



REPUBLIC OF KENYA

COUNTY GOVERNMENT OF BOMET

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

SEPTEMBER 2017

© County Budget Review and Outlook Paper (CBROP)

The Treasury

County Government of Bomet

P. O. Box 19- 20400

BOMET, KENYA

The document is also available on the internet at: www.bomet.go.ke

Foreword

This paper is prepared pursuant to section 118 of the Public Finance and Management Act 2012 that mandates the County Treasury to prepare County Budget Review and Outlook Paper (CBROP). The paper analyses the overall fiscal performance of the county government for the financial year 2016/2017.

The CBROP reviews the fiscal outcome for FY 2016/17 and how this affects the financial objectives set out in the 2017/18 budget estimates submitted to the County Assembly on April 30, 2017. It also provides a basis upon which to revise the 2017/18 budget in the context of the supplementary budget, as well as set out the broad fiscal parameters for the next medium term budget.

The economic case for devolution relies essentially on efficiency arguments. The county governments understand better the needs of the citizens and hence match policies with citizens' preferences. Devolution has increased accountability and transparency in the delivery of services. It is evident that the citizens have felt the effect of devolution.

There is still a challenge with collection of local revenue. The County Government under the Leadership of Governor Dr. Joyce Laboso will develop new strategies to reduce leakages and improve revenue collection.

The fiscal framework presented in this 2017 CBROP provides a strong basis for building our common future.

HON. ANDREW SIGEI

C ECM – FINANCE & ECONOMIC PLANNING

Table of Contents

Foreward	i
List of Tables	iii
Abbreviations and Acronyms.....	iv
INTRODUCTION	1
Background	1
Objective of CBROP.....	1
SECTION II: REVIEW OF FISCAL PERFORMANCE.....	2
Overview	2
2016/17 Fiscal Performance.....	2
Funding Sources.....	3
Expenditure 2016/2017	5
Expenditure Budget 2016/2017	5
Overall balance and financing.....	12
SECTION III: RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK.....	13
SECTION IV: RESOURCE ALLOCATION FRAMEWORK	14
iii) Expenditure Forecasts	15
SECTION V: CONCLUSION AND NEXT STEPS.....	16
ANNEX.....	17

List of Tables

Table 1 Fiscal Outturn6
Table 2 Total Revenue7
Table 3 Expenditure7
Table 4 Sector Ceilings15

Abbreviations and Acronyms

CBROP	County Budget Review & Outlook Paper
CFSP	County Fiscal Strategy Paper
FY	Financial Year
KRA	Kenya Revenue Authority
GoK	Government of Kenya
MTEF	Medium Term Expenditure Framework
PFM	Public Financial Management
PPP	Public Private Partnership
SWGs	Sector Working Groups
CRF	County Revenue Fund
CBK	Central Bank of Kenya
AIA	Appropriation –in –Aid
ECD	Early Childhood Development

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

The Budget Review and Outlook Paper is prepared in accordance with Section 118 of the Public Financial Management Act, 2012. The law states that:

(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 publicise the Paper.

Fiscal Responsibility Principles in the Public Financial Management Law

In line with the Constitution, the Public Financial Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107) 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 government's 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; the fiscal risks shall be managed prudently; and 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.

(5) The regulations may add to the list of fiscal responsibility principles set out in subsection

INTRODUCTION

Background

The County Budget Review and Outlook Paper (CBROP) was prepared by the County Treasury pursuant to the provisions of section 118 of the Public Finance Management (PFM) Act 2012. This paper analyses the fiscal outcome of 2016/2017 indicating deviation from the approved budget and how it affects the financial objectives set out in the 2017/2018 budget policy statement.

Objective of CBROP

The objective of CBROP is to provide a review of the previous year's fiscal performance and how it impacts the financial objectives and fiscal responsibility principles set out in the last Fiscal Strategy Paper (FSP). This together with updated macroeconomic outlook provides a basis for revision of the current budget in the context of supplementary budget and the broad fiscal parameters underpinning the next budget and the medium term. Details of the fiscal framework and the medium term policy priorities will be firmed up in the next FSP.

The CBROP will be a key document in linking policy, planning and budgeting. The Sector Working Groups have begun reviewing programmes for the last Medium Term Expenditure Framework (MTEF) focusing on updating and developing new programmes for the next MTEF 2017/18 - 2018/19.

