



## Brief analysis of the 2015 estimates, Uasin Gishu County

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### Introduction

- The total revenue estimate from sources is KES 6.68billion in 2015/16. Among these sources is local revenue (fees, charges and land rates) with a target of KES 1.3 billion.
- Looking at the performance of the previous in local revenue collection, this is pretty ambitious and should be set reasonable targets in 2015/16 to avoid too many supplementary budgets as a result of unrealized revenue targets.
- The recurrent budget has huge fluctuations with some pretty major increases from last year that are unexplained.
- The recurrent budget is going up 31% overall when the budget is reducing by (3%)
- In our analysis, we have identified a few of these areas of concern which in our view they are questionable and should be reviewed down by the public and assembly committees.

### Comments and questions on department expenditure items

We have picked a few line items from the excel (soft copy) traditional line item budget below in form of rows that we thought could help readers to navigate through the whole budget and identify other areas;

- Row 44, 173, 419, 543, 686, 775, 1004: Other allowance: introduction of a major new unexplained allowance for KES 39m.
- Row 60: Massive increase in staff sports games. Up by 4,514%. Others under this category are Rows; 679, 1146.
- Row 69: Big increase in contracted professional services. Up by 1,300%.
- Row 77: Publishing and Printing has a massive increase of over 3,000% (255, 279,861,955)
- Row 110: Printing, Advertising, Information Supplies & Services. up by 1,300% others are Rows (110)

- Row 125: Huge increase in training expenses. Up by 2,567%. Others are (53, new 710, 839,987)
- Row 186: Huge increase in trade shows. Up 1,400%. Others are (467,660, 702, 742,863, new 314).
- Row 252: Big increase in travel (278, new 616, reducing 693,740,752)

## Summary

- Many of these things are repeated throughout the budget:
- Big increases throughout in training, printing, travel, advertising, etc.
- Seems like this could be budget padding (budgeting without basis with view of making the budget larger than actual estimates)
- We look at a few of these expenditure items in detail in the next pages, both recurrent and development.

## Expenditure category 1: Travel, Accommodation and Allowances

- Travel (Domestic and foreign), accommodation and allowances takes 3% (KES 141 million) of the total recurrent.
- Office of the Governor and PSM is reducing by (22%) and (53%) respectively from 2014/15 but still has the highest budget for this expenditure in 2015/16.
- The top three departments in terms of share of total budget for this expenditure category are; Office of the Governor with 23%, Finance and Economic planning with 18% and Agriculture with 17%.

## Expenditure category 2: Hospitality and catering services

- 1% of the total budget goes to hospitality services.
- CPSB, Trade, Livestock and Fisheries and Public Service Management departments has the highest reduction of (87%), (67%) and (50%) respectively from 2014/15 budget.
- The top three highest allocated departments are Education at 22%, Finance and Economic planning at 21% and PSM at 18% of the total budget for this item.

## Expenditure category 3: ICT and related budget lines

- ICT related works such as maintenance and purchase of ICT tools has been allocated 0.5% of total recurrent budget and spread across departments while the County Government has an ICT department that this function fall under.
- Huge increases are of the Public Service Management (PSM) at 505%, ICT and E-government department at 320% and Finance and Economic planning at 189%.

- A number of the ICT related budget items have been allocated resources this year but also budgeted for in 2015/16. For example purchase of photocopier under the Office of the Governor at KES 100m while in 2015/16, the same item is allocated KES 200m. What happened to the photocopier that was bought in 2014/15, isn't working anymore? This is repeated across several departments.
- Other budget lines that require clarity include purchase of Computers, Printers and other IT equipment while printing equipment is budget for separately within a single department, see Office of the Governor. What exactly is the funding for purchase of Computers, Printers and other IT equipment is provided for and how are the two lines above relate?

