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COMMISSION ON REVENUE ALLOCATION

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**CRA RECOMMENDATION TO THE SENATE ON RECURRENT
EXPENDITURE CEILINGS FOR COUNTY ASSEMBLIES AND
EXECUTIVES FOR THE FINANCIAL YEAR 2017 / 2018**

December 2016

PAPER LAD

By Sen. Mutahi Ngunjiri
on Wednesday 28th
December, 2016.

A handwritten signature in black ink, appearing to be 'Mutahi Ngunjiri', is written below the date.

NOTES ON THE RECURRENT EXPENDITURE CEILINGS FOR COUNTIES FOR THE FINANCIAL YEAR 2017/ 2018

The Commission on Revenue Allocation (CRA) hereby makes recommendations to the Senate on the recurrent expenditure ceilings for both the county executives and the county assemblies for the Financial Year 2017/2018. The recommendations are in fulfillment of the requirements of Articles 216 (2) and 216 (3) of the Constitution of Kenya 2010 and Section 107 (2) (A) of the Public Finance Management Act (PFMA) 2012.

In arriving at the recommended amounts, the Commission considered the following: -

- County budgets and expenditure for 2013/2014, 2014/2015, 2015/ 2016 and 2016/2017
- Discussions between CRA and the counties on the 2014/2015 ceilings
- Reports by counties to CRA and other oversight institutions.
- The fact that 2017 is an election year and minimum activity is expected in the months of July and August 2017.
- Advice from Salaries and Remuneration Commission (SRC) on the expected salaries and allowances for elected and other county officers after the 2017 general elections.
- Discussions held with the Senate in the process of arriving at the 2016/2017 ceilings.
- Discussions held with the individual counties in arriving at the 2016/2017 ceilings
- Input by the counties in a one day workshop held at the Utalii Hotel on the 22nd November 2016.

Consultations for the purpose of developing the recurrent expenditure ceilings for 2017 / 2018 financial year have also incorporated the Legal and Budget Committees of the Intergovernmental Budget and Economic Council (IBEC).

The table below shows the recurrent expenditure ceilings for the counties for the last three years.

FISCAL YEAR		CRA CEILING	SENATE / CRA ADJUSTMENT	TOTAL PROVIDED
		AMOUNTS IN KSHS. MILLION		
2014/15	EXECUTIVE	13,356	0	13,356
	ASSEMBLY	16,877	2,740	19,617
	TOTAL	30,233	2,740	32,973
2015/16	EXECUTIVE	20,663	0	20,663
	ASSEMBLY	24,993	2,500	27,493
	TOTAL	45,656	2,500	48,156
2016/17	EXECUTIVE	20,843	0	20,843
	ASSEMBLY	28,986	74	29,060
	TOTAL	49,829	74	49,903
2017/18	EXECUTIVE	25,886		
	ASSEMBLY	28,897		
	TOTAL	54,783		

Proposed recurrent expenditure ceilings for the county assemblies as per **Table 1** attached amount to Kshs. 28,897,399,203.00 and includes:-

- Salaries, Allowances, Mileage, Insurance & Gratuity for Speakers and MCAs
- Salaries, Allowances, Insurance and pension for County Assembly staff
- Allowances for the County Assembly Service Board and provision for a Secretariat
- Salaries and allowances for partisan staff for all the MCAs
- Provision for Operations and Maintenance based on the 2016 / 2017 figure increased by an inflation factor of 6% (Average inflation rate for 2016).
- Provision for oversight and Public Participation.
- Provision for induction for the newly formed Assemblies
- Provision for the operationalization of an Audit Committee based on SRC circular.

