



**COUNTY GOVERNMENT OF BOMET  
DEPARTMENT OF FINANCE & ECONOMIC PLANNING**

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COUNTY TREASURY  
P.O. BOX 19-20400  
**BOMET, KENYA**

**Our Ref:**

**Date:** 21/08/2018

COUNTY TREASURY CIRCULAR NO. 1/2018

**To:**

All County Executive Committee Members

All Chief Officers

The Clerk

**County Assembly of Bomet**

The Managing Director

**Bomet Water Company**

**RE: GUIDELINES FOR THE PREPARATION OF THE 2019/2020 – 2021/2022 MEDIUM TERM EXPENDITURE  
FRAMEWORK (MTEF) BUDGET**

**Purpose;**

The purpose of this County Treasury circular is to provide guidelines for the preparation of the MTEF budget for the period 2019/2020-2021/2022. This is in pursuant to the provisions of Section 128 (2) of the Public Finance Management Act 2012 which states; Not later than the 30<sup>th</sup> August in each year, the County Executive Member

for Finance shall issue a circular setting out guidelines to be followed by all of the county government's entities in the budget process.

The circular covers the following areas:

- i. Schedule for preparation of the budget, specifying the constitutional timelines by which various processes are to be completed;
- ii. Key policy areas and issues to be taken into consideration when preparing the budget;
- iii. Provide guidance of the form and content of the budget, and the costing of the programmes;
- iv. Give the format in which information and documents relating to the budget are to be submitted;
- v. The procedure to be followed by members of the public who wish to participate in the budget making process;
- vi. State the methodology for review and projection of revenues;
- vii. Any other information relevant to the budget process.

### **Background;**

Our vision as a County remains being a prosperous and competitive county in economic, social and political development offering high quality services to its people. This can be achieved by investing in programmes that are aimed at increasing social, political and economic growth at both sub county and ward level. The ultimate goal in budget preparation and subsequent implementation is to improve the livelihood of people through empowering them financially and enhancing their social welfare. This is only possible if we focus on efficiency of the public spending and our ability to develop and implement policies more effectively.

The 2018/2019 budget was founded under the current medium term planning period envisioned in the 2018-2022 County Integrated Development Plan period whose implementation is coming to an end in 2022. The next MTEF budget 2019/2020 will be based on the new National Development Agenda expressed in Medium Term Priorities III (MTP III). Therefore, as noted in the guidelines for the preparation of the County Integrated Development Plan (CIDP) in 2018-2022 dated February 2018, the next County plan period will be based on the following priority areas:

- a. Integration of the Sustainable Development Goals (SDGs) into County Development Planning;
- b. Mainstreaming of the cross-cutting issues, including gender, youth & Climate Change;
- c. Promotion of equitable development value addition support of MSMEs among others;

d. Improvement of county social and physical infrastructure.

All county Government entities should strive to ensure that there are effective linkages between the Annual Development Plan (ADP) 2019/2020, CIDP 2018-2022 and the next MTEF budget process. The next budget process is readjusted to conform to major timelines of the PFM Act 2012. Additionally, the national focus on improving the ease of doing business and job creation is expected to result in broad based growth in the priorities sector of the economy. Specifically, the 2019/2020 MTEF Budget will aim at achieving efficiency and productivity of public spending and is based on the assumption of a stable macro-economic environment, subdued national transfers to the counties and relatively sluggish growth of the county own source of revenue. Emphasis will be on development of infrastructure which includes road construction and maintenance, water supply among others. Food security is equally key during this period.

### **Sector Working Groups**

Departmental Sector Working Groups (SWGs) are the formal channels for negotiation and allocation of resources to respective sub sectors. Sector working groups are useful in engaging the county budget stakeholders effectively from the onset of the budget making process. County Government entities should therefore ensure that their SWGs are properly constituted and effective to allow for inclusiveness in all sector hearings and preparation of the sector reports/budget proposals. The groups are defined by the sectors of the county economy as represented by the various county departments. For the purposes of budget preparation every department shall be deemed as a sector and shall therefore constitute a sector working group. The number of sector working groups should not exceed the number of departments in the county government. The Structure and Terms of Reference for the County SWGs have been summarised in **ANNEX I**.

### **Programme Performance Review (PPRs) Sectoral Reports**

The objective of preparing departmental programme performance reviews is to gather essential information for tracking progress being made in the County Budget implementation process. Therefore, each County Government Entity shall be required to prepare its Annual Programme Performance Review Reports based on the targets set Programme Based Budget (PBB) FY2015/2016-2017/2018 for both financial and non-financial indicators. This review process is to assess whether the public spending is geared towards county Government priorities. The findings of the Annual Performance review reports will guide decisions on budget allocation in the next MTEF Budget period.

Accounting Officers are called upon to ensure finalization of programme performance review for FY2015/2016-2017/2018 by 30<sup>th</sup> September 2018 before embarking on preparation of sector reports. The format for preparing the programme performance review are illustrated in **Table 2** and **4** in chapter 2 of the Sector Report format in this circular.

Departmental sector reports to be submitted in accordance with **Annex II** of this circular and as envisaged in Section 30 of the Public Finance Management (County Government) Regulations 2015. All sector reports should be submitted to the County Treasury on or before **31<sup>st</sup> October 2018**.

