

COUNTY GOVERNMENT OF NAKURU

MINISTRY OF FINANCE & ECONOMIC PLANNING

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Nakuru County.
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Ref.No. NKRC/CEC.F/BUDGET/Vol.IV

Date: 30/08/2018

COUNTY TREASURY CIRCULAR NO 1/2018

TO: ALL ACCOUNTING OFFICERS,
NAKURU COUNTY

RE: **GUIDELINES FOR PREPARATION OF MEDIUM TERM BUDGET FOR PERIOD 2019/20-2021/22**

A) PURPOSE

1) The purpose of this circular is to provide guidelines on processes and procedures for preparation of medium term budget for period 2019/20-2021/22 in furtherance to the PFM Act 2012 and PFM Regulation 2015. The guidelines apply to all County Departments, entities and the County Assembly.

2) The guidelines provide information on the following: -

- i) Key policy issues to guide the proposal of Medium Term Budget.
- ii) Legal timelines and requirements for key activities for budget preparation process.
- iii) Document form content of budget and the programme and projects to be funded.
- iv) The framework for the public participation in the budget process.
- v) Annual programme performance reviews.

B) BACKGROUND

3) The budget for the 2019/2020 is being prepared within the context of a projected National economic growth of 5.9 percent in 2018/19 and around 7.0 percent in the medium term. This coming from a depressed economic performance of 4.9 percent in 2017/18 resulting from uncertainties associated with prolonged electioneering period and adverse weather conditions. These fundamentals affected economic activities within the County including agriculture which is its mainstay.

4) The new County Integrated Development Plan (CIDP) for period of 2018-2022 will provide a framework for development programmes to be undertaken by the County Government while considering the County's role in realization of the "Big Four Agenda" being spearheaded by the National Government. The CIDP will continue to provide a vital linkage between the planning aspect and the budget making process.

5) The economic and Financial Policy to be undertaken by the County Government in the Financial Year 2019/20-2021/22 and Medium term will continue to focus on the implementation of the agenda of the new Executive as enumerated in its blue print. The policies aim at consolidating the progress made in the priority areas within the existing fiscal framework. Priority will be given to programmes aim at scaling up level of investment in the Health Care, Road Infrastructure, Early childhood and vocational training and promotion of value addition and revival of key agricultural sector.

6) To improve the prospect of realizing the County's development agenda within the limited fiscal space, the County Government will continue to work closely with its development partners and donors while leveraging on the private sector partnership. This is for the realization of the County development agenda as proposed in its medium-term expenditure framework which also calls for a balance between support for growth and adherence fiscal responsibility principles as envisaged in the PFM Act 2012.

SPECIFIC GUIDELINES

The following broad areas will guide the preparation of Medium Term proposals

Medium Term Development Strategy

Despite the pending bills accruing over the last five years, the rationalization of the budget through realistic fiscal estimates and scaling down of new projects while giving room for completion of old projects in the period 2018/19 has laid the foundation aimed at realization of development projects while reducing the tendency of rolling over projects. The 2019/20-2021/22 MTEF budget will be premised on effective linkages between the Annual Development Plan (ADP) 2019/2020, CIDP 2018-2022.

- i) The Medium-Term Budget will continue to focus on priorities outlined in new Executive's blue print initiated in FY2018/19. Specifically, the programmes and resource allocations in the Medium-Term Budget will focus on the following pillars: -
- Development of both social and physical infrastructure.
 - Promotion of value addition for agricultural produce, food security and environmental conservation.
 - Promotion of equitable social economic development for county stability.
 - Investment in quality and access to free healthcare and early childhood education.

Key Dates in the Budget Preparation Process

7) The budget process involves preparation of key documents for approval by the County Executive and County Assembly. To finalize the budget and submit it for approval, Departments will be required to undertake a number of key activities as provided in the Budget Calendar for FY 2019/20 which is indicated in Annex 8. Accounting Officers are required to note the timelines and initiate action as required to ensure that the budget is prepared and submitted to the County Assembly as scheduled.

Sectors and Working Groups

8) Departments and Entities are organized into Sectors within the context of the National Government Classification of Functions. The classification allows Sector wide approach to planning and budgeting, as well as national comparison of similar programmes and services across Counties.

