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Discussion paper no. 15

Local Government in Kenya - Income and Expenditure

1959 - 1961



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Local Government in Kenya: Income and Expenditure
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D.A. Lury and A.A. Shah

The brief description of the pattern of local government authorities in Kenya which follows refers to 1959 - 1961, the period covered by the tables of income and expenditure. The rural areas of Kenya were then covered by two types of organisation, African District Councils and County Councils. The latter covered the areas settled by Europeans, known as the Scheduled Areas. The African District Councils with a subordinate layer of Locational Councils covered the rest of the country outside towns. The towns were governed by Municipalities or Town Councils. The authorities existing with their areas and population (according to 1962 Census) are given in Table I.

These arrangements were changed after independence and the Kenya Order in Council (1963), provides for two tiers of rural authorities - County Councils and Location Councils - and two types of urban authorities - Municipal and Township Councils.

The sources of revenue other than contributions from the Central Government and the functions of the three types of Local Authorities, previously in existence are now briefly set out.

African District Councils

These councils were empowered to raise independent revenue through several means. One of these was the imposition of poll rates, levied at a flat rate per head. The actual poll rates levied during the period under consideration ranged from 2 shillings to 47 shillings per head in different areas. The Council could also impose cesses on agricultural and animal products. The ceiling for such a cess was fixed at 5% of the price of marketed produce paid to a producer.

...../ Yet another

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TABLE I

LOCAL AUTHORITIES	AREA SQ. MILES	1962 POPULATION	LOCAL AUTHORITIES	AREA SQ. MILES	1962 POPULATION
<u>AFRICAN DISTRICT COUNCILS</u>					
<u>Nyanza Province</u>			<u>Coast Province</u>		
Elgon Nyanza	1,293	348,092	Kilifi	4,684	247,832
North "	1,200	608,197	Kwale	3,125	157,828
Central "	2,395	630,244	Taita-Taveta	5,905	90,146
South " (1)a	3,003	1,000,783	Tana River (3)	9,168	52,465
Kipsigis (1)b	218	259,144	Freretown	(0.076)	462
TOTAL	8,109	2,846,460	TOTAL	22,882	548,710
<u>Rift Valley Province</u>			<u>Northern Province</u>		
Nandi	714	119,117	Garissa	16,962	93,855
Elgeyo Marakwet	1,029	160,961	TOTAL A.D.C.	16,962	6,719,746
Baringo	3,903	130,035	<u>COUNTY COUNCILS</u>		
Samburu (2)	8,034	56,593	Nairobi (4)	2,701	222,161
West Pokot	1,960	58,993	Nakuru	2,216	199,214
TOTAL	15,640	525,699	Naivasha (5)	2,091	89,258
<u>Central Province</u>			Aberdare (6)	4,765	114,542
Kiambu	410	355,709	Uasin Gishu	1,642	81,058
Murang'a	592	344,854	Kitale	1,119	83,966
Nyeri	378	246,709	Nyanza (7)	1,988	142,486
Embu	1,603	293,274	TOTAL COUNTY COUNCILS	16,522	937,681
Meru	3,763	469,453	<u>MUNICIPAL COUNCILS</u>		
Mukogoddo	409	5,130	Nairobi	36	266,794
TOTAL	7,155	1,715,129	Mombasa (8)	79	179,134
<u>Southern Province</u>			Kisumu	7	25,520
Machakos	5,047	526,684	Nakuru	13	38,191
Kitui	11,696	284,659	Eldoret	9	19,605
Kajiado	8,149	68,441	Kitale	7	9,342
Narok	7,147	110,098	TOTAL MUNICIPAL COUNCILS	151	536,582
TOTAL	32,039	989,882	GRAND TOTAL (9) 119,460 8,194,000		

TABLE I cont'd

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Source: Kenya Population Census, 1962, Volume I