#### **Expenditure category 4: Unclear budget lines**

- About 3% of the total recurrent budget has been allocated to items that appear questionable. A few of this are;
  - Partnership and Government function at KES 2m and 1.5m respectively under Public Service Management department.
  - Legal dues, arbitration and compensation payments with budget of KES 27m. Is this item factored in the debt strategy paper?
  - Electricity charges are also increasing while the president announced a reduction for this cost earlier this month. Is this realistic or another padding?
  - Purchase and refilling of Gas cylinders has been budget for this year with the budget for the same going up immensely in 2015/16. The line item indicates purchase of 1 gas cylinder for 36 sub county offices at the cost of KES 8,000 each (total 288,000) in 2015/16 while this has also been budgeted for in 2014/15 at KES 178,000.
    - First, how is it possible that the gas cylinders were purchased this year and is lined up for purchase again this year?
    - Secondly, what capacity of gas cylinders was purchased last year and what capacity cost KES 8,000 to be precise?
  - Bursaries and other educational benefits are also budgeted for under recurrent while the same has been allocated huge resources under development. What is the difference between these expenditure items?
  - Maintenance of buildings has an allocation of KES 1.2m under recurrent while renovation of County Houses has been allocated KES 2m under the development, what is the difference?
  - Medical drugs and other operating costs with budget of KES 3m and 5m respectively under Water, Environment and Natural resources and County Public Service Board (CPSB) are few of the strange budget lines. Two things;
    - What is the need for medical drugs under Water, Environment and Natural resources?
    - What is "other operating cost"?

- Others include Education and Library supplies and, passport refund under Office of the Governor. These two are new items in 2015/16 and clearly; not understandable by readers.

## Development budget

Under development, we look at a few items that are better budgeted for in phases or are not worth investment at all in 2015/16.

- Row 86: The budget for spatial plan is pretty massive: about KES 80m (almost US \$1 million) over 2 years. What is that for?
- Row 122: If the county is really going to build 6 sub county hospitals this year, do they have enough money to staff them next year? A few concerns around this are;
  - Is this the best option as compared to upgrading, expanding and equipping the existing facilities?
  - CDF has funded construction of number facilities across the county e.g. Cheptiret Health Center but only the structure, isn't wise to equip those and operationalize than build new facilities?
- Row 139: The corresponding line item indicates construction of 2 high capacity grain storage stores in 4 sub counties. Build half as many grain stores this year? Can this be spread across two or three years?
- Row 152: KES 6 million to enhance agriculture staff mobility. Few things on this;
  - What is the difference between this and Row 135 and 136: purchase of 1 vehicle and 5 motorcycles to revamp extension services?
  - If different, how is that and is this necessary all in one year?
- Row 157: 20,000 women groups in one year?
  - First, what is being done here on poultry?
  - Secondly, is this realistic?
- Row 162: Improved quality fish harvest through supply of fishing gear.
  - For who?
  - Why is government purchasing this, shouldn't the fish farmer be doing that?
- Row 165: Improved water flow to the ATC. A whopping KES10m only for Chebororwa while a whole Ward is given only a million shillings or less for the same, is this realistic?
- Row 166, 167, 168, 169: Improved land preparation, weed control and timely farm operations, farm tours, improved farm production, increased dairy efficient.
  - A whole KES 16m for this?
  - What is in return for public in this?
- Row 173: Hostel Construction in Chebororwa ATC. What is this for and is it necessary? Or can this be spread over two years if it is really necessary?

- Row 191: Can the first phase of the amusement park be postponed while the other phases of the various works of River Sosiani Nature Trail project are completed first?
- Row 215: Bursary is one of the economic empowerment tools, but not sustainable. This should be gradually reducing while other sustainable measures such as agribusiness loans are enhanced. This reduction should start in 2015/16 for bursaries while measures are put in place to offer agribusiness loans to the vulnerable in the society to fill in the gap that bursaries tries to achieve.
- Row 194: Repairs of leakages, wash rooms, painting and office furniture and equipment. Is this development expenditure? KES 5million is huge budget for repairs only.

**Contacts:**

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