

COUNTY GOVERNMENT OF NAKURU



COUNTY TREASURY

COUNTY FISCAL STRATEGY PAPER 2023

"Economic Recovery Strategy for Inclusive Growth"

MARCH 2023



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The County Executive Committee Member,

Department of Finance and Economic Planning.

Governor Building (New Town Hall) P. O. Box 2870 - 00100 NAKURU, KENYA

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LIST OF ABBREVIATIONS AND ACRONYMS

ABMT	Alternative Building Materials Technologies
ADP	Annual Development Plan
AGPO	Access to Government Procurement Opportunities (AGPO).
AMREF	African Medical and Research Foundation
ASDSP	Agricultural Sector Development Support Programme
ASDSP	Agriculture Sector Development Support Programme
BPS	Budget Policy Statement
BQs	Bills of Quantities
CARA	County Allocation Revenue Act
CBD	Central Business District
CBEF	County Budget and Economic Forum
CBK	Central Bank Kenya
CBROP	County Budget Review Outlook Paper
CCI	Creditworthiness Initiative
CCIS	County Climate Institution Support
CCTV	Closed-Circuit Television
CEREB	Central Region Economic Bloc
CFSP	County Fiscal Strategy Paper
CG	County Government
CHU	Community health units
CHV	Community Health Volunteers
CIDP	County Integrated Development Plan
CIFOMS	County integrated financial Management Systems
CIMES	County Integrated Monitoring & Evaluation System
COB	Controller of Budget
CoG	Council of Governors
COMEC	County Monitoring and Evaluation Committee

COVID-19	Corona Virus Disease
CRA	Commission on Revenue Allocation
CRVWDA	Central Rift Valley Water Works Development Agency
CRWDA	Central Rift Valley Water Works Development Agency
CTRH	County Teaching and Referral Hospital
DANIDA	Danish International Development Agency
ECD	Early Childhood Development
ECE	Early Childhood Education
EMR	Electronic Medical Records
FIF	Facility Improvement Fund
FLLoCA	Finance Locally-Led Climate Action
FY	Financial Year
GDP	Gross Domestic Product
GPS	Global Positioning System
HR	Human Resource
HRM	Human Resource Management
IBEC	Intergovernmental Budget and Economic Council
ICT	Information Communication Technology
IDA	International Development Association
IDEP	Urban Integrated Development Plan
IGRTC	Intergovernmental Relations Technical Committee
IHRIS	Integrated Human Resources Information System
KAA	Kenya Airports Authority
KCSAP	Kenya Climate Smart Agriculture Project
KCSE	Kenya Certificate of Secondary Education
KDSP	Kenya Devolution Support Program
KEMSA	Kenya Medical Supplies Agency
KENGEN	Kenya Electricity Generating Company

KENHA	Kenya National Highways Authority
KERRA	Kenya Rural Roads Authority
KIPPRA	Kenya Institute of Public Policy Research Analysis
KISSIP	Kenya Informal Settlement Improvement Programme
KURA	Kenya Urban Roads Authority
KUSP	Kenya Urban Support Programme
KWS	Kenya Wildlife Service
LAPSSET	Lamu Port-South Sudan-Ethiopia-Transport
LIMS	Lands Information Management System
M&E	Monitoring and Evaluation
MEDS	Monitoring and Evaluation Department
MOU	Memorandum of Understanding
MSMEs	Micro, Small, and Medium-Sized Enterprises
MTEF	Medium-Term Expenditure Framework
MTP	Medium-Term Plan
NAIVAWASCO	Naivasha Water, Sewerage and Sanitation Company
NARIG-P	National Agricultural and Rural Inclusive Growth project
NARUWASCO	Nakuru Rural Water and Sanitation Company Limited
NAVCDP	National Agricultural Value Chain Development Project
NAWASSCO	Nakuru Water and Sanitation Services Company
NCD	Non-Communicable Diseases
NCPSB	Nakuru County Public Service Board
NEMA	National Environment Management Authority
NHIF	National Health Insurance Fund
NMT	Non-Motorised Transport
OPD	Outpatient Department
OSR	Own Source Revenue
OVC	Orphans and Vulnerable Children

PFM	Public Finance Management
PGH	Provincial General Hospital
PHEOC	Public Health Emergency Operation Center
PLWD	People Living with Disabilities
PPPS	Public-private partnerships
PPRA	Public Procurement Regulatory Authority
PSSS	Public Service Superannuation Scheme
RTK	Real-Time Kinematic
SEZ	Special Economic Zone
SME	Small and Medium Enterprises
SRC	Salaries and Remuneration Commission
TVETA	Technical and Vocational Education and Training Authority
UDG	Urban Development Grants
UHC	Universal Health Coverage
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
USD	United States Dollar
VTC	Vocational Training Centres
WASREB	Water Services Regulatory Board
WASH	Water and Sanitation Hygiene
WHO	World Health Organization

FOREWORD

The County Fiscal Strategy Paper (CFSP 2023) is prepared pursuant to Section 117 of the PFM Act 2012 and the PFM (County Government) Regulations 2015. It's the first to be prepared under the Third County Administration and sets out the fiscal strategy and policy initiatives of the current Government for the medium-term period as espoused in its development agenda. The development agenda is contained in the soon to be finalised third County Integrated Development Plan (CIDP 2023-2027).

The CFSP 2023 is also prepared against a backdrop of global slowdown characterised by the ongoing Russia-Ukraine conflict, global inflation and effects of post-COVID and climate change related supply chain disruptions. The Kenyan economy had been on a rebound after the impacts of the COVID-19 pandemic, recording a GDP growth rate of 7.5 percent in 2021 from a negative of 0.3 percent in 2020. This however has been dampened in 2022 by the global trade disruptions with increased fuel, fertiliser and food prices. The inflation rate has also surpassed the Government target range due to external shocks, and climate related food and energy prices. The economy is estimated to grow by 6.1 percent in 2023 from an estimated growth of 5.5 percent in 2022.

To achieve this growth, the National Government's Economic Recovery Agenda is geared towards an economic turn around and inclusive growth, by increasing investments in five sectors including Agriculture, MSMEs, Housing and Settlement, Healthcare, Digital Superhighway and Creative Industry. This will work towards increasing employment, more equitable distribution of income, social security while expanding the tax revenue base and increasing foreign exchange earnings. The County Government takes cognisance of these initiatives as outlined in BPS 2023, and will largely leverage on them.

At the County Level, first half of FY 2022/23 was characterised by a transitioning phase occasioned by the general election held in August 2022. County receipts performed below par at an average rate of 44 percent against the revised annual target, representing a decline by 25 percent compared to the previous year. This is majorly attributable to underperformance of equitable share (33%), proceeds from grants (17%) and OSR (28%) against the annual targets.

On the expenditure side, the County Executive with a total allocation of Ksh. 19.2 billion, had spent a total of Ksh. 4.5 billion in the first half representing 23.4 percent expenditure rate. This was comprised of Compensation to employees (69 percent); Operations and maintenance (21 percent); and development (5 percent). Going forward, the administration has initiated reforms that will ensure improvement in the budget absorption by addressing the budget cycle implementation challenges in the BQs preparation phase, procurement, pending bills resolution and human resource, within its first five months in office. It has also instituted revenue value chain enhancement strategies. Taking cognisance of the strained fiscal space, the Government will also focus on improving efficiency and expenditure control measures during the period.

To further address the development objectives and deliver the expectations of the Nakuru residents, the administration has identified five policy initiatives for the next MTEF period, which are also aligned to the third County Integrated Development Plan 2023-2027. These include; Leveraging on growth in productive sectors; Promotion of access to quality and affordable healthcare services; Operationalisation and expansion of County physical and social infrastructure; Creating an enabling environment for social economic recovery and private sector growth; County public service reforms, enhancing governance, transparency and accountability. To achieve this, the County Government's resource envelop is estimated at Ksh. 18.174 billion in the FY 2023/24. The County will also work closely with development partners and stakeholders to actualise these objectives.

The administration takes cognisance that the fiscal outlook is faced by a number of risks related to performance of the global and domestic economy, budget execution risks, dwindling fiscal space due to creation of new entities, and potential impacts of the unfavourable weather that poses risks to food security. Mitigation measures have been identified to counter the internal institutional risks.

S. Iribe Njogu

CEC Member – Finance and Economic Planning

NAKURU COUNTY

ACKNOWLEDGEMENT

The CFSP 2023 is prepared in line with the Public Finance Management Act, 2012. It gives a highlight on the macro-fiscal outlook over the medium term that will shape the performance of the Kenyan economy, and specifies the set policy initiatives that will be undertaken by the County government for the MTEF period 2023/2024-2025/26. It also outlines the spending plans for the MTEF period and provide the final ceilings for FY 2023/24 and the MTEF period as informed by sector needs and priorities highlighted during the public hearings.

The preparation of the 2023 Fiscal strategy paper was an inclusive process with most of the inputs being informed by sector reports prepared by the Sector Working Groups (SWGs). We are grateful for the value added by the Sector working groups, the County Budget and Economic Forum (CBEF) and other stakeholders. I take this opportunity to sincerely thank the general public and interest groups who participated in the public participation meetings and memoranda submissions held in early February towards the finalization of the CFSP 2023. Your valuable contributions helped to shape the County Fiscal framework.

Special thanks to the County Executive Committee, the Chief Officers and Accounting Officers in charge of various Departments and entities for their participation and contribution through the entire process. The coordination and harmonization process was made possible by a core team from the County Treasury which spent a significant amount of time putting together the report. We are especially grateful to the County Executive Member for Finance and Economic Planning for his guidance and stewardship in achieving this planning and budget document. Special thanks go to the staff in the Economic Planning Department led by Ag. Director Mr. Cyrus M. Kahiga, Ag. Head of Budget Ashinah Wanga, Snr Economist Ms. Dorcas Mwangi, Budget Officers Sam Mwawasi, Dennis Rono, Economists/Statisticians Ms Emma Angwenyi, Ms. Caroline Gitahi, Mr. Joseph Kago, Mr. Simon Wekesa, Mr. Allan Wairia, Mr. Geoffrey Gathogo, for their steadfastness and technical support in the compilation of this Strategy Paper and the entire Secretariat who demonstrated commitment in the preparation, editing and timely finalization of the CFSP 2023.

CPA Everlyne B. Kakai

Chief Officer – Economic Planning

NAKURU COUNTY

LEGAL BASIS FOR THE PUBLICATION OF THE COUNTY FISCAL STRATEGY PAPER

The County fiscal strategy paper is prepared in accordance with Section 117 of the Public Financial Management Act, 2012. The law states that:

(1) The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval, and submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year.

(2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.

(3) In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.

(4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.

(5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of;

(a) The Commission on Revenue Allocation;

(b) The public;

(c) Any interested persons or groups; and

(d) Any other forum that is established by legislation.

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the County Assembly shall consider and may adopt it with or without amendments.

RESPONSIBILITY PRINCIPLES IN THE PUBLIC FINANCIAL MANAGEMENT LAW

In line with the Constitution, the Public Financial Management (PFM) Act 2012, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. Section 107(2) of the PFM Act states that:

- 1) The County Government's recurrent expenditure shall not exceed the county government's total revenue
- 2) Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure
- 3) The County Government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the county government's total revenue
- 4) Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
- 5) Public debt and obligations shall be maintained at a sustainable level as approved by the County Assembly
- 6) Fiscal risks shall be managed prudently
- 7) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future

I. RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK

1.1 Overview

1. Over the past two years, Kenya's economy has been recovering from the impacts of the COVID-19 pandemic. The growth rate in 2021 was 7.5 percent and it is projected to be 5.5 percent in 2022. Despite this positive trend, the economy has faced various challenges such as high fuel prices, unpredictable weather patterns and the ongoing effects of the Russia-Ukraine conflict which has partly contributed to the volatility in global economy. As a result, inflation rates, which measure the average increase in prices, rose to a high of 9.5 percent in November 2022 but have since declined to 9.1 percent in December. The strength of the US dollar also impacted the exchange rate with the Kenyan shilling leading to high import charges impacting the current account negatively. To maintain stability, the government has implemented coordinated monetary and fiscal policies that have kept interest rates low and stable.
2. In the medium term, the Kenyan economy is projected to continue growing by 6.1 percent expansion in 2023. The government has an ambitious development agenda aimed at achieving full economic recovery and setting the economy on a positive growth trajectory. Promoting a strong macroeconomic stability with low interest rates will be critical for this growth.

1.2 Recent Economic Developments and Outlook Global and Regional Economic Developments

3. The global economy is facing significant uncertainty due to a combination of factors such as the Russia-Ukraine conflict, high inflation, and ongoing supply chain disruptions exacerbated by the lingering effects of the COVID-19 pandemic. According to projections, global growth is expected to slow down from 3.2 percent in 2022 to 2.7 percent in 2023, lower than the earlier prediction of 2.9 percent.

4. The US economy is expected to slow down from 1.6 percent growth in 2022 to 1.0 percent in 2023, while the Euro Area is expected to experience a slowdown from 3.1 percent in 2022 to 0.5 percent in 2023. Conversely, the Chinese economy is expected to show improvement, increasing from 3.2 percent in 2022 to 4.4 percent in 2023.
5. The sub-Saharan Africa region is expected to see modest growth, increasing from 3.6 percent in 2022 to 3.7 percent in 2023. However, the growth outlook for the region appears weaker compared to the 4.7 percent in 2021 due to factors such as lower growth among its trading partners, stricter financial and monetary conditions, and a decline in commodity terms of trade. The East Africa region, on the other hand, is expected to see an improvement in growth, increasing from 4.7 percent estimated for 2022 to 5.4 percent in 2023. Table 1 provides a snapshot of global economic growth projections for the years 2022 and 2023."

Table 1: Global Economic Growth Projections, Percent

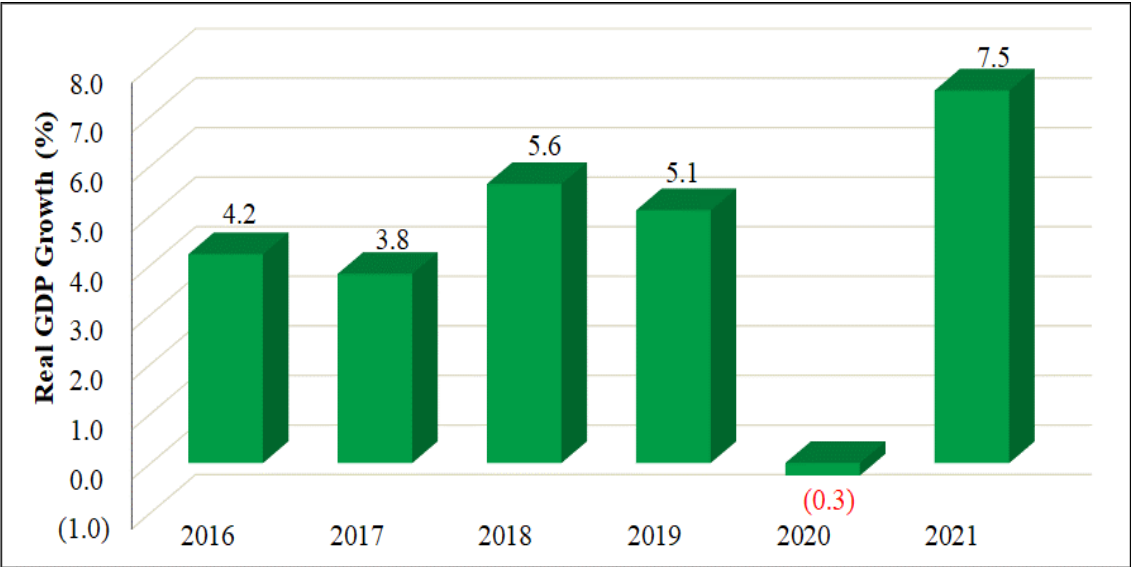
Economy	2020	2021	2022*	2023*
	Actual		Oct. WEO	Oct. WEO
World	(3.1)	6.0	3.2	2.7
Advanced Economies	(4.5)	5.2	2.4	1.1
Of which: USA	(3.4)	5.7	1.6	1.0
Euro Area	(6.1)	5.2	3.1	0.5
Emerging and Developing Economies	(2.0)	6.6	3.7	3.7
Of which: China	2.2	8.1	3.2	4.4
India	(6.6)	8.7	6.8	6.1
Sub-Saharan Africa	(1.6)	4.7	3.6	3.7
Of which: South Africa	(6.3)	4.9	2.1	1.1
Nigeria	(1.8)	3.6	3.2	3.0
EAC-5	0.9	6.6	4.7	5.4
Of which: Kenya***	(0.3)	7.5	5.5	6.1
<i>* Estimate *** budget estimate</i>				
<i>EAC-5: Burundi, Kenya, Rwanda, Tanzania and Uganda</i>				

Source WEO, Projections by National Treasury

1.2.1 Kenya’s Economic Developments and Macro-Economic Indicators

6. The Kenyan economy experienced notable growth to 7.5 percent in 2021 indicating a recovery from a contraction of 0.3 percent in 2020. This indicates the economy’s resilience and the positive impact of the government’s interventions in the post covid 19 pandemic recovery strategies. Despite the subdued performances the economy is expected to grow by 5.5 percent in 2022 and projected to grow further to 6.1 percent in 2023 (BPS 2023). Figure 1.1 shows the real GDP growth 2016 – 2021

Figure 1.1: Annual Growth Projections, Percent



Source: Kenya National Bureau of Statistics, The National Treasury

1.2.2 Sectoral GDP Performance

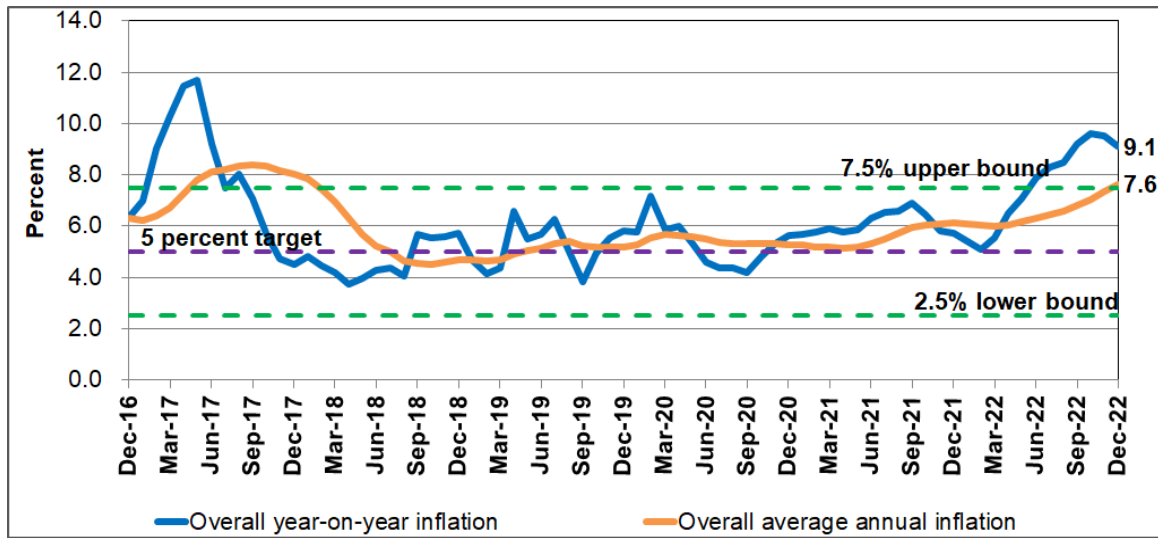
7. In the third quarter of 2022, the agriculture sector experienced a 0.6 percent decline compared to the growth of 0.6 percent recorded in the same quarter of the previous year. This slowdown was mainly due to unfavourable weather conditions that impacted the sector in the first three quarters of 2022. There was decreased vegetable exports and reduced milk intake by processors during the period. However, the performance of the sector was partially offset by improved production in fruits, coffee, and cane.

