Foreword
The 2018 Mombasa County Fiscal Strategy Paper identifies the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for Financial Year (FY) 2018/2019 and the Medium Term in accordance with the Public Finance Management Act 2012, section 117. The paper covers the following broad areas: review of the fiscal performance of first half of the FY 2017/2018; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2018/2019 as indicated in the Medium Term Fiscal Framework and as outlined in the draft Mombasa County Integrated Development Plan (CIDP) 2018-2022. This is the fifth Fiscal Strategy Paper since the operationalization of the County Governments and the first one to implement the CIDP 2018-2022.

The County priorities and goals outlined herein are based on the County Integrated Development Plan and the inputs from the public participation fora with focus on: Increased accessibility to water, improved health services, provision of quality education, Youth, Sports & Gender empowerment, Improved Land Services and investing in infrastructure development.

The Fiscal Framework hereby is expected to raise efficiency and productivity in the County’s economy and in turn accelerate and sustain inclusive growth, create opportunities for productive growth and ensure high standards of living for Mombasa County residents.

MS. MARIAM MBARUK
COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE AND ECONOMIC PLANNING
Acknowledgement
The Mombasa County Fiscal Strategy Paper 2018/2019 was a result of contribution and concerted efforts of many people. The paper is informed by the Public Finance Management Act 2012 Section 117 (1) which stipulates that the County Treasury should prepare the Fiscal Strategy Paper for the County. This Strategy Paper sets out broad strategic priorities and policy goals that will guide the Mombasa County Government in preparing its budget for the Financial Year 2018/2019 and over the medium term.

The preparation of this fiscal strategy paper continues to be a collaborative effort from an array of expertise of professionals and key stakeholders in the County. We are grateful for their inputs. We are also grateful for those who provided inputs during the various public participation fora conducted in the County, in addition to comments from the Commission for Revenue Allocation and other stakeholders.

Immense appreciation goes to the Executive Member for Finance and Economic Planning for the good will and guidance provided during the entire period of preparation of this document. A core team in the Accounting and Budget and Economic Planning units spent significant amount of time consolidating this policy document.

We are particularly grateful to Ms. Jane Githui (Head of Budget & Economic Planning) and Mr. Affan Mohamed (Head of External Economic Affairs) for working tirelessly in the development of this document.

MS. ASHA ABDI
CHIEF OFFICER
FINANCE AND ECONOMIC PLANNING
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### Abbreviations and Acronyms

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<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ADP</td>
<td>Annual Development Plan</td>
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<td>County Budget and Economic Forum</td>
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<td>County Integrated Development Plan</td>
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<td>County Fiscal Strategy Paper</td>
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<td>CGM</td>
<td>County Government of Mombasa</td>
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<td>COB</td>
<td>Controller of Budget</td>
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<td>ECDE</td>
<td>Early Childhood Development</td>
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<td>G-Pay</td>
<td>Government pay System</td>
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<td>ICT</td>
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<td>IFMIS</td>
<td>Integrated Financial Management Information System</td>
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<td>KNBS</td>
<td>Kenya National Bureau of Statistics</td>
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<td>LAIFOMS</td>
<td>Local Authority Integrated Financial Operating Management System</td>
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Executive Summary

The fiscal strategy of the County Government of Mombasa for the year 2018/2019 is set out in this paper. The CFSP is prepared in accordance to PFM Act section 117 which states that, the County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper (CFSP) for approval and then shall submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year. The contents of the CFSP are largely informed by the PFM Act section 117(2) which provides for the aligning of the CFSP with the national objectives in the Budget Policy Statement.

The fiscal framework is guided by various principles which are in line with the medium term expenditure framework and the County Integrated Development Plan (CIDP) among them: A strong revenue effort to ensure that the county budget has no deficit, budget expenditures are consistent with agreed county and sectoral priorities with increased shift away from recurrent to capital expenditures while ensuring resources for operation and maintenance of capital stock is provided for while at the same time providing sufficient fiscal space for infrastructural and social programmes necessary to implement the CIDP. The critical programmes to be implemented are expected to accelerate economic activities and socio-economic development. The key County priority areas are; Increased accessibility to water, improved health services, provision of quality education, Youth, Sports & Gender empowerment, Improved Land Services and investing in infrastructure development. The County Government is committed to ensuring prudence in public expenditure management.

The fiscal strategy Paper serves as the basis for the preparation of the annual estimates of revenue and expenditure for the County of Mombasa Budget 2018/19.

This strategy is framed against a backdrop of improving global and regional economic prospects. Global growth is projected to improve to 3.7 percent in 2018 up from 3.6 percent in 2017. The positive global outlook reflects recovery in investment, trade, and industrial production, coupled with strengthening business and consumer confidence. Similarly, growth in sub-Saharan Africa is projected to pick up, albeit with variations across the region. At the sub region, the East African Community economies continue to record relatively higher economic growth supported by stable
macroeconomic environment, on-going infrastructure investments and strong private consumption. On the domestic front, the economy has remained resilient, with growth supported by a stable macroeconomic environment, resilient domestic demand and ongoing public infrastructural investments.

Overall, Kenya’s economy remains resilient, growing robustly despite the emerging challenges. 2017 being an electioneering year, some economic sectors including tourism, wholesale and retail were affected by the wait and see attitude of investors. Nevertheless, macroeconomic stability has been preserved as a result of prudent fiscal and monetary policies that remain supportive of growth.

Significant progress has been achieved over the past five years in terms of Kenya’s social economic development. However, much more remains to be done to further boost sustainable and shared economic growth, employment opportunities and wealth creation. Accordingly, the pivotal policy thrust of the 2018 BFS, is to achieve a better quality of life for all Kenyans by implementing “The Big Four” strategic areas namely: raise the share of manufacturing sector to 15 percent of GDP; ensure that all citizens enjoy food security and improved nutrition by 2022; achieve universal health coverage; and deliver at least five hundred thousand (500,000) affordable housing units. These policy objectives will be achieved through sustaining economic growth, macroeconomic stability and implementing reforms aimed at providing an enabling environment for all stakeholders to play their role towards achieving the “The Big Four” Plan.

In the financial year 2017/2018 the Mombasa County estimates total revenue amounting to 12.5 Billion; Total exchequer issues of Kshs 9 Billion; including equitable share of Kshs 8.1 Billion, Conditional grants Kshs 900 Million, and local collected revenue of 3.5 Billion.

In the 2017/2018 fiscal year, an annual budget of Kshs 12.5 Billion was enacted.

The approved combined spending of Kshs 12.5 Billion, of which Kshs 4 Billion was allocated to capital spending and 8.5 Billion to recurrent spending. The budget is to be financed from 9 Billion from exchequer issues and 3.5 Billion from local revenue collections. Of budgeted revenue for FY 2017/2018 as at 30th December, 2017 which is
the first half; Kshs3,483,583,109 has been realized which is 28% of the total estimated budget of Kshs.12,534,448,384. This consists of the National Government transfers of Kshs. 3,483,583,109 and local revenue of Kshs 578,260,262. The shortfall in local revenue is expected to be bridged by the end of 3rd quarter.

The main challenges that continue to be experienced relate to low levels of local revenue collection, bloated wage bill and huge pending bills some of which are statutory deductions that accrue huge interests.

There is still lack of technical capacity at the county level and the conflicting interests between sustaining of the old and new systems coupled with an over estimation of revenue that would be collected locally which brings in place an over ambitious budget which in turn accrues pending bills.

The challenges will be tackled by effectively operationalizing the MTEF, through deepening the existing institutional framework, increased partnership between the public, private, civil and community organizations in prioritizing of needs and allocation of resources, coming up with realistic revenue projections, strengthening planning and budgeting capacities at the county levels through provision of adequate resources, improving on the systems of accountability and transparency and ensuring that all budgeting processes are grounded on a firm legal framework. In the light of current revenue realities and some unanticipated expenditure items, the Government is seeking to rationalize recurrent spending and to identify and resolve Revenue leakages. In addition the county has fully adopted IFMIS, G-Pay systems and automated some main revenue streams such as electronic business permit, e-construction, and parking and introduced an Mpesa platform for barriers and Kongowea market aimed at improving service delivery, enhancing financial accountability and reporting.
Legal Context

The Mombasa County Fiscal Strategy Paper is prepared in accordance with Section 117 of the Public Finance Management Act, 2012. It states that;

(1) The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by the 28th February of each year.

(2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.

(3) In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.

(4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.
(5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of —

(a) The Commission on Revenue Allocation;

(b) The public;

(c) Any interested persons or groups; and

(d) Any other forum that is established by legislation.

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the county assembly, the county assembly shall consider and may adopt it with or without amendments.

(7) The County Treasury shall consider any recommendations made by the county assembly when finalizing the budget proposal for the financial year concerned.
Fiscal Responsibility Principles

In line with the Constitution, the new Public Finance Management (PFM) Act, 2012, sets out the responsibility principles to ensure prudency and transparency in the management of public resources.

The PFM law (Section 15) states that:

1. Over the medium term, a minimum of 30 percent of the national budget shall be allocated to development expenditure

2. The national government’s expenditure on wages and benefits for public officers shall not exceed a percentage of the national government revenue as prescribed by the regulations.

3. Over the medium term, the national government’s borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure

4. Public debt and obligations shall be maintained at a sustainable level as approved by Parliament and county assembly.

5. Fiscal risks shall be managed prudently.
CHAPTER ONE
Introduction

1.0. CFSP Overview

The 2018 Mombasa County Fiscal Strategy Paper identifies the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for Financial Year (FY) 2018/2019 and the Medium Term. The paper covers the following broad areas: review of the fiscal performance of FY 2016/17, the fiscal performance of first half of the FY 2017/2018; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2018/2019 as outlined in the Medium Term Fiscal Frame work and in the draft Mombasa County Integrated Development Plan (CIDP) 2018-2022.

The county will continue reorienting expenditure towards those priority programmes outlined in County’s Integrated Development Plan 2018-2022 and as identified in public consultative forums. The strategy will thus implement the priority programmes/ projects as entailed in the draft CIDP 2018-2022. The critical programmes to be implemented are expected to stimulate the County’s socio-economic development. The key County proposed priority areas are;

- Increased accessibility to water
- Improved health services
- Provision of Quality Education
- Youth, Sports & Gender empowerment
- Improved Land Services
- Investing in infrastructure development

The focus of the County Fiscal Strategy paper and Medium Term Plan is to; invest in transport infrastructure for economic efficiency and scaling investments in other key infrastructures, Provide quality portable water and improve sanitation and sewerage services, Create a conducive business environment and better livelihoods through improved land services, Invest in quality and accessible healthcare services and Provision of quality basic education. The implementation of projects and programs under the five strategic objectives are all geared towards an enhanced economic development.
1.1. CFSP Process Overview

In accordance with Section 117 of the Public Finance Management Act, 2012 various stakeholders were consulted in the preparation of the Mombasa County Fiscal Strategy Paper 2018. Prior to the Public participation fora there was an invite in the local dailies (Standard and the Star Newspapers) on 15th February 2018; this was followed by mobile public address system to sensitize the public on the oncoming Fiscal Strategy Paper consultative fora from 21st - 22nd February 2018 in six different venues in the sub counties. The residents gave their contributions on the key priority areas as captured in the 2018 Mombasa County fiscal strategy paper.

A draft fiscal strategy paper was compiled and circulated to the Executive committee members for their input.

1.2. Objective

The objective of the 2018/2019 County Fiscal Strategy Paper is to lay down the frame work for the preparation of the County budget. It is a requirement under section 117 of the Public Finance Management Act, 2012 that each County Treasury shall prepare and submit to the County Executive Committee the Fiscal Strategy Paper for approval, and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly by the 28th February of each year.

This Fiscal Strategy Paper contains the following:

- The principles that will guide the 2018/2019 budgetary process;
- The broad fiscal parameters for the 2018/2019 budget and the key strategies and policies for management of revenues and expenditures;
- The broad strategic priorities and policy goals that will guide the preparation of the budget over the medium term;
- A discussion of risks to the budget parameters and Budget Strategies;
- The medium-term outlook for county government revenues and expenditures;
• A discussion of how the Budget Strategies relates to the County priorities as drawn from the County Integrated Development Plan (CIDP) 2018-2022; and

• A framework for the preparation of departmental budget estimates and the development of detailed budget policies

1.3. Outline of the 2017/18 Fiscal Strategy Paper

The Fiscal Strategy Paper is presented in four Chapters. After the Introduction presented in Chapter One, which presents an overview and objective of the Paper, Chapter Two outlines the economic context within which the 2018/2019 budget will be prepared. It also presents an overview of the recent economic developments and the macroeconomic outlook covering the global and domestic scene.

In Chapter Three, the Paper describes the fiscal framework that will support sustained growth over the medium-term to long term, while continuing to provide adequate resources to facilitate the policy priorities of the County Government while at the same time ensure that the public debt is sustainable.