In this regard, the functions of the County Government have been mapped into 8 Sectors namely:

- i) Agriculture, Rural and Urban Development (ARUD)
- ii) Energy, Infrastructure and ICT
- iii) General Economic and Commercial Affairs
- iv) Health
- v) Education
- vi) Social Protection, Culture and Recreation
- vii) Environmental Protection, Water and Natural Resources
- viii) Public Administration, National/International Relations

9) The mapping of Departments and Entities into Sectors is provided under Annex 1 of this Circular. Respective Sector Working Groups (SWGs) shall be responsible for formulation and prioritization of Sector budget proposals. The structure, composition, terms and reference of Sector Working Groups is provided under Annex 2 of this Circular.

Programme Performance Reviews (PPRs)/Sector Reports 2018

10) Programme Performance Reviews (PPRs) are essential to effective programme-performance budgeting. Accounting Officers are required to initiate action for their Departments to undertake PPRs in line with the guidelines. In undertaking PPRs, Departments are expected to do a detailed assessment of the progress achieved towards realization of the targeted outputs after the implementation of the Medium-Term budgets 2015/16 – 2017/18. The Assessment should entail analyzing the previous budgetary allocations, actual expenditure and achievement of actual outputs.

11) The PPRs reports should indicate both financial and non-financial indicators of performance for each programme. The report should provide progress of both domestically and externally financed projects within a programme. In addition, the review should focus on

efficiency and effectiveness towards the achievement of programme outcomes. Experiences and lessons learnt should form the basis for guiding expenditure allocations in the Medium-Term Budget.

12) Accounting Officers should note that their respective Departments will only be allowed to bid for resources in their respective sectors after the finalization of the PPRs. Departments will be required to present PPR reports prior to discussing the funding requirements with the Resource Allocation Panel. The guidelines and formats for undertaking Programme Performance Reviews are provided under Annex 4 of this Circular.

Programme Based Budgeting (PBB)

13) The appropriation of the budget shall continue to be at programmed level and accordance with PFM 2012. The programme for the Medium Term will be on the basis of the newly reorganized Departments and County Government functions as outlined in Executive Order of November/2018 and as such new proposals should be forwarded to the County Treasury for approval and eventual configuration of the IFMIS at the National Treasury. In designing a new programme the structure should match the key areas of service delivery by the respective Department or entity. During review of programmes, sector working groups should ensure that:

- i) The programme performance indicators and target should only focus on the key output and outcome.
- ii) Programme performance are specific, measurable and achievable.
- iii) All functions or activities undertaken by Departments are included under relevant programme
- iv) Each programme has a unique name that, reflect an overall objective.
- v) Programme targets are those that Department and entities can reasonably influence their achievements
- vi) Programme service delivery units with no clear outputs, key performance indicators and targets are not considered for funding

14) Each programme should be confined within a single Department and all functions should fall within programmes. There is no duplication of programme name used by other Departments or within a Department. Department with more than one programme should include an additional programme to cater for management and administrative overhead cost which cannot be attributed to one programme. Specific these include general administrator, financial service accounting, planning service, human resource management and ICT services.

15) Through the new Kenya Devolution Support Programme (KDSP), the County Treasury shall continue to facilitate technical support to SWGs to ensure full compliance with the PBB and preparation and presentation of 2019/20 budget estimates using the Hyperion module in the IFMIS approach and other key functional areas in Public Finance Management.

The format for presentation of the Programme Based Budget is provided under Annex 4 of the Circular.

Estimates for the 2019/20-2021/2022 Medium Budget

The County Government is pursuing a budget rationalization and fiscal consolidation policy which is aimed at reducing the accumulation of pending bills. Taking this into account and as part of the fiscal responsibility principle the pending bill is projected to fall below the acceptable level of 20% on account of total projected county revenues in the medium term. Development expenditure is projected to rise above the minimum acceptable level of 30% of total budgeted expenditure while wages and salaries are to be maintained at sustainable levels. SWGs are required to prepare Medium Term budgets that are consistent with the medium-term fiscal framework that will be provided in the County budget review and outlook paper (CBROP). The indicative ceiling will be firmed up or re-adjusted in the County Fiscal Strategy Paper of 2019.

Prioritization and allocation of resources to programme

16) The County Government will embark on policy of expenditure prioritization with a view of achieving its development agenda to this end.