- (1)a South Nyanza A.D.C. population represents the population figures of South Nyanza and Kisii Districts.
 - (1)b The population figure of Kipsigis represents the Kericho District less County Council Wards figures.
 - (2) The Census includes Samburu District under the Northern Province.
 - (3) Tana River A.D.C. consists of Tana River and Lamu Districts.
 - (4) Nairobi County Council figure embraces figures for Nairobi peri-urban District and C.C. Wards of Kiambu, Thika and Machakos.
 - (5) Naivasha C.C. embraces Naivasha District, Ol Balossat and Wanjohi Wards plus Ol Kalou ward and Township in the Laikipia District.
 - (6) Aberdare C.C. = 'Laikipia District' + Nanyuki District and Nyeri Township.
 - (7) Nyanza C.C. = sub location of Miwani in C. Nyanza + C.C. Wards in Kericho District.
 - (8) Mombasa M.C. = Mombasa District - Freretown.
 - (9) The Grand Total excludes all the districts in the Northern Province except Garissa and Samburu.
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Yet another means of raising revenue was through traders' and bicycle licences, native liquor licences etc. Income could also accrue to them from their investments. The second tier of Local Authorities - the Locational Councils - raised income from poll rates often levied ad hoc, to meet the cost of social welfare schemes such as schools, hospital maintenance etc. The actual location rates levied during the period varied from 1 shilling to 120 shillings per head.

The functions of these councils in addition to managing services of purely local character such as markets, beer halls, cemeteries etc., were to construct and maintain secondary and minor roads, to provide services for improving agricultural and livestock industries and to finance facilities for primary education. A separate District Education Board was actually responsible for primary education and the African District Council (hereinafter referred to as ADC) was not formally an educational authority, although it was represented on the Board. The Council was required to pay its subventions to the Board and the Central Government complemented them by a payment twice as large.

County Councils

County Councils had powers to raise their independent income by levying licence fees on Cinemas, taxicabs, hawkers, bicycles, trading etc., and to impose rates on land, and poll rates. In general the rates on land were levied either on acreage basis (at flat or graduated rates according to size or productivity), or according to the value of land for rental purposes. But in the more built-up areas within the County, rates were levied on the basis of site values (a maximum of 4% on unimproved land with a provision to levy additional rates for improvements). Poll rates for schemes of social welfare were levied by the council to secure revenues from Africans living in the area, since they would not be affected by the rates levied upon land. These poll rates were levied for a maximum period of six years in respect of social welfare scheme and for a maximum period of three

...../years in

years in respect of capital expenditure on education. The level of these rates was subject to the consent of the Minister for Local Government. Finally revenue could also accrue to them from contribution in lieu of rates, paid by Central Government, based on the annual rates of other properties, but subject to exemption of such properties as were prescribed by the Governor in Council of Ministers.

The functions of County Councils were the management of markets, cemeteries, etc., the construction and maintenance of county roads and provision of health services. They had no expenditure on agricultural and veterinary services. They also had no expenditure on education. The exception to this was the Nairobi County Council which provided kindergartens and nursery schools.

Municipalities and Township Councils

The independent revenue raised by these authorities derived from rates levied on site values - the rates being the same as those imposed by County Councils - water and sanitary service charges, rents on council houses, trading and other licences etc. Revenue also accrued to them from contributions in lieu of rates paid by the Central Government. In addition these authorities could impose poll rates (the amount to be subject to the consent of Minister). Further they could impose 'Omnibus franchise' on the buses operating in the area for permitting them to use certain areas as bus stops and stations.

The functions of these authorities were the construction and maintenance of public roads and streets, to maintain gardens and parks, to provide health, water and sanitary services and to manage purely local services such as markets, cemeteries etc. As was the case with County Councils, education in the Municipalities was wholly financed by the Central Government.

Relationship with the Central Government

As already mentioned in the ADC areas, the Central Government made a grant to the District Education Board, doubling the amount

...../ by the

by the ADC. In addition the Central Government made other grants to these and other Local Authorities. These grants were as follows:

Central Government Grants	A.D.C.s	County Councils	Municipalities and Townships
Health (1)	50%	95%	50%
Primary Education	66 $\frac{2}{3}$ %	100%	100%
Chief Officers' Salaries	33 $\frac{1}{3}$ %	[33 $\frac{1}{3}$ % (2) 50% (3)]	[33 $\frac{1}{3}$ % (2) 50% (3)]
Secondary Roads (4)	100%	100%	—

- (1) Health grants were pegged at 1958 or 1959 level within a year of their introduction.
- (2) For the salaries of Town Clerks, Treasurers and Engineers.
- (3) For the salaries of Medical Officers of Health and Sanitary Inspectors.
- (4) These grants represent Road Authority grants. The Road Authority receiving its funds from the Central Government.

