



COMMISSION ON REVENUE ALLOCATION

Promoting an equitable society

**CRA RECOMMENDATION TO THE SENATE
ON RECURRENT EXPENDITURE CEILINGS
FOR COUNTY ASSEMBLIES AND
EXECUTIVES FOR THE FINANCIAL YEAR
2018/2019**

JANUARY 2018

NOTES ON THE RECURRENT EXPENDITURE CEILINGS FOR COUNTIES FOR THE FINANCIAL YEAR 2018/19

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 2018/19. The recommendations are in fulfilment of the requirement of Articles 216 (2) and (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 for 2013/2014, 2014/2015, 2015/ 2016, 2016/2017 and 2017/2018
- County 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 was an election year and there were changes in the number of nominated MCAs.
- Gazette Notice number 6518 by Salaries and Remuneration Commission (SRC) on remuneration and benefits for State Officers in the county government.
- Implementation of Phase 1 Salary review for the county employees based on the job evaluation results as per SRC Circular Ref. SRC/TS/JE/CG/3/33/6 Vol.II (134) dated 18th September 2017.
- Review of remuneration and benefits for board members of the County Assembly Service Board as per SRC Circular Ref. SRC/TS/CGOVT/3/61 Vol. IV (49) dated 8th December 2017.
- Review of remuneration for the 6th year of the current board members of the County Public Service Board as per SRC Circular Ref. SRC/TS/CGOVT/3/61 Vol. IV (49) dated 8th December 2017.
- Review of remuneration and benefits of state officers in the county assemblies as per circular Ref. SRC/TS/CAF/3/61/49 (46) dated 13th December 2017.
- Discussions held with the Senate in the process of arriving at the 2016/2017 and the 2017/2018 recurrent expenditure ceilings.

- Discussions held with the individual counties in relation to the 2016/2017 and 2017/2018 ceilings.
- Input by the counties in a two-day workshop held at the Safari Park Hotel on the 6th and 7th November 2017.

Consultations for the purpose of developing the recurrent expenditure ceilings for 2018 / 2019 financial year have also incorporated the Office of the Controller of Budgets (OCOB), the Salaries and Remuneration Commission (SRC), The County Assemblies Forum (CAF) and the Society of Clerks at the Table (SOCATT).

The table below shows the recurrent expenditure ceilings for the counties for the last four years;

FISCAL YEAR		CRA CEILING	SENATE / CRA ADJUSTMENT	TOTAL PROVIDE
2014/15	AMOUNTS IN KSHS. MILLIONS			
	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	0	25,886
	ASSEMBLY	28,897	0	28,897
	TOTAL	54,783	0	54,783
2018/19	EXECUTIVE	26,779		
	ASSEMBLY	31,031		
	TOTAL	57,810		

Proposed recurrent expenditure ceilings for the county assemblies as per

Table 1 attached amount to Kshs. 31,031,309,612.00 and includes:

- Salaries, Allowances, Mileage, Insurance & Gratuity for Speakers and MCAs.
- Salaries, Allowances, Insurance & pensions for County Assembly staff.
- Salaries and 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 2017/18 figure increased by an inflation factor of 8% (Average inflation rate for 2017).
- Provision for oversight and Public Participation.
- Provision for induction for the newly formed Assemblies.
- Provision for the operationalization of the Audit Committee Based on SRC circular.

Proposed recurrent expenditure ceilings for the county executives as per

Table 2 amount to Kshs. 26,779,286,756.00 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, 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 the Audit Committee based on SRC circular
- Provision for Operation and Maintenance based on 2017/18 figure increased by an inflation factor of 8% (Average inflation rate for 2017).
- Provision for induction for the new executive
- Provision for the operationalization of County Budget and Economic Forum (CBEF) based on National Treasury and SRC guidelines

