



**REPUBLIC OF KENYA**  
**COUNTY GOVERNMENT OF ISIOLO**  
**THE COUNTY TREASURY**



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When replying please quote

29<sup>th</sup> August 2024

Ref. No: Cir/01/08/24

**COUNTY TREASURY CIRCULAR NO: 1/2024**

**TO: ALL COUNTY CHIEF OFFICERS/ACCOUNTING OFFICERS  
THE CLERK –ISIOLO COUNTY ASSEMBLY  
THE SECRETARY -COUNTY PUBLIC SERVICE BOARD  
THE MUNICIPAL MANAGER**

**RE: GUIDELINES FOR THE PREPARATION OF FY 2025/26 BUDGET AND THE  
MEDIUM-TERM BUDGET (2025/26 – 2027/28)**

**I. INTRODUCTION**

1. These guidelines are issued in accordance to provisions of Public Finance Management Act(PFMA) 2012, Section 128, which states:
  - i. The County Executive Committee Member for Finance shall manage the budget process for the County.
  - ii. Not later than the 30<sup>th</sup> August in each year, the County Executive Member for finance shall issue a circular setting out guidelines to be followed by all of the County Government's entities in the budget process. In this regard, the county treasury and economic planning hereby issues guidelines for preparation of the FY 2025/26 and the medium term budget
2. This Circular applies to all county government entities including, departments, county assembly, municipality, county public service board.
- **Purpose**
3. This circular shall provide clear instructions on the processes, procedures and timelines to be followed when preparing the 2025/26 and medium-term budget by the County government of Isiolo entities in accordance to the Public Financial Management Act

*Budget Circular 2025/2026; County Government of Isiolo*

(PFMA) 2012. The guidelines are intended to:

- i. Advise on the policy framework underpinning the Budget for the 2025/26 – 2027/2028 MTEF period;
- ii. Institutional structures to guide budget making process;
- iii. The procedures for the review and projections of the revenue and expenditure;
- iv. Provide guidance on the form and content of the budget proposals and the cost of the programmes to be funded;
- v. Prioritization process of programmes;
- vi. Emphasize the constitutional timelines and requirements as indicated in the attached budget calendar;
- vii. The framework for public participation in the budget making process; and
- viii. In addition to the provision of section 36 of the PFMA, 2012, section 12(e) requires county treasury to ensure transparent financial management and standard financial reporting as contemplated by article 226 of the constitution. Preparation of the budget using the standard format provides the basic framework for transparent fiscal management, and the performance reporting by all sectors.

- **Background**

4. The Isiolo County FY 2025/26 and Medium-Term Expenditure is being formulated against the context of a stabilized global economy with growth projected to drop slightly to 3.2 percent in 2024 from 3.3 percent in 2023 and will bounce back to 3.3 percent in 2025.
5. In the emerging markets and developing economies, growth is projected to remain stable at 4.3 percent in 2024 and 2025 from an estimated 4.4 percent in 2023. In the sub Saharan Africa region, growth is projected to remain moderate at 3.7 percent in 2024 and 4.1 in 2025.
6. On the National scene, economic growth has remained strong and resilient. Growth continues to be supported by strong agricultural and manufacturing activities underpinned by favorable weather conditions, strong service sector, stable macroeconomic environment, ongoing public infrastructure investments and sustained business confidence.
7. Given the limited resources that the county economy is likely to generate under the prevailing circumstances, departments are required to prioritize and accommodate programmes within the available resource envelope. As a County, we have to show greater commitment to ensuring that the citizenry receive better services from all the County government institutions. This is only possible if we invest in broad based programmes that are aimed at increasing economic growth and poverty reduction
8. The 2025/26 budget will aim at achieving efficiency and improving the productivity of expenditure while at the same time ensuring that adequate resources are available for operations and maintenance, and implementation of our development agenda.
9. As we continue implementing the 2023-2027 CIDP, the county government is aware of its limited fiscal space and will continue to leverage on the private sector partnership. The aim of the medium-term framework is therefore to strike a balance support for growth and continued fiscal discipline.
10. Proportion of county own source revenue is expected to stay at around 5.1% in the FY 2025/26. The county own source revenue growth is expected to grow further in the FY 2025/26 as the county plans to automate major revenue streams, prepare and approve various acts and regulations that support generation of revenue. The county has also embarked on the process of issuance of land ownership documents such as title deeds, which are going to increase lands rates and investors' confidence.

## **II. THE GUIDELINES**

11. The following specific guidelines will guide preparation of 2025/26 and the medium-term budget proposals.

### **i. Timelines and Requirements for Key Activities in the Budget Process**

12. As outlined in the public finance management act, 2012 and its attendant regulations, the budget process involves preparation of key policy documents for approval by cabinet and assembly. In this regard, the following policy documents will require to be prepared and approved within stipulated timeframes:

- i. County Budget review and outlook paper (CBROP);
- ii. Sector Working Group Budget Proposals;
- iii. The County fiscal strategy paper (CFSP);
- iv. Debt Management Strategy Paper;
- v. Budget estimate (Programme based budgets and supporting details);
- vi. Annual Appropriation Bill; and
- vii. The Finance Bill

13. To facilitate finalization and approval of the above documents and Bills within the stipulated timelines, Accounting Officers are required to strictly undertake the outlined activities in the Budget Calendar within the set timeframes. The timeframes for delivery of the Policy Documents, reports and relevant Bills, and Budget Calendar for the FY 2025/26 is provided in annex 1 of this circular.

### **ii. Institutional Framework to Guide the Budget Process**

14. In line with classification of County, functions have been mapped to form a Sector Working Group (SWG). The SWGs will remain as:

- i. Agriculture, Livestock, Veterinary Services and Fisheries Development;
- ii. Water, Environmental Protection, Energy and Natural Resource;
- iii. Health Services;
- iv. Lands, Urban Development, Roads, Infrastructure and Public works;
- v. Tourism, Trade and PSM;
- vi. Education, Youth, Sport Gender, Culture and Social Services;
- vii. Finance, Economic Planning, Cohesion and Special Program; and
- viii. Public Administration

15. The Mapping of County Departments into sectors is provided in annex 2 of this Circular. Respective sector working groups (SWGs) shall be responsible for prioritization and

formulation of sector budget proposals. The structure and composition of SWGs is provided in Annex 3 A and terms of reference are provided in Annex 3 (B) of this circular.

16. Accounting Officers are reminded that the SWGs remain central in guiding the prioritization and resource allocation for planned programmes/projects. County departments are therefore required to fully participate in their relevant Sector Working Groups and bid for resources within the available ceilings.