Chapter Four presents the resource envelope and spending priorities for the proposed FY 2018/2019 budget and medium term.
2.1. National Economic and Fiscal Overview

The fiscal plan in 2017/18 entailed a deliberate effort to continue exercising prudence in public expenditure management with the principal goal of containing fiscal risks, gradually lowering the fiscal deficit, and containing growth of recurrent expenditures in favor of productive capital spending. To achieve this, the Government endeavored to accelerate spending in infrastructure, agriculture, security, health, education, social protection and youth empowerment. The overall objective of this was to realize sustainable, shared and equitable growth that would in return lead to job creation.

Kenya’s economy remained resilient in 2017 despite adverse weather conditions, a prolonged electioneering period as well as subdued credit growth to the private sector which combined to weaken growth in the first half of the year. Economic growth for 2017 is estimated at 4.8 percent from 5.8 percent in 2016. On the positive side, growth in 2017 was supported by the ongoing public infrastructure investments, improved weather towards end of 2017, recovery in the tourism sector and a stable macroeconomic environment.

The overall month on month inflation declined 4.5 percent in December 2017 from 6.4 percent in December 2016. Due to the fall in the prices of potatoes, kale, oranges and mangoes mainly attributed to favorable climatic conditions at end of 2017 and Government measures on prices of maize, powdered milk and sugar. The inflation of 4.5 percent in December 2017 was within Government’s target range.

The foreign exchange market has remained relatively stable supported by resilient tea and horticultural exports, strong diaspora remittances, and a continued recovery in tourism. The 12-month current account deficit stabilized at 7.0 percent of GDP in November and September 2017 and is expected to narrow to below 6.5 percent by December 2017 as the bulk of SGR-related imports are completed,
while favorable weather conditions is expected to support food production and agricultural exports.

16 Over the medium term, growth is projected to increase by more than 7.0 percent due to investments in strategic areas under “The Big Four” Plan, namely: increasing the share of manufacturing sector to GDP; ensuring all citizens enjoy food security and improved nutrition by 2022; expanding universal health coverage; and delivering at least five hundred thousand (500,000) affordable housing units. These efforts will support the business environment, create jobs and ultimately promote broad based inclusive growth.

17 Kenya is ranked favorably in the ease of doing business and as a top investment destination. In 2017, the World Bank’s Doing Business Report, ranked Kenya third in Africa in the ease of doing business after Rwanda and Mauritius, as the country moved up 12 places to position 80.

18 Growth of the Kenyan economy remained resilient; broad based and registered strong performance in the past 5 years supported by strong public and private sector investment and appropriate economic and financial policies. The economy, specifically, grew at an average of 5.5 percent per year in the five years (2013 - 2017) outperforming the average growth rate of 4.7 percent in the period 2008 to 2012. The value of goods and services produced therefore raised the per capita income from Ksh 104,700 in 2013 to an estimated Ksh 174,200 in 2017. The economy generated an average of 817.0 thousand new jobs per year in the period 2013 - 2017 up from 656.5 thousand jobs per year in the period 2008-2012. Going forward, the economy is projected to expand further by 6.0 percent in 2016 and above 6.5 percent in the medium term supported by strong output in agriculture with a stable weather outlook, continued recovery of tourism and completion of key public projects in roads, rail and energy generation. In addition, strong consumer demand and private sector investment as well as stable macroeconomic environment will help reinforce this growth.

19 However, uncertainty associated with elections coupled with the effects of adverse weather conditions slowed down the performance of the economy in
2017. As a result, the economy is estimated to grow by 4.8 percent in 2017, which is a slowdown from the estimated growth of 5.1 percent in the 2017 Budget Review and Outlook Paper (BROP).

In 2017, the economy grew by 4.4 percent in Quarter 3, 5.0 percent in Quarter 2, and 4.7 percent in Quarter 1, largely supported by robust activities in the service sectors particularly; accommodation and restaurant; real estate and information and communication. The growth was somewhat constrained by subdued performances in agriculture forestry and fishing, manufacturing, electricity and financial intermediation sectors.

The resilient strong growth of the economy over the past five years reflects the broad based nature of our economy that has been largely driven by growth in the non-agriculture sectors. The non-agricultural sector has remained vibrant growing at 6.7 percent in 2016 from 5.4 percent in 2013 and continues to be the main source of growth.

2.2. County Economic and Fiscal Overview

This County Fiscal Strategy Paper 2018/19 is prepared at a time when Inflation averaged 6.7 percent in the period (2013-2017) compared with 7.4 percent in the period (2002-2007), 10.6 percent in the period (2008-2012). Inflation during the period 2008 to 2012 was highly volatile following a steep depreciation of the Kenya shilling exchange rate and policy responses.

However, inflation increased to above target in the first half of 2017 due to drought that affected food prices. Inflationary pressures started to ease in the second half of 2017 as the weather situation improved and earlier measures taken by the Government to address the food shortages took effect. These measures included: allowing duty free imports of major food items (maize, wheat, sugar, and milk) and introducing a temporary subsidy on maize meal prices. As a result, overall month on month inflation was 4.5 percent in December 2017 from 6.4 percent in December 2016, and was within the Government’s target range.

In the first five months of the year, revenues collection have consistently lagged behind targets due to the under performance of the main revenue tax heads. On
the other hand, there have been elevated expenditures pressures as a result of the adverse spillover effects of the prolonged drought, the repeat of the Presidential Election and salary awards for Universities Staff and Nurses.

25 On infrastructure, the movement of goods and people around the country has been made cheaper and more effective through expansion of most roads, seaports and airports. On the Standard Gauge Railway (SGR), the Government completed the construction of Phase 1 (Mombasa - Nairobi) in 2017. The railway has significantly reduced transportation costs and eased the movement of people and goods from Nairobi to Mombasa.

26 On the blue economy, the Government targets to significantly expand fishing to 18,000 metric tonnes of fish annually from the current 2,500 metric tonnes. To facilitate the development of the blue economy, the Government will strengthen enforcement measures to curb illegal fishing activities along Kenya’s Indian Ocean territory; suspend the fishing licenses of all international trawlers operating in Kenya’s territorial waters until they comply with the local input requirement; clean up the ocean; and enhance processing before export to improve value of fish and marine products and remove structural bottlenecks in the sector.

27 In addition to the above measures, the Government will continue to develop industrial infrastructure such as Export Processing Zones (EPZs), Special Economic Zones (SEZs) and industrial parks across the country. More specifically the establishment of the Dongo Kundu SEZs and infrastructures.

2.3. Fiscal Performance and Emerging Challenges

28 The Mombasa County Assembly approved the 2017/2018 budget with expenditures amounting to Kshs.12,534,448,384, comprising of recurrent expenditure of Kshs.8,571,878,715, and development expenditures of Kshs.3,962,569,669. This budget is financed by Kshs. 3,500,000,000 from local revenue sources and total exchequer issues of Kshs 9,034,448,384 including Kshs.8,154,000,000 from national equitable share, Kshs.388,439,306 conditional Grant for Level Five Hospital, Free Maternal Health Care Grant Kshs. 125,722,505 ,CA-User Fees Forgone Kshs.23,385,934, Road maintenance levy Grant
Fiscal outcome for the first half of the financial year was dismal, as the revenue shortfalls continue to persist amid rising expenditure pressures. Expenditure pressures relate to the rising wage bill resulting from personnel emoluments. Currently the wage bill is amounting to Kshs. 4.8 Billion which is 39 percent of the budget taking up a substantial amount of the county revenue. Wage pressures are likely to also impact on pensions that would increase the County Government's contingent liability. Nearly half of the personnel budget is going to the health sector due to the increased allowances and ongoing promotions. Continued recruitment and promotions is unsustainable and poses risk to the stability of the budget for 2018/2019 in the face of resource requirement for County development. There is therefore, need to develop a wage policy for the county.

Budget implementation continues to be a challenge due to frequent downing of Integrated Financial Management Information (IFMIS) to the main server at the National Treasury. There is therefore an urgent need to address the challenge of connectivity and the corresponding bandwidth to increase the transaction speed. The inadequate human capacity and infrastructure to operationalize the system more efficiently also needs redress.

Inadequate resources, Non adherence to budget preparation and implementation guidelines by departments and other spending units and low levels of local revenue collection continues to hamper budget implementation. In addition, the County has other revenue collection systems that are not fully automated which hinder accurate revenue report generation.
Budget Out-turn, July – December 2017

32 In the current financial as at 30th December 2017 the actual revenue collection attained in the half of the FY was Kshs. 3,483,583,109 which is 28% of the total estimated budget of Kshs. 12,534,448,384. The National Government transfers was Kshs. 3,483,583,109 and local revenue of Kshs 578,260,262

Table 1: Local Revenue Realized Figures within FOUR FINANCIAL YEARS

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<td>JULY</td>
<td>65,474,678</td>
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<td>443,292,331</td>
<td>308,215,252</td>
<td>469,422,317</td>
</tr>
<tr>
<td>APRIL</td>
<td>154,261,569</td>
<td>185,264,925</td>
<td>612,075,951</td>
<td>365,071,728</td>
</tr>
<tr>
<td>MAY</td>
<td>90,435,591</td>
<td>145,379,105</td>
<td>376,582,733</td>
<td>328,912,588</td>
</tr>
<tr>
<td>JUNE</td>
<td>103,573,432</td>
<td>332,906,461</td>
<td>371,871,652</td>
<td>530,509,174</td>
</tr>
<tr>
<td>ACTUAL</td>
<td>1,715,868,832</td>
<td>2,492,600,145</td>
<td>2,943,520,686</td>
<td>3,166,240,961</td>
</tr>
<tr>
<td>BUDGETED</td>
<td>7,846,900,092</td>
<td>5,121,608,018</td>
<td>4,148,199,619</td>
<td>5,289,747,004</td>
</tr>
</tbody>
</table>

Source: County Treasury
Figure 1: Local Revenue Trend Analysis from Year 2013/2014 to 2016/2017

Source: County Treasury

Table 2: Monthly Exchequer Issues Over Four Financial Years

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>JULY</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AUGUST</td>
<td>358,371,898</td>
<td>586,876,135</td>
<td>448,064,387</td>
<td>1,037,748,641</td>
</tr>
<tr>
<td>SEPTEMBER</td>
<td>358,371,898</td>
<td>429,125,363</td>
<td>0</td>
<td>501,676,603</td>
</tr>
<tr>
<td>OCTOBER</td>
<td>-</td>
<td>0</td>
<td>957,032,726</td>
<td>518,083,015</td>
</tr>
<tr>
<td>NOVEMBER</td>
<td>421,613,997</td>
<td>360,893,811</td>
<td>517,858,857</td>
<td>558,883,251</td>
</tr>
<tr>
<td>DECEMBER</td>
<td>-</td>
<td>402,257,434</td>
<td>517,237,435</td>
<td>501,676,603</td>
</tr>
<tr>
<td>JANUARY</td>
<td>-</td>
<td>404,421,512</td>
<td>450,078,941</td>
<td>478,282,890</td>
</tr>
<tr>
<td>FEBRUARY</td>
<td>801,066,594</td>
<td>0</td>
<td>448,064,387</td>
<td>15,105,000</td>
</tr>
<tr>
<td>MARCH</td>
<td>421,613,997</td>
<td>882,750,497</td>
<td>12,399,574</td>
<td>577,456,833</td>
</tr>
<tr>
<td>APRIL</td>
<td>421,613,997</td>
<td>403,373,486</td>
<td>500,043,327</td>
<td>525,787,311</td>
</tr>
<tr>
<td>MAY</td>
<td>268,235,855</td>
<td>851,962,570</td>
<td>955,030,610</td>
<td>1,111,343,905</td>
</tr>
<tr>
<td>JUNE</td>
<td>358,371,898</td>
<td>427,029,311</td>
<td>933,956,255</td>
<td>538,706,387</td>
</tr>
<tr>
<td>ACTUAL</td>
<td>3,050,888,236</td>
<td>4,748,690,119</td>
<td>5,739,766,499</td>
<td>6,364,750,439</td>
</tr>
<tr>
<td>BUDGETED</td>
<td>4,215,769,985</td>
<td>4,748,690,119</td>
<td>5,831,286,654</td>
<td>6,357,949,738</td>
</tr>
</tbody>
</table>
Figure 2: Monthly Exchequer Issues Over Four Financial Years

Table 3: Summary of Revenue Analysis FY-2016/2017

<table>
<thead>
<tr>
<th>REVENUE SOURCE/ITEM</th>
<th>ANNUAL BUDGETED</th>
<th>ACTUAL REVENUE COLLECTED</th>
<th>(%) PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equitable share</td>
<td>5,608,593,922</td>
<td>5,608,593,922</td>
<td>100%</td>
</tr>
<tr>
<td>Level 5 Hospital Grant</td>
<td>369,942,197</td>
<td>369,942,197</td>
<td>100%</td>
</tr>
<tr>
<td>Free Maternal Health Care Grant</td>
<td>125,722,505</td>
<td>125,722,505</td>
<td>100%</td>
</tr>
<tr>
<td>Leasing of Medical Equipment</td>
<td>95,744,681</td>
<td>35,823,495</td>
<td>37%</td>
</tr>
<tr>
<td>DANIDA</td>
<td>3,150,000</td>
<td>3,150,000</td>
<td>100%</td>
</tr>
<tr>
<td>CA-User Fees Forgone</td>
<td>23,514,312</td>
<td>23,514,312</td>
<td>100%</td>
</tr>
<tr>
<td>Other Loans and Grants-Nurses and Doctors Arrears</td>
<td>16,000,000</td>
<td>111,828,000</td>
<td>700%</td>
</tr>
<tr>
<td>World Bank</td>
<td>29,106,112</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Road maintenance levy Grant</td>
<td>86,176,009</td>
<td>86,176,009</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: County Treasury
2.4. 2017/18 FY Development and Recurrent Expenditures

The Expenditure for the first half is Kshs. 3,435,899,096 out of which Kshs.1,672,340,530 was Compensation to Employees, Kshs. 310,082,593 was spent on goods and services, Kshs. 138,806,713 on Transfers to Other Government Entities, Kshs. 870,644,774 on Other Payments, Kshs. 36,342,619 was spent on other grants and transfers and Kshs. 407,681,867 spent on Acquisition of Assets.