Table: 1**RECOMMENDED RECURRENT EXPENDITURE CEILINGS FOR COUNTY ASSEMBLIES**

	COUNTY	2017-18	2018-19	DIFFERENCE
1.	Baringo	597,216,746	646,597,128	49,380,382
2.	Bomet	509,765,837	566,963,397	57,197,560
3.	Bungoma	755,249,331	787,213,729	31,964,398
4.	Busia	626,631,094	690,349,947	63,718,853
5.	Elgeyo-Marakwet	472,435,996	542,702,407	70,266,411
6.	Embu	485,937,461	544,199,426	58,261,965
7.	Garissa	648,074,550	711,079,467	63,004,917
8.	Homa-Bay	730,589,778	794,973,310	64,383,532
9.	Isiolo	388,553,640	402,284,822	13,731,182
10.	Kajiado	561,789,458	626,846,585	65,057,127
11.	Kakamega	883,457,978	998,717,390	115,259,412
12.	Kericho	585,082,155	646,426,481	61,344,326
13.	Kiambu	889,745,034	1,008,135,974	118,390,940
14.	Kilifi	638,942,332	714,680,971	75,738,639
15.	Kirinyaga	490,547,175	532,593,209	42,046,034
16.	Kisii	779,851,723	856,093,040	76,241,317
17.	Kisumu	656,616,804	650,051,236	(6,565,568)
18.	Kitui	727,297,161	772,964,046	45,666,885
19.	Kwale	491,804,086	559,534,853	67,730,767
20.	Laikipia	403,586,936	423,519,923	19,932,987
21.	Lamu	357,441,657	390,850,795	33,409,138
22.	Machakos	710,670,184	789,541,139	78,870,955
23.	Makueni	623,097,274	664,391,514	41,294,240
24.	Mandera	708,469,750	693,723,408	(14,746,342)
25.	Marsabit	559,260,215	574,999,313	15,739,098
26.	Meru	831,034,732	851,748,080	20,713,348
27.	Migori	736,791,733	787,252,665	50,460,932
28.	Mombasa	611,938,336	609,570,780	(2,367,556)
29.	Murang'a	613,746,528	686,381,818	72,635,290
30.	Nairobi City	1,293,426,918	1,300,890,900	7,463,982
31.	Nakuru	813,963,353	914,376,025	100,412,672
32.	Nandi	593,045,251	602,551,719	9,506,468
33.	Narok	601,710,917	674,486,111	72,775,194
34.	Nyamira	485,084,189	560,846,863	75,762,674
35.	Nyandarua	555,137,541	594,847,096	39,709,555
36.	Nyeri	586,007,599	627,418,049	41,410,450
37.	Samburu	419,035,586	454,006,348	34,970,762
38.	Siaya	592,664,559	617,987,807	25,323,248
39.	Taita-Taveta	521,642,011	560,805,979	39,163,968
40.	Tana-River	454,495,177	455,254,758	759,581
41.	Tharaka-Nithi	384,283,351	409,091,134	24,807,783
42.	Trans-Nzoia	530,452,425	585,451,231	54,998,806
43.	Turkana	764,435,401	697,560,914	(66,874,487)
44.	Uasin-Gishu	568,747,182	637,902,398	69,155,216
45.	Vihiga	530,154,162	579,306,991	49,152,829
46.	Wajir	643,968,360	685,009,037	41,040,677
47.	West Pokot	483,519,537	549,129,397	65,609,860
48.	TOTAL	28,897,399,203	31,031,309,612	2,133,910,409