### **iii. Form and Content of the Budget**

- **Programme Based Budgeting (PBB)**

17. It is expected that the 2025/26 budgets will continue to be prepared, presented in vote and programmes in accordance with Section 210 (12) of the Public Financial Management Act (PFM Act) 2012. SWGs are therefore required to review programmes and align them to the mandates of the respective Departments. **Where departments propose new programme, approval must be obtained from the County Treasury.**

18. In designing programmes, the structure should match up to the main lines of service delivery in the County entities. Programme performance indicators should mainly be indicators of programme outputs (services provided) and outcomes (effectiveness), during review of programmes, SWGs should ensure that:

- i. Programme Outcomes and outputs are Specific, Measurable, Achievable, Realistic, and Time bound;
- ii. Performance indicators and Targets are for outputs & outcomes;
- iii. Performance indicators are results oriented, Clear, Relevant, Economic, Adequate and Monitorable (CREAM);
- iv. Performance indicators and targets are those that departments/ sectors can reasonably influence their achievement;
- v. Delivery units with no clear outputs, performance indicators and targets are consolidated under the main delivery unit; and
- vi. Cross cutting functions are assigned to respective programmes in the departments

19. Accounting Officers should ensure that in designing programmes, each programme should be confined within a single county department and all functions should fall within programmes, each function or activity undertaken by the County Departments included in relevant programmes. In particular, care should be taken to ensure that:

- i. There are no crosscutting activities or functions which are not assigned to respective programmes;
- ii. Each programme has a distinctive name that reflects the overall objective of a programme; and
- iii. There is no duplication of programme names used by other County entities.

20. In cases where a County department has more than one programme, an additional programme should be created to cater for management and administration overhead costs which cannot be attributed to only one programme. Such a programme should be confined to common services such as general administration, financial services, accounting, internal audit, procurement, planning services, human resource management and ICT services, which are not programme-specific.

21. In preparing the narrative justification portion of the programme budget (context for budget intervention), County entities are required to include description of the main services (outputs) provided by the programme, a statement of the programme's overarching objective, a brief discussion of programme achievements for the last financial year, and a brief description of the achievements expected in the next year. A description of important issues, concerns, and summary of implementation plans should also be included. The format for presentation of PBB is indicated in Annex 5.

- **Fiscal Consolidation Policy**

22. The county Government will continue to pursue a fiscal consolidation policy with the overall aim of reducing the fiscal deficit and accruing pending bills. Enhanced revenue mobilization, reprioritization and rationalization of expenditures will support this. This will ultimately reduce pending bills and create fiscal space over the medium term to finance priority capital projects. SWGs are required to prepare Medium-Term Budgets that are consistent with the medium-term fiscal framework provided in the CBROP 2023.

- **Developing 'Rolling' Three-Year Medium-Term Budget Estimates**

23. In a "Rolling" Medium-Term Budget Plan, the first-year estimate forms the starting point for the next financial year's budget estimates. Under this approach, budget resources will continue to be appropriated on an annual basis but the budget planning process will include estimates of expenditure and revenue for the two outer years. Accounting Officers should note that the ceilings for the outer years remain binding in accordance to the Public Finance Management Regulations, 2015.

- **Bottom-up Economic Transformation Agenda (BETA)**

24. The FY 2025/26 and the county Medium-Term Budget will support the implementation of the Bottom-up Economic Transformation Agenda (BETA) which is geared towards economic turnaround and inclusive growth for increased investments in Agricultural Transformation, Micro, Small and Medium Enterprise (MSME), Housing and Settlement; and Healthcare envisaged to have the largest impact on the economy as well as household welfare. In preparing the FY 2025/26 and the Medium-Term Budget, the respective departments will be required to prioritize allocations towards the achievement of the BETA priorities.

#### **iv. Programme Performance Reviews (PPRs)**

25. The county Departments are expected to undertake a detailed assessment of the progress achieved towards the realization of the targeted outcomes and outputs after the implementation of the FY 2021/22 to FY 2023/24 Budgets. The assessment should entail analyzing the previous budgetary allocations, actual expenditure and achievement of actual outputs and outcomes.
26. The PPRs reports should indicate both financial and non-financial indicators of performance for each programme. The report should provide progress of both County and non-county public financed projects within a programme (see format for presentation in Annex 4C). In addition, the review should focus on efficiency and effectiveness towards the achievement of programme outcomes. Accounting Officers should ensure that previous programme performance, outstanding commitments, implementation experiences and lessons learnt form the basis for guiding resource allocations in the Medium-Term.
27. Departments will only be allowed to bid for resources in their respective sectors after finalization of the PPRs. Departments will be required to present PPR reports in their respective SWGs prior to discussing the funding requirements. The guidelines and formats for undertaking Programme Performance Reviews are provided in Annex 4 (A-E) of this Circular.

#### **V. prioritization and Allocation of Resources**

28. Isiolo County government will continue with its policy of expenditure prioritization with a view to funding core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies. These decisions will have implications in the budget ceilings to be provided in the County Fiscal Strategy Paper, 2025. The following criteria will serve as a guide for allocating resources:
- i. Programmes that enhance value chain and linkage to BETA priorities;
  - ii. Cabinet Decisions
  - iii. Linkage of the programme with the Objectives of Medium-Term Plan of Vision 2030;

- iv. Linkage of the programme with the Objectives of the County Integrated Development Plan, 2023-2027;
- v. Linkage of the programme with the County Annual Development Plan, 2025/26;
- vi. Degree to which a programme addresses core poverty interventions;
- vii. Degree to which the programme is addressing the core mandate of the County entity;
- viii. Expected outputs and outcomes from a programme;
- ix. Linkage of a programme with other Programmes;
- x. Programmes that support mitigation and adaptation of climate change;
- xi. Cost effectiveness and sustainability of the programme;
- xii. Immediate response to the requirements of the implementation of the constitution; and
- xiii. Ongoing activities of the County Government flagship projects.

29. Based on the above broad guidelines, each county sector is expected to develop and document the criteria for resource allocation. Further, County sectors shall undertake a reprioritization exercise which must address the following:

- i. The County sectors should thoroughly analyze the base line expenditure and remove all the one off expenditure for the previous years;
- ii. The County sectors should identify the programmes/projects that are of low priority and come up with savings which should be directed to high priority programmes that promote social-economic growth;
- iii. The County sectors are also required to introduce mechanism of efficiency savings in their budgets. This is intended to ensure that funds are directed to service delivery rather than non-essential spending. Efficiency savings can be achieved through reducing operating costs and non-service delivery activities and should be considered for all programmes; and
- iv. The County sectors are also expected to provide a detailed explanation for the rescheduling of projects where the rescheduling has been done.



## **vi. Cabinet Decisions**

30. Departments are expected to ensure that all Cabinet Decisions are implemented. In this regard, SWGs are required to prioritize allocations to Cabinet Decisions within the available resource ceilings.