The following criteria will serve as a guide for allocating resources: -

- Linkage of programme to the new executive flagship projects and intervention.
- Linkage of the programme with objectives in the blue print/manifesto and the objective to the County Integrated Development Plan 2018-2022.
- Degree to which the programme is addressing the core mandate of the department and entities.
- Cost effectiveness and sustainability of the programmes.
- Immediate response to the requirement and entrenchment of devolution.
- Provisions of the Nakuru County Revenue Allocation Act, 2018.

Recurrent Expenditure

17) Sector Working Groups should ensure that the necessary current expenditure required for delivery of service and implementation of capital projects is provided. The following guidelines should be adhered to while allocating resources for current expenditure.

Personnel Emolument

18) Sector Working Group should provide adequate funding to cater for salaries, allowances and other approved benefit for in-post staff. It is the policy of the County to contain the wage bill in the medium term as part of its fiscal responsibility principle espoused by the PFM regulation of 2015. In this regard Sector Working Group should not allocate resource for new recruitment and upgrading unless they have prior approval for funding from County Treasury. The personnel budget should however retain position vacated through attrition in the respective budget proposal in addition to providing adequate resources for normal wage drift.

Allocation for personnel emolument must be supported by integrated Personnel Payroll Data (IPPD) for the current financial year. It is mandatory that each department provide this to support their requirements. The format of the personnel budget is standardized and provided by County PSM HR Directorate.

Use of Goods and Services

The County Government will continuously strive to compliment the Nation Government policy of shifting resources from current consumption to capital investment to promote development programme. This is in addition to enhancing the current fiscal space through resource mobilization. The sector working groups are therefore require to critically assess way of improving the fiscal space in addition to reviewing departmental requirements to curtail growth of the budget for use of goods and services. It is advisable to eliminate wasteful expenditure with the resultant saving being applied towards capital investments and other priority areas.

Capital Projects

19) The County Government is committed in executing capital project meets the county and national objective in the CIDP and Medium-Term Development Plan. Project should therefore be based on a comprehensive needs assessment and must have a time frame for completion and realization of the desired result.

20) The SWG and Department should prioritize allocation of resource to project that has been fully processed to feasibility study done with detailed design necessary approval and land secured) the SWG should also pay attention to the estimated requirement for each of the stage of the project cycle. The project will be applied in budgetary process. Department should ensure that project details including the IFMIS coding and project description is provided.

Capital Project shall be all deliverables and activities meeting the above definition. Sector working groups are reminded to request individual departments to provide information to support existence of ongoing projects. A list all ongoing and proposed project detailing total cost, start and end date, cumulative expenditure to date, balance, and amount required over the medium term should be submitted to the County Treasury using the format in Annex 5 and 6.

The County Government in the fiscal year 2018/19 scaled down on new projects in this respect the County Departments should therefore ensure that the ongoing projected incorporated in the estimates are completed in the current financial and new ones are initiated on time with the issuance of AIEs.

Submission of Ward Project Proposal

21) The list of proposed Ward based projects emanating from public participation will be submitted to the County Treasury as envisaged Section 7(1) of the 2018 Nakuru County Revenue Allocation Act on or before 28th of February in each financial year. The projects emanating from the various Wards on account of the above will be subject to review by the

relevant Departments through their sector working groups for purposes of informing the cost estimates and establishing their viability. The form for submission is per the prescribed form Annex 5.

Externally-Funded Project with Counterpart Requirement

22) County Departments should ensure that externally financed projects are in line with County development priorities and have adequate provision for County Government of Nakuru Counterpart funding in accordance with the financing agreement. The Departments should also ensure that performance for results projects are properly identified with supporting financing agreement and adequately funded. Departments are required to provide proof to support the allocation for counterpart funding.

Conditional Grants to County Departments

23) Conditional grants to County Departments must be reflected and accounted for within appropriate programme and sub programme structure under the Department Budget. This applies to nationally and externally funded programmes from which activities to be undertaken in counties departments are targeted to be funded.

Revenue Estimates

24) All expected revenue shall be incorporated in the budget for appropriation and as such no revenue shall be extra budgeted/spend outside the budget. Local revenue projections should reflect reality and be accurate based on the current economic trend and actual performance. In this respect the completion of mapping of revenue sources by the Department of trade will inform the estimates of local revenue. To ensure that the county continuously qualify for a share of 2% from the National allocation for fiscal effort all County Departments should strive to compliment the efforts of county treasury of domestic revenue mobilization through proposal of new measures, formulation of bills and providing the necessary technical support.

