



# **COUNTY GOVERNMENT OF WEST POKOT**

## **COUNTY TREASURY**

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### **COUNTY BUDGET REVIEW**

### **AND OUTLOOK PAPER**

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**SEPTEMBER 2018**

## **FOREWORD**

It is with great pleasure that the County Treasury presents the County Budget Review and Outlook Paper (CBROP) for West Pokot County government for the FY 2017/18. This report has been prepared in line with Section 118 of The Public Finance Management Act, 2012 which requires every County Government to prepare and submit a County Budget Review and Outlook Paper (CBROP).

The CBROP provides an analysis of the details of the actual fiscal performance in the previous year compared to the budget appropriation for that year, the updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper. It also provides a description of how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper. Further, it sets indicative ministerial ceilings for FY 2019/20 in line with key sector strategic objectives and priorities as set out in the County Integrated Development Plan (2018-2022) and the Governor's Manifesto.

Our commitment is to ensure that we realise the County's goal of reducing poverty and creating employment by focusing our expenditure on high impact projects and programmes. In this regard, the need for continued fiscal discipline through strategic planning, efficient resource management and prudent utilization of public resources is emphasized.

God bless our County.

**Luka K. Chepelion**

**CECM, Finance and Economic Planning**

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## **ACRONYMS**

CBROP	Budget Review And Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
ADP	Annual Development Plan
GDP	Gross Domestic Product
MTEF	Medium Term Expenditure Framework
PFM	Public Finance Management Act
FY	Financial Year
CRF	County Revenue Fund
CARA	County Allocation Revenue Act
MTP	Medium Term Plan

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## **1.0 INTRODUCTION**

### **1.1 Legal Basis for the Preparation of CBROP**

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

1. The County Treasury shall prepare and submit to the County Executive Committee for approval in each financial year, a County Budget Review and Outlook Paper by 30th September of that year.
2. County Executive Committee shall consider the CBROP with a view to approving it with or without amendments, not later than fourteen days after its submission.
3. Not later than seven days after the CBROP has been approved by Executive committee, the County Treasury shall:
  - a) Submit the paper to the Budget and appropriation Committee of the County Assembly to be laid before the County Assembly; and
  - b) Publish and publicize the paper not later than fifteen days after laying the Paper before County Assembly.

### **1.2 Specific Objectives of County Budget Review and Outlook Paper**

The main objectives of the CBROP 2018 are;

- a) To provide an analysis of actual fiscal performance in the FY 2017/2018 compared to the budget appropriation for that year.
- b) To provide updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP).
- c) To provide information on any changes in the forecasts compared with the County Fiscal Strategy Paper; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest CFSP; and
- d) To give the reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.

## 2.0 REVIEW OF FISCAL PERFORMANCE

### 2.1 Overview of Resource Envelope

The table below provides estimates of overall revenue projection for the FY 2017/18 supplementary estimates.

**Table 1: Total Resource Envelope**

PROJECTED REVENUE	FY 2016/17	FY 2017/18	FY 2017/18
	Supplementary Estimates Kshs	Approved Estimates (Kshs)	Supplementary II Estimates (Kshs)
1. National Revenue			
a) Equitable Share	4,654,529,143	4,726,351,328	4,741,400,000.00
b) Conditional Allocation(National Government Revenue)	223,729,117.00	179,997,699	228,470,719.00
c) Grants/Loans		95,792,447	269,723,797.00
d) Balance b/d	245,887,871	-	298,270,028
2. Own Revenue Sources			
e) Projected Revenue From Local Sources	122,245,626.00	105,320,184.00	111,245,626.00
<b>TOTAL</b>	<b>5,246,391,757.00</b>	<b>5,107,461,658.00</b>	<b>5,649,110,170.00</b>

*Source: County Supplementary Estimates, FY 2017/18*

The overall total projected revenues were estimated at Kshs.5, 649,110,170.00. This projected revenue comprised of the equitable share of Kshs.4, 741,400,000.00. Projected Conditional grants were estimated at Kshs.228, 470,719.00 constituting 4.0 percent of the total supplementary budget. This comprised of Kshs. 12,128,484.00 conditional allocation as compensation for user fees foregone. It also comprised of Kshs. 32,549,071.00 conditional allocation in support of development of youth polytechnics. Further, a Kshs. 183,793,164.00 conditional allocation was provided from Roads Maintenance Fuel Levy fund to enhance county government's capacity to repair and maintain county roads.

Other allocation amounting to Kshs 269,723,797.00 were proceeds of external loans/grants to be transferred to the County Government as conditional allocation, and which would finance devolved functions in accordance with signed financing agreements for the loans/grants. The loans/ grants were a World Bank loan to supplement financing of county health facilities (Ksh.67,985,000), World Bank loan for transforming health systems for universal care project (Ksh.83,202,997), Kenya Devolution Support Programme (KDSP), which is facilitating capacity building to all counties (Ksh. 40,081,255), Danida grant in support of health (Ksh.12,454,545) and European Union counterpart funds in support of completion and operationalization of Nasukuta abattoir (Ksh. 66,000,000).

The balance brought forward (unspent balances) from the FY 2016/17 amounted to Ksh.298,270,028.00. Local revenue target was projected at Ksh. 111,245,626.00 representing two percent of the total supplementary budget. A total of Ksh. 3,930,255,876.27 (69.57%) and Kshs.1,718,854,293.74 (30.43%) was allocated for recurrent and capital expenditure respectively for the period under review.

## 2.2 Local Revenue Performance

### 2.2.1 Analysis of Local Revenue Performance

**Table 2: Local Revenue Streams and Performance**

No	Revenue Stream	FY 2015/16 Actual Revenue Collected (Kshs.)	FY 2016/17 Actual Revenue Collected (Kshs.)	FY 2017/18 Target Revenue (Kshs.)	FY 2017/18 Actual Revenue Collected (Kshs.)
1	Kiosk Rent	1,784,300	1,105,700	1,305,798	1,614,000
2	Single Business Permit	6,607,420	8,366,560	8,566,998	12,004,540
3	Market Fee	3,379,335	3,123,700	3,323,999	4,429,550
4	Building Approvals	235,600	219,000	239,997	441,000
5	Cess	5,989,511	7,615,031	26,302,458	5,629,176
6	Royalties	25,772,015	13,739,360	24,739,360	23,109,860
7	Stock/Cess/Slaughter	7,041,955	7,057,520	7,157,595	7,563,38
8	House Rent	1,566,832	320,655	398,950	
9	Advertising	258,560	123,300	175,999	306,990
10	Parking Fee	696,550	1,040,900	1,440,965	810,913
11	Bus Park and Motor vehicle	6,036,988	4,084,620	4,384,621	4,512,920
12	Renewals/Applications	1,454,100	1,235,800	1,335,892	1,613,210
13	Liquor Licensing	62,000	76,000	96,500	115,000
14	Other Fees and charges (public toilet,honey,hides & skin,firehood,tarmarind,aloevera,fish,scrap metals, penalties	9,402,495	10,410,420	13,410,479	7,660,604
15	Agriculture	364,400	248,750	628,750	-
16	Health(cost sharing and public health	26,453,217	23,343,547	13,343,547	17,114,711
17	Lands(Plot/Land Rates)	655,280	220,650	2,796,323	726,925
18	Livestock/Permits	544,555	184,045	194,045	323,815
19	Trade	-	703,350	1,403,350	-
20	Forest Products Fees	-	-	-	766,607

