REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY

DEPARTMENT OF FINANCE AND SOCIO-ECONOMIC PLANNING

MAKUENI COUNTY REVENUE ADMINISTRATION POLICY

2022

TABLE OF CONTENTS

Tables

Figures

LIST OF ACRONYMS

A.I.A	Appropriation in Aid
LAIFOMS	Local Authority Integrated Management Information system
OSR	Own Source Revenue
PFMA	Public Finance Management Act 2012

FOREWORD

The overarching goal of the County as envisioned in Makueni Vision 2025 is *Prosperous value based county with a high quality of life.* The plan envisions an increased Own Source Revenue (OSR) mobilization to ensure the proportion of the total resource basket from OSR doubles from the current 5 per cent to 10 per cent by the year 2025.

The County has been heavily reliant on National Government transfers, which have been increasing at a decreasing rate. Additionally, the equitable transfer is exogenously determined and dependent on the performance of the National economy while the OSR is dependent on county's capacity to mobilize. The overreliance on the transfers poses a great risk to the envisioned socio-economic transformation and thus the need for the revenue administration policy.

The Revenue Administration Policy has been developed through a consultative process that involved the community members, private sector and public sector stakeholders at National and County level. The policy has been informed by the *National Policy to Support Enhancement of County Governments' Own-Source Revenue Policy* by The National Treasury which has taken into consideration the current status of the county economy, fiscal challenges and the opportunities arising at the decentralized unit. It has also taken into account some of the lessons learnt and best practices from the defunct Local Authorities.

This policy framework focuses on maximizing County own source revenue potential while ensuring that the county's financial sustainability is protected and improved over time and underpinned by sound financial management strategies. The broad policy goal is to increase the capacity of the county to mobilize OSR for sustainable development. The policy acknowledges that institutional arrangement and framework is critical in OSR mobilization, to facilitate strengthening the capacity, the policy recommends establishment of County Revenue Authority and rolling out full automation of county OSR mobilization efforts.

County Executive Committee Member
FINANCE AND SOCIO-ECONOMIC PLANNING

ACKNOWLEDGEMENT

The development and finalization of this policy benefitted from contribution of various entities and individuals. I specifically acknowledge the leadership and guidance by Excellencies Governor and Deputy Governor, the County Secretary, Eecutive Committee Members, Chief Officers and the County Legal team.

In the process of preparing this policy, various stakeholders were consulted among them, government departments and agencies, the Chamber of Commerce, Hawkers Association, market committees, the private sector, the County Budget and Economic Forum (CBEF) and the County Assembly. I sincerely thank them all for their invaluable contribution.

I sincerely thank the ECM Finance and Socio-Economic Planning for guidance during the policy development process. Additionally I wish to recognize the valuable technical input of the County Legal Directorate and Meshack Musyoki the County Liaison Officer.

I believe we do now have in our hands, an appropriate tool and framework to support Own Source Revenue mobilization and ensure prosperity for all citizens in Makueni County.

Chief Officer,
PLANNING, BUDGET AND REVENUE

CHAPTER ONE:

Introduction:

The promulgation of the 2010 Constitution of Kenya ushered in the system of devolved governance which witnessed the introduction of the two tier system of government comprising of the national government and 47 county governments. By law, each of the two levels of government is assigned specific functions outlined under the fourth schedule to the Constitution. This means that the counties are responsible for the functions that are legally assigned to them and must therefore ensure that they manage their affairs including financial resources in a manner that delivers on these functions for the benefit of their residents.

In order to deliver on their mandate as assigned under the Constitution, the counties must have resources, both financial and human, at their disposal. In this regard, the county governments are assigned specific powers pertaining to own sources revenue collection and also receive fiscal transfers from the National Government for purposes of financing their service delivery actitivies. Put into perspective, the County Governments receive or collect revenue in the form of transfers from the National Treasury either in form of equitable share or conditional grants, donor financing, or through locally generated revenues. They can also borrow except that such borrowing must be done within the precepts of the law. Other avenues that are available to the counties include financial partnerships with the private sector on matters through public private partnerships.

Article 209 of the 2010 Constitution gives power to county governments to impose certain taxes, fees and charges necessary to finance their functions. Further, section 132 of the Public Finance Management Act 2012 provides for the enactment of the County Finance Act guide the imposition of user fees and taxes at the county level. Ideally, the collected revenue is meant to supplement the equitable share of revenue that the county governments receive in the form of fiscal transfers from the national government.