Proposed recurrent expenditure ceilings for the county executives as per **Table 2** attached amount to Kshs. 25,885,557,170.00 and includes:-

- Salaries, Allowances, Insurance & Gratuity for Governor, Deputy Governor.
- Salaries, Allowances, Insurance & Gratuity for County Secretary and the County Executive Committee members
- Salaries, Allowances, Insurance and Pension for County Administration staff
- Salaries and allowances Governor and Deputy Governor's allocated staff

- Salaries, allowances and Gratuity for the County Public Service Board members and secretariat.
- Provision for the operationalization of an Audit Committee based on SRC circular
- Provision for Operations and Maintenance

Table : 1
RECOMMENDED RECURRENT BUDGET EXPENDITURE CEILINGS
FOR COUNTY ASSEMBLIES

COUNTY	2016 -17	2017 -18	DIFFERENCE
1 Baringo	593,775,560	597,216,746	3,441,186
2 Bomet	519,252,421	509,765,837	(9,486,584)
3 Bungoma	757,493,453	755,249,331	(2,244,122)
4 Busia	633,726,033	626,631,094	(7,094,939)
5 Elgeyo/Marakwet	467,089,372	472,435,996	5,346,624
6 Embu	489,549,517	485,937,461	(3,612,056)
7 Garissa	653,969,239	648,074,550	(5,894,689)
8 Homa Bay	742,060,265	730,589,778	(11,470,487)
9 Isiolo	377,924,581	388,553,640	10,629,059
10 Kajiado	569,310,891	561,789,458	(7,521,433)
11 Kakamega	899,913,088	883,457,978	(16,455,110)
12 Kericho	592,298,695	585,082,155	(7,216,540)
13 Kiambu	906,245,126	889,745,034	(16,500,092)
14 Kilifi	644,923,317	638,942,332	(5,980,985)
15 Kirinyaga	480,465,015	490,547,175	10,082,160
16 Kisii	795,788,862	779,851,723	(15,937,139)
17 Kisumu	654,621,594	656,616,804	1,995,210
18 Kitui	729,738,749	727,297,161	(2,441,588)
19 Kwale	495,317,266	491,804,086	(3,513,180)
20 Laikipia	391,467,065	403,586,936	12,119,871
21 Lamu	347,758,306	357,441,657	9,683,351
22 Machakos	717,783,256	710,670,184	(7,113,072)
23 Makueni	628,398,530	623,097,274	(5,301,256)
24 Mandera	700,168,112	708,469,750	8,301,638
25 Marsabit	561,636,493	559,260,215	(2,376,278)
26 Meru	839,515,604	831,034,732	(8,480,872)
27 Migori	748,308,634	736,791,733	(11,516,901)
28 Mombasa	618,543,360	611,938,336	(6,605,024)
29 Murang'a	620,552,243	613,746,528	(6,805,715)
30 Nairobi City	1,320,604,504	1,293,426,918	(27,177,586)
31 Nakuru	822,183,269	813,963,353	(8,219,916)
32 Nandi	600,288,748	593,045,251	(7,243,497)
33 Narok	608,647,196	601,710,917	(6,936,279)
34 Nyamira	488,710,625	485,084,189	(3,626,436)
35 Nyandarua	562,892,769	555,137,541	(7,755,228)
36 Nyeri	593,206,457	586,007,599	(7,198,858)
37 Samburu	407,808,782	419,035,586	11,226,804
38 Siaya	599,914,472	592,664,559	(7,249,913)
39 Taita/Taveta	524,763,967	521,642,011	(3,121,956)
40 Tana River	442,442,874	454,495,177	12,052,303
41 Tharaka -Nithi	373,749,361	384,283,351	10,533,990
42 Trans Nzoia	534,271,010	530,452,425	(3,818,585)
43 Turkana	764,331,379	764,435,401	104,022
44 Uasin Gishu	571,448,098	568,747,182	(2,700,916)
45 Vihiga	533,773,279	530,154,162	(3,619,117)
46 Wajir	645,131,099	643,968,360	(1,162,739)
47 West Pokot	488,707,104	483,519,537	(5,187,567)
Total	29,060,469,640	28,897,399,203	(163,070,437)