Submission and Accuracy of Budget Estimates & Sector Reports.

25) Section 30(1)(a) of the PFM Regulations stipulate the timeframe for submission of the initial estimates to the County Treasury in the month of January. The information submitted therefore should be accurate and reliable. In this respect and pursuant to Section 33(1) each accounting officer should cause their proposed budget estimates to be examined and reported on by the internal audit of the county government before they are submitted to the county treasury. The County Government Department shall re-adjust the submitted estimates after the approval of the County Fiscal Strategy Paper and submitted their estimates for financial year (N + 1) (N + 2) (N + 3) on 25th March, 2019. The Sector chairpersons are required to ensure that all activities of the SWG including sector report draft budget proposals are completed and submitted by 30th January, 2018 as provided in Section 30(1) A of the PFM reflect 2015. The

sector report to the country treasury should include printed estimates for the current year, year (N) and two years (N + 2) (N + 3).

26) SWG should ensure that the County Executive Committee Member and Head of County Entities in the Sector are briefed and collectively approve the sector budget proposals. This is a requirement and mandatory in compliance with Section 30(6) that requires submission to the CEC Members of budget estimates.

Public Participation and Stakeholder Involvement

27) Public participation and involvement of other stakeholders in the Medium-Term Budget process is essential and is a Constitutional requirement. Sub-sectors should identify their critical stakeholders within and without County Government Departments. The sector working groups should ensure that its critical stakeholders are engaged in programme prioritization. The participation/consultation processes should be documented for reference purposes.

BUDGET CALENDER

The Constitution, PFMA 2012 and PFM Regulation 2015 specify time frame for the budget making process which should be strictly adhered to. Annex 7 provides specific timelines for finalization of specific activities deliverables and responsible officers. Accounting officers are required to strictly adhere to the timeline provided to ensure timely preparation and approval of budget.

CONCLUSION

Finally Accounting officers are required to ensure strict adherence to the 2019/20-2021/22 MTEF Budget guidelines and bring contents of this circular to the attention of all officers working under them.



JOSEPH KIUNA

CEC – FINANCE AND ECONOMIC PLANNING

c.c. County Secretary & Head of Public Service

All CECs

The Clerk to the County Assembly

ANNEX I

SECTOR COMPOSITION AND WORKING GROUPS FOR THE 2019/20 – 2021/22 MEDIUM TERM

NAME OF SECTOR	SECTOR COMPOSITION
Agriculture, Rural and Urban Development (ARUD)	Agriculture, Livestock and Fisheries
	Land, Physical Planning and Housing
Energy, Infrastructure and ICT	Infrastructure
	Department of ICT & E-Government
General Economic and Commercial Affairs	Trade, Industry, Marketing and Tourism
Health	Health Services
Education	Department of Education
	Department of Vocational Training
Social Protection, Culture and Recreation	Department of Youth and Sports
	Department of Culture, Gender and Social Services
Environmental Protection, Water and Natural Resources	Water, Environment, Energy and Natural Resources
Public Administration, National/International Relations	Office of the Governor and Deputy Governor
	Finance and Economic Planning
	Public Service, Training & Devolution
	County Public Service Board
	County Assembly

ANNEX 2

STRUCTURE, COMPOSITION, TERMS AND REFERENCES OF SECTOR WORKING GROUPS

1. The SWGs shall comprise the following:

- 1.1 Chairperson – One Accounting Officer chosen by consensus by other Accounting Officers within the Sector.
- 1.2 Sector Convener – Appointed by the Chief Officer/County Treasury.
- 1.3 Sector Co-Convener – Appointed by the Accounting Officer line Department.
- 1.4 Technical Working Group – Appointed by the Sector Working Group.
- 1.5 A SWG Secretariat – Secretariat comprising of Technical Officers from the Treasury and the relevant Department making up a sector
- 1.6 Representative from the Private Sector.