8. The industry sector saw a slower growth rate of 3.4 percent in the third quarter of 2022, compared to the 8.3 percent growth in the same period in 2021. This can be attributed to the normalization of activities in the manufacturing sub-sector, which showed a 2.4 percent growth in the period compared to the 10.2 percent growth recorded in the same period of 2021. The growth in the industry sector was supported by the positive growth in the Electricity and Water Supply sub-sector and the construction sub-sector, which recorded growth rates of 4.7 percent and 4.3 percent respectively.
9. The services sector remained sturdy in the third quarter of 2022, after a robust recovery in 2021 from the impact of COVID-19. However, the sector's growth slowed down to 6.1 percent in the third quarter of 2022 compared to 11.4 percent in the same period of the previous year. This performance was mainly characterized by substantial growth in the accommodation and food services, wholesale and retail trade, professional, administrative and support services, and education sub-sectors.

1.2.3 Inflation Rate

10. Since June 2022, the year-on-year inflation rate in the country has exceeded the 5.0 ± 2.5 target range. In December 2022, it dropped slightly from 9.5 percent in November to 9.1 percent, which is still high compared to the target range. The decrease was attributed to the favourable rains and decreasing international prices of edible oils.
11. The overall average inflation for the year rose to 7.6 percent in December 2022, up from 6.1 percent the previous year, largely driven by fluctuations in food commodity prices. Figure 1.3 highlights the significant contribution of food inflation to the overall year-on-year inflation, with 5.5 percentage points in December 2022 compared to 3.2 in December 2021. The rise in food inflation was largely attributed to unfavourable weather conditions, supply constraints of key food items, and factors such as maize grain, fortified maize flour, and salad cooking oil.

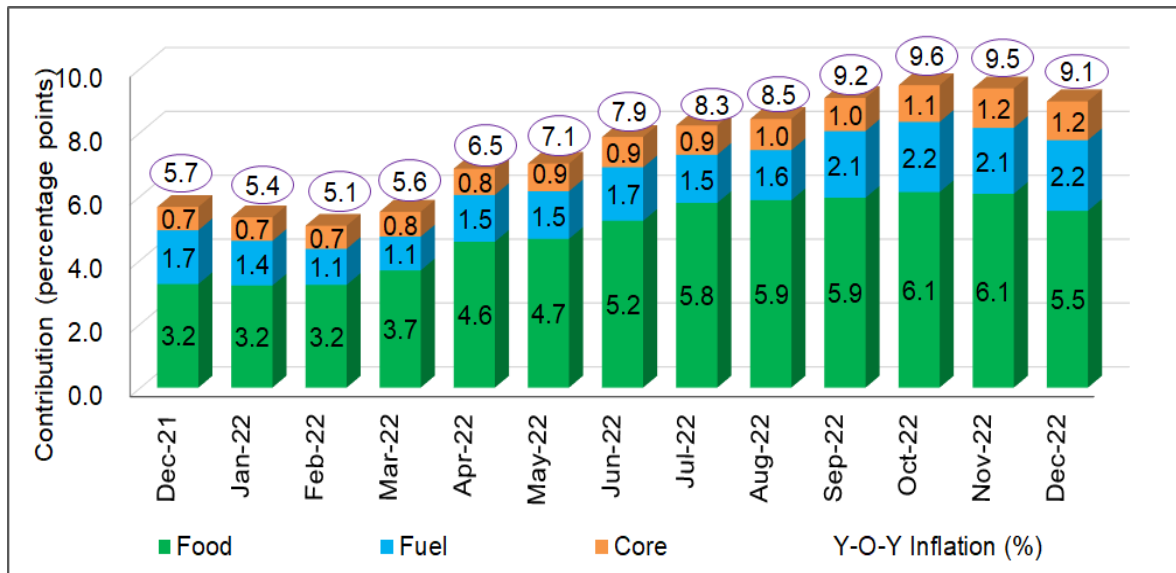
Figure 1.2: Year-on-Year Inflation Rate



Source: Kenya National Bureau of Statistics.

12. Fuel inflation also rose, contributing 2.2 percentage points to the overall year-on-year inflation in December 2022, up from its contribution of 1.7 percentage points in December 2021. This was largely due to increases in electricity prices resulting from higher tariffs and higher prices of kerosene/paraffin, diesel, and petrol, which were influenced by the rise in international oil prices. The impact of inflationary pressures on non-food commodity prices has had undesirable effect on the county's budgeting costs. Adjustments will therefore be made to align with the new prices of goods and services, as shown in Figure 1.3.

Figure 1.3: Contribution to Inflation Rate



Source: Kenya National Bureau of Statistics.

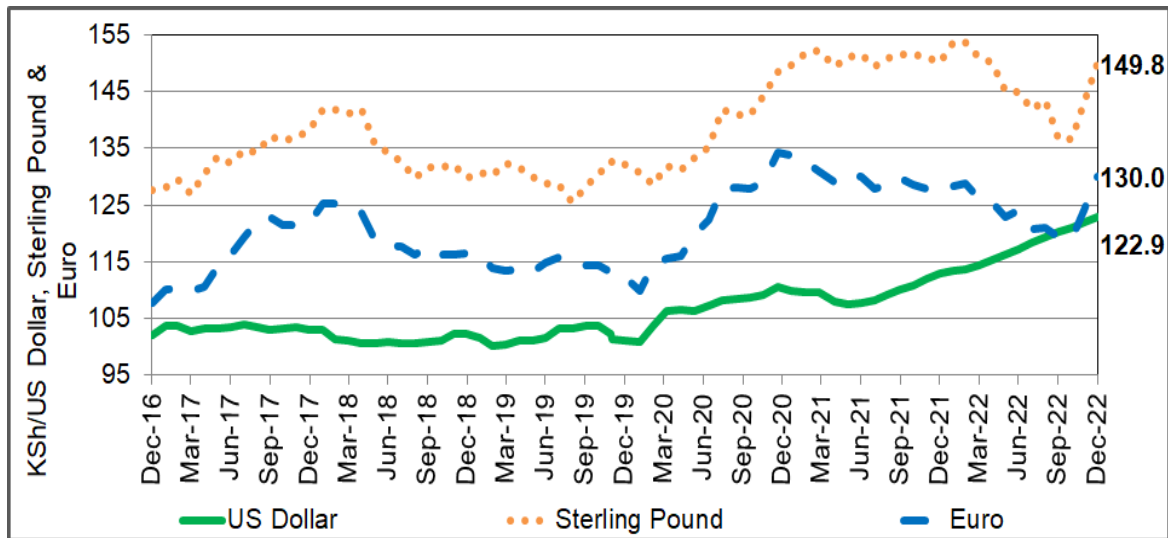
1.2.4 Kenya Shilling Exchange Rate and Money Supply

13. The foreign exchange market experienced slight volatility in the last year.

During this period, the Kenya shilling depreciated against the USD, moving from Ksh 112.9 in December 2021 to Ksh 122.9 in December 2022. Compared to the Euro, the Kenya shilling also depreciated to Ksh 130.0 from Ksh 127.6 over the same period. The Kenyan Shilling however strengthened against the Sterling Pound to Ksh 149.8 in December 2022 from Ksh 150.2 in December 2021. Compared to Sub-Saharan Africa currencies, the Kenya shilling remained stable, thanks to a rise in remittances, sufficient foreign exchange reserves, and boosted export revenues (as illustrated in Figure 1.4).

14. A strong USD is anticipated to aid the export-oriented horticulture and tourism sectors in the county. However, this could also deter foreign investment due to a decreased appeal of the KES, leading to inflation and reduced purchasing power for consumers. Furthermore, the strengthened USD could have a detrimental impact on the national/county fiscal framework, due to foreign denominated debt commitment.

Figure 1.4: Kenya Shilling Exchange Rate

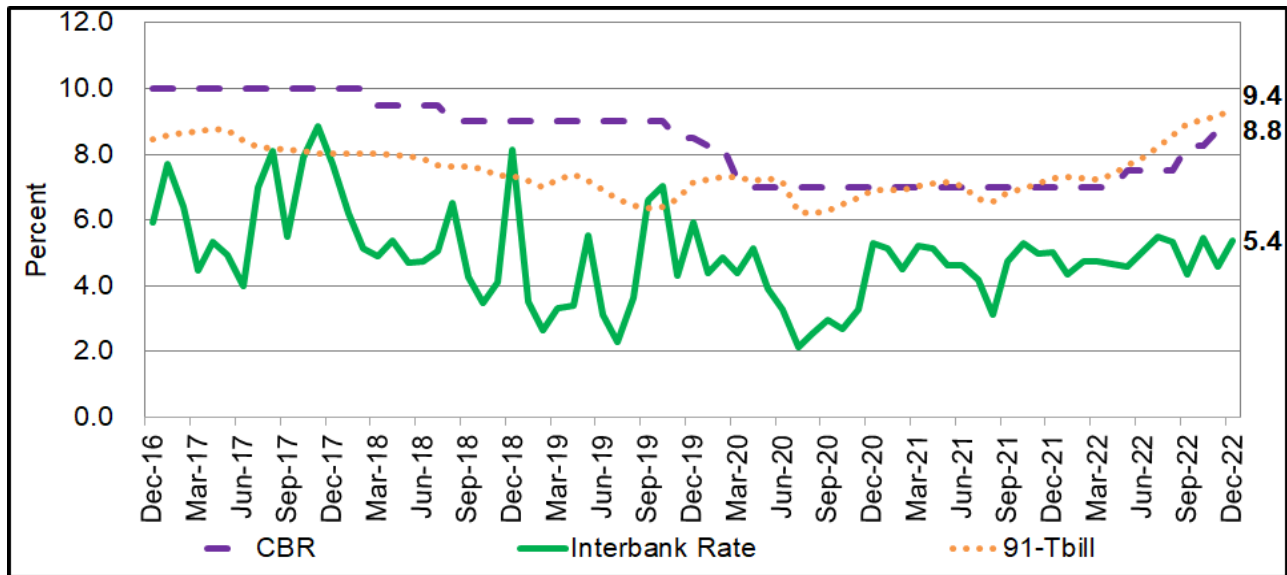


Source: Central Bank of Kenya

1.2.5 Interest Rates

15. The Central Bank has taken a tight monetary policy stance to control rising inflation. The Central Bank Rate has increased from 8.25 percent to 8.75 percent in November 2022. Interest rates on interbank loans remained steady at 5.4 percent in December 2022 compared to the previous year. Low lending rates were observed during the period mainly attributed to the monetary policy stance. The average lending rate was 12.4 percent in October 2022, slightly higher than the previous year's rate of 12.1 percent. At the same time, the average deposit rate increased from 6.4 percent to 7.0 percent. This means the difference between the average lending and deposit rates decreased from 5.7 percent to 5.4 percent over the same period. Maintaining the stability of lending rates shall favour accessibility of affordable credit which will be instrumental to an economic spur from activities by the MSMEs.

Figure 1.5: Short Term Interest Rate, Percent



Source: Central Bank of Kenya

1.3 Fiscal Performance

16. Fiscal performance in the first half of FY 2022/2023 was largely affected by the 2022 general election and the subsequent transition between administrations. Execution of the county expenditure especially development expenditure faced a slowdown in its implementation despite the timely approval of the budget by the County Assembly.

17. Total County receipts in the first half amounted to Ksh 5.4 billion against an annual revised target of Ksh 17.1 billion (excluding the fiscal balance of 3.91 billion) resulting in 31 percent of achievement rate. The receipts include transfers from National Government in form of equitable share amounting to Ksh 4.2 billion, Conditional Grants of 104 million and the county's OSR totalling Ksh 1 billion reflecting 26 percent, 17 percent and 28 percent achievement respectively. Table 1 illustrates the analysis on county receipts for the first half of FY 2019/2020 – 2022/2023.

Table 2: First Half County Receipts FY 2019/2020-2022/2023

Revenue Source	First Half 2019/2020	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	Annual FY 2022/2023	Percent of Achievement FY 2022/23
Exchequer Releases/ Equitable Share	3,725,156,637	1,728,564,750	4,298,618,386	4,298,618,387	13,026,116,323	33.0%
Proceeds from Domestic and Foreign Grants (Conditional Grant)	63,814,135	212,535,514	305,228,810	104,144,759	588,259,359	17.7%
County own Generated Receipts	1,084,851,537	1,154,292,159	1,345,402,655	1,004,833,508	3,580,000,000	28.1%
Fiscal Balance	5,677,405,446	5,624,403,839	5,695,548,026	3,915,012,915	3,915,012,915	100.0%
Sub Total	10,551,227,755	8,719,796,262	11,644,797,877	9,322,609,569	21,109,388,597	44.2%
Transfers from Other Government Entities (Cash in Transit)	-	900,948,900	-	-	-	-
Total Receipts	10,551,227,755	9,620,745,162	11,644,797,877	9,322,609,569	21,109,388,597	44.2%

Source: First Half Financial Statements FY 2019/2020-2022/23.

1.3.1 Revenue Performance (OSR)

18. County Own Source Revenue Performance (OSR) for the First Half FY 2022/23 amounted to Ksh 1.0 billion against an annual revised target of Ksh 3.58 billion representing a 28 percent performance. This represented a Ksh. 340 million (25 percent) decline compared to similar period last year. The collections included Facility Improvement Fund (FIF) totalling Ksh 610 million representing 61 percent of the total collections during the first half of FY 2022/23.

19. An analysis of the last three years own source revenue performance for the first half of the financial year shows a collection of Ksh. 1.10 billion in FY 2019/2020, Ksh. 1.15 billion in FY 2020/2021, Ksh. 1.34 billion in FY 2021/2022.

Table 3: OSR Performance by Department

Revenue Source	First Half 2019/2020	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	Annual Target FY 2022/2023	% of Achievement FY 2022/23
Trade, Co-operatives & Tourism	94,501,772	100,794,836	104,200,533	61,744,696	549,215,000	11.24%
Health & Medical Services	27,078,613	21,070,336	21,700,305	18,302,300	100,000,000	18.30%
Education, Culture & Youth	841,800	111,400	39,250	49,550	2,393,000	2.07%
Lands, Physical Planning & Housing	139,101,140	137,388,283	151,890,442	101,689,992	865,986,500	11.74%
Agriculture, Livestock & Fisheries	20,619,356	14,897,625	18,883,086	16,480,167	68,795,500	23.96%
Infrastructure	147,914,993	130,602,576	131,293,228	110,362,517	388,200,000	28.43%
Environment, Water & Natural Resources	111,821,977	123,692,489	134,050,198	85,050,299	303,940,000	27.98%
Public Service, Training & Devolution	492,760	200,100	201,830	20,500	1,470,000	1.39%
Finance & Economic Planning	337,569	587,516	582,950	477,683	-	-
Total (Local Sources)	542,709,980	529,345,161	562,841,822	394,177,703	2,280,000,000	17.29%
FIF (Facility Improvement Fund)	563,310,989	624,946,998	782,560,833	610,655,805	1,300,000,000	46.97%
GRAND TOTAL	1,106,020,969	1,154,292,159	1,345,402,655	1,004,833,508	3,580,000,000	28.07%

Source: Revenue Statements FY 2019/2020- 2022-2023.

20. An analysis of the first six months of FY 2022/2023 indicates that Department of Infrastructure - related revenue streams account for 28 percent of local sources of revenues with Department of Environment, Water & Natural Resources coming second with 27 percent of total collected local source revenues. Notably in all Departments collection there has been unsteady pattern across the period under review. Table 4 exhibits an analysis of revenue by county department

21. Geographically, Rongai Sub County (20.5 percent), Naivasha Sub County (20.2 percent), Nakuru East Sub County (18.7 percent) and Naivasha Sub County (2 percent) had the highest achievement rate while Nakuru West, Molo and Kuresoi South sub counties had the lowest achievement rate of 12.8 percent, 12 percent, 11 percent respectively. However, all sub counties recorded significant drop in the current financial year's first half compared to the same period in the previous MTEF (see Table 4).