Following the fiscal outcome of 2016/17 and the updated macroeconomic framework these sector ceilings will be modified accordingly in the County Fiscal Strategy Paper. Therefore, this CBROP will inform the sector ceilings that will be set in the next FSP.

The rest of the paper is organised as follows: the next section provides a review of the fiscal performance in FY 2016/17 and its implications on the financial objectives set out in the last FSP, section III provides brief highlights of the recent economic developments and updated macroeconomic outlook, section IV details the resource allocation framework and section V concludes the paper.

SECTION II: REVIEW OF FISCAL PERFORMANCE

Overview

The composition of spending has changed over time as a result of priorities of the county government. In the year 2016/2017 the largest area of the county governments' spending were Medical services department (18%), Administration department (13%), Agribusiness, cooperatives and marketing (9%), Roads and Public Works(9%) and Education and Vocational Training (8%)

The overriding policy thrust for the 2016/17 MTEF was to accelerate economic growth in the county, by reducing poverty levels, provide clean drinking water, ensuring food security and other development factors. The County Government of Bomet shall continue to invest in key physical infrastructure aimed at facilitating the private sector to expand its business, promote productivity and build systems necessary for poverty reduction.

During the FY 2016/2017 the gross actual revenue increased by Ksh. 4.95 Million. Though Own revenue was felt below the target by 13.8% and conditional grant from world bank for Capacity building support programme of Ksh. 28 Million was not realised. Other revenue sources that increased beyond the target are; the Conditional Allocation for Maternal Health Care which increased by 38.2% and Health workers allowances of Ksh.47Million that was not budgeted for.

2016/17 Fiscal Performance

Table 1 below presents the fiscal performance for the FY 2016/17. The deviation of Ksh.283.47Million comprise of the following; the unbudgeted revenues of ksh. 47 million plus increase in maternal health care conditional alloation of ksh. 23 million less revenue shortage of ksh. 38 million, unremitted conditional allocation from world bank of ksh. 28 million and balance carried forward of ksh. 288.4 million.

Table 1 Fiscal Outturn

Item	Actual Budget(Ksh.)	Target Budget(Ksh.)	Deviation(Ksh.)
Recurrent Grants	3,828,584,000	3,911,937,378	(83,353,378)
Development Grants	1,470,900,696	1,671,012,917	(200,112,221)
Total	5,299,484,696	5,582,950,295	(283,465,599)

Source: County Treasury

Funding Sources

During the FY 2016/2017, total revenue realized was ksh. 5.587 Billion against a target of ksh. 5.582 Billion. Revenue surplus is attributed to revenues received from the Ministry of Health to cover for nurses and doctors salary increment. The County Government received Ksh.23.4 Million beyond the target on Conditional Allocation for Maternal Health Care. The County Government's Own Revenue was below the target by 13% and the Conditional Allocation from world bank meant for capacity building was not received. The Conditional Allocation from world bank has been budgeted for in the financial year 2017-2018. Revenue surplus plus balances has been carried forward to the financial year 2017-2018 budget. The break down by source is shown in table 2 below;

Table 2 Total Revenue

Item	Actual Revenue (Ksh.s)	Target Revenue(Ksh.s)	Deviations(Ksh.s)
Own Revenue by source	236,697,037	274,724,577	(38,027,540)
Government Funding	5,078,797,925	5,078,797,925	-
Commitments b/f	39,132,236	39,132,236	-
HSSF Danida	8,810,000	8,810,000	-
CA- Fuel Levy Fund	78,035,696	78,035,696	-
CA- Maternal Health Care	84,677,500	61,258,095	23,419,405
CA-User Fees foregone	14,191,766	14,191,766	-
CA- World Bank	-	28,000,000	(28,000,000)
Others	47,574,000	-	47,574,000
Total	5,587,916,160	5,582,950,296	4,965,865

Others include; Ministry of health allocation to cover Nurses and Doctors salary increment.