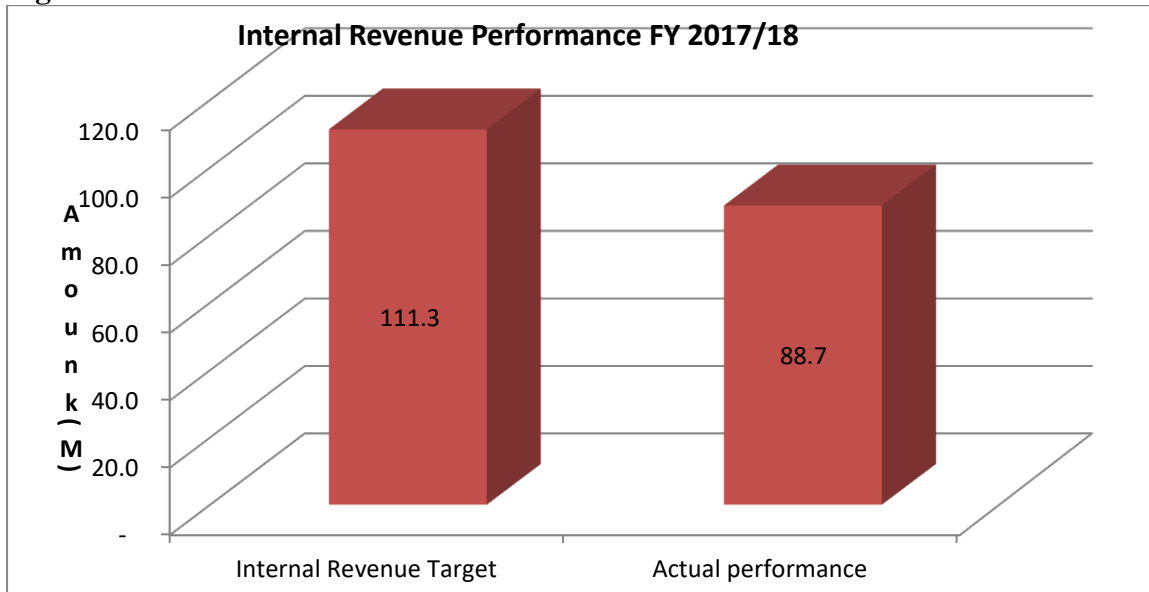


<b>Total</b>	<b>98,305,114</b>	<b>83,218,908</b>	<b>111,245,626</b>	<b>88,743,201</b>
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Source: West Pokot County Treasury, 2018

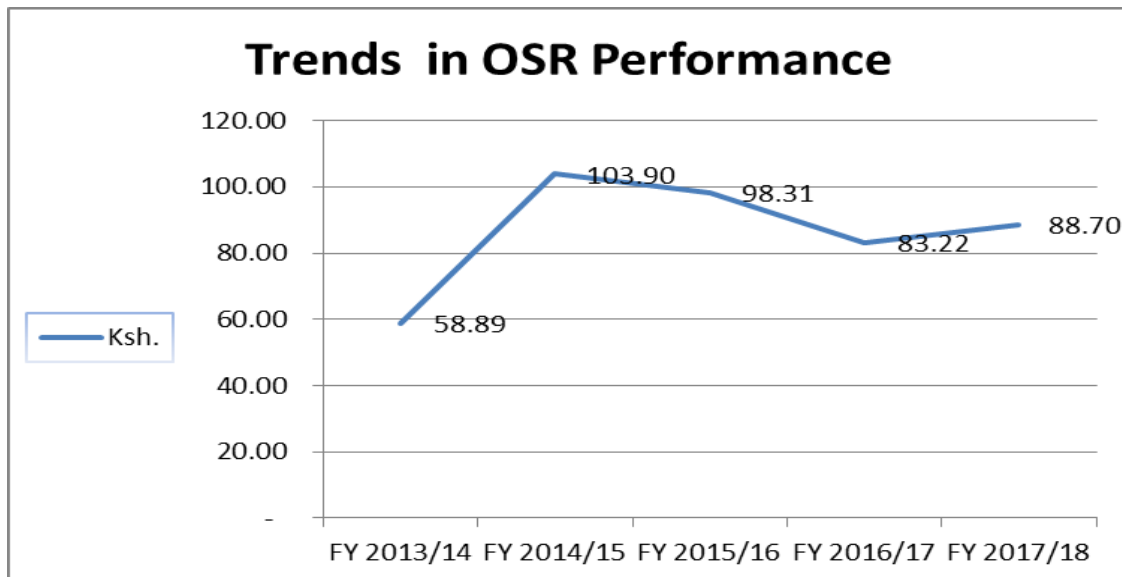
The County Government collected Kshs.88.74 Million in FY 2017/18 against a target of Kshs. 111.25 Million in the period under review. This represented local revenue performance of 79.8 per cent. The local revenue raised represents an improvement of Ksh. 5.5Million from the revenue collected in FY 2016/17.

**Figure 1: Internal Revenue Performance FY 2017/18**



**2.2.2 Trends in Local Revenue Performance**

**Figure 1: Trends in Own Source Revenue Performance**



## 2.3 Exchequer Issues

**Table 3: FY 2017/18 Exchequer Issues**

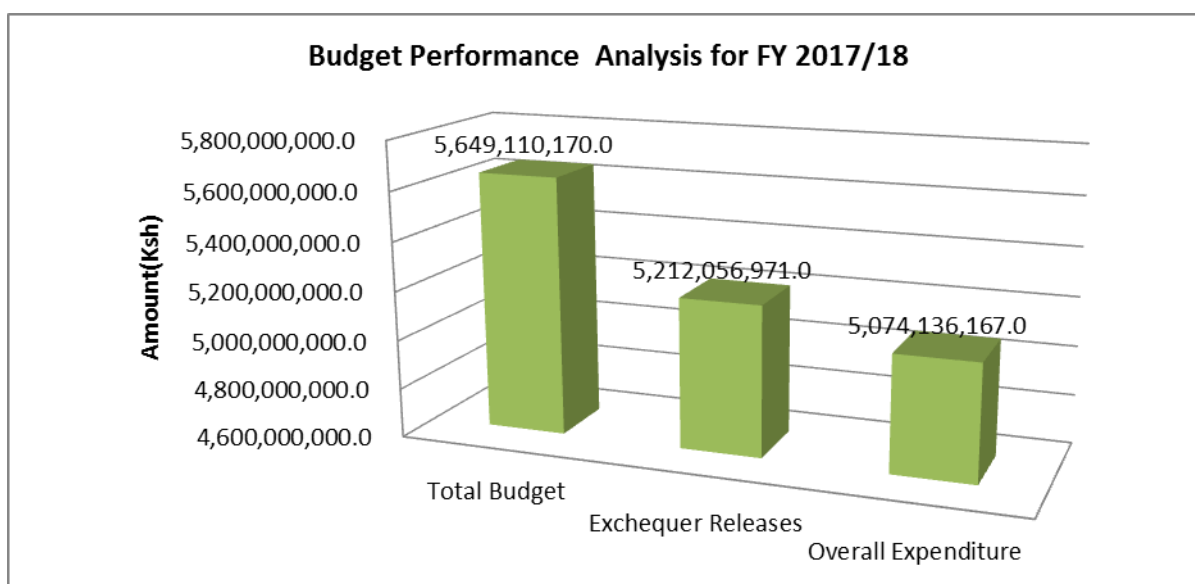
SOURCE	FY 2017/18 APPROVED ESTIMATES	AMOUNT RECEIVED /EXCHEQUER ISSUES
Equitable Share	4,741,400,000.00	4,741,400,000
Conditional Grants/Loans	498,194,516.00	381,913,770
Own Source Revenue	111,245,626.00	88,743,201
Balances b/d from FY 2016/2017	298,270,028	
<b>TOTAL</b>	<b>5,649,110,170.00</b>	<b>5,212,056,971.0</b>

Source: West Pokot County Treasury, 2018

## 2.4 Overall County Expenditure and Analysis

The total expenditure for FY 2017/18 is as shown in the bar graph below;

**Figure 2: Budget Performance Analysis for FY 2017/18**



The total expenditure for the FY2017/18 amounted to Ksh. 5,074,136,167.00. This amount represents an absorption rate of 89.82 percent of the total budget. A total of Ksh.3,838,493,712.00 was spent on recurrent expenditure and Kshs.1,235,642,455.01 was spent on development. The Ksh. 5.074 billion expenditure was an increase from the Kshs.4.9 billion spent in the FY 2016/17.