Table 4: Local Source Revenues Performance by Sub-County

SUB-COUNTY	First Half 2019/2020	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	Annual Target FY 2022/2023	Percent of Achievement FY 2022/23
Bahati	37,332,461	33,700,131	43,941,814	23,932,882	151,627,000	15.8%
Nakuru West	50,073,378	56,458,663	67,231,759	47,106,661	369,111,034	12.8%
Nakuru East	210,756,719	170,957,783	192,150,933	146,372,210	782,206,708	18.7%
Subukia	4,813,595	4,834,994	5,484,483	4,161,010	25,248,050	16.5%
Rongai	24,955,725	29,753,476	28,541,079	21,658,668	105,895,500	20.5%
Gilgil	26,640,575	34,993,773	34,544,990	23,652,587	140,184,000	16.9%
Naivasha	140,442,885	141,296,971	141,363,773	98,345,221	487,148,833	20.2%
Kuresoi North	5,328,455	4,725,307	4,147,642	3,448,675	23,072,000	14.9%
Njoro	23,092,205	25,780,576	22,939,160	13,252,823	91,547,625	14.5%
Molo	16,006,902	20,702,823	17,371,830	9,578,390	79,767,250	12.0%
Kuresoi South	4,158,736	6,140,664	5,124,359	2,668,576	24,192,000	11.0%
Total Local Sources	543,601,636	529,345,161	562,841,822	394,177,703	2,280,000,000	17.3%

Source: Revenue Statements FY 2019/2020- 2022-2023.

22. During the period under review collections from Vehicles Parking Fees, Royalties and Markets recorded highest achievements rate of 35 percent, 24 percent and 23 percent respectively of their targets. County Park Fees only contributed Ksh 17,000 to local sources revenue in the FY 2019/2020 making it the lowest contributor in the period under review and have not recorded any amount in the current financial year.

Table 5: Own Source Revenue Performance by Revenue Source

	REVENUE STREAMS	First Half 2019/2020	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	Annual Target FY 2022/2023	Percent of Achievement FY 2022/23
1	Vehicle Parking Fees	135,759,360	108,404,596	114,981,757	102,150,027	292,200,000	35.0%
2	Royalties	104,193,507	113,132,968	127,366,110	79,107,114	320,000,000	24.7%
3	Markets	27,534,890	22,742,270	22,923,202	16,402,490	70,000,000	23.4%
4	Approval for Building Plans	37,399,317	31,481,516	30,322,045	20,939,051	100,000,000	20.9%
5	Cess Revenue	13,262,185	10,231,754	10,477,777	8,276,779	40,000,000	20.7%
6	Health Fees	27,108,073	21,070,336	21,700,305	18,302,300	100,000,000	18.3%
7	Slaughter House Fees	6,105,911	4,351,357	5,314,569	4,907,308	27,000,000	18.2%
8	Advertisements	28,881,604	25,607,562	40,958,674	23,391,861	150,000,000	15.6%
9	Miscellaneous Income	29,108,011	38,749,941	31,476,770	21,459,173	140,000,000	15.3%
10	Alcoholics Drinks/Liquor	24,605,740	18,410,640	26,738,430	14,329,007	100,000,000	14.3%
11	Property tax (Plot & Land rates)	56,503,536	70,539,831	71,223,775	51,698,323	490,000,000	10.6%
12	House rent	13,968,504	6,845,610	6,769,198	3,924,057	50,000,000	7.8%
13	Trade Licenses	39,153,998	57,776,780	52,589,210	29,290,214	400,000,000	7.3%
14	County Park Fees	17,000	-	-	-	800,000	0.0%
	Sub-Total	543,601,636	529,345,161	562,841,822	394,177,703	2,280,000,000	17.3%
15	FIF (Facility Improvement Fund)	541,249,901	624,946,998	782,560,833	610,655,805	1,300,000,000	47.0%
	GRAND TOTAL	1,084,851,537	1,154,292,159	1,345,402,655	1,004,833,508	3,580,000,000	28.1%

Source: Revenue Statements FY 2019/2020- 2022-2023.

23. FIF collections during the period under review has been the leading in own source revenue with a contribution of 56 percent compared to local source revenue of 44 percent across the past three financial years. There was high collection cumulatively in the first half of FY 2021/2022 to a tune of 782 million while lowest was FY 2019/2020. An analysis of first half FY 2021/2022 and FY

2022/2023 performance per facility shows Elburgon Hospital registered a growth of 17 percent. However overall collection decline by 171 million which translate to 22 percent.

24. In the current FY 2022/2023 a total of 610 million has been collected against an annual target of 1.3 billion translating to 47 percent achievement. Should the trend continue in the second half of the financial year, there is a likelihood that FIF collection will surpass the annual target. This can be attributed to the ongoing expansions of the Counties' Health facilities.

Table 6: FIF collection per Facility

S.No	FACILITIES	First Half 2019/2020 (a)	First Half 2020/2021 (b)	First Half 2021/2022 (c)	First Half 2022/2023 (d)	Variance e=(d -c)	Percentage Growth/ Decline
1	P.G.H Nakuru	304,185,066	372,922,659	418,832,187	355,583,701	(63,248,486)	-15.1%
2	P.G.H Annex	24,280,716	29,848,768	31,735,568	35,241,235	3,505,667	11.0%
3	Bahati Hospital	12,833,371	15,703,125	28,114,043	19,611,625	(8,502,419)	-30.2%
4	Naivasha Dist Hospital	124,367,759	121,591,359	166,258,290	101,779,931	(64,478,359)	-38.8%
5	Gilgil Hospital	19,699,597	22,601,555	34,917,972	29,305,167	(5,612,805)	-16.1%
6	Molo Dist Hospital	21,726,645	27,033,391	34,238,994	32,190,900	(2,048,095)	-6.0%
7	Olenguruone	6,080,485	6,219,201	11,077,810	5,727,257	(5,350,553)	-48.3%
8	Elburgon Dist Hospital	2,563,259	3,698,885	4,554,332	5,347,174	792,842	17.4%
9	Subukia Subcounty Hospital	3,687,323	3,281,626	7,433,802	4,514,290	(2,919,513)	-39.3%
10	Njoro Subcounty Hospital	9,688,283	8,352,910	14,916,760	9,398,003	(5,518,757)	-37.0%
11	Langalanga Hospital	2,918,617	2,162,647	5,141,628	3,390,195	(1,751,433)	-34.1%
12	Kabazi Subcounty Hospital	1,466,560	1,024,135	2,567,250	1,098,974	(1,468,276)	-57.2%
13	Keringet Subcounty Hospital	1,622,465	2,367,820	4,384,277	1,434,277	(2,950,000)	-67.3%
14	Mirugi Kariuki Subcounty Hospital	1,875,165	1,364,501	2,961,773	1,056,827	(1,904,946)	-64.3%
15	Bonden Maternity	2,552,880	4,507,669	10,864,583	3,238,937	(7,625,646)	-70.2%
16	Soin Subcounty	1,701,710	2,267,235	4,561,565	1,737,313	(2,824,252)	-61.9%
TOTAL		541,249,901	624,947,486	782,560,833	610,655,805	(171,905,029)	-22.0%

Source: Revenue Statements FY 2019/2020- 2022/2023.

1.3.2 Expenditure Performance

25. County Budget utilisation in the last three financial years has an improvement in terms of percentage of annual target. During FY 2019/2020, FY 2020/2021, FY 2021/2022 the County's budget absorption rate was 66 percent, 68 percent and 72 percent respectively despite delays in the budget approval, statutory compliance which subsequently delayed the uploading of the budget to the IFMIS Hyperion Module, and also the preparation of the annual procurement plan and other procurement processes thus derailing effective budget execution.
26. The revised total budget for FY 2022/2023 cumulates to Ksh. 21.1 billion with Ksh 12.8 billion being recurrent allocation and Ksh. 8.2 billion being development allocation. The County Executive with total allocation of Ksh. 19.2 billion, had spent a total of Ksh. 4.5 billion between July and December 2022 as follows: Compensation for employees (Ksh. 3.1 billion); Operations and maintenance (Ksh. 956 million); and development (Ksh. 420 million). This translates to 69 percent, 21 percent and 9 percent respectively of the total expenditure.
27. In terms of budget absorption by economic classification targets excluding the County Assembly, Compensation to employees has the highest with 44 percent followed by operations and maintenance 23 percent and lastly development the least with 5 percent.

Table 7: Expenditure Performance by Economic Classification (July - Dec 2022)

Economic Classification	FY 2019/2020		FY 2020/2021		FY 2021/2022		FY 2022/2023	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual (July-Dec)
Compensation to Employees	6,439,361,092	6,021,620,723	6,982,850,892	6,475,736,356	7,418,418,767	6,715,631,891	7,501,769,643	3,132,617,022
Operations and Maintenance	4,530,945,093	4,457,642,183	3,881,599,899	3,531,117,550	5,432,628,727	4,916,936,295	5,342,288,875	956,274,877
Total Recurrent	10,970,306,185	10,479,262,906	10,864,450,791	10,006,853,906	12,851,047,494	11,632,568,186	12,844,058,519	4,088,891,899
Development	10,980,873,891	4,113,869,315	10,106,718,263	4,323,965,915	10,662,939,085	5,256,851,638	8,265,330,079	420,967,562
Total	21,951,180,076	14,593,132,221	20,971,169,054	14,330,819,821	23,513,986,579	16,889,419,824	21,109,388,597	4,509,859,461

Source: CBROP 2020, 2021, 2022 & Second Quarter BIRR FY 2022/2023

28. The Department of Public Service Training and Devolution recorded the highest budget execution rate of 45.8 percent followed by Health Services (35.4 percent) and Office of the Governor and Deputy Governor (35.0 percent). The Office of the County Attorney however, had not spent any of the allocated resources which can be attributed to delayed full integration with IFMIS systems. The lowest budget execution was recorded by the Department of Lands Physical Planning and Housing (4.6 percent), Infrastructure (7.5 percent) and Trade, Industrialization, Cooperatives and Tourism (8.4 percent) (see **Table 8**)

Table 8: Expenditure Performance (July-Dec) FY2022/2023 Per Department

VOTE TITLE	Recurrent Expenditure (July-Dec) FY 2022/2023			Development Expenditure (July-Dec) FY 2022/2023			Total Expenditure (July-Dec) FY 2022/2023			Budget Execution
	Target	Actual	Variance	Target	Actual	Variance	Target	Actual	Variance	
Office of the Governor and Deputy Governor	330,662,978	109,462,780	221,200,198	161,667,114	62,732,986	98,934,128	492,330,092	172,195,766	320,134,326	35.0%
County Treasury	1,056,063,036	321,650,675	734,412,361	1,120,145,879	54,787,827	1,065,358,052	2,176,208,915	376,438,502	1,799,770,413	17.3%
County Public Service Board	69,183,555	22,796,256	46,387,299	7,998,700	-	7,998,700	77,182,255	22,796,256	54,385,999	29.5%
Health Services	6,058,506,259	2,510,327,381	3,548,178,878	1,265,478,591	79,922,003	1,185,556,588	7,323,984,850	2,590,249,384	4,733,735,466	35.4%
Trade, Industrialization, Cooperatives and Tourism	190,469,779	29,032,002	161,437,777	155,293,397	-	155,293,397	345,763,176	29,032,002	316,731,174	8.4%
Infrastructure	336,225,299	108,497,554	227,727,745	1,254,468,105	10,078,082	1,244,390,023	1,590,693,404	118,575,636	1,472,117,768	7.5%
Agriculture, Livestock and Fisheries	514,647,958	190,744,997	323,902,961	432,934,437	1,067,171	431,867,266	947,582,395	191,812,168	755,770,227	20.2%
Land, Physical Planning and Housing	145,625,126	41,847,950.50	103,777,176	764,616,480	-	764,616,480	910,241,606	41,847,951	868,393,656	4.6%
Water, Environment, Energy and Natural Resources	305,381,202	125,102,201	180,279,001	986,456,541	111,000	986,345,541	1,291,837,743	125,213,201	1,166,624,542	9.7%
Public Service, Training and Devolution	804,502,585	384,497,889	420,004,696	34,301,546	-	34,301,546	838,804,131	384,497,889	454,306,242	45.8%
Education, Vocational training, ICT and E-Government	862,835,591	172,692,514	690,143,077	610,412,390	40,094,501	570,317,889	1,473,247,981	212,787,015	1,260,460,966	14.4%
Youth, Culture, Gender, Sports and Social Services	239,197,188	57,055,009	182,142,179	192,955,878	-	192,955,878	432,153,066	57,055,009	375,098,057	13.2%
Naivasha Municipality	36,554,320	6,751,482	29,802,838	306,533,272	84,895,812	221,637,460	343,087,592	91,647,294	251,440,298	26.7%
Office of the County Attorney	214,100,000	-	214,100,000	-	-	-	214,100,000	-	214,100,000	0.0%
Nakuru City	44,891,439	8,433,210	36,458,229	753,916,922	87,278,180	666,638,742	798,808,361	95,711,390	703,096,971	12.0%
TOTAL	11,208,846,315	4,088,891,900	7,119,954,415	8,047,179,252	420,967,562	7,626,211,690	19,256,025,567	4,509,859,461	14,746,166,106	23.42%

Source: Quarter two BIRR FY 2022/23

1.4 Fiscal Policy

29. The fiscal framework of the next MTEF period 2023/2024 – 2025/2026 will be largely shaped by the start of next integrated plan period espoused in the 3rd CIDP 2023-2027. Amongst the development agenda being pursued in the period include: Completion of ongoing projects, leveraging on growth in productive sectors of the economy, promotion of access to integrated, quality and affordable healthcare services; Enhancing governance, transparency & accountability in delivery of public good; creating enabling environment for promoting private sector growth and faster growth of MSMEs; and operationalisation of County physical and social infrastructure.
30. Therefore, prioritisation and funding for proposed projects/programmes shall be informed by the national development agenda, strategic initiatives in the CIDP 2023 – 2027 and the Annual Development Plan (ADP 2023-2024).
31. Over the MTEF period, the county purposes to maintain a balanced budget with the expenditure equalling the projected receipts. In compliance with County fiscal responsibility espoused in the public finance law, the CFSP 2023 will focus on managing county wage bill, achieve economy in resource allocation, adopt a more realistic County fiscal framework outlook that focus on strengthening revenue and expenditure forecast model and measures to monitor and evaluate budget implementation.
32. In order to maximise local revenue as a proportion of total County receipts, the following revenue enhancement strategies shall be adopted:
- i. Formulation and enactment of legislation/policy for selected streams of revenue;
 - ii. Mapping of revenue sources and approval of valuation roll;
 - iii. Full automation of the revenue streams that includes cashless payment;
 - iv. Enhancing automated enforcement of revenue;
 - v. Data capture and clean-up of taxpayers register;
 - vi. Enhanced reporting and monitoring both physically and through the

- system;
- vii. Training and capacity development of Revenue officers.

33. The county government will focus on improving efficiency in budget execution and enhancing expenditure control measures in order to achieve economy and value for money. Reducing the balances in County Revenue funds at the end of budget year will be a priority to ease the pressure on annual budget targets and ensure timely service delivery to the “mwananchi”. The county will also prioritize reducing the amount of pending bills by allocating more funds and streamlining payment processes. This will stimulate the economy, reduce/eliminate the reputational risk to the county and ensure uninterrupted services. Compliance with reporting requirements is crucial for making informed decisions. To improve the quality of information, the county will enhance the capacity and skills of its staff through training and capacity building.

1.5 Economic Outlook

34. Globally, the economy is facing substantial uncertainty with a forecasted slowdown in growth from 3.2 percent in 2022 to 2.7 percent in 2023. This is largely due to a slowdown in advanced economies, despite a gradual improvement in emerging markets and developing economies. Despite experiencing the slowdown, Kenya's economy continues to show progress. The Real GDP rose by 5.5 percent in the first three quarters of 2022 which was driven by recovery of the services sector, wholesale and retail trade, finance and insurance, education, and transportation and storage. The national economy is projected to further grow to 6.1 percent in 2023 and expected to sustain the growth over the medium term. The anticipated growth can be attributed to a robust private sector, recoveries in agriculture and stability in the public sector. The growth is expected to support private consumption which will drive overall

demand, due to the sustained improvement in the job market, heightened consumer confidence, and stable remittances.

35. The outlook for growth will be reinforced by both the County and National Government's development agenda. The County Government shall leverage on the National Government's 5-sector economic turnaround programme that is expected to have a significant impact on the economy and household welfare.

1.6 Risk to Fiscal Policy

- a) Revenue Shortfalls:** Evidence from the past nine years shows that the County Government has achieved 73 percent of its projected revenue. This may be attributed to weakness in revenue forecasting, overdependence on transfers from the National Treasury and overreliance on grants and external funding. This occurrence may cause implicit budget deficits and negatively impact County Budget financing.
- b) Pending bills:** As the end of June 2022, the County had accumulated pending bills totalling approximately Ksh. 3.553 billion. This failure to fulfil financial obligations to suppliers and contractors not only puts the county's reputation at risk and runs counter to the national priority of settling pending bills as a first priority, but it also has a negative impact on local businesses and the economy as a whole.
- c) Budget credibility:** Historical evidence shows underperformance in both the achievement of budget targets and execution of the budget, particularly in regards to the development budget. The continuous underperformance in budget executions lead in poor score in overall credibility of the budget process.
- d) Vulnerability to Economic Shocks:** Sudden changes in the global economy caused by sudden shocks such as the Russia-Ukraine conflict, adjustments in the global monetary policy especially in the USA may cause volatility in

financial markets and fluctuations in commodity prices, potentially leading to inflationary pressures.

- e) Wage bill Constraints:** High wage bills pose a risk to the fiscal policy outlook in Nakuru County as they are subject to legal constraints. If left unchecked, further increase in wage bill will cause a strain on the already high wage bill.
- f) Climate change:** Adverse weather conditions due to climate change may impact agricultural yields and thus expose the country to inflationary pressures.

The County Government will continue to monitor developments in the economy and with a view to proactively adjust and implement mitigation measures and adapt to an evolving fiscal environment.

