

2021



Lagos State Citizens Budget



LAGOS STATE GOVERNMENT Y2021 CITIZENS' BUDGET

Lagos State Budget

The Lagos State Governor, Mr. Babajide Sanwo-Olu presented the Y2021 Budget proposal (Appropriation Bill) tagged "Budget of Rekindled Hope" to the State House of Assembly on Tuesday, 10th November 2020, in line with the 1999 Constitution, section 121.

The Bill was passed on Tuesday, 29th December 2020 and signed into Law (Appropriation Law) by Mr. Governor on 31st December 2020.

1 The Objectives of Y2021 Budget

- i Aggressively develop and maintain Infrastructure;
- ii Create Employment and enhance food security;
- iii Improve civic participation, inclusion and cooperation in governance
- iv Invest in human capital development, i.e. education and healthcare;
- v Deploy functional technology in public services;
- vi Improve capacity to collect due revenues as efficiently as possible;
- vii. Attract investments through Public Private Partnerships;
- viii Improve the Health care systems, Environment and Public spaces;
- ix Improve Youth Engagement, Participation and Empowerment;
- x Rebuilding Lagos

Lagos Socio-Economic Profile



Approximately

27.28million

Projected Population



Approximately

3.2%

Population Growth Rate



Approximately

7,390 Person / Km

Population Density



3557.2 Square Km

Total Land Mass (Land & Water)

2797.72

Square Km
Land

779.56

Square Km
Water

Socio-Economic Indices

Daily Human Traffic
(Lagos Mainland) Y 2020

Over 830,000

Daily Human Traffic
(Lagos Island) Y 2020

Over 1,660,000

Vehicle Population (Y2020)

3,764,171

Vehicle

Hehicular Density

1,447.76/km

Road Network
(Road Count Y2020)

9,142 Roads

Solid Waste Generation (Y2020)

1,787,211 MT/Per Yr

Power Demand (2020)

5,000 - 10,000MW

Supplied:
National Grid IPP

750MW 49.86MW

Water Demand MGPD
(Million Gallon PerDay) Y 2020

790MGPD

Water Supplied Per Year
Y 2018

10,743.20 MGPY

Setting Policy Target

The Lagos State Government prepares the Budget in line with THEME's Agenda initiative and direction for the State. The budget serves as a policy tool for achieving the short, medium and long-term development goals

The Initiatives describe how the government will develop the State through;

T

Traffic Management & Transportation

H

Health & Environment

E

Education & Technology

M

Making Lagos a 21st Century Economy

E

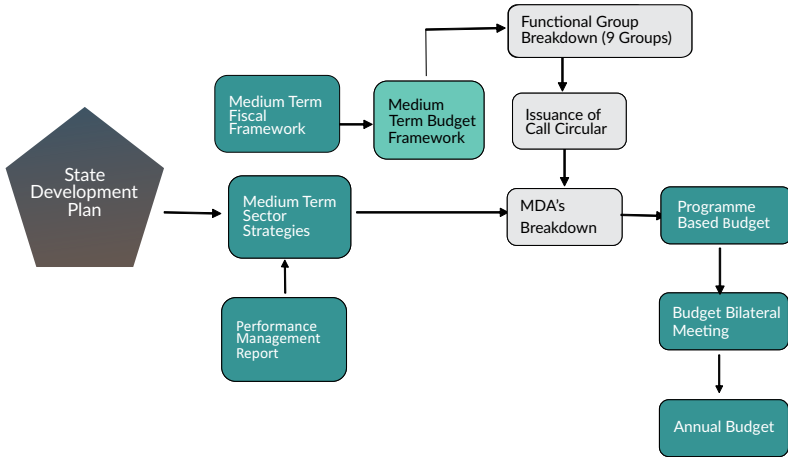
Entertainment & Tourism

S

Security & Governance

The Linkage between Lagos State Development Plan (LSDP) and Budget

Functional Group Breakdown (9 Groups)



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

Africa's model megacity, a global economic and financial hub that is safe, secure, functional and productive

Eradicate poverty and promote economic growth through infrastructural renewal and development

Linkages Between LSDP, MTSS, PMR and Budgets.