## **Form and Content of Budget and the costing of Programmes**

### **Programme Based Budgeting (PBB) Approach**

The budget estimates for FY 2019/2020-2021/2022 will be Programme Based. This is in accordance with the requirements of Section 12 (1) of the second schedule of the Public Finance Management Act, 2012. In view of this, county departments are expected to define programmes with clear objectives (which usually refer to outcomes), and linked to outputs, performance indicators and targets. In designing programmes, the structure should match up to the main lines of service delivery in the County departments. Programme performance indicators should mainly be indicators of Programme outputs (services provided) and outcomes (effectiveness),

Programme performance targets should be specific, measurable, achievable, realistic, and time bound. Targets should be set only for those key performances which are considered reasonably controllable and for which baseline performance has been reliably measured. It is emphasized that each Programme should be confined within a single MDA and all functions should fall within programmes.

Accounting Officers should ensure that in designing programmes, each and every function or activity undertaken by the department is included in relevant programmes. In particular, care should be taken to ensure that:

- i. There are no crosscutting activities or functions which are not assigned to respective programmes;
- ii. Each programme has a distinctive name that reflects the overall objective of a programme; and
- iii. There is no duplication of programme names used by other County departments.

In cases where a County department has more than one programme, an additional programme should be created to cater for management and administration overhead costs which cannot be attributed to only one programme. Such a programme should be confined to common services such as general administration, financial services, accounting, internal audit, procurement, planning services, human resource management and ICT services which are not programme-specific.

In preparing the narrative justification portion of the programme budget (context for budget intervention), County departments are required to include a description of the main services (outputs) provided by the programme, a statement of the programme's overarching objective, a brief discussion of programme achievements for the last financial year, and a brief description of the achievements expected in the next year. A description of important issues, concerns, and summary of implementation plans should also be included. **Annex III** illustrate the PBB format for preparation and presentation of the MTEF budget 2019/2020-2021/2022.

### **Prioritisation and Allocation of Resources to Programmes**

The County government will continue with its policy of expenditure prioritization with a view to funding core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies. These decisions will have implications in the budget ceilings to be provided in the County Fiscal Strategy Paper (CFSP). The following procedures will serve as yard stick for programme evaluation and resource allocation;

- i. Linkage of the programme with the Objectives of Medium Term Plan III of Vision 2030.
- ii. The findings and outcome of the performance reviews for ongoing programmes in FY 2017/2018;
- iii. Linkage between proposed programmes and objectives/priorities of 2<sup>nd</sup> CIDP 2018-2022 as envisaged in National Development Agenda, and the proposed Annual Development Plan 2019/2020.
- iv. Degree to which the programmes address the Governors Manifestos and aspirations and core poverty interventions;
- v. Extent to which the proposed programme addresses the core mandate of the department in line with devolved functions;
- vi. Expected outputs and /outcomes of the proposed programme;
- vii. Cost effectiveness and sustainability of the programmes; and
- viii. Degree to which the programme addresses immediate responses and furtherance to deepening of objects of devolution as set out in Article 174 of the Constitution of Kenya 2010.

Departmental budget proposals should be presented in medium term projections for the period 2019/20-2021/2022.

### **Expenditure Proposals for the MTEF Budget 2019/20-2021/2022**

SWGs are required to begin budget preparation process on the basis of the two outer years (that is FY 2020/21-2021/2022) of the County Fiscal Strategy Paper 2019. However, the County Budget Review and Outlook Paper

2018 due later in September 2018 will provide the indicative baseline ceilings for departmental MTEF budget proposals 2019/20-2021/2022.

### **Current Expenditure**

In allocation of current expenditure SWGs should ensure that current allocations are geared towards core service delivery initiatives and support the achievement of capital expenditure. Other considerations for allocating current expenditure should be based on the following;

### **Personal Emoluments-**

Each County department shall be responsible for preparing its own personnel budget. Further, Allocation for personnel emolument must be supported by the Integrated Personnel Payroll Data (IPPD) obtainable from the Department of Public Service. The total allocation for personnel emoluments for all the county entities should not exceed 35% of the total county budget as per PFM County regulations 2015 section 25.

The number of County public sector employees is not expected to increase except where County Treasury has given specific approval on availability of funds for new recruitment. Accounting officers should not award any adjustment to salaries, remuneration and benefits. Such requests for salary and allowances reviews in the County public sector should be channeled to Salaries and Remuneration Commission for guidance through the County Public Service Board.

### **Allocation for Utilities and other core Obligations-**

SWGs should ensure adequate attention is given to such expenditure needs as payment of utilities services and other mandatory County obligations. Further such allocations should be guided by documentary evidence for past expenditure trends, service provision agreements, demand notes among other. The County government will undertake such austerity measures to scale down non-core operational expenditures mainly in the use of goods and services. Savings identified should be directed towards investment, maintenance and other development needs of the County. In the FY 2019/2020, County departments will be expected to prepare their budgets for operations and maintenance in the context of a hard budget constraint. County Treasury will critically review budget proposals and where necessary make reallocations from the less productive items in order to direct the savings toward capital investment and other priority areas.

Accounting Officers are required to fully provide for fixed costs and other mandatory requirements based on the trend or existing agreements. Accounting Officers are reminded that requests for additional funding beyond the provided ceiling will expose their budgets to a fresh scrutiny by County Treasury with a view to reprioritize expenditure plans to accommodate new request within the set ceiling.

## **Capital Expenditure**

The development agenda for County Government will be guided by aspirations of the County Development Agenda as espoused in the priorities of the CIDP 2018-2022. Additionally, the Annual Development Plan 2019/2020 will guide the selection of Capital Projects in the next MTEF period 2019/2020-2021/2022 in order to ensure effective linkage between planning and budgeting envisaged in the Article 220(2) of the Constitution of Kenya and Part XI of the County Government Act 2012

Completion of the on-going projects and programmes must be accorded priority. In this regard, capital expenditure must be applied towards the funding of on-going projects and programmes that are near completion and have undergone due process. County government departments should provide adequate information to support the existence of ongoing projects which should include a list of the ongoing projects with details of total cost, start and end date, cumulative expenditure to date, balance to completion, and amount required over the medium term.

