

REPUBLIC OF KENYA



PUBLIC ADMINISTRATION AND INTERNATIONAL RELATIONS SECTOR

MEDIUM TERM EXPENDITURE FRAMEWORK

2012/13 – 2014/15

DRAFT

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Executive summary

The Public Administration and International Relations Sector is one of the newly reconstituted MTEF sectors to reflect the 10 broad functions of the Government. It comprises 14 subsectors/Ministries namely State House, Presidency and Cabinet Affairs Office, Office of the Prime Minister, Office of the Deputy Prime Minister and Ministry of Finance, Ministry of Foreign Affairs, Office of the Prime Minister and Ministry of Planning, National Development and Vision 2030, Office of the Prime Minister and Ministry of State for Public Service, Public Service Commission, Controller of Budget, the National Assembly, Commission on Revenue Allocation and the Kenya National Audit Office. The sector has also embraced the Kenya National Bureau of Statistics, and e-Government which previously fell under the former Research and Innovations sector and the National Assembly from the GJLO sector.

The sector hosts 18 semi autonomous and autonomous Government agencies. Of these, Kenya National Bureau of Statistics, Kenya Institute of Public Policy and Research Analysis (KIPPRA), National Coordinating Agency for Population Development, New Partnership for African Development (NEPAD), Constituency Development Fund (CDF), Vision 2030 Delivery Secretariat, Kenya Institute of Administration, Kenya Revenue Authority, Public Procurement and Oversight Authority, Privatization Commission, Kenya Investment Authority, Competition Authority, Kenya Institute of Supplies Management, and Kenya Trade Network Agency draw their resources from the sector. The Central Bank of Kenya, Capital Markets Authority, Retirement Benefits Authority and the Insurance Regulatory Authority are autonomous agencies within the sector but do not draw resources from its envelop.

The 2012/13- 14/15 MTEF budget is significant as it pioneers the implementation of the devolved Government, bi-camera Parliament and the public financial management principles enshrined in the new Constitution. Consequently, and in upholding the principle of public involvement in Public financial management, the sector consulted counties on the proposed budget for 2012/13-2014/15 and their views have been incorporated.

Prior to embarking on the three year MTEF forward budget, the sector evaluated its past performance to inform the coming budget. It identified key outputs/achievements realized in the 2008/09 -2010/11 period. These include the successful conduct of the 2009 National Population and Housing Census, creation of Government Data Centre, Institutionalization of the Results Based Management, review of 1,325 licenses leading to scrapping of 315 licenses and simplification of 379 others, enactment of Competition Act and subsequent creation of Competition Authority, gazetting of Asset Based Security Regulations, institutionalization of Performance Appraisal System, drafting of Kenya's Foreign Policy and the opening of missions in Qatar and Oman.

The sector's total allocation over 2008/09- 2010/11 increased moderately and stood at Ksh 59,435.6 million, Ksh 69,716.89 million and Ksh 74,246.1 million in 2008/09, 2009/10 and 2010/11 respectively.

Expenditures for the same period stood at Ksh 53.545 million, 63,167.38 million and Ksh 69,541.8 million in 2008/09, 2009/10 and 2010/11 respectively. The sector thus expended within its allocations.

Recurrent allocations rose from Ksh 30,281 million in 2008/09 to reach Ksh 40,166.99 million in 2009/10 before hitting Ksh 41,029.6 million in 2010/11. Actual expenditures for the period also rose and stood at Ksh 28,045.6 million, Ksh 37,104.28 million and Ksh 40,798 million in 2008/09, 2009/10 and 2010/11 respectively.

Development allocations for 2008/09-2010/11 grew slowly and rose from Ksh 29,154.6 million in 2008/09 to reach Ksh 33,216.6 million in 2010/11. Actual expenditures on development for the same period also grew slowly and rose from Ksh 25,499.4 million to reach Ksh 28,743.8 million in 2010/11.

The sector's pending bills declined between 2008/09-2010/11. They dropped from Ksh 1,679.95 million in 2008/09 to reach Ksh 448 million in 2010/11. Recurrent pending bills stood at Ksh 1615.35 million, 1,494.684 million and Ksh 324.4 million in 2008/09, 2009/10 and 2010/11 respectively. Development pending bills however rose and increased from Ksh 64.6 million in 2008/09 to reach Ksh 123.6 million in 2010/11. Both bills arose from lack of provision and liquidity.

During 2012/13-2014/15, the sector requires Ksh 155,376.58, Ksh 157,254.42 and Ksh 165,014.44 against Ksh 99, 931 million, Ksh 106,988 and Ksh 116,248 projected in 2012/13, 2013/14 and 2014/15 respectively. Resource shortfalls are therefore inevitable and the sector should prioritize its activities and enhance efficiency of resources provided to implement Vision 2030 and other national priorities.

Recurrent resource requirements for the period are estimated at Ksh 77,562.16, Ksh 78,391.4 and Ksh 79,794.91 million against projected allocations of Ksh 52,321 million, Ksh 55,320 million and Ksh 57,499 million for 2012/13, 2013/14 and 2014/15 respectively. In development, the sector's resource requirements are estimated at ksh 77,714.4 million, Ksh 78,862.38 million and Ksh 85,220.38 million compared to projected allocations of Ksh 47,609, KShs 51,668 million and Ksh 58,749 million in 2010/13, 2013/14 and 2014/15 respectively.

As the sector prepares the 2012/13-2014/15, it must prepare itself to implement the Constitution of Kenya 2010, and its attendant and enormous resource needs within resources provided and strive to maintain macro stability as a priority. The forthcoming elections and commencement of the devolved government are also factors likely affect the execution of the budget must be planned well. Besides, this budget will be implemented in a period when key macro variables (exchange rates, interest rates and inflation) are unstable and may challenge budget execution. Weak public financial management framework, aging infrastructure in the sector further pose challenges in the implementation of the budget. HIV/Aids, staff shortages and difficulties of establishing the required infrastructure in counties create other challenges in budget implementation.

From the foregoing the sector should:

- Review its needs to prioritize and allocate resources for Vision 2030 and other national policies
- Prioritize ICT and related aided service delivery for resource allocation including linkages with the counties
- The sector should promote synergy in resource allocation for joint project to minimize duplication
- Capacity of counties should be developed to create sector working groups for counties where most of implementation will take place
- Succession management should continue to provide for seamless service delivery

INTRODUCTION

1.1 Background

The Public Administration and International Relations MTEF Sector is one of the newly reconstituted MTEF budget sectors. The sector reconstitution was necessitated by the need to map the MTEF sectors within 10 broad functions. It comprises 14 subsectors/Ministries and autonomous Government agencies. Previously the sector comprised the following subsectors: State House; the Presidency and Cabinet Affairs Office; Office of the Prime Minister; Office of the Deputy Prime Minister and Ministry of Finance; Ministry of Foreign Affairs; Ministry of State for Planning, National Development and Vision 2030; Ministry of State for Public Service and Public Service Commission.

The Constitution of Kenya, 2010 created constitutional offices and independent Commissions some of which were added to this sector. These include; Office of the Controller of Budget, Kenya National Audit Office, Salaries and Remuneration Commission and Commission on Revenue Allocation. In addition, some subsectors previously falling under the Research, Technology and Innovation Sector including Directorate of e-Government, KIPPRA and Kenya National Bureau of Statistics were brought to this sector. Further, Kenya National Assembly previously falling under the Governance Justice Law and Order Sector was incorporated in this sector.

The sector has embarked on its three year MTEF budget for the period 2012/13-2014/15 for the purpose of seeking resources to fund its programmes and sub programmes. The three year budget has been prepared against the background of the Constitution of Kenya, 2010. The Constitution created new Constitutional Offices and provided for the devolved Governments. It further underpinned the need for efficiency and accountability in public expenditure, set aside funds for Counties and created an equalization fund for marginalized areas. In addition, it emphasizes peoples' involvement in the budget process. The Constitution of Kenya, 2010 also set out strict timelines and deliverables in the budget process and enhanced the role of Parliament in the process.

The 2012/13 MTEF budget pioneers the operations of the devolved Government, therefore Subsectors are obligated to decentralize their budgets in accordance with the Constitution. Consequently, the sector will identify and cost programmes assigned to the National and County governments. It will also budget for institutions created in the implementation of the constitution besides other activities that will facilitate better service delivery and their linkages with the national Government.

1.2 Sector Vision and Mission

1.2.1 Vision Statement

A leading sector in public policy formulation, implementation, coordination, supervision and prudent resource management

1.2.2 Mission Statement

To provide overall leadership and policy direction in resource mobilization, management and accountability for quality public service delivery.

1.3 Sector goals

The goals of the Public Administration and International Relations sector are to:

- Provide leadership and policy direction in the governance of the country;
- Coordinate and supervise Government affairs;
- Promote sound public financial and economic management for national development;
- Articulate and implement Kenya's foreign policy for national development;
- Promote policy formulation, implementation, monitoring and evaluation; and
- Promote efficient and effective human resource management and development for improved Public Service delivery;
- Promote accountability and efficient utilization of public resources

1.4 Strategic Objectives of the Sector

- To provide strategic policy and leadership direction for national development;
- To promote Kenya's national interests internationally;
- To ensure **continuous recruitment, development and retention** of appropriate human resource and application of best practices in the management of the Public Service for improved performance;
- To facilitate creation of Government structures and institutional frameworks for improved Public Service delivery **and implementation of the Constitution;**
- To strengthen public policy formulation, planning, coordination, implementation, monitoring and evaluation;

- To promote macroeconomic stability, sound management of public finances and assets and provision of conducive business environment;
- To promote accountability and efficient utilization of public resources

1.5 Sub Sectors and their Mandates

1.5.1 State House

Managing Presidential programmes, press services, State Houses and Lodges.

1.5.2 Presidency and Cabinet Affairs Office

Organization and facilitation of the Government business

1.5.3 Office of the Prime Minister

Coordination and supervision of Government business to ensure delivery of key Government priorities and programmes

1.5.4 Ministry of Finance

Development of economic, fiscal and monetary policies and coordination of Government financial operations

1.5.5 Ministry of Foreign Affairs

To formulate, articulate and implement Kenya's Foreign policy.

1.5.6 Ministry of State for Planning, National Development and Vision 2030

Facilitation and coordination of the national development planning process , coordination of the implementation of Kenya Vision 2030 and to provide leadership in the implementation of sound economic policies

1.5.7 Ministry of State for Public Service

To provide strategic leadership and guidance to the Public Service on Human Resource Management and development.

1.5.8 Public Service Commission

To manage the entry, stay and exit of public servants.

1.5.9 Controller of Budget

To authorize withdrawals from the Public Funds and report on the implementation of National and County budgets to the Legislature and the Executive.

1.5.10 Kenya National Audit Office

To audit and report on all public finances and submit reports to the National Assembly or County Assemblies within statutory set timelines.

1.5.11 Commission on Revenue Allocation

To advice on equitable sharing of revenue raised by national government between national and county governments.

1.5.12 Salaries and Remuneration Commission

Set and regularly review salaries and remuneration of state officers and advice on remuneration of all other public officers in national and county Governments

1.6 Autonomous and Semi Autonomous Government Agencies (SAGAS)

	Subsector/Ministry	SAGAS
1	Ministry of State for Planning, National Development and Vision 2030	<ol style="list-style-type: none">1. Kenya National Bureau of Statistics (KNBS)2. Kenya Institute of Public Policy Research Analysis (KIPPRA)3. National Coordinating Agency for Population Development4. Community Development Trust Fund (CDTF)5. New Partnership for African Development (NEPAD)6. Constituency Development Fund Board7. Vision 2030 Delivery Secretariat

	SUBSECTOR/MINISTRY	SAGAS
2	Ministry of State for Public Service	1. Kenya Institute of Administration
3	Office of the Deputy Prime Minister and Ministry of Finance	1. Central Bank of Kenya 2. Retirement Benefits Authority 3. Capital Markets Authority 4. Insurance Regulatory Authority Semi-Autonomous 5. Kenya Revenue Authority 6. Public Procurement Oversight Authority 7. Kenya Institute of Supplies Management 8. Privatization Commission 9. Kenya Investment Authority 10. Kenya Trade Network Agency 11. Competition Authority

Autonomous and Semi-Autonomous Government Agencies within the context of Sector mandate

The Public Administration and International Relations Sector plays a key role in national policy formulation, implementation monitoring and evaluation. This role is facilitated by data collection, collation, analysis and dissemination, function executed by the Kenya National Bureau of Statistics. The data collected aids evidence based policy and decision making in both private and public sectors of the economy. For purposes of enhancing policy formulation, this sector undertakes rigorous policy research and analysis through Kenya Institute of Public Policy and research Analysis (KIPPRA) of the sector the results of which are used by the entire economy for national development.