LSDP deals mainly with impacts of government policies and strategies; while the Medium-Term Sectoral Strategy (MTSS), focuses on outcomes and further acts as the basis for preparing annual budgets, which primarily serves as a coordinating mechanism for inputs and activities that results in outputs.

Subsequently monitoring and evaluation activities initiated for the measurement of performance (Outputs and Outcomes) which culminates in the Performance Management Report (PMR)

5.4 Developing the Strategy through the Medium Term Fiscal Framework

Y2021 Budget was prepared in accordance with the fiscal responsibility Act 2007. The fiscal framework indicates how revenue, expenditure, borrowing and fiscal balance (deficit or surplus) are plan in the next three (3) financial years (Medium- term).

The fiscal framework normally includes a revenue framework (where the money comes from) and an expenditure framework (where the money is spent on). Medium Term Framework was prepare based on agreed underlying assumptions as follows

2021-2023 MTEF Assumptions



Lagos Nominal
GDP (Estimated)

N33.50tn



Lagos GDP
Growth Rate
(Y2019)

4.02%



Inflation Rate
(State Figure)
(Y2020)

9.01%



Population
(Y2020)

28.1m



Population
Growth Rate

3.00%



Oil Price
Benchmark
(Y2020)

\$40

5.5 Citizens' Engagement (Consultative Forum)

The Budget was presented to different Stakeholders (including the organised private sector, civil society, traditional rulers and public sector) for their input and buy-in which take the form of an open and interactive session. This makes the Budget process open, transparent and accessible to citizens.

6 Budgeting Process

● Budget Definition

Budget is a document prepared by the government presenting its anticipated revenues/income (Internally Generated Revenue, Dedicated Revenue, Investment Income, Capital Receipts, Federal Transfer) and proposed expenditure/spending (Overhead, Personal, Capital, Repayment) for the coming financial year.

● Budget Components

Revenue, that is, how much money is collected in a year, and how it will be collected.

● Major Heads of Revenue

- Internally Generated Revenue, Capital Receipt and Federal Transfers
- Expenditure, that is, how much money to be spent in that same year, and what to spend the money on.

● Major Heads of Expenditure

- MDAs Expenditure (Recurrent and Capital), Debt services and Repayment

- Financing/Debt Service; when the expenditure is more than the revenue earns. The government must find the financial resources (borrow) to pay for this additional spending. Money borrowed within Nigeria is referred to as Internal Debt while from outside Nigeria is External Debt. When Principal and interest are paid on the Debts, it is referred to as Debt Service



How is the Budget Prepared?

Budget Process



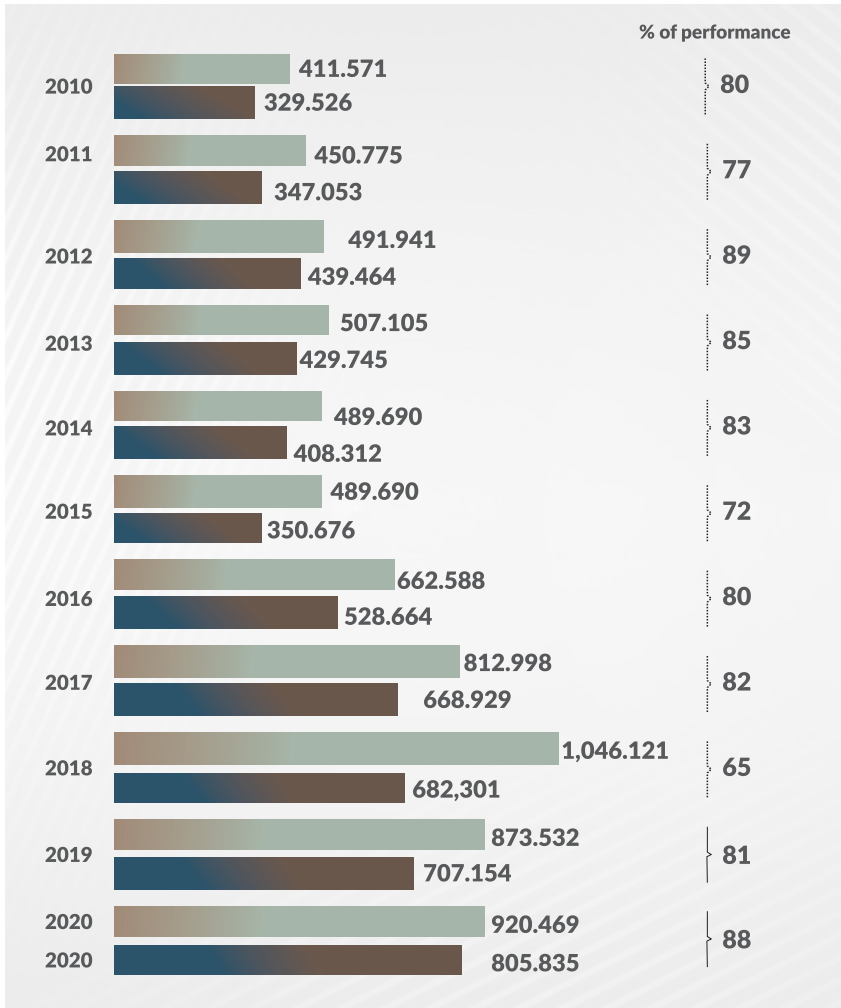
7.2 The Budget Call Circular and Bilateral Discussion