Source: County treasury

County Own Revenue

		2013/2014	2014/2015	2015/16	2016/17			
N o.	Revenue Sources	Actual	Actual	Actual	Actual	Target	Deviation (Ksh)	Deviation (%)
1	Property Rates	10,860,570	15,022,716	9,275,843	6,303,554	17,989,835	- 11,686,281	- 185%
2	Business Permits	43,791,122	39,173,567	27,350,252	20,929,132	48,090,000	- 27,160,868	- 130%
3	Cess Collections	3,137,266	3,933,240	4,243,031	5,226,108	1,650,000	3,576,108	68%
4	Markets & Slaughter Fees	11,206,718	13,834,625	11,668,305	10,683,065	16,229,582	-5,546,517	-52%
5	Rental Income	3,037,738	3,527,411	3,675,959	1,733,384	4,138,689	-2,405,305	- 139%
6	Parking Charges	14,103,801	13,786,715	12,301,750	11,131,850	16,983,337	-5,851,487	-53%
7	Others	22,441,015	18,844,186	18,398,232	17,301,778	10,222,220	7,079,558	41%
8	Hosp/Disp/Health Centres	27,090,085	50,974,182	39,723,940	47,545,363	51,032,290	-3,486,927	-7%
9	Water Revenue	7,040,325	2,944,279	0	0	0	0	100%
10	Multi Nationals	49,140,307	35,116,284	27,779,361	30,209,021	27,073,616	3,135,405	10%
	Embomos Tea Farm	11,944,584	8,814,687	12,570,614	18,618,773	14,300,000	4,318,773	23%
	Agri, Fisheries & Food Auth	-	-	-	67,015,009	67,015,009	0	0%
	TOTALS	203,793,531	205,971,892	166,987,287	236,697,037	274,724,578	- 38,027,541	-3

Source: County Treasury

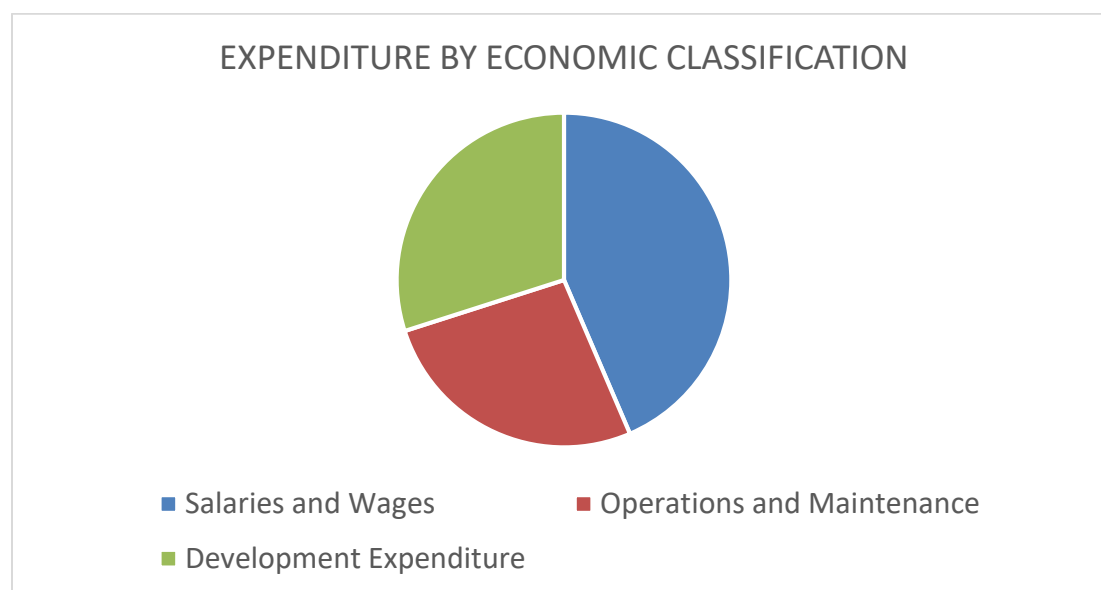
Total cumulative revenue collection was Kshs 236.7Million compared to the target of Kshs 274.7 million. This represents a deviation from the target of 38.02 Million (13.8% below the target). The deviation was mainly attributed to political effects of elections which interfered with collection of major revenues.

Expenditure 2016/2017

Expenditure Budget 2016/2017

During the last quarter of the financial year 2016/2017 the composition of the expenditure were as follows; salaries was at 46%, Operations and Maintenance was at 26% and development

expenditure at 28%. The balance carried forward for the financial year 2016/17 was mainly the commitments made on the development budget. The total expenditure for the FY 2016/17 was approximately Ksh.5.297 billion against a target of Ksh. 5.58 billion, representing an under spending of Kshs 285.1million (or 5 % deviation from the approved budget). The chart below represents the fiscal performance for the period under review and the deviations from the approved estimates.



