	644,310	667,694	767,024	737,275.00	3,619,326.00
MARKET STALL RENT	167,740	134,200	129,300	191,600.00	737,340.00
GROUND RENT -OTHERS/QUARRIES	399,840	196,485	169,440	146,170.00	990,195.00
PRODUCE CESS /ROYALTIES	1,532,768	1,439,550	1,446,103	1,627,880.00	8,148,351.00
SLAUGHTER FEES	52,600	53,080	56,060	65,690.00	289,370.00
BUS AND MATATU FEES	846,160	957,632	1,243,170	1,109,920.00	5,249,322.00
HIRE OF VEHICLES/MACHINES	3,000		-		3,000.00
REG./RENEWAL OF GROUPS	41,840	28,600	81,100	65,900.00	285,480.00
HOUSE /OFFICE RENT	113,020	142,090	145,500	101,100.00	597,530.00
SUB-DIVISION OF LAND	92,500	49,000	63,100	36,260.00	273,760.00
SITE INDICATION	19,500	25,200	-	2,100.00	49,800.00
SURVEY FEES	340,310	145,750	33,000	25,000.00	581,060.00
CHANGE OF USER	35,000	35,000	40,000	60,000.00	210,000.00
OCCUPATION LICENCE	27,900		-		27,900.00
APPR OF BUILDING PLANS	365,344	182,878	208,784	103,535.00	1,019,111.00
APPL FOR APPR OF B/PLANS	56,669		27,899	210,120.00	298,288.00
WAY LEAVES	42,000	8,000	20,000	17,000.00	107,000.00
CONSERVANCY	270,000	121,636	28,960	18,520.00	445,416.00
EXHAUSTER/EXH. MILEAGE	352,500	205,700	385,100	280,600.00	1,534,500.00
TRANSFER FEES	525,318	119,770	81,040	98,450.00	886,328.00
PARKING FEES	53,470		-	73,340.00	233,660.00
CLEARANCE CERTIFICATES	133,000	118,738	83,890	140,210.00	611,368.00
ADVANCE/IMPREST RECOVERIES	2,100		-		8,560.00
WATER FEE	26,308	9,012	8,195	9,692.00	59,520.00
HIRE OF HALL/CHAIRS			3,000	6,000.00	9,000.00
STORAGE FEES			-		-
EXTENSION OF LEASE			-		-
AUCTION OF PLOTS			-		-
LATIF			-		-
CILOR					-
Total	18,330,125	10,811,130	10,291,454	8,699,800	56,153,756

During the same period, the county had three spending units: County Assembly Services, County Executive Services and Financial Management Services. The County Assembly prioritized refurbishment of offices and purchase of Hansard equipment during the period under review. Other expenses included payment of salaries, administrative expenses and capacity building related expenses. Allocations during this time were mainly meant to facilitate operations, personnel emoluments, and operation and maintenance. Expenditure returns for the period are as shown in table 2 below;