Table 4: Overview of the County’s Receipts and Expenditures Performance as at 30th December 2017

<table>
<thead>
<tr>
<th>RECEIPTS</th>
<th>Kshs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchequer releases</td>
<td>2,802,036,229</td>
</tr>
<tr>
<td>Transfers from Other Government Entities</td>
<td>103,286,618</td>
</tr>
<tr>
<td>Other Receipts (Local Revenue)</td>
<td>578,260,262</td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td>3,483,583,109</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PAYMENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation of Employees</td>
<td>1,672,340,530</td>
</tr>
<tr>
<td>Use of goods and services</td>
<td>310,082,593</td>
</tr>
<tr>
<td>Transfers to Other Government Units</td>
<td>138,806,713</td>
</tr>
<tr>
<td>Other grants and transfers</td>
<td>36,342,619</td>
</tr>
<tr>
<td>Acquisition of Assets</td>
<td>407,681,867</td>
</tr>
<tr>
<td>Other Payments</td>
<td>870,644,774</td>
</tr>
<tr>
<td>TOTAL PAYMENTS</td>
<td>3,435,899,096</td>
</tr>
<tr>
<td>SURPLUS/DEFICIT</td>
<td>47,684,013</td>
</tr>
</tbody>
</table>

Source: County Treasury
Table 5: Departmental Percentage Recurrent Expenditure as compared to their budget FY2016/2017

<table>
<thead>
<tr>
<th>S/NO</th>
<th>DEPARTMENTS</th>
<th>Approved Budget FY 2016/2017</th>
<th>Supplementary Budget 2016/2017</th>
<th>Total Recurrent Expenditure</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td>3011</td>
<td>County Executive</td>
<td>338,231,610</td>
<td>299,821,317</td>
<td>221,064,489</td>
<td>74%</td>
</tr>
<tr>
<td>3012</td>
<td>County Assembly</td>
<td>618,543,360</td>
<td>652,217,202</td>
<td>219,236,418</td>
<td>34%</td>
</tr>
<tr>
<td>3013</td>
<td>Public Service Board</td>
<td>107,384,365</td>
<td>78,448,976</td>
<td>47,783,171</td>
<td>61%</td>
</tr>
<tr>
<td>3014</td>
<td>Finance &amp; Economic Planning</td>
<td>1,069,958,796</td>
<td>1,940,242,826</td>
<td>1,531,620,112</td>
<td>79%</td>
</tr>
<tr>
<td>3015</td>
<td>Tourism Development and Culture</td>
<td>118,510,365</td>
<td>90,108,685</td>
<td>70,677,866</td>
<td>78%</td>
</tr>
<tr>
<td>3016</td>
<td>Children (Care, Education, Environment)</td>
<td>830,743,324</td>
<td>1,041,918,231</td>
<td>872,685,884</td>
<td>84%</td>
</tr>
<tr>
<td>3017</td>
<td>Health Services</td>
<td>2,339,643,755</td>
<td>2,296,387,520</td>
<td>2,462,950,107</td>
<td>107%</td>
</tr>
<tr>
<td>3018</td>
<td>Water &amp; Natural Resources</td>
<td>46,865,815</td>
<td>114,816,233</td>
<td>49,740,699</td>
<td>43%</td>
</tr>
<tr>
<td>3019</td>
<td>Youth, Gender &amp; Sports</td>
<td>163,415,320</td>
<td>154,937,574</td>
<td>110,495,992</td>
<td>71%</td>
</tr>
<tr>
<td>3020</td>
<td>Trade, Energy &amp; Industry</td>
<td>329,585,083</td>
<td>210,090,836</td>
<td>148,296,133</td>
<td>71%</td>
</tr>
<tr>
<td>3021</td>
<td>Land, Planning &amp; Housing</td>
<td>217,768,303</td>
<td>146,173,429</td>
<td>108,593,484</td>
<td>74%</td>
</tr>
<tr>
<td>3022</td>
<td>Transport &amp; Infrastructure</td>
<td>490,916,847</td>
<td>504,399,543</td>
<td>433,392,178</td>
<td>86%</td>
</tr>
<tr>
<td>3023</td>
<td>Agriculture, Livestock &amp; Fisheries</td>
<td>178,315,976</td>
<td>128,274,401</td>
<td>113,950,971</td>
<td>79%</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>6,849,882,919</td>
<td>7,657,836,773</td>
<td>6,390,487,504</td>
<td>83%</td>
</tr>
</tbody>
</table>

Source: County Treasury

Table 6: Departmental percentage Development Expenditure as compared to their budget FY2016/2017

<table>
<thead>
<tr>
<th>S/NO</th>
<th>DEPARTMENTS</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td>3011</td>
<td>County Executive</td>
<td>191,195,979</td>
<td>130,660,814</td>
<td>68,615,528</td>
<td>53%</td>
</tr>
<tr>
<td>3012</td>
<td>County Assembly</td>
<td>40,613,408</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3013</td>
<td>Public Service Board</td>
<td>19,197,984</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3014</td>
<td>Finance &amp; Economic Planning</td>
<td>475,005,592</td>
<td>958,918,483</td>
<td>745,371,502</td>
<td>78%</td>
</tr>
<tr>
<td>3015</td>
<td>Tourism Development and Culture</td>
<td>33,442,835</td>
<td>2,500,000</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3016</td>
<td>Children (Care, Education, Environment)</td>
<td>393,606,748</td>
<td>202,375,455</td>
<td>160,384,533</td>
<td>79%</td>
</tr>
<tr>
<td>3017</td>
<td>Health Services</td>
<td>350,075,022</td>
<td>131,869,596</td>
<td>69,375,246</td>
<td>53%</td>
</tr>
<tr>
<td>3018</td>
<td>Water &amp; Natural Resources</td>
<td>60,000,000</td>
<td>54,167,968</td>
<td>23,706,897</td>
<td>44%</td>
</tr>
<tr>
<td>3019</td>
<td>Youth, Gender &amp; Sports</td>
<td>352,458,256</td>
<td>433,558,448</td>
<td>259,219,822</td>
<td>60%</td>
</tr>
<tr>
<td>3020</td>
<td>Trade, Energy &amp; Industry</td>
<td>120,341,126</td>
<td>56,792,268</td>
<td>37,945,627</td>
<td>67%</td>
</tr>
<tr>
<td>3021</td>
<td>Land, Planning &amp; Housing</td>
<td>173,669,448</td>
<td>139,490,482</td>
<td>77,378,199</td>
<td>55%</td>
</tr>
<tr>
<td>3022</td>
<td>Transport &amp; Infrastructure</td>
<td>827,711,617</td>
<td>1,864,954,455</td>
<td>1,298,454,676</td>
<td>70%</td>
</tr>
<tr>
<td>3023</td>
<td>Agriculture, Livestock &amp; Fisheries</td>
<td>38,553,359</td>
<td>14,572,000</td>
<td>2,695,000</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>3,075,871,374</td>
<td>3,989,859,969</td>
<td>2,743,147,029</td>
<td>69%</td>
</tr>
</tbody>
</table>

Source: County Treasury
Table 7: Departmental Percentage Total Expenditure as compared to their budget FY2016/2017

<table>
<thead>
<tr>
<th>DEPARTMENTS</th>
<th>Approved Budget FY 2016/2017</th>
<th>Supplementary Budget FY 2016/2017</th>
<th>Total Expenditure</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td>3011 County Executive</td>
<td>529,427,589</td>
<td>430,482,131</td>
<td>289,680,017</td>
<td>67</td>
</tr>
<tr>
<td>3012 County Assembly</td>
<td>659,156,768</td>
<td>652,217,202</td>
<td>219,236,418</td>
<td>34</td>
</tr>
<tr>
<td>3013 Public Service Board</td>
<td>126,582,349</td>
<td>78,448,976</td>
<td>47,783,171</td>
<td>61</td>
</tr>
<tr>
<td>3014 Finance &amp; Economic Planning</td>
<td>1,544,964,388</td>
<td>2,899,161,309</td>
<td>2,276,991,615</td>
<td>79</td>
</tr>
<tr>
<td>3015 Tourism Development and Culture</td>
<td>151,953,200</td>
<td>92,608,685</td>
<td>70,677,866</td>
<td>76</td>
</tr>
<tr>
<td>3016 Children (Care, Education, Environment)</td>
<td>1,224,350,072</td>
<td>1,244,293,686</td>
<td>1,033,070,417</td>
<td>83</td>
</tr>
<tr>
<td>3017 Health Services</td>
<td>2,689,718,777</td>
<td>2,428,257,116</td>
<td>2,532,325,353</td>
<td>104</td>
</tr>
<tr>
<td>3018 Water &amp; Natural Resources</td>
<td>106,865,815</td>
<td>168,984,201</td>
<td>73,447,595</td>
<td>43</td>
</tr>
<tr>
<td>3019 Youth, Gender &amp; Sports</td>
<td>515,873,576</td>
<td>588,496,022</td>
<td>369,715,814</td>
<td>63</td>
</tr>
<tr>
<td>3020 Trade, Energy &amp; Industry</td>
<td>449,926,209</td>
<td>266,883,104</td>
<td>186,241,760</td>
<td>70</td>
</tr>
<tr>
<td>3021 Land, Planning &amp; Housing</td>
<td>391,437,751</td>
<td>285,663,911</td>
<td>185,971,683</td>
<td>65</td>
</tr>
<tr>
<td>3022 Transport &amp; Infrastructure</td>
<td>1,318,628,464</td>
<td>2,369,353,998</td>
<td>1,731,846,854</td>
<td>73</td>
</tr>
<tr>
<td>3023 Agriculture, Livestock &amp; Fisheries</td>
<td>216,869,335</td>
<td>142,846,401</td>
<td>116,645,971</td>
<td>82</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>9,925,754,293</strong></td>
<td><strong>11,647,696,742</strong></td>
<td><strong>9,133,634,533</strong></td>
<td><strong>78</strong></td>
</tr>
</tbody>
</table>

Source: County Treasury
2.5. Strategic Priorities and Interventions

The County Government will continue with strategic interventions to accelerate growth and improve service delivery. Specifically, the following strategies will be implemented:

1. Increase Accessibility to Water

In Mombasa County the department of Water, Sanitation & Natural Resources has the role of ensuring that every citizen has access to portable water in a clean and secure environment. Adequate supply of water is essential for increased agricultural production, manufacturing activities and serving the urbanizing population. Currently the water demand is quite high compared to the supply. The County Government, national government and development partners will continue to invest in clean water supply and prioritize on construction of Mwache Dam which will lead to an increase in water supply.

The county will also prioritize the Drilling of more deep boreholes and also embark on the sea water desalination project so as to increase water supply in the County.

The county will continue engaging in public private partnerships like the World Bank who has initiated the projects of construction and rehabilitation of the pipeline network aimed at reducing the non-revenue water to 20%.

2. Improved Health Services

The county government is committed to continuously improve access to quality of health services in the county through promotion and provision of integrated and high quality curative, preventive and rehabilitative services that are equitable, responsive, accessible and accountable to everyone.

A review of age specific health impact indicators show improvement of the health situation in Mombasa County. Comparison of impact level indicators between the National averages and Mombasa County shows that the latter is performing better. Neonatal, infant, under five and maternal mortalities are all above the national average.
However, the health sector faces numerous challenges, which include inadequate infrastructure for service delivery, shortage of qualified health personnel, and erratic supply of medicines and medical supplies among others.

The sector will seek to address these challenges through continued investment in service delivery, health workforce, health infrastructure, health products and technologies, health information, health financing including venturing on Public Private Partnerships (PPP) and leadership governance.

The key interventions will include construction of a regional oncology center, construction & equipping of Cardiac Catheterization laboratory, Increasing access to health care services to clients in informal settlements through container clinics, Increasing access to drug abuse rehabilitation services, rehabilitation of Mwembe Tayari dispensary into a detox center and MAT dispensing center, increasing immunization coverage, health education and screening services, procuring essential medical supplies, procuring and/ leasing equipment and furniture, construction and equipping health facilities through the proposed Accelerated health service programme, refurbishment of existing health facilities and strengthening the Health management information system (HMIS).