2. Terms of Reference for Sector Working Groups

SWGs are expected to ensure that proposed programmes and projects are in line with the priorities of the Vision 2030, Medium Term Plan III, “Big Four” Agenda, CIDP and Governor’s Manifesto/4 Key Agenda. Specifically, the terms of reference for SWGs will be to:

- 2.1 Review Sector objectives and strategies in line with the overall goals outlined in the Vision 2030, MTP III, “Big Four” Agenda, CIDP, Governor’s Manifesto/4 Key Agenda.
- 2.2 Identify the programmes and the necessary policy, legal and institutional reforms required.
- 2.3 Approve list of projects to be included and funded.
- 2.4 Analyze cost implications of the proposed programmes, projects and policies for the MTEF period.
- 2.5 Prioritize Sector Programmes and allocate resources appropriately in accordance with an agreed criteria and prioritization.
- 2.6 Thoroughly analyze the baseline expenditure and remove all one-off expenditure for the previous years.
- 2.7 Identify programmes/projects that are of low priority in order to realize savings which should be directed to the “Big Four” Plan, Governor’s 4 Key Agenda.
- 2.8 Allocate resources only to projects that have been fully processed (i.e. feasibility study done, with detailed designs, necessary approvals and land secured). The SWGs should also pay attention to the estimated reequipments for each of the stages of project cycle.
- 2.9 Introduce mechanisms of efficiency savings in their budgets through reducing operating costs and non-service delivery activities.
- 2.10 Identify programmes and projects that may be funded under Public Private Partnership (PPP) arrangement.
- 2.11 The SWGs are expected to provide a detailed explanation for the rescheduling of projects which should include savings and financial implications of rescheduling projects and activities.
- 2.12 Coordinate activities leading to the development of sector reports and indicative Sector budget proposals.

ANNEX 3

SECTOR REPORT FORMAT

COVER PAGE

(Indicate Sector Title and the Focus Period)

TABLE OF CONTENTS

(Please ensure that Headings and Subheadings are identical to those in the report and should show each Chapter (1 to 7) showing logical sections and subsections using appropriate heading and numbering.)

EXECUTIVE SUMMARY

(Summarize Key findings and recommendations under this section)

CHAPTER ONE:

1.0 INTRODUCTION

- 1.1 Background
- 1.2 Sector Vision and Mission
- 1.3 Strategic Goals/Objectives of the Sector
- 1.4 Sub Sector and their Mandates
- 1.5 Role of Sector Stakeholders

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

CHAPTER TWO

2.0 PROGRAMME PERFORMANCE REVIEW FOR THE MTEF PERIOD 2015/16-2017/18

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

CHAPTER THREE

3.0 MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2019/20 – 2021/22

- 3.1 Prioritization of Programmes and Sub-Programmes
 - 3.1.1 Programmes and their Objectives
 - 3.1.2 Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector (see **Table 5** on presentation of the information)
 - 3.1.3 Programmes by Order of Ranking

- 3.2 Analysis of Resource Requirement versus allocation by Sector:
 - 3.2.1 Sector Recurrent (see **Table 6a** on presentation of the information)
 - 3.2.2 Sector Development (see **Table 6b** on presentation of the information)
 - 3.2.3 Analysis of Resource Requirement by sub sector (see **Table 6c and 6d** on presentation of the information)
 - 3.2.4. Programmes and sub-programmes Resource Requirement (2019/20 – 2021/22) (see **Table 7** on presentation of the information)
 - 3.2.5 Programmes and sub-programmes Economic classification. (See **Table 8** on presentation of the information)

- 3.3 Resource Allocation Criteria.

CHAPTER FOUR

4.0 CROSS-SECTOR LINKAGES

CHAPTER FIVE

5.0 EMERGING ISSUES AND CHALLENGES

CHAPTER SIX

6.0 CONCLUSION

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

CHAPTER SEVEN

7.0 RECOMMENDATIONS

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

REFERENCES

This section should list the sources referred to in the report

APPENDICES

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

LIST OF TABLES

Table 1: Sector Programme Performance Reviews

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2015/16	2016/17	2017/18	2015/16	2016/17	2017/18	
Programme									
SubProgramme									
XX 1									
XX 2									

Table 2: Programme/Sub-Programme Expenditure Analysis

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

Table 3: Programme Expenditure Analysis by Economic Classification

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

Table 4: Analysis of Performance of Capital Projects

CAPITAL PROJECTS IN THE MINISTRY/DEPARTMENT		
PROJECT 1:		Location:
Contract Date:	Contract Completion Date:	Expected Completion Date:
Contract Cost:	Expected Final Cost:	
Completion Stage 2015/15 (%):	Completion Stage 2016/17 (%)	Completion Stage 2017/18 (%):
Budget Provision 2015/16:	Budget Provision 2016/17:	Budget Provision 2017/18:
Provide a brief overview of the specific needs to be addressed by the project.		
Repeat as above for Projects 2, 3 etc.		