Any proposal for additional allocation of resources must be accompanied by a cost benefit analysis. The proposed additional or new expenditure will have to be aligned with the department's mandate and should be subject to the available fiscal space. In addition, departments are required to furnish full information on the projects for which they require counterpart funding.

The Proposed capital projects will be subjected to an evaluation process in order to determine priority for financing. County departments should indicate how their proposed projects will contribute to economic growth, job creation and increased citizen's welfare. County Government departments and Entities should provide information on capital projects funded both internally and externally. Evaluation criteria in allocation of resources to capital projects will include the following;

- a) County ongoing projects
- b) County Flagship Projects
- c) Equipping and operationalisation of completed projects
- d) Projects directly addressing the fiscal strategy initiatives of the County Government.
- e) Green Economy Transition through mainstreaming of "*Green Projects*" in project selection.

## **Deepening Cross-Sector Linkages.**

SWGs are further encouraged to continue exploring new projects that addresses cross sectoral linkages in order to maximise utilisation of scarce County resources. This may include but not limited to joint funding in Construction of Sub County/ Ward Offices.

### **Public Participation and Stakeholder Involvement in County Budget Process;**

Public participation in matters of public finance is a requirement of the Constitution of Kenya 2010 and the PFM Act 2012 alongside the PFM (County Government) regulations 2015. County government departments are required to identify and involve the stakeholders throughout the budget preparation process, and information of their involvement documented.

Departmental SWGs and the County Budget and Economic Forum (CBEF) provides important entry points for stakeholder participation in County budget making process. In compliance with the requirements of the law therefore, all County Government entities are called upon to utilise these and any other available opportunities in order to entrench public consultations in budget process.

Communication to the public on organized budget forums may be made via print media (newspapers), radio stations, posters or mobile public announcements. Each county department/entity will nominate an informed representative in all budget forums. Further the County Treasury shall organise for direct public engagement forums where respective departments will share feedback on their implementation as well as subsequent budget proposals.

### **Revision of Budgets**

Since departments submitted their approved annual budget before May for the FY commencing 1st July 2018, it is possible that unforeseen events may have occurred the actual operations of the department and revision of the budget will be necessary. Any revised budget resulting in a change in excess of 10% of the approved annual budget shall be tabled for review and approval by the County Assembly through a supplementary budget. No revised budget shall be submitted for approval after the annual budget for the succeeding FY has already been tabled to the County Assembly.

### **Responsibility for Submission**

The responsibility to ensure that the department prepares and submits its respective annual budget lies with the Chief Officer in charge or the secretary in the case of the County Public Service Board. The County Treasury will

not consider for approval any proposed annual budgets which do not comply with the guidelines in this circular in form and content. This includes budget proposals submitted outside the provided timelines.

**Conclusion;**

The Budget Calendar for next MTEF budget 2019/2020-2021/2022 process in Annex V illustrates key timelines for submission of statutory documents in the course of this budget cycle as outlined in the Public Finance Management Act 2012 and the Public Finance Management (County Governments) regulations 2015.

Accounting Officers are required to ensure firm adherence with these MTEF guidelines and bring the contents of this circular to the attention of all officers working under them.

Hon Andrew Sigei

CEC Member-Finance and Economic Planning.

**BOMET COUNTY**

Copy to: H.E. THE GOVERNOR

**BOMET COUNTY**

H.E THE DEPUTY GOVERNOR

**BOMET COUNTY**

COUNTY SECRETARY AND HEAD OF PUBLIC SERVICE

**BOMET COUNTY**

CHAIRPERSON - BUDGET AND APPROPRIATION COMMITTEE,

**COUNTY ASSEMBLY OF BOMET**

CEO COUNTY PUBLIC SERVICE BOARD

**BOMET COUNT**

SECRETARY– COUNTY BUDGET AND ECONOMIC FORUM,

**BOMET COUNTY**

## **ANNEX I: STRUCTURE AND TERMS OF REFERENCE FOR THE COUNTY SECTOR WORKING**

### **Groups (SWGs)**

#### **(a) Structure of Sector Working Group**

- i. Chairperson – Accounting Officer chosen by consensus by other Accounting Officers within the Sector
- ii. Sector Convenor appointed by the Chief officer/Treasury
- iii. Sector Co-Convenor appointed by the Accounting Officer line department.
- iv. Secretariat comprising of Technical Officers from the Treasury and the relevant Department making up a sector
- v. Development Partners, Representatives of Civil Society Organizations and the Private Sector
- vi. Representative of the County Budget and Economic Forum

#### **(b) The Terms of Reference for Sector Working Groups will be the following:**

- i. Ensure that planned SWGs programmes are anchored on the proposed County Integrated Development Plan (2018-2022) and the Annual Development Plan 2019/2020.
- ii. Review all Programme performance and of the departments and use the findings to influence resource allocations.
- iii. Review all Proposed Programmes and objectives and revise the same in line with the proposed County Integrated Development Plan (2018-2022) and the Annual Development Plan 2019/2020.
- iv. Identify Sectoral Policy initiatives and legal and institutional requirements of the sector Review and select projects to be considered for funding;
- v. Analyze cost implications of the proposed programmes, projects and polices;
- vi. Prioritize sector programmes and allocate resources appropriately in accordance with an agreed criteria;
- vii. Identify programmes and projects that may be funded under Public Private Partnership (PPP) arrangement;
- viii. Coordinate all activities leading to the development of sector reports and sector budget proposals