The resources required under the Health Department are captured under budget estimates and guided by the core mandates of the sectors. The resources allocated will be used to implement projects aimed at achieving accessibility, affordability of health services, and reduction of health inequalities and optimal utilization of health services. These resources will, therefore, target to improve access, quality and equity in the provision of health services.

3. **Provision of Quality Education**

Mombasa County Government is committed to providing quality education services. The sector was created in line with Schedule 4 of the Kenya Constitution 2010 whereby the County Government was given responsibility for Libraries, Village Polytechnics (City Polytechnics), Home Craft (Master Craft) Centres, Child Care Centres and Pre-Primary Education. The sector endeavors to promote social development by establishing safer cities for the children of
Mombasa County, transforming the human capital and educating the present and future workforce in an effort to compete in an ever-evolving knowledge economy.

45 The Department will continue rolling out the school milk feeding program, Governor’s Award Program, equip library facilities, Increase the scope of vocational training to include apprenticeships and institutionalize these programs within a legal policy framework.

46 Economic growth in a knowledge and technical economy is dependent on raising education standards, increasing the number of college graduates, and improving workforce skills. The Sector has prioritized quality learning and teaching that facilitates lifelong learning and an education curriculum tied to workforce and the economy’s needs.

47 To reduce drop-out rate, address underperforming schools, improve achievement rate, the Department intends to use technology to offer more flexible learning environments within the county.

4. Youth, Sports and Gender Empowerment

48 Mombasa county government will continue addressing the unemployment issue through continued implementation of empowerment programs targeting the youth, women and people living with disabilities. Currently the Youth, Gender, Sports and Cultural Affairs Department is involved in training of youth in entrepreneurial skills and livelihood skills, issuance of revolving fund, refurbishment of sports facilities, gender mainstreaming, Provision of Sportsequipment’s for various clubs in the county and Promotion of talents (Art and music).

49 Mombasa county government will continue to; empower the youth with livelihood skills, promote sports development in the county, support women and persons living with disability with start-up kits, Provide and maintain public entertainment and recreational facilities.

5. Improved Land Services

50 The Department of Land, Housing and Physical Planning in the County continues to be the highest source of local revenue through land rates; there are
intentions to improve land services through enhancing the budget allocation and collaborating in PPPs. The Department intends to: facilitate attainment of high quality of life for its residents of the county through efficient land administration and management, facilitate provision and or manage decent, safe & affordable housing to the residents, ensure optimal use of land for Development

51 In lands unit, the major advancement was the preparation and submission of county departmental policies such as county land policy, preparation of integrated strategic urban development plan, Gate city master plan preparation including valuation roll preparation, zoning regulations and county housing policy and urban renewal programme which is ongoing.

6. Investing in Infrastructure Development

52 The Infrastructure sub-sector is involved with: Construction, improvement and maintenance of roads and drainage infrastructure; Provision of effective, efficient and safe transport system for people, goods and services; Installation, rehabilitation and maintenance of traffic signs and lighting; Transport logistics and mechanical services; County property development, maintenance and management; Provision of Professional Services (Architectural, Structural, Civil, Mechanical and Quantity Surveying) for public buildings and facilities for the County Government, National Government (CDF and other projects); Fire Fighting and rescue services; and Advertisement and compliance.

53 To enhance economic growth the county government will continue to invest in key infrastructural projects. The county is committed to have a world class infrastructure for sustainable socio-economic development of Mombasa.

54 The Department of Transport and Infrastructure have prioritized the following programmes: constructions of missing links on major roads; construction of access roads; Construction and maintenance of storm water drains; construction and maintenance of street lights; and construction and maintenance of public buildings.
2.6. Deepening Inter-County Integration

The Jumuiya ya Kaunti za Pwani, formed in 2015, is an economic bloc that brings together the six Coast counties in Kenya (Mombasa, Kwale, Taita-Taveta, Kilifi, Lamu and Tana River. It is anchored on Article 189 (2) of the constitution that allows cooperation among counties as well as the national government to improve performance and delivery.

There are Cross-County short and long term interventions which will be undertaken including: Joint approach into investing and utilization of specialized services, establishment of Community Based Health Insurance Mechanisms, disease surveillance and outbreak/emergency preparedness and response mechanisms, disease surveillance systems, outbreak management schemes, joint approach into subcontracting of certain services through Public-Private-Partnership (PPP) initiatives and establishment of Jumuiya Health Summit.

2.7. Sustaining Inclusive Growth

The County will continue mobilizing significant resources and providing an appropriate environment for businesses to thrive, sustaining inclusive growth by continually building transparent, responsive, accountable, efficient and effective government.

In addition, the County Government will continue providing leadership and coordination in county development planning, policy formulation and management, designing effective, efficient and secure systems of collecting revenue, to prudently mobilize and manage resources while ensuring compliance with policies, standards, procedures and applicable financial and procurement laws and regulations. These will be complimented by measures to address socio-economic inequities and improving the county’s human capital. To this end, the County Government will continue implementing the socio-economic priority programmes articulated in the County’s Integrated Development Plan.
2.8. **Risks to the Outlook**

The risk to the outlook for Mombasa County 2018/2019 budget and medium-term emanate from both external and domestic sources. The economy remains vulnerable to both domestic and external shocks. For prudent management of risks, the PFM Act, 2012 requires the preparation of a “Statement of Fiscal Risks”.

The “Statement of Specific Fiscal Risks” outlines Kenya’s exposure to fiscal risks that are associated with macroeconomic assumptions used for fiscal projections, public debt dynamics, operations of state corporations, contingent liabilities, vulnerabilities of the financial sector, as well as risks posed by nature.

The Government remains committed to fiscal consolidation in order to assure on the long-term sustainability of public finances. Nevertheless, the Government will monitor the risks and take appropriate measures to safeguard macroeconomic stability.

Looking ahead, due to revenue shortfalls, the ever increasing pending bills and a high wage bill, continues to pose a threat of a budget deficit. Systems are being put in place to improve local revenue performance following revenue collection reforms and moderation in recurrent expenditure, so as to increase the revenue bases and the fiscal position in the medium term.

2.9. **Response to Overview of the County’s Performance for FY 2018/2019**

The following strategies will continue to be employed to raise the revenue for the County to ensure that the planned budget is attained.

**Enforcement of the Finance Acts and Regulations**: The County Government will ensure that fees and charges are collected according to the Finance Act 2017.

**New Sources of Revenue mapping**: The County Government continues to pursue strong revenue collection and identification of new sources of revenues from the devolved functions e.g. betting and Gaming, Liquor Licensing, Museums, County Parks, Beaches, Recreation facilities, Ferries and Harbors and legislation on the revenue sharing from the Kenya Ports Authority.
66 **Full automation of revenue collection**: The County has automated main revenue streams such as electronic business permit, e-construction, and parking and introduced an Mpesa platform for barriers and Kongowe market aimed at enhancing financial accountability and reporting and is looking into automating all the other sources.

67 **Expand the revenue base through outsourcing of revenue collection**

68 **Decentralization of revenue collection at the sub counties and ward levels**: This will ensure that there is maximum revenue collection realized from all corners. Plugging the revenue leakages by training the collectors and ensuring that all the revenue collected are deposited to the nearest commercial bank before the closure of the business. The revenue collectors will also be frequently rotated to new stations to avoid familiarity.

69 **Regular monitoring of revenue** collection points to enhance accountability and seal corruption loopholes.
CHAPTER THREE
FY 2018/2019 BUDGET AND THE MEDIUM TERM

3.1. Overview

The Mombasa County 2018 Medium-Term Fiscal Framework aims at supporting rapid and inclusive economic growth, reducing vulnerabilities, operating a balanced budget, ensuring effective delivery of services and supporting sustainable economic growth in the County.

The fiscal framework for the FY 2018/19 Budget is based on the Government’s policy priorities and macroeconomic policy framework set out in Chapter I and Chapter II. This policy underscores the need to shift more public resources from Recurrent Expenditure to Capital Expenditure in order to enhance economic growth. Precisely, the 2018/19 Fiscal Strategy Paper highlights the following:

- The county will continuously look into ways of enhancing local revenue collection and achieving greater efficiency in terms of cost savings in recurrent expenditure to ensure priority is given to the development projects.

- Maintaining a lean workforce will assist in checking the wage bill. This will create fiscal space for spending on the key county priorities especially in the social sectors and other development programmes. This will further provide adequate room for future countercyclical fiscal policy in the event of a shock.

- Fiscal consolidation while ensuring that county resources are adequate to promote growth. The County Government is committed to a reduction in the recurrent expenditure to devote more resources to development. At least thirty percent of the total county revenue shall be used in the implementation of development projects.

- In addition, the county will continue venturing in public private partnerships with potential local and foreign investors and other development partners to assist in development of the county.

3.2. Fiscal Policy Framework

Fiscal policy will continue to support County development economic activities while providing platform for the implementation of the CIDP within a context of sustainable public financing. Over the last one year, the County Government has reoriented
expenditure towards priority programmes in Health, Youth, Gender and Sports, Education, Transport and Water Infrastructure and Lands under the medium-term expenditure framework (MTEF). This process will be strengthened in the FY 2018/19 by encouraging more private-sector engagement in order to build concrete public private Partnership in pursuit of new economic opportunities.

The county will continue reorienting expenditure towards those priority programmes as identified in public consultative forums. The critical programmes to be implemented are expected to accelerate economic activities and socio-economic development. The expected share of development funds of the total expenditure will be 32%. Recurrent expenditure takes huge chunk of the budget; this is largely attributed to the county wage bill totaling Kshs. 5,311,999,788 which is 62% of the recurrent budget and 39% of the total budget.

Table 2: County Government Fiscal projections 2016/17- 2018/19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>National Government – Equitable Share</td>
<td>5,608,593,922</td>
<td>8,154,000,000</td>
<td>8,226,800,000</td>
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<td>Conditional allocation – Level 5 Hospital</td>
<td>369,942,197</td>
<td>388,439,306</td>
<td>388,439,306</td>
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<tr>
<td>Conditional allocation – Free maternal health care</td>
<td>125,722,505</td>
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<td>-</td>
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<td>Leasing of medical equipment</td>
<td>95,744,681</td>
<td>95,744,681</td>
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</tr>
<tr>
<td>DANIDA – Health care support services</td>
<td>3,150,000</td>
<td>-</td>
<td>27,337,500</td>
</tr>
<tr>
<td>Conditional Grant-compensation For User Fees Forgone</td>
<td>23,514,312</td>
<td>23,385,934</td>
<td>23,385,934</td>
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<td>Transforming Health Systems for Universal Care Project (World Bank-IDA)</td>
<td>-</td>
<td>-</td>
<td>50,000,000</td>
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<td>Conditional Grant-Road Maintenance Fuel Levy</td>
<td>86,176,009</td>
<td>221,466,275</td>
<td>216,604,479</td>
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<td>Conditional Grant-Other Loans and Grants</td>
<td>16,000,000</td>
<td>57,616,806</td>
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<td>Kenya Devolution Support Program</td>
<td>-</td>
<td>49,809,062</td>
<td>53,333,725</td>
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<td>Agriculture Sector Development Support Program II</td>
<td>-</td>
<td>13,400,000</td>
<td>30,697,405</td>
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<td>Conditional Allocation for development of Youth</td>
<td>-</td>
<td>30,586,320</td>
<td>39,043,936</td>
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<td>Total exchequer issues</td>
<td>6,328,843,626</td>
<td>9,034,448,384</td>
<td>9,114,556,493</td>
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<tr>
<td>World Bank Development Project (World Bank)</td>
<td>29,106,112</td>
<td>-</td>
<td>-</td>
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<tr>
<td>World Bank Development Project (WSDP Project- World Bank)</td>
<td>-</td>
<td>-</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Total Local revenue</td>
<td>3,567,804,555</td>
<td>3,500,000,000</td>
<td>3,877,215,398</td>
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<td>Total Expenditure</td>
<td>9,925,754,293</td>
<td>12,534,448,384</td>
<td>13,591,771,891</td>
</tr>
<tr>
<td>Total Recurrent</td>
<td>6,749,512,919</td>
<td>8,571,878,715</td>
<td>8,626,124,854</td>
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<tr>
<td>Total Development</td>
<td>3,176,241,374</td>
<td>3,962,569,669</td>
<td>4,965,647,037</td>
</tr>
</tbody>
</table>

*Source: County Treasury*
3.3. Fiscal Responsibility Principles

The County Government recognizes that the fiscal stance it takes today will have implications into the future. The principle of sharing the burdens and benefits of the use of resources and public borrowing between the present and future generation implies that we have to make prudent policy decisions today so that we do not impose unwarranted debt burden to our future generations. The County Government will ensure strict adherence to Section 107 of the Public Finance Management (PFM) Act of 2012 which outlines the fiscal responsibility principles.