Table: 2**RECOMMENDED RECURRENT EXPENDITURE CEILINGS FOR COUNTY EXECUTIVES**

	COUNTY	2017-18	2018-19	DIFFERENCE
1.	Baringo	552,102,186	571,077,976	18,975,790
2.	Bomet	535,190,257	553,757,614	18,567,357
3.	Bungoma	602,837,969	623,039,058	20,201,089
4.	Busia	569,014,114	588,398,337	19,384,223
5.	Elgeyo-Marakwet	518,278,330	536,437,254	18,158,924
6.	Embu	518,278,330	536,437,254	18,158,924
7.	Garissa	552,102,186	571,077,976	18,975,790
8.	Homa-Bay	585,926,041	605,718,697	19,792,656
9.	Isiolo	449,417,832	466,512,829	17,094,997
10.	Kajiado	511,832,496	530,235,145	18,402,649
11.	Kakamega	653,573,752	675,000,140	21,426,388
12.	Kericho	552,102,186	571,077,976	18,975,790
13.	Kiambu	653,573,752	675,000,140	21,426,388
14.	Kilifi	569,014,114	588,398,337	19,384,223
15.	Kirinyaga	506,599,449	524,676,019	18,076,570
16.	Kisii	602,837,969	623,039,058	20,201,089
17.	Kisumu	569,014,114	588,398,337	19,384,223
18.	Kitui	585,926,041	605,718,697	19,792,656
19.	Kwale	518,278,330	536,437,254	18,158,924
20.	Laikipia	478,008,640	495,594,424	17,585,784
21.	Lamu	449,417,832	466,512,829	17,094,997
22.	Machakos	585,926,041	605,718,697	19,792,656
23.	Makueni	552,102,186	571,077,976	18,975,790
24.	Mandera	561,097,207	580,289,418	19,192,211
25.	Marsabit	518,278,330	536,437,254	18,158,924
26.	Meru	602,837,969	623,039,058	20,201,089
27.	Migori	585,926,041	605,718,697	19,792,656
28.	Mombasa	552,102,186	571,077,976	18,975,790
29.	Murang'a	569,014,114	588,398,337	19,384,223
30.	Nairobi City	738,133,392	761,601,944	23,468,552
31.	Nakuru	636,661,824	657,679,779	21,017,955
32.	Nandi	552,102,186	571,077,976	18,975,790
33.	Narok	552,102,186	571,077,976	18,975,790
34.	Nyamira	518,278,330	536,437,254	18,158,924
35.	Nyandarua	535,190,257	553,757,614	18,567,357
36.	Nyeri	552,102,186	571,077,976	18,975,790
37.	Samburu	466,329,759	483,833,189	17,503,430
38.	Siaya	552,102,186	571,077,976	18,975,790
39.	Taita-Taveta	518,278,330	536,437,254	18,158,924
40.	Tana-River	489,687,521	507,355,659	17,668,138
41.	Tharaka-Nithi	478,008,640	495,594,424	17,585,784
42.	Trans-Nzoia	535,190,257	553,757,614	18,567,357
43.	Turkana	552,102,186	571,077,976	18,975,790
44.	Uasin-Gishu	552,102,186	571,077,976	18,975,790
45.	Vihiga	535,190,257	553,757,614	18,567,357
46.	Wajir	543,107,164	561,866,534	18,759,370
47.	West Pokot	518,278,330	536,437,254	18,158,924
48.	TOTAL	25,885,557,171	26,779,286,756	893,729,585