Table2: EXPENDITURE RETURNS

ORDER REF	COUNTY ASSEMBLY SERVICES	ALLOCATION	ACTUAL EXPENDITURE	BALANCE
0001/01/2110116	Basic salaries County Assembly Services	20,788,094	20,788,094	0
0001/01/2210301	Travel cost (Airlines,BusRailway, Mileage allowance)	13,156,066	18,763,225.00	-5,607,159
0001/01/2210801	Catering services (receptions)accommodation, gifts,foods & drinks	4,718,688	4,669,226	49,462
0001/01/3110302	Refurbishment of non-residential buildings	7,000,000	1,757,581	5,242,419
	NET EXPENDITURE FOR HEAD	45,662,848	45,978,126	-315,278
	COUNTY EXECUTIVE SERVICES			
0002/01/2110117	Basic salaries - County Executive services	28,550,000	28,521,896	28,104
0003/01/2210779	Training expenses	1,200,000	1,200,000	0
0002/01/2210301	Travel cost (Airlines,Bus,Railway, Mileage allowance)	7,897,143	7,882,518	14,625
0002/01/2210801	Catering services (receptions,accommodation, gifts,foods & drinks	1,067,714	1,067,714	0
0002/01/3110302	Refurbishment of non-residential buildings	7,500,000	383,132	7,116,868
	NET EXPENDITURE FOR HEAD	46,214,857	39,055,260	7,159,597
	FINANCE MANAGEMENT SERVICES HEADQUARTERS			
0003/01/2210201	Telephone,Telex,Facsimile & mobile phone services	680,000	648,835	31,165
0003/01/2210203	Courier and Postal services	70,000	28,445	41,555
0003/01/2210301	Travel cost (Airlines,Bus,Railway, Mileage allowance)	3,442,000	3,442,000	0
0003/01/2210502	Printing and publishing services	2,915,614	2,899,053	16,561
0003/01/2210801	Catering services (receptions)accommodation, gifts,foods & drinks	610,000	570,864	39,136
0003/01/2210802	Boards Committees, conferences & seminars	300,000	299,060	940
0003/01/2211101	General office supplies(papers,pencils,forms,small office equipment	290,000	287,726	2,274
0003/01/2211102	Supplies and accessories for computers and printers	761,255	698,133	63,122
0003/01/2220101	Maintenance expenses - Motor vehicles	2,900,000	2,900,000	0
0003/01/2220201	Maintenance of plant, machinery & equipment (including lifts)	1,200,000	1,200,000	0
0003/01/2220202	Maintenance of office furniture and equipment	250,000	188,212	61,788
0003/01/3110302	Refurbishment of non-residential buildings	7,000,000	2,309,661	4,690,339
0003/01/3110701	Purchase of motor vehicles	30,498,454	26,060,540	4,437,914
0003/01/311001	Purchase of office furniture and fittings	1,100,000	990,302	109,698
0003/01/3111002	Purchase of computers, printers and other equipment	1,400,000	1,194,675	205,325
0003/01/3111003	Purchase of conditioners, fans and heat appliances	50,000	18,925	31,075
0003/01/3111009	Purchase of other office equipment	1,500,000	1,484,569	15,431
0003/01/2220207	Maintenance expenses - Roads	1,800,000	1,800,000	0
0003/01/2210101	Electricity	600,000	498,980	101,020
0003/01/2210904	Motor vehicles insurance	1,866,935	1,866,935	0
0003/01/2211003	Veterinarian supplies and materials	950,000	950,000	0
0003/01/2220210	Maintenance of computers software and network	1,448,486	1,447,950	536
000/01/2210904	Motor vehicles insurance	414,935	414,943	0
000/01/3110701	Purchase of motor vehicles	8,298,000	8,298,000	0
	NET EXPENDITURE FOR HEAD	70,345,679	60,497,808	9,847,879
	TOTAL	162,223,384	145,531,194	16,692,198

In the period under review, the operationalization of IFMIS in the county was slow and this was attributed to connectivity challenges, inadequate human capacity and the necessary hardware required for smooth running of the IFMIS at the devolved level. As a result, the County resorted to manual systems of processing transactions. This is attributable to the fact that training of users had not been completed to provide the necessary capacity required to run the system at the time the counties became operational.

IV. Recent Developments and the Outlook for the Year

a. Developments for the first half of the 2013/14 Financial Year

The County's performance is largely dependent on the formulation and implementation of prudent policies to guide service delivery. The County's performance will also depend highly on the country's economic performance. Generally, the county operated under a stable macroeconomic environment.

The largest expenditure driver in the first half of the Financial Year 2013/14 was infrastructural development and the promotion of access to markets for fresh produce in all parts of the County. Nyandarua's economy is heavily dependent on small scale horticulture and dairy farming and both products require enhanced access to markets to promote employment and equitable income generation across the County.

The County is further faced by a dearth of health facilities such as dispensaries, clinics and health centres and as a result of the devolvement of these services the County has embarked on a comprehensive and deliberate strategy to improve healthcare beginning with the construction of facilities followed by their equipping and staffing.

The need for Basic accommodation and office space for the administration as well as transportation has resulted in significant resources being allocated to the public works as well as public service portfolios to enable this. It is, however, envisaged that having dedicated significant resources to this during the first year of the existence of the County, and thereby somewhat mitigated the critical need that subsisted before the advent of the devolved units, subsequent focus would shift to other areas of the Nyandarua economy.

The County also significantly invested in the Education sector, with construction of ECD institutions as well as training and capacity building for the Early Childhood Development and Education as well as polytechnic teachers.