The Budget Call circular gives detailed instruction on how the MDAs should prepare and submit their estimates within the limit of their envelope with Government initiatives and priorities.

During the Bilateral discussion, MEPB will ensure that MDAs stayed within their envelope and consistent with the priorities of the government.

Trend Analysis of the Budget Performance 2010 - 2020

Budget Size ■ Actual Performance ■



Key Deliverables

13.1.1 Roads and Other Infrastructures

A budgetary provision of N167.801bn is provided for the construction and maintenance of roads and other infrastructures within the State. This increase shall address the zero-pothole strategy, create link-roads within the metropolis to resolve traffic congestion and its attendant risks. The provision will cater for the under listed among others:

- N15bn for The Rebuild Lagos project/trust fund
- N11bn for Reconstruction of Ibeju-Lekki expressway from Eleko junction to Epe T-junction (phase one)
- N8.750bn for Lekki Regional Roads
- N19.5bn under Project Stabilization Fund to intervene on various projects across the State.
- N10bn under State Infrastructure Intervention Fund to also intervene on Roads within Local Government and LCDAs.
- The total sum of N13.657bn has been earmarked for construction/completion of Agege Pen Cinema Flyover, Oregon Bridge Road Network, Agric Isawo Road, Bola Ahmed Tinubu Road, Igbogbo, Ijede Road and Mba Cardoso Road.
- N5.9bn will be spent on Lagos Badagry Expressway
- While an additional sum of N8.5bn has been set aside under *General Public Services* for various Community/Grassroot Projects in order to ensure that no one is left behind.

On development of infrastructure along the coastline, we have a provision of N9.282bn that has been earmarked to enhance our coastal in order to curb the ocean surge and protect lives and properties.

13.1.2 Traffic Management/Transportation

A total sum of ₦92.745bn was budgeted under the Transportation family for the following projects: Blue and Red rail lines; Junction improvement all around the state; completion of trailer parks in the State; development of quality bus corridors amongst others.

13.1.3 Education

The sum of N146.935billion was budgeted for the Education sector. This figure is N10.835billion higher than the Y2020 provision of N136.100billion .

The provision is to cater for the under-listed projects/programmes amongst others:

- I. Construction of 24 schools and renovation of 134 schools within the 6-education districts in the state.
- ii. Provision of furniture for both Primary and Secondary schools in the state.
- iii. Provision of equipment for science laboratories. Eko Excel project for the remaining 239 schools.
- iv. Project for the remaining 239 schools.

13.1.4 Science and Technology

The sum of ₦24.574bn is provided for the building & upgrading of IT Infrastructure Statewide, which consists of N17.131bn for the Smart City Project. The balance of N7.443bn is earmarked for the e-GIS Land automation system, Single Billing system, ease of tax payment/levies, Oracle support/maintenance and Other Revenue enhancement initiatives.

