

LAGOS STATE GOVERNMENT CITIZENS' GUIDE TO Y2017 BUDGET (GOLDEN JUBILEE)

1.0 Lagos State Budget

Section 121 of the 1999 Constitution, requires His Excellency, the Governor to submit an annual budget proposal (Appropriation Bill) for the enactment into law by the House of Assembly. After the passing of the Appropriation Bill into law, it is assented to by the Governor and becomes an Appropriation Law. Hence, the responsibility for the State Budget is between the Executive and Legislative arm of the Government.

2.0 Budget and Budget Process

Public Sector budget is an indication of how Government plans to generate Revenue on one hand and how to utilize the revenue within a specified period, usually a year on the other hand. The Budget therefore sets out the priority areas for spending in line with Government Policies/Programmes and needs assessment of the people in line with the expected Revenue for that year.

Budget process is a system of rules governing the decision-making that leads to a Budget, from its formulation, through its legislative approval, to its execution.

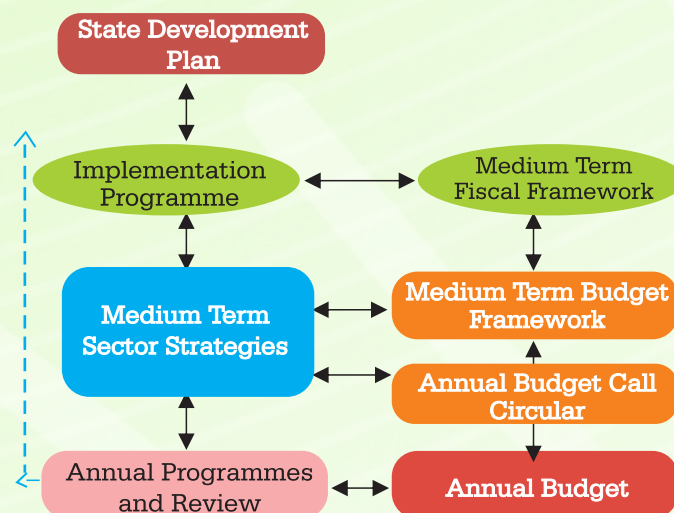
3.0 Stages of Annual Budget Preparation Process

- Budget Conception informed by Medium Term Expenditure Framework (MTEF)
- Budget Preparation and Approval
- Budget Implementation, Monitoring & Control
- Budget Evaluation

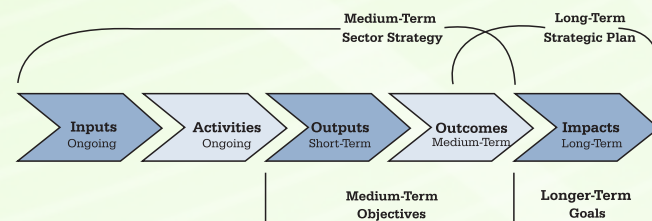
4.0 The Lagos State Development Plan (LSDP) – Vision and Mission



5.0 The LSDP Framework



6.0 The Result Chain



Linkages between LSDP, MTSS, PMR and Budgets

LSDP-deals with Impacts and Outcomes
Medium Term Sector Strategy (MTSS) - Outputs, Activities and Inputs
MTSS - the basis for preparing annual budget and thereafter open opportunities for monitoring activities

7.0 Trend Analysis of the Budget Performance (2007 – 2016)

Year	BUDGET SIZE N'000	ACTUAL PERFORMANCE N'000	% PERF
2007	274,762,000	192,166,000	70
2008	403,401,000	286,602,000	71
2009	405,000,000	294,710,000	73
2010	411,571,000	329,526,000	80
2011	450,775,000	347,053,000	77
2012	491,941,000	439,464,000	89
2013	507,105,000	429,745,000	85
2014	489,690,000	408,312,000	83
2015	489,690,000	350,676,000	72
2016	662,588,000	528,664,000	80

8.0 Areas of Focus in Y2017

The Y2017 Budget will continue to promote massive investments in **Security, Infrastructure, Transport/Traffic Management, Physical and Social Infrastructural Development, Environment, Health, Tourism, Power, e-Governance, Education, Agriculture and Skill Acquisition**. This is geared towards improving the economic fortune, creating wealth and job opportunities in the State, without prejudice to other functions of government.