II. POLICIES TO ACHIEVE MEDIUM TERM OUTLOOK

The CFSP 2023 shall be founded on the following five fiscal strategy initiatives that the County has adopted in the medium-term period:

2.1 Leveraging on the Growth of Productive Sectors in the Economy

36. Investing in productive sectors of the economy has the potential to drive growth, create jobs, and spur innovation. To achieve the medium-term outlook, the County government intends to support and invest in these sectors to maximize their growth potential. The identified sectors include Agriculture, Livestock and Fisheries development; wholesale and Retail trade; Manufacturing; Construction, Financial Services, and Hospitality industry as fast-growing sectors which can be leveraged to spur economic growth and sustainable development.
37. The Agriculture Sector remains the backbone of the Country's and County's economy contributing an average of 25 percent of the GDP (BPS, 2023), whereas Nakuru was ranked as the second highest County contributing to the Agricultural sector, after Meru. The sector further accounts for an estimated 65 percent of the total net exports and remains the largest employment multiplier in the economy. However, the sector recorded a slowdown in performance mainly attributed to unfavorable weather conditions culminating to failed rains. High cost of farm inputs including fertilizers which have double in the last two years. The drought and high cost of farm inputs have resulted in a severe food shortage across various parts of the Country including some areas in Nakuru.
38. Being largely a devolved function, the County Government of Nakuru continues to prioritize agricultural development interventions including crop, livestock and fisheries development and management.
39. Over the medium term, the County government will support the Sector by initiating key policy and institutional reforms geared towards bolstering

agricultural productivity in the County. The County government will continue working with the National Government to ensure access to quality farm inputs such as certified seedlings and subsidized fertilizers. The sector will further support farmers with seedlings including tea, coffee, macadamia, mango, avocado, potato, fruit trees, pyrethrum, and sweet potatoes seedlings in specific areas based on mapping and needs assessment. To maximize on the gains, the sector is also looking to revamp agricultural extension services by recruiting additional officers to support farmers improve their farming skills, adopt climate smart and regenerative agricultural services, soil sampling and analysis, and plant clinics. The County will also support identified needy farmers with maize seeds and fertilizers, as social support mechanism.

40. Further, the sector will support the adoption of Agricultural technologies and Mechanization technologies including green houses, milk coolers, incubators, solar driers, pasteurizers, among other to boost productivity in crop and livestock subsectors.
41. The County's Livestock Development Programme purposes to purchase and supply dairy and beef cattle, rabbits, pigs, goats, sheep, and improved poultry breeds and strengthening AI services in the County. The sector will address livestock pests and diseases through farmer training on animal health, livestock movements control and response to livestock diseases outbreaks through vaccinations.
42. In Fisheries development Programme, the sector will focus on purchase and supply of fingerlings, restocking of lakes, supply of nets, boats and other fishing gear, as well as setting up fish hatcheries.
43. To further reduce overdependence on rain fed agriculture, the sector in collaboration with the national government will make a concerted effort to increase the acreage under irrigation through construction of Dams and supply of irrigation infrastructure such irrigation drips among other.

44. Value addition on agricultural produce also remains a priority in the medium term with planned establishment of a multipurpose agro-processing plant in collaboration with the Nakuru County Dairy Union. Egerton University and Kabarak Universities have plans to establish additional agro processing units to serve farmers of Nakuru County. This will not only help improve market access to farmers but also boost the farmers' incomes in the County.
45. The multiplier effect of these interventions will be improved productivity across all value chains, improved employment, guaranteed food security, improved livelihoods and reduced vulnerability to erratic weather patterns and the biting effects of climate change.
46. The construction industry has been witnessing a surge in growth, primarily due to a substantial influx of investments in the infrastructure, initiation of new housing and commercial projects. To support this growth create a better environment for the sector to thrive, the County government will streamline the building approval process by operationalizing the Lands Information Management System(LIMS) to minimize barriers and delays, securing County government assets particularly land and buildings, promoting the use of Alternative Building Materials technologies (ABMT), making public investments in roads, bridges, and other critical infrastructural components to enhance the accessibility of construction sites, and actively promoting the development of affordable housing options to address the housing needs.
47. The Trade, manufacturing and industry sector is key to the County's economic growth and development, and the County Government of Nakuru intends to leverage the gains from this sector by supporting the initiation and expansion of Micro, Small, and Medium-Sized Enterprises (MSMEs) through implementing the County Enterprise and Cooperatives Revolving funds. The County will also undertake unification of all licenses into a single business permit, provision of trading spaces through development of market infrastructure, as well as targeted training on business development services and programs. This will

help entrepreneurs to start and grow their businesses, increasing their competitiveness and contribute to job creation and overall economic growth.

48. The County is also positioning Nakuru as an investor destination of choice. This has been further uplifted by the elevation of Nakuru Town to a City.

49. The County Government in collaboration with the National government and other stakeholders will leverage the opportunities from over 500 registered Cooperative movements to drive economic growth in the Trade Sector by providing support to existing cooperatives, reviving dormant cooperatives and encourage the formation of new ones, especially in areas where small businesses and farmers can pool their resources and gain access to markets and capital. Further, the County will support the integration of a tier three financial system that will facilitate disbursement of affordable credit through the Hustlers Fund to cushion those affected by the current predatory lending interest rates e.g., market traders and boda boda operators.

50. The County government is also focusing on developing specific areas of manufacturing that are well-suited to the local resources and market conditions. For example, observing the high demand for agricultural products, the County department of Agriculture, Livestock and Fisheries is spearheading the development of agro-processing industry, to add value to the local agriculture produce particularly along the horticultural and dairy value chain. In the County spatial plan, areas such as Salgaa have been identified as an industrial zone.

51. In Tourism, the Sector will focus on promotion and activation of existing sites, mapping new sites and importantly diversify source markets to include domestic, regional and African Markets. This will help to create a more vibrant local economy that supports job creation.

52. Finally, the County has been supporting the transport sector by creating new and modern bus parks within the major towns. The location of bus stages has been identified as a major driver for thriving of wholesale and retail businesses

within town centres. To this effect, the County Government is currently developing a major bus park on the South Eastern Side of Nakuru CBD with support from the National government, to support the newly established main market. Further the government has relocated Public Service Vehicles to the main Mashambani bus park, in the CBD. This will help revive the businesses that went down, a situation that was exacerbated by the impacts of COVID-19 pandemic.

2.2 Promotion of Access to Quality and Affordable Healthcare Services

53. The County Government places a high priority on improving the performance of the Health Sector in order to enhance access to quality and affordable healthcare services. This is the largest devolved function, accounting to an average of 34.54 percent of the County budgetary allocation over the last five years. It is estimated that Kenyan families spend a total of Ksh 150 billion in out-of-pocket expenditures on health services a year (BPS 2023) thus making it very expensive. Thus, provision of affordable healthcare services will be achieved by consistently allocating adequate funds for both development and operational expenses in the sector. In light to this, the budgetary allocation towards the Sector has increased gradually over the years and currently forms 39.9 percent of the entire FY 2022/23 County Budget. The leading cause of ill health in the County is Communicable diseases with a rising burden of Non-Communicable Diseases (NCDs).

54. The County Government's approach to providing quality and affordable healthcare services will consist of the following actions; developing strategic and annual plans, strengthening leadership and governance at all levels to implement health initiatives, following national and county-level guidelines and policies, establishing monitoring and evaluation technical working groups, motivating staff through incentive systems and providing necessary tools for

services, and maintaining a consistent and sufficient supply of healthcare commodities.

55. To ensure long-term stability in financing healthcare, the County Government will continue to emphasize on efficiency in collecting the Facility Improvement Fund (FIF). Over the past three years, the County Government has seen yearly improvement in collections and has achieved an annual collection of Ksh 1.085 billion in FY 2019/20, Ksh 1.094 billion in FY 2020/21, and Ksh 1.551 billion in FY 2021/22. Given the successful results, the County Government will maintain its focus on improving efficiency and delivery of services in Level Four and Level Five Hospitals. The County Government will also continue to form strategic partnerships with health sector stakeholders to support healthcare financing through both on- and off-balance sheet initiatives.
56. The estimated yearly need for drugs and other non-pharmaceutical items for the fiscal year 2021/2022 was Ksh.1.4 billion, but only Ksh 801,755,673 was allocated and utilized, causing shortages and unfulfilled facility needs. Thus, the County Government will continue maintaining a strong relationship with Kenya Medical Supplies Agency (KEMSA) by promptly paying for all drugs purchased, which will lead to a consistent supply of drugs and other commodities based on the level of service at each facility. This will maintain a steady provision of health services, including curative and primary healthcare programs.
57. Currently, the County has one- Level V facility, 15 Level-IV facilities, 43 Level-III facilities, 141 Level-II facilities and 289 Level -I facilities. The County Government does not plan to construct new health facilities as data from the health department shows that the County has reached the target of having a 5-kilometer radius distance from one healthcare facility to another except for Rongai and Kuresoi North that don't have Level IV facilities. In the medium term, the County will endeavour to construct three Level IV facilities in Subukia, Rongai and Kuresoi North. To build upon the progress made in improving

healthcare infrastructure, the County Government will continue to focus on improving, operationalizing and expanding these existing facilities to increase the level of health services provided.

58. The Nakuru Level-V hospital has greatly benefited from modern state-of-the-art infrastructure, such as the nearly complete Outpatient Department Block which will bring together all specialist services in one location. Additionally, the hospital added specialized services like renal and oncology during the MTEF period. The improvement and operationalization of finished projects will be executed to improve service delivery. The improvement process will take place in Maai Mahiu, Kabazi and Bahati Sub-County Hospitals. Operationalization will occur in County Teaching and Referral Hospital (CTRH), Naivasha, Olenguruone, Elburgon, Molo, Njoro, Gilgil and Githioro health facilities. These facilities provide services not only to residents of Nakuru County but also to people from neighboring counties, requiring additional infrastructure and services to meet the growing demand. The County intends to reinforce its efforts by putting into operation a centralized ambulance dispatch center and fleet management system to enhance evacuations and pre-hospital care. Additionally, the County plans to reinforce the Public Health Emergency Operation Center (PHEOC) to respond more effectively to emerging and re-emerging infectious diseases, such as COVID-19.
59. In light of recent developments, the County Government has made it a priority to reduce the impact of non-communicable diseases by investing in public education and screening programs, as well as setting up specialized diagnostic and treatment centers such as Oncology, Renal, Imaging and other similar facilities in key hospitals. Additionally, community health services will be reinforced to promote Universal Health Coverage (UHC) through the creation of additional Community Health Units (CHUs) and supporting Community Health Volunteers (CHVs) with stipends. Initially, the number of CHVs receiving monthly stipend of Ksh.2000 in FY 2021/22 was 2572 against a

target of 3000. The goal of the County Government moving forward is to increase the number of CHVs receiving a monthly stipend to support and incentivize them. This will increase the delivery of health information and services especially to the remote or underserved areas.

60. An increase in the utilization of health insurance has been observed, as reflected by the increased revenue collected from various insurance claims over the MTEF period 2023/24- 2025/26. The County Government will continue to educate and encourage residents to enrol in health insurance, particularly the National Health Insurance Fund (NHIF), as a crucial step towards achieving the goals of Universal Health Coverage (UHC). This will help decrease the amount of money spent on hospital expenses by individuals and households. The National Government, in partnership with the Nakuru County Government, has implemented biometric registration for the Universal Health Coverage (UHC) program. In Nakuru County, 62,086 households in need have been registered, as part of the one million households registered nationally. It is anticipated that this will increase in the Medium-Term Expenditure Framework (MTEF) plan period through increased public education and mobilization efforts.

61. The County will also partner with the National Ministry of Health to support programs related to HIV/AIDS, tuberculosis, child immunizations, reproductive health, and anti-malarial efforts. It will also continue collaborating with private healthcare providers to meet desired health outcomes. To tackle diseases caused by inadequate sanitation, the County Government through the Department of Health will focus on Water and Sanitation Hygiene (WASH) initiatives during the Medium-Term Expenditure Framework period, including the Sanitation Roadmap Campaign and Urban Led Total Sanitation programs. To address Non-Communicable Diseases, the County Government plans to invest in awareness and screening services, with a particular focus on specialized cardiac diagnostic and treatment facilities.

62. Preventive and promotional services will be emphasized as 80 percent of the top ten diseases are preventable. The County government, with the assistance of Nutrition International and other nutrition stakeholders, will continue to implement the County Nutrition Action Plan 2020-2025 in order to increase nutritional efforts over the next five years. The plan outlines prioritized nutrition actions for each sector, establishes goals and costs for each intervention, and establishes a system for monitoring and accountability.
63. To decrease maternal and child mortality rates, the Margaret Kenyatta Wing (known as the Mother and Baby Unit) at PGH has contributed to improved access to high-quality maternal and neonatal health services in the County. The wing has a capacity of 240 beds and eight operating theaters. Elburgon and Gilgil are other facilities with new maternity wings under construction. The County will maintain its use of the national Linda Mama program, which provides free maternal services at public facilities, ensures all pregnant mothers receive four prenatal check-ups and deliveries with the help of trained birth attendants. This will also help reduce the transmission of HIV/AIDS from mothers to newborns through the Prevention of Mother to Child Transmission program.
64. The County Government will enhance good leadership and governance in the Health Sector which will play critical roles in ensuring the effective and efficient delivery of health services to populations. Effective leadership and governance will improve the quality of healthcare services, promote innovation, and enhance accountability and transparency in the health sector. Leaders in the health sector should foster strong partnerships and collaborations with other sectors, such as the private sector, non-government organizations, and community-based organizations.
65. During the Medium-Term Expenditure Framework period, the County Government will work to coordinate with partners and mobilize resources to close budget gaps while also increasing efficiency and accountability. Some

of these partners include USAID, DANIDA, UNICEF, AMREF, WHO, World Bank, Nutrition International and Equity Foundation.

66. The County Government plans to continue utilizing the adopted County Integrated Human Resources Information System (IHRIS) to maximize HR management given the shortage of health personnel. Furthermore, the County and its partners are supporting the Department of Health to test the use of Electronic Medical Records (EMR). The implementation of a digital platform is expected to enhance digital data management and provide timely health care services. The County Government intends to increase the number of facilities using open-source Electronic Medical Records from 10 to 47 by the year 2025.

2.3 Operationalization and Expansion of County Physical and Social Infrastructure

67. Infrastructure development is a key enabler towards the realization of Kenya vision 2030 aimed at transforming Kenya into a newly industrializing middle-income country by the year 2030. Infrastructural development focuses on Transportation, Energy, ICT, Health, and Education as well as Water and Sanitation systems. The operationalization and expansion of physical and social infrastructure is a crucial strategy for achieving medium-term expenditure targets for sustainable economic development. Effective infrastructure development is central to driving economic growth, enhancing the delivery of public services, and improving the quality of life for citizens.

68. In the context of the County government of Nakuru, an emphasis on physical and social infrastructure development can help to boost economic growth, reduce poverty, and create employment. Over the medium-term period covering FY 2023/2024-2025/26, the overarching priority will be to ensure completion of the on-going projects and operationalization of all completed projects before starting new ones. This will among other ensure that the scarce resources are utilized optimally thereby guaranteeing cost effectiveness and

reduced wastage of public resources while also helping improve delivery of the public good.

69. Although much has been done in the past, there is still a glaring gap in the level of infrastructural development in the County characterized by insufficient or outdated transportation systems, inadequate housing, poor access to clean water and sanitation, limited access to healthcare and education, and insufficient energy and communication networks.
70. Over the medium term, the Roads and Transport sub sector together with Nakuru City and Naivasha Municipality will focus on tarmacking, gravelling, and grading key roads in collaboration with other Road entities such as the KENHA, KERRA, KURA, and other development stakeholders. Further, to ensure compliance with minimum standards, roads will have complementarity storm water drains as necessary to prevent erosion and abrasion of murrum and gravel leading to road damage. To improve transport systems within the County, construction and rehabilitation of bus termini including boda boda sheds will be undertaken over the medium term. From a macro perspective, the national government ministry of Roads and Transport has reinstated the dualling of the 175 Km Rironi-Mau summit road that is expected to spur investments and commerce, create employment, reduce congestion and promote socio-economic development in the region.
71. To further boost security and increase the business hours the sector plans to maintain all malfunctioning street lights and installation of new streetlights, high mast and flood lights that are LED-lit at strategic points. To further enhance connectivity, the subsector will construct motorable and foot bridges as necessary to ensure safe and efficient transportation and accessibility to areas that were previously isolated.
72. Other major infrastructural developments in the County include the ongoing construction of the Nakuru International Airport which will likely spur investments, tourism and create employment while also making transportation

of goods, people and services quicker and more efficient. The construction of SGR phase 2A to Maai Mahiu terminus, and the inland container depot, and a customs office were completed and operationalized in 2020 by the National Government. These fall under a designated Special Economic Zone (SEZ) comprising 1000 acres of land, a master plan for which has been finalized. This will also include an industrial park that is yet to be constructed although a call for Expression of Interest for business people to set up businesses within the Special Economic Zone has been advertised. However, with port operations reverted to Mombasa, the success of this intervention is cast into doubt.

73. Water infrastructure and its effective management are important components the residents wellbeing. In line with this, the Environmental protection Water and Natural Resources sector in collaboration with the National government Water ministry, Water service providers and other semi-autonomous government agencies e.g., NEMA, WASREB, KWS, WRA, KFS, KENGEN or CRWWDA will over the medium term continue to undertake strategic interventions to improve access to clean, safe and portable water to all households. The key interventions include identification, drilling and solarization of boreholes, desilting and construction of dams and water pans, rehabilitation of collapsed water projects, and protection of springs and Brookes across all parts of the County. In collaboration with partners, the sector will purchase and supply water tanks to groups and strengthen the capacity of community managed water projects.

74. Specific interventions to reduce non-revenue water in collaboration with local communities have been put in place to reduce the cost of water supply. County government WSPs such as NARUWASCO, NAIVAWASCO and NAWASSCO in addition to supplying piped water to households will engage communities to surrender water projects that are struggling due to poor or inefficient management. Concerted effort is being made to rehabilitate and

expand the current sewer line and connect more households to the main sewer.