With the onset of devolution, and with the coming into operation of the county governments in 2013, the counties inherited the revenue systems, streams and processes that existed during the subsistence of the now defunct local authorities. This has prompted necessary revisions over time to ensure the streamlining and proper management of county revenue in line with their constitutionally assigned mandate. In the case of Makueni County, revenue collection and their respective streams have been increasingly defined, streamlined and enhanced, than was the case during the subsistence of the now defunct Local Authorities (LA's) However, these efforts have not been without challenges, especially when looked at from the standpoint of Revenue Collection, Management and Accountability.

In Makueni County, the contribution of local revenues to the overall county revenue has averaged 4% against a desired target of 10%. This poor performance is largely attributed to various challenges which this policy seeks to address with a view to enhancing own source revenue administration. Some of these challenges include low tax bases, external interferences from local politics, insufficient baseline information critical to revenue collection, administrative weaknesses, amongst others.

Enhanced revenue collection brings on board additional finances that are critical for the financing of existing budgetary deficits and equally funding the development priorities of the county government.

The above notwithstanding, the Commission on Revenue Allocation (CRA) has consistently advocated for counties to enhance their revenue collection capacities by widening their revenue bases, eliminating collection inefficiencies including the deployment of technology with the resultant consequence of optimal revenue collection in line with projected county revenue collection potentials. Further, in line with the National Policy on Enhancement of County Own Source Revenue, county governments are required to develop their own source revenue administration policies for purposes of directing and defining the scope for own source revenue collection. In designing its own source revenue strategies, the county government shall abide by the following principles of taxation:

a. Neutrality
b. Efficiency
c. Certainty and simplicity
d. Effectiveness and fairness
e. Simplicity

Consequently, this policy is under-pinned by a sound financial strategy that ensures Makueni county's financial sustainability is protected and improved over time. It is also recognized that in order to achieve these desired results, there is need for greater collaboration between all departments, county government agencies, and stakeholders that play a major role in ensuring that the county realizes its full potential with regard to maximizing own source revenue collection.

CHAPTER TWO:

Situational Analysis:

Under the Constitution, the financial resourcing of county government is through; fiscal transfers from the national government, conditional and unconditional grants from the national government's share of revenue, equalization fund (for counties that are eligible), loans and grants, and locally raised revenues in the form of taxes, user fees and charges.

Article 209 of the Constitution provides the following as some of the taxes, charges and fees; property Tax; Entertainment Tax; and User Charges which is compensation in fair approximation of the cost of the benefits and services supplied by the county.

As already indicated, the National Policy on Enhancement of County Own Source Revenue (2019) underscores the need for a standard template to be developed for use by all counties with respect to revenue collection including identification of revenue sources, classification of revenue sources, and segmentation and optimization of revenue sources. As aids to revenue collection, the Government of Makueni County has relied on existing county laws, national laws and other instruments to bolster its revenue collection efforts. Some of the the notable legislations in this regard include the Annual Finance Acts, Weights and Measures Act, Public Health Act, Physical and Land Use Planning Act, 2019, Traffic Act, Makueni County Fruit Development and Marketing Authority Act 2017, Makueni County Sand Conservation and Utilization Act 2015, Makueni County Revenue Administration Act 2017, Makueni Alcoholic Drinks Control Act 2014, and the Crops Act 2013.

Under the current administrative structure the Directorate of Revenue is responsible for collection, recording, accounting and reporting on all revenue generated by the county. The directorate is headed by a Director who is the designated County Receiver of Revenue pursuant to section 157 of PFMA 2012. For ease of operations, the revenue function is devolved up to the ward level with a sub county head responsible for a number of wards that fall within that sub county.

The organization structure is as depicted in figure 1:

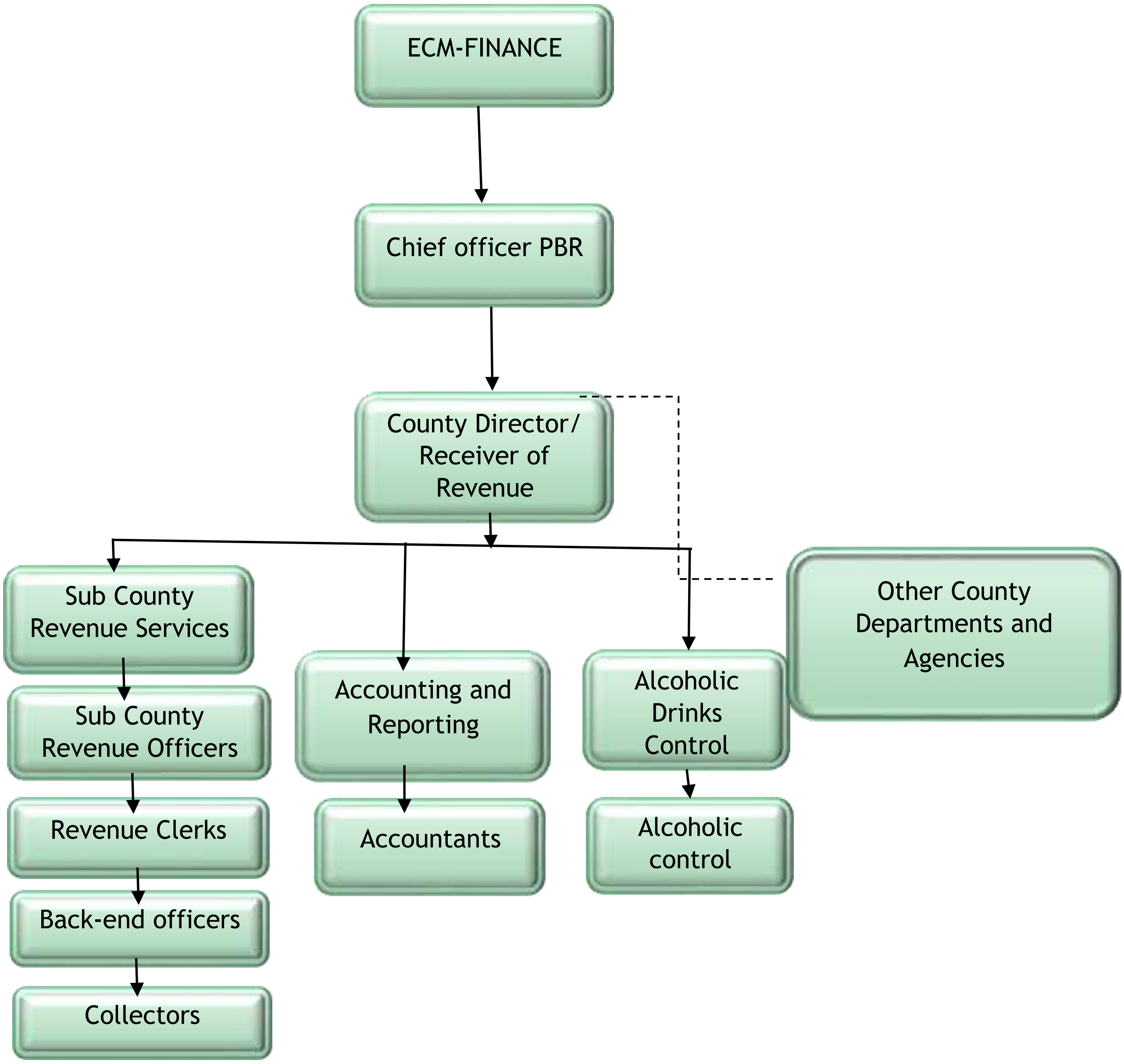

Figure 1: Current Organisational Structure

Current staffing levels

The County inherited officers who previously worked in the revenue sections of the now defunct Local Authorities in the same capacities except that it established sub county revenue units and recruited Sub County Revenue officers to head each of the six sub counties. These revenue officers are responsible for the collection of revenues as per the streams identified by the county government. For purposes of enhancing collection, all officers under the directorate have been put under performance management.It is worth noting that there are revenue streams where other departments and agencies of the county are responsible for their collection and they include; sand cess, medical fees and charges, public health fees and charges and revenue accruing from sale of products by the Makueni Fruit Processing Authority.

The directorate has a staff establishment of 194 and a total of 107 in-post translating to a staffing gap of 87 as shown in table 1.

Table 1: Staff Establishment

S/No	Designation	Proposed Establishment	In-post	Variance
1	Director	1	1	0
2	Sub County Revenue Officer	6	6	0
3	Accountants	3	2	-1
4	Revenue Clerks	24	23	-1
5	Back end Operators	12	5	-7
6	Revenue Collectors	148	70	-78
		194	107	-87

The average age of the in-post staff is 50 years with fourteen (14) scheduled to retire by December 31, 2020 while 11 staff are scheduled to retire by 2021. The age distribution is as shown in table 2.

Table 2: Revenue Staff Age Distribution

S/No	Age	Count
1	56-60	38
2	51-55	24
3	46-50	19
4	41-45	11
5	36-40	7
6	31-35	7
7	26-30	1
		107

Cross Sectoral Linkages

Overall, own source revenue mobilization in the County is coordinated by the County Treasury through various departments and agencies that are responsible for collection of specific revenues from the streams that are related to the services that they offer. There are areas where revenue collection is undertaken by the departments through the revenue system provided by the County Treasury while in other cases, the departments bill and the collection undertaken by the County Treasury.