## **ANNEX II: SECTOR REPORT FORMAT**

### **COVER PAGE**

*(Indicate Sector Title and the Focus Period)*

### **TABLE OF CONTENTS**

*(Please ensure that Headings and Subheadings are identical to those in the report, Should show each Chapter (1 to 5) showing logical sections and subsections using appropriate heading and numbering.*

### **EXECUTIVE SUMMARY**

*(Summarize Key findings and recommendations under this section)*

### **CHAPTER ONE:**

#### **1. INTRODUCTION**

- 1.1. Background
- 1.2. Sector Vision and Mission
- 1.3. Strategic goals/Objectives of the Sector
- 1.5. Role of Sector Stakeholders

*(The introduction should briefly describe context; identify general subject; describe the problem or issue to be reported on; define the specific objective for the report; outline the scope of the report; and comment on any limitations of the report)*

### **CHAPTER TWO**

#### **2. PROGRAMME PERFORMANCE REVIEW FOR THE MTEF PERIOD 2015/16-2017/18**

- 2.1. Review of Sector Programmes/Sub - Programmes/ projects- Delivery of Outputs/ KPI/ targets (see **Table 1** on presentation of the information)
- 2.3. Expenditure Analysis
  - 2.3.1. Analysis of Programme expenditures (see **Table 2** on presentation of the information)
  - 2.3.2. Analysis of Programme expenditures by economic classification see **Table 3** on presentation of the information
  - 2.3.2. Analysis of Capital Projects (see **Table 4** on presentation of the information)
- 2.4. Review of Pending Bills
  - 2.4.1. Recurrent Pending Bills
  - 2.4.2. Development Pending Bills

### **CHAPTER THREE**

### **3. MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2019/20 – 2021/22**

#### **3.1. Prioritization of Programmes and Sub-Programmes**

##### **3.1.1. Programmes and their Objectives**

3.1.2. Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector (see **Table 5** on presentation of the information)

##### **3.1.3. Programmes by Order of Ranking**

#### **3.2. Analysis of Resource Requirement versus allocation by Sector:**

3.2.1. Sector Recurrent (see **Table 6a** on presentation of the information)

3.2.2. Sector Development (see **Table 6b** on presentation of the information)

3.2.3. Analysis of Resource Requirement by sub sector (see **Table 6c and 6d** on presentation of the information)

3.2.4. Programmes and sub-programmes Resource Requirement (2019/20 – 2021/22) (see **Table 7** on presentation of the information)

3.2.5 Programmes and sub-programmes Economic classification. (See **Table 8** on presentation of the information)

#### **3.3 Resource Allocation Criteria.**

## **CHAPTER FOUR**

### **4. CROSS-SECTOR LINKAGES**

## **CHAPTER FIVE**

### **5. EMERGING ISSUES AND CHALLENGES**

## **CHAPTER SIX**

### **6. CONCLUSION**

*This section should summarize the key findings of the report, as outlined in the discussion under the chapters 1-5 of the report. The conclusions should relate specifically to the report's objectives (as set out in the introduction); identify the major issues; be arranged in order of importance; be specific, and to the point; and be a list of numbered points*

## **CHAPTER SIX**

### **7. RECOMMENDATIONS**

*This section should outline future actions. The Recommendations should be action orientated, and feasible; Relate logically to the Conclusions; be arranged in order of importance; and be to the point*

## **REFERENCES**

*This section should list the sources referred to in the report*

## **APPENDICES**

*Appendices should contain information that is too complex to include in the report. You need to direct readers to this information, as in "Appendix A provides an overview of the Budget of departmentX".*

## LIST OF TABLES

Table 1: Sector Programme Performance Reviews

| Programme     | Key output | Key performance indicators | Planned target |         |         | Achieved Targets |         |         | Remarks |
|---------------|------------|----------------------------|----------------|---------|---------|------------------|---------|---------|---------|
|               |            |                            | 2015/16        | 2016/17 | 2017/18 | 2015/16          | 2016/17 | 2017/18 |         |
| Sub-Programme |            |                            |                |         |         |                  |         |         |         |
| XX 1          |            |                            |                |         |         |                  |         |         |         |
| XX 2          |            |                            |                |         |         |                  |         |         |         |
|               |            |                            |                |         |         |                  |         |         |         |
|               |            |                            |                |         |         |                  |         |         |         |

Table 2: Programme/Sub-Programme Expenditure Analysis

| <b>ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION</b> |                        |         |         |                           |         |         |  |
|---|------------------------|---------|---------|---------------------------|---------|---------|--|
|   | <b>APPROVED BUDGET</b> |         |         | <b>ACTUAL EXPENDITURE</b> |         |         |  |
| <b>Economic Classification</b>                                      | 2015/16                | 2016/17 | 2017/18 | 2015/16                   | 2016/17 | 2017/18 |  |
| <b>PROGRAMME 1:</b>   |                        |         |         |                           |         |         |  |
| <b>Sub-Programme 1:</b>   |                        |         |         |                           |         |         |  |
| <b>Sub-Programme 2:</b>   |                        |         |         |                           |         |         |  |
|   |                        |         |         |                           |         |         |  |
|   |                        |         |         |                           |         |         |  |
| <b>Repeat as above for Programme 2, 3 etc.:</b>                     |                        |         |         |                           |         |         |  |

|                             |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|
| <b>TOTAL PROGRAMME.....</b> |  |  |  |  |  |  |
| <b>TOTAL VOTE.....</b>      |  |  |  |  |  |  |