75. To further improve water supply and sanitation, The county department of Water Environment and Natural resources in partnership with German Based KfW development bank and the CRVWDA is in the process of initiating a 5.6 Billion Project which seeks to Increase coverage of water and sewerage services through Partial decommissioning of the Old Town Treatment Facility, Expansion of Njoro waste water treatment facility to 20,000m³/day, extension of the sewer network, drilling and equipping boreholes. This is in line with the Nakuru Countywide Inclusive Sanitation strategy expected to connect 18,000 households to water and the main sewer.
76. The County will also leverage on other National government plans such as the planned construction of 100 dams through Public-Private Partnerships across the country, to harness water for irrigation and domestic use. The completion of Itare Dam by the National Government under this initiative will greatly to Improve water supply to the County.
77. The pivotal role of healthcare as a key driver to socio-economic development cannot be overemphasized. During the previous plan period, the Department of Health Services undertook major infrastructural developments most of which were completed. These included a new OPD wing in the Nakuru County Referral hospital (PGH which includes Oncology, Renal, Imaging and specialized theatres), Upgrading of Naivasha, Gilgil, Molo, Olenguruone, Elburgon, Subukia and Bahati level IV facilities in order to improve access to quality, diverse, and affordable health services. Staffing and equipping of these upgraded facilities is a major priority for the current MTEF period.
78. In the new medium term plan period (CIDP III), the sector plans to invest an estimated Ksh 3.8 billion to complete and equip the upgraded facilities in addition to recruitment and deployment of 907 healthcare personnel across all facilities to address the huge staffing deficit. To further achieve the

benchmark standards of having a health facility every 5Km, the Sector will invest a further 750 million to expand and upgrade facilities to further enhance access to quality healthcare services. The Cost of healthcare delivery has been growing and there is an urgent need to increase UHC coverage to boost affordably and consequently improve population health outcomes.

79. Provision of quality, accessible and affordable ECDE and Vocational Education is also a major priority for the current regime. During the previous MTEF period, the sector constructed 443 ECDE classrooms and 83 toilet blocks with plans to do 150 more classrooms and toilet blocks each year in the next MTEF period. This is will be supported by construction of complementary infrastructure such as toilets, water harvesting equipment, Kitchen, play equipment, and furniture to render the centers operational and serve the needs of the school going children. Despite the ongoing infrastructural projects, there is still a huge divide between the current and the international benchmarks. There is therefore need to construct more ECDEs to achieve the 1:30 classroom to pupil ratio that currently stands at 1:54 and more toilet blocks to attain the recommended standard of 1:25 against a current toilet pupil ratio of 1:48.

80. Under vocational training, the County has established 34 VTCs most of which are ill equipped and understaffed. The priority for the MTEF period 2023/24-2025/26 is to equip and staff these VTCs to bolster enrolment. There are plans to develop boarding and complementary facilities to attract trainees from other parts of the County or Country. The demand for vocational Education remains sky high observing that 55.4 percent of candidates in the just concluded KCSE national examinations scored D+ and below. A good proportion of these candidates will be absorbed into County based VTCs.

81. Nearly half the 2.2 million residents of Nakuru lives in urban areas, creating a high demand for housing infrastructure. Provision of affordable social housing to the public is a mandate of the government and as such the County

government through the Directorate of Housing is in advanced stages of implementing the affordable housing project in Naivasha that aims to come up with 2,300 housing units. Other interventions include rolling out phase two of the Kenya Informal Settlement Improvement Programme which will greatly improve the housing conditions within informal areas and mainstreaming of Alternative Building Materials technology to all sub counties. This is in line with the commitment of the National government to provide 250,000 housing units annually across the country. The County is also exploring other PPP initiatives to deliver affordable houses within Nakuru Town, Elburgon town among other urban centres.

82. On Information Communication Technology, leveraging on the growth potential of the sector is key, for youth employability, improving institutional efficiency, and wealth creation. The County government will over the medium-term focus on establishment of digital centers as hubs for innovation and automation of government services.

83. In conclusion, the operationalization and expansion of County social and physical infrastructure is a crucial step in promoting sustainable socio-economic development in the County. Investing in these infrastructural developments will provide citizens with access to essential services and improve their quality of life. The expansion of ICT infrastructure, in particular, will help bridge the digital divide, drive innovation and create new opportunities. Furthermore, upgrading the County's physical infrastructure, such as roads and transport systems, will enhance connectivity, support economic growth and improve access to markets and services. Overall, the operationalization and expansion of these key infrastructure sectors will create a more inclusive and prosperous County, benefiting all its citizens and laying the foundation for sustainable development.

2.4 Creating an Enabling Environment For Social Economic Recovery and Private Sector Growth

84. The County Government is pursuing fiscal policies with the objective of increasing the participation of the private sector through deliberate multi-sectoral initiatives that will focus on creating a conducive environment for trade and investment. The Gross County Product (GCP 2021) report by the Kenya National Bureau of Statistics (KNBS) ranked Nakuru County 4th in the National GDP contribution at 4.9 percent, after Nairobi, Kiambu and Mombasa. The main contributors to the national GDP include: Agriculture, forestry and fishing; Manufacturing; industry and construction. The economy is projected to rebound to 6.1 percent in 2023, reinforced by the Government's development agenda geared towards economic turnaround and inclusive growth.
85. Effective and efficient infrastructure is a key enabler of business and enterprise growth. The County Government will prioritize the expansion, rehabilitation and maintenance of County roads and bus parks with the aim of enhancing competitiveness in County Infrastructure thus easing the cost of transport. This initiative will be realised through allocation that will be equivalent to the RMLF grant and allocation of funds for road maintenance at the ward level. Further, to improve the security for traders/merchants towards promoting a 24-hour economy, the County will continue to expand and maintain Street lighting across the County. To enhance service delivery through digital platforms, the County targets to reduce the turnaround time in services through investment in ICT infrastructure for both hardware and software platforms. The County government will provide necessary operational & maintenance support to facilitate continuous and consistent performance of ICT systems.
86. The County with the aim of improving the business environment, it will continue to leverage on the ongoing strategic National Government infrastructure projects. These include: the ongoing Nakuru International Airport Project

(Phase 1) at Lanet; the SGR phase 2A to Maai Mahiu terminus which is complete and is expected to open up opportunities for business in the area and create job for the population in the area; Naivasha Inland Container Depot (ICD) and the Naivasha Special Economic Zone (SEZ) (1000-Acres), dualling of Nakuru-Nairobi Highway and the modern multi-storey market in Nakuru City. The County was allocated 100 acres for the competitive local investors which is expected to create an enabling environment for business. The Naivasha SEZ and its complementary infrastructure are expected to attract private sector investors and further stimulate the local economy. The implementation of these stated projects will create an opportunity for economic growth, job opportunities, opportunities for infrastructure development and opportunities for wealth creation.

87. The County with the aim of supporting small and medium sized enterprises, it has allocated Ksh 25 million towards Enterprise Fund and Ksh 25 million towards Cooperative Development Revolving Fund in the FY 2022/23 as part of operationalising the funds. This will create an enabling environment for increased financial access to County SMEs and cooperative. The allocation will address the national government administration of bottom-up economy through the hustler fund. The county will continue carrying out continuous capacity building of SMEs and cooperatives through the Trade Department to improve their productivity and governance. The County Government will also endeavour to comply with the regulation 40(5) on allocating atleast 20 percent for preferences and reservation for resident tenderers of the county pursuant to section 33(2) (g) of the Public Procurement and Asset Disposal Act 2015. Additionally, the County has continuously supported markets expansion initiatives through allocating for capital infrastructure for additional market space for trader. This is through construction and rehabilitation of markets across the county: case in point the construction of the Naivasha wholesale

market and the modern multi-storey market in Nakuru city which will create an environment for trade.

88. The elevation of Nakuru Municipality to City status in line with the Urban Areas and Cities Act 2011 (amended 2019), has continuously unlocked opportunities to in to both local and foreign investors in the County i.e., the SRC policy that reviewed the rate to city rate has seen an increase in uptake in the hotel industry. Further, the listing of Nakuru town among the 49 new cities under UNESCO Creative Cities Network (UCCN) by the UN is expected to market Nakuru globally and strengthen creation, production, distribution and dissemination of cultural activities, goods and services. The County Government therefore shall continue allocating resources and developing policies aimed at promoting arts and crafts, investing in social halls and cultural centres open to the public and creating enabling environment for the private sector to supplement it through facilities such as Njoki Karuoya Creative and Media Centre, Honeymoon Hill and Bomas of Nakuru that augment the creativity of artists. The county therefore plans to hold an annual investment exhibition and other forums including round table discussions between county departments and stakeholders to provide opportunity for engagement between the public sector and the private sector.
89. The County with the aim of encouraging entrepreneurship and innovation has initiate investments necessary for business start-ups and growth. Among such initiatives include formation of Alternative Dispute Resolutions, Spearheading of the National Titling Programme, implementation of the Nakuru County Spatial Plan and the ISUDP for Nakuru City and Naivasha municipality. The Department of Trade is also constructing a proposed business incubation centre at Kabatini Centre, construction of cottage industries and establishment of tourism information center and publicity through <https://visitnakuru.co.ke/> towards the same goal.

90. The County Finance Act has continued to be a significant fiscal policy tool in administration of Own Source Revenues. To further improve administration and management of fees, charges and taxes, the county will continue to pursue a harmonised tax regime in business licensing and continuously engage all rate payers through the public participation in the formulation and implementation of the County Finance Bills. The County will also pursue a business-oriented approach through automation of revenue services that will enhance the revenue collection and expand the revenue base. The county continues to implement the newly acquired revenue management system (CIFOMS) by completing automation revenue streams.
91. The County government is also providing opportunities for investments in bankable infrastructure projects. The County government in partnership with private sector players is implementing two affordable housing projects. This includes the proposed 2400 housing units in Naivasha and the 605 housing units in Bondeni Nakuru affordable houses. On the other hand, the County government in partnership with stakeholders is involved in the upgrading and building of health infrastructure e.g., Naivasha hospital in collaboration with KENGEN.
92. The County Government share of manufacturing as proportion of the County GCP is below 5 percent. The manufacturing Sector has been able to attract investments: Case in point is the Simba Cement Factory (worth Ksh 6 billion of private sector investment), Royal Group Industries (investment of 800 million steel factory) and others which indicate a favourable business climate in the County. The County has also other feasible initiatives in the pipeline for implementation of Naivasha Industrial Park and Menengai GDC industrial park which is to implemented through PPPs which are expected to create more job opportunities.

2.5 County Public Service Reforms, Enhancing Governance, Transparency and Accountability

93. Public Sector Reforms are aimed at ensuring that there is an efficient, motivated and well-trained public service for improved service delivery. An efficient, effective, equitable and ethical public sector is vital to the successful implementation of policies, programmes and projects outlined in the CIDP 2023-2027. These involves making changes to improve the efficiency, effectiveness and accountability of the County employees through training & capacity building for employees and increased participation of citizens in the decision-making process. This is as envisaged in the Constitution of the Kenya 2010 in achieving transparency, good governance and accountability.
94. The County Public Service Board in collaboration with the department of Public Service Training and Devolution is in the process of instituting major reforms in the County public service which will among other see introduction of competitive Schemes of Service across all cadres, have structured and consistent promotions for qualified staff across all cadres, recruitments, redesignation, and deployment of technical and support staff to sectors that are constrained, and enforcement of the HR operational manual to ensure that the workforce is efficient and delivers quality services to the public. Further the department of Public Service Training and Devolution will spearhead the preparation of the HR staff plans across all the departments. The County has purposed to undertake a comprehensive Human Resource Audit. The recommendations from the Audit will be implemented to address the human resource constraints, gaps ranging from mismatch in available skills sets, succession management issues and an ageing workforce.
95. Observing that the current wage bill stands at 41 percent against the 35 percent threshold recommended by the PFMA 2012, there is urgent need to institute strategies to expand the fiscal space to finance these critical reforms.

96. The Department of Public Service, Training and Devolution will spearhead the preparation of the HR staff plans, job analysis and design, remuneration process, welfare, safety and healthy work environment, and healthy industrial relations. The PSTD Department will also seek to harmonize and validate draft and existing schemes of service, Capacity Assessment & Rationalization Manual and training manual. In the County Government Human Resources management, PSTD will upscale staff training and capacity building; policy formulation, implementation, monitoring and evaluation; development of staff rationalization policies and implementation of disciplinary control for County staff.
97. To achieve sound human resource conduct and discipline the County Government will continue to enforce the Public officer ethics Act (2006), values and principles for public service in accordance with Article 232 of The Constitution of Kenya 2010. The County will ensure that the Declaration of Interest Register is filled in line with Chapter Six of the Constitution of Kenya, the County continues to ensure full compliance the Declaration of Interest in procurement, recruitment and audit the register well kept, and Wealth Declaration by County staff after every two years.
98. The County Government Act 2012, envisaged the operationalization the performance management systems through performance contracting process. The County trained and instituted performance contracting committees across all the County departments with a mandate to spearhead performance contracting and appraisal at the departmental level. This will improve service delivery since employees will have annual targets that they will be appraised against in mid and end year performance appraisal.
99. In Implementing E-Governance with the aim of promoting access to information, the County will continuously publish and publicize on the County online digital platforms. The County has continuously taken steps to publish all the statutory documents in the County Website (<https://nakuru.go.ke>). These

documents include Approved budget estimates, CFSP, CBROP, County plans, tender documents and other key documents. This will encourage transparency and accountability by the County Government. Further the County has created an online public participation tool where Nakuru County citizens can engage in the exercise and their views incorporated regardless of the location. (<https://public.participation.nakuru.go.ke/>)

100. The County will continuously hold public participation on major policies and documents such as the budget, CFSP, CIDP as envisioned in the Constitution of Kenya 2010 and the PFM Act 2012. The County will fully constitute the County Budget and Economic Forum (CBEF) as the term of the current CBEF is coming to an end. This will facilitate private sector and non-state actors participation in the planning and budgeting process through their representation in the CBEF. The County will also recruit the Nakuru County Audit Committees which shall continue to instill transparency and accountability in financial management in the County. The County will continue to adhere to the implementation the Access to Government Procurement Opportunities (AGPO).

101. To meet the financial obligations and in line with the National treasury guidance on prioritization of settling the pending bills, the County will continue to settle its pending bills by ensuring significant budgetary allocation. The County Government has constituted a pending bills committee to verify the existing pending bills and give recommendations on how to minimize the pending bills going forward. The County has an allocation of Ksh 300 million for debt resolution. The County will further continue to develop measures to fast track the settlement of the claims from suppliers and contractors.

102. To improve on efficiency in revenue collection, the County acquired revenue system (CIFOMS) that has enhanced revenue collections. During the next MTEF period the County seeks to review the Finance Bill with a view of harmonizing different levies and eliminating duplication and enhance the

ease of starting and running a business in the County. The County plans to operationalize the Land Information Management System (LIMS) that will facilitate the automation of development applications and approval process while also enhancing efficient processing of online digital applications. Going forward, the County Government shall seek to integrate CIFOMS with other systems such as LIMS in bid to automate systems and consequently raise revenues.

103. The County shall track the implementation of the 2023-2027 through the adoption of the e-CIMES. This will be done by capacity building in County departments on Results Based Monitoring and Evaluation; reconstituting the County Monitoring and Evaluation Committee (COMEC) Champion for technology enabled M&E reporting in the departmental level, carry out quarterly field visit and reporting on the implementation of programmes and projects.

III. INTERGOVERNMENTAL FISCAL RELATIONS AND DIVISION OF REVENUE

104. The County Government will continually seek both horizontal and vertical fiscal relations with a view of promoting harmony in County social economic development. This section presents the intergovernmental fiscal relations and the division of revenue. The budget for the FY 2023/2024 and the Medium-Term Budget Framework builds on the County Government effort to support the five-point development agenda that will lay a foundation for the implementation of the third generation CIDP 2023-2027 that has integrated the Governor's manifesto and the national government's new Administration's Bottom-Up Economic Transformation Agenda.

3.1 Intergovernmental Relations

3.1.1 PFM Institutions

105. The Nakuru County Government has continued to benefit from capacity building of officers on PFM related functions such as accounting, budgeting, revenue management, and intergovernmental fiscal relations as a result of funding from the National Treasury through training of officers in financial reporting, use of the IFMIS system, internal audit function, budgeting process, among others. The National Treasury has been pursuing these capacity-building efforts continuously, which has resulted in an improvement in the financial statements' standard over time.

a. Commission on Revenue Allocation (CRA) is established under Article 215 of the Constitution. The principal function of CRA is to make recommendations concerning the basis of the equitable sharing of revenue raised by the national government; Between the National and County Governments; and Among the County Government. The Commission also makes recommendations on matters concerning

financing of, and financial management by county governments as required by the Constitution and national legislation. Further, the Commission is mandated to enhance revenue sources and ensure fiscal responsibility in Counties. To achieve the mandate the commission is expected to support Counties through capacity building and system development to ensure the realization. Over the years the Commission has been instrumental in supporting counties to increase their revenue potential through system development and trainings. Further, they have championed the formation and training of the County Budget Economic Forums (CBEF) to ensure fiscal management of resources. The CRA has been instrumental in Nakuru County in the initial processes of County Creditworthiness Initiative (CCI) with support from World Bank. Once the process is complete the credit score will help the County to access credit to finance development expenditure. The Commission determines, publishes and review policy setting criteria by which to identify marginalized areas for the purpose of the Equalization Fund established under Article 204 of the Constitution.

- b. Office of the Controller of Budget (COB)** is established under Article 228 of the Constitution. The principal function of COB is to oversee the implementation of the budgets of the National and County Governments by authorising withdrawals from public funds. COB also seeks among other issues, to promote fiscal discipline and equitable allocation of available resources and improve transparency and accountability in the budget implementation process, in the County Government, by use of strong expenditure control. Further, the office provides regular updates on the progress made on settlement of eligible pending bills. The office has worked with the Counties on matters on the budget execution through quarterly reporting on the same. The office has been sensitizing Counties on withdrawal procedures and what is required to ensure that there is no delay

in release of funds from the County Revenue Fund. Additionally, the office is required to submit quarterly budget implementation report to the National Assembly and the Senate.