The Smart City project is targeted at deploying about 2000 intelligent cameras (with number plate and facial recognition capabilities) in strategic locations around Lagos and leverage technology to enhance security and traffic management in the State. It will also enhance our revenue generating capabilities. This administration will in addition deliver a 3000km metro-broadband fiber infrastructure to further enable the smart city initiative under an ongoing PPP agreement.

Furthermore, the provision of ~**N2bn** has been made for further investments in the Lagos State residents registration project in conjunction with NIMC to gather useful resident data and information for planning purposes.

13.1.5 Health

A sum of **N106.088bn** compared to Y2020 Health budget of **N97.262bn** (excluding an exceptional **N20bn** COVID dedicated fund) has been provided for the continuous upgrading/renovation of health facilities and completion of on-going healthcare infrastructure which includes Maternal and Child Care Centers (MCCs) and the continued implementation of our health insurance scheme. This represents over 9% increased provision for the health sector, thereby demonstrating the administration's determination to ensure we sustain our progress in the health sector.

Some of the Major projects planned include: The completion and equipping of the New Massey Children Hospital, the General Hospital Ojo, the Construction of the Infectious Disease Research Center Yaba, upgrading of the e-Health Platform for our Health Insurance Scheme, the Rehabilitation & Upgrading of the General Hospital, Lagos Island and the Construction of the Oncology Center at Gbagada.

13.1.6 Environment

A total sum of ₦59.660bn was earmarked for this sector in Y2021, out of which a sum of ₦14.937bn is meant for construction/upgrading/maintenance of drainage channels (de-flooding programmes) and procurement of specialized equipment for flood abatement purposes. The sum of ₦19.980bn has also been provided for LAWMA for waste collection and management in the state while N561m is earmarked specifically for the public-school waste program.

₦1.950bn has been provided for the advancement of Adiyen waterworks (phase II) and the rehabilitation of mini waterworks all over the State. The improvement of water reticulation and procurement of water chemicals is also contained in the Y2021 budget.

13.1.7 Tourism

The sum of ₦5.053bn is earmarked for the Development of Heritage Centre for Leadership (Lugard House), upgrade of National Museum and the construction of other Tourism facilities in Lagos.

13.1.8 Sports Development

To kickstart sport at the grassroot level, and as a major thrust for youth engagement and motivation the sum total of ₦5.118bn has been earmarked for various projects and Programs. Out of which N2bn is for Community Development Games, N1.7bn for Grassroots Sports and Programs and N1.1bn for Sports Facilities improvements.

In addition to the above, there shall be provision of

sporting facilities in schools, Local governments and communities across the State; and development of grassroots football league in all the Local Government Areas.

13.1.9 Housing and Community Amenities

The sum of ₦33.952bn is budgeted for capital projects in the Housing and Community Amenities sector.

This includes an amount of N4bn for the completion of on-going housing estates including infrastructure and N3.4bn for new Housing projects. It is the view of government that lifting the housing sector in a big way will require a significant participation of the private sector, which we intend to pursue aggressively and deliberately.

In addition, **N3.076bn** has been provided for the servicing and other recurrent expenditure and maintenance of the amenities.

The sum of **N594mn** has also been provided to continue the implementation of an electronic Certificate of Occupancy and Title re-certification project, together with the issuance of e-planning approvals.

13.2.1 Agriculture and Food Security

In order to ensure self-sustenance in staple foods Lagos as a major food market, will continue to expand our food productions centers in areas of our comparative advantage. We will do this through our collaboration with other states and the Federal government. In line with this, a sum of

₦19.521bn was approved. Out of which we plan to spend **₦2.755bn** on Agro- Processing, Productivity Enhancement and Livelihood Support (APPEALS), **₦1.349bn** Lagos Wholesale Produce market, **₦1.7bn** for Rice Value Chain, **₦500mn** for Development of Ketu Ereyun, **₦525mn** for Value Chain Empowerment and **₦310mn** for Shonghai Farms among others.

In addition, we have made the following budgetary provisions focused on the Agric sector:

₦4.000bn has been set aside for the completion of the rice mill

₦2.539bn as part of the world bank **Ncares** program of **₦3.520bn**, focusing on Agric interventions for seedlings

and inputs for farmers, fishermen and the fixing of some Agric feeder roads.