The interface between the various sectors in own resource mobilization is as shown in table 3;

Table 3: Cross Sectoral Linkages

No	Department	Revenue Streams	Status
1	Lands, Urban Development, Environment and Climate Change	• Building plan approval fees • Registration of plot fees • Transfer of property fees • Sub division fees • Property rates • Beaconing fees • Noise pollution license fees • Environmental Impact Assessment fees • Sale of forest products • Waste management fee • Mining charges • Penalties	On development control, the lands department bills while the designated revenue collector collects. Others billed and collected by the county treasury
2	Trade, Industry, Marketing, Tourism and Cooperative Development	• Weights and measures fees • Co-operatives fees and charges	Department collects through the County Treasury platform and reports
3	Agriculture, Irrigation, Livestock and Fisheries Development	• Veterinary services • Agriculture Mechanization hiring charges • Meat inspection charges • ATC charges • Sale of agricultural products • Hides and skins charges • Livestock movement permits • Livestock cess	Designated revenue collectors
4	Water and Sanitation	• Water trucking • Hire of county machinery	Designated revenue collectors

No	Department	Revenue Streams	Status
5	Health Services 1. Medical	• Medical fees and charges • Universal Health Care subscription fee • NHIF reimbursement	Department Collects and reports to the County Treasury
	2. Public health	• Plan approval fees • Hygiene license fees • Occupation licenses • Inspection fees	Designated public health officers bill and collect
6	Makueni Sand Conservation and Utilization Authority	• Cess from sand • Fines and penalties • Sand harvesting license fee	The Authority collects through the County Treasury platform
7.	Makueni Fruit Processing and Marketing Authority	• Sale of puree • Sale of water • Sale of ready to drink juice • Sale of by products	The Authority collects and reports to the county treasury
8	Finance and Planning	• Advertisement fees • Liqour license fees • Single business permit • Market entrance fee • Agriculture produce cess • Fines and penalties	Designated revenue collectors
9	Roads, Transport, Energy and Public Works	• Parking fees and charges • Hire of equipment and machinery • Building plan inspection fees • Fines and penalties	Designated revenue collectors
10.	Education Sports & ICT	• Community Information Centers service charges • CTTI fees and charges • County gym charges	Department collects through the County Treasury platform

No	Department	Revenue Streams	Status
11.	Gender, Children, Culture and Social Services	• Hire of social halls charges	Designated revenue collectors
12.	Devolution, County Administration, Public Service & Youth	• Fire services fees and charges	Designated revenue collectors
13.	Others	• Other miscalleneous revenues as and when they arise	Respective departments

Compliance and Enforcement

The county has in place an enforcement unit responsible for all enforcement aspects in county. Administratively, the unit is domiciled in a separate department away from the direct control of the County Treasury. Within the Enforcement unit, there is no section dedicated to revenue enforcement and therefore there has been weak enforcement for compliance in revenue.

Unfortunately, the capacity to effectively deliver on enforcement is inadequate due to lack of initial training, low administrative capacity and inadequate numbers of personnel to cover the entire county.

In order to have an effective enforcement and compliance mechanism, there is need to design a regulatory framework that aids enforcement efforts whilst also ensuring adequate institutional capacity in terms of both human and material resources. This includes measures that ensure county taxes, fees and charges are paid when they become due and subsequent prosecution of persons that contravene county laws. The latter has been a challenge owing to the lack of a county court or functional collaborations between the county government and the judiciary and other government agencies responsible for law enforcement.

Investment in Physical infrastructure

The county has heavily invested in physical infrastructure such as bus parks, lorry parks, and market sheds, street lights, flood lights and livestock sale yards. Unfortunately, the management of these infrastructure has posed a challenge from a maintenance and sustainability standpoint.

These structures have been done with the intention of providing the public with designated areas for the conduct of their business affairs whilst also assisting the county streamline aspects of revenue collection. Notwithstanding the efforts of the county in setting up some of these structures, the structures are still inadequate and are not designed in a manner that eases revenue collection.

Revenue Streams

There are two broad categories of revenue types namely:

a. Structured streams; those which are periodical in nature and include permits, liquor licenses and property rates; and
b. Unstructured streams, the non-periodical that are one-off payments in the form of user fees and other charges.

Revenue mobiliozation in structured streams require less enforcement and supervision unlike the unstructured streams. Unstructured streams are labor intensive.