### 2.4.1 Summary of Recurrent Expenditure by Vote

**Table 4: Summary of Recurrent Expenditure**

Vote	Recurrent Estimates	Actual Expenditure	%
County Executive	395,358,021.53	395,332,573.00	99.99

Finance And Economic Planning	245,797,860.71	231,587,197.00	94.22
Roads ,Public Works And Transport	98,840,780.00	97,693,248.00	98.84
Health And Sanitation	1,366,095,118.51	1,333,379,514.00	97.61
Education And Ict	501,108,721.22	500,193,756.00	99.82
Agriculture And Irrigation	91,756,873.00	90,475,071.00	98.60
Livestock, Fisheries And Veterinary Services	94,770,097.90	94,166,478.00	99.36
Trade, Industry And Cooperative Development	41,202,934.40	40,330,288.00	97.88
Land, Housing, Physical Planning And Urban Development	72,174,512.00	71,982,551.00	99.73
Water Dev., Environment And Natural Resources	66,387,940.24	66,281,871.00	99.84
Tourism, Culture, Sports And Gender Dev.	69,540,250.48	66,308,435.00	95.35
West Pokot County Assembly	506,880,526.00	470,523,573.00	92.83
County Public Service Management	237,087,106.40	237,040,318.00	99.98
Special Programmes & Directorates	143,255,133.88	143,198,839.00	99.96
<b>Total</b>	<b>3,930,255,876.27</b>	<b>3,838,493,712.00</b>	<b>97.67</b>

Source: West Pokot County Treasury, 2018

The recurrent expenditure for the period under review represented an absorption rate of 97.67 per cent of the annual recurrent budget, a slight increase from an absorption rate of 95.89 per cent realized in the FY 2016/17.

## 2.4.2 Summary of Development Expenditure by Vote

**Table 5: Summary of Development Expenditure**

<b>Vote</b>	<b>Development Estimates</b>	<b>Actual Expenditure</b>	<b>%</b>
County Executive	38,760,185.36	37,192,400.00	95.96
Finance And Economic Planning	1,440,350.00	990,350.00	68.76
Roads ,Public Works And Transport	366,878,631.31	267,306,002.00	72.86
Health And Sanitation	319,506,907.93	138,677,216.00	43.40
Education And Ict	281,199,071.00	219,912,250.01	78.21
Agriculture And Irrigation	81,228,026.33	71,650,326.00	88.21
Livestock, Fisheries And Veterinary Services	134,221,709.00	60,611,384.00	45.16
Trade, Industry And Cooperative Development	48,571,386.13	19,055,463.00	39.23
Lands, Housing, Physical Planning And Urban Development	56,254,102.24	49,030,769.00	87.16
Water Dev., Environment And Natural Resources	152,023,764.60	139,160,867.00	91.54
Tourism, Culture, Sports And	122,570,159.84	119,157,500.00	97.22

Gender Dev.			
West Pokot County Assembly	91,000,000.00	89,397,932.00	98.24
County Public Service Management	25,200,000.00	23,499,996.00	93.25
Special Programmes & Directorates	0	-	-
<b>Total</b>	<b>1,718,854,293.74</b>	<b>1,235,642,455.01</b>	<b>71.89</b>

*Source: West Pokot County Treasury, 2017*

An analysis of development expenditure indicates that the county assembly had the highest absorption rate of 98.24 per cent while trade, industry & cooperative development and health and sanitation had the least absorption at 39.23 percent and 43.40 percent respectively. Overall development expenditure recorded an absorption rate of 71.89 per cent of the annual development budget, a decrease compared to FY 2016/17 when the county had an absorption rate of 92.5 per cent.

From the tables 4 and 5 above, the actual recurrent and development expenditure was within the budgeted estimates in accordance with the fiscal responsibility principles and financial objectives contained in the PFM Act.

## **2.5 Unspent Balance Brought Forward to FY 2017/18**

**Table 6: Balances Brought Forward from FY 2017/18**

<b>Vote</b>	<b>Recurrent</b>	<b>Development</b>	<b>Total</b>
County Executive	25,448.53	1,567,785.36	1,593,233.89
Finance And Economic Planning	14,210,663.71	450,000.00	14,660,663.71
Roads ,Public Works And Transport	1,147,532.00	99,572,629.31	100,720,161.31
Health And Sanitation	32,715,604.51	180,829,691.93	213,545,296.44
Education And Ict	914,965.22	61,286,820.99	62,201,786.21
Agriculture And Irrigation	1,281,802.00	9,577,700.33	10,859,502.33
Livestock, Fisheries And Veterinary Services	603,619.90	73,610,325.00	74,213,944.90
Trade, Industry And Cooperative Development	872,646.40	29,515,923.13	30,388,569.53
Land, Housing, Physical Planning And Urban Development	191,961.00	7,223,333.24	7,415,294.24
Water Dev., Environment And Natural Resources	106,069.24	12,862,897.60	12,968,966.84
Tourism, Culture, Sports And Gender Dev.	3,231,815.48	3,412,659.84	6,644,475.32
West Pokot County Assembly	36,356,953.00	1,602,068.00	37,959,021.00
County Public Service Management	46,788.40	1,700,004.00	1,746,792.40
Special Programmes & Directorates	56,294.88	0.00	56,294.88
<b>Total</b>	<b>91,762,164.27</b>	<b>483,211,838.73</b>	<b>574,974,003.00</b>

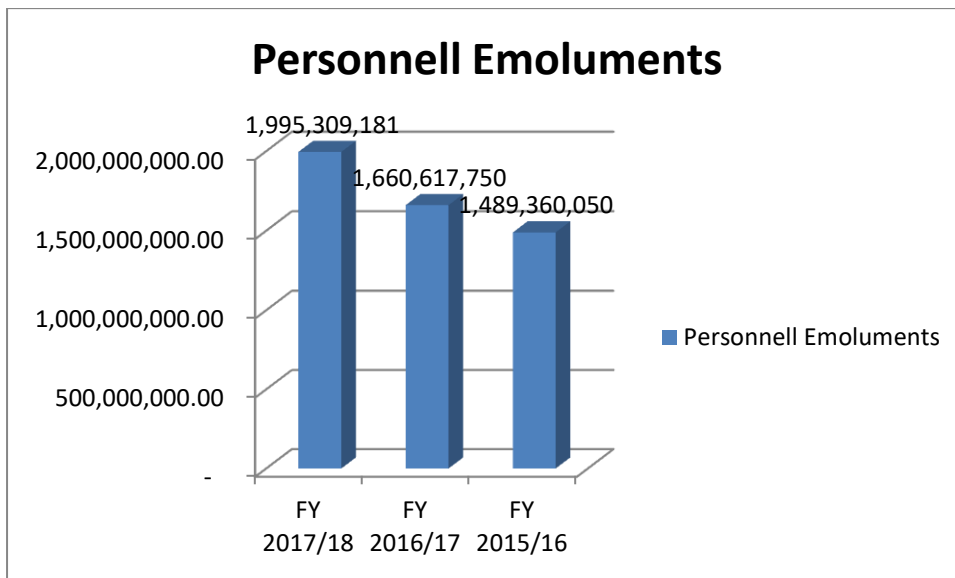
*Source: West Pokot County Treasury, 2017*

The table above indicates unspent balances from FY 2017/18 approved budget amounting to Ksh. 574,974,003.00. These funds have been re-appropriated in FY2018/19 supplementary budget.

### 2.6 Analysis of Total Expenditure by Economic Classification

A comparison of the total expenditure between the FY 2016/2017 and FY 2017/2018 is shown in Figure 1 below.