9.0 Underlining Principles of Y2017 Budget

These includes continuous payment of outstanding liabilities, completion of all on-going projects, planned and systematic maintenance of existing/new infrastructural facilities, sustenance of the goals of job creation, poverty eradication and wealth creation, continuous and efficient service delivery to the citizens. Above all priority is given to projects that will be completed by the second quarter of 2018

10.0 Y2017 Budget at a Glance

Budget Size – **N 812.998bn**

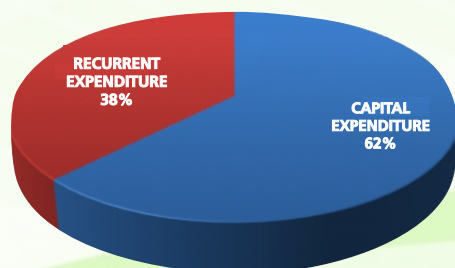
11.0 Projected Revenue Sources

- Total Internally Generated Revenue (Capital Receipts inclusive) - **N476.308bn**
 - Federal Transfers - **N166.539bn**
 - Financing Requirement (Deficit) - **N170.151bn**
- N 812.998bn**

12.0 Projected Expenditure

- Recurrent Debt** - **N30.078bn**
- Personnel - **N104.712bn**
- Overhead - **N170.393bn**
- Recurrent (Non Debt)** - **N275.104bn**
- **Recurrent Expenditure (Debt & Non Debt)** - **N305.182bn**
- Capital Expenditure - **N507.816bn**
- Budget Size** - **N812.998bn**

13.0 Capital/Recurrent Expenditure Mix 62.46%:37.54%



14.0 Where the Money Comes From (Funding Sources)

Internally Generated Revenue (Nbn)		Capital Receipt (Nbn)		Federal Transfers (Nbn)		Financing	
Internally Generated Revenue	450.867	Capital Receipts	25.441	Federal Transfers	166.539	Deficit Funding	170.151
Lagos Internal Revenue Services	360.000	Grants	9.880	Statutory Allocation	48.183	External Loans	22.551
Internally Generated Revenue (Others)	62.745	Other Capital Receipt	15.561	Value Added Tax	84.899	Internal Loans	47.600
Dedicated Revenue	23.722			Extra Ordinary Revenue	31.957	Bond Issuance	100.000
Investment Income	3.200			13% Derivation	1.500		
Extra Ordinary Revenue	1.200						

15.0 Where the Money Goes (Expenditure)

Recurrent Expenditure				Total Capital Expenditure	
Recurrent Debt	30.078	Recurrent Non Debt	275.104	Capital Expenditure	436.260
Debt Charges External	6.078	Personnel	104.712	Repayment	71.556
Debt Charges Internal	22.000	Overhead Expenditure	170.393		
Debt Charges Bond	2.000				

16.0 Function Group Allocation

The Y2017 Budget Size Functional Group Disaggregation and percentage share:

FUNCTION	Y2017 ALLOCATION (Nbn)	%
General Public Service	207.155	25.48
Public Order & Safety	39.722	4.89
Economic Affairs	296.717	36.50
Environmental Protection	56.569	6.96
Housing & Community Amenities	50.344	6.19
Health	51.447	6.33
Recreation, Culture & Religion	12.419	1.53
Education	92.445	11.37
Social Protection	6.180	0.76
Total	812.998	100.00

- Percentage allocated to Function Groups reflects Government priorities, sustenance of past trend and needs assessment of the citizenry
- Highest priority goes to Economic Affairs at 36.50%. This is in line with the policy thrust of Government on massive investments in Infrastructure (Physical and Social)



17.0 Key Deliverables

The critical areas of our expenditure plan for Y2017 are:

17.1 Roads and Other Infrastructure:

The State Government proposed to spend the sum of **N141.692bn** on road infrastructure. This includes:

- Completion of Abule-Egba overhead bridge and Ajah flyover.
 - Continuation of massive road rehabilitation in partnership with Local Governments/Local Council Development Areas (operation 181 roads)
 - Murtala Mohammed International Airport Road from Oshodi, Agric-Isawo-Owutu-Arepo Road in Ikorodu, Igbe-Igbogbo Phase II, Bola Tinubu Way in Ikorodu, Ijegun-Imore Phase II, Amuwo in Ojo axis, Oke-Oso-Araga-Poka in Epe, Poka-Majoda and Pen Cinema flyovers, to open up the hinterlands, improve connectivity in the State and reduce travel time.
 - Continuation of the reclamation of Lekki Foreshore, introduction of Signage signalisation, Lane-Marking and Community Traffic Initiatives, Advancement of "Light-up" Lagos project through provision, rehabilitation and maintenance of Streetlight facilities.
- The State Government shall enter into Public Private Partnership (PPP) for the following projects;
- Oke Oso-Itoikin road dualization Project
 - Okokomaiko-Seme (Road Project)
 - Ikorodu-Agbowa, Itoikin-Ijebu Ode Road Projects



17.2 Transportation:

N49.077bn has been earmarked to be expended on various Transportation projects, such as

- Advancement of 10-Lane Lagos-Badagry Expressway
- The Blue Rail Line,
- Construction of jetties and terminals (especially at Epe and Marina with shoreline protection)
- Procurement of ferries to improve water transportation and encourage tourism.
- Expansion of BRT Lanes in Lagos, especially Oshodi – Abule Egba BRT Corridor as well as other corridors.
- Fundamental reforms will be carried out on all modes of transportation – Road, Water and the Walkways.
- Public Transport Infrastructure Bond will be issued in the course of the year for the replacement of yellow buses on Lagos metropolis.

17.3 Agriculture and Food Security:

The sum of **N4.795bn** has been budgeted for the following areas such as:

- Accelerated Food Expansion Program with focus on Rice production, Animal husbandry and Root Crops.
- Collaboration with other States in the Federation in the area of Food production and ensuring self-sustenance in staple foods.

17.4 Tourism:

The sum of **N20.247bn** has been approved for:

- The Development of Heritage Centre for Leadership (Lugard House), Centre for Yoruba Culture & History (Lagos House), J.K Randle Centre
- Transformation of the Onikan museum, Establishment of museum for Art and Culture in Ikeja
- Development of tourism hubs in Lagos-West and Lagos-East
- Construction of 6 Cultural Theatres in Alimosho, Badagry, Epe, Ikorodu, Ikeja and Lagos Mainland.

17.5 Environment:

N24.031bn out of the total provision of **N56.569bn** will be expended on continuous Improvement/Maintenance of Drainage Channels (De-flooding Programmes)

- Procurement of Specialized Equipment for Flood Abatement purposes.
- Reforms around solid waste collection and management to ensure a cleaner Lagos.
- Construction/Upgrading of Septic treatment plant at Ebute Elefun, Alausa, Abesan, Oke Afa, and Iponri.

- Landscaping & Beautification of various sites (e.g. Apapa -Oshodi Expressway to International Airport).

17.6 Water:

N20.082bn is proposed for the following:

- Advancement of Adiyari waterworks (phase II)
- Rehabilitation of mini waterworks all over the State,
- Improvement of water pipelines and reticulation.



17.7 Housing:

The total allocation to the Housing and Community Amenities is **N50.344bn**. This will ensure affordability of housing units through Rent-to-Own schemes (Badagry, Lagoon View, Topo-Idale and Imota),

- The sum of **N15.260bn** out of the allocation is committed to completion of on-going construction of housing estates in Sangotedo, Odo-Onasa, Agbowo, Igbogbo-Baiyeku, Ikorodu).
- **N8.249bn** will be spent on the improvement of electronic Certificate of Occupancy (e-CofO) / Title Re-certification project, Issuance of e-planning approvals and payment of Compensation on acquired Land.

17.8 Health:

The sum of **N51.447bn** has been earmarked for:

- Continuous upgrading/Renovation of health facilities and completion of on-going healthcare infrastructure, including maternal and Child Care Centres (MCCs).
- Upgrading/Renovation of primary healthcare centres
- Completion / Equipping of Drug Quality Control Laboratory (DQCL)
- Prevention of blindness / Special health projects
- Construction of Specialist Hospital

- Construction of Medical Park. (PPP)
- Implementation of Medical Health Insurance Scheme and e-Health programme
- Commitment to the prompt remuneration of doctors, nurses and other medical staff in the health sector.