₦1.267bn has been earmarked for coconut development, agro processing to support farmers, preparation of farmland and provision of agricultural inputs for farmers

13.2.2 Commerce and Industry

The on-going development of Lekki Free Zone, Imota Light Industrial Park/Hubs, Gberigbe enterprise zone in Ikorodu and other areas within the state will receive a boost with the appropriation of the sum of **₦5.090bn**.

13.2.3 Wealth Creation and Employment

The sum of **₦7.222bn** was earmarked in the budget to sustain

the implementation of Employment Trust Fund Scheme, which has commenced disbursement of loans to beneficiaries since Y2016, implementation of Graduate Internship Program, Creation of Industrial Hubs, and other Wealth Creation initiative will play a great role in empowering the citizens.

13.2.4 Women Affairs

A total sum of **₦4.022bn** has been earmarked for various initiatives and empowerment programs for our women.

The provision includes upkeep and Maintenance of Skill Acquisition Centers, Special poverty alleviation intervention program for women, Construction / maintenance of skillacquisition Centers, Creation of hubs/training centers for and other poverty alleviation related projects for women at various zones across the State.

13.2.5 Youth and Social Development

A sum of **₦5.134bn** is to be spent on the construction/completion of elderly care centres in Ikorodu, Epe, Badagry, Alimosho and Lagos Island. Upkeep, equipping/ furnishing and maintenance of government owned youth hostel and centres across the state, Conversion of Youth Centres to Maker-spaces for employment & increased efficiency (tailoring, leather works, woodworks, etc.) will also be undertaken under this provision.

In order to encourage inclusive governance, the sum of **₦488M** is set aside as Special Grant (Disability Fund) for people living with disabilities.

13.2.6 Security and Governance

To enhance security as well as to sustain Law and Order in the State, the sum of **₦41.9bn** has been provided out of which **₦6.554bn** was allocated for the support of Security services especially in the areas of vehicles, security gadgets and logistics

The sum of **₦2.5bn** for the Purchase of specialized Fire Fighting Equipment.

Also, provision has been made for the sum of **₦23.795bn** for the improvement and maintenance of street lighting in the state to encourage a 24-hour economy.

I must also add that adequate provision has been made in this budget to cater for the welfare of our security services in the areas of providing allowances, fueling of patrol vehicles and adequate life insurance covers to motivate the state security officers.

SN	Subject	Activities	Proposed Period
1	Conclusion on 2020 & Inception of Y2021 Budget	a. Issuance of Y2021 Budget Operational Guidelines	January
		b. Y2021 Budget Analysis	January
2	Budget Performance Appraisal	a. 4th Quarter/Full Year Y2020 Budget Performance Appraisal	January
		b. 1st Quarter Y2021 Budget Performance Appraisal	April
		c. 2nd Quarter/Mid- Year Review of Y2021 Budget Performance	July
		d. 3rd Quarter Y2021 Budget Performance Appraisal	October
		e. Y2021 Budget Performance Appraisal for the 4th Quarter/Full Year	January 2022
3	Implementation of the Y2021 Budget	a. Publishing of Citizens Guide	February, 2021
		b. Publishing of Abridged Budget Document	March 2021
		c. Burning of detailed Budget into CD/Publishing on Internet)	March 2021

4	Commencement of Y2022 Budget Preparation	a. Meeting with Major Revenue Generating Agencies and Ministry of Establishment Training & Pensions on Fiscal Strategy 2022-2024	April 2021
		b. Preparation and Adoption of Fiscal & Sector Strategy for 2022-2024	April 2021
		c. Presentation of 2022-2024 Economic & Fiscal Update/MTBF to EXCO	May 2021
		d. Presentation of 2022-2024 Economic & Fiscal Update/MTBF to HOA	May 2021
		e. Function Group Budget Disaggregation Meeting	June 2021
		f. Submission of Function Group agreed figure	July 2021
5	Commencement of Y2022 Budget Preparation	Budget Consultative Forum	
		a. Ikeja/Badagry/Lagos Island/Ikorodu/Epe Divisions	August 2021
6	Preparation of Y2022 Budget Estimates	a. Issuance of Y2022 call Circular	August 2021
		b. Workshop for Planning Officers in MDAs	August 2021