Table 3: Programme Expenditure Analysis by Economic Classification

| <b>ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION</b> |                        |         |         |                           |         |         |
|---|------------------------|---------|---------|---------------------------|---------|---------|
|   | <b>APPROVED BUDGET</b> |         |         | <b>ACTUAL EXPENDITURE</b> |         |         |
| <b>Economic Classification</b>                                      | 2015/16                | 2016/17 | 2017/18 | 2015/16                   | 2016/17 | 2017/18 |
|   |                        |         |         |                           | 7       |         |
| <b>PROGRAMME 1:</b>   |                        |         |         |                           |         |         |
| <b>Current Expenditure:</b>   |                        |         |         |                           |         |         |
| Compensation Of Employees   |                        |         |         |                           |         |         |
| Use Of Goods And Services   |                        |         |         |                           |         |         |
| Grants And Other Transfers  |                        |         |         |                           |         |         |
| Other Recurrent   |                        |         |         |                           |         |         |
| <b>Capital Expenditure</b>  |                        |         |         |                           |         |         |
| Acquisition Of Non-Financial Assets                                 |                        |         |         |                           |         |         |
| Capital Grants To Governmental Agencies                             |                        |         |         |                           |         |         |
| Other Development   |                        |         |         |                           |         |         |
|   |                        |         |         |                           |         |         |
| <b>Repeat as above for Programme 2, 3 etc.:</b>                     |                        |         |         |                           |         |         |
| <b>TOTAL PROGRAMME.....</b>   |                        |         |         |                           |         |         |

|                        |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|
| <b>TOTAL VOTE.....</b> |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|

Table 4: Analysis of Performance of Capital Projects

| <b>CAPITAL PROJECTS IN THE MINISTRY/DEPARTMENT/AGENCY</b>                      |                              |                               |
|--|------------------------------|-------------------------------|
| <b>PROJECT 1:</b>  |                              | Location:                     |
| Contract Date:   | Contract Completion Date:    | Expected Completion Date:     |
| Contract Cost:   | Expected Final Cost:         |                               |
| Completion Stage 2015/16 (%):  | Completion Stage 2016/17 (%) | Completion Stage 2017/18 (%): |
| Budget Provision 2015/16:  | Budget Provision 2016/17:    | Budget Provision 2017/18:     |
| Provide a brief overview of the specific needs to be addressed by the project. |                              |                               |
| Repeat as above for Projects 2, 3 etc.   |                              |                               |

Table 5: Programmes, Sub-Programmes, Expected Outcomes, Outputs and Key Performance Indicators for the Sector.

| <b>Programme</b>          | <b>Delivery Unit</b> | <b>Key Outputs</b> | <b>Key Performance Indicators</b> | <b>Target 2017/18</b> | <b>Actual Achievement 2017/18</b> | <b>Baseline (2018/19)</b> | <b>Target 2019/20</b> | <b>Target 2020/21</b> | <b>Target 2021/22</b> |
|---------------------------|----------------------|--------------------|-----------------------------------|-----------------------|-----------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Name of Programme Outcome |                      |                    |                                   |                       |                                   |                           |                       |                       |                       |
| SP 1.1                    |                      |                    |                                   |                       |                                   |                           |                       |                       |                       |
| SP 2                      |                      |                    |                                   |                       |                                   |                           |                       |                       |                       |
| ...etc.                   |                      |                    |                                   |                       |                                   |                           |                       |                       |                       |

Table 6a: Analysis of Resource Requirement versus Allocation – Recurrent

| ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION |                                |          |             |         |         |            |         |         |
|--|--------------------------------|----------|-------------|---------|---------|------------|---------|---------|
|  |                                | Approved | REQUIREMENT |         |         | ALLOCATION |         |         |
| Sector Name  |                                | 2018/19  | 2019/20     | 2020/21 | 2021/22 | 2019/20    | 2020/21 | 2021/22 |
| <b>Vote and Vote Details</b>                             | <b>Economic Classification</b> |          |             |         |         |            |         |         |
| xxx1   | Gross                          |          |             |         |         |            |         |         |
|  | A.I.A                          |          |             |         |         |            |         |         |
|  | NET                            |          |             |         |         |            |         |         |
|  | Compensation to Employees      |          |             |         |         |            |         |         |
|  | Transfers                      |          |             |         |         |            |         |         |
|  | Other Recurrent                |          |             |         |         |            |         |         |
|  |                                |          |             |         |         |            |         |         |

Table 6b: Analysis of Resource Requirement versus Allocation – Development

| ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION |                    |          |             |         |         |            |         |         |
|--|--------------------|----------|-------------|---------|---------|------------|---------|---------|
|  |                    | Approved | REQUIREMENT |         |         | ALLOCATION |         |         |
| Sector Name  |                    | 2018/19  | 2019/20     | 2020/21 | 2021/22 | 2019/20    | 2020/21 | 2021/22 |
| <b>Vote and Vote Details</b>                               | <b>Description</b> |          |             |         |         |            |         |         |
| xxx1   | Gross              |          |             |         |         |            |         |         |

|  |             |  |  |  |  |  |  |  |
|--|-------------|--|--|--|--|--|--|--|
|  | GOK         |  |  |  |  |  |  |  |
|  | Loans       |  |  |  |  |  |  |  |
|  | Grants      |  |  |  |  |  |  |  |
|  | Local A.I.A |  |  |  |  |  |  |  |
|  |             |  |  |  |  |  |  |  |