In compliance with Fiscal responsibility as per the Kenya’s Constitution 2010, the County Government will progressively provide for a minimum basic standard of economic and social rights to its citizens within available resources. To ensure economic sustainability increase in government spending will be matched with a corresponding increase in tax revenue yield through efficient collection, widening of tax bases, and reasonable tax rates. It is therefore imperative to reform and modernize the tax regimes to ensure stability of revenue effort, while at the same time continuing to restructure expenditure systems to ensure efficiency and create fiscal space required to fund these basic needs expenditures on sustainable basis.
3.4. Fiscal Structural Reforms

Underpinning the fiscal program are measures to raise the proportion of local revenue as a proportion of County’s total revenue. For effective and efficient management of financial resources, the County through the revenue directorate will continue to eliminate leakages and enhance revenue collection as well as rationalize expenditure. This will be achieved through continued measures to simplify licenses and fees levies, improve compliance and automation of revenue collection system in order to eliminate leakages and to widen revenue base.

On the expenditure side, the County Government will continue to enhance prudent financial management; to improve efficiency and reduce wastage in accordance to section 107 of the PFM Act of 2012.

The County Government will continue to institute measures to contain the public wage bill and release needed resources for development funding. These would include payroll cleansing, staff rationalization, identification and trimming off of excess personnel. The County Government will also enhance capacity of the County Government staff so as to encourage proper and transparent use of resources and encourage quality service delivery.

3.5. Financing Policy

The County Government of Mombasa will have a balanced budget in the FY 2018/2019 and over the medium term.


The Mombasa County 2018/19 Budget Framework is set against the background of the Medium-Term macro-fiscal framework set out above, the County Government’s strategic objectives and priorities as outlined in the CIDP 2018-2022. The County is expected to actualize key developments programmes by ensuring sufficient budgetary allocations of the priority areas.

3.7. Revenue Projections

The Mombasa County 2018/2019 financial year budget targets total revenue amounting to 13.6 billion; Total exchequer issues of Kshs 9.7 Billion; including equitable share of Kshs 8.2 billion, Conditional grants Kshs 1.5 billion and local collected revenue of 3.9 billion. This performance will be underpinned by the on-going reforms in revenue administration. The revenue department will continue instituting measures for expansion of the revenue base as well as curbing revenue leakages.
3.8. **Expenditure Forecasts**

The County Government’s expenditure for the FY 2018/19 budget is based on the Government’s policy priorities and macroeconomic policy framework set out in Chapter I and Chapter II. The total government expenditure is projected to be Kshs.13.6 Billion.

3.9. **Recurrent Expenditure**

In the 2018/19 financial year the total recurrent expenditure is estimated to remain at Kshs. 8.6 Billion as the previous FY 2017/18. There is a decrease in operations and maintenance allocation so as to cater for an increase in personnel emoluments. The Departmental allocation is guided by their expenditures for goods and services in the previous year budget as the baseline.

3.10. **Development Expenditure**

The County Government will endeavor to ensure that at least 30% of the total budget is allocated towards development as guided by the PFMA and as outlined in this strategy paper. The County development expenditure for financial year 2018/19 is projected to be at Kshs 5 Billion from Kshs. 3.9 Billion in the 2017/18 FY.

3.11. **Fiscal Balance**

The county government will adopt a balanced budget for FY 2018/19. In the short term the County will ensure its expenditure and commitments are based on the actual cash flow. In the medium term, the County will embark on Public Private Partnership (PPP) to enable the County Government implement critical programmes that will accelerate socio-economic development thus providing budget support. In an eventuality of a forthcoming deficit the county government will take prudent measures to reduce appropriations with minimal effects on public service delivery.

3.12. **Summary**

The County fiscal policy 2018, aims at improving revenue efforts as well as containing total expenditures. This will be achieved through efforts aimed at enhancing resource mobilization while improving efficiency in government expenditure. The created fiscal space will avail resources to scale up investments in the county’s priority areas of Health, Youth, Gender and Sports development, Education, Transport & Water infrastructure and Lands and as captured in the CFSP.
Table 7, below shows the approved FY 2017/2018 Departmental Budget,

**Table 3: Approved Budget 2017/18**

<table>
<thead>
<tr>
<th></th>
<th>CONSOLIDATED REVENUE</th>
<th>PERSONNEL OPERATIONS AND MAINTENANCE</th>
<th>RECURRENT</th>
<th>DEVELOPMENT</th>
<th>TOTAL EXPENDITURE</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Executive</td>
<td>-</td>
<td>375,123,017</td>
<td>375,123,017</td>
<td>81,648,620</td>
<td>456,771,637</td>
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<tr>
<td>County Assembly</td>
<td>317,710,817</td>
<td>294,227,519</td>
<td>611,938,336</td>
<td>44,268,615</td>
<td>656,206,951</td>
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<td>Public Service Board</td>
<td>61,939,939</td>
<td>74,179,955</td>
<td>136,119,894</td>
<td>20,925,803</td>
<td>157,045,697</td>
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<tr>
<td>Finance &amp; Economic Planning</td>
<td>12,534,448,384</td>
<td>469,730,307</td>
<td>487,491,282</td>
<td>957,221,589</td>
<td>1,459,879,018</td>
<td>11.6</td>
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<tr>
<td>Education, Information Technology &amp; MV 2035</td>
<td>242,572,251</td>
<td>558,237,101</td>
<td>800,809,352</td>
<td>370,414,890</td>
<td>1,171,224,242</td>
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<tr>
<td>Health Services</td>
<td>1,862,294,447</td>
<td>658,155,545</td>
<td>2,520,449,992</td>
<td>531,581,774</td>
<td>3,052,031,766</td>
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<tr>
<td>Water, Sanitation &amp; Natural Resources</td>
<td>25,698,309</td>
<td>112,731,085</td>
<td>138,429,394</td>
<td>352,650,000</td>
<td>491,079,394</td>
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<tr>
<td>Youth, Gender, Sports and Cultural Affairs</td>
<td>87,160,255</td>
<td>279,665,256</td>
<td>366,825,511</td>
<td>284,179,499</td>
<td>651,005,010</td>
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<tr>
<td>Trade, Tourism &amp; Investment</td>
<td>277,752,159</td>
<td>167,564,000</td>
<td>445,336,159</td>
<td>131,171,827</td>
<td>576,507,986</td>
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<tr>
<td>Lands, Housing and Physical Planning</td>
<td>131,391,410</td>
<td>88,792,000</td>
<td>220,183,410</td>
<td>438,299,698</td>
<td>658,483,108</td>
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<td>Transport, Infrastructure &amp; Public Works</td>
<td>342,503,858</td>
<td>158,304,000</td>
<td>500,807,858</td>
<td>691,205,663</td>
<td>1,192,013,521</td>
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<tr>
<td>Devolution &amp; Public Service Administration</td>
<td>568,807,564</td>
<td>264,546,300</td>
<td>833,353,864</td>
<td>205,090,000</td>
<td>1,038,443,864</td>
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<tr>
<td>TOTAL</td>
<td>4,845,095,472</td>
<td>3,726,783,242</td>
<td>8,571,898,715</td>
<td>3,962,569,669</td>
<td>12,534,468,384</td>
<td>100</td>
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</tbody>
</table>

*Source: County Treasury*
Figure 10: Approved Budget 2017/18
CHAPTER FOUR
MEDIUM TERM EXPENDITURE FRAMEWORK

4.1. Resource Envelope
The Constitution of Kenya 2010 stipulates that County Governments should have reliable, stable and predictable sources and allocation of revenue. Mombasa County has two main sources of funding. Revenue from local sources and the exchequer issues which include equitable share from the National Government and conditional grants as provided under Article 201 of the Constitution. The resource envelope available for allocation among the spending units is based on the medium term fiscal framework outlined in Chapter Three.

The 2018/19 budget targets total revenue amounting to Ksh. 13.6 billion. The 2018/19 revenue shall comprise of total exchequer issues of Kshs 9.7 Billion; including equitable share of Kshs 8.2 billion, Conditional grants Kshs 1.5 billion and local collected revenue of 3.9 billion. Locally mobilized revenue will finance about 29 percent of the budget in FY 2018/19.

4.2. Spending Priorities
Prioritization of resource allocation will be based on the CIDP 2018-2022 first MTEF which spells out programmes to achieve County priorities identified during the County-wide budget consultative meetings. The County Government will promote budget transparency, accountability and effective financial management of resources based on clearly set priorities to ensure that budgets are directly linked to plans.

4.3. The Fiscal Strategy FY 2018/19 of the County Government
This outlines County Government’s spending plans and the manner in which this expenditure will be funded in the FY 2018/2019. The fiscal strategy of the Government is guided by contemporary events which have impacted on the economy, the CIDP 2018-2022 and the realities of the FY 2017/2018 actual revenue collections and expenditures. In this view, the 2018/2019 fiscal strategy paper has been designed to continue addressing these specific challenges by focusing on the following objectives:

- To improve the efficiency and quality of CAPEX spending by promoting Public Private Partnership;
➢ To place greater focus on critical infrastructure development as a means of promoting long-term economic growth;

➢ Continued application of a fiscal stimulus in the medium term to kick-start the economy, taking into consideration the current revenue constraints and its impact on the fiscal deficit;

➢ Rationalizing the outlay on recurrent expenditure through the identification of cost-saving measures;

➢ Pegging commitments and expenditure on the actual cash flow;

➢ Coming up with sustainable personnel policy to address the ballooning wage bill;

➢ Boosting revenue receipts and identifying and plugging revenue leakages through audits of Revenue-generating units.

Table 4: Projected FY 2018/2019 Revenues and Expenditure

<table>
<thead>
<tr>
<th>REVENUE/EXPENDITURE PROJECTIONS</th>
<th>2018/2019 (KSHS.)</th>
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</thead>
<tbody>
<tr>
<td>National Government Equitable Share</td>
<td>8,226,800,000</td>
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<tr>
<td>Conditional Grants</td>
<td>1,437,947,431</td>
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<td><strong>Total Exchequer Issues</strong></td>
<td><strong>9,664,747,431</strong></td>
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<td>County Local Sources</td>
<td>3,877,215,398</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>13,591,771,891</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>5,311,999,788</td>
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<tr>
<td>Operations Repair and Maintenance</td>
<td>3,314,125,066</td>
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<tr>
<td>Capital Expenditure</td>
<td>4,965,647,037</td>
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<td><strong>Total Expenditure</strong></td>
<td><strong>13,591,771,891</strong></td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>0</td>
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</tbody>
</table>

*Source: County Treasury*
Table 9: FY 2018/19 Departmental Ceilings

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>CONSOLIDATED REVENUE</th>
<th>PERSONNEL</th>
<th>TOTAL OPERATIONS AND MAINTENANCE</th>
<th>RECURRENT</th>
<th>DEVELOPMENT</th>
<th>TOTAL EXPENDITURE</th>
<th>PERCENTAGE</th>
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<tr>
<td>County Executive</td>
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<tr>
<td>County Assembly</td>
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<td>382,877,200</td>
<td>382,877,200</td>
<td>84,424,673</td>
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<td>Finance &amp; Economic Planning</td>
<td>64,047,457</td>
<td>67,702,073</td>
<td>131,749,530</td>
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<td>153,386,810</td>
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<td>Environment, Waste Management and Energy</td>
<td>351,316,689</td>
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<td>Education, Information Technology &amp; MV 2035</td>
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<td>315,712,162</td>
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<td>244,499,756</td>
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<td>Health Services</td>
<td>2,173,454,745</td>
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<td>2,683,387,579</td>
<td>240,255,554</td>
<td>2,923,643,133</td>
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<tr>
<td>Water, Sanitation &amp; Natural Resources</td>
<td>26,572,052</td>
<td>111,063,942</td>
<td>137,635,994</td>
<td>767,050,100</td>
<td>904,686,094</td>
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<td>Youth, Gender, Sports and Cultural Affairs</td>
<td>90,123,704</td>
<td>140,173,875</td>
<td>230,297,579</td>
<td>1,269,841,602</td>
<td>1,500,139,181</td>
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<td>Trade, Tourism &amp; Investment</td>
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<td>501,088,578</td>
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<td>447,606,732</td>
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<td>158,063,060</td>
<td>1,077,857,456</td>
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<td>7.9</td>
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<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,591,771,891</td>
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<tr>
<td>SURPLUS / (DEFICIT)</td>
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<td>REVENUE SOURCES</td>
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<td>Local Revenue</td>
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<tr>
<td>Exchequer Issues</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>13,591,771,891</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: County Treasury
4.4. Baseline ceilings

The baseline estimates reflects the current spending levels in sector programmes. In the recurrent expenditure category, non-discretionary expenditures takes first charge and includes payment of statutory obligations such as interest payments, compensation of employees covering all county staff, staff medical scheme and key utilities.