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

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

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

ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION								
		Approved	REQUIREMENT			ALLOCATION		
Sector Name		2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Vote and Vote Details	Economic Classification							
xxx1	Compensation Of Employees							
	Use Of Goods And Services							
	Grants And Other Transfers							
	Other Recurrent							
TOTAL								

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

ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION								
		Approved	REQUIREMENT			ALLOCATION		
Sector Name		2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Vote and Vote Details	Description							
xxx1	Acquisition Of Non-Financial Assets							
	Capital Grants To Governmental Agencies							
	Other Development							
TOTAL								

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

ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION								
		Approved	REQUIREMENT			ALLOCATION		
MINISTRY/ DEPARTMENT		2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Vote and Vote Details	Economic Classification							
xxx1	Compensation Of Employees							
	Use Of Goods And Services							
	Grants And Other Transfers							
	Other Recurrent							
TOTAL								

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

ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION								
MINISTRY/ DEPARTMENT	Description	Approved	REQUIREMENT			ALLOCATION		
		2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Vote and Vote Details	Description							
xxx1	Acquisition Of Non-Financial Assets							
	Capital Grants To Governmental Agencies							
	Other Development							
TOTAL								

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

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

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

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
PROGRAMME 1:						
Current Expenditure:						
Compensation Of Employees						
Use Of Goods And Services						
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure						
Acquisition Of Non-Financial Assets						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Capital Grants To Governmental Agencies						
Other Development						
TOTAL PROGRAMME 1						
SUB PROGRAMME 1:						
Current Expenditure:						
Compensation Of Employees						
Use Of Goods And Services						
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure						
Acquisition Of Non-Financial Assets						
Capital Grants To Governmental Agencies						
Other Development						
SUB TOTAL SP 1						
Repeat as above for all programmes and Sub programmes.....						
TOTAL PROGRAMME.....						
TOTAL VOTE.....						

ANNEX 4

FORMAT FOR PRESENTATION OF PROGRAMME-PERFORMANCE BASED BUDGETS (PBB)

VOTE NO:

VOTE TITLE:

Total expenditure summary 2019/20 and projected estimates for 2020/21 and 2021/22.

The estimates of the amount required in the year ending 30th June 2020 for salaries and expenses and Capital expenses of the including

Part A. Vision

Part B. Mission

Part C. Strategic Objective

List all the programmes and their strategic objectives. Please note that each programme must have only one objective which must be linked to the Department strategic plans and the CIDP (2018-2022).

Part D. Performance Overview and Background for Programmes

(The Performance Overview and Background for selected programmes including; a brief description of Mandate; expenditure trends; major achievements based on planned outputs for the previous funding period; constraints and challenges in implementing the budget: Major services/Outputs expected to be achieved in the MTEF Period 2019/2020-2021/2022).

Part E. Summary of the Programme Key Outputs and Performance Indicators for FY 2019/2020-2021/2022

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Actual Achievement 2017/2018	Target (Baseline) 2018/2019	Target 2019/2020	Target 2020/2021	Target 2021/2022
PROGRAMME 1: (Name of Programme)								
Outcome: (Each programme should have one outcome)								
SP1.1								
SP1.2								
Etc...								
PROGRAMME 2: (Name of Programme)								
Outcome: (Each programme should have one outcome)								
SP2.1								
SP2.2								
Etc.....								
<i>Repeat for all programmes</i>								

Part F. Summary of Expenditure by Programmes and Sub Programmes 2019/20-2021/2022 (Ksh. Millions)

Sub Programme (SP)	Approved Estimates 2017/2018	Actual Expenditure 2017/2018	Baseline Estimates 2018/19	Estimates 2019/20	Projected Estimates	
					2020/2021	2021/2022
Programme 1: (State the name of the programme here)						
SP 1.1						
SP 1.2						
<i>Etc...</i>						
Total Expenditure Prog 1						
Programme 2: (State the name of the programme here)						
SP 2.1						
SP 2.2						
<i>Etc...</i>						
Total Expenditure Prog 2						
Total Expenditure of Vote						