- **Costing of programmes**

31. Accounting officers are required to ensure that costing of various activities in their respective programmes is accurate and takes into account the ceilings provided to avoid exaggerated resource wish list. The various costing techniques and specific guidelines on how to compute the budget baseline are provided in Annex 5B of this circular. The costing of activities, projects and programmes will be guided by the following principles

**a) Recurrent Budget Estimates**

- **Personnel Emolument**

32. Isiolo County government is committed to implementing an affordable pay policy, which will provide a harmonized and unified framework for determining pay while eradicating wage discrepancies. While we appreciate the need to improve remuneration for public servants, any pay adjustments must be consistent and guided by the following principles:

- a) Pay increases should be geared towards supporting efficient delivery of public services;
- b) Pay increases should be affordable. The growth in the earnings in the public sector should be in line with what is being experienced in the economy as a whole. Any proposed salary increases should give the County Government as an employer enough flexibility to fund other development programmes;
- c) Pay increases should be fair, equitable and just across the entire public service. Selective pay awards to specific sectors in the service is not only unfair but has the potential of de-motivating other staff not benefiting from the awards and justifies counter demands from the other sectors not considered;

33. To ensure the wage bill remains within the medium-term targets, SWGs should not allocate resources for new recruitment, interns, casuals, or upgrading unless there is prior approval for funding from the county Treasury. Allocation for personnel emolument must be supported by Integrated Personnel Payroll Data (IPPD). SWGs should also note that adjustments of remuneration and benefits for staff in departments, including entities, should only be done after receiving advice from the county treasury and county public service management departments.

34. Written approval on the availability of funds for any proposed adjustment, from the County Treasury before seeking public service management advice. This approval should be provided to the SWGs as supporting documentation.
  35. The number of county public sector employees is not expected to increase except where County Treasury has given specific approval on availability of funds for new recruitments.
  36. Accounting officers should not award any adjustment to salaries, remuneration and benefits. Such requests for salary and allowances reviews in the public sector should be channeled to Salaries and Remuneration Commission for guidance.
- **Use of Goods and Services**
37. Departments are to prepare their budgets for operations and maintenance in the context of a hard budget constraint. They will undertake such austerity measures to scale down non-core operational expenditures mainly in the use of goods and services and Savings identified directed towards investment, maintenance, and other development needs of the County.
  38. SWGs are required to review departmental requirements to curtail the growth of the recurrent budget especially with respect to the use of goods and services. The use of goods and services should be costed accurately and the justification given. Service providers' agreements, demand notes, and any documentary evidence of past trends should support each allocation.
  39. County Treasury will critically review budget proposals and where necessary make reallocations from the less productive items in order to direct the savings toward capital investment and other priority areas.
  40. Accounting Officers are required to provide for fixed costs and other mandatory requirements based on the trend or existing agreements. Accounting Officers are reminded that requests for additional funding beyond the provided ceiling will expose their budgets to fresh scrutiny by County Treasury with a view to reprioritizing expenditure plans to accommodate new requests within the set ceiling.
- **Consultancies and Professional Services**
41. County the government acknowledges the contribution of consultants and professional service providers to the delivery of public services, there are concerns over the long-term nature and cost of many of these consultancy arrangements. Moving forward, any funding factored in the budget for consultancies, contracted professional services, contracted

technical services and feasibility studies, will have to be fully justified. In view of this, departments requesting such funds will be required to provide the following to justify such expenditures:

- a) Details of the specific task and timeframe the consultant is expected to undertake;
- b) Why the task cannot be undertaken by County staff;
- c) Details of steps being taken by the County entities to address the skills gap so as to reduce the reliance on external consultants; and
- d) Details (including duration and cost) of all consultancy or professional service contracts, entered into by the County entities in the last two financial years.

**b) Developmental Budget Estimates**

- **Preparation, Appraisal and Approval of New Projects**

42. The Public Investment Management Regulations should be applied in the preparation, appraisal and approval of all projects before they are factored in the budget. In particular, SWGs should ensure that the following requirements have been met before a new project is considered for resource allocation:

- i. All conditions precedent is fulfilled, including land acquisition, compensation, Public/stakeholder participation and management, and other development partners' requirements;
- ii. Detailed designs are completed and relevant approvals obtained where applicable;
- iii. Project has received necessary regulatory approvals;
- iv. Detailed resource requirements including funding sources and personnel to operationalize the project are planned for; and
- v. Project details captured in the relevant Public Investment Management Information System.

43. Financing Agreements with Development Partners shall only be executed for projects that have been approved and processed through the Public Investment Management Information System.

44. Departments should submit information on new projects as provided in the format for Project Concept Note indicated in Annex 6 of this Circular for approval by the County Treasury.

#### **Ongoing and Stalled Projects**

45. As earlier noted, the FY 2025/26 and Medium Budget will put more emphasis completion of ongoing and viable stalled projects. In particular, projects nearing completion should be funded adequately to ensure that citizens benefit from such investments. Further, departments should review all the stalled projects and only submit requirements for viable projects to the county Treasury. The capital projects to be factored in the budget should include both domestically and foreign-financed projects.

46. In order to have a uniform and comparable information on projects, SWGs are required to adopt the following operational definition of project as per PIM regulation.

- i. **On- going project** - a project that in underway with implementation works having commenced or contractual commitment entered into.
- ii. **Stalled project.** A Project which has stopped being implemented for whether reason or has been receiving inadequate budget allocation which cannot facilitate meaningful progress over medium term
- iii. **New project** a pipeline project that has been prioritized for financing, but implementation works are yet to commerce and no commitment entered into;
- iv. **Pipeline project:** A project that has been appraised and granted necessary approval & uploaded in the public investment system ready for prioritization and budget allocation.

47. SWGs are required to provide details of the approved new projects, on-going projects and stalled project in the format indicted in Annex 7 of the circular.

#### **Projects with County Government Counterpart Requirement**

48. SWGs should ensure that externally financed projects are in line with overall departmental priorities, and have adequate provision for county counterpart funding in accordance with the financing agreement. The SWGs should also ensure that performance for results projects as well as programmes with Disbursement Linked Indicators (DLIs) are properly identified with supporting financing agreement. Departments are required to provide supporting documents for allocation of counterpart funding. The requirement and the

supporting documentation for counterpart funding for each planned project in the FY 2025/26 and the Medium-Term Budget should be forwarded to the county Treasury by 5<sup>th</sup> September, 2024.

- **Grants**

49. County grants must be reflected and accounted for within the appropriate programme and sub-programme structure under the departmental Budget. This applies to both locally and externally funded programmes.