**Figure 3: Comparative Analysis of Total Expenditure by Economic Classification**

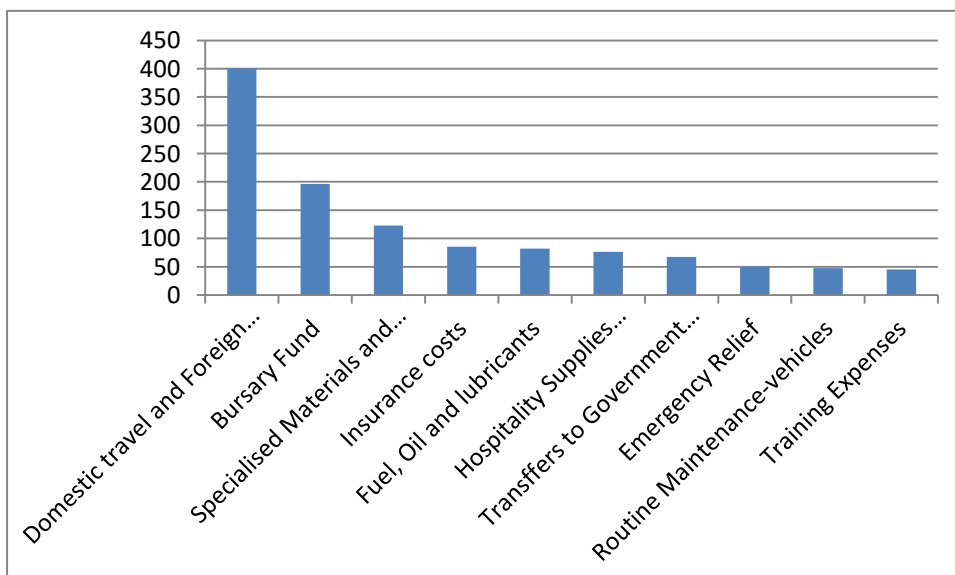


Source: West Pokot County Treasury 2018

In the period under review, the county government spent Kshs.1.995 billion on personnel emoluments. This expenditure is an increase from Kshs.1.66 billion and Ksh.1.489 billion spent in a similar period of FY 2016/17 and FY 2015/16 respectively. A total of Kshs.1.57 billion was spent on operations and maintenance expenses during the reporting period compared to Kshs. 1.26 billion spent in the FY 2015/2016.

The breakdown of operations and maintenance expenditure for the period under review is shown in Figure 4 below.

**Figure 4: Break down of Operations and Maintenance Expenditure**



Source: West Pokot County Treasury 2017

## 2.7 Pending Bills

**Table 7: Pending Bills from FY 2016/17 & FY 2017/2018**

Department	FY 2016/17			FY2017/18			Total
	Recurrent	Development	Sub Total	Recurrent	Development	Sub Total	
Administration	29,452,800.55	146,392,088.29	<b>175,844,888.84</b>	12,047,738.68	22,923,091.56	<b>34,970,830.24</b>	<b>210,815,719.08</b>
Roads	0	86,921,430.44	<b>86,921,430.44</b>	824,789.00	38,998,655.54	<b>39,823,444.54</b>	<b>126,744,874.98</b>
Health	12,292,150.00	8,534,647.76	<b>20,826,797.76</b>	67,855,031.00	228,685,583.73	<b>296,540,614.73</b>	<b>317,367,412.49</b>
Education	6,853,260.00	105,551,407.88	<b>112,404,667.88</b>	9,945,525.00	39,776,180.80	<b>49,721,705.80</b>	<b>162,126,373.68</b>
Agriculture	319,900.00	709,160.80	<b>1,029,060.80</b>	2,442,705.00	27,911,312.00	<b>30,354,017.00</b>	<b>31,383,077.80</b>
Livestock	2,866,461.00	8,720,176.85	<b>11,586,637.85</b>	2,962,030.00	29,014,898.29	<b>31,976,928.29</b>	<b>43,563,566.14</b>
Lands	1,325,586.90	4,916,369.00	<b>6,241,955.90</b>	4,825,170.00	5,446,147.20	<b>10,271,317.20</b>	<b>16,513,273.10</b>
Trade	354,050.00	22,687,661.92	<b>23,041,711.92</b>	1,503,294.00	44,191,222.08	<b>45,694,516.08</b>	<b>68,736,228.00</b>
Water	1,946,858.85	90,244,364.81	<b>92,191,223.66</b>	2,964,568.00	41,074,701.90	<b>44,039,269.90</b>	<b>136,230,493.56</b>
Tourism	2,053,787.00	40,806,467.98	<b>42,860,254.98</b>	3,722,325.00	20,966,336.18	<b>24,688,661.18</b>	<b>67,548,916.16</b>
CPMS	33,036,800.00	-	<b>33,036,800.00</b>	22,214,756.71	0	<b>22,214,756.71</b>	<b>55,251,556.71</b>
Finance	40,734,660.00	30,299,084.45	<b>71,033,744.45</b>	22,664,127.11	0	<b>22,664,127.11</b>	<b>93,697,871.56</b>
<b>Total</b>	<b>131,236,314.30</b>	<b>545,782,860.18</b>	<b>677,019,174.48</b>	<b>153,972,059.50</b>	<b>498,988,129.28</b>	<b>652,960,188.78</b>	<b>1,329,979,363.26</b>

Note: Pending bill Report is based on the available data.

## 2.8 Departmental Performance and Progress

### A. Department of Public Works, Transport and Infrastructure

The department comprises of four units namely Roads, Transport, Public Works and Vehicle Maintenance .Its mandate is to provide efficient, affordable and reliable infrastructure for sustainable economic growth and development. In the FY 2017/18 supplementary budget, the department was allocated Kshs. 98.84 million for recurrent expenditure and Ksh366.88 million for development expenditure. During the period under review, the department utilized Kshs. 97.69 million on recurrent and Kshs 267.31 million on development expenditure representing absorption of 98.84% and 72.86% respectively. The overall absorption rate for the department was 85.85% during the period under review.

A total of 210 kms of new county roads were opened up, 676 Kms of existing roads maintained/rehabilitated and 3 footbridges were constructed. 3 technical staffs were also trained during the period under review. The strategic direction for the ministry during the MTEF period will include development of a safe and efficient road transport system that facilitates easy mobility of goods, services and people through routine maintenance of existing infrastructure and construction of new roads.

### **B. Department of Finance and Economic Planning**

The department provides overall leadership and policy direction in economic planning coordination, public finance management, and accountability for quality public service delivery. This department comprises of the following units; Economic Planning, Budget, Revenue, Supply Chain Management, Accounts, and Internal Audit.

In the FY 2017/18 supplementary budget, the department was allocated Kshs. 245.8 million for recurrent expenditure and Kshs. 1.44 million for development expenditure. During the period under review, the department utilized Kshs. 231.59 million on recurrent and Kshs. 0.99 million on development expenditure representing absorption of 94.22% and 68.76% respectively. The overall absorption rate for the department was 81.49% during the period under review.

The department improved revenue collection performance by 6.48% in 2017-2018 compared to 2016-2017. Further, the CIDP (2018-2022), Annual development plan, budget estimates, County Fiscal strategy & Debt management strategy papers and the annual progress reports were prepared and approved. Budget Public participation was also carried out during the review period. The strategic direction for the ministry during the MTEF period will include: Ensuring efficient resource mobilization, effective and equitable public spending, strengthening internal revenue and internal staff capacity, landscaping works for the new treasury building and completion of Masol Integrated Projects.

### **C. Department of Health, Sanitation and Emergency Services**

The department aspires to have a disease-free Community. In the FY 2017/18 Supplementary Budget, the department was allocated Kshs.1.37 billion for recurrent expenditure and Ksh.319.51 million for development expenditure. During the period under review, the department utilized Kshs. 1.33 billion on recurrent and Ksh.138.68 million on development expenditure representing absorption of 97.61% and 43.40% respectively. The overall absorption rate for the department was 70.51 % during the period under review.