TABLE : 2
RECOMMENDED RECURRENT BUDGET EXPENDITURE
CEILINGS FOR COUNTY EXECUTIVES

COUNTY	2016 -17	2017 -18	DIFFERENCE
1 Baringo	445,615,976	552,102,186	106,486,210
2 Bomet	425,340,578	535,190,257	109,849,680
3 Bungoma	506,442,170	602,837,969	96,395,799
4 Busia	465,891,374	569,014,114	103,122,740
5 Elgeyo/Marakwet	405,065,180	518,278,330	113,213,150
6 Embu	405,065,180	518,278,330	113,213,150
7 Garissa	445,615,976	552,102,186	106,486,210
8 Homa Bay	486,166,772	585,926,041	99,759,270
9 Isiolo	317,997,003	449,417,832	131,420,828
10 Kajiado	394,328,991	511,832,496	117,503,505
11 Kakamega	567,268,364	653,573,752	86,305,388
12 Kericho	445,615,976	552,102,186	106,486,210
13 Kiambu	567,268,364	653,573,752	86,305,388
14 Kilifi	465,891,374	569,014,114	103,122,740
15 Kirinyaga	389,559,386	506,599,449	117,040,062
16 Kisii	506,442,170	602,837,969	96,395,799
17 Kisumu	465,891,374	569,014,114	103,122,740
18 Kitui	486,166,772	585,926,041	99,759,270
19 Kwale	405,065,180	518,278,330	113,213,150
20 Laikipia	353,778,195	478,008,640	124,230,445
21 Lamu	317,997,003	449,417,832	131,420,828
22 Machakos	486,166,772	585,926,041	99,759,270
23 Makueni	445,615,976	552,102,186	106,486,210
24 Mandera	456,425,252	561,097,207	104,671,956
25 Marsabit	405,065,180	518,278,330	113,213,150
26 Meru	506,442,170	602,837,969	96,395,799
27 Migori	486,166,772	585,926,041	99,759,270
28 Mombasa	445,615,976	552,102,186	106,486,210
29 Murang'a	465,891,374	569,014,114	103,122,740
30 Nairobi City	668,645,354	738,133,392	69,488,038
31 Nakuru	546,992,966	636,661,824	89,668,859
32 Nandi	445,615,976	552,102,186	106,486,210
33 Narok	445,615,976	552,102,186	106,486,210
34 Nyamira	405,065,180	518,278,330	113,213,150
35 Nyandarua	425,340,578	535,190,257	109,849,680
36 Nyeri	445,615,976	552,102,186	106,486,210
37 Samburu	338,272,401	466,329,759	128,057,358
38 Siaya	445,615,976	552,102,186	106,486,210
39 Taita/Taveta	405,065,180	518,278,330	113,213,150
40 Tana River	369,283,988	489,687,521	120,403,533
41 Tharaka -Nithi	353,778,195	478,008,640	124,230,445
42 Trans Nzoia	425,340,578	535,190,257	109,849,680
43 Turkana	445,615,976	552,102,186	106,486,210
44 Uasin Gishu	445,615,976	552,102,186	106,486,210
45 Vihiga	425,340,578	535,190,257	109,849,680
46 Wajir	434,806,700	543,107,164	108,300,464
47 West Pokot	405,065,180	518,278,330	113,213,150
Total	20,842,555,556	25,885,557,170	5,043,001,614