The grants-in-aid figures above reflect the dependence of Local Authorities on the resources of the Central Government to carry out some of their major functions and it naturally followed that the Central Government had in return powers of counsel and supervision although room was left for the exercise of local initiative and enterprise. Central Government control was exercised through the Ministry of Local Government and in the case of ADC areas through the hierarchy of Provincial and District Commissioners.

The powers of the Central Government were numerous. The Governor had the power to establish a Local Authority for any area and to alter or add to the boundary of any Authority. In case of negligence or default, he had the power to dissolve the local council and nominate a new one.

...../ In addition

In addition, the Ministry of Local Government and the Provincial Administration had powers to sanction loans, to issue model by-laws and to approve estimates of all Local Authorities **except** the Municipalities. Municipal Councils were not required to submit their budgets to the approval of the Minister unless the rate levied on site values of unimproved land exceeded the maximum of 4% (a levy at such higher rates had to be approved by the Governor in Council of Ministers).

In ADC areas, Provincial Commissioners had power of approval regarding appointments, removals and emoluments of Secretaries, Treasurers, Engineers and Works Superintendents. With the Medical Officers of Health and Health Inspectors, in these and County Council areas, and with Clerks, Treasurers and Engineers in the County Council areas, such powers rested with the Minister. For Town Clerks, Town Treasurers, Medical Officers of Health etc., in the Municipalities, such powers were vested in the Governor.

Finally the Minister in the case of ADCs and the Governor in the case of all other Local Authorities, had the power to appoint inspectors from time to time to inspect, examine and report upon the accounts and records which were required to be kept by these Local Authorities.

Sources of Information

The current A/C sections of Local Government Authority income and expenditure tables given here; are compiled from the data collected and the analysis made, by the Statistics Division of the Ministry of Economic Planning and Development. The figures for capital expenditures are also obtained from special returns made to that Division by Municipalities, County Councils and the ADCs. The income side of the capital a/c is not however available directly, but has been compiled from information available in annual reports of the Road Authority, the Central Housing Board, the Local Government Loans

...../Authority

Authority and the City Council of Nairobi Abstract of Accounts. The figures from these sources are usually on a financial year basis and estimates for calendar years have been derived by averaging consecutive financial years. The estimates of income for any one year may vary considerably from the figures of expenditures, since averaging of financial year figures gives only a crude approximation and "leads and lags" are in any case likely to occur. The equalising adjustment required for the total three year period 1959-1961 is however relatively small.

Detailed annual figures of income and expenditure both current and capital for each of the three types of Local Authorities, are given in the Appendices. The following paragraphs provide some summary tables and draw attention briefly to some of the salient points of Local Authority accounts. No institutional analysis is attempted here.

Total Expenditure

Table II gives total expenditure for the whole period by all Local Authorities.

TABLE II

LOCAL GOVERNMENT INCOME AND EXPENDITURE 1959 - 1961

CURRENT a/c

INCOME	£'000	EXPENDITURE	£'000
Trading	2216	Goods and services:	
Government Grants:		Roads	3541
Roads	2414	Sanitary	1364
Health	1536	Health	2688
Education	1568	Education	5468
Other	1167	Other	3782
Rates	8360	Loan Charges	3790
Licences and Fees	2125	Other	965
Cesses	888	Surplus	3328
Other	2652		
TOTAL	24,926	TOTAL	24,926

...../CAPITAL a/c

CAPITAL a/c

INCOME	£'000	EXPENDITURE	£'000
Surplus from Current a/c	3328	Buildings:	
Road Authority Grant	821	Residential	1634
Loans:		Non-Residential	951
Central Housing Board	1648	Road Construction	1814
Local Govt. Loans Authority	2955	Water Works	1747
E.A. Railways & Harbours	29	Other Construction	1245
Mortgage Bonds	1209	Sewerage Works	1440
Equalising Adjustment	-58	Plant and Machinery	348
		Other	753
TOTAL	9,932	TOTAL	9,932

If we allow for the transfer of surplus from current to capital a/c, the total expenditure amounted to over £31.5 million of which 31.5 per cent was capital. The transferred surplus provided 33.5 per cent of this capital expenditure. Of total expenditure about 17 per cent was on education, another 17 per cent on roads, and 23 per cent on sanitation and health (including water works). Just over one third of the current income was derived from government grants and another third came from rates of various kind. It should be noted that receipts for trading (in beer halls, dairies, markets, and waterworks) show the operating surplus only. Additional expenditure on these items which has been netted out was, in 1961, £1,272,000 in Municipalities, £454,000 in County Councils, and £141,000 in A.D.Cs.