- **Public Participation and Stakeholder Involvement**

50. Public participation and involvement of other stakeholders in the budget process is important and a Constitutional requirement. SWGs should identify their critical stakeholders including development partners, private sector, community-based organization, local communities, among others and engage them in programme prioritization. Engagements with stakeholders and Information of their involvement should be documented. The procedures to be followed by members of the public who wish to participate in the budget process are either;

a) Can direct their mails to the County Executive Committee member (Finance, Economic Planning, Special Programs and ICT) - P.O. Box 36 -30600 Isiolo

or

b) Can email to: [cecmfinance.planning@isiolo.go.ke](mailto:cecmfinance.planning@isiolo.go.ke)

or

c) Can attend our wards' consultative meetings to be scheduled and announced in the media January 2024 to collect the views/ priorities of all the stakeholders.

### **III. Departmental Budget Process**

51. Accounting Officers should familiarize themselves with the content of Section 125 of the PFM Act, 2012. Sector Chairpersons are requested to ensure that all activities of SWGs including the drafting of Sector Budget Proposals are completed on scheduled timelines. The proposals should be ready for submission to the county Treasury not later than 30<sup>th</sup> November 2024 in line with the format indicated in Annex 8.

52. Accounting Officers should note that the Functions of County Government have been mapped into departments in line with the classification of the Functions of County Government. This is consistent with the County best practice and is intended to facilitate

the implementation of the new Standard Chart of Accounts (SCOA) and Programme Based Budgeting (PBB).

53. All Chief Officers should coordinate the formation of sector / department working groups in their line sectors and they shall be responsible for reviewing sector/ departmental performance, formulating individual department budget proposals, developing departmental policies and approval of programmes. Structure and composition of sector working group is as annex 2 below.

#### **IV. Preparation and submission of budget proposals**

10. Accounting Officers are requested to ensure that all activities of County government entities are completed on scheduled timelines, including the drafting departmental Budget Proposals. The proposals should be ready for submission to the County Treasury not later than 10th December 2024 in line with the format indicated in Annex 8.
11. The attached budget calendar outlines the timelines for the budget process in accordance to the requirements of the Public Financial Management Act 2012.
12. Accounting Officers are required to strictly adhere to the timelines provided in order to ensure timely preparation and implementation of the budget.

#### **V. Conclusion**

54. Finally, Accounting Officers are required to ensure strict adherence to the FY 2025/26 and the Medium-Term Budget Guidelines and the content of this Circular is brought to the attention of all Officers working under them.

Thanking you ALL



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**HON ABDULLAHI BANTICHA**  
**CECM – FINANCE AND ECONOMIC PLANNING**

**Copy To: All County Executive Committee Members**

**Mr. Dade Boru**  
County Secretary/ Head of Public Service  
**County Government of Isiolo**

**Mr. Hashim Mohamed Abdi**  
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**County Government of Isiolo**

**Mr. Mwongo George Kirimi**  
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**Isiolo**

**Mr. Ahmed Boru Shone**  
Chairperson  
County Public Service Board  
**County Government of Isiolo**

## ANNEX 1: BUDGET CALENDAR FOR THE FINANCIAL YEAR 2025/2026 AND MEDIUM-TERM BUDGET

Accounting officers are required to ensure strict adherence to these guidelines and to bring the contents of this circular to the attention of all Officers working under them

ACTIVITY	RESPONSIBILITY	DEADLINE
1. Preparation and Issuance of a circular setting out guidelines to be followed by all county government entities in the Budget process	County Treasury	30 August 2024
2. Launch of sector working groups	County Treasury	30 August 2024
<b>3. Performance Review and Strategic Planning</b>		
3.1 Review and update of strategic plans, previous Budget programme outputs and outcomes	Line sectors Working Groups	9 August 2024
3.2 Review of programme expenditure performance and approval of projects for financial year 2024/25	Line sectors Working Groups	15 August 2024
3.3 Preparation of Annual Development Plan by sectors and submission to County Treasury	Line Sectors Working Groups	18 August 2024
3.4 Preparation of progress report on implementation of 2022/23 budget	Line Sectors Working Groups	1 September 2024
3.5 Public participation for Annual Development Plan 2024/25	County Treasury	26 August 2024
3.6 Compilation and submission of Annual Development Plan to County Assembly for approval	CEC Member Finance	1 September 2024
<b>4. Determination of Fiscal Framework</b>		
4.1 Draft County Budget Review and Outlook Paper (CBROP)	County Treasury	15 September 2024
4.2 Submission of CBROP to the Cabinet for Approval	County Treasury	30 September 2024
4.3 Submission of CBROP to the County Assembly for Approval	CEC Member Finance	21 October 2024
4.4 Issue of guidelines for review of the 2023/24 County budget (supplementary budget)	County Treasury	22 October 2024
<b>5. Preparation of Medium-Term Budget Proposal</b>		



<b>ACTIVITY</b>	<b>RESPONSIBILITY</b>	<b>DEADLINE</b>
5.1 Preparation of Draft Sector Reports	Line Sector Working Groups	22 October -10 November 2024
5.2 Briefing of sector Chairperson and accounting officers on draft sector reports	Line Sector Working Groups	12 <sup>th</sup> November 2024
5.3 Public Sector Hearing	Line Sector Working Groups	19 <sup>th</sup> -23 <sup>rd</sup> November 2024
5.4 Review and incorporation of stakeholders' inputs in the sector proposals	Line Sector Working Groups	30 <sup>th</sup> - November 2024
5.6 Submission of Draft sector reports to County treasury	Sector chair persons (Cos)	10 <sup>th</sup> December 2024
5.7 Consultative meeting of accounting officers, CEC Members chairperson of sector working groups on sector budget proposals	County Treasury	14 <sup>th</sup> December 2024
<b>6. Draft County Fiscal Strategy Paper (CFSP)</b>		
6.1 Finalise the draft County Fiscal Strategy Paper	Macro Working Group	15 <sup>th</sup> – 19 <sup>th</sup> January 2025
6.2 Cabinet sensitization on Draft CFSP	County Treasury	26 <sup>th</sup> January 2025
6.3 Public Participation on CFSP	County Treasury	29 <sup>th</sup> – 02 <sup>nd</sup> February 2025
6.4 Submission of County Fiscal Strategy paper (CFSP) to Cabinet for Approval	County Treasury	15 <sup>th</sup> February 2025
6.5 Submission of County Fiscal Strategy paper (CFSP) to County Assembly	County Treasury	28 <sup>th</sup> February 2025
6.6 Preparation and Submission of Debt Management Strategy of the County Government over the Medium Term to the County Assembly	County Treasury	28 <sup>th</sup> February 2025
<b>7. Preparation and Approval of the Final Budget</b>		
7.1 Develop and issue final guidelines on the preparation of final budget estimates to line sectors	County Treasury	5 <sup>th</sup> March 2025
7.2 Departmental Submission of budget proposals to County Treasury	Line Sectors Working Groups	15 <sup>th</sup> March 2025