As a way of shoring up revenue collection including enhancing the collection of revenue from specific streams, the county has established entities like the Makueni Sand and Utilization Authority, Makueni Alcoholic Drinks and Control Board, and Makueni Fruit Processing plant that are expected to gradually increase collections in sand cess, liquor licensing fee, and agricultural cess respectively. Lastly, the newly established Wote Municipality is also expected to enhance own source revenue collection within its area of jurisdiction.

Sufficiency in Revenue

As already indicated, the performance of own source revenue per revenue stream since the onset of devolution has not been satisfactory. The contribution of own source revenue to the total revenues over the period considering full year operations averaged 4 per cent as presented in table 4;

Table 4: Revenue Performance

Details	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Total Revenue	4,555,000,000	5,446,000,000	6,401,000,000	6,980,000,000	7,684,000,000	8,925,859,714	9,286,317,262
Total OSR	189,000,000	218,000,000	220,000,000	219,000,000	322,000,000	511,702,071.85	465,939,455.75

% OSR/TR	4	4	3.4	3	4	5.7	5
OSR targets	350,000,000	230,000,000	400,000,000	500,000,000	600,000,000	670,500,000	655,235.126
% OSR targets/TR targets	54	95	55	44	54	76	66

Automation

Revenue automation and use of Information technology has enormous potential on revenue performance and service delivery. When properly harnessed and deployed, revenue automation can augment efficiency and effectiveness in revenue collection and administration.

Several counties have invested heavily on automation of their revenue adminstration with mixed results.

Several challenges relating to automation of revenues across counties were identified through a survey conducted by CRA and already a multi agency task force led by the National Treasury has been formed to explore a viable way of coming up with a single integrated county revenue management system (ICRMS) which is to be rolled across the counties.

At inception, the Government of Makueni County started off with purely manual and semi automated system such as LAIFOMS that were were operated by the now defunct local authorities. The units under the Local Authorities were purely manual except for Hospitals that operated stand alone revenue management systems.

In the Financial Year 2016/17 the county procured, commissioned and operationalized an automated revenue management system and has since ensured that all its revenue streams are collected using the system including revenue from public health and sand authority. This system was acquired on a five year lease contract framework that can be renewed upon agreement by the parties to the contract. However, its performance is hampered by; multiple systems that are not integrated; partial automation of streams; and inadequate capacity to support full automation.

Governance and Participation of Communities In Revenue Mobilization

Across the years, the County Government has found that in some parts of the county, the local communities are not always eager to pay taxes due to varied reasons. Some of the members of these communities have also not been able to appreciate the need for tax payments including the correlation between payment of taxes and their own local development. Consequently, the county has endeavoured to ensure that decisions relating to imposition of taxes, fees and charges are done through public participation of all stakeholders pursuant to the stipulations of the Constitution of Kenya.

Revenue Data

One of the major pre-requisite for effective revenue mobilization is availability of relevant data. Notably, updated data is critical in assessing the potential of the various streams as well as assisting in the determination of the levies to be imposed as well as revenue targets.

In the context of the county, data spans across the following areas, inter alia:

i. Number of various business categories within a locality across the county.
ii. Number of traders and their classification within a market.
iii. Number of properties available for purpose of rating.

It has increasingly become evident that the data that the county inherited from the defunct local authories is substantially inadequate to inform any revenue projections or collections based on the county's potential. Thus, efforts aimed at rationalizing data are presently underway including collection of new data that would effectively enhance revenue collection by the county government. Towards this end, the county is committed to sourcing for and analysing all data that is necessary or aids in its quest to shore up revenue collection for purposes of budgetary support.

Challenges

This policy seeks to address several challenges that have hindered the optimisation of revenue mobilisation in the county. These challenges are:

1. Inadequate regulatory and institutional framework;
2. Weak administrative capacity;
3. Institutional capacity gaps including inadequate personnel and skill deficiency;
4. Untapped revenue opportunities in the county;
5. Weak interdepartmental linkages; and
6. Limited voluntary taxpayer compliance.

CHAPTER THREE:
POLICY RATIONALE AND OBJECTIVES
Policy Rationale:

The Policy seeks to enhance efficiency and effectiveness in revenue administration through strengthening legal and institutional frameworks. Specifically, the policy seeks to:

i. Propose Revenue administration reforms which inludes revenue policies and laws, assessment, data collection and management, monitoring, reporting and accountability, and enforcement.
ii. Identify and create alternative revenue sources and increased efficiency in revenue collection and performance.
iii. Enhance overall institutional and human resources capacity to handle all facets of revenue collections and management within the county.
iv. Embrace cost effective systems of revenue administration based on modern concepts of self-assessment; taxpayer segmentation; sound organization and management.
v. Create awareness among the revenue stakeholders on the importance of making revenue payments and its connection with service delivery.
vi. Formulate Tarriff and Pricing laws in tandem with section 120 of the County Governments Act.
vii. Manage Revenue Waivers and Variations in line with the Constitution and the Law.