Annual Average Income and Expenditure by type of Local Authority.

Tables III and IV give annual average of income and expenditure, both capital and current for each of the three types of Local Authorities.

TABLE III

(a)

Average Annual Current Income

	£'000			%		
	Municipa- lities	County Councils	A.D.C.s	Municipa- lities	County Councils	ADCs
Trading	606	70	63	17.1	7.1	1.7
Government Grants:						
Roads	41	496	268	1.2	50.5	7.1
Health	215	40	258	6.0	4.1	6.8
Education	-	4	1185	-	0.4	31.4
Other	45	53	291	1.3	5.4	7.7
Total	301	593	2002	8.5	60.4	53.0
Rates	1600	160	1026	45.1	16.3	27.1
Other	1040	159	689	29.3	16.2	18.2
TOTAL	3547	982	3780	100.0	100.0	100.0

(b)

Average Annual Current Income (Excluding Education Grant)

	Municipa- lities	County Councils	A.D.C.s	Municipa- lities	County Councils	ADCs
Trading	606	70	63	17.1	7.1	2.4
Government Grants:						
Roads	41	496	268	1.2	50.7	10.1
Health	215	40	258	6.0	4.1	9.1
Other	45	53	291	1.3	5.4	11.2
Total	301	589	817	8.5	60.2	31.4
Rates	1600	160	1026	45.1	16.4	39.1
Other	1040	159	689	29.3	16.3	26.1
TOTAL	1547	978	2595	100.0	100.0	100.0

TABLE III

(c)

Average Annual Capital Income

	£'000			%		
	Municipa- lities	County Councils	ADCs	Municipa- lities	County Councils	ADCs
Surplus from Current a/c	606	107	396	29.1	16.9	64.6
Road Authority Grant	34	165	74	1.6	26.0	12.1
Loans:						
Central Housing Board	251	220	78	12.1	34.6	12.7
Local Gov't Loans Authority	777	143	65	37.3	22.5	10.6
Mortgage Bonds	403	-	-	19.4	-	-
E.A. Railways & Harbours	10	-	-	0.5	-	-
Total	1441	363	143	69.3	57.1	23.3
TOTAL	2081	635	613	100.0	100.0	100.0

TABLE IV

(a)

Average Annual Current Expenditure

	£'000			%		
	Municipa- lities	County Councils	ADCs	Municipa- lities	County Councils	ADCs
Expenditure on Goods & Services:						
Education	-	6	1816	-	0.6	48.0
Roads	366	480	334	10.3	48.9	8.8
Health & Sanitary	763	99	489	21.5	10.1	12.9
Other	600	167	494	16.9	17.0	13.7
Loan Charges	1094	117	52	30.8	11.9	1.4
Other	117	5	199	3.3	0.5	5.1
Surplus	606	107	396	17.1	10.9	10.1
TOTAL	3547	982	3780	100.0	100.0	100.0

TABLE IV

(b)

Average Annual Current Expenditure (excluding Education)

	£'000			%		
	Municipalities	County Councils	ADCs	Municipalities	County Councils	ADCs
Expenditure on Goods & Services:						
Roads	366	480	334	10.3	49.2	17.0
Health & Sanitary	763	99	489	21.5	10.1	24.9
Other	600	167	494	16.9	17.1	25.2
Loan Charges	1094	117	52	30.8	12.0	2.6
Other	117	5	199	3.3	0.5	10.1
Surplus	606	107	396	17.1	11.0	20.2
TOTAL	3547	976	1964	100.0	100.0	100.0

(c)

Average Annual Capital Expenditure

	£'000			%		
	Municipalities	County Councils	ADCs	Municipalities	County Councils	ADCs
Buildings:						
Residential	313	150	77	16.3	22.2	11.5
Non-Residential	70	71	173	3.6	10.5	26.2
Road Construction	203	248	153	10.4	36.6	22.8
Water Works	481	25	76	24.7	3.7	11.3
Other Construction	303	31	81	15.6	4.6	12.1
Sewerage Works	445	35	-	22.9	5.2	-
Plant and Machinery	2	70	30	-	10.4	4.5
Other	125	47	79	6.6	6.9	11.3
TOTAL	1947	677	672	100.0	100.0	100.0

Average current annual incomes were in order of magnitude, £3.8 million in ADCs, £3.5 million in Municipalities and nearly £1 million in County Councils.