Following the launch of Vision 2030, the Vision Delivery Secretariat was established within the sector. This Secretariat coordinate's implementation of this plan in private and public sectors provides the desired strategic policy leadership and direction needed in the implementation of the Blue Print. To ensure realization of the Vision goals, the sector coordinates development initiatives for the country. Some of these include the Community Development Trust Fund and the Constituency Development Funds which focus on development at the devolved levels besides helping to implement the New Partnership for African Development (NEPAD) of which Kenya is a signatory.

The sector also implements the national population policy through the national Coordinating Agency for Population Development for sustainable development.

Through the Central Bank, this sector ensures stable exchange rates, low inflation and interest rates by regulating the money markets. It further ensures stable and sustainable fiscal environment for the country to attract investments and to provide competitive business environment. The Kenya Investment Authority and the Capital Markets Authority mobilizes investments locally and internationally for promoting the desired national development while the Competition Authority ensures fair business practices in the country. The sector through the Public Procurement Oversight Authority also ensures value for money for all public procurements thereby facilitating sound public financial management while the privatization Commission ensures disposal of public enterprises in the most transparent and competitive methods for national development.

Sub sector specific SAGAs within the sector also help it to regulate operation within specific subsectors. These include the Insurance Regulatory Authority, Retired benefits Authority, and the Capital Markets Authority for the Insurance, retirement Benefits, and Capital markets subsectors respectively. The sector also mobilizes public revenues through the Kenya Revenue Authority and in collaboration with other actors in the sector to ensure continued revenue generation within a stable macro economic framework.

In addition, the sector through the Kenya Institute of Administration develops capacity of public servants to facilitate better service delivery. This institute is bound to play a more meaningful role in national development as it engages in capacity development of those to manage the devolved Government.

1.7 Role of Sector Stakeholders

Stakeholder	Interest in MTEF Budget	Outcome/Output
Public servants	<ul style="list-style-type: none"> • Budgeting and appropriation of allocated funds for service delivery and implementation of approved Programmes / Projects and Government policies • Employee development and welfare 	<ul style="list-style-type: none"> • Enhanced service delivery • Enhanced Coordination of govt. Ministries agencies and policies • Enhanced staff welfare
Line Ministries/ Depts.	<ul style="list-style-type: none"> • Provision of overall policy and leadership direction. • Allocation of resources for planned programmes • Adequate staffing of ministries with right skills and competencies • Linkage with international partners for mutual interest 	<ul style="list-style-type: none"> • Sound decision making/ governance • Better service delivery • Enhanced international cooperation for national development

Stakeholder	Interest in MTEF Budget	Outcome/Output
Development Partners	<ul style="list-style-type: none"> • Ensuring open budget formulation process and accountability • Expending of public resources on planned projects/ programmes outputs and outcomes • Complementing of subsector budget for attainment of national goals • Capacity building in budget process 	<ul style="list-style-type: none"> • Transparent and accountable budget process • Improved service delivery. • Improved social welfare • Economic development • Holistic funding of approved programmes and projects. • Improved budget making process
The Citizens and Civil Society	<ul style="list-style-type: none"> • Provision of strategic leadership and direction for national development • Sustainable and improved service delivery. • Improved Socio-economic policy formulation • Transparent and devolved budget process • National economic policy management 	<ul style="list-style-type: none"> • Sustainable development and improved citizen welfare • People focused, results oriented policies. • Economic development and poverty reduction • Improved involvement of people in budget process • Stable macroeconomic environment
Parliament	<ul style="list-style-type: none"> • Open and participatory budget formulation process. • Equitable resource allocation • Oversight over budget expending. • Compliance with Constitution on matters of budget • Sound economic and social policy management 	<ul style="list-style-type: none"> • Transparent budget. • Balanced development • Reduced resource wastage • Value for money for public funds • Legally compliant budget • Stable macroeconomic environment

Stakeholder	Interest in MTEF Budget	Outcome/Output
Private Sector	<ul style="list-style-type: none"> • Timely payment for goods and services supplied 	<ul style="list-style-type: none"> • Better service delivery

	<ul style="list-style-type: none"> • Transparent business transactions • Enhanced public private partnership • Development of private sector friendly policies • Sound economic policy management 	<ul style="list-style-type: none"> • Conducive and competitive business environment • Improved competitiveness in sources for goods and service/ value for money for public funds • Enhanced private sector participation in public affairs and economic development • Stable macroeconomic environment
Trade Unions	Workers welfare- pay, allowances, working conditions	<ul style="list-style-type: none"> • Improved workers welfare • Improved compliance with best labour practices
Professional bodies	<p>Adoption of best practices and standards</p> <p>Provision expert input in budget process</p>	<ul style="list-style-type: none"> •

CHAPTER TWO

2.0 PERFORMANCE AND ACHIEVEMENTS OF THE SECTOR DURING THE PERIOD 2008/09 -2010/11.

This chapter provides a summary of the performance achievement for the Period 2008/09-2010/11, the Sector made remarkable progress in the implementation of its programmes including: Promulgation of the Constitution 2010, promotion of Kenya's interest abroad, improvement of business environment and better service delivery.

Some of the achievements attributed to the promulgation of the constitution include: facilitation of the operations of the Cabinet through which bills related to Schedule five (5) of the Kenya Constitution 2010 were discussed and later tabled in parliament, drafting of regulations on Public Financial management and five other related bills which were passed by parliament.

To promote and safeguard Kenya's national interests abroad, two missions were opened in Qatar and the Sultanate of Oman, the sector successfully lobbied for the creation of a post of Under Secretary General of the United Nations office in Nairobi (UNON), Taskforce report on Kenya's Outer Continental Shelf to the United Nations was submitted in May 2010, Hosting of Investors' conference in the US with a view of attracting Major US investors into the Kenyan market and communication campaigns to market Kenya as a tourist destination.

The sectors' commitment to ensure improvement of the business environment led to implementation of several projects and programmes which include: gazettment of Asset Backed Securities regulations, amendment of capital markets regulations while the Micro finance Act was commenced by issuing supporting regulations. To facilitate establishment of businesses, a total of 1,325 licenses were reviewed, out of which 315 were eliminated while another 379 were simplified. To enhance competitiveness, dynamism and minimize market imperfections in the business environment, the sector facilitated the passage of the Competition Act in December 2010 which paved way for the establishment of the Competition Authority.

To improve service delivery, the sector implemented E-Government Strategy for improved on line service delivery, creation of Government Data Center, implementation of Results Based Management Services and entrenchment of the Performance Contracting in the Public Service. To ensure provision of facts to inform the government in policy making, planning and administration, the sector conducted National Census in 2009. In its endeavor to achieve the Kenya Vision 2030, the sector implemented NIMES to help monitor and evaluate programmes and policies. The sector's commitment to provide enough administrative and support services, led to implementation of key projects among them; Central Kenya Dry Areas Smallholders and Community Services Project (CKDAP), Millennium Development Goals Initiatives (MDGs), Southern Nyanza Community Development Project (SNCDP), Community Empowerment and Institutional support Programme, Community Development Programme (CDP), community Development for Environment Management (CDEMP), Environmental Programme Support (EPS). To ensure competent human resource for better service delivery, the sector finalized its report on the implementation and review of Performance Appraisal System (PAS), implementation of a Contributory Pension Scheme and ensured competitive recruitment in the Public Service in a comprehensive and timely manner in accordance with the law.

2.1 Performance of Programmes

This section highlights programmes implemented, their outputs, outcomes and their associated key performance indicators and further analyzes expenditures on the programmes for the review period. The sector made remarkable progress in the implementation of its programmes, the highlights of which are outlined by programmes as follows:

2.1.1 Programme 1: Management of State Affairs.

The sector successfully hosted several Cabinet meetings and State functions. It successfully led to the Referendum and Promulgation of the Constitution 2010. Also undertook the refurbishment and maintenance of Sagana, Eldoret and Kakamega State Lodges. The refurbishment of State House, Mombasa was completed.

2.1.2 Programme 2: Cabinet Services Programme.

The Cabinet Services Programme, applied some of the resources to prepare, finalize and eventually submit Kenya's Outer Continental Shelf Taskforce Report to the United Nations by May, 2010. The report is slated for discussion in 2014 and if accepted, the country stands to extend its territory 150 nautical miles beyond the Exclusive Economic Zone. The extension of the marine boundary will place an expanded resource based for national development.

The sector also successfully hosted an investors' conference in the US with some of the resources provided with a view to attracting major US investors into the Kenyan market. In addition, a major public advocacy and communications campaign was mounted in the US to stimulate international interest in Kenya which will translate into increased investments and tourist arrivals. The sector also facilitated the operations of the Cabinet through which bills related to Schedule five (5) of the Kenya Constitution 2010 were discussed prior to being tabled in Parliament.

2.1.3 Programme 3: Public Sector Advisory Services

The E-Government Strategy was completed and implemented resulting in improvement of on line service delivery. For instance, there is an improvement in payment for services and the management of pending bills and over expenditures through the E-shared services delivery applications like the e-pay system. In addition, over 5,000 civil servants were trained to improve their skills in ICT.

2.1.4 Programme 4: Coordination and Supervisory Services

Under this programme, the sector achieved streamlining public service management, entrenchment of the performance contracting in the public service, tracking and assessing implementation of service delivery by Ministries, Departments and Agencies (MDAs)

2.1.5 Programme 5: Public Financial Management

In order to continue improving financial management the sector implemented the cash management programme with the view of ensuring regular flow of financial resources to line Ministries. Again there was improved timely production of the annual Appropriation Accounts and Risk Based Audit. Arising from the programme, Ministerial and State Corporations Audit Committees were created for overseeing public expenditures and implementation of the Public Procurement and Disposal Act, 2003.

2.1.6 Programme 6: Economic and Financial Policy formulation and Management

The programme spearheaded reforms in the financial sector and business licensing. During the period under review, Asset Backed Securities regulations were gazetted with the objective of deepening and broadening the capital markets. Capital Market regulations were also amended while implementation of the Micro Finance Act commenced with issuing supporting regulations. A total of 1,325 licenses were also reviewed of which 315 were eliminated while other 379 were simplified. .

2.1.7 Programme 7: Fair Trade Practices and Creation of an Enabling Business Environment

Under this programme, the sector facilitated the passage of the Competition Act in December 2010 paving the way for the establishment of the Competition Authority of Kenya to provide a legal framework for the modernization of competition regulation to support the market economy. Thereafter, the Commission analyzed sixty two (62) Mergers and takeover notifications investigated twenty three (23) restrictive trade practice cases during the review period.

2.1.8 Programme 8: Administration and Planning

Some of the achievements of the programme include: undertaking various measures to prevent and control HIV/AIDS including development of a workplace policy, holding workshops on HIV/AIDS and hosting VCT session at the headquarters and District Treasuries. An anti –corruption action plan and ISO 9001:2008 Quality Policy have been developed and procedures for the Ministry’s departments documented. A Gender Unit has been operationalized in accordance with the National Gender Policy.

2.1.9 Programme 9. Promote and Safeguard Kenya’s national interests abroad

In the International arena, the sector completed a draft Kenya’s Foreign Policy that was submitted to cabinet for approval. It further strengthened and expanded bilateral ties by signing several host country agreements and Joint Commissions for Cooperation. The sector also opened two (2) additional Missions in Qatar and the Sultanate of Oman to expand Kenya’s representation abroad. Over the review period, the sector lobbied for appointments of Kenyans to International organizations as well as Kenya’s election to leading key policy organs and specifically lobbied for the creation of a post of Under Secretary General of the United Nations Office in Nairobi (UNON).

The sector also continued promoting regional peace and stability by participating in the activities of the African Union (AU), Intergovernmental Authority on Development (IGAD), and International Conferences of the Great Lakes Region (ICGLR), Common Market for Eastern and Southern Africa (COMESA) and East Africa Community (EAC). Notably, the sector played a major role in pursuit of the implementation of the Comprehensive Peace Agreement (CPA) which culminated in the creation of an independent South Sudan State. Currently, Kenya is the Chair of the IGAD as well as a member of Peace and Security Council of the AU.

2.1.10 Programme 10: District Planning and Community Development

This programme involves the following sub programmes and activities: District Planning, Community Development Programme, Millennium Development Goals & Poverty alleviation initiatives and Constituency Development Fund all aimed at enhancing community development. The overall goal of the project in these areas is to contribute to poverty reduction and vulnerability to diseases of the poor rural communities comprising of about 42,000 households. The purposes of the project are:

- a) To improve health status of the target community;

b) To improve household food security, nutrition and income;

To date, the project has benefited about 200,000 people

2.1.11 Programme 11: Coordination of Policy Formulation and implementation of Vision 2030

This programme includes the following sub programmes: Social Economic Policy and Planning, Macro Economic policy planning and regional integration, Innovation Science and Technology, Population policy and planning and Vision 2030. The sector has deepened the coordination of policy formulation and implementation of vision 2030.