Development expenditures are shared out on the basis of the first MTEF in the CIDP 2018-2022 priorities as outlined in the CFSP as well as other strategic interventions geared towards improved service delivery. The following guidelines are used:

- **On-going projects**: emphasis is given to completion of on-going projects and in particular infrastructure projects and other projects with high impact on poverty reduction and equity, employment and wealth creation especially in the social sectors aimed at reducing vulnerabilities.

- **Strategic policy interventions**: priority is also given to policy interventions covering the entire county, social equity and environmental conservation.

4.5. Finalization of spending plans

As indicated earlier, the finalization of the preparation of the detailed budgets continues to entail thorough scrutiny to curtail spending on non-productive areas and ensure resources are directed to priority programmes. The County Government will utilize resources to accommodate key county strategic priorities with sound business plans. Specifically, the following will receive priority:
## Table 10: Priority Areas of Consideration for Additional Resources

<table>
<thead>
<tr>
<th>Priority Areas of Consideration for Additional Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intervention identified during the county stakeholders consultation for 2017/18 MTEF budget.</td>
</tr>
<tr>
<td>2. Strategic interventions with emphasis in investing in quality and accessible health care services and quality basic education, Youth, gender and sports empowerment, road infrastructure (especially access roads), provision of clean and safe water, improvement in land services, as well as policy interventions</td>
</tr>
<tr>
<td>3. Specific consideration to job creation for the youth based on sound initiatives identified within and outside the normal budget preparation as well as disability and gender mainstreaming.</td>
</tr>
<tr>
<td>4. Completion of ongoing programs and projects so as to ensure the County has fully implemented the first CIDP 2013-17 and onset of the implementation of the CIDP 2018-2022.</td>
</tr>
</tbody>
</table>
### Table 5: Summary of Medium Term Costs and Ceiling (Recurrent)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Recurrent</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>County Executive</td>
<td>218,164,489</td>
<td>County Executive</td>
<td>375,123,017</td>
<td>382,877,200</td>
<td>403,392,288</td>
</tr>
<tr>
<td>County Assembly</td>
<td>540,457,810</td>
<td>County Assembly</td>
<td>611,938,336</td>
<td>610,986,278</td>
<td>658,054,009</td>
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<tr>
<td>Public Service Board</td>
<td>47,783,171</td>
<td>Public Service Board</td>
<td>136,119,894</td>
<td>131,749,530</td>
<td>146,377,889</td>
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<td>Finance &amp; Economic Planning</td>
<td>1,219,709,593</td>
<td>Finance &amp; Economic Planning</td>
<td>957,221,589</td>
<td>1,107,521,980</td>
<td>1,029,830,859</td>
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<td>2,710,391,104</td>
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<td>394,469,482</td>
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<td>236,776,432</td>
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<td>Transport &amp; Infrastructure</td>
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<td>538,548,738</td>
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<td>Devolution &amp; Public Service Administration</td>
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<td>919,794,396</td>
<td>896,155,411</td>
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<td>TOTAL</td>
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<td>8,626,124,854</td>
<td>9,218,328,546</td>
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*Source: County Treasury*
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<thead>
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<tr>
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<td>Education, Information Technology &amp; MV 2035</td>
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<td>571,641,776</td>
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<td>1,269,841,602</td>
<td>305,595,266</td>
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<td>37,945,627</td>
<td>Trade, Tourism &amp; Investment</td>
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<td>95,631,669</td>
<td>141,086,936</td>
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<td>Lands, Housing and Physical Planning</td>
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<td>Transport &amp; Infrastructure</td>
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<td>Agriculture, Livestock &amp; Fisheries</td>
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<td>Agriculture, Fisheries, Livestock and Co-operatives</td>
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<td>266,591,948</td>
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<td>205,090,000</td>
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<td>TOTAL</td>
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<td>4,261,188,919</td>
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Source: County Treasury
<table>
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</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
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<td>D</td>
<td>E</td>
<td>F=E*1.034</td>
<td>G=F*1.04</td>
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<td>County Executive</td>
<td>286,780,017</td>
<td>County Executive</td>
<td>456,771,637</td>
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<td>656,206,951</td>
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<td>705,658,707</td>
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<td>Public Service Board</td>
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<td>Finance &amp; Economic Planning</td>
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<td>Finance &amp; Economic Planning</td>
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<td>Children( Care, Education, Environment)</td>
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<td>Water &amp; Natural Resources</td>
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<td>700,064,748</td>
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<td>Transport &amp; Infrastructure</td>
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<td>1,116,700,993</td>
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<td><strong>TOTAL</strong></td>
<td>9,507,075,633</td>
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<td><strong>12,534,448,384</strong></td>
<td><strong>13,591,771,891</strong></td>
<td><strong>13,479,517,466</strong></td>
</tr>
</tbody>
</table>

*Source: County Treasury*
4.6. Details of Departmental Priorities

The medium term expenditure framework for 2018/19 - 2020/2021 ensures continuity in resource allocation is based on prioritized programmes aligned to the ADP 2018 and strategic policy initiatives of the county government to accelerate growth, employment creation and poverty reduction. The recent achievements and key priority targets for each sector are based on the Departmental reports.

4.6.1. County Assembly

The functions of the County Assembly include enacting county laws and superintend over all the affairs of the county including receiving and approving the development plans and policies of the county. It also oversees the development and management of the county infrastructure and institutions; and is responsible for approval of the county budgets and expenditures. Due to the crucial role of this sub-sector, it has been allocated Kshs 656,760,026 in FY 2018/2019. The County Assembly budget consists of 4.8 % of the total county budget.

4.6.2. County Executive

Under Article 179 (3) (b), of the Constitution, provides for the number of Executive Committee members in the County Government. Each respective County Executive Committee Member provides policy direction in their ministry and a Chief Officer is the accounting officer. The Executive Committee Member is therefore responsible for: Implementing county legislation; Implementing within the county, national legislation to the extent that the legislation so requires; Managing and coordinating the functions of the county administration and its departments; and performing any other functions conferred to it by the Constitution or national legislation; Preparing legislation for consideration by the County Assembly; Providing regular reports to the County Assembly for deliberation and decision-making; and Preparing County budgets and plans. This sub-sector consists of the Governor, Deputy Governor’s office, the County Secretary and County Attorney’s office.

This sub-sector requires considerable funding to oversee the implementation of the Kenyan Constitution, Vision 2030, and the County’s Vision 2035, CIDP, the CFSP through provision of leadership and policies in governing of the county. It has the task of supervising the County Government department.

The department has been allocated Kshs. 467,301,873 in the FY 2018/2019. The budget consists of 3.4% of the total county budget.
4.6.3. Public Service Board

The County Public Service Board, which is established under an Act of Parliament as provided for under Article 235(1) of the Constitution of Kenya, 2010. The Article provides for a County Public Service Board in each county with control over the County Public Service. It also ensures that the county has adequate and competent personnel. The department has been allocated Kshs. 153,386,810 in the FY 2018/2019. The budget consists of 1.1% of the total county budget.

4.6.4. Department of Finance & Economic Planning

The key role of the Department is to ensure optimal collection, distribution and utilization of the scarce resources, provide leadership and policy direction in the governance of the County, coordination and supervision of County Financial and Economic affairs, promote sound public financial and economic management for socio-economic development, promote macroeconomic stability, planning and budgetary process, and evaluation performance.

The department targets to maintain a database of all county assets, continue tracking all development projects and programmes; prepare quarterly briefs or reports on development; enhance revenue collection; source for development partners and ensure that funds in the county are prudently utilized to achieve the county objectives and the realization of the vision 2030.

Due to the crucial role of the department, it has been allocated Kshs 1,409,969,762 in FY 2018/2019. The budget consists of 10.4% of the total county budget. Most of the allocations have been set aside for servicing pending bills and statutory deductions accrued from all the county departments.

4.6.5. Department of Trade, Tourism & Investment

The Department significantly contributes towards generation of income and employment through tourism and trade development thus promoting self-employment, improving trading environment and attracting more tourists in the region.

The department has been allocated Kshs 501,088,578 in FY 2018/2019. The allocation consists of 3.7% of the total county budget.
4.6.6. Department of Education, Information Technology & MV 2035

In the financial year 2018/2019 and over the medium term the department intends to carry out the following programmes; To provide quality and accessible basic education through renovation and equipping of ECD centers, recruitment of ECD teachers and care givers as well as strengthening the capacity of the city Polytechnics. This Department is also in charge of Information Technology which is very key in the current technology era and Mombasa Vision 2035.

In the financial year 2018/2019 and over the medium term the department will continue carrying out the following programmes: completion of the ongoing ECD Centres, School Feeding Program and milk fortification, vocation and technical training, establishment and equipping of the Maktaba Centres and Operationalizing the Elimu Development Corporation and Elimu Fund to source funds for Education.

Due to the crucial role of the department, it has been allocated Kshs 823,007,052 in FY 2018/2019. The allocation consists of 6.1 % of the total county budget.

4.6.7. Department of Health Services

The department is committed to improving access to quality health services in the county through promotion and provision of integrated and high quality curative, preventive and rehabilitative services that are equitable, responsive, accessible and accountable to everyone.

In the medium term, the department will continue investing in service delivery, health workforce, health infrastructure, health products and technologies, health information, health financing and leadership governance. The resources allocated will be used to implement projects aimed at achieving accessibility, affordability of health services, and reduction of health inequalities and optimal utilization of health services.

Due to the crucial role of the department, it has been allocated Kshs 2,923,643,133 in FY 2018/2019. The allocation consists of 21.5% of the total county budget.

4.6.8. Department of Water, Sanitation & Natural Resources

The Department of Water and Natural Resources have the following priority programmes: Management and conservation of natural resources; Control and mitigate environmental pollution; Solid waste management and resource recovery; Provision of technical assistance and improvement of staff capacity to implement devolved functions; Promoting the integration of climate change adaptation and mitigation measures in county’s projects/activities; Increase water supply and sewerage coverage;
Reduce non-revenue water to acceptable global levels; Rehabilitate/Expand the existing dilapidated water/sanitation systems; and Improve management of water and sanitation services.

In the financial year 2018/2019 and over the medium term, Water and Sewerage services through increased Water Supply, Sanitation and Sewerage coverage, Rehabilitation/Expansion of the existing Water, Sanitation and sewerage network and ensuring compliance with the policies, standards, regulations and laws. The Department will continue ensuring natural resources are protected; their use promoted and conserved hence proper management of natural resources for economic growth.

Due to the crucial role of the department, it has been allocated Kshs 904,686,094 in FY 2018/2019. The budget consists of 6.7% of the total county budget.

4.6.9. Department of Youth, Gender, Sports and Cultural Affairs

The department’s mission is to formulate, mainstream and implement responsive programmes through coordinated strategies for sustainable and balanced socio-economic development of the County and empowerment of vulnerable and marginalized groups.

In the 2018/19, The Department will continue: To empower the youth with livelihood skills; To harness the full potential of our cultural heritage; To promote sports development in the county; To support women and persons living with disability with start-up kits and Provide and maintain public entertainment and recreational facilities.

Due to the crucial role of the department, it has been allocated Kshs 1,500,139,181 in FY 2018/2019. The budget consists of 11% of the total county budget.

4.6.10. Department of Environment, Waste Management and Energy

The Department’s priorities and strategies are: Promoting of green energy power generation plants (Organizing initiatives forums for green energy) generation and utilization; County carbon credit initiative program, Environmental conservation and protection, Develop effective and efficient waste collection system, Environmental governance compliance and enforcement, Renewable energy generation and Control of air and noise pollution.

Due to the crucial role of the department, it has been allocated Kshs 920,580,675 in FY 2018/2019. The budget consists of 6.8% of the total county budget.
4.6.11. Department of Lands, Housing and Physical Planning

The department is in charge of management of land use and ownership; Physical Planning, provision of adequate, clean, affordable and quality housing.

In the financial year 2018/2019 and over the medium term, the objectives of the department are; to continue ensuring proper management of land use and ownership, optimal use of land for development, promoting the provision of adequate and affordable housing. The proposed priority programmes to be undertaken to achieve these objectives include; Promoting sustainable use of land and its resources through land use planning and provision of secure land tenure and management.

The Department will also promote development of adequate, affordable quality housing through developing and implementing county housing unit, provision of affordable and quality housing units, refurbishment of county residential houses and maintenance of offices and promotion of appropriate building technology.

Due to the vital role the department plays, in the FY 2018/2019 budget, it has been allocated Ksh.447, 606,732. This is constitutes 3.3 % of the total budget.

4.6.12. Department of Transport and Infrastructure

There Department of Transport and Infrastructure will continue to focus on road infrastructure improvement through maintaining the already existing road networks and also opening up new access roads so as to restore confidence of residents and making the cost of doing business favorable. Transport infrastructure development will also help revamp the tourism sector and foster social integration in the County.

The County is embarking on expanding on the following priority programmes: Construction of missing links on major roads in order to make transport affordable and faster for economic efficiency; construction of access roads; construction and maintenance of storm water drains; construction and maintenance of street lights which is geared towards promoting a vibrant economy by encouraging 24 hour economy; and to enhance security within the County at night; and construction and maintenance of public buildings.