During the period under review, the number of households with functional latrines increased by 6.4 percent. 350,762 treated nets were also distributed to households. 39.3% of children under one year were fully immunized; 1,774 Tb cases were identified and put on treatment, 1,708 TB patients screened for HIV, 250 Community members sensitized on HR/FP, 15 Policy makers sensitized on RH/FP, 8 RH/FP policies developed and domesticated, 50 Family planning champions trained and 123 Partners were trained on data collection, analysis and reporting. 63 community units were also established. The number of households with access to safe water increased from 92,078 to 95,350 households.

#### **D. Department of Education & Technical Training**

The department of education & technical training aspires to provide globally competitive pre-primary education and youth training system, integrating the use of technology for efficient service delivery. In the FY 2017/18 supplementary budget, the department was allocated Ksh.501.11 million for recurrent expenditure and Kshs. 281.2 million for development expenditure. During the period under review, the department utilized Kshs. 500.19 million on recurrent and Kshs. 219.91 million on development expenditure representing absorption of 99.82% and 78.21% respectively. The overall absorption rate for the department was 89.02% during the period under review.

During the implementation period the department made tremendous achievements including; constructed 133 new ECD classroom and 14 pit latrines, Supported 998 ECDE institutions with instructional materials in line with the new curriculum, distributed fortified porridge flour to 998 ECD centers and trained 839 ECD teachers and ECDE coordinators on new curriculum. ECDE enrolment has increased from 54,000 in 2017 to 68,655 in 2018.

The department of Vocational Training Centers (VTCs) initiated 3 model vocational training centres at Alale, Totum and Chepolet, rehabilitated 5 VTCs, procured tools and equipment's which are ready for distribution to 8 VTCs, trained 550 trainees from all the VTCs in the County on ICT services. On bursary funds, 840 VTCs trainees benefited from the County Bursary. The department also established a VTC business start-up kits store, recruited 28 new VTCs instructors and trained 10 instructors. As a result, enrolment has increased by 100 percent from 550 to 1100 trainees. The sub-sector medium term priorities includes provision of school bursary to needy students and completing the on-going projects especially the school infrastructure improvement and provision of ECDE school feeding programmes.



### **Department of Agriculture and Irrigation**

Agriculture is the leading department in food security initiatives. In the FY 2017/18 supplementary budget, the department was allocated Ksh.91.76 million for recurrent expenditure and Kshs. 81.23 million for development expenditure. During the period under review, the department utilized Kshs. 90.48 million on recurrent and Kshs. 71.65 million on development expenditure representing absorption of 98.60% and 88.21% respectively. The overall absorption rate for the department was 93.41% during the period under review.

The department achieved the following key outcomes; construction of onion store, additional 23 hectares, 108 hectares and 8 hectares of land under pyrethrum, coffee and tea respectively. The annual ASK show and farmer extension services were also carried out. Over the MTEF period, the sub-sector will focus its efforts on development of micro irrigation schemes, strengthening agricultural extension services, environmental conservation, and distribution of certified seeds to farmers to increase productivity.

### **E. Department of Pastoral Economy**

Livestock production is the major economic activity of West Pokot County. It is the main contributor in enhancement of food security and promotion of the local economy. The mandate of this department is to disseminate technologies and information through extension services in collaboration with other service providers and research institutions. Further, it is mandated to ensure control of diseases in livestock and fisheries through provision of veterinary services. In the FY 2017/18 supplementary budget, the department was allocated Kshs. 94.77 million for recurrent expenditure and Kshs. 134.22 million for development expenditure. During the period under review, the department utilized Kshs. 94.17 million on recurrent and Kshs. 60.61 million on development expenditure representing absorption of 99.36% and 45.16% respectively. The overall absorption rate for the department was 72.26% during the period under review.

The department achieved the following outcomes; constructed 9 metallic crushes, repaired 11 cattle dips, constructed 11 new cattle dips and purchased 12 foot spray pumps. The department vaccinated livestock; 22,342 against B/Q, 335,086 against CBPP, 43,852 against FMD and 10,941 against LSD. They also vaccinated sheep/goats; 12,395 against sheep/goat pox, 14,242 against CCPP and vaccinated 297,099 against PPR. The department also established 4 A.I services, where farmers are provided on subsidized prize of 500/-, supplied 400 Dairy breeds, 440 Sahiwal breeds, 2,110 Galla goats and 800 poultry breeds to farmers.

Nasukuta Livestock Improvement Centre during the year produced 2,000 bales of hay, reared 11 dairy goats, 10 camels, 170 doper sheep, 153 Galla goats and 75 Sahiwal breeds.

The sub-sector's medium term priorities include promotion of livestock breeds, improvement of market infrastructure and value addition, control of livestock diseases, provision of extension and training services, and establishment of strategic livestock feed reserve, re-seeding programmes, and promotion of blue economy and completion of Nasukuta slaughter house.

#### **F. Department of Trade, Industrialization, Investment and Cooperative Development**

The department mandate is outlined in the Fourth Scheduled of the Constitution as follows: Trade development and regulation which includes: market infrastructure development, Trade Licensing, regulation, enforcement of fair trade practices and development of Cooperatives Societies. In the FY 2017/18 supplementary budget, the department was allocated Kshs. 41.20 million for recurrent expenditure and Kshs. 48.57 million for development expenditure. During the period under review, the department utilized Kshs. 40.33 million on recurrent and Ksh.19.06 million on development expenditure representing absorption of 97.88% and 39.23% on recurrent & development respectively. The overall absorption rate for the department was 68.56% during the period under review.

The department achieved the following outcomes/outputs; developed the legislative framework for cooperative development fund, opened up eleven (11) new Markets at Chemalei, Nyangaita, Chesta, Chesegon, Sebit, Kapchemogen, Chepkono, Tukumo, Chilakou, Murkwijit and Emboasis to create more job opportunities and increase county internal revenue, hosted county wide bee day on 20th May 2018, participated in trade fair show and facilitation of 10 exhibitors at Kishaunet 2017 Agricultural and Trade fair show, construction and completion of 18 Boda Boda sheds and constructed 4 livestock sale yards at Lomut, Serewo, Kamla and Chepareria. The sector priorities over the medium term includes: establishment of the Cooperative Development Fund to assist traders with capital to boost their business activities within the county, value addition of commodities and fencing of existing markets.

#### **G. Department of Lands, Housing, Physical Planning and Urban Development**

The main goal of the department is to ensure that there is sustainable management of the land resource and securing of land tenure, maintaining high standards of county development by

developing appropriate planning tools and systems and providing support and accurate information on the county land ownership. In the FY 2017/18 supplementary budget, the department was allocated Kshs. 72.17 million for recurrent and Kshs. 56.25 million for development expenditure respectively. During the period under review, the department utilized Ksh. 71.98 million on recurrent and Ksh. 49.03 million on development expenditure representing absorption of 99.73% and 87.16% respectively. The overall absorption rate for the department was 93.45% during the period under review.

The department achieved the following key outcomes; prepared Local Physical Development Plans for Chesta and Kongelai centers ; prepared 10 PDPs, purchased 407 workshop tools and equipment for Makutano town staff (cleaners) and other urban centres, constructed 30 public pit latrines and completed carpeting of Ortum and Chepareria market township roads. The medium term priorities for the sub-sector comprises of: urban planning, completion of county spatial plan, mapping of projects, land adjudication programmes, cadastral surveys of public land, resolution of general boundary disputes, preparation of part development plans- for public institutions/offices, public sensitization on matters of physical planning, Makutano car parking phase II, town beautification, construction of public toilets, street lighting, maintenances of town roads, traditional/alternative dispute resolution and investigation of the status of public land.