Capital incomes were higher in Municipalities; the capital incomes of County Councils and ADCs were about the same, each of them being about a third of that of the Municipalities.

From the data given in section (a) and (c) of Table IV, we can derive the ratios of capital to current expenditure for each of the three Local Authorities. After deducting surplus from current expenditures, we find that current expenditures of £5, £1.5 and £1.3 were incurred by ADCs, Municipalities and County Councils respectively, for each £1 of capital expenditure.

The pattern of current income for these Authorities is shown in Table III (a). Income from rates constituted the biggest single source of revenue for Municipalities (45 per cent of total). Government Grant was the major source of revenue for County Councils (60 per cent) and ADCs (53 per cent). Since ADCs were the only Authorities which received grants on education, Table III(b) has been provided. This excludes grants on education. This reduces the contribution of Government grants to ADCs to 31 per cent and increases the proportion of income due to rates to nearly 40 per cent.

Table IV (a) shows the pattern of current expenditure. The current a/c surplus figure was the highest in Municipalities (17 per cent) and lowest in ADCs (10 per cent). Expenditure on loan charges by Municipalities was high (30 per cent). Table IV (b), like Table III(b), excludes education and emphasises County Councils' high expenditures on roads (49 per cent). Health and sanitary expenditure was highest in ADCs (nearly 25 per cent).

The average annual capital income Table(III (c)) shows that about two thirds of the capital income of ADCs was obtained from the surplus transferred from the current a/c. These proportions for Municipalities

...../ and for

and for County Councils were much lower at 29 per cent and 17 per cent. These Local Authorities obtained the majority of their capital income from loans (69 per cent and 57 per cent respectively). Table IV (c) on the other hand shows the pattern of capital expenditure. Municipalities spent heavily on water and sewerage works (47 per cent). County Councils and ADCs spent heavily on roads (37 per cent and 23 per cent). All the Authorities spent substantially on buildings, with the ADCs spending relatively more on non-residential construction.

Per Capita grant and expenditure

Table V gives per capita grant and expenditure for each Local Authority. For this purpose, the 1960 figures have been divided by the 1962 Population Census, the only ones available*.

*Slightly higher per capita figure would be obtained if the population figure were reduced by the rate of natural increase over the two years. However, since little information is available of the differential rate of natural increase by Local Authority areas, the additional accuracy would be negligible.

TABLE V.

Shillings						
AFRICAN DISTRICT COUNCILS	Gov't Grant per Head	Expenditure Per Head				
		Current	Capi- tal	Total	Health & Sanitary	Educa- tion
Elgon Nyanza	7.4	11.6	2.2	13.8	1.4	7.0
North Nyanza	7.2	10.4	0.2	10.6	0.6	8.0
Central Nyanza	6.6	9.2	0.8	10.0	1.2	6.6
South Nyanza	4.2	7.6	1.8	9.4	0.8	4.4
Kipsigis	4.6	8.0	0.8	9.0	1.0	4.8
NYANZA PROVINCE	5.8	9.2	1.2	10.4	1.0	6.0
Nandi	8.2	21.2	6.2	27.4	2.4	10.6
Elgeyo-Marakwet	5.6	7.4	2.2	9.6	2.0	2.6
Baringo	6.8	10.8	2.6	13.4	2.2	3.8
Samburu	6.0	10.2	-	10.2	2.0	3.6
West Pokot	8.6	9.4	5.4	14.8	1.8	3.6
RIFT VALLEY PROVINCE	7.0	12.0	3.4	14.2	2.0	5.0
Kiambu	8.6	15.0	10.8	26.0	1.0	8.0
Muranga	5.1	13.2	3.8	17.0	1.6	8.4
Nyeri	11.6	16.8	1.6	18.4	2.4	10.6
Embu	7.8	12.8	1.6	14.2	2.2	6.6
Meru	6.4	10.8	2.4	13.2	1.6	4.8
Mukogodo	15.6	44.2	-	44.2	1.8	2.0
CENTRAL PROVINCE	8.2	13.4	4.2	17.4	1.8	7.4

TABLE V. cont'd.