Due to the vital role of the department, it has been allocated Kshs 1,306,449,182 in FY 2018/2019. The budget consists of 9.6% of the total county budget.

4.6.13. Department of Agriculture, Fisheries, Livestock and Cooperatives

The overall objective of the Department is continued improvement of livelihoods of the people of Mombasa County through promotion of competitive and sustainable
agriculture, livestock, and fisheries enterprises for development, cooperative
development and cooperative marketing and value addition.

In the financial year 2018/2019 and over the medium term, the department will
continue undertaking the following; provision of efficient and effective agricultural,
livestock and fisheries services in Mombasa County; improving food security and;
promoting affordable agricultural land use and efficiency in farm operations through
crop management; the veterinary services will continue preventing and controlling
spread of disease from within and other counties; safeguarding human health;
providing animal health and extension and welfare services; Improved livelihood for
the households in income generation activities through cooperative marketing and
value addition.

The Department’s priorities are: Increase crop production and productivity through
dissemination of better farming practices and protection of farming area; Increase
market access for livestock products through marketing initiatives and establishment
of processing and value addition facility and Enhancing sustainable Fisheries Supply.

The Department will also enhance productivity of livestock and livestock
produce through effective extension services and ensure sustainable use of fisheries resources
for better livelihoods for fisher folk and food security of the county.

The department has been allocated Kshs 499,295,337 in FY 2018/2019. The budget
consists of 3.7% of the total county budget.

4.6.14. Department of Devolution & Public Service Administration

The Department of Devolution and Public Service Administration is in charge of public
service management, sub county administration and devolution. The key objectives
include: coordination, supervision and management of County functions; inter-
departmental relations at the Sub County and Ward levels; achieve efficient public
service management to improve service delivery and; Improve established channels of
communication between citizens and the County Government.

To enhance coordination of Government programs for efficient and effective service
delivery and enhance teamwork within the Government departments, the Department
has been allocated Kshs 1,077,857,456 in FY 2018/2019. The allocation consists of 7.9%
of the total county budget.
## 5.0. ANNEXES

### ANNEX I: COUNTY REVENUE 2016/2017 FINANCIAL YEAR

1. **EQUITABLE SHARE (EXCHEQUER RELEASES)**

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<td>Equitable Share</td>
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2. **PROCEEDS FROM FOREIGN GRANTS/ DEVELOPMENT PARTNERS**

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3. **CONDITIONAL ALLOCATION TO LEVEL 5 HOSPITALS**

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4. **TRANSFERS FROM NATIONAL GOVERNMENT ENTITIES**

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<th>BUDGET</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasing of medical Equipment Grant</td>
<td>95,744,681</td>
<td>35,823,495</td>
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<tr>
<td>user fees forgone</td>
<td>23,514,312</td>
<td>23,514,312</td>
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<tr>
<td>Free Maternal Health Care Grant</td>
<td>125,722,505</td>
<td>125,722,505</td>
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<tr>
<td></td>
<td>244,981,498</td>
<td>185,060,312</td>
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5. **CONDITIONAL ADDITIONAL ALLOCATION TO COUNTY GOVERNMENTS**

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Other Loans and Grants-Nurses and Doctors Arrears</td>
<td>16,000,000</td>
<td>111,828,000</td>
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</table>

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>World Bank</td>
<td>29,106,112</td>
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<table>
<thead>
<tr>
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<tr>
<td>Road maintenance levy Grant</td>
<td>86,176,009</td>
<td>86,176,008</td>
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6. **COUNTY OWN GENERATED REVENUE**

### REVENUE: ANNUAL BUDGETED GRAND TOTALS.

#### Other Property Income-RATES

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Land Rates Current Year</td>
<td>528,035,361</td>
<td>568,995,403</td>
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<td>Land Rates Penalties</td>
<td>163,190,152</td>
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<td>Land Rates Other Years</td>
<td>135,581,851</td>
<td>150,882,238</td>
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<tr>
<td>Other Property Charges</td>
<td>3,113,356</td>
<td>26,912</td>
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<tr>
<td>Ground Rent - Current Year</td>
<td>5,620,037</td>
<td>2,304,399</td>
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<tr>
<td>Ground Rent - Other Years</td>
<td>1,392,904</td>
<td>1,737,047</td>
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<td>Administration Cost</td>
<td>15,831,597</td>
<td>195,370</td>
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<tr>
<td>Other Property Income</td>
<td>852,765,257</td>
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#### Receipts from Administrative Fees and Charges

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<tr>
<td>County Plants &amp; Equipment Hire</td>
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<tr>
<td>Document Search Fee</td>
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<td>Sales of County's Minutes / Bylaws</td>
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<td>4,000</td>
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<td>Valuation &amp; Survey Fees</td>
<td>4,670,034</td>
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<td>Ground Rent- current Year</td>
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<td>1,801,000</td>
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<tr>
<td>Consent to Sub-Lease</td>
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<td>586,000</td>
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<td>Sales of County’s Maps</td>
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<td>Survey Fee</td>
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<td>4,416,429</td>
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<td>Dog Licenses</td>
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<td>Storage Fee</td>
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<td>Training/Learning Center Fee</td>
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<td>Incidental Charges</td>
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<td>Imprest</td>
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<td>5,254,266</td>
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<td>Sand, Gravel, and Ballast Extraction Fees</td>
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<td>447,600,903</td>
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<td>Mineral Extraction Royalties(Cement, Silica, etc)</td>
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<td>Digging poles</td>
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<td>Emptying cesspits Septic Soakage Pits</td>
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<td>Sewer Connection Charge</td>
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<td>Sewer Use Charge</td>
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<td>County Vehicles Hire</td>
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<td>Hearse Services Fee</td>
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<td>1,423,000</td>
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<tr>
<td>Hoarding &amp; Scaffolding Charges</td>
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<td>Occupational Permits</td>
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<td>Buildings Plan Preparation Fee</td>
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<td>Buildings Plan Approval Fee</td>
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<td>31,520,393</td>
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<tr>
<td>Buildings Inspection Fee</td>
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<td>Demolition of Structures</td>
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<tr>
<td>Receipts from Administrative Fees and Charges</td>
<td>1,843,333,864</td>
<td>820,968,697</td>
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### Business Permits / Cesses

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Permits, Current Year</td>
<td>385,094,781</td>
<td>403,030,694</td>
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<tr>
<td>Business Permits Late Payment Penalties, Current Year</td>
<td>12,898,679</td>
<td>146,390</td>
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<tr>
<td>Business Permits, Other Years (Including Penalties)</td>
<td>1,232,647</td>
<td>45,150</td>
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<tr>
<td>Business Subletting / Transfer Fee</td>
<td>1,936,842</td>
<td>597,000</td>
</tr>
<tr>
<td>Business Permits / Cesses</td>
<td>401,162,949</td>
<td>403,819,234</td>
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### Plot Rents

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Permits, Current Year</td>
<td>385,094,781</td>
<td>403,030,694</td>
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<tr>
<td>Business Permits Late Payment Penalties, Current Year</td>
<td>12,898,679</td>
<td>146,390</td>
</tr>
<tr>
<td>Business Permits, Other Years (Including Penalties)</td>
<td>1,232,647</td>
<td>45,150</td>
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<tr>
<td>Business Subletting / Transfer Fee</td>
<td>1,936,842</td>
<td>597,000</td>
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<tr>
<td>Business Permits / Cesses</td>
<td>401,162,949</td>
<td>403,819,234</td>
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<tr>
<td>Service Description</td>
<td>ANNUAL BUDGETED</td>
<td>GRAND TOTALS.</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-----------------</td>
<td>---------------</td>
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<tr>
<td>Plot Transfer Fee</td>
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<td>Document Search Fee</td>
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<td>Allottees Documents</td>
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<tr>
<td>Instalment Fee (HDD Scheme)</td>
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<td>Annual Ground Rent (HDD Scheme)</td>
<td>6,281,178</td>
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<td>Material Loan (HDD Scheme)</td>
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<td>Plots Charges (HDD Scheme)</td>
<td>119,118,223</td>
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<td>Survey Fee</td>
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<td><strong>Plot Rents</strong></td>
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<td>0302-02-05 Mackinnon Market</td>
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<td>Market Entrance / Gate Fee</td>
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<td>Market Stalls Rent (Rental store w/s mkt)</td>
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<td>Off loading</td>
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<td>Market Stalls Rent</td>
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<td>Market Stalls Rent</td>
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<td><strong>Vehicle Parking Fees</strong></td>
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<tr>
<td>Drainage Certificate Charges</td>
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<td>Road Cutting Application Fees</td>
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<tr>
<td>Other Vehicles Enclosed Park Fees (Cars, lorries, etc)</td>
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<td>Street Parking Fee</td>
<td>19,871,212</td>
<td>251,045,611</td>
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<td>Towing Fee</td>
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<td>TLB Matatu Levy</td>
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<tr>
<td>Right-of-Way / Way-Leave Fee (KPLN, Telkom, etc)</td>
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<td>51,229,450</td>
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<tr>
<td><strong>Vehicle Parking Fees</strong></td>
<td>785,676,239</td>
<td>513,941,197</td>
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<td>Housing Estates Monthly Rent</td>
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<tr>
<td><strong>Housing</strong></td>
<td>258,015,271</td>
<td>52,203,372</td>
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<tr>
<td>Decorations Adverts on Vehicle</td>
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<td>Sign Boards &amp; Advertisement Fee</td>
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<td><strong>Other Education Related Fees</strong></td>
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<tr>
<td><strong>ANNUAL BUDGETED</strong></td>
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<td></td>
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<tr>
<td><strong>GRAND TOTALS.</strong></td>
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### Hire of School Fields

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<tr>
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<tbody>
<tr>
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### Tuition Fees Public Nursery

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### Other Education Related Fees

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### Other Health and Sanitation Revenues

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### Sundry Income

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<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
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### Cost Sharing Services

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<thead>
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<th>Description</th>
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<th>Grand Totals</th>
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<tbody>
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### Cost Sharing Services

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### Cost Sharing Services

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### Cost Sharing Services

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### Cost Sharing Services

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### Cost Sharing Services

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</thead>
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### Cost Sharing Services

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>17,575</td>
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</table>

### Cost Sharing Services

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Budgeted</th>
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</tr>
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<tbody>
<tr>
<td>132,163</td>
<td>39,937</td>
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### Cost Sharing Services

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
<td>2,564,243</td>
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### Inoculation Fee

<table>
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<tbody>
<tr>
<td>13,072,803</td>
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### Medical Clearance Certificate Fees

<table>
<thead>
<tr>
<th>Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1,824,573</td>
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### Food Preparation Premises Hygenization

<table>
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<tr>
<td>113,496,621</td>
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### Health Inspection Fees

<table>
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<tr>
<td>7,932,139</td>
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### Premises Inspection Fees

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<td>8,670,566</td>
<td>301,843,343</td>
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### Cost Sharing Services

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### Cost Sharing Services

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<th>Annual Budgeted</th>
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<tbody>
<tr>
<td>8,768</td>
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### Cost Sharing Services

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<tbody>
<tr>
<td>8,189</td>
<td>10,143</td>
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### Cost Sharing Services

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<td>9,471</td>
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### Cost Sharing Services

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### Cost Sharing Services

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<tr>
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<tr>
<td>4,768</td>
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### Cost Sharing Services

<table>
<thead>
<tr>
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<td>5,478</td>
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### Cost Sharing Services

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### Cost Sharing Services

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### Cost Sharing Services

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>2,302</td>
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### Other Health and Sanitation Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
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<tbody>
<tr>
<td>154,062,649</td>
<td>303,300,096</td>
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### Fines Penalties and Forfeitures

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Court Fines</td>
<td>88,721,582</td>
<td>4,668,824</td>
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</table>

### Cash Bail

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Budgeted</th>
<th>Grand Totals</th>
</tr>
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<tbody>
<tr>
<td>88,721,582</td>
<td>2,767,000</td>
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### Fines Penalties and Forfeitures

<table>
<thead>
<tr>
<th>Description</th>
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<th>Grand Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>177,443,163</td>
<td>7,435,824</td>
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Annex II: SUMMARY OF REVENUE ANALYSIS 2016-17