#### **H. Department of Water, Environment and Natural Resources**

The department is mandated with the following: management of water resources; provision of water services; reclamation of degraded land and ASALs into vibrant economic development areas; conservation practices, protection and management of county forests and game reserves; promotion of farm and dry land forestry development; promotion of clean and secure environment by controlling air pollution, outdoor advertisement and other public nuisance. In the FY 2017/18 supplementary budget, the department was allocated Ksh. 66.39 million for recurrent and Ksh. 152.02 million for development expenditure respectively. During the period under review, the department utilized Ksh. 66.28 million on recurrent and Ksh. 139.16 million on development expenditure representing absorption of 99.84% and 91.54% respectively. The overall absorption rate for the department was 95.69% during the period under review.

The following is a summary of achievements and progress realized: drilled 18 boreholes, upgraded 5 boreholes to solar power, rehabilitated 50 boreholes. Constructed 2 Sand/ sub-surface dams and 2 Shallow wells. 50 water tanks were purchased to be supplied to schools to

promote roof water catchment systems. The department also rehabilitated 3 Water supply schemes, constructed 20 Gravity Water supply schemes and protected 3 water springs. A total of 12 acres of forest were planted with seedlings in an effort to increase forest cover. It will strive to improve access to safe and clean water and plant more trees in county forests to mitigate climate change effects.

#### **I. Department of Youths, Sports, Tourism, Gender and Social Services**

The mandate of this department is to conduct formulation, coordination, administration of policy and programs with respect to promotion of Tourism, Culture, Sports, Youth, Social and Children Services functions. The department also has the responsibility to provide an enabling environment for all stakeholders in the sector. In the FY 2017/18 supplementary budget, the department was allocated Ksh.69.54 million for recurrent and Ksh. 122.57 million for development expenditure respectively. During the period under review, the department utilized Ksh. 66.31 million on recurrent and Ksh. 119.16 million on development expenditure representing absorption of 95.35% and 97.22% respectively. The overall absorption rate for the department was 96.29% during the period under review.

The department sensitized 500 communities on importance of conservation of cultural artefacts, identified several tourism attraction sites to promote tourism and marketing, developed tourism brochures and carried out sporting activities. Bed occupancy increased by 63 percent through advertisement and marketing of tourism in the county. The department also conducted 5 trainings campaigns on PWD mainstreaming and supported 30 PWDs with support devices. The sector priorities over the MTEF period include: completion of the ongoing projects ,ensuring gender equity in county appointments and promotions is considered, empowerment of PLWDs, gender, youth and disability mainstreaming in county policies, programs and projects, marketing women cottage industries products such as Pokot traditional ornaments, bracelets and clothing, develop the youth talents through sports and cultural exhibition, document and market the Pokot culture and cultural artifacts, Liquor licensing and sensitization on the dangers of drugs and substance abuse.

#### **J. Department of Public Service, ICT and Decentralized Units**

The department aims to transform the county public service to be professional, efficient and effective for the realization of county development goals. In the FY 2017/18 supplementary budget, Ksh 262.29 million was allocated to the department of which 237.09 million would be used for recurrent expenditure and 25.2M for development. During the period under review, the department utilized Ksh. 237.04 million on recurrent and Ksh. 23.50 million on

development expenditure representing absorption of 99.98% and 93.25% respectively. The overall absorption rate for the department was 96.62% during the period under review.

The major services / outputs during the MTEF period will include; promotion, upholding constitutionalism and enforcing national values and principles of governance in public service, supporting establishment of policies, systems and structures for the promotion of national values and principles of governance as underpinned under Article 10 and Article 232 of the Constitution of Kenya 2010 and focus on efficiency, effectiveness and equity in service delivery.

#### **K. Department of Special Programmes and Directorates**

The ministry is mandated to provide leadership, coordination and policy direction on strengthened early warning system, disaster preparedness and communication, early response and livelihood recovery for sustainable development. The other directorates support in fast-tracking cash crop development, dairy development, resource mobilization, attracting foreign and domestic investment and promoting peace building and harmonious coexistence among various communities within and outside the county.

In the FY 2017/18 supplementary budget, the directorates were allocated kshs. 143,255,133.00 for recurrent expenditure. During the period under review, they utilized Kshs. 143.20 million on recurrent expenditure representing absorption of 99.96%.

#### **2.8 Implication of FY 2017/18 Fiscal Performance on Fiscal Responsibility Principles and Financial Objectives**

From the above fiscal performance, it can be observed that the county total recurrent expenditure was within the county total revenue for the period under review. In addition, the expenditure on wages and benefits to its county public officers is sustainable, although has been rapidly rising. Further, No borrowings were made and a reasonable degree of predictability with respect to the level of tax rates and tax bases was also maintained. As a result, the fiscal responsibility principles and financial objectives were met.

### **3.0 RECENT ECONOMIC DEVELOPMENT AND POLICY OUTLOOK**

#### **3.1 Overview of Recent Economic Performance and Outlook**

The Kenyan economy is on a recovery path and is projected to recover to 6.0 percent in 2018 from 4.9 percent in 2017. This strong growth momentum is reflected in the strong growth of 5.7 percent in quarter one of 2018 compared to a growth of 4.8 percent in the same quarter in 2017. The outlook is supported by a pickup in agricultural and manufacturing activities due to improved weather conditions as well as the stable macroeconomic environment, ongoing public infrastructural investments and regain in business and consumer confidence following political stability in the country.

Going forward in terms of fiscal years, the economic growth is projected at 6.2 percent in the FY 2019/20 and 6.9 percent over the medium term due to investments in strategic areas under the “Big Four” plan, namely: increasing the share of manufacturing sector to GDP to 15 percent by 2022; ensuring all citizens enjoy food security and improved nutrition by 2022; expanding universal health coverage; and constructing at least five hundred thousand (500,000) affordable housing units by 2022. These efforts will support the business environment, create jobs and ultimately promote broad based inclusive growth.

#### **3.2 Inflation Rate**

Month-on-month overall inflation fell to 4.0 percent in August 2018 from 8.0 percent in August 2017, thereby remaining within the 5.0 percent medium term target set by Government. This decline reflected lower prices of key food items such as carrots, loose maize grain, loose maize flour, tomatoes, cabbages, and beans. However, energy prices continued to exert upward pressure on overall inflation due to higher fuel and electricity prices. In the twelve month to August 2018, the average annual inflation rate was at 4.7 percent compared to 8.3 percent in the same period in 2017. Kenya’s rate of inflation compares favourably with the rest of sub-Saharan African countries and especially its peers such as Nigeria and Ghana whose inflation rates were 11.2 percent and 9.9 percent, respectively in August 2018.

Overall inflation is expected to remain within the target range mainly due to expectations of lower food prices reflecting favorable weather conditions and the continued prudent monetary policy measures that will moderate demand-driven inflationary pressures. Further, the stability of the Kenya exchange rate will reinforce the price stability objective and keep inflation within the Government target range in the remainder period of the fiscal year and in the medium term. The main risks to inflation remain adverse weather that affects agricultural

production and their prices, and potential volatility in international oil prices. The close coordination of fiscal and monetary policies will continue to delivering on price stability and reduction in cost of doing business in the country.

### **3.3 Kenya Shilling Exchange Rate**

The Kenya Shilling exchange rate remained broadly stable and competitive against major international currencies. Against the dollar, the exchange rate strengthened to Ksh 100.6 in August 2018 from Ksh 103.6 in August 2017. Against the Euro and the Sterling pound, the Shilling also strengthened to Ksh 116.2 and Ksh 129.7 in August 2018 from Ksh 122.2 and Ksh 134.2 in August 2017, respectively. The Kenya Shilling exchange rate has continued to display relatively less volatility, compared to most Sub-Saharan African currencies. This stability reflected strong inflows from tea and horticulture exports, strong diaspora remittances and tourism receipts.

### **3.4 Interest Rates**

Short term interest rates have remained fairly low and stable. The Central Bank Rate was reduced to 9.0 percent on 30th July 2018 from 9.5 percent in March 2018 in order to support economic activity. The interbank rate remained low at 6.8 percent in August 2018 from 8.1 percent in August 2017 due to ample liquidity in the money market. The 91-day Treasury bill rate declined to 7.6 percent in August 2018 compared to 8.2 percent in August 2017 while over the same period, the 182 day and the 364 day Treasury bills averaged 9.0 percent and 10.0 percent from 10.3 percent and 10.9 percent, respectively.