	c. Uploading of Budget proposals into the Oracle	August 2021
	d. Submission of Budget Proposals	August 2021
	e. Evaluation of proposals	August 2021
	f. Bilateral Budget discussions	
Collation of Bilaterally Agreed Budget Figures	a. Compilation of Revenue, personnel Cost overhead Cost, Capital Cost etc	September 2021
	b. Production of Budget summary table	
Y2022 Draft Budget	a. Submission for Y2022 Draft Budget to His Excellency	September 2021
	b. Presentation of Y2022 Draft Budget to the State Treasury Board	September 2021
	c. Presentation of Y2022 Draft Budget to the State Executive Council	September 2021
	d. EXCO Legislative Parley on Y2022 Budget	September 2021
Legislative Processes	a. Presentation of Draft Y2022 Budget to the House of Assembly	September 2021
	b. Consideration of Budget Proposals by the House	October - December 2021

		c. Passing of Y2022 Appropriation Bill	
10	Appropriation Law	a. Printing of the Y2022 Appropriation Law	December 2021
		b. Assent of Y2022 budget by the Governor	December 2021
		c. Updating of Y2022 Approved Budget into the Oracle	January 2022
11	Conclusion of Y2021 Budget	Y2021 Budget Performance Appraisal for the 4 th Quarter/Full year	January 2022