It is important to note that care was and has been carefully taken to ensure that the distribution of resources is sensitive to regional, as well as demographic distribution and as a result, both allocative, equity in addition to allocative efficiency have been realized. The allocation for the 2013/14 financial year is as shown in table 3 below;

Table 3: Portfolio Allocation 2013/2014 as per Printed Estimates

SUMMARY OF REVENUE AND EXPENDITURES			
Revenue			TOTALS
Local			204,700,039.00
Transfers From Central Government			3,435,160,700.00
Total			3,639,860,739.00
Expenditure			
Department	Recurrent Expenditure	Capital Expenditure	TOTALS EXPENDITURE
Finance and Economic Planning Department	358,653,960.00	73,280,000.00	431,933,960.00
Agriculture and Fisheries	98,100,152.00	16,743,120.00	114,843,272.00
Health Services	97,992,668.00	319,552,524.00	417,545,192.00
Education, Youth and Children Affairs	141,068,922.00	152,924,000.00	293,992,922.00
Industrialization ,Cooperative Development	32,014,000.00	63,646,000.00	95,660,000.00
Roads Public Works and Transport	165,111,014.00	657,118,000.00	822,229,014.00
Land Housing and Physical Planning	70,753,754.00	8,400,000.00	79,153,754.00
Water, Environment and Natural Resources	6,800,000.00	86,500,000.00	93,300,000.00
Information, Communication and e- Government	800,000.00	50,300,000.00	51,100,000.00
Legal and Public Service	309,930,868.00	98,400,000.00	408,330,868.00
On- going donor funded projects		284,911,755.00	284,911,755.00
County Assembly	482,860,002.00	64,000,000.00	546,860,002.00
Grand Total	1,764,085,340.00	1,875,775,399.00	3,639,860,739.00

Source: Nyandarua County Treasury

b. Outlook for the Financial Year 2014/15

As hitherto explained, that there are several common non-core expenditures in the budget for 2013/14 which were necessary to have the County up and running and to provide a stable administrative framework which will henceforth provide a foundation for the development of Nyandarua County. Such expenditures include the purchases of vehicles and equipment, construction of buildings, recruitment and remuneration of staff, among others.

Such expenditures are mostly one-off and therefore may not need to be provided for in the near future and as a result, the outlook for 2013/14 promotes a reorientation of expenditure focus to poverty reduction as well as employment creation. In order to accomplish this, efforts must be taken to critically examine the respective allocations for each sector and single out expenditures that can be re-designated to these key areas.

In this regard several yardsticks may be used to identify areas where expenditure cuts can be made. Firstly, it is important to appreciate that some agencies require more resources of the non-core type discussed above, while others due to their mandates need less to be as able to execute their mandates effectively. Thus, expenditure reductions for items such as printing, routine maintenance of vehicles, hospitality supplies, among others must be made where inordinate spending is identified. It is therefore important that these expenditures be reduced modestly without crippling the targeted ministries or spending units and re-designating the resultant savings to the core areas for 2013/14.

V. Resources allocation framework

Resource allocation and utilization in the next Financial Year and in the medium term will be guided by the emerging priorities, county plans and the principles of PFM Act to ensure effective utilization of public finances. The sector allocations are also informed by the county goals and people's aspirations as captured in the County Integrated Development Plan (CIDP), which is aligned to the goals and the objectives of the country and the Vision 2030 blueprint.

Whereas expenditure cuts are targeted on the one-off expenditures that do not require additional expenditure for the next financial year, expenditure increments are informed by core needs identified through analysis by fiscal experts in the County as well as from insightful and welcome submissions from the county public and submissions by individuals and organizations on the 2014/15 budget proposals.

In this regard, the areas that are identified to receive additional funds are the “high impact” areas or chronically neglected, but important, areas of public spending such as increased funding for ambulances, health facilities, and for the provision of extension services for agriculture. To fund these urgent programs, and in the realization that the finances of

Nyandarua are finite, sacrifices must be made in non-core spending areas and those savings should be used to secure provision for priority services.

- **Expenditure Drivers**

In realization that the main economic activity of Nyandarua County is horticultural crop production as well as dairy farming, it is essential to adequately fund extension services to support both crop and livestock production in the medium term. In addition to this, there is tacit realization that the bane of the Nyandarua farmer is the loss of fresh produce at the farm gate to spoilage resulting from both distances and access to the marketplace as well as an ensuing glut of produce during harvest time for crops or milk in the rainy season. It is therefore important for the County to urgently invest in cooling plants to ensure the preservation of fresh produce and secure market prices for the County farmers.