Table: 3**COMPARISON BETWEEN RECURRENT CEILING FOR FY 2017/18 AND 2018/19**

COUNTY	COUNTY ASSEMBLY			COUNTY EXECUTIVE		
	2017/18	2018/19	DIFFERENCE	2017/18	2018/19	DIFFERENCE
Baringo	597,216,746	646,597,128	49,380,382	552,102,186	571,077,976	18,975,790
Bomet	509,765,837	566,963,397	57,197,560	535,190,257	553,757,614	18,567,357
Bungoma	755,249,331	787,213,729	31,964,398	602,837,969	623,039,058	20,201,089
Busia	626,631,094	690,349,947	63,718,853	569,014,114	588,398,337	19,384,223
Elgeyo-Marakwet	472,435,996	542,702,407	70,266,411	518,278,330	536,437,254	18,158,924
Embu	485,937,461	544,199,426	58,261,965	518,278,330	536,437,254	18,158,924
Garissa	648,074,550	711,079,467	63,004,917	552,102,186	571,077,976	18,975,790
Homa-Bay	730,589,778	794,973,310	64,383,532	585,926,041	605,718,697	19,792,656
Isiolo	388,553,640	402,284,822	13,731,182	449,417,832	466,512,829	17,094,997
Kajiado	561,789,458	626,846,585	65,057,127	511,832,496	530,235,145	18,402,649
Kakamega	883,457,978	998,717,390	115,259,412	653,573,752	675,000,140	21,426,388
Kericho	585,082,155	646,426,481	61,344,326	552,102,186	571,077,976	18,975,790
Kiambu	889,745,034	1,008,135,974	118,390,940	653,573,752	675,000,140	21,426,388
Kilifi	638,942,332	714,680,971	75,738,639	569,014,114	588,398,337	19,384,223
Kirinyaga	490,547,175	532,593,209	42,046,034	506,599,449	524,676,019	18,076,570
Kisii	779,851,723	856,093,040	76,241,317	602,837,969	623,039,058	20,201,089
Kisumu	656,616,804	650,051,236	(6,565,568)	569,014,114	588,398,337	19,384,223
Kitui	727,297,161	772,964,046	45,666,885	585,926,041	605,718,697	19,792,656
Kwale	491,804,086	559,534,853	67,730,767	518,278,330	536,437,254	18,158,924
Laikipia	403,586,936	423,519,923	19,932,987	478,008,640	495,594,424	17,585,784
Lamu	357,441,657	390,850,795	33,409,138	449,417,832	466,512,829	17,094,997
Machakos	710,670,184	789,541,139	78,870,955	585,926,041	605,718,697	19,792,656
Makueni	623,097,274	664,391,514	41,294,240	552,102,186	571,077,976	18,975,790
Mandera	708,469,750	693,723,408	(14,746,342)	561,097,207	580,289,418	19,192,211
Marsabit	559,260,215	574,999,313	15,739,098	518,278,330	536,437,254	18,158,924
Meru	831,034,732	851,748,080	20,713,348	602,837,969	623,039,058	20,201,089
Migori	736,791,733	787,252,665	50,460,932	585,926,041	605,718,697	19,792,656
Mombasa	611,938,336	609,570,780	(2,367,556)	552,102,186	571,077,976	18,975,790
Murang'a	613,746,528	686,381,818	72,635,290	569,014,114	588,398,337	19,384,223
Nairobi City	1,293,426,918	1,300,890,900	7,463,982	738,133,392	761,601,944	23,468,552
Nakuru	813,963,353	914,376,025	100,412,672	636,661,824	657,679,779	21,017,955
Nandi	593,045,251	602,551,719	9,506,468	552,102,186	571,077,976	18,975,790
Narok	601,710,917	674,486,111	72,775,194	552,102,186	571,077,976	18,975,790
Nyamira	485,084,189	560,846,863	75,762,674	518,278,330	536,437,254	18,158,924
Nyandarua	555,137,541	594,847,096	39,709,555	535,190,257	553,757,614	18,567,357
Nyeri	586,007,599	627,418,049	41,410,450	552,102,186	571,077,976	18,975,790
Samburu	419,035,586	454,006,348	34,970,762	466,329,759	483,833,189	17,503,430
Siaya	592,664,559	617,987,807	25,323,248	552,102,186	571,077,976	18,975,790
Taita-Taveta	521,642,011	560,805,979	39,163,968	518,278,330	536,437,254	18,158,924
Tana-River	454,495,177	455,254,758	759,581	489,687,521	507,355,659	17,668,138
Tharaka-Nithi	384,283,351	409,091,134	24,807,783	478,008,640	495,594,424	17,585,784
Trans-Nzoia	530,452,425	585,451,231	54,998,806	535,190,257	553,757,614	18,567,357
Turkana	764,435,401	697,560,914	(66,874,487)	552,102,186	571,077,976	18,975,790
Uasin-Gishu	568,747,182	637,902,398	69,155,216	552,102,186	571,077,976	18,975,790
Vihiga	530,154,162	579,306,991	49,152,829	535,190,257	553,757,614	18,567,357
Wajir	643,968,360	685,009,037	41,040,677	543,107,164	561,866,534	18,759,370
West Pokot	483,519,537	549,129,397	65,609,860	518,278,330	536,437,254	18,158,924
TOTAL	28,897,399,203	31,031,309,612	2,133,910,409	25,885,557,171	26,779,286,756	893,729,585



COMMISSION ON REVENUE ALLOCATION

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