<table>
<thead>
<tr>
<th>FINANCE AND ECONOMIC PLANNING</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equitable Share</td>
<td>5,608,593,922</td>
<td>5,608,593,922</td>
</tr>
<tr>
<td>Compensation For User Fees Forgone Grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FINANCE AND ECONOMIC PLANNING-National Government</td>
<td>5,608,593,922</td>
<td>5,608,593,922</td>
</tr>
<tr>
<td>Equitable Share</td>
<td>5,608,593,922</td>
<td>5,608,593,922</td>
</tr>
<tr>
<td>Level5 Hospital Grant</td>
<td>369,942,197</td>
<td>369,942,197</td>
</tr>
<tr>
<td>Leasing of medical Equipment Grant</td>
<td>95,744,681</td>
<td>35,823,495</td>
</tr>
<tr>
<td>user fees forgone</td>
<td>23,514,312</td>
<td>23,514,312</td>
</tr>
<tr>
<td>Other Loans and Grants</td>
<td>16,000,000</td>
<td>111,828,000</td>
</tr>
<tr>
<td>Free Maternal Health Care Grant</td>
<td>125,722,505</td>
<td>125,722,505</td>
</tr>
<tr>
<td>DANIDA</td>
<td>3,150,000</td>
<td>3150000</td>
</tr>
<tr>
<td>COUNTY HEALTH</td>
<td>634,073,695</td>
<td>669,980,509</td>
</tr>
<tr>
<td>Road maintenance levy Grant</td>
<td>86,176,009</td>
<td>86,176,008</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,357,949,738</td>
<td>6,364,750,439</td>
</tr>
<tr>
<td></td>
<td>5,289,747,004</td>
<td>3,166,240,961</td>
</tr>
<tr>
<td></td>
<td>11,647,696,742</td>
<td>9,530,991,400</td>
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</tbody>
</table>
### 3011 THE EXECUTIVE

<table>
<thead>
<tr>
<th>Program</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>201-The Governor’s Office</td>
<td>114,350,000</td>
<td>155,689,817</td>
<td>128,332,015</td>
<td>82%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>92,220,000</td>
<td>101,412,037</td>
<td>58,541,662</td>
<td>58%</td>
</tr>
<tr>
<td>211-Executive Services</td>
<td>86,026,736</td>
<td>51,699,686</td>
<td>28,602,397</td>
<td>55%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>42,650,000</td>
<td>6,006,980</td>
<td>1,744,552</td>
<td>29%</td>
</tr>
<tr>
<td>212-Cabinet Affairs Policy Research and Development</td>
<td>29,170,800</td>
<td>34,193,158</td>
<td>25,197,969</td>
<td>74%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>3,000,000</td>
<td>1,916,483</td>
<td>967,241</td>
<td>50%</td>
</tr>
<tr>
<td>213-Public Service Management and Enforcement</td>
<td>79,125,074</td>
<td>49,505,483</td>
<td>33,904,760</td>
<td>68%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>5,547,360</td>
<td>1,626,575</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>214-Headquarters-Decentralized Units and Service Centres</td>
<td>19,319,000</td>
<td>8,733,173</td>
<td>3,333,348</td>
<td>38%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>28,500,000</td>
<td>16,637,879</td>
<td>7,299,772</td>
<td>44%</td>
</tr>
<tr>
<td>215-E-Government and Operations</td>
<td>10,240,000</td>
<td>0</td>
<td>1,694,000</td>
<td>2%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>19,278,619</td>
<td>3,060,860</td>
<td>62,302</td>
<td>2%</td>
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</table>

### 3012 COUNTY ASSEMBLY

<table>
<thead>
<tr>
<th>Program</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101-Human Resource Management Unit</td>
<td>512,225,860</td>
<td>544,244,425</td>
<td>215,981,018</td>
<td>40%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>34,325,000</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>201-Legal Unit</td>
<td>106,317,500</td>
<td>107,972,777</td>
<td>3,255,400</td>
<td>3%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>6,288,408</td>
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### 3013 COUNTY PUBLIC SERVICE BOARD

<table>
<thead>
<tr>
<th>Program</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101-Administration Unit</td>
<td>107,384,365</td>
<td>78,448,976</td>
<td>47,783,171</td>
<td>61%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>19,197,984</td>
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### 3014 FINANCE AND ECONOMIC PLANNING

<table>
<thead>
<tr>
<th>Program</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>201-Administration Unit</td>
<td>573,167,216</td>
<td>1,303,994,585</td>
<td>1,038,146,322</td>
<td>80%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>449,005,592</td>
<td>944,568,531</td>
<td>736,039,179</td>
<td>78%</td>
</tr>
<tr>
<td>203-Accounting Unit</td>
<td>486,430,240</td>
<td>577,767,013</td>
<td>469,311,886</td>
<td>81%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>15,000,000</td>
<td>9,731,352</td>
<td>5,479,284</td>
<td>56%</td>
</tr>
<tr>
<td>204-Planning and Monitoring Unit</td>
<td>10,361,340</td>
<td>58,481,228</td>
<td>24,141,904</td>
<td>41%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>11,000,000</td>
<td>4,618,600</td>
<td>3,853,039</td>
<td>83%</td>
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### 3015 TOURISM AND CULTURE DEVELOPMENT

<table>
<thead>
<tr>
<th>Program</th>
<th>Original Budget FY 2016/2017</th>
<th>Approved Budget FY 2016/2017</th>
<th>TOTAL</th>
<th>%AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration Unit</td>
<td>91,601,807</td>
<td>78,258,382</td>
<td>64,523,098</td>
<td>82%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>4,442,835</td>
<td>0</td>
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<td>0%</td>
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<tr>
<td>Tourism Unit</td>
<td>11,233,072</td>
<td>6,663,499</td>
<td>2,754,599</td>
<td>41%</td>
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<tr>
<td>DEVELOPMENT</td>
<td>19,000,000</td>
<td>2,500,000</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Culture Unit</td>
<td>7,866,050</td>
<td>3,761,754</td>
<td>2,852,769</td>
<td>76%</td>
</tr>
<tr>
<td>DEVELOPMENT</td>
<td>10,000,000</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Betting Control and Licensing Unit</td>
<td>4,511,162</td>
<td>1,090,450</td>
<td>547,400</td>
<td>50%</td>
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<td>DEVELOPMENT</td>
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<td>0</td>
<td>0</td>
<td>0%</td>
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<tr>
<td>Liquor Control and Licensing Unit</td>
<td>3,298,274</td>
<td>334,600</td>
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<td>0</td>
<td>0%</td>
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<tr>
<td>Unit</td>
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<td>Development</td>
<td>Recurrent</td>
<td>Development</td>
</tr>
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<td>-------------------------------------</td>
<td>-------------</td>
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<td>---------------</td>
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<tr>
<td><strong>3016 CHILDREN (CARE, EDUCATION, ENVIRONMENT)</strong></td>
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</tr>
<tr>
<td>Administration Unit</td>
<td>570,647,464</td>
<td>644,091,578</td>
<td>575,686,473</td>
<td>89%</td>
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<tr>
<td>Quality In Learning and Learning Unit</td>
<td>7,650,000</td>
<td>12,584,690</td>
<td>5,851,033</td>
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<tr>
<td>Safer Cities Unit</td>
<td>23,700,000</td>
<td>16,689,951</td>
<td>11,886,600</td>
<td>71%</td>
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<tr>
<td>Elimu Development Fund Unit</td>
<td>58,000,000</td>
<td>120,285,236</td>
<td>103,947,154</td>
<td>86%</td>
</tr>
<tr>
<td>Child Care</td>
<td>102,700,000</td>
<td>165,652,113</td>
<td>119,580,402</td>
<td>72%</td>
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<tr>
<td></td>
<td>257,006,748</td>
<td>12,178,000</td>
<td>8,944,138</td>
<td>73%</td>
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<td><strong>3017 HEALTH SERVICES</strong></td>
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<td></td>
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<tr>
<td>103-Administration Unit</td>
<td>1,836,511,683</td>
<td>1,985,368,827</td>
<td>1,709,910,138</td>
<td>86%</td>
</tr>
<tr>
<td>104-Clinical/Health Services Unit</td>
<td>391,715,548</td>
<td>311,018,693</td>
<td>250,155,052</td>
<td>80%</td>
</tr>
<tr>
<td>102-Preventive and Promotive Services Unit</td>
<td>111,416,524</td>
<td>101,261,822</td>
<td>56,671,074</td>
<td>56%</td>
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<tr>
<td></td>
<td>91,000,000</td>
<td>17,451,929</td>
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<tr>
<td><strong>3018 ENVIRONMENT, ENERGY &amp; NATURAL RESOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Unit</td>
<td>45,265,815</td>
<td>114,816,233</td>
<td>49,740,699</td>
<td>43%</td>
</tr>
<tr>
<td>Cleansing Unit</td>
<td>0</td>
<td>54,167,968</td>
<td>23,706,897</td>
<td>44%</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>1,000,000</td>
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</tr>
<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td>600,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>20,000,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>3019 YOUTH,GENDER AND SPORTS</strong></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>102-Administration Unit</td>
<td>116,884,378</td>
<td>117,403,299</td>
<td>87,057,876</td>
<td>74%</td>
</tr>
<tr>
<td>105-Youth Affairs Unit</td>
<td>52,458,256</td>
<td>37,080,200</td>
<td>9,884,936</td>
<td>27%</td>
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<tr>
<td>106-Gender Affairs Unit</td>
<td>14,920,000</td>
<td>9,707,500</td>
<td>6,065,172</td>
<td>62%</td>
</tr>
<tr>
<td>204-Sports Unit</td>
<td>120,000,000</td>
<td>77,000,000</td>
<td>60,862,415</td>
<td>79%</td>
</tr>
<tr>
<td></td>
<td>19,130,000</td>
<td>12,253,490</td>
<td>9,548,245</td>
<td>78%</td>
</tr>
<tr>
<td></td>
<td>50,000,000</td>
<td>39,478,248</td>
<td>14,603,129</td>
<td>37%</td>
</tr>
<tr>
<td></td>
<td>12,480,942</td>
<td>15,573,285</td>
<td>7,824,698</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>130,000,000</td>
<td>280,000,000</td>
<td>173,869,342</td>
<td>62%</td>
</tr>
<tr>
<td><strong>3020 TRADE AND COOPERATIVE DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Unit</td>
<td>260,516,847</td>
<td>199,514,176</td>
<td>146,563,799</td>
<td>73%</td>
</tr>
<tr>
<td></td>
<td>341,126</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Unit</td>
<td>RECURRENT</td>
<td>DEVELOPMENT</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------------------</td>
<td>-------------------</td>
<td>----</td>
<td></td>
</tr>
<tr>
<td>Trade unit</td>
<td>39,990,056</td>
<td>5,655,190</td>
<td>908,463</td>
<td>16%</td>
</tr>
<tr>
<td>Cooperatives Unit</td>
<td>14,257,950</td>
<td>2,281,323</td>
<td>708,229</td>
<td>31%</td>
</tr>
<tr>
<td>Market Unit</td>
<td>14,820,230</td>
<td>2,640,147</td>
<td>115,642</td>
<td>4%</td>
</tr>
<tr>
<td>Cooperatives Unit</td>
<td>120,000,000</td>
<td>56,792,268</td>
<td>37,945,627</td>
<td>67%</td>
</tr>
<tr>
<td>3021 LANDS, PLANNING &amp; HOUSING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Unit</td>
<td>203,558,303</td>
<td>140,681,429</td>
<td>108,251,484</td>
<td>77%</td>
</tr>
<tr>
<td>Land Management Unit</td>
<td>28,169,448</td>
<td>13,838,349</td>
<td>3,823,983</td>
<td>4%</td>
</tr>
<tr>
<td>Housing Development Unit</td>
<td>9,510,000</td>
<td>2,492,000</td>
<td>342,000</td>
<td>14%</td>
</tr>
<tr>
<td>3022 TRANSPORT AND INFRASTRUCTURE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Unit</td>
<td>384,466,847</td>
<td>453,002,716</td>
<td>392,912,370</td>
<td>87%</td>
</tr>
<tr>
<td>Road and Transport Unit</td>
<td>18,800,000</td>
<td>2,605,600</td>
<td>12,147,851</td>
<td>466%</td>
</tr>
<tr>
<td>Works Unit</td>
<td>614,211,617</td>
<td>1,511,598,970</td>
<td>1,105,027,072</td>
<td>73%</td>
</tr>
<tr>
<td>Operations and Services</td>
<td>61,850,000</td>
<td>35,075,966</td>
<td>13,905,079</td>
<td>40%</td>
</tr>
<tr>
<td>3023 AGRICULTURE, LIVESTOCK &amp; FISHERIES.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>112-Administration Unit</td>
<td>129,518,896</td>
<td>116,860,763</td>
<td>92,879,498</td>
<td>79%</td>
</tr>
<tr>
<td>111/3-Crop Management Unit</td>
<td>13,368,980</td>
<td>1,551,129</td>
<td>639,222</td>
<td>41%</td>
</tr>
<tr>
<td>104-Livestock Unit</td>
<td>10,870,000</td>
<td>1,750,640</td>
<td>952,191</td>
<td>54%</td>
</tr>
<tr>
<td>103-Fisheries Unit</td>
<td>11,070,000</td>
<td>6,035,026</td>
<td>5,002,321</td>
<td>83%</td>
</tr>
<tr>
<td>105-Veterinary Services</td>
<td>13,488,100</td>
<td>2,076,843</td>
<td>14,477,739</td>
<td>67%</td>
</tr>
<tr>
<td>3010-MOMBASA COUNTY</td>
<td>9,925,754,293</td>
<td>11,647,696,742</td>
<td>9,133,634,533</td>
<td>78%</td>
</tr>
</tbody>
</table>

Total: 449,926,209

Total: 266,883,104

Total: 186,241,760

70%