2.1.12 Programme 12: Statistical Data Management

The sector through KNBS implemented a number of projects/programmes among them:-Conducting the 2009 Kenya Population and Housing Census ;Finalization and dissemination of survey reports including the 2009 Consumer Price Index reports, Launching of the 2009 Kenya Population and Housing Census report, Rolling out of New Consumer Price Index basket derived from the Kenya Integrated Household Budget Survey, Capacity building and Support to its H/Q and district staff under the STATCAP project, Production of the annual economic surveys and Statistical abstract, Carry out the post enumeration census survey.

2.1.13 Programme 13: National Monitoring & Evaluation Systems

The sector successfully rolled out the NIMES (national integrated monitoring and evaluation system) which is atoll providing the government with reliable mechanisms to measure efficiency and effectiveness of implementing government policies programmes and projects.

2.1.14 Programme 14: Administrative and Support Services

This programme has successfully provided leadership, organization, coordination and support to all the programmes with the planning subsector.

2.1.15 Programme 15: Human Resource Management and Development

The sector continued to recruit, develop and retain qualified staff in the Public Service. The sector achieved automation of the human resource processes and registries, Finalized Code of Regulations in line with the constitution 2010, Preparation of report on the implementation of the Performance Appraisal System (PAS) in Ministries and Departments, completed Finalization of Rewards and Sanctions Scheme, review of the Performance Appraisal System (PAS, Implementation of a Contributory Pension Scheme and Implementation of Medical Insurance Scheme for Civil Servants. The sector also facilitated the development and implementation of new training programmes and introduced senior management course at the GTIs which also underwent refurbishment and improvement.

2.1.16 Programme 16: Administration of human resource in the public service

Some of the achievements include: Filing positions in public service in a timely manner and ensuring gender parity, expedition on decisions on appointment, promotion and discipline of civil servants, Discipline cases are determined within 23 days from the date of receipt from authorized officers, timely release of examination results to candidates and constantly monitoring and evaluating the human resource function in MDAs. The sector also drafted the Public Service Commission draft bill 2010.

2.1.17 Programme 17: Audit Services

Through the sector, audit backlog in local authorities was reduced from 10% to 5% in 2008/09. Reports on Central Government and State Corporations are now more regular where over 98% of the 2008/09 audits were carried out within statutory deadlines.

2.2 Review of Key Indicators of Sector Performance

The following matrix shows the sector's programmes, outputs/outcomes and their performance indicators.

Key Indicators of Sector performance

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
Formulation and Implementation of Fiscal Policies in collaboration with KRA	Expanded Fiscal space Strengthening of tax administration	Proportion of revenue collected to GDP Publication of Fiscal Strategy Paper	Revenue collection stood at 24.2% in 2011 of GDP up from 21.8% in 2008/10
Formulation and Implementation of Monetary Policies	Financial sector policy Enhanced stability in the banking sector	Reduced rate of inflation Interest rate	Average annual inflation rate stood at 5.4 %. Commercial interest rates at 24-25%
Preparation and Presentation of Annual and Supplementary estimates of revenue and expenditure to Parliament	Annual printed estimates document Supplementary estimates document	Published Annual/Supplementary Estimates and Budget	Printed estimates prepared on time
Ensuring adequate timely flow of budgetary resources from the exchequer to various Government Ministries/ Departments	Timely release of Financial Resources Improved implementation of Government programme	Level of resources disbursed to Ministries Timeliness in resource disbursement	Timely receipt of funds by MDA's
Facilitate proper management, control, accounting and auditing of public	Standardized Procure manuals Effective financial systems and regulations	Reduced mismanagement of Public funds. Level of Compliance to	Increased value for money of public funds

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
funds		Public Finance Management Regulations	
Ensuring transparent and accountable disposal of identified public enterprises and surplus and other public sales	Acceptable disposal of Public enterprises goods	The privatization proceeds in place	Number of Divestures completed
Processing and payment of pension claims in the public service	Efficient payment of pension claims	Reduced delays and backlog of pension payment. Processing time	Pension payment done within 28 days, installed a PMIS (put in full).
Support Public Private (PPP) sector Partnerships	Enhanced partnership between public and private sector	Completed PPP guidelines and Manual	PPP secretariat operationalized
Coordination of district planning	Operational 2008-12 Medium Term District plans Enhanced capacity of District Planning Offices	Level of implementation of district plans No of economists recruited and deployed	219 economists recruited and deployed
Enhance district development services and assets.	DDOs Offices constructed DIDCS/DDOs Offices rehabilitated	No of DDO's offices constructed No of DDOS offices rehabilitated	19 DDOS offices constructed 88 DDOS offices under construction.
Coordinate, facilitate and manage Community Development Programmes	Improved livelihoods in project areas	Annual progress reports for project areas Completion rate of project/ programme objectives	Annual and Quarterly reports produced.
Receive and evaluate project proposals and fund community projects by the CDTF	CDTF projects portfolio document	Project reports Completion rates. No and type of projects	31 CDP projects completed.

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
PMU/BOARD.		funded	
Promote NEPAD initiative	Integration of NEPAD initiative in the Country's planning, political and budget process NEPAD Peer review reports	Annual Progress Reports Level of accomplishment of NEPAD goals Peer review Reports Country Review Reports	Achievement of African Continental goals through
Coordinate formulation of Economic policy.	Improved policy formulation and coordination	Social budgeting initiatives up scaled in three districts Stakeholders interest	Expended social budgeting initiatives to 24 districts.
Mainstreaming population in policy and planning	Sustainable and viable population policy Improved population management	Annual population growth % of expectant mothers accessing safe motherhood services	Progressive population policy.
Formulation and articulation of Kenya's Foreign Policy	Expanded diplomatic representation	No. of new Missions/Consulates opened	2 new missions and 1 consulate opened
	Enhanced and strengthened bilateral relations	No. of Joint Commissions for Co-operation (JCC) launched or Convened.	18 JCCS held/launched
	Expanded engagement with new and traditional FDI and ODA sources	No. of investment and assistance agreements initiated or concluded	38 agreements initiated/ concluded
	Increased employment of Kenyans in International Organizations	No. of positions lobbied for and or secured for Kenyan's	16 Kenyans placed s in international organizations
	Kenya's Foreign Policy under preparation	Operational draft Foreign Policy in place	Draft policy submitted to cabinet

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
	Mainstreaming of Diaspora national development		Cabinet memo on mainstreaming Kenyan Diaspora drafted. Adopted Draft Sessional Paper on Diaspora in place
Facilitate conducive accommodation	Improved embassy/ consulate premises Increased ownership of property in Missions Improved Kenya's image abroad	Number of refurbished properties in Missions Refurbishment of Ministry headquarters. Number of Chanceries/ official Residences acquired/constructed in Missions Operational Asset policy in place	7 properties in various missions refurbished Sub-committee to develop a draft asset policy constituted and is operational
Provide direction on coalition and public Policy Coordination Services	Mau forest boundary reviewed and profiled occupants Taskforce on accelerated development of Green Energy		Part rehabilitation of Mau Forest Completed. Task force established and operational
	A National Communications Strategy (NCS)(what about it)	Status operation of Taskforce Guidelines on NCS.(rephrase the indicator)	A fully operational NCS taskforce constituted. An Interim policy and guidelines is in place.
	Address political and parliamentary matters through cabinet Committee Decisions and Prime Minister's parliamentary weekly briefs	Cabinet memos and briefs	All parliamentary matters and committees coordinated.
	Policy on M&E for State Corporations	Draft policy on M & E	A draft policy on M&E for State Corporations has been developed Rationalized systems for monitoring and Evaluating State Corporations

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
Entrench Results Based Management in Public Service	MDAs on Performance contract	number of MDAs on PC, level of Imply of PCs	470 MDAs on PC
	Draft Public Private Sector Stakeholder Partnership (PSSP) Policy	Draft PSSP Policy in place Stakeholder forums held	is it realted to RBM in any way?
Facilitate effective Recruitment, Selection and Exit in the public service	Improved public Service delivery Reduced recruitment time	No and gender of recruited officers Processing time	28% of new entrances were women Lead time reduced to 2.27 months for new recruitment
Improve Human Resource Management in the public service	Computerized registry management system in use. Draft human resource strategy developed Performance Appraisal System	Computerized registry management system in place HR strategy in place Level of coverage and implementation of the Revised Performance Appraisal system	Registry management system developed and rolled out. HR strategy in place. PAS implemented
Strengthened GTIs	New training course introduced at GTIs.	No. and type of courses introduced.	Senior management course and other tailor made courses for various cadres introduced.
Organization of Government Business	Kriegler Commission Report and Recommendations made Waki Commission Report and recommendations made Task Force report on Delineation of Kenya's Outer Continental Shelf Tribunal Reports on Court of Appeal/Puisne Judges	reports generated and its recommendations/findings Tribunal reports	Reports submitted to government and is being implemented in phases. Report submitted to UN and is pending discussion Tribunal reports prepared and acted upon.
National Economic and Social Advisory	Improved policy formulation and implementation	No. and type of evidence based policies recommended to	Evidence based policies.

Function/ Objective	Outputs/Outcomes	Performance Indicator	Achievement
Services		Cabinet for approval	
E-government Advisory services	Improved level of automation and online service delivery.	Quantity and type of hardware computers procured	Automation is in progress Government data center now operational E-government strategy under implementation
Promote Kenya Southern Sudan relations	Quarterly Monitoring reports and Associated recommendations on Comprehensive Peace Agreement Increased trade between Kenya and Southern Sudan	No. of reports and recommendations Status of implementation of CPA Volume of Trade between Kenya/Southern Sudan	Peace and Cooperation between the Sudanese neighbours. Status reports prepared and submitted.

2.3 Expenditure Analysis

This section analyzes the estimates and actual expenditures for each sub sector for both recurrent and development budgets for FY's 2008/09 – 2010/11 and reviews expenditure performance by programmes. It also reviews the pending bills outlining the reasons for accumulation of the bills.

2.3.1 Analysis of recurrent expenditure

Table 2.1 below outlines the sector's allocation and actual recurrent expenditures for 2008/09 -2010/11 period. Both recurrent resource allocations and expenditures for the sector fluctuated during the period under review. Total recurrent allocations ranged from Kshs. 30,281 million to Kshs. 41,029.6million while expenditures exhibited a similar trend as shown in Table 2.1 ranging from Ksh. 28,045.6 million to Ksh. 40,798million.

Table 2.1: Recurrent Expenditure by Sub-Sector (Ksh. Millions)

Sub Sector	Approved Estimates			Actual Expenditure		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
State House	1,086	963	1,075	1,084	955	1,068
Office of the Prime Minister	1,065.7	1,553.8	2,124.6	1,033.9	1,543.8	2,102.2

Cabinet Office	1,221.5	1,085.8	901.6	1,152.0	915.5	799.9
Ministry of Finance	13,355	16,429	23,043	12,052	14,489	23,536
Ministry of Planning	2,755.3	9,178.6	2387.2	2,672.4	9,051.7	2,161.4
Ministry of Foreign Affairs	7,826	7,729	8,321	7,397	7,192	8,185
Ministry of State for Public service	1,198	1,388	1,306	1,163	1,367	1,249
Public Service Commission	365.10	407.49	418.9	363.3	406.88	415.6
Kenya National Audit Office	1,408	1432.3	1452.3	1128	1183.4	1280.8
Controller of Budget	-	-	-	-	-	-
Commission for Revenue Allocation	-	-	-	-	-	-
Parliamentary Service Commission	-	-	-	-	-	-
Total	30,281	40,166.99	41,029.6	28,045.6	37,104.28	40,798

Source: Printed Estimates and Annual Accounts

From the sub sector perspective, some Ministries experienced an increase in recurrent resource allocation and expenditure. These subsectors include: Office of the Prime Minister, Ministry of Finance, Planning, Foreign Affairs and the Public Service Commission of Kenya and National Audit Office mainly attributed to their increasing mandates.

Also some sub sectors such as Cabinet Office and Ministry of State for Public Service experienced reductions in both recurrent allocations and expenditures as shown in Table 2.1. Reduced allocations to the sector were mainly attributed to the state of the economy at the time and implementation of austerity measures especially on discretionary expenditures and to some extent IFMIS failures.

2.3.2 Analysis of Development expenditure

The following section analyzes the sector's development allocations and expenditures for the 2008/09 – 2010/11 period as shown in Table 2.2 below.

