

# LAIKIPIA COUNTY GOVERNMENT COUNTY BUDGET CIRCULAR

**2023**

## **1.0 INTRODUCTION**


### **1.1 Background**

In accordance with Article 220 (2b)) of the 2010 Constitution and Section 128 of PFM Act 2012 (1 to 4) which states; the County Executive Committee Member for finance shall manage the budget process of the county and subsequently issue a circular not later than the 30th August in each year setting out guidelines to be followed in county budgetary process. The County Treasury shall further spearhead the preparation of the annual budget for the county and co-ordinate the preparation of estimates of revenue and expenditure of the county government. Further, Section 130 (1) (b) (i) of the PFM Act 2012 requires that the County Executive Committee Member for Finance to submit to the County Assembly a list of all County government entities that are to receive funds appropriated from the budget of the County Government.

### **1.2 Purpose**

This Circular is issued pursuant to Section 128 of the PFM Act 2012 to provide guidelines on the processes and procedures to be followed in preparation of the budget estimates for the Financial Year 2024/2025 and the Medium Term. The guidelines apply to all County Government entities and Departments. These guidelines' give direction to County Entities /departments on the following matters:

- Policy framework supporting the Medium-Term Budget for 2024/2025 and the medium term
- Timelines and requirements for key activities in the budget preparation process
- Institutional structures to guide the budget process
- Programme Performance Reviews
- Prioritization process for programs
- Form and content of budget and the costing of programs
- Framework for public participation in the budget making process



### **1.3 Project Funding.**

Program performance expenditure review process will be used to determine MTEF budgetary allocations and programs to be prioritized for funding through evaluating whether previous allocations provided value for money, and prudence in project management. Departments are advised to be efficient and effective in the management and exploitation of resources entrusted to them in order to provide services at an optimal cost, adherence to the Annual Procurement Plans is required, this is expected to help the attainment of CIDP and other development plans.

### **1.4 Public Participation**

In accordance with the Articles 10 and 35 of the Constitution, section 126(2) of the Public Finance Management Act and Section 91(c) of the County Governments Act 2012 public participation in the budgetary process is both essential and a constitutional requirement. The public and all other stakeholders should be actively involved in all stages of the MTEF budget process. Sector working groups should identify stakeholders in their sector and engage them in programs review and prioritizations of projects and programs. Proposals and memorandum from the public should be considered in the budgeting process and relevant documents saved for future reference. Public participations fora deliberations should also be incorporated in to the process.

Reviewed and consolidated draft Estimates shall be posted to the County website and submitted to the members of the public through the set government administration department before public hearings and meetings. The Public shall also be notified through newspapers, local radio and posters on time and respective venues of the meetings. The materials from the forums like Minutes, written proposals, recordings and photos of shall be conveyed to departments for consideration.

In addition, close consultations should be held by the county sectors with the County Budget and Economic Forum (CBEF).

Public hearings will be guided by the Constitution of Kenya (Cok 2010), County Government Act, PFM act and regulations and Laikipia County Public Participation Act, 2014 which facilitates the implementation of Constitution provisions on public participation. Section 17 and 18 of the Act gives effect to public participation framework under the County Government Act, 2012.



## 1.5 PRIORITIZATION AND ALLOCATION OF RESOURCES

The county treasury will ensure there is rationalization of expenditure in order to ensure that Programmes funded are core and are in line with the medium-term expenditure plan of Laikipia County as well as other critical government plans.

The following criteria will serve as a guide to the Accounting Officers for allocating resources:

- a) Linkage of the programme with the Objectives of the County Integrated Development Plan (CIDP) 2023-2027 and County Annual Development Plan 2024/25
- b) The degree to which a programme addresses core poverty interventions
- c) The degree to which the programme is addressing the core mandate of the County entity
- d) Expected outputs and outcomes from a programme and linkage of a programme with other Programmes
- e) National government collaborated programs and grants conditionalities
- f) Budget ceilings allocated by Commissions on Revenue Allocation (CRA)
- g) Equitable share of revenue allocation from the National government
- h) The degree to which the Programme is addressing the core functions and responsibilities of the county
- i) Cost effectiveness and sustainability of the programme
- j) Immediate response to the requirements of the implementation of the constitution
- k) On-going capital projects of the Government flagship projects

## 1.6 DEADLINES FOR SUBMISSION OF ANNUAL BUDGET 2024/2025

S/N	Activity	Due Date
1	Issue County Treasury Budget Circular	
2	Submit County Annual Development Plan to the County Executive Committee	15 <sup>th</sup> August, 2023
3	Submit County Annual Development Plan to the County Assembly	28 <sup>th</sup> August, 2023
4	Submit the County Budget Outlook Paper (CBROP) to the County Executive Committee	1 <sup>st</sup> September, 2023
5	Submit the County Budget Outlook Paper (CBROP) to the County Assembly	26 <sup>th</sup> September, 2023
6	Launch/Convene Sector Working Groups	29 <sup>th</sup> September, 2023
7	Submit Sector Working Groups Reports to the County Treasury	6 <sup>th</sup> November, 2023
8	Submission of Budget Proposals and Feasibility Study data by County Sectors to County Treasury	30 <sup>th</sup> November, 2023
9	Review and Analysis of Annual Budget Proposals	15 <sup>th</sup> December 2023
10	Public Participation Meetings on CFSP	15 <sup>th</sup> January, 2024 up to 29 <sup>th</sup> January 2024
11	Submit the County Fiscal Strategy Paper (CFSP) to the County Executive Committee	6 <sup>th</sup> February – 9 <sup>th</sup> February, 2024
12	Submit the County Debt Management Strategy (CDMS) to the County Executive Committee	20 <sup>th</sup> February, 2024
13	Submit the County Fiscal Strategy Paper (CFSP) to the County Assembly	20 <sup>th</sup> February, 2024
		28 <sup>th</sup> February, 2024

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S/N	Activity	Due Date
14	Submit the County Debt Management Strategy (CDMS) to the County Assembly	28 <sup>th</sup> February, 2024
15	Dispatch of Approved Annual Budget allocations to Sectors	15 <sup>th</sup> March, 2024
16	Sector to submit draft budget proposals to County treasury (Program based and itemized)	28 <sup>th</sup> March 2024
17	Conduct Public Participation Fora on Annual Budget Estimates	8 <sup>th</sup> - 11 <sup>th</sup> April, 2024
18	Submit County Annual Budget Estimates to the County Executive	23 <sup>rd</sup> April 2024
19	Submit Finalized County Annual Budget Estimates to the County Assembly	29 <sup>th</sup> April 2024
20	Submit Proposed Annual Procurement Plans to the Supply Chain Unit	31 <sup>st</sup> May, 2024
21	Submit County Annual Cash Flow Projections to CRA and copied to IBEC and National Treasury	15 <sup>th</sup> June, 2024
22	Submission of Finance Bill to the County Assembly	30 <sup>th</sup> April 2024
23	Quarterly /Cumulative Compliance Reports of Revenue and Expenditure	Within 10 days after the end of every quarter

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