In addition to this, and in recognition of the challenges affecting the Nyandarua health sector in spite of the investment during the 2013/14 financial year, there is further need to ensure that the health facilities already constructed facilities already constructed under the CDF framework are taken up and capacitated by the County government promptly. This will ensure additional support to the existing facilities and provide access to the population within a minimum of 5 kilometers to every facility.

Indicative sector allocations 2013/14 and 2014/15

■ SECTOR	■ PROGRAMMES	<u>2013/14</u>	<u>2014/15</u>
■ Governance and administration: ■ Legal and public service ■ County executive ■ Finance and economic planning	■ Administration ■ Lighting of the county ■ Economic planning ■ Institutional management	840,264,828	803,306,364
■ Agricultural sector: ■ Agriculture, livestock and fisheries	■ Extension services ■ Agro processing and value Chain ■ Soil conservation ■ Pest and disease control ■ Promotion of cash crops	114,843,272	482,820,359

<ul style="list-style-type: none"> ■ Infrastructure: ■ Roads, public works and transport ■ Lands housing and physical planning ■ Information communication and e-government 	<ul style="list-style-type: none"> ■ County road maintenance ■ Management of Public transport ■ Land use management ■ Land information and management systems ■ Automation of county government systems ■ Training and capacity building ■ Public works supervision 	952,482,768	352,570,149
<ul style="list-style-type: none"> ■ Human Resource Development ■ Health service ■ Education, youth and children affairs 	<ul style="list-style-type: none"> ■ Establishment of health facilities ■ Preventative healthcare ■ Curative healthcare ■ Establishment of educational facilities 	711,538,114	938,807,268
<ul style="list-style-type: none"> ■ Productive sector ■ Industry, cooperatives and tourism ■ Water environment and natural resources 	<ul style="list-style-type: none"> ■ Environmental conservation ■ Enterprise development ■ Tourism promotion and marketing ■ Facilitation of cooperatives ■ Water resource management 	188,960,000	511,393,740
Total		2,808,088,982.00	3,088,897,880.20
County Assembly + Ongoing projects (Residual)		831,771,757.00	914,948,932.70
budget		3,639,860,739.00	4,003,846,812.90

Comment [N2]: health care

• Fiscal Risks

Despite the optimism, risks do remain. The economy is still vulnerable to exogenous shocks as the large current account deficit threatens macroeconomic stability. The real appreciation of the shilling could erode Kenya's competitiveness and lead to a stifling the export sector. The macroeconomic management and performance of most of the sectors under the National Government have a ripple effect on how some sectors in the County will perform.

The risks to the 2013/14 financial year's budget include challenges in revenue performance as the county continues to put structures in place, seal loop holes and expand the revenue base. The current process of county restructuring, recruitment and rationalization of staff is expected to exert pressure on wage expenditures. With commitment in improving infrastructure within the county, the share of resources going to priority physical infrastructure sector, such as roads and water will rise over the medium term. County restructuring will receive greater attention in terms of resources and capacity as support for

the county to properly establish. Going forward, implementation pace in the spending units will be monitored closely especially with regard to the development expenditures and uptake of grant resources. These will inform appropriate measures to be taken in the context of the next Budget.

Adjustments to the 2013/14 budget will also take into account actual performance of expenditure so far and absorption capacity for the remainder of the financial year. Because of the resource constraints faced, the County Government will rationalize expenditures by cutting those that are non-priority. These may include slowing down or reprioritizing development expenditures.

VI. Revenue Outlook

The revenue projection for 2013/2014 fiscal year as per the printed estimate was estimated at Kshs. 204 million. On further analysis though, we realize that this estimate need to be revised downwards since the county, just like other counties, is still in the process of developing requisite legal and administrative framework to support revenue growth. The high target is attributed to the short time within which the counties were expected to develop their budgets and had not taken into account political and other factors that have led to delays in passing the Finance Bill, which would be critical in realization of such a target.

The fact that County Governments came into operation after elections in March, 2013 which is within the third quarter of the 2012/2013 financial year meant that there was no adequate time for them to gather enough information to develop the required plans and budget priorities for 2013/2014 financial year. The fact that the said budgets did not go through the full cycle of a budget process coupled with incomplete information from other levels of government poses a risk that some expenditure lines may have excesses and hence the county has submitted revised figures (See Annex) through a supplementary budget. This will definitely affect service delivery and development.