Table 2.2: Development Expenditure by Sub-Sector (Kshs. Millions)

Sub Sector	Approved Estimates			Actual Expenditure		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
State House	222	329	266	132	325	265

Office of the Prime Minister	77.3	392.4	833.6	208.7	339.9	654.1
Cabinet Office	2,947.2	1,455.1	464.4	1,563.6	1,235.4	284.0
Ministry of Finance	10,763	10,097	12,663	9,443	8,592	10,263
Ministry of Planning	13,007.1	16,007.4	18,178.5	12,220.1	14,709.8	16,632.7
Ministry of Foreign Affairs	1,818	855	476	1,611	495	340
Ministry of State for Public service	320	414	335	321	366	305
Public Service Commission	0	0	0	0	0	0
Kenya National Audit Office	0	0	0	0	0	0
Controller of Budget	-	-	-	-	-	-
Commission for Revenue Allocation	-	-	-	-	-	-
Parliamentary Service Commission	-	-	-	-	-	-
Total	29,154.6	29,549.9	33,216.5	25,499.4	26,063.1	28,743.8

Source: Printed Estimates and Annual Accounts

Generally, the sector received a slight increment in allocation of development resources. Development expenditures also increased over the review period as shown in Table 2.2 above. The development allocations ranged from Ksh. 29,154.6 million to KSh.33, 216.5 million. Under expenditure in development vote was attributed to long procurement processes, liquidity problems, the late approval of the Revised Budget and low absorption by some subsectors. The sub sectors expended their development resources within their allocations but cases of over expenditure were noted in the Office of the Prime Minister in 2008/09.

The high development allocations and expenditures under the Ministry of Finance in 2008/09 – 2010/11 period are attributed to the construction of the disaster data recovery centre in Naivasha to provide backup for the current IFMIS system, installation of the Local and Wide Area networks for District Treasuries and Nairobi based offices, modernization of the Information Technology at KRA, and the refurbishment of the KRA border posts in preparation for 24-hour operations. CDF accounts for the high development allocations and expenditures in the Ministry of Planning while the high development allocations and expenditures in the Ministry of Foreign Affairs are attributed to the purchase of a building to house a Chancery and Ambassador's Official Residence in Kenya Embassy Tokyo. The high development allocations and expenditures during the 2008/09 -2009/10 period for the Cabinet Office are explained by the e-Government project where resources were spent on procurement of ICT equipment and creation of the Government Data Centre.

2.3.3 Analysis of Externally funded programmes

The sector externally funded programmes include: Environmental Support Programme, Community Development Programme (CDP), the Community Development Environmental Programme and the Community Development Trust Fund (CDTF). Other projects include the Millennium Development Goals

(MDGs), Central Kenya Dry Area Community Development Programme (CKDAP) and the South Nyanza Community Development Programme (SNCDP).

Other externally funded programmes include: Public Financial Management Reform Programme (PFMR), the Financial and Legal Sector Technical Assistance Programme (FLSTAP), and the Public Sector Reforms. Table 2.3 shows the allocations and actual expenditures for the externally funded projects in the sector.

Table 2.3: Summary of Externally Funded Programmes (Ksh million)

Sub Sector	Approved Estimates			Actual Expenditure		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
Southern Nyanza Community Development Project	240	285	265.1	221	199	80.3
Central Kenya Dry Areas Small holders and Community Services Project	229	522	207.4	163	173	102.1
Community Development Programme (CDP)	519	304	137	461	175	13.6
Community Development for Environmental Management (CDEMP)	270	176	427.3	186	119	262.2
Environmental Programme Support (EPS)	407	537	442	206	206	312.2
Mainstreaming Millennium Development Goals Phase I	-	-	207.9	-	-	183
Public Financial Management Reform Programme(PFMR)	1,290	1,225	1,478	418	493	645
Financial and Legal Sector Technical Assistance Programme(FLSTAP)	361	442	702	126	115	214
Total	3,316	3,491	3,866.7	1,781	1,480	1,812.4

Source: Printed Estimates and Annual Accounts

2.3.4 Expenditure Review by Programmes

Table 2.4: Recurrent Expenditure Review by Programmes (Ksh million)

Sub Sector	Programmes	Approved Estimates			Actual Expenditure		
		2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
State House	Management of State Affairs	1,086	963	1,075	1,084	955	1,068

Office of the Prime Minister	Coordination and Supervision Services	1,065.7	1,553.6	2,124.1	1,033.9	1,543.8	2,102.2
Cabinet Office	Cabinet Services	1,000	822	651	950	529	572
	Public Sector Advisory Services	211	240	250	207	205	228
Ministry of Finance	Administration and Planning	1,391	2554	2497	992	1720	1638
	Public Financial Management	11,104	12728	18872	10395	11784	20756
	Economic and Financial Policy Formulation and Management	475	643	1175	281	505	551
	Fair Trade Practices and Creation of an Enabling Business Environment	384	503	499	383	480	590
Ministry of Planning	District Planning and Community Development	458.1	536.1	543.5	450.3	441.3	400.9
	Coordination of Policy Formulation and Implementation of Vision 2030	420.5	525.9	559.5	412.8	518.4	503.2
	Monitoring and Evaluation Systems	149.8	189.1	122.2	148.5	189.7	121.7
	Data Collection and National Statistics Information Services	1,380	7,499	790	1,320	7,499	791

	Administration and Support Services	328.7	325.4	258	323.4	301.7	232.4
Ministry of Foreign Affairs	Promotion and Safeguarding Kenya's national Interest Abroad	7,826	7,729	8,321	7,397	7,192	8,185
Ministry of State for Public service	Human Resources Management and Development	1,198	1,388	1,306	1,163	1,367	1,249
Public Service Commission	Administration of Human Resource in Public Services	365.1	407.5	418.9	363.3	406.9	415.6
Kenya National Audit Office	Audit Services	1,408.0	1,432.3	1,452.3	1,128.8	1,183.4	1,280.8
Controller of Budget	-	-	-	-	-	-	-
Commission for Revenue Allocation	-						
Parliamentary Service Commission	-	-	-	-	-	-	-
Total		30,251	40,038.9	40,915	28,033	36,821	40,685

From the analysis of the programmes as indicated in the table 2.4 some programmes experienced an increase in recurrent resource allocation and expenditure. These programmes include: Coordination and supervision services, public sector advisory services, administration and planning, public financial management, economic and financial policy formulation, fair trade practices and creation of an enabling environment, district planning and community development, coordination of policy formulation and implementation of vision 2030, Data collection, national statistics information services, administration of human resource in public service and Audit services. Other programmes which experienced a reduction in resource allocation and subsequent decrease in expenditure include management of state affairs, cabinet services, promoting and safeguarding Kenya's national interests abroad.

Table 2.5: Development Expenditure Review by Programmes (Ksh million)

Sub Sector	Programmes	Approved Estimates			Actual Expenditure		
		2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
State House	Management of State Affairs	222	329	266	132	325	265
Office of the Prime Minister	Coordination and Supervision of Government Functions	77.3	392.4	833.6	208.7	339.9	654.1
Cabinet Office	Cabinet Services	39	121	127	27	108	119
	Public Sector Advisory Services	2,890	1,308	337	1,530	119	165
Ministry of Finance	Administration and Planning	1,121	1,570	1,372	777	1,020	714
	Public Financial Management	8949	7822	10371	8144	6987	9050
	Economic and Financial Policy Formulation and Management	383	395	646	220	299	240
	Fair Trade Practices and Creation of an Enabling Business Environment	309	309	274	300	285	257
Ministry of Planning	District Planning and Community Development	11951.2	14729.1	16604.4	11363	14042.9	15588.1
	Coordination of Policy Formulation and Implementation of Vision 2030	350.8	353.5	317.9	294.5	113.1	339.8
	Monitoring and Evaluation Systems	38.8	12.6	87.6	39.7	12.6	59
	Data Collection and National Statistics Information Services	559	883	1,063	424	512	540
Ministry of Foreign Affairs	Promotion and Safeguarding Kenya's national Interest Abroad	1,818	855	476	1,611	495	340
Ministry of State for Public	Human Resources Management and Development	1,518	1,802	1,641	1,484	1,733	1,554
Public Service	-	-	-	-	-	-	-

Kenya National	-	-	-	-	-	-	-
Controller of Budget	-	-	-	-	-	-	-
Commission for Revenue	-	-	-	-	-	-	-
Parliamentary Service	-	-	-	-	-	-	-
Total		30,226.1	30,881.6	34,416.5	26,554.9	26,391.5	29,885

The Table 2.5 above reviews development expenditure by programme. The analysis of the table indicates that some programmes experienced increased allocation and expenditure respectively. These programmes include: Coordination and supervision services, cabinet services, Economic and financial policy formulation, District Planning and community development, Data collection and national statistics information services. Other programs experienced a reduction in both resource allocation and expenditure. These programmes include: Management of state affairs, Public sector advisory services, fair trade practices and creation of an enabling business environment and promoting and safeguarding Kenya interest abroad.

2.4 Review of pending bills

Combined pending bills for recurrent and development reduced over time from Kshs. 1,679.95 million in 2008/09, Kshs. 1,543.984 million in 2009/2010 and Kshs. 448 million in 2010/11. Both arose from lack of liquidity and lack of provision. The following section shows the bills incurred on each category of expenditure and their causes.

2.4.1 Recurrent Pending bills

The sector incurred pending recurrent bills as shown in Table 2.4 below.

The sector incurred recurrent pending bills totaling Ksh. 1,615.35 million, KSh.1,494.684 million, and Ksh. 324.4 million in 2008/09, 2009/10 and 2010/11 respectively. These bills arose from lack of liquidity, lack of provision and currency fluctuations in Kenya Missions abroad.

Table 2.4: Summary of Pending Recurrent Bills 2008/09 -2010/11 (Ksh million)

Type/nature	Due to lack of liquidity			Due to lack of provision.		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
State House	12.1	77	129	0	0	0
Ministry of Finance	343.9	81	0	1,150	1,150	0
Ministry of Foreign	60	71.816	0	0	3.968	147

Affairs						
Office of the Prime Minister	17.84	86.6	23.4	0	0	0
Ministry of State for Planning National Development and Vision 2030	0	15	4.7	15.4	0	0
Ministry of State for Public Service	0	0	14.6	0	0	13
Cabinet Office	7.7	9.3	5.7	0	0	0
Public Service Commission of Kenya	8.41	-		-	-	
Kenya National Audit Office	-		-	-	-	-
Controller of Budget	-	-	-	-	-	-
Commission for Revenue Allocation	-	-	-	-	-	-
Parliamentary Service Commission	-	-	-	-	-	-
TOTAL	449.95	340.716	177.4	1165.40	1153.968	160

Source: Annual Accounts

Management of pending bills is therefore emerging as a key challenge in the management of the sector's budget and especially when they arise from lack of provision.

2.4.2 Development pending bills

The sector also incurred development pending bills as shown in Table 2.5 below.

Development pending bills incurred between 2008/09 -2010/11 period exhibited a rising trend though manageable. They arose from both lack liquidity and lack of provision but most of them arose from the former as shown in Table 2.5.

Table 2.5: Development Pending Bills (Ksh million)

Type/nature	Due to lack of liquidity			Due to lack of provision.		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11
Ministry of Finance	61.7	40.7	0	-	0	0
Ministry of Foreign Affairs	-	0		-	0	110.9

Office of the Prime Minister	1.2	-	0	-	0	0
Ministry of State for Planning National Development and Vision 2030	-	-	11.9	0.2	-	0
Ministry of State for Public Service	0	0	0	0	0	0
Cabinet Office	1.4	8.6	0.8	0	0	0
State House	0.1	0	0	0	0	0
Public Service Commission of Kenya	-	-	-	-	-	-
Kenya National Audit Office	-	-	-	-	-	-
Controller of Budget	-	-	-	-	-	-
Commission for Revenue Allocation	-	-	-	-	-	-
Parliamentary Service Commission	-	-	-	-	-	-
TOTAL	64.4	49.3	12.7	0.2	0	110.9

Source: Annual Accounts

Total pending development bills stood at Kshs. 64.6 million, Kshs.49.3 and Kshs. 123.6 million in 2008/09, 2009/10 and 2010/11 respectively. Some of the pending bills were attributed to the mandatory budget cuts in the Revised Budget, procurement procedures and the IFMIS related processing problem

CHAPTER THREE

3.0 MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2012/13 – 2014/15

3.1 Prioritization of Programmes and Sub – Programmes

The sector seeks resources to fund the following programmes in 2012/13-2014/15.

3.1.1 Programmes and their Objectives.

The sector has 19 Programmes with their objectives as listed below.