The lending rates declined to 13.3 percent in May 2018 from 13.7 percent in May 2017 while the average commercial banks' deposit rate increased to 8.1 percent in May 2018 from 7.4 percent in May 2017. As a result, the interest rate spread narrowed to 5.2 percent from 6.3 percent over the same period

### **3.5 Money Supply**

Broad money supply, M3, improved to a growth of 10.2 percent in the year to July 2018 compared to a growth of 8.3 percent in the year to July 2017. The primary source of the growth in M3 in the year to July 2018 was the increase in the net foreign assets (NFA) despite a decline in the net domestic assets (NDA). The decline in the growth of NDA was largely reflected in the decreased growth of net domestic credit to government.

### **3.6 Private Sector Credit**

Annual growth of credit to the private sector grew by 4.3 percent in the year to July 2018, an improvement from the 1.4 percent growth in July 2017. In particular, lending to building and

construction, manufacturing, and finance and insurance sectors grew by 13.7 percent, 11.6 percent and 8.5 percent, respectively. This offset the substantial loan repayments recorded in the transport and communication and agriculture sectors in the year to July 2018. Growth in private sector credit is expected to pick up gradually with the continued recovery of the economy.

### **3.7 External Sector Developments**

The overall balance of payments position was at a deficit of US\$ 496.6 million (0.6 percent of GDP) in the year to June 2018 from a deficit of US\$ 413.2 million (0.6 percent of GDP) in the year to June 2017. This balance was supported by the improvement in the capital and financial account despite the increased current account deficit. The current account balance registered a deficit of US\$ 4,820.8 million in the year to June 2018 compared to a deficit of US\$ 4,753.3 million in the year to June 2017. This reflects the widening of the trade account balance and the increased payments to foreign investors (due to high interest payments) despite an improvement in the secondary income account balance particularly increased workers' remittances.

As a percentage of GDP, the current account balance narrowed to 5.8 percent in June 2018 from 6.4 percent in June 2017 supported by strong growth of agricultural exports particularly tea and horticulture, resilient diaspora remittances, and improved tourism receipts.

The deficit in the merchandise account widened by US\$ 1,711.9 million to US\$ 10,812.7 million in the year to June 2018 reflecting an increase in payments for import of oil on account of the rebound in international oil prices despite an increase in merchandise exports. Net services recorded an improvement of 9.1 percent in the year to June 2018 mainly on account of higher receipts from transport and travels.

The capital account recorded an improvement of US\$ 120.1 million to US\$ 272.9 million in the year to June 2018, reflecting an increase in project grants. Flows in the Financial Account decreased to US\$ 5,201.8 million in June 2018 compared with US\$ 5,682.1 million in June 2017. The financial inflows were mainly in the form of other investments, portfolio investments and direct Investments which stood at US\$ 3,758 million, US\$ 859 million and US\$ 585 million, respectively in June 2018. Other investment inflows mainly include foreign financing for Government infrastructure projects while the increase in the portfolio investment was as a result of the issuance of the US\$ 2.0 billion Euro Bond.



### **3.8 Foreign Exchange Reserves**

The banking system's foreign exchange holding remained strong at US\$ 12,102 million in June 2018 from US\$ 10,984 million in June 2017. The official foreign exchange reserves held by the Central Bank improved to US\$ 8,954 million (5.9 months of import cover) in June 2018. By end August 2018, the usable official reserves stood at US\$ 8,652 billion or 5.8 months of imports) compared with US\$ 8,580 million (5.7 months of import cover) in June 2017 while commercial banks holdings was at US\$ 3,148 million in 2018 from US\$ 2,405 million in 2017.

### **3.9 Developments in the Capital Markets**

The capital market recorded improved performance on prices but reduced performance on the supply of shares. The NSE 20 Share Index was at 3,245 points by end- August 2018 from 4,027 points in August 2017 while Market Capitalization improved to Ksh 2,546 billion from Ksh 2,479 billion over the same period. This mixed performance reflects investors' portfolio readjustments factoring in global and domestic dynamics in the market.

### **3.2 Risks to the Domestic Economic Outlook**

Risks to the economic growth outlook emanate from both external and domestic factors. The external risks to the economic growth projected include, any unfavorable structural changes by advanced economies, continued uneven and sluggish growth in advanced and emerging market economies as well as falling commodity prices that may have a negative impact on our exports and tourism activities. Further, the uncertainty in the global markets due to potential tightening of US monetary policy and consequent increase in the US interest rates, Britain's vote to exit the European Union and persistent geopolitical uncertainty on the international oil markets may have an impact on our economy.

Domestically, the economy is exposed to risks including any occurrence of adverse weather conditions, public expenditure pressures especially recurrent expenditures pose a fiscal risk and any inefficiency in spending government resources that may lower impact of development expenditure. At the county level, the risks include; weakening of national economic growth, unfavourable weather conditions, delayed release of funds from the national treasury, threats of tribal/boundary conflicts between the Pokot, Elgeyo/Marakwet and Turkana counties, and changing political environment due to elections. Natural calamities may also pose the greatest risk to the county's development agenda and revenue collection. The most common disaster risks include disease outbreaks for both livestock and human, conflicts, landslides, lightning strikes, flash floods and drought. These calamities can delay programs or lead to collapse of projects.

In the event the above risks materialize the county revenue framework and the medium term sector ceilings shall be revised in the 2019 Fiscal Strategy Paper. In the meantime, the county government continues to monitor the above risks and will undertake appropriate measures to contribute to national macroeconomic stability.

## 4.0 RESOURCE ALLOCATION FRAMEWORK

### 4.1 Revenue Outlook

The resources available to be shared by the national and county governments are estimated on the basis of projections of the economy's performance. The economy grew by 4.9 percent in 2017 compared to 5.8 percent in 2016 and 5.7 percent growth in 2015. The Kenyan economy is on a recovery path and is projected to recover to 6.0 percent in 2018, an upward revision from the earlier projection of 5.8 percent in the 2018 Budget Policy Statement.

Going forward, the economic growth is projected at 6.2 percent in the FY 2019/20 and 6.9 percent over the medium term due to investments in strategic areas under the "Big Four" plan, namely: increasing the share of manufacturing sector to GDP to 15 percent by 2022; ensuring all citizens enjoy food security and improved nutrition by 2022; expanding universal health coverage; and constructing at least five hundred thousand (500,000) affordable housing units by 2022.

### 4.2 Fiscal Projections for FY 2019/20- 2021/22 MTEF Period

**Table 8: Fiscal Projections for FY 2019/20- 2021/22 MTEF Period**

PROJECTED REVENUE	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
	Approved Estimates (Kshs)	Projected (Kshs)	Projected (Kshs)	Projected (Kshs)
<b>1. National Revenue</b>				
a) Equitable share	4,929,800,000.00	5,205,588,000	5,180,019,793.94	5,490,820,981
b) Equalization fund	-	-	-	
c) Conditional allocation(National Government Revenue)	170,810,825.00	181,059,474	200,090,000.00	212,095,400
d) Grants/Loans	422,509,946	432,509,946	472,678,980.00	498,098,000
e) Balance b/d		-	-	-
<b>2. Own Revenue Sources</b>				
e) Projected Revenue From Local Sources	122,370,189.00	145,320,184.00	208,724,890.00	221,248,383.40
<b>Total</b>	<b>5,645,490,960.00</b>	<b>5,964,477,604</b>	<b>6,061,513,663</b>	<b>6,422,262,764.40</b>

*Source: County Annual Development Plan for FY 2019/20*

Equitable share is expected to rise marginally from Ksh 4.929 Billion to Ksh. 5.21 Billion in the FY 2019/20 and 5.49 Billion over the medium term. In overall, the total county budget is expected to rise from the current Ksh. 5.645 Billion to 5.964 Billion in the FY 2019/20 and Ksh. 6.442 billion over the medium term.