Table 6c: Analysis of Resource Requirement by Sub-Sector – Recurrent

| ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION |                                    |              |             |             |             |             |             |             |
|--|------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  |                                    | Appro<br>ved | REQUIREMENT |             |             | ALLOCATION  |             |             |
| MINISTRY/<br>DEPARTMENT<br>/ AGENCY                      |                                    | 2018/<br>19  | 2019/2<br>0 | 2020/<br>21 | 2021/2<br>2 | 2019/<br>20 | 2020/<br>21 | 2021/<br>22 |
| <b>Vote and<br/>Vote Details</b>                         | <b>Economic<br/>Classification</b> |              |             |             |             |             |             |             |
| xxx1   | Gross                              |              |             |             |             |             |             |             |
|  | A.I.A                              |              |             |             |             |             |             |             |
|  | NET                                |              |             |             |             |             |             |             |
|  | Compensation<br>to Employees       |              |             |             |             |             |             |             |
|  | Transfers                          |              |             |             |             |             |             |             |
|  | Other<br>Recurrent                 |              |             |             |             |             |             |             |

Table 6d: Analysis of Resource Requirement by Sub-Sector – Development

| ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION |  |  |             |            |
|--|--|--|-------------|------------|
|  |  |  | REQUIREMENT | ALLOCATION |
|  |  |  |             |            |

| Sector Name                  |                    | 2018/19<br>Allocation | 2019/20 | 2020/21 | 2021/22 | 2019/20 | 2020/21 | 2021/22 |
|------------------------------|--------------------|-----------------------|---------|---------|---------|---------|---------|---------|
| <b>Vote and Vote Details</b> | <b>Description</b> |                       |         |         |         |         |         |         |
| xxx1                         | <b>Gross</b>       |                       |         |         |         |         |         |         |
|                              | GOK                |                       |         |         |         |         |         |         |
|                              | Loans              |                       |         |         |         |         |         |         |
|                              | Grants             |                       |         |         |         |         |         |         |
|                              | Local A.I.A        |                       |         |         |         |         |         |         |
|                              |                    |                       |         |         |         |         |         |         |

Table 7: Analysis of Resource Requirement by Programmes and Sub-Programmes

| <b>ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE REQUIREMENT (AMOUNT KSH MILLIONS)</b> |                |                |              |                |                |              |                |                |              |
|---|----------------|----------------|--------------|----------------|----------------|--------------|----------------|----------------|--------------|
|   | <b>2019/20</b> |                |              | <b>2020/21</b> |                |              | <b>2021/22</b> |                |              |
|   | <b>Current</b> | <b>Capital</b> | <b>Total</b> | <b>Current</b> | <b>Capital</b> | <b>Total</b> | <b>Current</b> | <b>Capital</b> | <b>Total</b> |
| Programme 1:  |                |                |              |                |                |              |                |                |              |
| Sub-Programme 1:  |                |                |              |                |                |              |                |                |              |
| Sub-Programme 2:  |                |                |              |                |                |              |                |                |              |
|   |                |                |              |                |                |              |                |                |              |
|   |                |                |              |                |                |              |                |                |              |
|   |                |                |              |                |                |              |                |                |              |
|   |                |                |              |                |                |              |                |                |              |
| <b>Repeat as above for Programme 2, 3 etc.:</b>                                     |                |                |              |                |                |              |                |                |              |
| <b>TOTAL</b>  |                |                |              |                |                |              |                |                |              |

|                        |  |  |  |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|--|--|--|
| <b>PROGRAMME.....</b>  |  |  |  |  |  |  |  |  |  |
| <b>TOTAL VOTE.....</b> |  |  |  |  |  |  |  |  |  |

Table 8: Programme and Sub-Programmes Allocation by Economic Classification

| <b>ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION</b> |                    |                |                |                   |                |                |
|---|--------------------|----------------|----------------|-------------------|----------------|----------------|
|   | <b>REQUIREMENT</b> |                |                | <b>ALLOCATION</b> |                |                |
| <b>Economic Classification</b>                                      | <b>2019/20</b>     | <b>2020/21</b> | <b>2021/22</b> | <b>2019/20</b>    | <b>2020/21</b> | <b>2021/22</b> |
| <b>PROGRAMME 1:</b>   |                    |                |                |                   |                |                |
| <b>Current Expenditure:</b>   |                    |                |                |                   |                |                |
| Compensation Of Employees   |                    |                |                |                   |                |                |
| Use Of Goods And Services   |                    |                |                |                   |                |                |
| Grants And Other Transfers  |                    |                |                |                   |                |                |
| Other Recurrent   |                    |                |                |                   |                |                |
| <b>Capital Expenditure</b>  |                    |                |                |                   |                |                |
| Acquisition Of Non-Financial Assets                                 |                    |                |                |                   |                |                |
| Capital Grants To Governmental Agencies                             |                    |                |                |                   |                |                |
| Other Development   |                    |                |                |                   |                |                |
|   |                    |                |                |                   |                |                |
| <b>Repeat as above for Programme 2, 3 etc.:</b>                     |                    |                |                |                   |                |                |
| <b>TOTAL PROGRAMME.....</b>   |                    |                |                |                   |                |                |
| <b>TOTAL VOTE.....</b>  |                    |                |                |                   |                |                |

### **ANNEX III: STANDARD FORMAT FOR PRESENTATION OF PROGRAMME BASED BUDGETS (PBB)**

**Vote No:**

**Vote Title:**

**Part A: Mission**

**Part B: Vision**

**Part C: Strategic Objectives**

## Part D: Context for Budget Intervention

This section is supposed to be a review of MTEF period 2012/13– 2014/15 and should briefly discuss the following expenditure trends;