Part G. Summary of Expenditure by Vote and Economic Classification (Kshs. Million)



Expenditure Classification	Approved Budget 2017/18	Actual Expenditure 2017/18	Baseline Estimates 2018/19	Estimates 2019/20	Projected Estimates	
					2020/2021	2021/2022
Current Expenditure						
Compensation to Employees						
Use of goods and services						
Current Transfers Govt. Agencies						
Other Expenses						
Capital Expenditure						
Non-Financial Assets						
Capital Transfers Govt. Agencies						
Other development						
Total Expenditure of Vote						

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

Expenditure Classification	Approved Budget 2017/18	Actual Expenditure 2017/18	Baseline Estimates 2018/19	Estimates 2019/20	Projected Estimates	
					2020/2021	2021/2022
Programme 1:						
Current Expenditure						
Compensation to Employees						
Use of goods and services						
Current Transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
Total Expenditure Prog 1						
Sub-Programme 1:						
Current Expenditure						
Compensation to Employees						
Use of goods and services						
Current Transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
Total Expenditure (SP1.1)						
Sub-Programme 2:						
Current Expenditure						
Compensation to Employees						

Expenditure Classification	Approved Budget 2017/18	Actual Expenditure 2017/18	Baseline Estimates 2018/19	Estimates 2019/20	Projected Estimates	
					2020/2021	2021/2022
Use of Goods and Services						
Current Transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
Total Expenditure (SP 1.2)						
Etc						
Repeat for each programme and sub programme						
Total Budget						

**ANNEX 5
PROJECT IDENTIFICATION FORM**

	COUNTY GOVERNMENT OF NAKURU PROJECT IDENTIFICATION FORM				
FORM 1: CAPITAL PROJECT INFORMATION SHEET FOR THE FY.....					
IFMIS CODE		dd mm yyyy			
SERIAL NO	PRIORITY RANKING	PROJECT TITLE	WARD	PROJECT DURATION (YEARS)	PROJECT TYPE
PROJECT'S CAPITAL ESTIMATES					
ITEM	COST TO COMPLETION	FY BUDGET	PROJECTIONS FY 2	PROJECTIONS FY 3	TOTAL
Material/ Construction					
New Equipment Cost					
External Contracting Cost					
Land Acquisition Cost					
Additional Infrastructure Cost					
Design and Supervision Cost					
Contingencies					
Total Development Costs					
PROJECT'S OPERATIONAL ESTIMATES					
ITEM	COST TO DATE	FY BUDGET	PROJECTIONS FY 2	PROJECTIONS FY 3	TOTAL
Personnel Costs					
Annual Operating Costs					
Annual Maintenance Costs					
Annual Revenue Generated					
Total Recurrent Cost					
Total Cost Of The Project					
PROJECT'S SUMMARY CHARACTERISTICS					
SHORT DESCRIPTION					
REASONS FOR UNDERTAKING PROJECT					
REFERENCE WITH PHYSICAL DEVELOPMENT PRIORITIES					
IMPACT ON PRO-POOR					
ENVIRONMENTAL IMPACT					
DEVELOPMENT COSTS FUNDING					
O & M COSTS PROVIDED FOR (Y/N)					

ANNEX 6

PROJECT DETAILS FORM FOR FY2019/20 AND MEDIUM-TERM PROJECTIONS

Project Code (IFMIS)	Project Description	Sub County	Ward	Est cost of Project or Contract Value (a)	Timeline		Actual Cumulative Expense up to 30th June 2019 (b)	Outstanding Project Cost as at 30th June 2019 (a)-(b)	Allocation for 2019/20 Budget		Projection 2020/21		Projection 2021/22	
					Start Date	Expected Completion Date			Equitable	Conditional Grant	Equitable	Conditional Grant	Equitable	Conditional Grant
	Programme:													
	Sub Programme:													
	SUB TOTAL													
	Programme:													
	Sub Programme:													
	SUB TOTAL													
	TOTAL													

ANNEX 7

PROJECT REVIEW FORM

VOTE NO: VOTE TITLE:

IFMIS CODE	PROJECT DESCRIPTION	SUB COUNTY	WARD	TOTAL	AMOUNT PAID	OUTSTANDING BALANCE	PROJECT STATUS	COMMENTS
	TOTAL							

ANNEX 8

BUDGET CALENDAR FOR FINALIZATION OF FY2019/20 MTEF BUDGET PROCESS

	ACTIVITY	RESPONSIBILITY	DEADLINE
1	Performance Review and Strategic Planning	County Treasury	July-Aug 2018
	1.1 Develop strategic plans	Departments	"
	1.2 Prepare Annual Development Plans	"	"
	1.3 Expenditure review	"	"
	1.4 Preparation of Annual Work plans	"	"
2	Develop and Issue County Budget Guidelines	County Treasury	30th Aug 2018
3	Annual Development Plan submitted to County Assembly	County Treasury	1st Sept. 2018
4	Launch of Sector Working Groups	County Treasury	6th Sept. 2018
5	Determination of Fiscal Framework	Macro Working Group	15th Sept. 2018
	5.1 Estimation of Resource Envelop	County Treasury	"
	5.2 Determination of policy priorities	"	"
	5.3 Preliminary Resource allocation to Sectors, Assembly & Sub Counties	"	"
	5.4 Draft County Budget Review and Outlook Paper (CBROP)	"	21st Sept. 2018
	5.5 Submission and approval by County Executive Committee	"	24th Sept. 2018
	5.6 Tabling of CBROP to County Assembly	"	28th Sept. 2018
	5.7 Circulate the Approved CBROP to Accounting Officers.	"	5th Oct. 2018
	5.8 Capacity building for MTEF Programme Based Budget	"	15th-19th Oct 2018
6	Preparation of County Budget Proposals	Line Ministries	
	6.1 Draft Sector Report	Sector Working Group	26th Oct. 2018
	6.2 Submission of Draft Sector Report to County Treasury	Sector Working Group	31st Oct. 2018
	6.3 Review of the Proposals	Macro Working Group	12th-16th Nov 2018
7	Stakeholders/Public Participation	Treasury/ Departments	November 2018
8	The 2018/2019 Supplementary Budget		
	8.1 Develop and issue guidelines on the 2018/19 Revised Budget	County Treasury	November 2018

	ACTIVITY	RESPONSIBILITY	DEADLINE
9	Draft Budget Estimates/ County Fiscal Strategy Paper (CFSP)	Macro Working Group / Departments	
	9.1 Draft CFSP	Macro Working Group	31st Jan. 2019
	9.2 Submission of Draft Budget Estimates and Final Sector Reports	Departments	31st Jan. 2019
	9.3 Public Participation for identification of Ward based projects	County Treasury	11th-15th Feb. 2019
	9.4 Submission of CFSP to County Executive Committee for approval	County Treasury	22nd Feb. 2019
	9.5 Submission of CFSP to County Assembly for approval	County Treasury	28th Feb. 2019
	9.6 Submission of Debt Management Strategy to County Assembly for approval	County Treasury	28th Feb. 2019
10	Preparation and approval of Final Departments' Programme Budgets		
	10.1 Issue final guidelines on preparation of 2018/19 County Budget	County Treasury	15th March, 2019
	10.2 Submission of Budget proposals to Treasury	Line Departments	25th March, 2019
	10.3 Consolidation of the Draft Budget Estimates	County Treasury	5th April, 2019
	10.4 Submission of Draft Budget Estimates for County Government to County Assembly	County Treasury	30th April, 2019
	10.5 Review of Draft Budget Estimates by Departmental Committee	County Assembly	21st May 2019
	10.6 Report on Draft Budget by Budget and Appropriations Committee (County Assembly)	County Assembly	24th May 2019
	10.6 Preparation of Annual Cashflow	County Treasury	10th-13th June 2019
	10.7 Submission of Annual Cashflow to Controller of Budget	County Treasury	14th June 2019
	10.8 Submission of Appropriation Bill to County Assembly	County Treasury	14th June 2019
	10.9 Resolution of County Assembly on Estimates and Approval	County Treasury	25th June, 2019
	Budget Statement	County Treasury	25th June, 2019
	Appropriation Bill Passed	County Assembly	30th June, 2019