AFRICAN DISTRICT COUNCILS	Gov't Grant per Head	Shillings				
		Expenditure Per Head				
		Current	Capi- tal	Total	Health & Sanitary	Educ- ation
Machakos	5.8	10.2	2.2	12.4	1.2	5.4
Kitui	4.2	10.2	2.2	12.4	1.2	3.0
Kajiado	11.6	21.8	7.8	29.6	5.4	5.4
Narok	6.4	7.4	11.2	18.6	1.4	2.2
SOUTHERN PROVINCE	5.8	10.6	3.6	14.2	1.6	4.4
Kilifi	4.2	8.8	0.6	9.4	1.6	3.8
Kwale	3.2	7.4	0.6	8.0	2.0	2.2
Taita-Taveta	9.8	13.6	0.6	14.2	1.6	8.0
Tana River	5.0	6.4	-	6.4	1.0	4.6
Freretown	0.6	47.0	-	47.0	0.4	-
COAST PROVINCE	5.4	9.0	0.6	8.8	1.6	4.0
Garissa (Northern Province)	0.2	0.4	-	0.4	0.12	0.10
TOTAL	6.4	10.6	2.2	12.4	1.6	5.8
COUNTY COUNCILS						
Nairobi	13.6	27.4	22.0	49.6	4.6	...
Nyanza	13.8	18.2	14.4	32.4	0.6	-
Kitale	13.2	10.8	8.0	19.0	-	-
Uasin Gishu	13.8	14.4	4.2	18.6	-	-
Naivasha	21.6	27.0	13.2	40.4	3.0	-
Nakuru	4.6	7.6	4.8	12.4	1.4	-
Aberdare	16.4	27.2	22.4	49.6	-	-
TOTAL	12.8	19.0	13.6	32.6	2.0	..

TABLE V. cont'd

	Gov't Grant per Head	Shillings				
		Expenditure per Head				
		Current	Capi- tal	Total	Health & Sanitary	Educ- ation
MUNICIPALITIES						
Nairobi	12.4	135.0	81.8	216.6	33.0	-
Mombasa	8.8	67.2	33.8	101.0	21.2	-
Nakuru	8.4	114.8	35.0	149.6	20.4	-
Kisumu	16.2	120.6	98.4	219.2	38.2	-
Kitale	8.6	117.8	49.2	166.8	19.2	-
Eldoret	11.2	84.6	162.6	247.2	21.4	-
TOTAL	11.0	108.2	65.6	173.6	27.8	-

The table indicates that the total expenditure per head was very much greater in Municipalities than in County Councils and ADCs - over 172 shillings compared with 32 and 12 shillings. If we consider expenditure on health and sanitary services, Municipalities spent 27 shillings 80 cents per head, County Councils 2 shillings per head and ADCs 1 shilling 60 cents per head.

The Government grant per head figure was highest in County Councils - nearly 13 shillings, compared with 11 shillings for Municipalities and 6 shillings 40 cents for ADCs. per capita grant and expenditure figures varied not only between the three main types of Local Authorities but also within each type of Authority. For instance, the range of Government grant per head in ADCs, excluding Northern Province - was from 15 shillings 60 cents in Mukogodo to 60 cents in Freretown ADCs. But total expenditure per head was highest in the latter ADC at 47 shillings. It was lowest in Tana River ADC at 6 shillings 40 cents. Per capita expenditure on health and sanitary services was 5 shillings 40 cents in Kajiado and 1 shilling in Kipsigis and Tana River ADCs. As far as education was concerned, the highest expenditure was incurred by Nyeri (10 shillings 60 cents) and the lowest by Mukogodo (2 shillings).

Within County Councils, a per capita grant of 21 shillings 60 cents was the highest (Naivasha) and 4 shillings 60 cents the lowest (Nakuru). Both the Nairobi and Aberdare County Councils had a total expenditure per head of 49 shillings 60 cents each, while Nakuru County Council spent 12 shillings 40 cents. Health and sanitary expenditure was 4 shillings 60 cents per capita for Nairobi County Council and zero in Kitale and Uasin Gishu.

In Municipalities, the maximum per capita grant was 16 shillings 20 cents (Kisumu) and the lowest 8 shillings 40 cents (Nakuru). Total expenditure per person was 247 shillings 20 cents in Eldoret, 219 shillings 20 cents in Kisumu, 216 shillings 60 cents in Nairobi and 101 shillings in Mombasa. Health and sanitary expenditure was highest in Kisumu, followed by Nairobi, with Nakuru remaining at the bottom of the list.