- Major achievements for the period;
- Constraints and challenges in budget implementation and how they are being addressed; and
- Major services/outputs to be provided in MTEF period 2016/17 – 2018/19 (the context within which the budget is required)

## Part E: Programme Objectives/Overall outcome

(List all the programmes and their strategic objectives. Please note that each programme must have only one strategic objective/outcome)

## Part F: Summary of Expenditure by Programmes, 2019/20 -2021/22 (Kshs Millions)

| Programme  | Approved Estimates<br>2018/19 | Estimates<br>2019/20 | Projected Estimates |         |
|--|-------------------------------|----------------------|---------------------|---------|
|  |                               |                      | 2020/21             | 2021/22 |
| Programme 1: (State the name of the Programme here) <sup>1</sup> |                               |                      |                     |         |
| Sub Programme (SP)   |                               |                      |                     |         |
| SP 1. 1  |                               |                      |                     |         |
| SP 1. 2.   |                               |                      |                     |         |
| ... N  |                               |                      |                     |         |

<sup>1</sup>NB. Repeat as shown in the Table under section “E” above for all Programmes. Provide total expenditure for each programme and the summation of all the programmes should be equal to the total budget of the vote.

| <b>Total Expenditure of Programme 1</b>             |                               |                      |                     |         |
|---|-------------------------------|----------------------|---------------------|---------|
| Programme 2: (State the name of the programme here) |                               |                      |                     |         |
|   | Approved Estimates<br>2018/19 | Estimates<br>2019/20 | Projected Estimates |         |
|   |                               |                      | 2020/21             | 2021/22 |
| SP 2. 1   |                               |                      |                     |         |

|   |  |  |  |  |
|---|--|--|--|--|
| SP 2. 2.                                |  |  |  |  |
| ... N                                   |  |  |  |  |
| <b>Total Expenditure of Programme 2</b> |  |  |  |  |
| <b>Total Expenditure of Vote -----</b>  |  |  |  |  |

**Part G: Summary of Expenditure by Vote and Economic Classification<sup>2</sup> (KShs. Million)**

| Expenditure Classification               | Approved Estimates<br>2018/19 | Estimates<br>2019/20 | Projected Estimates |         |
|--|-------------------------------|----------------------|---------------------|---------|
|  |                               |                      | 2020/21             | 2021/22 |
| <b>Current Expenditure</b>               |                               |                      |                     |         |
| Compensation to Employees                |                               |                      |                     |         |
| Use of goods and services                |                               |                      |                     |         |
| Current Transfers Govt. Agencies         |                               |                      |                     |         |
| Other Recurrent                          |                               |                      |                     |         |
| <b>Capital Expenditure</b>               |                               |                      |                     |         |
| Acquisition of Non-Financial Assets      |                               |                      |                     |         |
| Capital Transfers to Government Agencies |                               |                      |                     |         |
| Other Development                        |                               |                      |                     |         |
| <b>Total Expenditure of Vote .....</b>   |                               |                      |                     |         |

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<sup>2</sup> The total current expenditure and capital expenditure must be equal the total expenditure vote given in tables E, F, & G.

**Part H. Summary of Expenditure by Programme, Sub-Programme and Economic Classification (KShs. Million)**

| Expenditure Classification   | Approved Estimates<br>2018/19 | Estimates<br>2019/20 | Projected Estimates |         |
|--|-------------------------------|----------------------|---------------------|---------|
|  |                               |                      | 2020/21             | 2021/22 |
| <b>Programme 1: (State the name of the programme here)<sup>1</sup></b> |                               |                      |                     |         |
| <b>Current Expenditure</b>   |                               |                      |                     |         |
| Compensation to Employees  |                               |                      |                     |         |
| Use of goods and services  |                               |                      |                     |         |
| Current Transfers Govt. Agencies                                       |                               |                      |                     |         |
| Other Recurrent  |                               |                      |                     |         |
| <b>Capital Expenditure</b>   |                               |                      |                     |         |
| Acquisition of Non-Financial Assets                                    |                               |                      |                     |         |
| Capital Transfers to Govt. Agencies                                    |                               |                      |                     |         |
| Other Development  |                               |                      |                     |         |
| Total Expenditure  |                               |                      |                     |         |
| Other Development  |                               |                      |                     |         |
| Total Expenditure  |                               |                      |                     |         |

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<sup>11</sup> Repeat as above in cases where a Department has more than one programme

**Part J: Summary of the Programme Outputs and Performance Indicators for FY 2016/17**

| <b>Name of Programme</b> |                      |                         |  |                                   |                       |                       |                       |
|--------------------------|----------------------|-------------------------|--|-----------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Outcome:</b>          |                      |                         |  |                                   |                       |                       |                       |
| <b>Sub Programme</b>     | <b>Delivery Unit</b> | <b>Key Outputs (KO)</b> | <b>Key Performance Indicators (KPIs)</b> | <b>Target(Baseline) 2018/2019</b> | <b>Target 2019/20</b> | <b>Target 2020/21</b> | <b>Target 2021/22</b> |
| <b>SP1.1</b>             |                      |                         |  |                                   |                       |                       |                       |
| <b>SP.2</b>              |                      |                         |  |                                   |                       |                       |                       |
| <b>...</b>               |                      |                         |  |                                   |                       |                       |                       |
| <b>SP.N</b>              |                      |                         |  |                                   |                       |                       |                       |