Expenditure analysis in each spending units

SECTOR		EXPENDITURE 2016/17		DEVIATION	%
		ACTUAL	TARGET		
COUNTY EXECUTIVES	SUB-TOTAL	358,694,731	363,808,210	5,113,479	3%
	Personal emoluments	194,007,524	194,007,525	1	0%
	Operation & maintenance	164,687,207	169,800,685	5,113,478	3%
ADMINISTRATION	SUB-TOTAL	681,779,032	682,796,557	1,017,525	0%

SECTOR		EXPENDITURE 2016/17			
		ACTUAL	TARGET	DEVIATION	%
	Personal emoluments	478,070,577	478,070,578	1	0%
	Operation & maintenance	104,316,214	104,925,979	609,765	1%
	Development	99,392,241	99,800,000	407,759	0%
PUBLIC SERVICE BOARD	SUB-TOTAL	33,352,250	47,520,000	14,167,750	42%
	Personal emoluments	29,520,000	29,520,000	0	0%
	Operation & maintenance	3,832,250	18,000,000	14,167,750	370%
FINANCE	SUB-TOTAL	346,583,848	349,856,684	3,272,836	1%
	Personal emoluments	155,682,268	155,682,465	197	0%
	Operation & maintenance	126,886,843	130,159,482	3,272,639	3%
	Development	64,014,737	64,014,737	0	0%
LANDS,HOUSING & URBAN PLANNING	SUB-TOTAL	321,670,604	324,399,021	2,728,417	1%
	Personal emoluments	216,247,406	216,496,758	249,352	0%
	Operation & maintenance	12,376,004	14,661,343	2,285,339	18%
	Development	93,047,194	93,240,920	193,726	0%

SECTOR		EXPENDITURE 2016/17			
		ACTUAL	TARGET	DEVIATION	%
SOCIAL SERVICES	SUB-TOTAL	175,469,515	235,674,176	60,204,661	34%
	Personal emoluments	45,206,027	45,206,029	2	0%
	Operation & maintenance	76,498,084	109,525,000	33,026,916	43%
	Development	53,765,404	80,943,147	27,177,743	51%
MEDICAL SERVICES	SUB-TOTAL	977,059,952	978,146,447	1,086,495	0%
	Personal emoluments	502,366,892	502,366,896	4	0%
	Operation & maintenance	395,128,254	395,797,551	669,297	0%
	Development	79,564,806	79,982,000	417,194	1%
ECONOMIC PLANNING AND DEVELOPMENT	SUB-TOTAL	33,378,190	33,902,295	524,105	2%
	Personal emoluments	19,963,490	19,996,295	32,805	0%
	Operation & maintenance	13,414,700	13,906,000	491,300	4%
	Development				
AGRIBUSINESS, CO-OPERATIVES AND MARKETING	SUB-TOTAL	468,782,519	485,688,256	16,905,737	4%
	Personal emoluments	164,399,930	164,400,000	70	0%

SECTOR		EXPENDITURE 2016/17			
		ACTUAL	TARGET	DEVIATION	%
	Operation & maintenance	20,960,443	21,186,400	225,957	1%
	Development	283,422,146	300,101,856	16,679,710	6%
WATER SERVICES	SUB-TOTAL	364,291,650	364,423,961	132,311	0%
	Personal emoluments	86,151,048	86,152,032	984	0%
	Operation & maintenance	62,995,012	63,111,045	116,033	0%
	Development	215,145,590	215,160,884	15,294	0%
EDUCATION AND VOCATIONAL TRAINING	SUB-TOTAL	424,131,834	432,029,409	7,897,575	2%
	Personal emoluments	172,699,999	172,700,000	1	0%
	Operation & maintenance	30,039,387	30,226,272	186,885	1%
	Development	221,392,448	229,103,137	7,710,689	3%
ROADS AND PUBLIC WORKS	SUB-TOTAL	460,389,916	460,662,571	272,655	0%
	Personal emoluments	56,399,992	56,400,000	8	0%
	Operation & maintenance	75,378,116	75,650,763	272,647	0%
	Development	328,611,808	328,611,808	0	0%
	SUB-TOTAL	168,357,307	170,321,297	1,963,990	1%