- c. Office of the Auditor General** is mandated to audit and report in respect to each financial year on the accounts of both levels of Governments. The Office is charged with the primary oversight role of ensuring accountability within the three arms of government as well as the Constitutional Commissions and Independent Offices. To improve prudence and audits the office has been undertaking capacity building for internal audit departments and County officials on how to deal with audit quarries to ensure that they do not reoccur in the subsequent reports. Other PFM institutions include Public Procurement Regulatory Authority (PPRA), Salaries and Remuneration Commission (SRC) and Central Bank Kenya (CBK) which have had close working interactions with the Nakuru County Government.
- d. The Intergovernmental Budget and Economic Council (IBEC)**, Chaired by the Deputy President has also been playing a key role in deliberating and providing direction to economic and budget issues, affecting Counties and the National Government. The County will continue working with these institutions to make recommendations on the equitable distribution of revenue between the national and county governments as provided in section 190 of the PFM Act. Further, the IBEC will continue to strengthen counties' public financial management systems to enhance service delivery and create an enabling environment for development to achieve improved budget outturns and strengthen financial processes.
- e. The Intergovernmental Relations Technical Committee (IGRTC)**-IGRTC is one of the five key Intergovernmental structures established by Legislation; IGR Act,2012; and the PFM Act,2012. Other structures are the Summit, IBEC, CoG and the Sector Working Forums. IGRTC has developed a Framework, Process and Programme for completion of the Transfer of Devolved

Functions that had not been done the Transition Authority. IGRTC has supported counties in the review of the draft CIDP 2023-2027 through partnership with CoG, KIPPRA and the State Department of Planning in this process.

3.1.2 Other Institutions

106. The County has continued to implement the Kenya Devolution Support Programme Level II performance grant for infrastructural development where the County received Kshs 120 million and allocated to the construction of OPD in Subukia Level Four Hospital.
107. Further, the County Government has continued to implement projects under the 4-year Kenya Urban Support Programme (KUSP) grant by the World Bank, whose goal is to support the establishment & strengthening of urban institutions & systems to deliver improved infrastructure and services in participating Counties. The programme has been domiciled in the Ministry of Transport, Infrastructure, Housing and Urban Development. The grant has seen the establishment of City and Municipal Boards i.e., Nakuru City Board and Naivasha Municipal Board that are operational. However, the County elevated two Towns to Municipalities i.e., Gilgil and Molo. The Boards will be operationalized and the implementation of the identified projects is on course. The first Phase of the KUSP is coming to an end by 30th June 2023. However, the County expects to benefit from the 2nd phase of KUSP that will be a performance-based grant.
108. The County is working with the State Department of Urban Development in the construction of the Modern bus terminus that is expected to accommodate all the matatus within the City. Further, the County is also working closely with the State Department for Urban Development on the construction of a Ksh. 600-Million Modern multi-storey market under the Trade Department. The market is located at the Old Nakuru Fire Station Grounds.

109. The Department of Lands, Housing and Physical Planning has received funding for the implementation of Phase II of Kenya Informal Settlement Improvement Programme (KISIP) that is expected to be undertaken within the Municipalities.
110. The County is also working closely with Technical and Vocational Education and Training Authority (TVETA) on Curriculum development to implement the Akira-ILO (International Labour Organization) Project, which seeks to train youth on identified skills to enable them meet requirements of the job market and increase employability. The project, known as the "Inclusive Growth through Decent Work in the Great Rift Valley" targets both Nakuru and Narok Counties and it focuses Nakuru on skills required for the Energy Sector (Geothermal Development). The 4-year project is implementable under a Public Private Development Approach, where Counties will be responsible for equipping, employing and training the personnel for the targeted polytechnics. Through this programmes ILO will procure tools and equipment for the selected Vocational Training Centres, carry out capacity building for the VTC instructors and offer placement for internship and job opportunities for the County VTC trainees.
111. The Nakuru County Government is expected to benefit from projects implemented by the National Government including; proposed dualling of Rironi-Mau-Summit highway section, and completion of Nakuru Airport at Lanet by the national government, the Kenya Civil Aviation Authority and the Kenya Airports Authority (KAA) and operationalization of the Naivasha Special Economic Zone.

3.1.3 Inter-County Relations

112. In order to consolidate devolution aspirations, County Governments have been joining forces to form Regional Economic Blocs. Nakuru County is a member of the Central Region Economic Bloc (CEREB) whose membership

consists of 10 Counties, namely: Embu, Kiambu, Kirinyaga, Laikipia, Nakuru, Nyandarua, Nyeri, Meru, Murang'a and Tharaka Nithi. CEREB envisions a region where people can realize their full potential to attain high-quality life. The bloc will also ensure speedy implementation of both County and National projects which will stimulate development within CEREB bloc. To achieve this, CEREB will promote sustainable regional socio-economic development for the welfare of citizens. Some of the realised developments include the revival of the Nairobi-Nanyuki Rail-line and Nairobi-Kisumu old metered Rail-lines. The CEREB seeks to ensure revival of the Gilgil-Nyahururu rail-line in the second phase. Once complete, it is expected to increase economic activities in the Gilgil railway station that's expected to benefit Nakuru county residents and eventually connecting the LAPSET project from Isiolo, Meru, Tharaka Nithi, Embu and back to Sagana as part of the Vision 2030 program. CEREB signed an agreement and a draft blue print for the bloc that will help the leverage economies of scale in the region in order to improve the livelihoods of people in our Counties through joint implementation of projects and programs.

3.2 Cash Disbursement and Expenditure in FY 2021/2022 by Nakuru County

Government

113. The County Government received exchequer releases from the National Government amounting to Ksh. 13.6 billion in FY 2021/2022 against the projected amount of Ksh. 14.4 billion, these depicted a performance rate of 94 percent. This was a 10.9 percent increase from the previous FY 2020/2021 of Ksh. 12.2 billion. The exchequer releases for the FY 2021/2022 comprised of equitable share of Ksh. 13.026 billion and grants worth Ksh 578.9 million. There was an additional Ksh. 5.69 billion fiscal balances from previous fiscal year in the in the CRF.
114. Other revenue sources during the year included Own Source Revenues amounting to Ksh 3.25 billion collection against a target of Ksh 3.38 billion

depicting 96 percent achievement. This comprised of Ksh 1.707 billion own source revenues transferable to CRF and Collections from Hospital fee (Facility Improvement Fees) amounted to Ksh. 1.55 billion.

115. The County total expenditure stood at Ksh 16.89 billion against a revised target of Ksh. 23.51 billion indicating an underspending of Ksh 6.62 billion which translates to 72 percent budget absorption rate. The expended amount comprised of Ksh 15.38 billion by the County Executive, and Ksh 1.51 billion by the County Assembly. The expenditure amount was 18 percent higher than expenditure for FY 2020/21 which stood at Ksh 14.33 billion. The County recurrent expenditure amounted to Ksh 11.63 billion against a target of Ksh 12.85 billion depicting a 91 percent budget absorption rate and an underspending of Ksh 1.22 billion. The development expenditure for the county stood at Ksh 5.26 billion against a target of Ksh 10.66 billion translating to 49 percent of the total development expenditure depicting an underspending of Ksh 5.4 billion. (CBROP 2022).

3.3 Revenue Allocation to the County Governments for FY 2023/2024

116. In the horizontal division of revenue for the fiscal year 2023/2024, County Governments' equitable share of revenue is projected to increase by Ksh. 15.4 billion from the current Ksh. 370 billion to stand at Ksh 385.4 billion. Counties have also been allocated Ksh. 425 million for Transfer of Library Services and Ksh. 7.867 billion to the Equalization Fund. The allocation of equitable share revenue is informed by the following prevailing circumstances:

- a. The proposal to increase the equitable share to Ksh 385.4 billion in the FY 2023/24 is equivalent to 24.5 percent of the last audited accounts (Ksh. 1,573.42 billion for FY 2019/20) and as approved by Parliament. The proposed allocation is in line with the requirement of Article 203(2) of the Constitution;
- b. High level of debt financing, and noting that the overdraft at the Central

Bank is exhausted. The Government has already reduced borrowing by Ksh 119 billion in FY 2022/23 in order to ensure public debt is maintained at sustainable levels;

- c. Priority Government expenditure relating to drought intervention, fertilizer subsidy and the Hustlers Fund;
 - d. In the medium term, sharing of resources will be pegged on the financing constraints and not on the budget. Availability of resources is key and it should be remembered that National Treasury delayed in disbursing Kshs 29.6 billion to County Governments in the FY 2021/22 due to financial constraints; and
 - e. The fact that the National Government continues to solely bear shortfalls in revenue in any given financial year. County Governments continue to receive their *full* allocation despite the budget cuts affecting the National Government Entities.
117. Further, in the FY 2023/2024 County Governments will receive additional conditional allocations from the National Governments' equitable revenue share. These include conditional allocations amounting to Ksh 454 million for construction of County Headquarter, Ksh. 5.9 billion for leasing of medical equipment and Ksh 4.7 billion for the aggregated Industrial Parks programme. Counties will also receive Ksh 33.2 billion from proceeds of external loans and grants.
118. The approved Third Basis formula is informed by the Fourth Schedule of the Constitution that distributes Government functions between the two levels of Government, and complies with the requirements of Article 203(1) of the Constitution. The formula takes into account weighted parameters for health, road, agriculture and population among others as considered and approved by Parliament in September, 2020 and outlined in the table 9;

Table 9: Parameter for Revenue Allocation

No	Indicator of Expenditure Need	Assigned Weight (Percent)
1	Health index	17
2	Agricultural index	10
3	Population index	18
4	Urban services index	5
5	Basic share index	20
6	Land area index	8
7	Rural access index	8
8	Poverty head count index	14
Total		100

Source: BPS 2023

119. In accordance with the approved third basis formula, Nakuru County (Ksh.13.577b) ranks second after Nairobi (20.047B) on equitable share allocation (BPS 2023). Accordingly, Counties will share an estimated Kshs 385 billion which is an improvement of 15 billion of the current fiscal year (which was increased due to revenue growth). The projected Revenue Allocation for each County Government projected in FY 2023/24 is shown in Table 10.

Table 10: Revenue Allocation for Each County Government

S/No.	County	2022/2023					2023/2024					Transfers for Library Services	GRAND TOTAL
		0.5 (Allocation Ratio)		Share-0.5		Total Equitable Share	0.5 (Allocation Ratio*)		Share**-0.5		Total Equitable Share****		
		Allocation ratio	Equitable Share	Allocation ratio	Equitable Share		Allocation ratio	Equitable Share	Allocation ratio	Equitable Share			
		column A	column B	column C	column D	column E = B+D	column F	column G	column H	column I	column J = G+I		
1	Baringo	1.61	2,547,825,000	1.8	3,821,569,592	6,369,394,592	1.61	2,547,825,000.00	1.80	4,092,281,963	6,640,106,963	24,613,310	6,664,720,273
2	Bomet	1.74	2,753,550,000	1.86	3,937,549,118	6,691,099,118	1.74	2,753,550,000.00	1.86	4,216,477,473	6,970,027,473	8,846,856	6,978,874,329
3	Bungoma	2.81	4,446,825,000	2.93	6,212,610,192	10,659,435,192	2.81	4,446,825,000.00	2.93	6,652,699,880	11,099,524,880	6,865,428	11,106,390,308
4	Busia	1.9	3,006,750,000	1.97	4,165,412,009	7,172,162,009	1.9	3,006,750,000.00	1.97	4,460,483,148	7,467,233,148	-	7,467,233,148
5	Elgeyo Marakwet	1.22	1,930,650,000	1.26	2,675,882,480	4,606,532,480	1.22	1,930,650,000.00	1.26	2,865,437,483	4,796,087,483	5,795,078	4,801,882,561
6	Embu	1.36	2,152,200,000	1.4	2,973,043,762	5,125,243,762	1.36	2,152,200,000.00	1.40	3,183,649,363	5,335,849,363	8,163,074	5,344,012,437
7	Garissa	2.22	3,513,150,000	2.08	4,414,062,254	7,927,212,254	2.22	3,513,150,000.00	2.08	4,726,746,603	8,239,896,603	19,694,322	8,259,590,924
8	Homa bay	2.13	3,370,725,000	2.09	4,434,628,300	7,805,353,300	2.13	3,370,725,000.00	2.09	4,748,768,563	8,119,493,563	-	8,119,493,563
9	Isiolo	1.34	2,120,550,000	1.22	2,589,838,265	4,710,388,265	1.34	2,120,550,000.00	1.22	2,773,297,620	4,893,847,620	7,025,011	4,900,872,631
10	Kajiado	2.03	3,212,475,000	2.24	4,742,293,229	7,954,768,229	2.03	3,212,475,000.00	2.24	5,078,229,510	8,290,704,510	-	8,290,704,510
11	Kakamega	3.29	5,206,425,000	3.39	7,182,987,168	12,389,412,168	3.29	5,206,425,000.00	3.39	7,691,818,035	12,898,243,035	19,061,018	12,917,304,053
12	Kericho	1.7	2,690,250,000	1.77	3,740,414,924	6,430,664,924	1.7	2,690,250,000.00	1.77	4,005,380,025	6,695,630,025	16,797,733	6,712,427,758
13	Kiambu	2.98	4,715,850,000	3.31	7,001,675,720	11,717,525,720	2.98	4,715,850,000.00	3.31	7,497,661,080	12,213,511,080	13,607,579	12,227,118,659
14	Kilifi	3.3	5,222,250,000	3.03	6,419,342,941	11,641,592,941	3.3	5,222,250,000.00	3.03	6,874,078,173	12,096,328,173	17,405,946	12,113,734,119
15	Kirinyaga	1.34	2,120,550,000	1.45	3,075,627,952	5,196,177,952	1.34	2,120,550,000.00	1.45	3,293,500,668	5,414,050,668	-	5,414,050,668
16	Kisii	2.46	3,892,950,000	2.36	5,001,324,509	8,894,274,509	2.46	3,892,950,000.00	2.36	5,355,610,518	9,248,560,518	8,557,807	9,257,118,325
17	Kisumu	2.16	3,418,200,000	2.18	4,607,939,240	8,026,139,240	2.16	3,418,200,000.00	2.18	4,934,356,635	8,352,556,635	19,735,914	8,372,292,549
18	Kitui	2.79	4,415,175,000	2.82	5,978,795,413	10,393,970,413	2.79	4,415,175,000.00	2.82	6,402,322,530	10,817,497,530	4,701,081	10,822,198,611
19	Kwale	2.46	3,892,950,000	2.06	4,372,635,516	8,265,585,516	2.46	3,892,950,000.00	2.06	4,682,385,233	8,575,335,233	4,903,510	8,580,238,742
20	Laikepia	1.32	2,088,900,000	1.44	3,047,365,679	5,136,265,679	1.32	2,088,900,000.00	1.44	3,263,236,345	5,352,136,345	15,758,878	5,367,895,223
21	Lamu	0.82	1,297,650,000	0.85	1,807,999,643	3,105,649,643	0.82	1,297,650,000.00	0.85	1,936,075,398	3,233,725,398	20,155,949	3,253,881,346
22	Machakos	2.45	3,877,125,000	2.5	5,285,179,232	9,162,304,232	2.45	3,877,125,000.00	2.50	5,659,571,160	9,536,696,160	-	9,536,696,160
23	Malindi	2.34	3,703,050,000	2.09	4,429,733,562	8,132,783,562	2.34	3,703,050,000.00	2.09	4,743,528,370	8,446,578,370	-	8,446,578,370
24	Mandera	3.23	5,111,475,000	2.87	6,078,907,598	11,190,382,598	3.23	5,111,475,000.00	2.87	6,509,527,663	11,621,002,663	2,737,805	11,623,740,467
25	Marsabit	2.14	3,386,550,000	1.84	3,890,454,032	7,277,004,032	2.14	3,386,550,000.00	1.84	4,166,046,005	7,552,596,005	5,373,662	7,557,969,667
26	Meru	2.54	4,019,550,000	2.59	5,474,307,338	9,493,857,338	2.54	4,019,550,000.00	2.59	5,862,097,458	9,881,647,458	23,880,620	9,905,528,078
27	Migori	2.14	3,386,550,000	2.18	4,618,470,448	8,005,020,448	2.14	3,386,550,000.00	2.18	4,945,635,180	8,332,185,180	3,624,996	8,335,810,176
28	Mombasa	2.23	3,528,975,000	1.91	4,038,379,061	7,567,354,061	2.23	3,528,975,000.00	1.91	4,324,451,288	7,853,426,288	13,732,919	7,867,159,207
29	Muranga	1.99	3,149,175,000	1.9	4,030,980,855	7,180,155,855	1.99	3,149,175,000.00	1.90	4,316,528,643	7,465,703,643	13,019,070	7,478,722,713
30	Nairobi	5.03	7,959,975,000	5.33	11,289,702,414	19,249,677,414	5.03	7,959,975,000.00	5.33	12,089,446,083	20,049,421,083	8,859,455	20,058,280,538
31	Nakuru	3.31	5,238,075,000	3.68	7,788,041,323	13,026,116,323	3.31	5,238,075,000.00	3.68	8,339,733,485	13,577,808,485	14,033,063	13,591,841,548
32	Nandi	1.69	2,674,425,000	2.04	4,316,444,041	6,990,869,041	1.69	2,674,425,000.00	2.04	4,622,212,585	7,296,637,585	5,047,663	7,301,685,248
33	Narok	2.54	4,019,550,000	2.28	4,825,239,456	8,844,789,456	2.54	4,019,550,000.00	2.28	5,167,052,020	9,186,602,020	13,956,754	9,200,558,774
34	Nyamira	1.52	2,405,400,000	1.29	2,729,940,036	5,135,340,036	1.52	2,405,400,000.00	1.29	2,923,324,490	5,328,724,490	-	5,328,724,490
35	Nyandarua	1.54	2,437,050,000	1.53	3,233,394,228	5,670,444,228	1.54	2,437,050,000.00	1.53	3,462,443,023	5,899,493,023	5,730,418	5,905,223,440
36	Nyeri	1.71	2,706,075,000	1.66	3,522,653,555	6,228,728,555	1.71	2,706,075,000.00	1.66	3,772,192,593	6,478,267,593	24,582,673	6,502,850,265
37	Samburu	1.46	2,310,450,000	1.45	3,060,896,037	5,371,346,037	1.46	2,310,450,000.00	1.45	3,277,725,670	5,588,175,670	-	5,588,175,670
38	Siaya	1.83	2,895,975,000	1.92	4,070,532,531	6,966,507,531	1.83	2,895,975,000.00	1.92	4,358,881,008	7,254,856,008	15,637,939	7,270,493,947
39	Taita Taveta	1.34	2,120,550,000	1.29	2,721,624,698	4,842,174,698	1.34	2,120,550,000.00	1.29	2,914,420,018	5,034,970,018	12,335,620	5,047,305,638
40	Tana River	1.85	2,927,625,000	1.7	3,600,783,765	6,528,408,765	1.85	2,927,625,000.00	1.70	3,855,856,540	6,783,481,540	-	6,783,481,540
41	Tharaka Nithi	1.24	1,962,300,000	1.06	2,251,898,593	4,214,198,593	1.24	1,962,300,000.00	1.06	2,411,418,225	4,373,718,225	-	4,373,718,225
42	Trans Nzoia	1.82	2,880,150,000	2.03	4,306,007,670	7,186,157,670	1.82	2,880,150,000.00	2.03	4,611,038,345	7,491,188,345	-	7,491,188,345
43	Turkana	3.33	5,269,725,000	3.47	7,339,580,994	12,609,305,994	3.33	5,269,725,000.00	3.47	7,859,504,195	13,129,229,195	-	13,129,229,195
44	Uasin Gishu	2	3,165,000,000	2.32	4,903,858,318	8,068,858,318	2	3,165,000,000.00	2.32	5,251,239,760	8,416,239,760	20,521,280	8,436,761,040
45	Vihiga	1.47	2,326,275,000	1.29	2,741,081,827	5,067,356,827	1.47	2,326,275,000.00	1.29	2,935,256,075	5,261,531,075	-	5,261,531,075
46	Wajir	2.7	4,272,750,000	2.46	5,201,976,151	9,474,726,151	2.7	4,272,750,000.00	2.46	5,570,474,283	9,843,224,283	19,853,614	9,863,077,897
47	West Pokot	1.58	2,500,350,000	1.79	3,796,934,329	6,297,284,329	1.58	2,500,350,000.00	1.79	4,065,901,868	6,566,251,868	-	6,566,251,868
	Total	100	158,250,000,000	100	211,750,000,000	370,000,000,000	100	158,250,000,000	100.00	226,750,000,000.00	385,000,000,000.00	424,616,047	385,424,616,047

Source of Data: BPS 2023

120. These allocations will be firmed up in the Division of Revenue Act, County Governments Additional Allocations Act and County Allocation Revenue Act (CARA), upon approval by National Assembly and Senate. In accordance with provisions of Section 190 (1) (b) of the PFMA 2012, the Commission presents the determination of each County's equitable share based on the Third Basis for revenue sharing approved by Parliament in September 2020.