PROGRAMME 1: Management of State Affairs.

Objective: To provide timely and quality services to the Presidency through efficient utilization of resources to enable the President fulfill His constitutional mandate.

PROGRAMME 2: Cabinet Services

Objective: To provide overall strategic leadership and policy direction for optimal public service delivery, harmonious operations of the Government and social integration for national development

PROGRAMME 3: Public Sector Advisory Services Programme

Objective: To provide continuous evidence based policy advice for promoting efficient public service delivery, expansion of the economy and its competitiveness.

PROGRAMME 4: Coordination and Supervisory Services

Objective: To ensure that the government has best possible capacity for policy development, coordination and service delivery within and between ministries and across sectors.

PROGRAMME 5: Public Financial Management Support Services

Objective: To ensure maintenance of a working environment conducive to operational efficiency while coordinating planning, financial and human capital management.

PROGRAMME 6: Public Financial Management

Objective: To ensure formulation and implementation of policies relating to the mobilization, allocation and management of public financial resources. It also serves as a focal point for the preparation of the national budget in liaison with other MDAs.

PROGRAMME 7: Economic and Financial Policy Formulation and Management

Objective: To provide framework for the formulation, analysis and management of fiscal and monetary policy for the maintenance of macroeconomic stability and acceleration of economic growth.

PROGRAMME 8: Fair Trade Practices and Creation of an Enabling Business Environment

Objective: To facilitate increased investment and enforces legislation governing restrictive trade practices. It also facilitates the participation of the private sector in the provision of public goods and services through public private partnerships.

PROGRAMME 9: Coordination and Implementation of Kenya's Foreign Policy

Objective: To strengthen Kenya's international engagements

PROGRAMME 10: Diplomatic Support and Management Services

Objective: To improve operational efficiency and capacity.

PROGRAMME 11: District Planning and Community Development

To enhance the standard of living for the rural population in Kenya

PROGRAMME 12: Coordination of Policy Formulation and implementation of Vision 2030

Objective: To enhance capacity in policy formulation and implementation of Vision 2030 so as to make Kenya a competitive and a prosperous country of middle income status by 2030.

PROGRAMME 13: Statistical Data Management

Objective: To Provide and disseminate comprehensive, integrated, accurate and timely national statistics for planning and monitoring national development

PROGRAMME 14: National Monitoring & Evaluation Systems

Objective: To provide a tool for monitoring progress in implementation of the Kenya Vision 2030 and other key programmes/policies

PROGRAMME 15: Administrative and Support Services

Objective: To provide effective and efficient coordination and support services to the attainment of the ministry's strategic objectives

PROGRAMME 16: Human Resource Management and Development

Objective: To spearhead management and development of human Resource in the Public Service to support effective and efficient service delivery

PROGRAMME17: Administration of Human Resource in Public Service.

Objective: To ensure an efficient and effective public service to facilitate the implementation of the Kenya vision 2030.

PROGRAMME 18: Control and Management of Public finances

Objective: To ensure public funds are withdrawn in accordance with the provisions of the Constitution and utilized prudently creating value for citizens.

PROGRAMME 19: Audit Services

Objective: To provide the assurance that there is accountability and transparency in the use and management of public resources.

3.1.2 Programme, Sub- Programmes, Expected Outcomes, Outputs, and Key Performance Indicators.

Sub-programme	Output	Key performance indicators
Programme 1: Management of State Affairs.		
Outcome:		
Coordination of State functions	Improved aesthetics.	Number of state facilities and equipments procured, refurbished and maintained. Well tended gardens and beautiful lawns within State Houses and Lodges.
	VVIP(put in full) standards	The classification of the service providers procured.(specify) Number of compliments/complaints about the services from the public.
	Improved service delivery	Level of automation. Number of facilities constructed, maintained and refurbished.
	Timely communication	Percentage of informed citizenry
	Government Policies	Number of policies developed.
Programme 2: Cabinet Services		
Outcome:		
Organization of Government Business	Presidential circular on organization of Government prepared	Presidential Circular No.1
	Harmonized Government Operations	Efficiency in service delivery /overlap in ministerial mandate
	ARCGIS Software procured for maritime boundary delineation	ARC GIS soft ware Accuracy in maritime boundary delineation
	Accurate maritime boundary and maps for the Continental Shelf delineation	Accuracy in maritime boundary delineation and maps generated
	Government officers imparted with	Technical competence in maritime

Sub-programme	Output	Key performance indicators
	maritime boundary delineation and negotiation skills	boundary delineation and negotiation skills among GOK officials
	Government policies passed	Type of policies passed
	Decongestion in corrective institutions	Status of corrective institutions Ex-inmate involvement in national development
	Increased capacity for wealth creation/ manpower	
Public Communications	Najivunia Kuwa Mkenya campaigns held	Status of patriotism among Kenyans
	Improved patriotism among Kenyans	Status of patriotism among Kenyans
	Improved understanding of Government policy and implementation	Public awareness on policy and implementation
Programme3: Public Sector Advisory Services		
Outcome:		
National Economic and Social policy Advisory	Evidence based Social Economic policies recommended	Type of policies
State Corporations Advisory Services	Improved State corporations performance and management	Return on Public Investment sustainability of State Corporations
Kenya South Sudan Advisory Services	Improved Kenya –South Sudan Strategic relations and cooperation	Co-operation on Strategic projects/ programmes.
E-Government Advisory Services	Expanded Government online service delivery Local Area Network and Government Common Core network installed in provincial HQs Virtual Private network for Cabinet Office	Range of on-line services provided Network system created VPN work created
Programme 4: Coordination and Supervisory Services		

Sub-programme	Output	Key performance indicators
Outcome: Well Coordinated and Functional Government		
Programme/ Sub Programme	Intended Output	Performance Indicator
Programme Name: Co-ordination and Supervisory Services		
Outcome: Well Coordinated and Functional Government		
Sub-Programme 1: Policy Coordination Services	Sustained and Rehabilitated Water Towers; Mau Forest evictees resettled	Hectares of land rehabilitated; Number of forest occupants profiled
	Public Private sector Partnership strengthened	Number of Prime Minister's Roundtable Consultative meetings with various stakeholder groups, non-state actors and other development partners.
	A National Communications Strategy (NCS)	A published National and Communications Policy and Strategy Handbook
Sub- Programme 2: Political and Parliamentary Affairs	Address political and parliamentary matters through cabinet Committee Decisions and Prime Minister's parliamentary weekly briefs	Parliamentary briefs prepared;
Sub-Programme 3: Results Based Management Services	Undertake capacity scans	Number of capacity scans undertaken in Ministries and MDAs
	Pilot One-Stop Shop concept	Progress Reports
Sub-Programme 4: Efficiency, Monitoring and Inspectorate Services	Efficient use of public resources in State Corporations	Management Audit Reports
	Improved Performance in State Corporations	Performance Reports
	Prudent financial management	Financial reports
		Audit query reports
Recruitment and retention of competent human capital	Human resource audit reports	

Sub-programme	Output	Key performance indicators
Programme 5: Public Financial Management Support Services Outcome: Excellence in service delivery		
	Conducive working environment maintained	Area of office space under open plan
	Technical departments supported	Percentage implementation of work plans
	Customer satisfaction survey administered	Customer satisfaction survey report
Programme 6: Public Financial Management Outcome: Efficient allocation of public financial resources		
Mobilization of Public Financial Resources	Tax policies formulated	Budget Policy Statement
	Revenue collected	Revenue collected as a percentage of GDP
Budgeting of Public Financial Resources	MTEF budget published	Printed Estimates
Management of Public Financial Resources	County and sub-county district treasuries and internal audit offices operationalized	Number of offices
	Timely processing and payment of pensions claims	Number of days
	Non-contributory pensions schemes converted to contributory schemes	Public Service Superannuation Scheme Bill
Management of Government investments and Assets	Government divestiture programme completed	Number of divestitures undertaken
	Performance based management entrenched	Performance ratings
Programme 7: Economic and Financial Policy Formulation and Management		

Sub-programme	Output	Key performance indicators
Outcome: Increased economic growth		
	Public finances prioritized	Proportion of budget allocated to priority sectors
	Financial sector deepened	Number of new accounts
Programme 8: Fair Trade Practices and Creation of an Enabling Business Environment		
Outcome: Conducive investment climate		
	Restrictive trade practices minimized	Concentration ratios
	Investment increased	Value of investment
Programme 9: Coordination and Implementation of Kenya's Foreign Policy.(MoFA adjusted its outputs and performance indicators)		
Outcome: Peaceful, United and Prosperous Kenya.		
Sub- Programme.1: Coordination of Diplomatic services	Diplomatic representation expanded	Number of New Missions/Consulates opened
		Number of Honorary Consuls appointed
	Bilateral and multilateral ties strengthened and expanded	Number of Joint Commissions of Cooperation (JCC) launched/held
		Number of meetings attended at international and regional levels
		Number of MOUs either initiated or concluded
	Increased awareness of Kenya's export goods, investment opportunities and tourism products in international markets	Number of trade , tourism investment and missions facilitated
		Number of trade exhibitions and Trade Fairs facilitated
	Kenya's image and prestige enhanced	International conferences lobbied to be hosted in Kenya
		communication strategy launched

Sub-programme	Output	Key performance indicators
	Consular services provided	Number of cases of Kenyans in distress handled
		Number of visa applications processed
		Number of passport applications/renewals handled
	Kenya's influence internationally enhanced	Number of foreign service officers trained
		Government Officials from the region trained
		Number of positions lobbied for Kenyans in major international organizations
		Number of positions lobbied for Kenya at policy organs level in major international organizations
	Programme 10: Diplomatic support and management services Outcome: A conducive working environment and effective service delivery	
Sub-Programme.1: General Management Services	Service delivery improved	Enhanced Human Resource management Services offered
		Launch revised Strategic Plan
		Additional vehicles acquired
		Develop and cascade performance contract
	Ministerial Statistical Database on major policy issues developed	Data base in place
	Savings on rents realized and working environment improved	Number of Government buildings acquired,
		Number of Government buildings refurbished or maintained
		Draft Policy on acquisition on acquisition of property abroad developed
	Utilization of ICT solutions enhanced	sustained interconnections between Ministry headquarter and Kenyan

Sub-programme	Output	Key performance indicators
		Missions
		Official records digitized
		Asset management software Installed
	Increased awareness on the impact of HIV/AIDs pandemic	Sub- ACUs in Kenya Missions established
Programme 11: District Planning and Community Development		
Outcome: To enhance the standard of living for the rural population in Kenya		
District Planning	Strengthen participatory planning at all levels;	Developed a Lower Level Planning Handbook ;
	Construction/Rehabilitation Expansion of 108 District Planning Units;	97 Contracts awarded approved and signed;
Constituency Development Fund	Improvements in delivery of social services;	Ksh. 12,546,600,00 Disbursed;
Millennium Development Goals and Poverty alleviation Initiatives	Mainstream MDGs in Planning and Policy Formulation;	Participation in the preparation of the 2008-2012 National/District development plans;
	Improved access and availability of basic social amenities;	110 Quick wins initiated and completed in over 42 Districts in the country;
	Increased access to financial services by rural poor marginalized communities	Up-scaling Revolving Loan fund in 24 districts;
Community Development Programme	Improved livelihood for communities within the project area;	Several Social-infrastructure facilities completed and operational; Increased farm yield;
	Sustainable development in rural communities;	Sustainable agricultural and environmental projects completed and operational; Reduced environmental degradation;
Programme 12: Coordination of Policy Formulation and Implementation of Vision 2030		
Outcome: To enhance capacity in policy formulation and implementation of Vision 2030 so as to make Kenya a competitive and a prosperous country of middle income status by 2030.		
Macro Economic policy and Regional	Sustained African Peer Review	Annual Progress Report for Kenya tabled before the African Union

Sub-programme	Output	Key performance indicators
integration	Mechanism process in Kenya;	Heads of State and Government Implementation Committee Summit; A NEPAD/APRM Newsletter published;
	Successful second Peer Review undertaken in Kenya;	Provincial Forums in the 8 provinces held; Draft Country Review Report
	A scoping Study on the Establishment of South-South Centre in Kenya;	A draft cabinet memo on establishment of South–South Centre in Kenya;
Public Policy Research	Enhanced skills in research and macroeconomic modeling;	Trained 25 officers on System Dynamics Modeling; Draft Kenya T21 Macro model developed;
	Stable macroeconomic environment	Various research reports and other findings disseminated and publically debated
	Enhanced professional Capacity for Stakeholders	10 Young professional from public and private sector trained
Vision 2030 Delivery	Establish and operationalise Vision Delivery Secretariat (VDS);	Recruitment of Key staff and Office accommodation finalized;
Social economic policy and planning	Improved MTEF budgetary process	Co-convene infrastructure MTEF Sector Working Group (SWG) and produce sector reports
	Increased adoption and dissemination of indigenous knowledge;	2009 Dakar knowledge management Africa report;
	Promotion of service delivery innovations in public service.	E-PROMIS – Electronic Project Management Information System (in collaboration with the Ministry of Finance) Vision 2030 online course (CD)
Population Policy services	Population issues mainstreamed in national policy and planning	3 policy guidelines developed
	Enhanced Reproductive Health	Data bank for RP providers