The revenue the 2014/15 financial year will further be guided by the need to ensure equity by the review of various rates, charges, fees and levies some of which has been accomplished through the Finance Act, 2013 for Nyandarua County. This will be further strengthened by the update of the database on landholding scheduled for the coming

financial year as stimulation of the economy through the modernization of markets and the development of tourism in the County.

VII. Risks to the Economy

The high wage bill will be a major challenge in the implementation of the budget. The County government inherited over [3,600] staff from the national government in addition to the [1,300] staff from the defunct Local authorities. Recruitment of any additional staff will be based on the outcome of the on-going job evaluation exercise aimed at staff rationalization to achieve a lean and efficient workforce and a sustainable wage bill. Uncertainties associated with transition as the County develops structures will continue to affect revenue collection. Deliberate interventions are being put in place to increase the revenue collection, strengthen controls and seal revenue leakages. Key among these strategies includes automation of processes, integration and digitization of data, collection of high quality data and a mapping of the various revenue sources. Timely release of funds by the national government will be another challenge. Delay in funds release could lead to disruption in the activities of counties and compromise service delivery.

Comment [N3]: Correct No .is 1250

Comment [N4]: Permanent staff 280
Casuals 91

VIII. Conclusion and way forward

The fiscal outlook presented herein will seek to achieve the objectives outlined in the PFM Act and lay ground for the next financial year in terms of preparing the CBROP and CFSP. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds especially on capacity building on different sectors of the county will be crucial in ensuring that the County gets to deliver on its functions.

Other area worth mentioning is the poor connectivity for the operationalization of IFMIS exacerbated by inadequate human capacity and computer hardware to support the systems. Indeed, Nyandarua County experienced a high downtime for IFMIS during the period under review. To solve these challenges, critical user divisions will be given an on-the-job training and the County will utilize optic fiber networks to boost connection.

Agriculture will continue to play an important role in the county's economy. The rich highland soils with favorable climatic conditions will continue to be an economic boost for Nyandarua County. In recent times, there has been an increased growth and output in the sector. There has also been a vibrant real estate sector development in the county. This is expected to translate to increased county revenue and job creation.

However due to its proximity to Nairobi and limited land resources, the services sector is expected to slowly replace agriculture as a major economic activity. As earlier indicated, the indicators of this trend are a boom in the housing, building and construction sector which implies that revenue from property taxes should also increase. The county's good tourist attractions and forest resources conducive for eco-tourism, camping and expedition sites are expected to boost economic growth in the county.

The high population in the county is a good source of labor for industrial production and agricultural value addition and the services sector. Job creation will be boosted through the Improvement in the investment climate, coupled with further structural and revenue reforms in the enactment and implementation of various legislation and policies is expected to improve competitiveness of the private sector and promote overall productivity, boost investor confidence and increase private investment in the county

Annex I ; Operations 2013/14-2016/17 (Kshs.)

Nyandarua County Government Operations 2013/14-2016/17 (Kshs.)						
	Printed Estimates FY 2013/14	Revised Estimates FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
TOTAL REVENUE						
National Transfers	3,150,000,000	3,307,500,000	3,472,875,000	3,646,518,750	3,850,000,000	4,050,000,000
Local Collections	174,674,681	192,142,149	211,656,364	232,892,000	273,182,000	297,234,000
Donor Funds	-	-	-	-	-	-
TOTAL	3,324,674,681	3,499,642,149	3,684,531,364	3,879,410,750	3,850,000,000	4,050,297,234
EXPENDITURE						
Recurrent	2,285,806,235	2,403,596,384	2,528,313,524	2,659,663,740	2,797,477,378	2,840,542,304
Development	1,038,868,446	1,096,045,765	1,156,217,840	1,219,747,010	1,287,053,986	1,308,868,446
TOTAL	3,324,674,681	3,499,642,149	3,684,531,364	3,879,410,750	4,084,531,364	4,149,410,750

Annex 2: Revenue Projections (Kshs.)