SECTOR		EXPENDITURE 2016/17			
		ACTUAL	TARGET	DEVIATION	%
ICT, TRAINING & INDUSTRY	Personal emoluments	60,854,385	60,854,665	280	0%
	Operation & maintenance	49,182,600	49,880,920	698,320	1%
	Development	58,320,322	59,585,712	1,265,390	2%
COUNTY ASSEMBLY	SUB-TOTAL	483,817,000	653,721,412	169,904,412	
	Recurrent Expenditure	483,817,000	533,252,696	49,435,696	10%
	Development	0	120,468,716	120,468,716	
TOTAL	TOTAL	5,297,758,348	5,582,950,296	285,191,948	5%
	Personal emoluments	2,665,386,538	2,715,105,939	49,719,401	2%
	Operation & maintenance	1,135,695,114	1,196,831,440	61,136,326	5%
	Development	1,496,676,696	1,671,012,917	174,336,221	12%

The below chart displays how various departments spend against the target for the financial year 2016/17.

Expenditure analysis within county departments

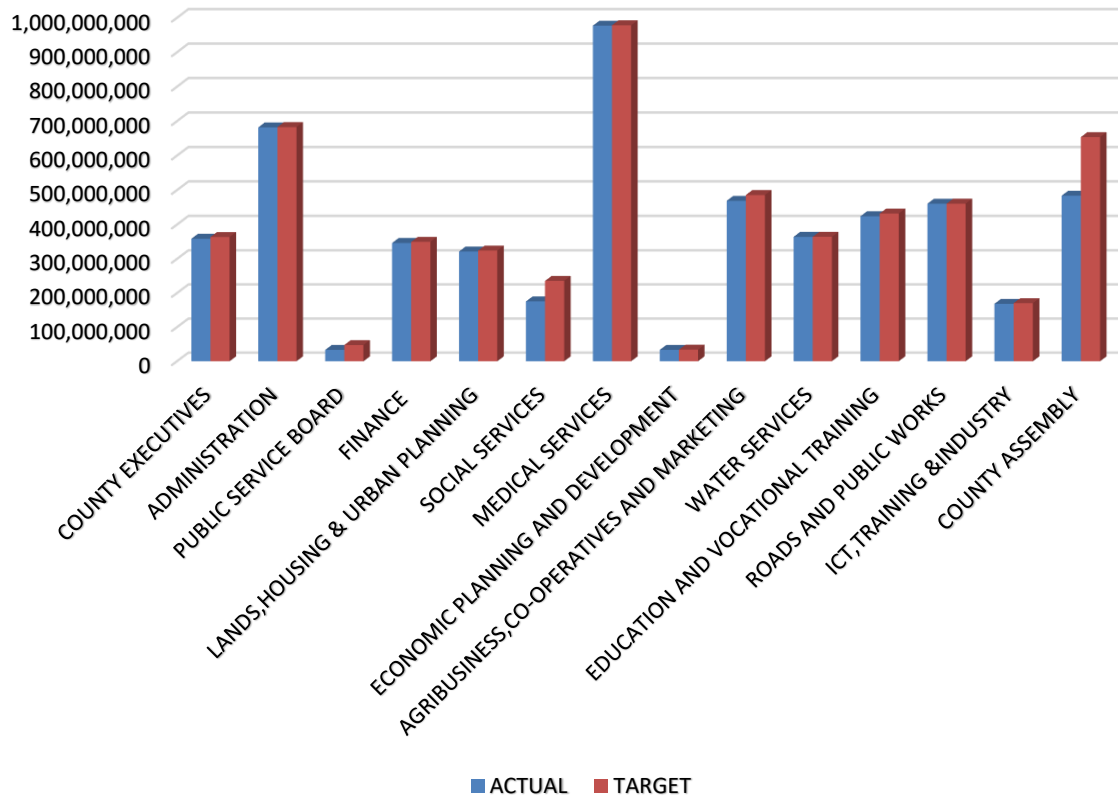


Table 4.Expenditure Kshs.

