



## COMMISSION ON REVENUE ALLOCATION

*Promoting an Equitable Society*

### Comparison between CRA, COG and National Treasury Recommendations on Sharing of Revenue for 2016/17

ITEM	2015/16	2016/17			
	Ksh.Mn	Ksh. Million			
<b>A</b>	<b>EQUITABLE SHARE TO COUNTIES</b>	<b>Actual Allocation</b>	<b>CRA</b>	<b>COG<sup>1</sup></b>	<b>National Treasury<sup>2</sup></b>
1	<b>Latest Audited Accounts</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2013/14</b>	<b>2013/14</b>
2	Shareable Revenue: Audited Accounts	776,858	935,653	935,653	935,653
3	<b>Equitable Share (Baseline)</b>	<b>259,775</b>	<b>259,775</b>	<b>259,775</b>	<b>259,775</b>
4	<b>Adjust by the three year average revenue growth of 15.09 percent (CoG= 20.44%; National Treasury =9.85%)</b>		<b>39,200</b>	<b>53,098</b>	<b>25,588</b>
5	Add Allocation for County Roads (CoG= 84% of Allocation for Roads)	-	27,790	44,344	0
6	Add Allocation for Public Participation; (CoG =Establishment of County Governance Structures- Unfunded function 14)	-	5,000	20,000	0
7	Regional Development Authorities			1,489	
8	Water Services Board			3,013	
9	Rural Electrification			11,769	
10	Libraries			1,110	
11	Museums				
12	Sports/Stadiums				
13	<b>Total Equitable Share to Counties</b>	<b>259,775</b>	<b>331,765</b>	<b>394,598</b>	<b>285,362</b>
14	<b>Percentage Share to Counties</b>	<b>33.44%</b>	<b>35.46%</b>	<b>42.17%</b>	<b>30.45%</b>

<sup>1</sup> Source Council of Governors

<sup>2</sup> Source: Draft BPS 2016

	ITEM	2015/16 Ksh. Million	2016/2017 Ksh. Million		
B	CURRENT CONDITIONAL ALLOCATIONS	Actual Allocation	CRA	COG <sup>1</sup>	National Treasury <sup>2</sup>
15	Level 5 Hospitals	3,600	4,143	4,336	4,000
16	Free Maternal Health Care	4,298	4,947	5,177	4,300
17	Compensation for user fees forgone	900	1,036	1,084	900
18	Leasing of Medical Equipment	4,500	5,179	0	4,500
19	Road Fuel Levy Fund (15% of Actual 2014/15); COG =84%	3,300	4,756	26,634	4,307
20	<b>Sub Total</b>	<b>16,598</b>	<b>20,061</b>	<b>37,230</b>	<b>18,007</b>
C	<b>NEW CONDITIONAL ALLOCATIONS</b>				
21	Additional allocation for ECDE			5,000	
22	Personnel Emoluments for devolved staff	-	5,196	5,196	0
23	Construction of headquarters in five Counties	-	4,000	4,000	0
24	Rehabilitation of schools	-	5,000	17,000	0
25	Establishment of County Emergency Funds (2% of Equitable Share: Ksh. 259,775 Million)	-	5,196	5,196	0
26	Rehabilitation of village polytechnics	-	6,300	18,000	0
27	<b>Sub Total New Conditional Allocations</b>	<b>-</b>	<b>25,691</b>	<b>54,392</b>	<b>0</b>
28	<b>Total Conditional Allocations</b>	<b>16,598</b>	<b>45,752</b>	<b>91,622</b>	<b>18,007</b>
D	<b>Total Transfer to Counties for 2016/17</b>	<b>276,373</b>	<b>377,517</b>	<b>486,220</b>	<b>303,369</b>

Source: CRA 2015

**Table 2: Calculation of the Revenue Growth Factor**

	<b>Year</b>	<b>Shareable Revenue (Ksh. Billion)</b>	<b>Growth computation</b>	<b>Growth</b>
1	2011/12	682		%
2	2012/13	777	$(777/682)*100%=113.885$	13.89
3	2013/14	936	$(936/777)*100%=120.441$	20.44
4	2014/15	1,038	$(1038/936)*100%=110.942$	10.94
<b>Total</b>				<b>45.27</b>
<b>Average for three years (45.27/3)</b>				<b>15.09</b>