Policy Objectives:

Policy Objective One: To enhance the Legal and Institutional Framework for Revenue Administration.

Policy measures

The County Government commits to:

i. Repeal the Makueni County Revenue Administration Act 2017 by developing the Makueni County Revenue Administration and Tariffs Act.
ii. Create institutional and legal structures that maximize revenue collection.
iii. Establish a revenue inspectorate and compliance unit for enforcement.
iv. Establish a County Revenue Authority.

Policy Objective Two: To improve efficiency in revenue mobilization.

Policy measures.

The County Government commits to:

i. Develop a procedure manual or business process for revenue billing, receipt and related controls.
ii. Fully automate all revenue streams with respect to billing, collection and reporting.
iii. Establish a unified billing regime for related fees and charges.
iv. Establish a statistics desk mandated with revenue potential assessment, projection and sensitivity analysis.
v. Ensure integrated revenue management that guarantees the collection of all potential revenue in a manner that is efficient, effective and accountable.

Policy Objective Three: To strengthen the capacity of revenue staff for efficient management and collection of revenue.

Policy measures

The County Government commits to:

i. Recruit sufficient skilled personnel.
ii. Regular capacity building of the staff on new and emerging trends.
iii. Promote professionalism and principles of the public service by implementing human resource policies, guidelines and procedures critical to revenue collection.
iv. Implement the performance management system.
v. Create awareness and embrace positive cultural change.

Policy Objective Four: To enhance effective coordination among departments, stakeholders and other sector institutions.

Policy measures

The County Government commits to:

i. Train and sensitize departments, agencies, communities, private sector and all relevant stakeholders on revenue administration and good governance.
ii. Develop a stakeholder communication strategy.
iii. Collaborate with National Government agencies to achieve improved enforcement and compliance with revenue laws.

iv. Ensure departmental revenue collection targets are included in performance management/appraisals.
v. Enhance linkages through collaboration with other departments and agencies by establishing an Inter-departmental revenue committee at the County Executive Committee level.
vi. Improve compliance through awareness creation and establish a revenue championship system within the communities.
vii. Collaborate with market committees and other stakeholders in enhancing compliance around revenue collection.
viii. Strengthen coordination and cooperation with stakeholders including the political class.

CHAPTER FOUR

INSTITUTIONAL FRAMEWORK

County Revenue Authority

The county vision 2025 envisions the restructuring of the administarive structure through the esblishment of a revenue authority.

The County Revenue Authority is a body corporate to be established by way of law which will be responsible for the assessment and collection of revenue, for the administration and enforcement of laws relating to revenue within the county. The authority shall advise the CECM Treasury on all matters related to revenue administration and collection.

The proposed County Revenue Authority is to be the appointed as the collection agent to be the collector of County Government Revenue pursuant to Article 160 of the PFMA 2012. Its organizational/reporting structure shall be as depicted below;