Sub-programme	Output	Key performance indicators
	information	
	Improved maternal health of Mukulu slums	Expectant Women getting support in the slum
Programme 13: Statistical Data Management		
Outcome: Provision and dissemination of comprehensive, integrated, accurate and timely national statistics for planning and monitoring national development		
	Up to date data and information on current socio-economic environment	Annual Economic Survey, Annual Statistical Abstract Monthly CPI reports Monthly Leading econ. Indicators Quarterly GDP
	Analyzed information on 2009 housing and population Census Report	4 volumes of 2009 Census reports results released Draft Post enumeration survey reports prepared Draft report on the Census of Industrial Production
	Improved management of the national data and information	Operationalise the National statistical systems
Programme 14: National Monitoring & Evaluation Systems		
Outcome: To provide a tool for monitoring progress in implementation of the Kenya Vision 2030 and other key programmes/policies		
	Informed Planning, Policy and Budgeting;	Public Expenditure Review 2010 Published and disseminated
	Strengthen National and Devolved levels M&E capacities	The annual and bi-annual district M&E synthesis reports Prepared. Community Based Monitoring System (CBMS) model prepared CBMS model in 3 local authorities namely-Garissa, Kisumu and Bungoma piloted
	Improved MTEF budgetary process	Co-convene MTEF Sector Working

Sub-programme	Output	Key performance indicators
		Groups (SWG) and produce sector reports
Programme 15: Administrative and Support Services for Planning		
Outcome : To provide effective and efficient coordination and support services to the attainment of the ministry's strategic objectives		
Human Resources and Support Services	Undertake integrity tests	Integrity tests training conducted
	Implement corruption prevention strategies	The training for Senior Managers and CPC members
	Establish mechanism to reduce corruption related audit queries	Anti-corruption policy produced
	Increased awareness campaigns on behavior change	Sensitization on HIV&AIDS during the induction newly recruited Economists;
	Enhanced staff moral	Participated in one KNASP III pillar review retreat
Financial Services	Timely release of funds to AIE holders and prompt payment to suppliers of the Ministry	Expenditure was 96.01 % of the allocated budget
Information Communications Services	Prepare and implement automation plan	Developed a draft Ministerial ICT Strategy/Plan Two websites were developed,
Human Resources and Support Services	Undertake integrity tests	Integrity tests training conducted
Programme 16: Human Management and Development		
Outcome: Efficient Public Service delivery by Competent and motivated staff		
Human Resource Management	Rewards and Sanctions Scheme implemented	Number of Good performers rewarded and poor performers sanctioned.
	Automation of Human Resource data	Number of Ministries on Government Human Resource Information System (GHRIS)
	Medical insurance Scheme for Civil Servants	Number of civil servants on the medical insurance scheme.
	Automation of Registries	Number of Ministries on Registry

Sub-programme	Output	Key performance indicators
		Management Information System.(RMIS)
		Capacity built in 47 counties
	Rewards and Sanctions Scheme implemented	Number of Good performers rewarded and poor performers sanctioned.
Human Resource Development	Public Servants Training revolving fund.	Number of public servants benefitting from the fund.
	Kenya School of Government (KSoG) Operationalized	Percentage improvement of facilities and infrastructure at Kenya Institute of Administration(KIA) and Government Training Institutes(GTIs)
	Training and Capacity Building	Number of civil servants trained
Management Consultancy Services	Job evaluation exercise undertaken in the public service.	Number of cadres evaluated
	Generic Schemes of Service (career progression guidelines)	Developed generic Schemes of Service for the identified 19 job families.
	Fast Track Scheme in the Civil Service operationalized	Number of High performers identified and rewarded.
	Organizational Structures for County Government and Job Descriptions and Specifications for Key Positions developed.	Number of Job Descriptions and specifications developed.
	Business Process Re-engineering (BPR)in the Public Service implemented.	Number of BPR projects implemented
Development of Government Training Institutes (GTI's)	New training programmes for common cadre implemented	Number of new training programmes in the GTIs
	Construction of new Modern Hostels in GTIs	Number of new modern hostels constructed
	Refurbishment of Buildings in GTIs and HQs	Number of refurbished Buildings in GTIs and HQs
	Increased capacity utilization at the Government Training Institutes(GTIs)	Capacity utilization in the GTIs increased from 85% to 90%
Programme 17 : Administration of human resources in public service		

Sub-programme	Output	Key performance indicators
Outcome: Improved service delivery		
General administration , policy and Regulation	Compliance to guidelines, laws, regulations and policies	Guidelines and policies in place
Establishment, Recruitment, Discipline, Appeals and Board Management.	Compliance to best Human Resource Practices	Best Human Resource practices
Ethics and Integrity Management	Increase in number of institutions and individuals complying with the Public Officers Ethics Act	Sensitize 200 institutions on Public Officers Ethics Act 2003 and the new regulations guidelines as per legal notice no 76 of 2009.
Human resource development	Timely release of examination results within months of sitting	Number of days taken to release the results
Monitoring and Evaluation of Public service	Ministries and local authorities sensitized, audited and inspected to ensure compliance to set standards in exercise of delegated authorities	Number of ministries and local authorities sensitized, audited and inspected
Programme	Key Outputs	Key Performance Indicators
Programme 18: Control and Management of Public finances		
Outcome: Accountability and transparency in the financial management of public resources		
Sub-programme 1.1 Authorization of withdrawal from public Funds	Timely approval of withdrawals from Public Funds	Approved requisitions from national and county governments.
Sub-programme 1.2- Monitoring budget implementation and reporting	Monitoring and expenditure review reports.	Reports
	Published reports	Publicized reports
	Public sensitization forums	Reports of public forums
	Budget Implementation reports	Quarterly, Annual and Ad hoc reports to the various parliaments
Sub-programme 1.3 General	open door policy	Published and publicized reports and open office plans

Sub-programme	Output	Key performance indicators
Administration and planning	Execution of mandate	-Prompt provision of support services
	Organization structure and strategic plan for the office of the Controller of Budget.	An organization structure and a functional strategic plan
	management information system, website for the office, e-mail system, Computerized processes	computerized systems in place and in use
	Recruited staff in place	An operation staff.
	Staffing, transport availability, office equipment and necessary furniture for staff	Operational national and county offices.
	The necessary policy and legal framework (laws and manual of procedures to be used) for enactment to operationalise the office	The policy, enacted laws and published manual of procedures
	Research findings on methods for improvement on budget implementation and dissemination programmes to both the national and county governments.	Circulars and reports
PROGRAMME19: Audit Services		
Outcome: Compliance with government procedures, guidelines and regulations		
Central Government Audit	Central Government Audit Reports	50 Audit reports to be issued
Local Government Audit	Local Government Audit Reports	179 Audit reports to be issued
State Corporation Audit	State Corporations Audit Reports	212 Audit reports to be issued
County Audit	County audit reports	47 Audit reports to be issued
PROGRAMME20: Research and Policy development on revenue allocation		
Outcome: Sharing of national resources for an equitable society		
Sub-Programme	Output	Key Performance Indicators
	Equitable sharing of revenue between	Timely submission of

Sub-programme	Output	Key performance indicators
	National & County governments and among county governments	recommendations to the Division of Revenue & County Allocation of Revenue Bills
	Affirmative action in respect of disadvantaged areas & groups	Prepare and publish policy that sets out criteria for identifying marginalized areas
PROGRAMME 21: County Coordination Services Outcome: To achieve value for revenue allocated		
	Promote fiscal responsibility by County governments and enhance revenue sources of national & county governments	Report on prudent use of allocated revenue & enhancement of revenue sources
PROGRAMME 22: Legal Affairs , General Administration & support Services Outcome: Harmonize revenue and financial legislation and general office support		
	Input on all bills relating to: <ul style="list-style-type: none"> • devolved government, • appropriating money out of the Equalization Fund, • provisions dealing with sharing of revenue and financial matter concerning county governments 	Report on recommendations to legislation

3.1.3 Programmes by order of Ranking

The sector programmes are ranked in the following order:

Programme 1: Management of State Affairs.

Programme 2: Cabinet Services

Programme3: Public Sector Advisory Services

Programme 4: Coordination and Supervisory Services

Programme 5: Public Financial Management Support Services

Programme 6: Public Financial Management

Programme 7: Economic and Financial Policy Formulation and Management

Programme 8: Fair Trade Practices and Creation of an Enabling Business Environment

Programme 9: Coordination and Implementation of Kenya's Foreign Policy

Programme 10: Diplomatic Support and Management Services(MoFA adjusted its programme)

Programme 11: Coordination of Policy Formulation and Implementation of Vision 2030

Programme 12: Statistical Data Management

Programme 13: National Monitoring & Evaluation Systems

Programme 14: Administrative and Support Services for Planning

Programme 15: Control of Exchequer issues

Programme 16: Budget Services

Programme 17: Policy and General administrative services

Programme 18: Audit Services

Programme 19: Research and Policy development on revenue allocation

Programme 20: County Coordination Services

Programme 21: Legal Affairs, General Administration & support Services

Programme 22: Salaries and Remuneration Management in the Public Service

3.2.1 Resource requirement by sector

3.2.1 Sector	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/114	2014/15
Public Administration and International Relations	109,472	155,377	157,254	165,014	85,095	92,742	101,196

3.2.2 Resource requirement by sub-sectors

3.2.1. Sector	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/114	2014/15
State House	1,698	2,142	2,427	1,965	1,751	1,882	2,009
Cabinet	5,543	3,637	3,734	3,806	1,888	2,075	2,293
OPM	3,036.50	2,974.40	2,997.00	3,088.10	2,214	2,371	2,517
Finance	54,864	85,174	81,686	84,494	23,491	25,255	26,973
Foreign Affairs	8,955	16,708	17,361	23,923	11,232	12,058	12,849
Planning	30,699.80	35,939.00	38,290.40	37,816.70	24,670	27,911	32,176
MSPS	1,904	2,775	3,191	3,669	6,157	6,572	6,940
PSC(K)	649.73	1,065.94	1,088.10	1,029.37	829	883	930
COB	208	1,594.62	1,605.28	1,765.50	531	561	584
KENAO	1,547.70	2,411.20	3,983.60	2,558.10	1,782	1,884	1,958
CRA	367.87	566.99	495.61	509.34	485	513	533

SRC	-	388	395	390	360	381	396
Total for Sector	109,473.60	155,376.15	157,253.99	165,014.11	75,390.00	82,346.52	90,156.66

3.2.3 Resource requirement by programmes and sub programmes

PROGRAMMES	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
STATE HOUSE							
Programme 1: Management of state functions							
Sub Programme 1.1 :Management of state functions	1,698	2,142	2,427	1,965	1,751	1,882	2,009
Total Expenditure of Vote	1,698	2,142	2,427	1,965	1,751	1,882	2,009
CABINET OFFICE							
Programme 1 Cabinet Services							
Sub Programme 1.1: Organization of Government Business	856.433		1,237.71	1,217.53	639.9	673.2	693.5
Sub Programme 1.2: Public Communication	103.01		300.784	312.39	114.1	127.9	131.7
Total Programme 1	959.4		1,537.9	1529.9	754.0	801.1	825.2
Programme 2 : Public Sector Advisory Service							
Sub- Programme 2.1: Economic and Social Advisory Services	105.4		146.0	163.8	113.1	116.4	119.8
Sub- Programme 2.2: State Corporations Advisory Services	62		71.4	71.8	62	65	68
Sub- Programme 2.3: Kenya-Southern Sudan Advisory Services	263.3		327.9	367.1	35.9	36.9	37.9
Sub- Programme 2.4: e- Government Advisory Services	4,152.1		1,650.9	1,673.3	923	1455.7	1470.1
Total Expenditure of programme 2	4,582.8		2,196.2	2,276.1	1134	1673.9	1695.8
Total Expenditure of Vote	5,542.2		3,734.7	3,806	1888	2475	2520.9
OFFICE OF THE PRIME MINISTER							
Programme 1: Coordination and Supervisory Services							
Sub Programme 1.1 Policy Coordination Services	652.2	699.3	738.5	783.4	245.8	287.5	297.7
Sub Programme 1.2 Political and Parliamentary Affairs	668.6	682.6	696.8	711.4	653.6	679.7	706.9
Sub Programme 1.3 Results Based Management	687.1	567.8	572.3	577	218.1	226.8	235.9
Sub Programme 1.4 Efficiency Monitoring and Inspectorate	251.9	289.7	296.8	306	247.7	257.6	267.9
Sub Programme 1.5 Administration and Planning	776.6	735.2	692.4	710.2	848.8	919.4	1,009.0