<b>ACTIVITY</b>	<b>RESPONSIBILITY</b>	<b>DEADLINE</b>
7.3 Public Participation on Budget Estimates	County Treasury	25 <sup>th</sup> -29 <sup>th</sup> March 2025
7.3 Consolidation of the Final Budget Estimates	County Treasury	10 <sup>th</sup> April 2025
7.4 Submission of budget budget Estimates to cabinet for approval	County Treasury	19 <sup>th</sup> April 2025
7.5 Submission of draft budget Estimates to Assembly for approval together with other documents	County Treasury	30 <sup>th</sup> April 2025
7.6 Review of budget estimates by the county assembly	County Assembly Committee	15 <sup>th</sup> May 2025
7.7 Report on draft budget by the county assembly	County Assembly Committee	20 <sup>th</sup> May 2025
7.8 Consolidation of the final budget estimates	County Treasury	30 <sup>th</sup> May 2025
7.9 Submission of appropriation bill to County Assembly	County Treasury	10 <sup>th</sup> June 2025
<b>8. Budget statement</b>	CECM-Finance and Economic Planning	14 <sup>th</sup> June 2025
8.1 Appropriation Bill passed	County Assembly	30 <sup>th</sup> June 2025
8.2 Finance Bill passed	County Assembly	30 <sup>th</sup> June 2025
<b>9. Budget implementation</b>		
9.1 Preparation of the Annual Work plans for FY 2024/2025	Sectors	7 <sup>th</sup> July 2025
9.2 Preparation of procurement plans	Sectors	7 <sup>th</sup> July 2025
9.3 Preparation of cash flow projections	Sector	14 <sup>th</sup> July 2025

**ANNEX 2: SECTOR COMPOSITION AND WORKING GROUPS FOR 2025/2026-2027/2028**

<b>Name of Sector</b>	<b>Department/ Entity</b>
Finance, Economic Planning, Revenue Services, ICT and Innovation, Cohesion and Peace Building and Special Programmes	<ol style="list-style-type: none"> <li>1. Finance</li> <li>2. Economic Planning Budgeting &amp; Statistics</li> <li>3. Revenue Services</li> <li>4. Special programmes</li> <li>5. ICT and Innovation</li> <li>6. Cohesion and Peace Building</li> </ol>
Agriculture, Livestock and Fisheries Development	<ol style="list-style-type: none"> <li>7. Agriculture &amp; Irrigation</li> <li>8. Livestock production &amp; Veterinary Services</li> <li>9. Fisheries Development</li> </ol>
Water, Environment, Energy, Mining and Natural Resource	<ol style="list-style-type: none"> <li>10. Water and Sanitation</li> <li>11. Environment and Climate Change</li> <li>12. Renewable Energy</li> <li>13. Mining &amp; Natural Resource Management</li> </ol>
Health Services	<ol style="list-style-type: none"> <li>14. Medical Services</li> <li>15. Public Health</li> </ol>
Lands, Roads, Infrastructure, Public Works, Housing and Urban Development	<ol style="list-style-type: none"> <li>16. Lands and physical planning</li> <li>17. Roads &amp; Infrastructure</li> <li>18. Public Works</li> <li>19. Housing and Urban Development</li> </ol>
Tourism and Wildlife, Trade and Investment, MSMEs and Cooperative Development	<ol style="list-style-type: none"> <li>20. Trade and Investment</li> <li>21. MSMEs and Cooperative Development</li> <li>22. Tourism and Wildlife</li> </ol>
Education	<ol style="list-style-type: none"> <li>23. Education and ECDE</li> <li>24. Vocational Training</li> <li>25. Youth &amp; Sports</li> <li>26. Gender, Culture and Social Services</li> </ol>
Municipal Administration	<ol style="list-style-type: none"> <li>27. Municipal Administration</li> </ol>
County Administration	<ol style="list-style-type: none"> <li>28. Executive Office of the Governor</li> <li>29. County Public Service Management</li> <li>30. County Public Service Board</li> <li>31. Devolved Units and Inspectorate</li> <li>32. Office of the County Secretary</li> <li>33. Inter-governmental Relations and Donor Coordination</li> <li>34. Civic Education and Public Participation</li> </ol>

<b>Name of Sector</b>	<b>Department/ Entity</b>
County Assembly	35. County Assembly

## **ANNEX 3A: STRUCTURE AND COMPOSITION OF SECTOR WORKING GROUP**

### **1. THE SWG SHOULD COMPRISE OF THE FOLLOWING**

- i. Chairperson –Accounting Officer chosen by consensus by other accounting officer within the sector;
- ii. Sector Convener - Appointed by the County Treasury;
- iii. Sector co-convener- appointed by the County Planning Department
- iv. Technical Working Group – Appointed by the Sector Working Group;
- v. A SWG Secretariat – Appointed by the individual Accounting Officer to assist the Chairperson in coordinating the activities of SWG;
- vi. Representatives from the Development Partners; and
- vii. Representatives from Civil Society and Community Based Organizations.

## **ANNEX 3B: TERMS OF REFERENCE FOR SECTOR WORKING GROUP**

Specifically, the terms of reference for SWGs shall be to:

- i. Review sector objectives and strategies in line with the overall goals outlined in the County Integrated Development Plan, 2023 –2027, MTP IV, Vision 2030 and ongoing projects related to BETA, Economic Recovery and the Governor’s manifesto;
- ii. Review sector budget performance in line with set sector objectives and intended targets in the County Integrated Development Plan, 2023 –2027, MTP IV, Vision 2030 and ongoing projects related to BETA, Economic Recovery and the Governor’s manifesto;
- iii. Identify programmes and necessary policies, legal and institutional reforms required;
- iv. Identify list of projects to be included and funded
- v. Analyze cost implications of the proposed policies, programmes, and projects for the Medium-Term Budget period;

- vi. Prioritize Sector Programmes and allocate resources appropriately in accordance with agreed criteria and justification;
- vii. Identify projects to be funded under Public Private Partnerships (PPP); and thoroughly analyze the baseline expenditure and remove one off expenditures.
- viii. Identify projects/ programmes that are low priority in order to realize savings which will be directed to implementation of the county flagship projects
- ix. Allocate resources to projects that have been fully processed (feasibility studies done, with detailed designs, necessary approvals and land secured). The sector working group should pay attention to estimated requirements for each of the stages in the project cycle.
- x. Introduce mechanism of efficiency saving in their budgets through reducing operation costs and non-service delivery Activities;
- xi. The SWGs are expected to provide a detailed explanation for rescheduling of projects which should include savings and financial implications of projects and activities
- xii. Coordinate activities leading to the development of sector reports and indicative sector Budget Proposals.
- xiii. Identify critical stakeholders and engage them in the Budget process.