	2013/2014	2014/2015	2015/16	2016/17			
Expenditure	Actual	Actual	Actual	Actual	Target	Deviation (Ksh)	Deviation (%)
Recurrent Expenditure							
Salaries and Wages	970,528,037	1,658,876,289	2,059,943,309	2,665,386,538	2,431,383,581	234,002,957	9%
Operations and Maintenance	863,890,672	747,367,902	704,473,104	1,135,695,114	1,480,553,798	-344,858,684	-30%
Sub Total	1,834,418,709	2,406,244,191	2,764,416,413	3,801,081,652	3,911,937,379	-110,855,727	
Development Expenditure	1,718,490,824	2,049,775,527	2,215,301,770	1,496,676,696	1,671,012,917	-174,336,221	-12%
Total Expenditure	3,552,909,533	4,456,019,718	4,979,718,183	5,297,758,348	5,582,950,296	(285,191,948)	

Source: Bomet County Treasury

The underspending in development expenditure was attributed to County Assembly not spending on development to the tune of Ksh.120 million. Overall, the expenditure outturn for FY 2016/17 is preliminary. Firm data will be available when the final accounts have been audited and published.

Overall balance and financing

Reflecting the above performance in revenue and expenditure, overall fiscal balance on a commitment basis (including grants) was Ksh **5.33** Billion (95.4 percent of Approved budget) in FY 2016/17 against the revised budget target of Ksh **5.58** billion.

The fiscal performance in this CBROP will affect financial objectives contained in the 2017 Fiscal Strategy Paper.

SECTION III: RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

Generally Kenya operated under a stable macroeconomic environment and going forward, the macroeconomic outlook remains favourable although downside risks remain. The country's economy has remained resilient over time, with economic growth rate increasing from 5.7 per cent in 2015 to 5.8 per cent in 2016 largely due to a stable macroeconomic environment. The major sources of Gross Domestic Product (GDP) growth in 2016 were agriculture, forestry and fishing (15.2%), manufacturing (6.3%), transport and storage (9.7%), information and communication (6.1%), construction (8.2%), real estate (12.3%) and financial services (7.3%). Over the medium-term, growth is expected to pick-up gradually and cross the 7 percent mark by 2017, as global conditions improve and macroeconomic stability is sustained.

According to Economic Survey 2017, the prospects for the Kenyan economy remain bright. Kenya is well integrated with the world economy and the positive developments are likely to impact positively on our growth prospects, assuming normal weather patterns.

Inflation rose slightly but remained within the Central Bank (CBK) target. Short-term interest rates have also eased downwards while interest spread rate remained fairly high. The Kenyan shilling generally held firm against major trading currencies despite its depreciation against US Dollar, sterling pound and the Euro. The weakening of the shilling was attributed to the general strengthening of the US Dollar; deterioration of tourism earnings; and a widening trade deficit. The recent economic developments at the national level have implications on the development at the county level.

Interest rates in Kenya are stabilizing following the capping of interest rates in 2016 and continued tight monetary policy stance adopted to maintain stability. However, the capping of interest rate has partly resulted into decline in credit to the private sector as banks tighten lending requirements.

Bomet economy is heavily dependent on agriculture and her products require enhanced access to markets to promote employment and equitable income generation across the County. The County has also developed and modernised health facilities as well as equipping them with modern facilities and strengthening the staff levels. 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 assistants and polytechnic tutors and instructors. The County Government should exploit the available opportunities in Agriculture to strengthen macroeconomic performance and secure a strong sustainable and inclusive growth. The County Government should invest mainly in water service provision to all areas of the County thus allowing exploitation of the natural resources.

Expenditure management will be strengthened with implementation of the Integrated Financial Management system. 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 2017/18. County government fiscal policies in the 2017/18 budget will focus on re-orientation of expenditure from recurrent to development

SECTION IV: RESOURCE ALLOCATION FRAMEWORK

i) Enhancing Revenue

The negative Impacts of the August 2017 General Elections seriously affected the County's own revenue collection. Although the County Government is largely dependent on the equitable share from the National Government, improving own revenue collection will help cover some of the budget deficits. In the financial year FY2016/17 the county collected Ksh.266Million which is higher than the previous year collection of Ksh. 236.7Million. The County Government has put in place various revenue enhancing measures including: automation of revenue collection, implementing the Finance Act, sealing revenue leakages, improving mobility of revenue officers and capacity building for revenue collectors. Going forward, it is anticipated that revenue collection will improve from the year 2018 onwards due to reduced political temperatures.