TABLE : 3

COMPARISON BETWEEN BUDGET CEILING FOR FY 2016 - 17 AND FY 2017 - 18

COUNTY	COUNTY ASSEMBLY			COUNTY EXECUTIVE		
	2016 -17	2017 -18	DIFFERENCE	2016 -17	2017 -18	DIFFERENCE
Baringo	593,775,560	597,216,746	3,441,186	445,615,976	552,102,186	106,486,210
Bomet	519,252,421	509,765,837	(9,486,584)	425,340,578	535,190,257	109,849,680
Bungoma	757,493,453	755,249,331	(2,244,122)	506,442,170	602,837,969	96,395,799
Busia	633,726,033	626,631,094	(7,094,939)	465,891,374	569,014,114	103,122,740
Elgeyo/Marakwet	467,089,372	472,435,996	5,346,624	405,065,180	518,278,330	113,213,150
Embu	489,549,517	485,937,461	(3,612,056)	405,065,180	518,278,330	113,213,150
Garissa	653,969,239	648,074,550	(5,894,689)	445,615,976	552,102,186	106,486,210
Homa Bay	742,060,265	730,589,778	(11,470,487)	486,166,772	585,926,041	99,759,270
Isiolo	377,924,581	388,553,640	10,629,059	317,997,003	449,417,832	131,420,828
Kajiado	569,310,891	561,789,458	(7,521,433)	394,328,991	511,832,496	117,503,505
Kakamega	899,913,088	883,457,978	(16,455,110)	567,268,364	653,573,752	86,305,388
ericho	592,298,695	585,082,155	(7,216,540)	445,615,976	552,102,186	106,486,210
Kiambu	906,245,126	889,745,034	(16,500,092)	567,268,364	653,573,752	86,305,388
Kilifi	644,923,317	638,942,332	(5,980,985)	465,891,374	569,014,114	103,122,740
Kirinyaga	480,465,015	490,547,175	10,082,160	389,559,386	506,599,449	117,040,062
Kisii	795,788,862	779,851,723	(15,937,139)	506,442,170	602,837,969	96,395,799
Kisumu	654,621,594	656,616,804	1,995,210	465,891,374	569,014,114	103,122,740
Kitui	729,738,749	727,297,161	(2,441,588)	486,166,772	585,926,041	99,759,270
Kwale	495,317,266	491,804,086	(3,513,180)	405,065,180	518,278,330	113,213,150
Laikipia	391,467,065	403,586,936	12,119,871	353,778,195	478,008,640	124,230,445
Lamu	347,758,306	357,441,657	9,683,351	317,997,003	449,417,832	131,420,828
Machakos	717,783,256	710,670,184	(7,113,072)	486,166,772	585,926,041	99,759,270
Makueni	628,398,530	623,097,274	(5,301,256)	445,615,976	552,102,186	106,486,210
Mandera	700,168,112	708,469,750	8,301,638	456,425,252	561,097,207	104,671,956
Marsabit	561,636,493	559,260,215	(2,376,278)	405,065,180	518,278,330	113,213,150
Meru	839,515,604	831,034,732	(8,480,872)	506,442,170	602,837,969	96,395,799
Migori	748,308,634	736,791,733	(11,516,901)	486,166,772	585,926,041	99,759,270
Mombasa	618,543,360	611,938,336	(6,605,024)	445,615,976	552,102,186	106,486,210
Murang'a	620,552,243	613,746,528	(6,805,715)	465,891,374	569,014,114	103,122,740
Nairobi City	1,320,604,504	1,293,426,918	(27,177,586)	668,645,354	738,133,392	69,488,038
Nakuru	822,183,269	813,963,353	(8,219,916)	546,992,966	636,661,824	89,668,859
Nandi	600,288,748	593,045,251	(7,243,497)	445,615,976	552,102,186	106,486,210
Narok	608,647,196	601,710,917	(6,936,279)	445,615,976	552,102,186	106,486,210
Nyamira	488,710,625	485,084,189	(3,626,436)	405,065,180	518,278,330	113,213,150
Nyandarua	562,892,769	555,137,541	(7,755,228)	425,340,578	535,190,257	109,849,680
Nyeri	593,206,457	586,007,599	(7,198,858)	445,615,976	552,102,186	106,486,210
Samburu	407,808,782	419,035,586	11,226,804	338,272,401	466,329,759	128,057,358
Siaya	599,914,472	592,664,559	(7,249,913)	445,615,976	552,102,186	106,486,210
Taita/Taveta	524,763,967	521,642,011	(3,121,956)	405,065,180	518,278,330	113,213,150
Tana River	442,442,874	454,495,177	12,052,303	369,283,988	489,687,521	120,403,533
Tharaka -Nithi	373,749,361	384,283,351	10,533,990	353,778,195	478,008,640	124,230,445
Trans Nzoia	534,271,010	530,452,425	(3,818,585)	425,340,578	535,190,257	109,849,680
Turkana	764,331,379	764,435,401	104,022	445,615,976	552,102,186	106,486,210
Uasin Gishu	571,448,098	568,747,182	(2,700,916)	445,615,976	552,102,186	106,486,210
Vihiga	533,773,279	530,154,162	(3,619,117)	425,340,578	535,190,257	109,849,680
Wajir	645,131,099	643,968,360	(1,162,739)	434,806,700	543,107,164	108,300,464
West Pokot	488,707,104	483,519,537	(5,187,567)	405,065,180	518,278,330	113,213,150
Total	29,060,469,640	28,897,399,203	(163,070,437)	20,842,555,556	25,885,557,170	5,043,001,614