17.9 Sports Development:

A total of **N9.457bn** has been earmarked for:

- The Development of four mini stadia
- Upgrading of Teslim Balogun Stadium hostel
- Construction of 50 Community Youth Recreation Centres across the State
- Provision of sporting facilities in schools and Local Governments across the State.



17.10 Education:

To accord education its priority, a total sum of **N92.445bn (including Personnel Costs)** has been set aside for the following:

- Continued Rehabilitation / Upgrading of Public School Buildings/Facilities
- Continued provision of furniture for secondary schools
- Construction of new schools.
- Schools improvement plan for secondary schools
- Provision of equipment for science laboratories.
- Continued provision of free textbooks and books for public school libraries
- Development of e-Libraries
- Mandatory capacity building programmes for teachers in public schools
- Renovation of divisional libraries at Epe and Badagry
- Enhanced quality control of public and private schools
- Continuation of the 'kick illiteracy out of Lagos' programme.
- Invest in Digital Libraries (e-Libraries) as well as Code Lagos projects, so as to make Lagos State the next technology frontier in Africa.
- Standardization of vocational education curriculum with a view to implementing a model that will enhance the capacity of the teeming youth to create employment.

17.11 Commerce and Industry:

N1.500bn is proposed for the following:

- On-going development of Lekki Free Trade Zone.
- Industrial Park Development
- Development of Enterprise zones, Badagry Deep Sea Port, Eko Atlantic City project and other areas.

17.12 Wealth and Employment Creation:

N6.250bn has been earmarked in the budget to sustain the implementation of Employment Trust Fund Scheme, which has commenced disbursement of loans to beneficiaries in Y2016.



17.13 Women Affairs:

A total sum of **N2.193bn** has been provided for various initiatives for women, including:

- The upkeep and maintenance of Skill Acquisition Centres
- Special Poverty Alleviation Intervention Programme for women
- Construction / maintenance of skill acquisition Centres and other poverty alleviation related Projects at Isheri, Ibeshe, Eredo etc.
- Construction of Institutes for caregivers in Agidingbi and Lekki as well as the Construction of multipurpose centre / zonal centres for women across the State.

17.14 Youth and Social Development:

The sum of **N2.698bn** proposed for the Construction of elderly care centres in Ikorodu, Epe, Badagry, Alimosho and Lagos Island, includes:

- Renovation, refurbishment, equipping / furnishing and maintenance of youth hostel and centres at Oworonshoki, Omituntun, Ojokoro, Gbagada, Badagry, Epe, and Sam Shonibare
- In order to promote inclusive governance, the sum of N500 million is set aside as Special Grant (Disability Fund) for people living with disabilities.



17.15 Governance:

The sum of **N11.193bn** has been proposed for spending in this area, out of which **N1.250bn** will be spent on various capacity building Programmes through the Ministry of Establishments, Training and Pensions to expose Public Servants to both local and international trainings in order to equip them for their role in actualizing the Lagos State Development Plan 2012-2025.

17.16 Pensions:

The sum of **N3.800bn** has been set aside for the 7.5% Government share to Pension Contribution and N7.150bn for Pension Redemption Bond Fund-Shortfall.

17.17 Science and Technology:

N11.000bn has been allocated for Strategic Information Management, Building & Upgrade of IT Infrastructure Statewide, e-GIS Land Automation, Single Billing System and Ease of Payment for Taxes, Levies and Other Revenue items. This will include Smart City project targeted at deploying technology to enhance security in the State and will also enhance revenue generation efforts.

17.18 Security, Law and Order:

Government has budget the sum of **N39.722bn** to address security challenges in the state, as well as the maintenance of Law and Order. These will be effected through:

- Provision of vehicles and security gadgets.
- Procurement of recording equipment for verbatim reporting/legal service & training centre.
- Establishment of Crime Data Register/Criminal Case Tracking Systems/CCTV
- Construction/Completion of Police Area Command at Ibeshe phase1-3, Elemoro phase1-3 & Idimu phase2-3
- Construction of DNA Forensic Centre at E-Learning Centre, CMS, Lagos
- Provision of other security equipment as well as logistics
- Construction of Store/Warehouse at the three Senatorial districts of the State(Lagos West, East & Central) for election materials
- Purchase of Specialized Fire Fighting Equipment
- Maintenance of LASEMA resettlement centres at Agbowo & Igando camps
- Maintenance & Upkeep of Magistrate Courts at Ajah Badore, Igbosere and Ikeja,
- Re-branding of Neighbourhood Watch to Neighbourhood Safety Agency.
- Enhanced welfare of security operatives through the provision of allowances, fuelling of patrol vehicles and adequate life insurance covers to motivate them in 2017.