121. According to the BPS 2023, the Kshs 429.633 billion allocation to County Governments constitutes of Kshs 385.4 billion equitable share and conditional allocations of Ksh. 33.192 billion. Additional conditional allocations include supplement for construction of County Headquarters of Ksh. 0.454 billion, Leasing of medical equipment Ksh. 5.862 billion, Aggregated Industrial Parks Programme Ksh. 4.7 billion and allocation for loans and grants of Ksh. 33.192 billion. Further there is an increase

122. From the total allocation to Counties of Ksh. 429.633 billion, Nakuru County Government's total projected receipt stands at Kshs 14.564 billion.

3.3.1 Allocation for Equitable Share (Ksh. 13.577 billion)

123. The County will receive a total equitable share allocation of Ksh. 13.577B in 2023/2024, an increment of Ksh. 551 million from the current year's allocation of Ksh. 13.026 billion.

3.3.2 Allocation for Transfer of Library Services (Ksh. 14.033 million)

124. The BPS 2023 has projected a transfer of Ksh. 425 million to County Governments for Library Services. Of this, the County will receive Ksh. 14.033 million. This allocation is on account of library Services which is a devolved function that is yet to be fully transferred. For the next three financial years starting from FY2023/2024, the National Government will transfer to the County resources meant for the Library Services which will be done as part of the County's equitable of revenue. The National Government will adopt a phased

approach in the transfers meaning that the Government will transfer 100% of the allocation in the FY 2023/24, 75% for FY 2024/25 and 25% for FY 2025/26. By the end of the third year, Counties are required to have integrated the staff working in the Library Services into their payrolls.

3.3.2 Allocation for Conditional Grants (Ksh. 983 million)

125. From the BPS 2023, Nakuru County Government's Conditional grants stands at Ksh. 983 million in FY 2023/2024 up from Ksh. 648 million in the current FY 2022/23 depicting an expected increase of Ksh. 335 million. The proposed conditional allocation shall be distributed based on its objectives, criteria for selecting beneficiary Counties and distribution formula determined in the Project Appraisal Documents and respective financing agreements. Conditional allocations include those financed by proceeds of loans or grants from development partners to each County Government, Leasing of medical equipment, Aggregated Industrial Parks programme and allocations for the Construction of County Headquarters to selected counties.
126. The County will receive the aforementioned amount representing proceeds from external loans and grants, for various programmes under Agriculture, Health, Trade, Urban Development and the Environment sector. These include DANIDA, World Bank - Kenya Informal Settlement Improvement Project II (KISIP II), World Bank's Finance Locally-Led Climate Action Program, (FLLoCA) for County Climate Institution Support (CCIS) and County Climate Resilience Investment Grant (CCRIG), NARIG-P, ASDSP II, NAVCDP, KUSP, Kenya Climate Smart Agriculture Project (KCSAP) and Nutritional International. Final allocation details for these grants will be directed by the County Allocation Revenue Act, 2023 and County Governments Additional Allocations Act, 2023.

✓ **Kenya Informal Settlements Improvements Project (KISIP II)-Ksh. 300 million**

127. The KISIP II is a World Bank funded programme aimed at improvement of informal settlements within Nakuru City and Naivasha Municipality. In the Current FY 2022/2023 there is an allocation of Ksh. 200 million. The infrastructure upgrading works will entail; roads, bicycle paths, pedestrian walkways; street and security lighting; vending platforms; solid waste collection and sorting; storm water drainage, water and sanitation and public parks and green spaces. The allocation for the next FY is projected at 300 million.

✓ **The National Agricultural and Rural Inclusive Growth project (NARIG-P)-Ksh.187 million**

128. The NARIG-Project's development goal is to boost agricultural production and profitability in targeted rural areas in chosen Counties and to offer a rapid and efficient response in the event of a crisis or catastrophe. There are four parts to the project: Supporting County Community-Led Development; Strengthening Producer Organizations and Value Chain Development; Project Coordination and Management.

✓ **Agriculture Sector Development Support Programme (ASDSP II) - Ksh. 5 million**

129. The programme's goal is to help actors along value chains that have been given priority while enhancing their capacity for commercialization, sustainability, climate change resilience, and inclusion of disadvantaged groups, particularly women and young people. The program consists of three parts: building a transparent system for better agricultural sector coordination and harmonization, as well as a supportive institutional and policy environment for the implementation of the ASDS; enhancing value chains' social inclusion and environmental resiliency; and promoting the profitable and equitable commercialization of the agricultural sector.

✓ **National Agricultural Value Chain Development Project (NAVCDP)- Ksh. 70 million**

130. Through the World Bank, the approved International Development Association (IDA) finance is designed to support NAVCDP to build on the foundation set by two existing World Bank funded projects. The two projects include the National Agricultural and Rural Inclusive Growth Project (NARIGP) and the Kenya Climate Smart Agriculture Project (KCSAP) and will mostly focus on a subset of farmers drawn from these two projects.

131. The agricultural project will unlock new opportunities for maximizing finance and private sector investments in the nine value chains through a range of value chain investments and other enabling initiatives such as improved subsidy targeting e-vouchers and operationalizing warehouse receipt financing. The project whose selection of value chains and Counties was driven by a multi-dimensional criterion, will also benefit other value chain actors at various levels such as Extension Workers, Aggregators, and Logistics Support Providers and SMEs operating within the value chain.

✓ **Kenya Livestock Commercialization Project (KELCOP) – Ksh. 30 million**

132. The Kenya Livestock Commercialization Project (KELCOP) is a programme which is funded by International Fund for Agricultural Development (IFAD), Heifer International Kenya, Government of Kenya, Participating Financial Institutions and beneficiary communities. The project which is being conducted in select Counties focuses on value chains that have the potential to provide productive employment and food security opportunities for women, youth, and marginalized people.

133. KELCOP aims to increase small-scale farmer incomes and improve opportunities for the rural poor to enable them to increase their output, access markets, and increase their resilience. For the next FY 2023/2024, the programme has an allocation of Ksh. 30 million.

✓ **Aggregated Industrial Parks Programme – Ksh. 100 million**

134. The National Government has been implementing aggregated industrial parks programme across the Country. In order to operationalize this programme, the National Government has allocated to each County Government Ksh 100 million as a conditional grant in FY 2023/24.

✓ **Financing Locally-Led Climate Action (FLLoCA) – Ksh. 136 million**

135. FLLoCA is a World Bank led initiative whose program development objective is to deliver locally-led climate resilience actions and strengthen County and National Governments' capacity to manage climate risks. The program will focus on capitalizing the National and County Climate Change Funds; building County level capacity for planning, budgeting, reporting and implementation of local climate actions in partnership with communities; and strengthening of national level capacity for coordination, monitoring and reporting. The program will be implemented by the National Government in collaboration with County Governments.

✓ **Nutrition International – Ksh. 10 million**

136. Nutrition International has been working with National and County Governments in the Country to support research, policy development and the implementation of low-cost, high-impact interventions on improving nutrition across the Country. The programme focuses on providing support to coordination and delivery of multisectoral nutrition interventions at County level, supporting Counties in developing their own nutrition action plans, improving maternal nutrition, promoting neonatal survival and providing technical and financial support to Government for a coordinated strategy for the development of and capacity building for maize flour fortification. For the next financial year, the programme has been allocation Ksh. 10 million.

IV. 2023/2024 BUDGET FRAMEWORK AND THE MEDIUM TERM

4.1 Fiscal Framework Summary

137. The County Government will be implementing the 3rd CIDP during the MTEF 2023/2024 – 2025/26 period and thus the fiscal framework for FY 2023/24 is based on that background. The fiscal framework will be guided by the development agenda as highlighted in the CIDP (2023-2027), MTP IV, ADP 2023/2024 and County Government priority policy strategies as laid out in this CFSP 2023.

4.2 Revenue Projections

138. Revenue projections for FY 2023/24 amount to Ksh. 18.174 billion. This includes; Ksh. 13.577 billion from the CRA equitable share, Ksh 3.6 billion from the County own source revenue collections and Ksh. 997 million being from conditional grants. The total revenue projections are a 6 percent increase from FY 2022/23 approved projected revenue excluding balances in the County Revenue Fund.

139. The actualisation of the revenue projections will be achieved by among other through; timely release of funds from the national exchequer, timely release of conditional grants and successful implementation of the revenue enhancement strategies laid in chapter 1 of this CFSP 2023 and the CIDP 2023 -2027.

4.3 Expenditure Projections

140. The County Government purposes to maintain a balanced budget with the expenditure equalling the revenue projections. The projected expenditure will thus total Ksh. 18.174 billion. The expenditures will comprise of Ksh 12.291 billion (67.6 percent) for recurrent expenditure and Ksh 5.883 billion (32.4 percent) for development expenditure.

141. Compensation to employees will total Ksh 7.26 billion (40 percent) making the County wage bill exceed the 35 percent ceiling envisaged by Section 25 of the PFM (County Governments) Regulations, 2015. The growth in the wage bill is expected to rise further in the medium term with planned HR reforms that include implementing planned promotions, replacing of staff who exited service without replacement and hiring of new staff.
142. The development expenditure will include Ksh 1.65 billion (47 percent) for the Ward Development Kitty as required by the Nakuru County Revenue Allocation Act, 2018 which requires that an allocation of not less than 45 percent of the development budget, excluding conditional grants, be allocated for Ward based projects.

4.4 Deficit Financing

143. The projected revenues equal the projected expenditure and thus the projected deficit is nil. Although the PFM Act 2012 allows for borrowing to undertake development projects, the County Government does not envisage borrowing in FY 2023/24. The projected expenditures are expected to be funded by the County OSR, transfers from the National Government and approved grants.

4.5 Fiscal and Structural Reforms

144. In line with the Urban Areas and Cities Act 2011 (amended 2019) Nakuru County established two more Municipalities i.e., Gilgil and Molo Municipalities and issued them with Charters. These Entities will require funding to operationalize them during the medium term.
145. To enhance its revenue value chain, the County Government is committed to implementing ongoing fiscal reforms. This includes among others; revenue mapping, updating the revenue database, and improving the County Integrated Financial Operations Management System (CIFOMS). By

streamlining the licensing process through the unification of licenses into a single business permit, the County aims to reduce the barriers to starting a business, encourage entrepreneurship, and ultimately drive job creation within the County.

146. The County is implementing a range of measures aimed at improving the planning process, increasing the availability of data and statistics, strengthening reporting mechanisms, and enhancing project implementation and budget execution. These include the operationalisation of the Sub County COMECs, operationalisation of a statistical unit, the continuous improvement of the County reporting framework, and the implementation of project management best practices. This will help the County to improve the efficiency and effectiveness of its development projects, ensuring that resources are allocated and used in a manner that maximizes the impact on the local community, data-driven decision making and evidence-based approaches to inform its planning and decision-making processes, to ensure that its development projects are effective and impactful.

147. Over the past years there has been a challenge in execution of development budget leading to low absorption rate, this has majorly been attributed to procurement issues and delayed disbursement of funds from the National Treasury. The County has initiated measures to address the procurement issues by increasing work force in the Directorate of Roads and Public Works that deals with preparation of bills of quantities.

4.6 Overall Budget Financing

148. The fiscal policy over the medium-term prioritizes the enhancement of revenue mobilization from both tax and non-tax sources. To achieve this goal, the County Government will implement strategies that simplify the payment process and encourage timely payment and enforcement of rates. Additionally, the County Government will continue seeking partnerships with

private organizations, development partners and the community to secure non-tax funds necessary for development initiatives.

149. The budget is projected to be balanced and there are no plans to incur new debt in the 2023/2024 fiscal year. Going forward the County will finalize the process of County Creditworthiness Initiative (CCI) in collaboration with World Bank, Bill and Melinda Gates Foundation and Commission on Revenue Allocation to enable the County to borrow for development initiatives. With these measures in place, the county government aims to achieve a sustainable and robust fiscal position, which will in turn support the implementation of its development programs.

4.7 FY 2023/2024 and Medium-Term Budget Priorities

150. The County Government continues to pursue its mission of formulating citizen-oriented policies and promoting sustainable socio-economic and technological development. To achieve this goal, the County government will actively implement its programmes and sub programmes, flagship projects and other development initiatives outlined in the CIDP 2023-2027, ADP 2023/2024, as well as other County policies.

151. The County Government recognizes the need for fiscal responsibility and is committed to allocating its resources in a transparent and accountable manner. By focusing on the most critical objectives and prioritising programs and sub-programs, the County Government is determined to minimize costs, eliminate duplications and inefficiencies, and advance equity. In doing so, the government aims to create employment opportunities, improve services, and elevate the general welfare of its citizens.

152. The policy strategies guiding resource allocation into FY 2023/24 and the medium term include:

- I. Leveraging on growth in productive sectors
- II. Promotion of access to quality and affordable healthcare services

- III. Operationalisation and expansion of County physical and social infrastructure
- IV. Creating enabling environment for social economic recovery and private sector growth
- V. County public service reforms, enhancing governance, transparency and accountability

4.8 Criteria for Resource Allocation

153. Resource allocation between the National Government and County Governments is guided by Articles 201, 202 and 203 of the Constitution of Kenya 2010 which requires that at least 15 percent of national revenue shared equitably with the County Government. The Commission for Revenue allocation thus recommended that Ksh 385 billion be shared using the third basis formula which was approved by the Senate.
154. The PFM Act stipulates that a minimum of 30 percent of County revenue to development. The Nakuru County Revenue Act also requires that 45 percent of development allocation from the equitable share be set towards Ward development budget. This CFSP has complied for the MTEF period.
155. Allocations from the equitable share according to the BPS 2023 amounts to Ksh 13.577 billion. Projected grants are expected to total Ksh 997 million and collections from own source revenue are projected to total Ksh 3.6 billion of which Ksh 1.7 billion is projected FIF collections.
156. The criteria guiding the allocation of resources for the MTEF 2023/2024 - 2025/2026.
 - I. Programmes supporting economic recovery and sustainability
 - II. Linkage of the programmes with the priorities of the CIDP 2023-2027, Annual Development Plan 2023/2024 and other county plans.
 - III. Programmes addressing the core mandates of the respective Sectors and Sub Sectors.

- IV. Ward project allocations in compliance with Section 4 of the Nakuru County Revenue Allocation Act 2018 to support community-initiated projects for equitable development.
- V. Completion of on-going and multi-year projects and operationalisation of completed projects/programmes.
- VI. Payment of outstanding pending bills/debts

4.9 Details of Sector Priorities

157. The Sector ceilings for the MTEF period 2023/2024-2025/2026 is based on the above discussed resource allocation criteria and the highlighted key strategic policies in Chapter two. Detailed sector and sub sector priorities, including programmes and their expected output are discussed below.

Agriculture, Rural and Urban Development Sector

158. The Agriculture Rural and Urban Development Sector comprises of Agriculture, Livestock, Fisheries, sub sector, Naivasha Municipality sub sector, Nakuru City sub sector and Lands, Physical Planning and Housing sub-sector.

Agriculture, Livestock and Fisheries Sub Sector

159. Agriculture, Livestock and fisheries as a sub sector is expected to play a significant role in contributing to economic and social development through enhancing food security; income generation; employment and wealth creation; foreign exchange earnings, management of crop pest and disease, promotion of livestock enterprises, development of fisheries among other roles.

160. During the MTEF 2019/20-2021/22 period, the sub sector was implementing a number of programmes namely; Administration, Planning and Support Services; Livestock Resources Management and Development; Fisheries Development and Management and Crop Production and Management.