PROGRAMMES	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Total Expenditure of Vote	3,036.4	2,974.6	2,996.8	3,088	2,214	2,371	2,517
MINISTRY OF FINANCE							
Programme 2 : Administration and Planning	4,094	5,927	5,685	5,880	1,635	1,757	1,877
Programme 2: Public Financial Management							
Sub-programme 2.1: Mobilization of Financial Resources	21,722	31,449	30,160	31,197	8,673	9,325	9,959
Sub-programme 2.2: Budgeting of Financial Resources	375	543	521	539	150	161	172
Sub-programme 2.3: Management of Financial Resources	5,565	8,057	7,727	7,992	2,222	2,389	2,551
Sub-programme 2.4: Management of Investments and Asset	24,222	35,068	33,631	34,788	9,672	10,398	11,105
Total Expenditure Programme 2	51,884	75,117	72,039	74,516	20,716	22,272	23,787
Programme 3: Economic and Financial Policy Formulation and Management	1,378	1,995	1,914	1,979	550	592	632
Programme 4: Fair Trade Practices and Creation of an Enabling Business Environment	1,475	2,136	2,048	2,119	589	633	676
Total Expenditure of Vote	58,831	85,175	81,686	84,494	23,490	25,254	26,972
MINISTRY OF FORIGN AFFAIRS							
Programme 9: Coordination and Implementation of Kenya's Foreign Policy	-		7,140	7,382			
Total expenditure for the programme 9	0		7,140	7,382	6,098	6,095	6,718
Programme 10: Diplomatic Support and Management Services	-	5,134	10,221	16,541	5,134	5,963	6,131
Total Expenditure for the Programme 10	0		10,221	16,541	5,134		
Total Expenditure of Vote	8,955		17,361	23,923	11,232	12,058	12,849
MINISTRY OF PLANNING							
Programme 1: Rural Planning and Community Development							
Sub-programme 1.1: District planning	1,483.60		1,788.30	1,811.80	1,286.5	1,788.3	1,811.8

PROGRAMMES	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Sub-programme 1.2: Constituency Development fund	22,978		26,818	26,812	20,400	16,530	16,530
Sub-programme 1.3: Community Development	2,616.90		2,416.80	1,618.90	2,205.9	2,416.8	1,618.9
Sub-programme 1.4:Poverty Alleviation Initiatives	295		2,192	2,211	295	2,192	2,211
Programme 2: Coordination of Policy Formulation and Implementation of Vision 2030							
Sub-programme 2.1: Macro Economic Policy Planning and Regional Integration	134.9		243.1	244.9	134.9	243.1	244.9
Sub-programme 2.2: Infrastructure, Social Economic Policy and Planning	117.6		158.2	173.7	117.6	158.2	173.7
Sub-programme 2.3: Vision 2030 Delivery	294.2		450	450	500.0	450.0	450.0
Sub-programme 2.4: Population policy and Planning	286		704.8	765.9	336.0	704.8	765.9
Sub-programme 2.5: Public Policy Research	205.8		484.3	395.5	205.8	484.3	395.5
Programme 3: Data Collection And National Statistical Information Services	1914.6		2234.6	2548.4	1066	2234.6	2548.4
Programme 4: National Monitoring & Evaluation Systems	112		367.9	307.9	112.0	367.9	307.9
Programme 5: Administrative and Support Services for Planning							
Sub-programme 5.1: Human Resources and Support Services	221		350.3	394.1	221.0	350.3	394.1
Sub-programme 5.2: Financial management Services	33.4		61.9	62.9	64.9	61.9	62.9
Sub-programme 5.3: Information Communications Services	7.5		20	20	25.0	20.0	20.0
Total Expenditure of Vote	30,700.5 0		38,290.2 0	37,817.0 0	24,670	28,002. 4	27,534. 9
MINISTRY OF STATE FOR PUBLIC SERVICE							
Programme 1: Human Resource Management and Development							
Sub-programme 1.1: Human Resource Development	685	907	1,043	1,199	683	722	751
Sub-programme 1.2: Human Resource Management	476	694	798	917	4,505	4,764	4,951
Sub-programme 1.3: Management Consultancy Services	209	305	351	404	230	243	253

PROGRAMMES	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Sub-programme 1.4: Development of GTIs	533	869	999	1,149	739	844	985
PUBLIC SERVICE COMMISSION (K)							
Programme 1: Administration of human resources in the public service							
S.P17.1 General administration and support services	500.68	769.78	761.82	679.38	505.56	965.3	971.8
S.P17.2 Establishment, Appointment, Discipline & Board management	100.39	200.71	216.55	230.8	215.83	216.6	230.8
S.P17.3 Ethics and Integrity Management	7.32	20.37	23.59	26.99	19.98	23.6	27
S.P17.4 Human Resource Monitoring & Evaluation	22.1	39.82	46.12	49.02	47.82	46.1	49
S.P17.5 Human resource development in the public service	19.23	35.25	39.97	43.17	35.81	40.9	44.2
Total Expenditure of Vote	649.72	1065.93	1088.05	1029.36	825	883	930
CONTROLLER OF BUDGET							
Programme 1: Control of Exchequer issues							
Sub programme 1.1: Control of issues from public funds	146	686	651	715	364.7	650.5	715.4
Sub-programme 1.2: Monitoring and reporting on implementation of budgets for national and county governments	-	615	676	744		676.0	743.5
Sub-programme 1.3: General administration and planning	62	294	279	307	166.3	278.8	306.6
Total Expenditure of Vote	208	1,595	1,606	1,766	531.0	1,605.3	1,765.5
KENAO							
Programme 1: Audit Services							
Sub-Programme 1.1: Central Government Audit	873.1	1228.3	2765.1	1303.1	1,005.4	1265.1	1303.0
Sub-Programme 1.2: Local Government Audit	227	280.7	289.2	298	261.4	289.1	298.0
Sub-Programme 1.3: State Corporations Audit	447.6	584.2	601.7	619.8	515.5	601.7	619.8
Sub-Programme 1.4: County Audit	0	318	327.6	317.4		327.6	337.3
Total Expenditure of Vote	1,547.70	2,411.20	3,983.60	2,538.30	1,782.3	2483.6	2558.1
COMMISSION ON REVENUE ALLOCATION							

PROGRAMMES	Resource Requirement				Resource Allocation		
	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Programme 1: Research and Policy Development	40	63	62	63	41	62	66
Programme 2: County Coordination Services	14	42	39	38	48	51	57
Programme 3: Legal Affairs, General Administration and Support Services	313.87	461.99	394.61	408.34	396.24	399.51	410.84
Total Expenditure of Vote	367.87	566.99	495.61	509.34	485	513	534
SALARIES AND REMUNERATION COMMISSION							
Programme 1: Salaries and Remuneration Management in the Public Service	-	388	395	390	360	381	396
Total Expenditure of Vote	-	388	395	390	360	381	396

3.2.4 Resource requirement by SAGAs

	Resource Requirement			
	2011/12	2012/13	2013/14	2014/15
State Corporations Appeals Tribunal				
Recurrent	21	23	26	28
Development	-	-	-	-
Total	21	23	26	28
Kenya Revenue Authority				
Recurrent	11,593	12,753	14,028	15,431
Development	600	660	726	799
Total	12,193	13,413	14,754	16,229
Competition Authority of Kenya				
Recurrent	52	455	498	546
Development	-	-	-	-
Total	52	455	498	546
Public Procurement Oversight Authority				
Recurrent	300	330	363	399

Development	-			
Total	300	330	363	399
Kenya Institute of Supplies Management				
Recurrent	55	61	67	73
Development	-	-	-	-
Total	55	61	67	73
Privatization Commission				
Recurrent	160	901	984	993
Development	100	563	615	620
Total	260	1,464	1,599	1,613
Kenya Trade Network Agency				
Recurrent	100	110	121	133
Development	-	-	-	-
Total	100	110	121	133
Kenya Investment Authority				
Recurrent	235	610	621	768
Development	50	130	132	164
Total	285	740	753	932
Kenya National bureau of Statistics				
Recurrent	668.1	986	1129.8	1299.4
Development	1236.7	1070.4	1104.8	1249
Total	1904.8	2056.4	2234.6	
National Coordinating Agency for Population and Development				
Recurrent	346.4	381.1	415.6	450.3
Development	251.2	266.9	289.2	315.6
Total	597.6	648	704.8	765.9
KIPPRA				
Recurrent	254.2	282.7	278.5	285.6

Development	169.3	309.95	205.8	109.8
Total	423.5	592.65	484.3	395.4
Community Development Trust Fund				
Recurrent	355	386.3	415.1	450.1
Development	1096.5	1001.8	1179.5	796.1
Total	1451.5	1388.1	1594.6	1246.2
KIA				
Recurrent	10	10	10	10
Development	15	20	25	30
Total	25	30	35	40
Total for SAGAs	2,486.7	2,601.4	2,922.6	2,682.5

3.2.5 Resource requirement by economic classification

Category	Estimates	Estimates	Projected Estimates	
			2011/12	2012/13
Current Expenditure	49,140.58	77,562.16	78,391.40	79,794.91
Compensation to Employees	6,213	19,633	20,064	20,591
Use of goods and services	19,567	23,930	23,896	24,979
Current Transfers Govt. Agencies	22,716.10	32,831.27	31,809.96	33,060.12
Acquisition of Non Financial Assets	629.80	1,065.59	2,542.84	1,083.13
Other Recurrent	14.73	102.83	78.59	81.74
Capital Expenditure	60,331.83	77,814.40	78,862.38	85,220.38
Compensation to Employees	59.00	85.00	81.00	84.00
Use of goods and services	1,412.50	1,406.30	1,400.90	1,427.00
Acquisition of Non0Financial	5,641.23	12,450.50	12,368.38	17,856.28

Assets				
Capital Transfers to Govt. Agencies	49,137.60	63,508.90	64,637.40	65,478.10
Other Development	4,081.50	363.70	374.70	375.00
Total Expenditure for Vote 06	109,472.41	155,376.56	157,253.78	165,015.29

CHAPTER FOUR

4.0 CROSS SECTOR LINKAGES

This sector is linked to other sectors in that it is mandated to provide human resource requirements to all ministries/departments and local authorities that constitute the various budget sectors. It has immediate response to the requirements of the implementation of the constitution. This will address many issues touching on rights and focusing enabling improvement in the living standards of Kenyans and attainment of vision 2030. The sector is in charge of discipline control in the service as well as the implementation of the Public Officers Ethics Act, wealth declaration by public servants and monitoring the exercise of the delegated powers by Authorized Officers.

The sector collaborates with the trade, tourism and industry sector for promotion of Kenya's products and services in international markets through international trade fairs and exhibitions. This will further project Kenya as a preferred tourism destination.

The sector is linked to the physical infrastructure sector particularly the Ministry of Public Works plays a key role in evaluating, approving and following up on the implementation of projects being undertaken by the sector

The sector works closely with the GJLOS sector by providing the resources and information needed for successful upholding of peace and security within the region.

The sector, by virtue of its strategic location in the Government, it maintains close linkages with other sectors. On ICT, this sector plays a key role of providing both technical and hardware support in the automation of ministries. This has enabled some to provide online services and improve service delivery to Kenyans. Consequently, the sector will continue to provide strategic leadership and policy direction for expanding on line service delivery to the public. This will be done by collaborating with the Ministry of Information and Communications that is in-charge of ICT implementation in the public sector.

Inter ministerial coordination issues further form other platforms for the sector's linkage with others in the execution of their mandates and delivery of results to Kenyans. Some of the inter ministerial matters currently being coordinated by the sector include the Task Force on delineation of Kenya's Outer Continental Shelf and others are likely to come up as needs arise.

Other cross sectoral linkages in the sector pertains to the management of state corporations. These institutions depend on policy guidance from this sector. The function will continue to be executed in the coming budget period, among others.

4.1 EMERGING ISSUES

4.1.1 The Implementation of the Constitution of Kenya 2010

The Constitution of Kenya 2010 has brought on board a number of new institutions and Governance structures which will require enormous amount of human and financial resources. This will not only affect the overall resource allocation criteria but also financial resources to be shared among the sectors. Further, the Public Administration and International Relations sector now has on board four new Constitutional/Independent Offices. These include: the Commission on Revenue Allocation, The Controller of Budget, Salaries and Remuneration Commission and Kenya National Audit Office. If no additional funds are allocated to this sector, then the ultimate financial resources per sub-sector will go down.