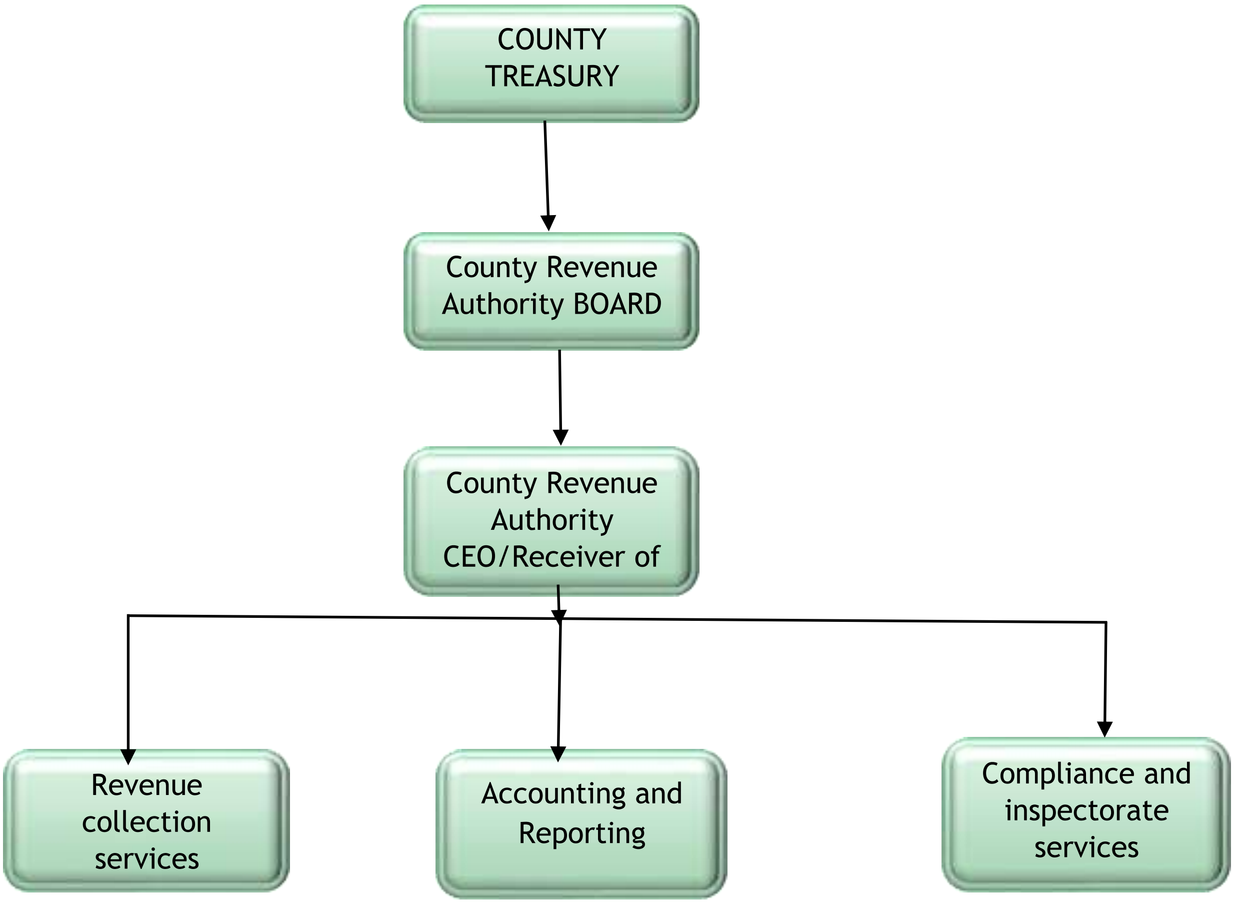

Figure 2: Proposed Institutional Framework

Enforcement & Inspectorate teams

The enforcement team is charged with ensuring compliance with county revenue laws and other related laws. With specific reference to revenue collection, the enforcement unit ensures that defaulters are prosecuted or are compelled to pay county dues.

The county government shall as may be necessary, enact legislation to govern enforcement and compliance with any law relating to revenue collection and administration. Also, the County Treasury shall put in place a dedicated enforcement and compliance unit to handle all enforcement and compliance matters pertaining to revenue. The dedicated team shall report directly to the receiver of revenue.

With specific reference to revenue collection, the enforcement unit shall ensure that;

a. There is full compliance with Revenue administration law.
b. Liaise with county attorney and county prosecutors/court prosecutors to institute proceedings against non-compliance.
c. Impound items necessary for purposes of exhibit in a court of law.

Accounting and Auditing

The county receiver of revenue is responsible for collection, recording and accounting for revenue collected pursuant to article 209 of the constitution and section 158 of PFMA 2012.

The statement of receipts for the county government are audited by the Auditor General pursuant to article 229 of the constitution.

CHAPTER FIVE

Implementation Framework

This policy places significant implementation responsibility on the Revenue Directorate. The implementation responsibility should be operationalized whereby the key focus areas and activities outlined in the policy shall be cascaded to all relevant departments and officials and included in their performance agreement.

Also, it must be emphasised that the objectives and strategies set out in this policy relate to activities that must be institutionalised and performed by county officials as their regular tasks as appointed to such positions. Relevant departments must take overall responsibility for the policy and be party to its design implementation and monitoring and take fully ownership of the policy.

This Plan has identified certain risks that must be mitigated for successful implementation. These are summarised below: -

- **Non-implementation of previous plans** - There are numerous plans and strategies developed over the years which have not been implemented. A key risk is that implementation of strategies may not take place. In order to mitigate this risk, specific timeframes and responsibilities must be defined for each of the strategies developed in the policy framework.
- **Change management** - From a change management perspective, urgent action is required to address some of the bad practices that may have occurred for many years. There is a need to strictly enforce new procedures without exception. The enforcement of staff discipline will be extremely important and this should drive the change management process within the County. The Department together with the assistance of Human Resources division must communicate the content of this plan to all employees to ensure full understanding for effective implementation.
- **Community and Stakeholders** – The County must communicate effectively with the community on all aspects of the policy and provide regular feedback on progress, including tabling of the policy at the county assembly.