## ANNEX 4: PROGRAMME PERFORMANCE REVIEW REPORT: 2021/22 - 2023/24

### ANNEX 4A: REVIEW OF PROGRAMME PERFORMANCE REVIEW REPORT: 2021/2022-2023/24

Table 1: ANALYSIS OF PROGRAMME TARGETS AND ACTUAL TARGETS

Programme	Delivery Unit	Key Output	Key performance indicators	Planned Target			Achievement			Reason for the variance
				2021/22	2022/23	2023/24	2021/22	2022/23	2023/24	
Name of programme outcome										
SP 1										
SP 2										

etc...									
--------	--	--	--	--	--	--	--	--	--

**ANNEX 4B: ANALYSIS OF EXPENDITURE TRENDS FOR THE FY 2020/21-2022/23.**

Table2: Analysis by category of expenditure: recurrent (Ksh million)

Sector.....						
Vote.....						
Economic classification	Approved Budget Allocation			Actual Expenditure		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
<b>Gross</b>						
AIA						
NET						
Compensation To Employees						
Transfers						
Other Recurrent						
<i>Of Which</i>						
<i>Insurance</i>						
<i>Utilities</i>						
<i>Rent</i>						
<i>Contracted Guards and Cleaners Services</i>						
<i>Gratuity</i>						
<i>Subsidies</i>						
<i>Others specify....</i>						

Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

Table 3: Analysis by category of expenditure: Development (Ksh million)

Sector Name.....							
Vote and Vote Details	Economic classification	Approved Budget			Actual Expenditure		
		2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
<b>Department...</b>	Gross						
	GOK						
	Loans						
	Grants						
	Local AIA						

Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

Table 4 ANALYSIS BY CATEGORY OF EXPENDITURE: PROGRAMMES ( Kshs MILLION)

Programme 1	Approved Budget			Actual Expenditure		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24

Sub Program 1						
Sub Program 1						
<b>Total Programme...</b>						
Repeat as above for programme 2, 3 e.t.c						
<b>TOTAL VOTE.....</b>						

**Table 5: ANALYSIS BY CATEGORY OF EXPENDITURE: ECONOMIC CLASSIFICATION (Kshs MILLION)**

Economic Classification	Approved Budget			Actual Expenditure		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
<b>Programme 1</b>						
<b>Current Expenditure</b>						
Compensation to Employees						
Use of Goods And Services						
Grants and Other Transfers						
Other Recurrent						
<b>Capital Expenditure</b>						
Acquisition of Non-Financial Asset						
Capital Grant To Government Agencies						
Other Development						
<b>Total programme</b>						
Repeat as above for programme 2, 3 e.t.c						
<b>Total Vote.....</b>						

**Table 6: Analysis of Sector/ Departmental recurrent budget vs actual expenditure (Ksh million)**

Sector.....
Vote (Department).....



Economic classification	Approved Budget			Actual Expenditure		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
<b>Gross</b>						
AIA						
Net Exchequer						
Compensation to Employees						
Transfers						
Other recurrent						
<b><i>Of Which</i></b>						
Insurance						
Utilities						
Rent						
Subsidies						
Contracted Professional (guards & cleaners)						
Others specify...						
Repeat as above for department/ sector 2, 3 e.t.c						
<b>Total Vote.....</b>						

### ANNEX 4C: ANALYSIS OF PERFORMANCE OF CAPITAL PROJECTS (KSH MILLION)

Table 7: Analysis of performance of capital project FY 2020/21- 2022/23

Department.....																					
Project Code & project Title	Estimated project Cost			Timelines		Actual Cumulative Costs up to 30 <sup>th</sup> June 2023	approved budget 2023	Outstanding Project Costs as at 30 <sup>th</sup> June 2023	FY 2021/22				FY 2022/23				FY 2023/24				Remarks
	Total Cost Of Act	GOK	Partners	Start Date	End Date				Outstanding	Approved GOK budget	Approved Partners Budget	cumulative exp as at 30 <sup>th</sup> June 2020	Completion stage at 30 <sup>th</sup> June 2020(%)	Approved GOK budget	Approved Partners Budget	cumulative exp as at 30 <sup>th</sup> June 2021	Completion stage at 30 <sup>th</sup> June 2021(%)	Approved GOK budget	Approved Partners Budget	cumulative exp as at 30 <sup>th</sup> June 2022	
						Ksh	Ksh	Ksh													
project 1....																					
project 2....																					
Repeat above for projects 2,3etc																					

*Under remarks column provide a brief overview of the implementation progress including status and what the project is intended to achieve*

## ANNEX 4D: REVIEW OF PENDING BILLS

Table 8 Summary of Pending Bills by Nature Type (Kshs. millions)

Type / Nature	Due to Lack of Exchequer			Due to Lack of Provision		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
<b>1.Recurrent</b>						
Compensation of Employees						
Use of Goods and Services e.g. Utilities, Domestic or Foreign Travel etc						
Social Benefits E.G NHIF, NSSF						
Other expense						
<b>2.Development</b>						
Acquisition of Non-Financial Assets						
Use of Goods and Services e.g. Utilities, Domestic Or Foreign Travel etc						
Others Specify						
<b>Total Pending Bills</b>						

## ANNEX 4E: SUMMARY OF COURT AWRDS

Table 9: summary of Court Awards

Details of Award	Date Of Award	Amount	Payment Date
<b>Total</b>			

**ANNEX 5A: FORMAT FOR PRESENTATION OF PROGRAMME BASED BUDGETS (PBB)**

**Vote No:**      **Vote Title:**

**Part A:**        **Mission**

**Part B:**        **Vision**

**Part C:**        **Performance Overview and Rationale for Funding**

This section is supposed to discuss the following:

- Brief description of the mandate
- A Brief review of MTEF period 2021/22-2023/24: i.e.
- Expenditure trends; 2021/22-2023/24 budget
- Major achievements for 2021/22-2023/24 budget period;
- Constraints and challenges in budget implementation and how they are being addressed; and
- Major services/output to be provided in period 2025/26 and the Medium-Term budget

**Part D: Programme Objectives/Overall outcome**

<b>No</b>	<b>Programme</b>	<i>Strategic Objective</i>
<b>1.</b>		

*(List all the programmes and their strategic objectives. Please note that each programme must have only one strategic objective/outcome)*

**Part E: Summary of the Programme Key Outputs and Performance Indicators for FY 2025/26-2027/28**

Programme	Delivery Unit	Key Output s (KO)	Key Performance Indicators (KPIs)	Target 2023/24	Actual achievement 2023/24	Target (Baseline) 2024/25	Target 2025/26	Target 2026/27	Target 2027/28
Name of Programme Outcome:									
SP1.1									
SP.2									
...									
SP.N									