It must be remembered that Table V relates to one year only and the relative situation of individual Local Authorities within the groups may vary. The range of income and expenditure between the different types of Local Authorities, however, remain much the same over the period dealt with here.

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APPENDIX A

Summary of Local Government Income & Expenditure 1959-1961

INCOME	Current a/c			EXPENDITURE	£'000		
	1959	1960	1961		1959	1960	1961
Income from Trading:				Expenditure on			
Water	491	542	554	goods & Services:			
Other	222	209	198	Administration	504	675	694
Income from Housing				Community			
(Imputed)	302	337	369	Services:			
Government Grants:				Roads	1106	1195	1240
Administrative	388	391	128	Sanitary	462	418	484
Community Services:				Other	173	186	180
Roads	705	820	889	Social Services:			
Other	10	12	10	Health	818	875	995
Social Services: Health	485	524	527	Education	1659	1952	1857
Education	1100	1227	1241	Other	268	299	299
Other	49	63	62	Economic			
Economic Services	7	13	34	Services	73	215	216
"Assigned" Revenues	210	138	391	Subsidies to			
Rate Income:				Housing	70	59	69
General	1973	2148	1941	Loan Charges:			
Council	227	266	263	Water	335	371	422
Government	519	551	492	Housing	290	328	358
Licences & Fees	611	730	784	Other	481	569	636
Cesses	330	279	279	Transfer pay-			
Interest	142	189	218	ments	108	143	158
Other	70	134	152	Location			
				Councils	198	80	80
				Surplus	1296	1188	844
TOTAL	7841	8533	8532		7841	8553	8532

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APPENDIX A cont'd

CAPITAL a/c

				£'000			
INCOME	1959	1960	1961	EXPENDITURE	1959	1960	1961
Surplus from Current a/c	1296	1188	844	Buildings:			
Road Authority Grant	259	258	304	Residential	579	443	612
Loans:				Non-Residential	335	272	345
Central Housing Board	719	526	403	Road Construction	504	665	644
Local Gov't Loans Authority	311	1280	1364	Water Works	733	430	583
Mortgage Bonds	565	378	266	Other Construction	1052	73	121
E.A. Railways & Harbours	28	1	-	Sewerage works		- 785	655
Equalising Adjustment	333	-523	133	Plant & Machinery	135	105	108
				Other	172	335	246
TOTAL	3511	3108	3314	TOTAL	3511	3108	3314

APPENDIX B

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Summary of Municipal Councils Income & Expenditure 1959-1961

Current a/c

INCOME				£'000			
	1959	1960	1961	EXPENDITURE	1959	1960	1961
Income from Trading:				Expenditure on			
Water	477	514	535	Goods & Serv-			
Other	104	95	92	ices:			
Income from housing				Administration	254	242	257
(Imputed)	284	306	332	Community			
Government Grants:-				Services:			
Administration	24	20	24	Roads	346	368	385
Community Services:				Sanitary	368	374	434
Roads	41	34	47	Other	165	172	172
Other	-	1	1	Social Services:			
Social Services:				Health	353	371	388
Health	205	220	219	Other	171	159	163
Other	20	19	21	Economic			
Economic Services:				Services	15	14	15
Other	4	-	-	Subsidies to			
"Assigned" Revenue	160	105	102	Housing	70	50	64
Rate Income:				Loan Charges:			
General	972	1068	1067	Water	323	348	398
Council	85	94	80	Housing	274	297	321
Government	481	505	450	Other	377	456	489
Licences & Fees	439	474	506	Transfer pay-			
Cesses	-	-	-	ments	55	51	62
Interest	68	112	138	Surplus	609	706	504
Other	16	41	38				
TOTAL	3380	3608	3652	TOTAL	3380	3608	3652

APPENDIX B cont'd

CAPITAL a/c

				£'000			
INCOME	1959	1960	1961	EXPENDITURE	1959	1960	1961
Surplus from Current a/c	609	706	504	Buildings:			
Road Authority Grant	28	41	34	Residential	379	190	385
Loans:				Non-Residen-			
Central Housing Board	266	281	206	tial	91	39	79
Local Gov't Loans				Road Construc-			
Authority	169	1030	1132	tion	178	183	248
Mortgage Bonds	565	378	266	Water - Works	649	327	467
E.A. Railways & Harbours	28	1	-	Other Construc-			
Equalising Adjustment	571	-679	-251	tions	850	21	39
				Sewerage Works	-	766	568
				Plant & Machin-			
				ery	13	23	15
				Other	76	209	90
TOTAL	2336	1758	1891		2236	1758	1891