4.1.2 2012 General Election and Transition

The forthcoming 2012 general election and power transition arrangement is expected to raise expenditure in logistical support, equipments and refurbishment/construction in the sector to cater for the new offices to be established by the Constitution 2010.

4.2 CHALLENGES

4.2.1 Extra budgetary ceiling resource requirement

The sector was not able to cater for resource requirements issues that affect the welfare of civil servants totaling to Kshs. 14.468 billion. These funds are meant to cater for review of civil service salaries that was approved by the cabinet in 2009, rationalization and harmonization of hardship areas allowances that was approved in 2009 and implementation of the medical insurance scheme for civil servants

4.2.1 Implementation of the New Constitution 2010

In the implementation of the Constitution of Kenya 2010, focus has now shifted to the County as the centre of development where a new Government setup is being pursued. Devolution and cascading of Government functions to the County Governments remains a major challenge towards achieving the three pillars of Kenya Vision 2030.

4.2.2 Resource Allocation/The Weakening Shilling

The fluctuation of the Kenyan Shilling against all major currencies has severely impacted on the performance of the sector. The volatility of the exchange rate market against a backdrop of a weakened Kenya Shilling has led to huge foreign exchange losses especially when remitting funds to our Missions abroad.

4.2.3 Shrinking Budgetary Allocations/Rising Cost of Goods and Services

The continuous reduction in the budgetary allocations over the years has also resulted in inadequate resources for efficient delivery of services in the sector and generated pending bills at the end of the Financial Years. Notwithstanding, the rising rate of inflation and high cost of fuel has led to a sharp increase in the cost of consumer goods hence negatively affecting operations of Agencies in the sector more so Training Institutions.

4.2.4 Vagaries of weather

The weather has not made things any easier. Prolonged spells of dry seasons and insufficient rainfall has led to famine and starvation that has necessitated diversion of funds from some programmes within and across the subsectors.

4.2.5 Declining Donor Support

The development budget for the sector has been declining as it is mostly donor funded. This may undermine capital development within the sector and therefore provision of adequate development funding to initiate and sustain capital projects must be made.

4.2.6 Aging Infrastructure

There has been a continued breakdown of dilapidated infrastructure, for example, ageing buildings that require continuous refurbishment resulting to high cost of maintenance. This is attributed to complex procurement procedures which lead to delays in project implementation across board.

Underfunding has also been consistent and without any other sources of revenue, some projects have to be shelved with long term cost implications. Two such projects are the New Harambee House and Commission House, whose funding has been held for some time due to resource constraints.

4.2.7 International Relations

The Task Force on Delineation of Kenya's Outer Continental Shelf has presented a paper to the UN for approval to enable the country extend its territorial waters by a further 350 nautical miles. This will enhance economic activity but has the challenge of meeting international approval, the current political instability within the region especially the horn of Africa notwithstanding

4.2.78 Human Resource Development

There has been a decline in allocation of financial resources for training and human resource development programs/ projects. The inappropriate Monitoring and Evaluation System to provide feedback on the implementation status of human resource policies and strategies is of major concern for effective human resource planning to correct the current inadequate human resource capacity.

4.2.9 ICT Infrastructure

There is lack of proper ICT infrastructure across the sector characterized by outdated technology and equipment. Besides this, uptake of ICT technology is slow in this sector and manual processes are still dominant. Currently, most of the Government processes are manual and may undermine the envisioned growth under Vision 2030. The need for automation of processes cannot therefore be overemphasized.

In addition, the current single routing of the Government data centre exposes the public sector to risk of service delivery interruption in case of failure of the existing single route. The need for financing another strategic route is therefore of urgent necessity.

4.3.0 Affirmative Action

Implementation of affirmative action to ensure that persons with disability, the minority and the marginalized access employment opportunities in the public service through equity.

4.3.1 Earmarking of Resources

Earmarking of resources has led to distortions in resource allocation while undermining prioritization. Some of the earmarked resources include the Constituency Development Fund, Road Maintenance Levy (please confirm), Constituency HIV/AIDS Fund and Kazi Kwa Vijana. Unless earmarking is avoided, other policy priorities may remain unfunded.

4.3.2 Monitoring and Evaluation Framework

Monitoring and evaluation within the sector has been adhoc, uncoordinated and insufficiently undertaken by each subsectors independently. There is therefore need to perform monitoring and evaluation of all projects implemented in the sub-sector, the reporting of which should be facilitated through the Electronic Project Monitoring Information System (e-ProMIS).

4.3.3 Overlaps and Ambiguity in Mandates and Functions

The enactment of Laws to operationalize some of the sub-sectors will clarify unclear boundaries on some of the ambiguities, mandates and functions that at times have led to uncoordinated sector policies, overlaps and conflicts in policy implementation. These are evident when it comes to reporting and report preparation by the various stakeholders.

4.3.4 Weak Governance, Policy, Legal, Regulatory and Institutional Framework

There are no comprehensive policies and legal frameworks to guide the processes of the sector. The process of developing laws to operationalise some of the sub-sectors is in their formative stages. some sectors are also developing their strategic work plans. All these processes take time to complete and implement.

CHAPTER FIVE

5.0 CONCLUSION

The success of the Vision 2030 will depend partly on timely availability of highly skilled and competitive human resources in the public service and partly on availability of adequate financial resources to implement various highly prioritized public service programmes. Consequently, it is important for the Sector to be provided with adequate financial and human resources to successfully implement its mandate.

The release of exchequer should be timely and match the cash flow projection to enable effective implementation of the Sector budget. The Sector needs to be provided with adequate funds for the improvement of its physical infrastructure and enhancement of technical capacity for the increasing number of officers.

The Sector has had a declining trend for both its development and recurrent budget and this may undermine the execution of its mandate in the future. Despite this handicap the Sector efficiently used the resources allocated to it and produced the planned outputs. It will continue to put in measures to improve the execution of its budget in the coming year with a view of delivering better services to the public.

Most of the resources sought are for the Public Sector Reforms and implementation of the Constitution, both of which have unique challenges which need concerted collective effort and adequate provision of resources to overcome.

The Sector has continued to pursue its role of promoting Kenya's interests globally and has shifted its diplomatic engagements from a purely political focus to an emphasis on economic diplomacy which is critical in the development and implementation of Kenya's foreign policy. In the next MTEF period i.e. 2012/13 – 2014/15, the Sector has identified three (3) programmes and their respective objectives and is going to pursue their full implementation. Currently we have major global support on the fight against terrorism within the East African Region.

The dynamic nature of the demands for public goods and services calls for innovations in service delivery, consequently the Sector has developed new projects that are relevant to current needs. For example whereas the introduction of training revolving fund will enable self improvement of civil servants, review and harmonization of allowances will boost the morale of civil servants and thus enhance productivity. In fulfilment of this, the demand for development funds will continue to rise due to the need to expand the existing training facilities in GTIS to international standards and construction of hostels to meet the increased demands of training at the Government Training Institutes. There is also need for additional funding for equipping the already completed facilities at the Institutes.

The Sector is to continually entrench the new Management concepts such as the RRIs and Performance Contracting in the entire government including the county and ensure enhanced Stakeholder participation in Policy formulation and implementation among other result based reforms.

The Sector has played a key role in the MTEF budgeting process since its inception in 2000 as part of the budget reforms. The MTEF has greatly improved the link between policy, planning and budgeting; entrenched programme and project prioritization in the budget preparation process; ensured predictability in planning and resource utilization; and enhanced transparency and accountability in the allocation and expenditure of public resources and citizen participation in the budget making process. The prioritization element in the MTEF process paves the way for the actualization of the Kenya Vision 2030 objectives as the flagship projects get priority in resource allocation.

The MTEF budget process is a series of stages that culminate in the presentation of the annual budget estimates before the house budget committee in parliament for deliberation and endorsement. This report marks the second stage in the process, after the preparation of the PER in which the sub-sectors undertake a self assessment of their budget implementation status. The PER provides a clear picture of the programmes the sub-sectors implemented in financial years 2008/9-2010/11 in light of the Sector's mandate and objectives. During the MTEF period 2008/9-2010/11, the Sector's major projects and activities undertaken include:

- The preparation of the 2009 housing and population census,
- The strengthening of the Performance Contracting measurement tool and bringing of 470 MDAs on Performance Contracting.
- Implementation of programmes under the CDTF across the country
- Implementation of IFAD/GOK funded programmes in Central Kenya and South Nyanza project areas,
- Cascading of the Results Based Management Programme to all levels of the public service
- 5th UNICEF/GOK programme (CPAP) and the Completion of Quick wins project under the Millennium Development Goals
- Hosting the Ministerial conference on South-South
- Conducting the Second APRM

In implementation of this MTEF budget, the Sector will put in place measures to address some of the challenges encountered. The Sector's priority in expenditure will be geared towards: Research, formulation and implementation of sound social-economic development Policies, tracking and reporting on the implementation of the Kenya Vision 2030, implementation and promotion of pro-poor community based projects and programmes, collection, production and dissemination of information. In addition, staff capacity building and entrenching ICT in service delivery will be enhanced. In addition, the Sector will allocate adequate resources in establishing structures that are necessary for the implementation of the new constitutional dispensation.

There is need to analyse and improve where necessary the scheme of service for the civil servants, so that staff motivation can be ensured. There is also need for continuous training and refresher courses to keep the staff abreast with the emerging technical needs for continuous discharge of service in order to enhance public credibility.

The report has enumerated and quantified the Sector's funding requirements, key among which include coordinated planning between Sectors for implementation of Vision 2030 flagship projects and financing of devolved government. Other priority areas that require resources include enhancement of human resource capacity and maintenance of macroeconomic stability. Nevertheless, the funding proposals for the Sector have recognized that exogenous variables such as global economic shocks and the effects of climatic change may negatively affect economic performance and revenue collection.

6.0 CHAPTER SIX

RECOMMENDATIONS

To achieve expected results during the 2012/13 – 2014/15 MTEF period, the Sector requires adequate financial resources for implementation of the planned activities. To address the outlined challenges and improve on service delivery, there is need for continuous training especially on policy formulation and programme implementation to acquire skills necessary to cope with continuous changing human resource trends and to cope with the competitive international standards and to upscale monitoring and evaluation to continuously assess impact and effectiveness.

Concerning ICT, adequate funding provision for the sector is needed to enable it to discharge its mandate and especially the maintenance of infrastructure created such as the Disaster Data Recovery Centre; creating ICT linkages with counties which have now become the Centres of development; funding a secondary link to the Disaster Data Recovery Centre for efficient, reliable and sustainable service delivery; and to step up uptake of ICT technology for improved service delivery.

There is need to simplify the long procurement process and harmonize it with international procurement standards in order to enhance the rate of utilization of funds especially in Kenyan Mission hence value for every shilling spent.

. To further enhance service delivery through effective financial management the Sector should sustain concentration of efforts on optimization of resource use and identify cost saving measures to eliminate wastages in the recurrent and development budget.

The on-going reengineering of the IFMIS system should be prioritized and scaled up to ensure that it can store data and produce reports and information for all stakeholders for purposes of budget analysis, budget tracking, auditing and monitoring and evaluation to enhance transparency and accountability in the budget preparation and execution.

To address the long donor disbursement procedures, we recommend that much of the huge investments and more especially civil works be budgeted for under direct payments and that legislation is developed to

harmonize the activities of the many development actors funded by government in the counties and sub-county units.

there is need to form and facilitate the Devolved Sector Workings Groups (at county treasuries) in order for them to be integrated in the MTEF budget making process in light of the constitutional dispensation.

While efforts have been made in reducing the pending bills over the years, it's important that the Treasury makes available the necessary Exchequer issues or to ensure that all commitments are met by the subsectors on or before the close of the Financial Years.

Audit work plans need to be prepared on a yearly basis. This will ensure audits are executed within statutory deadlines and budgets. This will go a long way in promoting good governance in line with Vision 2030, and to align the audit to the devolved structures of Government expenditures through capacity building as well as providing an enabling environment for the performance of the audit work.

Prudent management of macroeconomic variables that affect key indicators such as the rates of interest and inflation and the exchange rate of the Kenya shilling against major currencies will facilitate sustainable economic growth.

Succession management and recruitment should be continuously implemented so as to fill existing gaps. There is need to strengthen the existing monitoring and evaluation framework. Finally, pending Parliamentary Bills with far-reaching implication for better management of public resources should be enacted.

There is need to develop appropriate mechanisms to address the problem of foreign exchange volatility which occasion losses especially when remitting money abroad.