NYANDARUA COUNTY GOVERNMENT	2013/14 Estimates	Projected Estimates		
		2014/15	2015/16	2016/2017
LOCAL REVENUE				
Land rates	12,362,928	13,599,221	14,959,143	16,455,058
Business Permits	57,600,940	63,361,034	69,697,138	76,666,851
Produce cess (on transport)	17,335,260	19,068,786	20,975,665	23,073,231
Plot/ground rates	15,496,916	17,046,608	18,751,269	20,626,395
A.I services	2,433,640	2,677,004	2,944,704	3,239,175
Cattle dips fees	1,238,391	1,362,230	1,498,453	1,648,298
Application Fee	1,624,455	1,786,900	1,965,590	2,162,149
Development fee	1,649,344	1,814,279	1,995,706	2,195,277
Plot Transfer Fee	2,017,156	2,218,871	2,440,758	2,684,834
Plot Subdivision Fee	1,845,695	2,030,264	2,233,291	2,456,620
Self Help Groups Registration	512,171	563,388	619,726	681,699
Registration & clearance certificate Fees	1,466,821	1,613,503	1,774,854	1,952,339
bill boards/sign posts	309,487	340,436	374,479	411,927
County Premises Rent (Offices, etc.)	3,625,681	3,988,249	4,387,074	4,825,782
motorcycle parking fee	575,224	632,746	696,021	765,623
survey fee	2,168,152	2,384,967	2,623,464	2,885,810
Hiring out of machineries	3,832,983	4,216,281	4,637,909	5,101,700
Cemetery fee	105,089	115,598	127,158	139,873
Rent (Restaurant)	564,604	621,065	683,171	751,489
Rent (Nyahururu Offices)	221,240	243,364	267,700	294,470
Exhauster Services Charge	5,574,142	6,131,556	6,744,712	7,419,183
Buildings Plan Approval Fee	4,638,850	5,102,735	5,613,008	6,174,309
Market entrance gate fee	10,497,838	11,547,622	12,702,384	13,972,622
Fines (County laws)	1,166,267	1,282,893	1,411,183	1,552,301
Conservancy fee	785,402	863,942	950,336	1,045,370
Bus park fee	14,122,855	15,535,141	17,088,655	18,797,521
Slaughter fee	808,300	889,130	978,043	1,075,848
Market kiosks/stalls rent	3,482,318	3,830,549	4,213,604	4,634,965
Other Incomes	6,612,532	7,273,785	8,001,163	8,801,280
Tourism	-	-	300,000	400,000
Sub total	174,674,681	192,142,149	211,656,364	232,892,000
Central Government Transfers	3,150,000,000	3,307,500,000	3,472,875,000	3,646,518,750
GRAND TOTAL (REVENUE)	3,324,674,681	3,499,642,149	3,684,531,364	3,879,410,750

Comment [N5]: Kshs 2,400,000

Annex 3: Fiscal Risks (projects / programmes unlikely to receive adequate resources for 2014/15

1. The Njaa marufuku programme started by the national government
2. Cultivation and production of traditional high value crops
3. Fish farming
4. The loans programme at the ministry of trade
5. The joint loans board scheme
6. Upgrading of the County roads to bitumen standards
7. Acquisition of land for critical county functions such as the provision of a cemetery
8. Protection of the environment and the prevention of Illegal logging
9. Improvement of the quality of the Educational system

Annex 6: 2014/15 MTEF Budget Calendar

Start of Sector Consultations	All Departments- Finance and planning to co-ordinate in consultation with the Governor's office	By 31 st January, 2014
Submission of final sector reports	All C.E.Cs for their respective Departments	By 7 th February 2014
Development of County Fiscal Strategy Paper(CFSP)	County Treasury	By 14 th February, 2014
Submission of County Fiscal Strategy Paper(CFSP) to County Executive Committee for approval	County Treasury	By 18 th February 2014
Presentation of County Fiscal Strategy Paper to County Budget and Economic Forum(CBEC)	C.E.C Finance & Planning in consultation with the Governor	By 25 th February, 2014
Submission of County Fiscal Strategy Paper(CFSP) to County Assembly	County Treasury	By 28 th February, 2014
Issue of circular for finalization of 2014/15-2016/17 MTEF estimates and PBB	County Treasury	By mid-March 2014
Circulate approved County Fiscal Strategy Paper(CFSP) to County Executive and Accounting Officers	County Treasury	By mid-March 2014
Finalization of Departmental itemized and Programme Based Budgets(PBB)	All Departments	By end-March 2014
Review and Finalization of Departmental itemized and Programme Based Budgets	County Treasury	By mid-April 2014
Submission of Budget Estimates to County Executive for approval	County Treasury	By mid-April 2014
Publish Departmental itemized and Programme Based Budgets	County Treasury	By 20 th April 2014
Presentation of Budget to County Assembly	C.E.C Finance & Planning	By 30 th April 2014