FISCAL FRAMEWORK
Amount in Naira

1.16tn
Budget Size

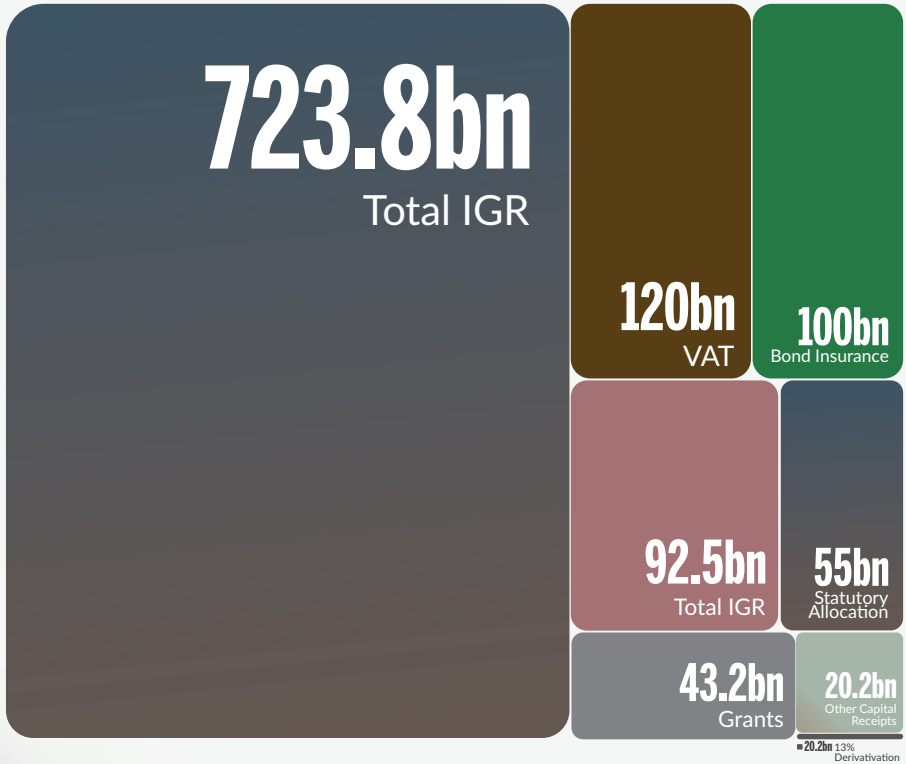
192.5bn
Deficit



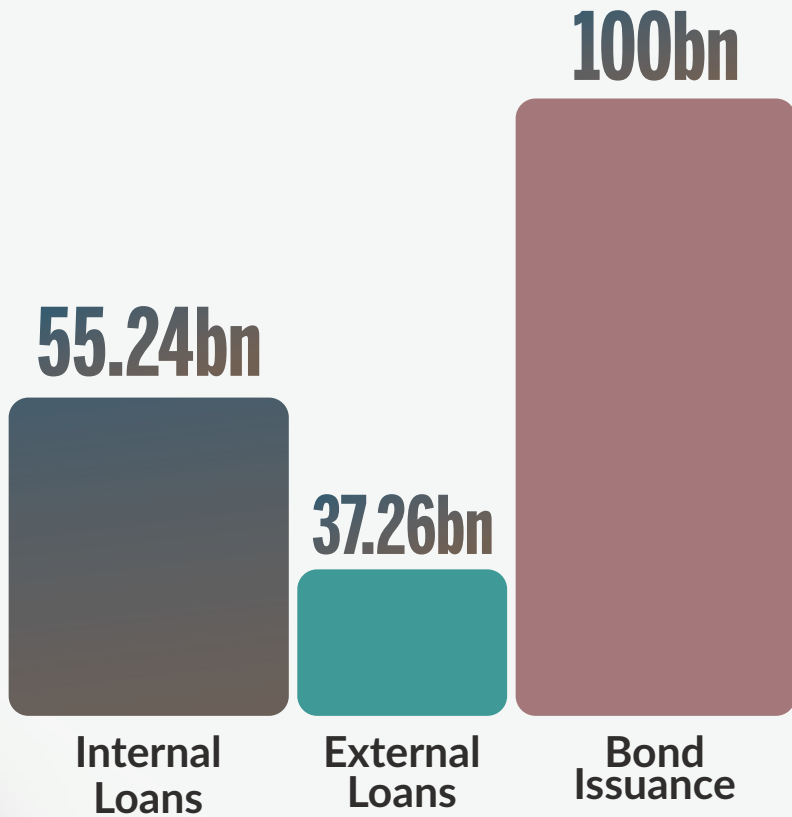
971.0bn
Total Revenue

Revenue Breakdown

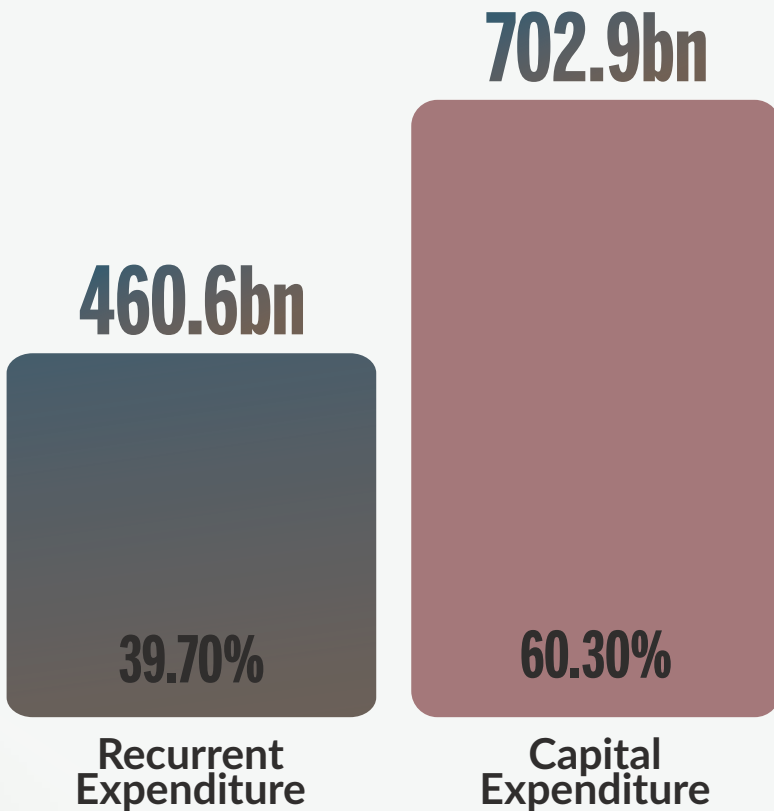
Amount in Naira



Breakdown of Deficit Financing



Expenditure Summary



BREAKDOWN OF RECURRENT EXPENDITURE

Debt Charges
31.8bn

Personnel Cost
168.7bn

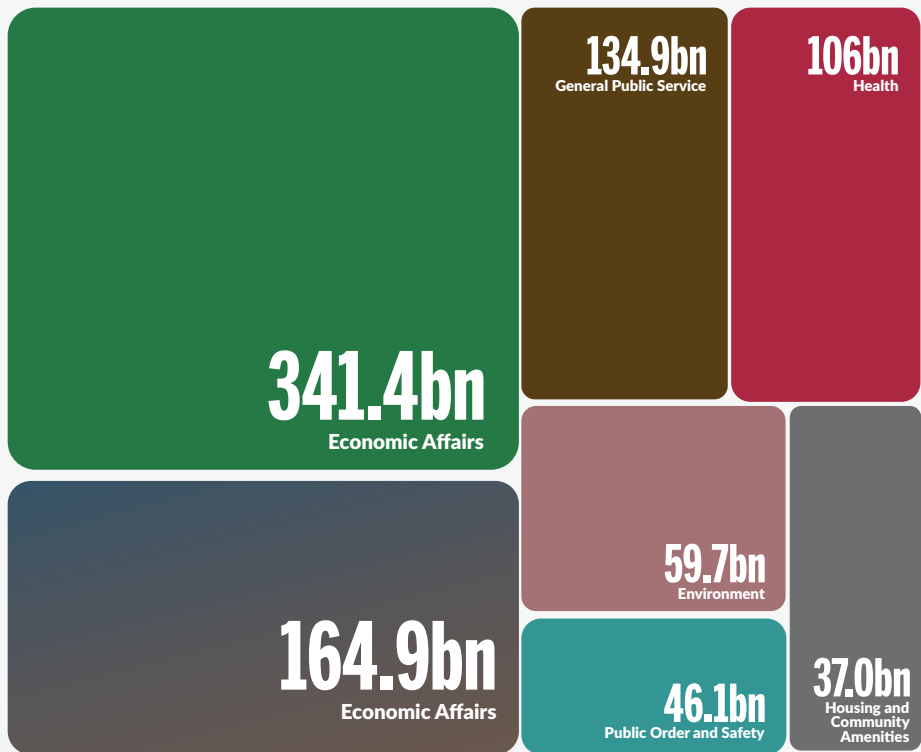
Overhead Cost
260.1bn

BREAKDOWN OF CAPITAL EXPENDITURE

Amount in Naira

Economic Affairs	284.4bn
Loans (Repayments, CDSA and Debt Servicing)	130.9bn
Grants and Counterpart Funding	57.1bn
General Public Services	55.0bn
Education	43.3bn
Health	32.5bn
Housing and Community Amenities	30.6bn
Environment	28.2bn
Public Order and Safety	18.7bn
Contingency Reserve	16.2bn
Social Protection	4.1bn
Recreation,Culture and Religion	1.9bn

TOP MDAs/SECTORAL ALLOCATIONS



TOP CAPITAL PROJECTS

Development and upgrading /renovation of healthcare facilities in the state	Min of Health	All LGAs	12.98bn
Rehabilitation of Streets, Roads and Drainages	Min of Works and Infrastructure	All LGAs	10bn
Lekki Regional Roads	Min of Works and Infrastructure	Lekki	8.75bn
Lagos Badagry Expressway	Min of Works and Infrastructure	Badagry	5.90bn
Repair of failed sections on Lekki/Epe Expressway	Min of Works and Infrastructure	Ibeju-Lekki	5.88bn
Construction of Flyover at Agege Pen Cinema	Min of Works and Infrastructure	Agege	3.91bn
Construction / Rehabilitation of Hospitals	Min of Health	All LGAs	3.48bn
Agric Isawo road in Ikorodu	Min of Works and Infrastructure	Ikorodu	3.86bn
Construction of Lagos Ogun Boundary roads	Min of Works and Infrastructure	All LGAs	2.34bn
Bola Ahmed Tinubu/Igbe road in Igbogbo Ikorodu	Min of Works and Infrastructure	Igbogbo	2.28bn
Construction of Ijede road	Min of Works and Infrastructure	Ijede	2.21bn