18.0 CITIZENS' ROLE

We appeal to Citizens to co-operate with the State Government through:

- Regular payment of taxes
- Provision of information to security agencies
- Monitoring of on-going Government projects and reporting of observed lapses to appropriate Government agencies
- Patronage and Protection of Public Facilities and Infrastructure

19.0 Y2017 Budget Work Plan

SN	SUBJECT	ACTIVITIES	PROPOSED DATE
i	Conclusion on 2016 & Inception of Y2017 Budget	(a) Y2017 Budget Analysis (b) Issuance of Budget Operational Guidelines (c) Preparation of Budget Profile	January January January
ii	Budget Performance Appraisal	(a) 4 th Quarter/Full Year Y2016 Budget Performance Appraisal (b) 1 st Quarter, Y2017 Budget Performance Appraisal (c) 2 nd Quarter/Mid-Year Review of Y2017 Budget Performance (d) 3 rd Quarter, Y2017 Budget Performance Appraisal (e) Y2017 Budget Performance Appraisal for the 4 th Quarter/Full Year	January April July October January 2018
iii	Implementation of the Y2016 Budget	(a) Hosting of Budget 2017 on the Internet (b) Publishing of Citizens' Guide (c) Publishing of Abridged Budget Document (d) Burning of detailed Budget into CD/ hosting on Internet)	February March March March
iv	Commencement of Y2018 Budget Preparation	(a) Meeting with Major Revenue Generating Agencies and Ministry of Establishment Training & Pensions on Fiscal Strategy 2018-2020 (b) Preparation and Adoption of Fiscal & Sectoral Strategy for 2018-2020 (c) Presentation of 2018-2020 Economic & Fiscal Update/ MTBF to EXCO (d) Presentation of 2018-2020 Economic & Fiscal Update/ MTBF to HOA (e) Budget Consultative Forum i) Lagos East-Epe ii) Lagos Central-Surulere iii) Lagos West- Ikotun	April April May May June June June

SN	SUBJECT	ACTIVITIES	PROPOSED DATE
		(f) Function Group Budget Disaggregation Meetings (g) Submission of Function group agreed figure (h) Issuance of Y2018 Call Circular	July July July
v	Preparation of Y2018 Budget Estimates	(a) Workshop for Planning Officers in MDAs (b) Submission of Budget Proposals (c) Uploading of Budget Proposals into the Oracle (d) Evaluation of Proposals (e) Bilateral Budget Discussions	July July July July July-August
vi	Collation of Bilaterally Agreed Budget Figures	(a) Compilation of Personnel Cost, Overhead Cost, Capital Cost, etc (b) Production of budget Summary Table	August
vii	Y2018 Draft Budget	(a) Submission for Y2018 Draft Budget to His Excellency (b) Presentation of Y2018 Draft Budget to the State Treasury Board (c) Presentation of Y2018 Draft Budget to the State Executive Council (d) EXCO / Legislative Parley on Y2018 Budget	August September September September
viii	Legislative Processes	(a) Presentation of Draft Y2018 Budget to the House of Assembly (b) Consideration of Budget proposals by the House (c) Passing of Y2018 Appropriation Bill	September October - December October - December
ix	Appropriation Law	(a) Printing of the Appropriation Law (b) Assent of Y2018 budget by the Governor (c) Updating of Y2018 Approved Budget into the Oracle	November November January 2018
x	Conclusion of Y2017 Budget	Y2017 Budget Performance Appraisal for the 4 th Quarter/Full Year	January 2018



Budget Department

Ministry of Economic Planning & Budget

The Secretariat, Alausa Ikeja, Lagos

E-mail: budget@lagosstate.gov.ng

Website: www.lagosstate.gov.ng