ii) Expenditure rationalization

The County Government will continue to rationalize expenditures by cutting down non priority spending. In this regard the County Government will reduce recurrent expenditure while

prioritizing development expenditures. The county is focusing mainly on devolved functions such as infrastructure development and maintenance, support to health facilities and building of ECD centres. With the Government's commitment to improving infrastructure, the share of resources going to priority physical infrastructure sector, such as roads, water and irrigation, will continue to rise over the medium term. This will help the sector provide reliable and affordable energy, as well as increased access to water and development of irrigation projects countywide.

The 2017/18 budget will target revenue collection including Appropriation-in-aid (AIA) of 200 Million. This performance will be determined by on-going reforms in automation of revenue collection and administration.

iii) Expenditure Forecasts

The ratio of recurrent to development expenditure stood at 70.% to 30.% in the FY 2016/17 budget. In the financial year 2017/18 the county government will focus on reducing recurrent expenditure in order to accelerate development. The development expenditure for 2017/18 is therefore forecasted to increase to 40% while recurrent expenditure is expected to decline to 60% of total revenue.

SECTION V: CONCLUSION AND NEXT STEPS

This CBROP has reviewed the previous year's fiscal performance and how it impacted the financial objectives and fiscal responsibility principles set out in the last Fiscal Strategy Paper (FSP). The set of policies outlined in this CBROP are broadly in line with the fiscal responsibility principles outlined in the PFM law. They are also consistent with the national strategic objectives pursued by the Government as a basis of allocation of public resources.

Following the fiscal outcome of 2016/17 and the updated macroeconomic framework, the sector ceilings have been modified as indicated in the appendix of this CBROP. Therefore, this CBROP will inform the sector ceilings that will be set in the Fiscal Strategy Paper in February, 2018 to guide the sectors in preparation of the 2018/19 budget.

The CBROP will be a key document in linking policy, planning and budgeting. The document will guide Sector Working Groups in reviewing programmes for the last Medium Term Expenditure Framework (MTEF) focusing on updating and developing new programmes for the next MTEF 2018/19 - 2019/20.

.

ANNEX

Appendix 1: Budget Calender for FY 2017/18 MTEF

ACTIVITY	RESPONSIBILITY	DEADLINE
1.Develop and issue Budget Circular	Budget Department	30th-Aug-2017
2.Determination of Fiscal framework	Treasury	19th-Dec-2017
3.Preparation of County Budget Review and Outlook Paper		
3.1 Draft County Budget Review and Outlook paper(CBROP)	Budget Department	20th-Dec -2017
3.2 Submission of CBROP to County Executives	Budget Department	21st-Dec-2015
3.3 Submit CBROP to County Assembly for Approval	County Treasury	22nd-Dec-2017
4.Submission of County Development Plan to the County Assembly	Economic planning	12th Jan-2018
5.Preparation of County fiscal Strategy Paper		
5.1Draft County Fiscal Strategy paper	County departments	16th-Jan-2018
5.2 Internal Consultations with County Assembly Budget Committee	County Treasury	24th-Jan-2018
5.3 Public Participation	County Treasury	30th Jan-2018 to 1 st Feb 2018

5.4 Submission of County Fiscal Strategy Paper to County Executive Committee	County Treasury	14-Feb-2018
5.5 Submission of County Fiscal Strategy Paper to the County Assembly	Budget Department	28th-Feb-2018
5.6 Adoption of CFSP by County	County Treasury	15th-March-2018
6.Preparation and approval of Final Programme Based Budgets		
6.1 Sub-mission of Estimates by County departments	County Departments	1st-April-2018
6.2 Review and consolidation of Draft Budget Estimates	County Treasury	5th-April-2018
6.3 Public Participation	County Treasury	17 th to 20th-April-2018
6.4 Internal Consultations with CA Budget and Appropriation Committee	County Treasury	24th-April-2018
6.5 Submission of Draft Budget Estimates to the County Executive committee	County Treasury	26th-April-2018
6.6 Submission of Draft Budget Estimates to the County Assembly	County Treasury	30th-April-2018
7. Submission of cash flow projections to the Controller of Budget and the National Treasury	County Treasury	15th-June-2018