APPENDIX C

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Summary of County Councils Income & Expenditure - 1959-1961

Current a/c

INCOME				£'000			
	1959	1960	1961	EXPENDITURE	1959	1960	1961
Income from Trading				Expenditure on goods & Services:			
Water	14	28	19	Administration	94	135	141
Other	47	53	50	Community Services:			
Income from Housing (Imputed)	18	31	37	Roads	450	486	504
Government Grants:-				Sanitary	30	35	44
Administration	43	31	37	Other	8	13	8
Community Services:				Social Services:			
Roads	433	517	538	Health	50	57	81
Other	10	10	9	Education	5	5	9
Social Services:				Other	26	33	32
Health	34	32	53	Economic Services	3	3	4
Education	4	4	4	Subsidies to Housing	-	9	5
Other	4	8	8	Loan Charges:			
"Assigned" Revenues	36	24	31	Water	12	23	24
Rate Income:				Housing	16	31	37
General	97	139	133	Other	69	64	76
Council	2	-	2	Transfer Payments	-	1	1
Government	38	26	42				
Licences & Fees	63	72	85	Surplus	97	104	120
Cesses	12	14	22				
Interest	12	14	22				
Other	5	10	16				
TOTAL	860	999	1086		860	999	1086

APPENDIX C cont'd

CAPITAL a/c

				£'000			
INCOME	1959	1960	1961	EXPENDITURE	1959	1960	1961
Surplus from Current a/c	97	104	120	Buildings: Residen-			
Road Authority Grant	154	149	192	tial	173	140	136
Loans:				Non-Residential	78	55	81
Central Housing Board	330	182	148	Road Construction	212	306	227
Local Gov't. Loans				Water works	50	13	13
Authority	111	151	167	Other Construction	88	1	3
				Sewerage Works	-	18	87
Equalising Adjustment	15	49	61	Plant & Machinery	79	58	71
				Other	26	44	70
TOTAL	707	635	688	TOTAL	707	635	688

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APPENDIX D

Summary of African District Councils Income and Expenditure 1959-1961

Current a/c

£'000

INCOME	1959	1960	1961	EXPENDITURE	1959	1960	1961
Income from Trading:				Expenditure on goods & Services:			
Water	-	-	-	Administration	156	298	296
Other	71	61	56	Community Services:			
Income from Housing (Imputed)	-	-	-	Roads	310	341	351
Government Grants:-				Sanitary	64	9	6
Administration	321	340	67	Other	-	1	-
Community Services:				Social Services:			
Roads	231	269	304	Health	415	447	526
Other	-	1	-	Education	1654	1947	1848
Social Services				Other	71	107	104
Health	246	272	255	Economic Services	55	198	197
Education	1096	1223	1237	Subsidies to Housing	-	-	-
Other	25	36	33	Loan Charges:			
Economic Services	3	13	34	Water			
"Assigned" Revenues	14	9	258	Housing			
Rate Income:				Other	35	49	71
General	904	941	741	Transfer Payments	53	91	95
Council	140	172	181	Location Councils	198	80	80
Government	-	-	-				
Licences & Fees	109	184	193	Surplus	590	373	220
Cesses	330	279	279				
Interest	62	63	58				
Other	49	83	98				
TOTAL	3601	3946	3794	TOTAL	3601	3946	3794

APPENDIX D cont'd

CAPITAL A/C.

				£'000			
INCOME	1959	1960	1961	EXPENDITURE	1959	1960	1961
Surplus from Current a/c	590	378	220	Buildings: Residen-			
Road Authority Grant	77	68	78	tial	27	113	91
Loans:				Non-Residential	166	178	185
Central Housing Board	123	63	49	Road Construction	114	176	169
Local Gov't Loans				Water works	34	90	103
Authority	31	99	65	Other Construction	114	51	79
				Sewerage works	-	1	-
				Plant & Machinery	43	24	22
Equalising Adjustment	-253	107	322	Other	70	82	86
TOTAL	568	715	735	TOTAL	568	715	735