There should be a regular review of the risks to ensure timely mitigation strategies are instituted by the political leadership as well as the department in charge of revenue administration.

Review

The government shall in collaboration with all key stakeholders review the Revenue administration policy peridically to ensure that it remains relevant and meets the changing trends as well as emerging challenges at both the national and county level.

Monitoring and Evaluation:

Consistent and systematic monitoring, evaluation and learning is critical for the realization of the objectives of this policy. Monitoring will provide policy makers in the sector with regular feedback on progress of policy implementation while evaluation will determine whether the set goals are being achieved or not. It provides lessons learnt and recommendations for future improvements.

To enhance M&E in own source revenue administration, the government will strengthen M&E system in the sector by building capacity of human resource in M&E, establishing a sustainable funding mechanism towards M&E, strengthening integrated reporting mechanisms and utilization of monitoring information and evaluation findings in decision making.

Implementation of this policy will be monitored against the strategies, performance targets, and timelines defined in the implementation matrix and monthly, quarterly and annual progress reports prepared in a prescribed format. Further, a result based evaluation framework to measure outcome and impact indicators will be developed in line with the County Integrated Monitoring and Evaluation (CIMES) Guidelines and the Makueni County Monitoring and Evaluation Policy. All M&E related studies will be undertaken jointly with relevant stakeholders.

The framework shall be directly linked with the county development plans, performance management system and budgeting to facilitate regular reviews and feedback on resource allocation. For enhanced knowledge management and learning, the department will maintain a repository of statistics, findings and performance monitoring and evaluation reports relevant to this policy.

Table 5: Implementation Matrix

ACTIVITY	OUTPUT	INDICATOR	LEAD PERSON	TIMELINE
Objective One: To enhance the Legal and Institutional Framework for Revenue Administration.				
Repeal the Makueni County Revenue Administration Act 2017 by developing the Makueni County Revenue administration and Tariffs Act.				
Create institutional and legal structures that maximize revenue collection.				
Establish a revenue inspectorate and compliance unit for enforcement.				
Establish a County Revenue Authority.				
Objective Two: To improve efficiency in revenue mobilization				
Develop a procedure manual or business process for revenue billing, receipt and related controls.				
Fully automate all revenue streams with respect to billing, collection and reporting.				
Establish a unified billing regime for related fees and charges.				
Establish a statistics desk mandated with revenue potential assessment, projection and sensitivity analysis.				
Ensure integrated revenue management that guarantees the collection of all potential revenue in a manner that is efficient, effective and accountable.				
Objective Three: To strengthen the capacity of revenue staff for efficient management and collection of revenue				
Recruit sufficient skilled personnel.			County Public Service Board	Continuous

ACTIVITY	OUTPUT	INDICATOR	LEAD PERSON	TIMELINE
Regular capacity building of the staff on new and emerging trends.	• Staff Performance improved • Clients complains reduced • Own source revenue increased	• No. of revenue staff recruited • Proportion of staff with improvement performance • Percentage increase in Own Source Revenue collection • Percentage reduction in clients complains	CO PBR	Continuous
Promote professionalism and principles of the public service by implementing human resource policies, guidelines and procedures critical to revenue collection.				
Implement the performance management system.				
Create awareness and embrace positive cultural change.				
Objective Four: To enhance effective coordination among departments, stakeholders and other sector institutions				
Train and sensitize departments, agencies, communities, private sector and all relevant stakeholders on revenue administration and good governance.			Director Revenue	
Develop a stakeholder communication strategy.			CO PBR	
Collaborate with National Government agencies to achieve improved enforcement and compliance with revenue laws.			CECM Treasury	
Ensure departmental revenue collection targets are included in performance management/appraisals.			County Secretary	
Enhance linkages through collaboration with other departments and agencies by establishing an Inter-departmental revenue committee at the County Executive Committee level.			County Secretary	
Improve compliance through awareness creation and establish a revenue			Director Revenue	

ACTIVITY	OUTPUT	INDICATOR	LEAD PERSON	TIMELINE
championship system within the communities.				
Collaborate with market committees and other stakeholders in enhancing compliance around revenue collection.			Director Revenue	
Strengthen coordination and cooperation with stakeholders including the political class.			CECM Treasury	