**Part F Summary of Expenditure by Programmes& Sub-Program, 2025/26-2027/28 (Kshs. Millions)**

Programme	Approved Budget	Actual Expenditure	Baseline Estimates 2024/25	Estimates 2025/26	Projected Estimates	
	2023/24	2023/24			2026/27	2027/28
<b>Programme 1: (State the name of the programme here)<sup>1</sup></b>						
Sub Programme (SP)						
SP 1. 1						
SP 1. 2.						
... N						
<b>Total Expenditure of Programme 1</b>						
<b>Programme 2: (State the name of the programme here)</b>						
	Approved Budget	Actual Expenditure	Baseline Estimates 2024/25	Estimates 2025/26	Projected Estimates	
	2023/24	2023/24			2026/27	2027/28
SP 2. 1						
SP 2. 2.						
... N						
<b>Total Expenditure of Programme 2</b>						
<b>Total Expenditure of Vote -----</b>						

NB. Repeat as shown in the Table under section “E” above for all Programmes. Provide total expenditure

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

Code	Expenditure Classification	Approved Budget	Actual Expenditure	Baseline Estimates 2024/25	Estimates 2025/26	Projected Estimates	
		2023/24	2023/24			2026/27	2027/28
	<b>Current Expenditure</b>						
	Compensation to Employees						
	Use of goods and services						
	Current Transfers Govt. Agencies						
	Social Benefits						
	Other Recurrent						
	<b>Capital Expenditure</b>						
	Acquisition of Non-Financial Assets						
	Capital Transfers to Government Agencies						
	Social Benefits						
	Other Development						
	<b>Total Expenditure of Vote .....</b>						

**Part H. Summary of Expenditure by Programme, Sub-Programme and Economic Classification (Kshs. Millions)**

Expenditure Classification	approved budget	Actual Expenditure	Baseline Estimates	Estimates	Projected Estimates	
	2023/24	2023/24	2024/2025	2025/26	2026/27	2027/28
<b>Programme 1: (State the name of the programme here)</b>						
<b>Current Expenditure</b>						
Compensation to Employees						
Use of goods and services						
Interest						
Subsidies						
Current Transfers Govt. Agencies						
Social Benefits						
Other Recurrent						
Non-Financial Assets						

Financial Asset						
<b>Capital Expenditure</b>						
Compensation to Employees						
Use of goods and services						
Interest						
Subsidies						
Capital Transfers to Govt. Agencies						
Social Benefits						
Other expenses						
Non-Financial Assets						
Financial Asset						
<b>Total Expenditure</b>						
<b>Sub-Programme 1: (State the name of the Sub-Programme here)</b>						
<b>Current Expenditure</b>						
Compensation to Employees						
Use of goods and services						
Interest						
Subsidies						
Current Transfers Govt. Agencies						
Social Benefits						
Other Recurrent						
Non-Financial Assets						
Financial Asset						
<b>Capital Expenditure</b>						
Compensation to Employees						
Use of goods and services						
Interest						
Subsidies						
Capital Transfers to Govt. Agencies						
Social Benefits						
Other expenses						
Non-Financial Assets						

Financial Asset						
<b>Total Expenditure</b>						

Repeat as above in cases where a Ministry/Department has more than one programme and/or sub-programmes

**Part I summary of human resource requirements**

<b>Programme Code</b>	<b>Programme Title</b>	<b>Designation /Position Title</b>	<b>Authorized Establishment</b>	<b>In Post As 30<sup>th</sup> June 2024</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
					<b>Funded Positions</b>	<b>Position To Be Funded</b>	<b>Position To Be Funded</b>	<b>Position To Be Funded</b>
xx1								
xx2								
xx3								
<b>Total Funded Positions</b>								



## **ANNEX 5B COSTING TECHNIQUES**

All departments are requested to select the technique that provides the most plausible calculation results from the following techniques:

- i. Quantity multiplied by price
- ii. Trend
- iii. Lump sum; and
- iv. Adhoc/one offs

### **Quantity Multiplied by Price**

This Method requires identifying the quantities involved as well as the different prices that are associated with the items. Whenever possible, departments are required to use this calculation method and justification should be provided if this method is not used.

### **Trend**

This might be used if quantity multiplied by price cannot be applied and extrapolates past trends based on an item's expenditure pattern of most recent years. The average past annual rate of increase or decrease is applied to outer year. If there is no indication that future developments would substantially deviate from the past.

### **Lump Sum**

For very small items and to avoid calculation overload, the lump sum method may be used. This involves the cost for the item in the current year and keeping it normally constant in the medium term. The second case where lump sum can be helpful is if there is no reliable indication that the current amount will increase or decrease.

### **Adhoc / One Offs**

The one –off is an expenditure which occurs not in each year but only in one of few years. Additionally, it refers to starting expenditure which has already been approved by law or by cabinet.

## ANNEX 6: PROJECT CONCEPT NOTE

<b>SECTION 1: PROJECT PROFILE</b>			
Project Name			
Project Reference Number			
County Department			
Implementing Department			
Initiating Department/ Unit			
Budget Vote			
Estimated Project Cost:			
MTEF Sector			
Accounting officer			
Official contact Details (provide email, telephone number, postal and physical address)			
Project Threshold			
Project Geographic Location (Provide GPS Coordinates here)			
County	Sub-County	Ward	Village
Planned Start Date:			
Planned End Date			
Date of Submission			
<b>SECTION 2: PROJECT BACKGROUND</b>			
<b>1. Situation Analysis</b>			
Provide a Background to the Project Idea: Briefly describe the current situation that rationalize the project Briefly describe past and on- going interventions to address the situations; quote official statistics including past trends to support your narrative, where applicable			
<b>2. Problem statement</b>			
Provide details of the problem to be addressed in terms of challenges, constraints and gaps: i. Nature of the problem ii. Scope of the problem iii. State the likely causes and effects of the problem both direct and indirect			
<b>3. Relevance of the Project Idea</b>			
Justify the need for the proposed project by a. Linking the project to the National / County Development Plan strategic goals and objectives that proposed project is expected to contribute to; b. Linking the proposed project to sector strategic objectives and strategies by describing the sector out comes that the project is expected to contribute to; c. Show the need for the project by analysing and describing the qualitative indicators of demand for the services or goods to be delivered by project using readily available information. d. Describe the rationale for the government to intervene through the project, whether or not the private sector can deliver the project objectives and the consequences of not implementing the project.			
<b>SECTION 3: SCOPE OF THE PROJECT</b>			
Describe the scope of the project by defining the boundaries of the project in terms of the outputs the project or deliverables of the project or the work that needs to be accomplished to deliver the product, service or result required			