**ANNEX IV: REVISED BOMET COUNTY BUDGET CALENDAR FOR THE FY 2019/2020**

|          | <b>ACTIVITY</b>   | <b>RESPONSIBILITY</b>        | <b>DEADLINE</b>        |
|----------|---|------------------------------|------------------------|
| <b>1</b> | <b>Performance Review and strategic planning</b>                        | <b>County Treasury</b>       | July-Aug 2018          |
|          | 1.1 develop strategic plans   | <b>Sectors</b>               | "                      |
|          | 1.2 Prepare Annual Development Plans                                    | "                            | "                      |
|          | 1.3 Expenditure review  | "                            | "                      |
|          | 1.4 Preparation of annual Work plans                                    | "                            |                        |
| <b>2</b> | <b>Develop and issue MTEF guidelines</b>                                | <b>County Treasury</b>       | 30th August 2018       |
| <b>3</b> | <b>Launch of sector Working Groups</b>                                  | <b>County Treasury</b>       | 30th August 2018       |
| <b>4</b> | <b>Annual Development Plan submitted to county assembly</b>             | <b>Treasury</b>              | 1st September 2018     |
| <b>5</b> | <b>Determination of Fiscal Framework.</b>                               | <b>Sector Working Groups</b> | 15th Sept. 2018        |
|          | 5.1 Estimation of Resource Envelope                                     | <b>County Treasury</b>       | "                      |
|          | 5.2 Determination of policy priorities                                  | "                            | "                      |
|          | 5.3 Preliminary Resource allocation to sectors, Assembly & Sub Counties | "                            | "                      |
|          | 5.4 Draft County Budget Review and outlook paper (CBROP)                | "                            | 20th Sept. 2018        |
|          | 5.5 Submission and approval by cabinet                                  | "                            | 23rd Sept. 2018        |
|          | 5.6 Tabling of CBROP TO County Assembly                                 | "                            | 30th Sept 2018         |
|          | 5.7 Circulate the Approved CBROP to Accounting Officers.                | "                            | 5th October 2018       |
|          | 5.8 Capacity building for MTEF Programme Based Budget                   | "                            | 10th-14th October 2018 |
| <b>6</b> | <b>Preparation of County Budget Proposals</b>                           | <b>SECTORS</b>               |                        |
|          | 6.1 Draft Sector Report   | Sector Working               | 20th Oct. 2018         |

|          | <b>ACTIVITY</b>   | <b>RESPONSIBILITY</b> | <b>DEADLINE</b>         |
|----------|---|-----------------------|-------------------------|
|          |   | Group                 |                         |
|          | 6.2 Submission of Sector Report to County Treasury                          | Sector Working Group  | 31st Oct. 2018          |
|          | 6.3 Review of the proposals   | Macro Working Group   | 24th-28th November 2018 |
| <b>7</b> | <b>Stakeholders/Public participation</b>                                    | <b>Treasury/DAs</b>   | November 2018           |
| <b>8</b> | <b>The 2018/19 Supplementary Budget</b>                                     |                       |                         |
|          | 8.1 Develop and issue guidelines on the 2018/19 Revised Budget              | County Treasury       | Sept . 2018             |
|          | 8.2 Submission of supplementary Budget proposals                            | Das                   | Oct . 2018              |
|          | 8.3 Review of the supplementary Budget proposals                            | County Treasury       | Oct . 2018              |
|          | 8.4 submission of supplementary budget proposals to cabinet                 | County Treasury       | November . 2018         |
|          | 8.5 submission of supplementary Budget proposals to County Assembly         | County Treasury       | November . 2018         |
| <b>9</b> | <b>Draft County Fiscal Strategy paper(CFSP)</b>                             |                       |                         |
|          | 9.1 Draft CFSP  | Sector Working Group  | 31st January. 2019      |
|          | 9.2 Public Participation on CFSP  | County Treasury       | 15th Feb 2019           |
|          | 9.3 Submission of CFSP to cabinet for approval                              | County Treasury       | 20th Feb. 2019          |
|          | 9.4 Submission of CFSP to County Assembly for approval.                     | County Treasury       | 28th Feb. 2019          |
|          | 9.5 Submission of Debt management strategy to County Assembly for approval. | County Treasury       | 28th Feb. 2019          |
|          |   |                       |                         |

|           | <b>ACTIVITY</b>   | <b>RESPONSIBILITY</b> | <b>DEADLINE</b>  |
|-----------|---|-----------------------|------------------|
| <b>10</b> | <b>Preparation and approval of final DAs Programme Budgets</b>                                    |                       |                  |
|           | 10.1 Issue final guidelines on preparation of 2019/2020 County Budget.                            | County Treasury       | 15th March, 2019 |
|           | 10.2 Submission of Budget proposals to Treasury   | All sectors           | 23rd March. 2019 |
|           | 10.3 Consolidation of the Draft Budget Estimates  | County Treasury       | 10th April 2019  |
|           | 10.4 Public Participation on Budget estimates   | County Treasury       | 17th April 2019  |
|           | 10.5 Submission of Draft Budget Estimates for county government to County assembly                | County Treasury       | 30th April 2019  |
|           | 10.6 Review of Draft Budget Estimates by Departmental committee                                   | County Assembly       | 22nd May 2019    |
|           | 10.7 Report on the budget and appropriation committee Draft Budget Estimates from County Assembly | County Assembly       | 24th May 2019    |
|           | 10.8 Preparation of annual cash flow  | County Treasury       | 15th June 2019   |
|           | 10.9 Resolution of county assembly on Estimates and approval                                      | County Assembly       | 15th June 2019   |
|           | 11.0 Submission of Appropriation Bill to County Assembly  | County Treasury       | 20th June 2019   |
|           | 11.1 Consideration and passage of Appropriation Bill  | County Assembly       | 30th June 2019   |