#### 4.2.1 Internal Revenue Streams' Projections for FY 2019/20-FY 2021/22

**Table 9: Internal Revenue Projections by Stream Targets**

Revenue Source	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
	Actual	Projection	Projection	Projection	Projection
Kiosk rent	1,105,700.00	1,305,798	1,371,088	1,784,300	2,196,829.82
Singe business permit	8,366,560.00	8,566,998	8,995,348	13,104,540	14,412,823.07
Market fee	3,123,700.00	3,323,999	3,490,199	4,872,505	5,592,181.72
Building approval	219,000.00	239,997	251,997	530,000	403,762.94
Cess	7,615,031.00	26,302,458	28,932,704	7,615,031	46,357,510.97
Royalties	13,739,360.00	24,739,360	27,213,296	27,772,015	43,602,584.39
Stock	7,057,520.00	7,157,595	7,372,323	7,863,38	11,812,326.44
House rent	320,655.00	398,950	410,919	1,566,832	658,396.19
Advertising	123,300.00	175,999	181,279	306,990	290,454.82
Parking	1,040,900.00	1,440,965	1,484,194	1,810,913	2,378,054.25
Bus parks & Motorcycles	4,084,620.00	4,384,621	5,042,314.15	4,512,920	8,079,062.83
Renewals/Applica tion	1,235,800.00	1,335,892	1,442,763.36	1,613,210	2,311,671.88
Liquor licensing	76,000.00	96,500	115,800.00	500,000	185,540.89
Other fees and charges (Public toilet), honey, hides & skins, firewood, tamarind alovera, scrap metal, Fish, penalties)	10,410,420.00	13,410,479	15,325,843.97	16,356,500	24,555,879.05
Agriculture	248,750.00	628,750	660,187.50	1,050,000	1,057,787.38
Lands	23,343,547.00	13,343,547	15,345,079.05	42,985,902	24,586,698.51
Health	220,650.00	2,796,323	3,075,955.30	17,114,711	4,928,458.52
Livestock/permits	184,045.00	194,045	213,449.50	323,815	342,000.10
Trade	703,350.00	1,403,350	1,445,450.50	1,500,000	2,315,975.23
<b>Total</b>	<b>83,218,908.00</b>	<b>111,245,626.00</b>	<b>122,370,189.00</b>	<b>145,320,184.00</b>	<b>196,067,999.00</b>

*Source: County Treasury, 2017*

Internal county revenue is projected to increase from the current target of 122.37 million to 145.32 million. This growth projection represents 18.75 percent increase from the current target. The new target will be achieved through the widening of tax base, sealing of existing

revenue leakages, strengthening of organizational structures and systems in revenue section, strengthening monitoring and evaluation of the revenue systems, and enhanced transparency, accountability and supervision in revenue collection.

#### 4.3 Projected MTEF Resource Allocation Framework

**Table 10: Expenditure Forecast for FY 2018/19-FY 2020/21**

Item	FY 2019/20 (Ksh)	%	FY2020/21(Ksh)	FY 2021/2(Ksh)
Projected Recurrent	4,050,965,740.11	67.92	3,831,789,091	3,895,098,000
Projected Development	1,913,511,863.88	32.08	2,173,451,449	2,167,335,307
<b>Projected Gross Expenditure</b>	<b>5,964,477,603.99</b>	<b>100</b>	<b>6,005,240,540</b>	<b>6,062,433,307</b>
Projected Personnel Emoluments to Gross Estimates	2,085,777,818.11	34.97	33.56	32.91

#### 4.4 Expenditure Priorities for FY 2019/20 –FY 2022/23 MTEF Period

The County Integrated Development Plan (2018-2022), new government Manifesto and the Medium Term Plan III of Kenya Vision 2030 are the key policy documents that will guide the county government spending decisions. The Vision 2030 provides the overarching long term national development agenda, while the CIDP sets out the county medium term development plan.

Table 9 below indicates tentative ceiling for the different county departments for FY 2019/20 - FY 2021/22 MTEF period:

**Table 11: FY 2018/19- FY 2020/21 MTEF CEILINGS**

Vote	FY 2018/2019 APPROVED			FY 2019/2020 PROJECTION			FY 2020/2021 PROJECTION	FY 2021/2022 PROJECTION
	Recurrent	Development	Total	Recurrent	Development	Total	Total	Total
County Executive	330,244,054.17	30,643,476.00	360,887,530.17	437,158,021.53	50,387,618.36	487,545,639.89	511,922,922	516,798,378
Special Programmes & Directorates	214,151,130.44	35,000,000.00	249,151,130.44	230,976,365.84	18,850,000.00	249,826,365.84	262,317,684	264,815,948
Finance and Economic Planning	206,861,516.52	-	206,861,516.52	227,297,860.71	20,255,585.00	247,553,445.71	259,931,118	262,406,652
Public Works, Transport and Infrastructure	68,316,116.60	295,367,763.58	363,683,880.18	98,840,780.00	396,878,631.31	495,719,411.31	520,505,382	525,462,576
Health, Sanitation and Emergency Services	1,282,724,868.10	250,156,907.00	1,532,881,775.10	1,342,609,257.51	300,106,907.93	1,642,716,165.44	1,659,851,974	1,635,279,135
Education and Technical Training	664,736,743.47	179,933,944.00	844,670,687.47	530,583,214.50	335,575,756.99	866,158,971.49	775,066,920	782,448,510
Agriculture and Irrigation	78,134,449.00	187,428,026.33	265,562,475.33	91,756,873.00	121,228,026.33	212,984,899.33	223,634,144	225,763,993
Pastoral Economy	84,597,734.00	163,719,316.55	248,317,050.55	104,770,097.90	123,101,709.00	227,871,806.90	239,265,397	241,544,115
Trade, Industrialization and Cooperative Development	35,239,160.50	74,432,768.64	109,671,929.14	51,202,934.00	79,571,386.13	130,774,320.13	137,313,036	138,620,779
Lands, Housing, Physical Planning and Urban Development	81,873,313.50	134,180,252.00	216,053,565.50	73,174,512.00	119,574,102.24	192,748,614.24	202,386,045	204,313,531
Water, Environment and Natural Resources	91,462,049.20	193,950,000.00	285,412,049.20	66,387,940.24	186,560,060.59	252,948,000.83	265,595,401	268,124,881
Youth ,Sports, Tourism, Gender and Social	57,041,485.56	100,869,040.00	157,910,525.56	79,440,250.48	69,767,253.00	149,207,503.48	180,606,935	182,327,001

Development								
West Pokot County Assembly	520,251,629.35	123,000,000.00	643,251,629.35	530,880,526.00	61,000,000.00	591,880,526.00	579,474,552	584,993,358
Public Service, CT and Decentralized Units	159,075,215.48	2,100,000.00	161,175,215.48	185,887,106.40	30,654,827.00	216,541,933.40	227,369,030	229,534,449
Total	<b>3,874,709,465.90</b>	<b>1,770,781,494.10</b>	<b>5,645,490,960.00</b>	<b>4,050,965,740.11</b>	<b>1,913,511,863.88</b>	<b>5,964,477,603.99</b>	<b>6,045,240,540</b>	<b>6,062,433,307</b>

## **5.0. CONCLUSION**

In summary, the County Budget Review & Outlook Paper has provided an analysis of the actual fiscal performance in the FY 2017/18 compared to the budget appropriation for that year and the updated economic and financial forecasts. The fiscal responsibility principles and the financial objectives for the year under review were met. In addition, the tentative ceilings for the FY 2019/20 have also been provided. Going forward, the ceilings are expected to be taken into account while setting the final ceilings in the County Fiscal Strategy Paper.