<b>SECTION 4: LOGICAL FRAME WORK</b>			
This section shows how the results chain in logical manner with a detailed description of the project goal, objectives, outcomes outputs and inputs			
<b>a. Goal</b>			
State the goal in the MTP/CIDP the project intends to achieve. Also define the indicator the will be used to measure success of the project against the goal and briefly explain how information on This indicator shall be obtained.			
<b>Project Objective /Outcomes</b>			
Define the project objectives and the corresponding outcomes. These include the effects that will follow from the utilization of products or services (outputs) delivered by the project. These could be the eventual benefits to society that the project interventions are intended to achieve and are reflected in terms of what people will be able to do better, faster, or more efficiently, or what they could never do before. For each project outcome identified, define at least one indicator that will be used to measure performance of the project against the relevant outcome and briefly explain how information on this indicator (s) shall be obtained			
<b>Proposed Project Outputs</b>			
Describe the direct outputs that the project is expected to deliver. Outputs are the immediate and concrete consequences of the implemented activities and resources used. For each project output identified, define at least one indicator that will be used to track progress and the means of Verification.			
<b>Project Activities &amp; Inputs</b>			
For each output identified describe the major activities that should be implemented together with the inputs or resources required to deliver the planned result. To obtain the results of a project a number of activities have to be implemented using various resource or inputs.			
<b>Narrative</b>	<b>Indicators</b>	<b>Source / Measures Of Verification</b>	<b>Assumptions</b>
Goal (MTP/CIDP)			
Project objectives /Outcome			
Key Output			
Key Activities			
NB: Add additional rows for outcomes, outputs and activities as necessary			
<b>SECTION 5: INSTITUTIONAL ARRANGEMENTS</b>			
<b>1 Instructional Mandate</b>			
Describe how the project is linked to the mandate of the county			
<b>2 Management of the Project</b>			
Demonstrate the technical, managerial and financial capacity of the implementing department to deliver the project. This can also be better expressed by showing previous experience in handling projects of the same magnitude.			
<b>3 Project Implementation Plan</b>			
Describe the sequence of activities overtime which should set clear benchmarks and timelines that can be used to track the overall project.			
<b>4 Monitoring &amp; Evaluation</b>			

Describe how the project will be monitored and evaluated in order to ascertain the progress towards achieving its intended objectives. indicate the institutional framework for tracking project
<b>5 Risk and Mitigation Measures</b>
Describe the potential risks that can derail the project, the likelihood of occurrence, the impact of such risks and strategies for mitigating them
<b>6 Project Sustainability</b>
Describe how the project will continue providing the intended services and benefits to the beneficiaries after the project is completed. Describe how ownership will be fostered among stakeholders. include anticipated annual operations and maintenance costs and the source of Financing
<b>7 Project Stakeholders &amp; Collaborators</b>
Describe the stakeholders that the project has to constantly engage and their level of influence and interest among others. List all the government agencies, utilities or regulatory institutions that will need to be involved in the planning and implementation of the propose project including any legal issues that will need to be addressed.
<b>8 Project Readiness</b>
Describe how the implementing department to deliver the project by providing the following information: a) Has the project preliminary and detailed designs been prepared and approved? b) Has land been acquired (site readiness)? c) Has necessary regulatory approvals been obtained? d) What government agencies and stakeholders will be involved in the preparation of the project and what roles they will play in project development and approval? e) Have you undertaken consultations with other government agencies in order to improve synergy and avoid duplication of effort? 1 If the answer is no to any of the above questions, then confirm whether this is part of the project implementation plan 2 whether the project can be phased or scaled down
<b>9 Financial Analysis</b>
<b>A. Capital cost to complete the project: Estimate the capital associated with the project</b> Consultancy..... Land Acquisition Costs..... Site Access, Preparation..... Construction..... Equipment..... Other Capital Costs.....
<b>B. Recurrent Cost (Kshs.): Estimate the recurrent costs associated of the project</b> Labour Cost..... Operating Costs..... Maintenance Cost..... Others.....

<b>C. Estimated total project cost Ksh per year</b>				
FY 1	FY 2	FY 3	FY 4	FY 5
Total (Ksh.)	Total (Ksh.)	Total (Ksh.)	Total (Ksh.)	Total (Ksh.)
<b>D. Indicate the proposed financing Options for the project</b>				
<ul style="list-style-type: none"> <li>a) Government of Kenya only</li> <li>b) Development partner</li> <li>c) GoK and Development partner</li> <li>d) Public –Private Partnership</li> <li>e) Private Sector</li> </ul>				
<b>E. State all other cost implications to other related projects</b>				
Provide a breakdown of estimated cost for other projects that have to be implemented for the benefits to this project to be realized. Is land expropriation required? (yes/No) if <yes>state the total expenses required to achieve this (compensation / legal cost etc)				
<b>F. Operational Cost after Implementation</b>				
Provide estimated average annual personnel cost, annual maintenance cost, operation cost and revenues where applicable. This should be attached as an annex to this PCN				



## **ANNEX 8: SECTOR WORKING GROUP REPORT FORMAT**

### **TABLE OF CONTENTS**

*(Please ensure that Headings and Subheadings are identical to those in the report)*

Chapters 1 – 6 should form the main body of the report and should be divided into logical sections and subsections, using appropriate headings and numbering. Its purpose is to explain the conclusions and to justify the recommendations

### **EXECUTIVE SUMMARY**

*(Restate conclusions for each section and summarize findings and recommendations under this section)*

### **CHAPTER ONE:**

#### **INTRODUCTION**

- 1.1. Background
- 1.2. Sector Vision and Mission
- 1.3. Strategic goals/Objectives of the Sector
- 1.4. Sub-Sectors and their Mandates
- 1.5. Autonomous and Semi-Autonomous Government Agencies
- 1.6. 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**

#### **PERFORMANCE REVIEW 2020/21 – 2022/23**

- 1.7. Performance of Programmes

1.8. Review of Key indicators of Sector Performance

1.9. Expenditure Analysis

1.1.11 Analysis of recurrent expenditure

1.1.12 Analysis of Development Expenditure

1.1.13 Analysis of Externally Funded Programmes

1.1.14 Expenditure Review by Programmes

1.10. Review of Pending Bills

1.10.11 Recurrent Pending Bills

1.10.12 Development Pending Bills

### **CHAPTER THREE**

## **MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2025/26 – 2027/28**

1.11. Prioritization of Programmes and Sub-Programmes

1.11.11 Programmes and their Objectives

1.11.12 Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector

1.11.13 Programmes by Order of Ranking

1.12. Analysis of Resource Requirement versus allocation by:

1.12.11 Sector (recurrent and development)

1.12.12 Sub-Sectors (recurrent and development)

1.12.13 Programmes and Sub-programmes

1.12.14 Semi-Autonomous Government Agencies

1.12.15 Economic classification

1.12.16 Resource Allocation criteria



## **CHAPTER FOUR**

### **CROSS-SECTOR LINKAGES AND EMERGING ISSUES CHALLENGES**

## **CHAPTER FIVE**

### **CONCLUSION**

*This section should summarize the key findings of the report, as outlined in the discussion under the chapters 1-4 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 SIX**

### **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"*