161. Under Administration, planning and support services, the sub sector through ASDSP II programme conducted capacity development training for both the extension officers and the fish value chain actors, trained 26 fish value chain organisations in various aspects of fisheries management and establishments of demonstrations ponds and cages.
162. During the same period, some of the deliverables undertaken under livestock Resource Management and Development Programme included Procurement and distribution of over 60,000 one month old improved kienyeji chicks for several farmer groups in the county, distribution of 133 poultry incubators (176 and 528 eggs capacity) with 133 backup generators and voltage stabilizers with 39,948 fertilized eggs where 111 farmers and one community-based organisation benefited from poultry incubators. In order to ensure dairy value addition, the directorate supported the purchase and distribution of milk pasteurizers, cooling system and dispensers for 4 dairy cooperative societies, Procured and distributed 282 dairy goats to various farmer groups as well as livestock feed improvement through procurement of 2 (0.5 tons capacity) feed mixtures. In addition, 126 farmer groups were supported on assorted farm inputs including distribution of 117 spray pumps to 29 farmers, 35 stainless steel milk cans were supplied to Elementaita Inua Hustler Dairy Cooperative, 180 bee hives and 30 bee suits for 30bee keeping groups and 10 manual honey extractors for 4 bee keeping groups, 1033 spades distributed to 81 farmer groups across the Wards and 45 gumboots distributed to 10 farmer groups. In order to curb livestock diseases, 21 AI kits were distributed to active Dairy Cooperatives and a county-wide livestock vaccination initiated against the common livestock diseases.
163. The Sub sector through Crop Production and Management Programme endeavours to ensure food security through various interventions. During The MTEF Period 2019/20-2021/22, the sub sector was able to construct four tea buying centres, installed five greenhouses, established 10 additional plant

clinics to aid in plant protection services, supplied 14,020,900 pyrethrum seedlings worth over Ksh. 45M to over 2,540 farmers covering 635 acres of land as well as promotion of Macadamia Farming through procuring and distribution of 14,000 macadamia seedlings to 700 farmers.

164. Under Fisheries Development and Management, the sub sector endeavoured to ensure increased fish productivity through Restocking of public dams with 150,000 tilapia and 3,343 catfish fingerlings across the county at the cost of 2M, Procurement and stocking of 191,666 fish fingerlings in Lake Naivasha and Lake Solai at the cost of Ksh. 2M, construction and expansion of fish ponds across the county, Purchase and supply of fishing equipment; nets, hooks, life savers, boats among other.

165. Going forward into the next MTEF 2023/24-2025/26, the subsector has prioritized programmes and sub- programmes intended to facilitate attainment of food security, sustainable management and utilization of land and development of fisheries in the county. To enhance livestock productivity, the subsector intends to Procure and distribute milk coolers, bee hives, and egg incubators to the farmers. Further, the subsector is committed to providing certified breeds of livestock as well as enhancing artificial insemination. To enhance fish productivity, the subsector will continue to construct more fish ponds, improve on farmers training on fish rearing, restocking of the existing lakes, dams and ponds with fish fingerings as well as availing fishing equipment to the farmers. Food security will be enhanced through various interventions including; of certified seeds to the farmers, integration of climate change initiatives, farmers' trainings to educate the farmers on crop management as well as Procuring and distribution of farm equipment to the farmers. In order to achieve this, the subsector has been allocated a budget of Ksh. 963,287,910, Ksh. 1,059,616,701 and Ksh. 1,165,578,371 in the medium term 2023/2024-2025/ 2026.

Land Housing and Physical Planning

166. The Sub Sector plays an important role in the socio-economic development of Nakuru County given that its operations revolve around land, a key factor of production. The Lands sub sector contains three Programmes namely; Administration, Planning, Management and Support Services, Land Use Planning and Survey and Development and Management of Housing.
167. During the MTEF period 2019/2020, 2020/2021 and 2021/2022, the subsector undertook the following interventions: Report on elevation of Nakuru Municipality to city status was finalized and adopted by the Senate of Kenya and City status was achieved on 1st December, 2021, developed the subsector service charter and undertook elevation of Gilgil and Molo Towns to municipal status.
168. Under the Directorate of Land and Physical Planning through Land Use Planning and Survey programme, the directorate undertook the following deliverables; the preparation of the County spatial plan (2019-2029) where it was approved by the County executive and adopted by Nakuru County Assembly. The Lands information Management System (LIMS) is at 80% complete and awaits the acquisition of a server and connection to the County revenue system. Approximately 5,250 development applications were received and processed, eleven (11) survey equipment were procured including 3 GPS (RTK), 3 Total station and 5 Hand held GPS 5. Further, physical and land use development plans for twenty-nine trading centres were prepared and approved.
169. Under Development and Management of Housing, Feasibility study for Naivasha affordable housing project was completed and approved by the Cabinet with a potential of providing 2,300 housing units through PPPs. On maintenance of county estates, the subsector has managed to renovate various estates namely; Flamingo, Naivasha, Kimathi, Paul Machanga, Moi,

Baharini, Nakuru Press and Kaloleni A, the bulk of these renovations being in reroofing of dilapidated units.

170. During the next Medium Term Budget Expenditure Framework period 2023/24-2025/26 the subsector plans to focus on key interventions that will help deliver on its mandate. Following the approval of the County spatial plan (2019-2029) by the County assembly, focus will now shift on its implementation to ensure that all county resources are exploited in an efficient and sustainable manner. The subsector plans to finalize the approval of the valuation roll to ensure effective valuation of property and the imposition, payment and collection of property rates in Nakuru County. The sub-sector will prioritise operationalization of the Land information Management system and planning and surveying all urban centres within the County as well as county estates.
171. The Sub-sector will implement the KISSIP II programmes that aims to upgrade infrastructure in the informal settlements. This programme has an allocation of Ksh.200 million in the current budget FY 2022/23. The subsector intends to continue rehabilitating various county estates to improve their living conditions. Noteworthy, focus will be on upgrading sewer connections, house renovations, construction of ablution blocks and fencing.
172. To cut down building costs, the subsector plans to continue investing on the Alternative Building Materials Technology initiative by operationalizing all ABMT centres within the county and conducting continuous training to relevant stakeholders. The subsector intends to have an ABMT centre in every Sub-County as well as come up with an ABMT policy that will ensure increased adoption of the new building technology. Further, the subsector plans to deliver on its affordable housing plan in Naivasha which upon completion will offer 2300 affordable houses to Naivasha residents. This will be achieved through PPPs. In order to implement the earmarked projects and programmes, the sub sector has been allocated a budget of Ksh 577,769,374, Ksh

635,546,312 and Ksh 699,100,943 for the MTEF period 2023/24 to 2025/26 including Ksh 20 million for operationalization of Molo and Gilgil Municipalities.

173. **Naivasha Municipality** was created as per the requirements of the Urban Areas and Cities Act 2011 which provides the criteria for a Town to be upgraded to a Municipality. During the MTEF period 2019/20-2021/22, the sub sector rehabilitated board office, undertook 10 staff trainings, and installed 280m of cabros Naivasha Municipal Park which is at 90% completion. The municipality was also able to develop Integrated Solid Waste Management Plan, completed Naivasha wholesale market phase 1 while phase 2 is ongoing, trained and organized workshops for Board Members & developed and adopted IDEP.

174. The key priorities in the next MTEF period include; Increase the number training and workshops conducted, enhance Human Resource Productivity, tarmacking of 25KM of Roads, 20 KM Roads and storm water drainage in Naivasha Municipality, construction of 10 parking lots, construct 17KM NMT, Installation 40 number of Street Lights, expanding urban green space by planting over 8,000 trees (Kenyatta Garden rehabilitation), procurement of two no. skip loader and construction of fire station. The sub sector has been allocated Ksh 96,337,464, Ksh 105,971,210 and Ksh. 116,568,331 for the period.

175. **Nakuru City** was awarded the City status on 1st December 2021 after having complied with the requirements stipulated under the Urban Areas and Cities Act, 2011. It covers 11 wards of Nakuru East and Nakuru west Sub-Counties. The development undertaken by Nakuru City is largely funded by the World Bank under Kenya Urban Support Programme – Urban Development Grant (UDG). Under the MTEF Period, 2019/2020- 2021/2022, the City was able to implement infrastructure projects among other achievements. Approximately 4.5 Km of roads have been rehabilitated, NMT done on

approximately along 1 km of road among others. The performance of the City projects is as follows; Rehabilitation of Afraha Stadium Phase 1 (On-going)-44%, construction of Free Area Loop Road 1.2 KM is ongoing, Completed construction of NMT, provision of street lighting and CCTV cameras along Kenyatta Avenue, Mburu Gichua and Moi Road 1 KM, CBD street lighting and repair works and Top Market floor rehabilitation.

176. During the next MTEF period, with budgetary allocation of Ksh 109,508,504, Ksh 120,459,354 and Ksh 132,505,290 excluding conditional grants, the sub sector plans to complete the refurbishment of Afraha Stadium Phase 1, tarmacking of 12 km of roads and also recruit 13 more staff. The department also intends to develop an Integrated Strategic Urban Mobility Plan (ISUMP) and also rehabilitate a total of 9.5 km of storm water drainage.

Environment Protection, Water and Natural Resources

177. The Environment Protection, Natural Resources and Water Sector performs the following functions namely; enforcement of environmental management laws, Waste management, refuse removal, refuse dumps and solid waste disposal. Pollution Control on lentic-lotic ecosystems, air, land, noise and excessive vibrations and other public nuisance, Identification and development of renewable sites and green energy opportunities for development.

178. During the Medium-Term Budget Expenditure Framework 2019/20-2021/22 period, the sector adopted the Integrated Solid Waste Management (ISWM) model and circular economy through promotion of waste recovery approaches, this has enhanced waste collection and disposal. This was realized through involvement and up scaling of private sector in waste management, continued government investment in waste management infrastructure through purchase and fabrication of 3 No skip loaders, purchase of 25-acre sanitary landfill, purchase of 16 No. Waste skip bins, purchase and

installation of 546 number of litter bins. The sector also to planted 941,352 number of trees of various species within the County in collaboration with partners for the purposes of increasing the forest cover. The sector rehabilitated County recreation sites and open spaces to give them a facelift, implemented greening and beautification project covering Nakuru town municipality. Further the Environment sub-sector made these achievements in policy formulation; gazettment of Nakuru County Waste Management Act 2021, Nakuru County Climate Change Act 2021, and Nakuru County water and sanitation act 2021 dated 17th May 2021 and Nakuru County climate change fund regulations. Establishment of climate change champions drawn from various department and ward/Sub County with the aim of mainstreaming climate actions and green building technology into departmental plans and programmes.

179. The Water Subsector during the MTEF period FY 2019/20-2021/22 implemented 388 No. water projects that contributed to increased water accessibility through 84 No. borehole drilling; 79 No. borehole equipping with solar; desilting of 10No. Dams/ water pans, protected 7No. Springs and rehabilitation of 186 No. Water projects and construction of 22 No. new water projects.

180. During the next Medium Term Expenditure Framework 2023/24-2025/26, the sector prioritizes on the following programmes; Administration Planning & Support Services, Water & Sewerage Management, Environmental Management, County Energy, Planning, Regulate, Operation & Development.

181. In order to ensure effective and efficient service delivery, the sector plans to recruit, train, promote as well as capacity build the staff. Some of the interventions geared towards ensuring enhanced supply of potable water and improved sanitation within the county include drilling, equipping and solarisation of boreholes; Construction, desilting and rehabilitation of new and existing dams and pans as well as protection of springs. In the view of

achieving a sustainable environment, the sector intends to undertake environmental education and awareness, implementation of the Nakuru County Climate Change Act 2021, purchase of skip loaders and litter bins among other.

182. The sector budgetary allocation that will ensure implementation of the earmarked programmes/projects totals to Ksh 635,385,581, Ksh 698,924,140 and Ksh 768,816,554 for the financial years 2023/24-2025/26 respectively.

Energy, Infrastructure and Information, Communication and Technology Sector

183. The Sector is comprised of two subsectors namely; Infrastructure sub sector and ICT & E-Government sub sector.

184. The **ICT & E-Government** sub sector comprises of three programmes namely, Administration and Planning Services, Information and Communication Services as well as ICT Infrastructure Development. During the MTEF period 2019/20-2021/22, the subsector endeavoured to implement some of the Priorities prioritized for the period under its programmes. Some of the deliverables made during the period include establishment of 5 digital centres in Kagoto, Njoro, Rongai, Shabab, and Menengai, procuring of a total of 326 ICT equipment and other accessories were procured to improve service delivery within the department.

185. The subsector has continued to provide advisory and support to other departments in the procurement of systems and automation of government services such as Revenue Management System and the Land Integrated Management System through provision of specifications.

186. The sub-sector was able to install CCTV cameras in two digital centres, that is, Menengai and Shabab; and installation of firewall license at the Data Centre to improve security. During the same period, a draft ICT policy document was prepared and submitted to the County Assembly for approval.

187. During the MTEF period FY 2023/24- 2025/26 the subsector intends to implement various projects cutting across all programmes. These will include: improving public digital literacy through establishment of digital centres at sub-county level; installation of solar system to reduce cost of electricity and blackouts; extension of fibre optic connectivity in the sub-counties and installation of other ICT infrastructure across the County. The subsectors for the MTEF period 2023/24-2025/26 has been allocated Ksh 64,657,010, Ksh 71,122,712 and Ksh 78,234,983 respectively.

188. During the MTEF period under review, **Infrastructure** sub sector implemented Boresha Barabara programme where 86Km of roads were gravelled and 472Km of roads graded. In addition, 236Km of roads were gravelled under contracted works and 17.27 Km of roads were tarmacked. In order to improve transport infrastructure, the sub sector constructed 72 motorcycle/ boda-boda sheds as well as construction of 34 motor able footbridges. Improved security lighting was enhanced through installation and maintenance of 4,342 street lights. With the aim of enhancing disaster preparedness, the subsector constructed, equipped and operationalized the Nakuru Headquarter fire station as well as recruitment of 10 fire-fighters.

189. In the next Medium Term Expenditure Framework 2023/24-2025/26, the subsector intends to undertake several interventions under the prioritized programmes. During the period, the Subsector will implement the following three Programmes: 1: Administration, Planning and Support Services, 2: Infrastructure, Development and maintenance, 3: Firefighting and disaster management.

190. The sub-sector under the Administration, Planning and Support Services, intends to recruit a total of 67 staff and train 210 staff. Under Infrastructure, Development and maintenance, the department targets to tarmac a total of 20Km of new road networks, grade 2,450Km and gravel 2,120 Km of roads;

construct 25 footbridges, construct 52Km of new drainage network and maintain 40Km of existing drainages. It also targets to rehabilitate 8 and construct 6 new bus parks, construct 65 bodaboda sheds, install 810 new streetlights and maintain 2,400 streetlights.

191. Under Fire fighting and disaster management, the department intends to construct 3 fire stations, The Sub Sector will be implementing a budget amounting to Ksh 824,940,563, Ksh 907,434,619 and Ksh. 998,178,081 for the FY 2023/24, 2024/25 and 2025/26 respectively.

Education Sector

192. This sector has two Directorates; Education and Vocational training. The role of the sector is to provide quality pre-primary education and to impart technical skills and appropriate science and technology to youth trainees with a vision of a globally competitive education, training, research and innovation for sustainable development and a mission to provide, promote and coordinate quality education and training.

193. During the MTEF period 2019/20-2021/22, the Directorate of Education improved access to education through construction of 443 ECE classrooms, establishment of 2 Centres of Excellence, procured and distributed ECD instructional materials to all public ECE Centres, procured age-appropriate furniture to 477 classrooms in ECD Centres and trained all Sub-County ECE coordinators on Report Writing and Senior Management Course. Further the department recruited 422 ECE teachers. The Directorate of Education facilitated the roll out of bursaries worth Ksh.468 million benefiting 124,491 needy students in both Secondary and Tertiary Institutions across all the 55 wards.

194. During the MTEF period 2019/20-2021/22, the Directorate of Vocational Training recruited 46 instructors on permanent basis, constructed 5 Vocational Training Centres spread across the County, 3 administration blocks and a

storey building at Njoro VTC. In the same period, the directorate procured tools and equipment worth Ksh 30 million benefiting 33 VTC`s spread across the county.

195. Going forward into the next MTEF period, the education sector intends to undertake disbursement of bursary to needy students and roll out the school feeding programme, Integration of ICT and e-Learning in ECD Centres as well as construction, equipping and operationalisation of ECD Centres (age-appropriate furniture& fixed play-equipment). The Vocational Training Directorate has prioritized the construction of hostels at the VTCs resulting from the increased enrolment rate as well as undertaking construction and equipping of VTC Centre of Excellences. The allocated budget for the education sector amounts to Ksh 1,071,445,825, Ksh 1,178,590,408 and Ksh 1,296,449,448 in the FY 2023/24, FY 2024/25 and FY 2025/26 respectively.

General Economic and Commerce Affairs Sector

196. General Economic and Commercial Affairs sector comprise of the department of trade, industrialization, cooperatives and tourism. During the MTEF 2019/2020-2021/2022, the sector had various achievements under its various programmes including; rehabilitation of 36 markets, construction of 27 new markets, Partnered with National Government and World Bank to construct Multi-Storey Markets in Nakuru & Naivasha respectively. Further, the trade directorate developed a draft Market Management Policy. Four acts and Five Regulations were approved and published i.e., Cooperative Development Revolving Fund Act 2020 and its Regulations 2021, Tourism and Marketing Act 2020 and its Regulations 2021, Nakuru Enterprise Fund Act 2020 and its Regulations 2021, Trade Act 2020 and its Regulations 2021 and Alcoholic Drinks Control Regulations 2021. The Directorate also partnered with Micro Enterprise Support Program Trust to develop all County markets and Eastern Africa Grain Council to develop Naivasha (Karai) Smart market. On consumer

protection and improvement of fair-trade practices the County Unit of weights and measures calibrated 11,960 weighing and measuring instruments and inspected 41 business premises.

197. On Trade Development the subsector participated in nine Exhibitions. It also supported the MSMEs through business development services, linking MSMEs to local and external markets and continued training MSMEs on business skills and establishing collaboration with Strathmore University / USAID to establish a business development centre.
198. The Directorate of Tourism promoted local tourism by holding nine key events and activating 10 tourism sites. The Cooperatives Directorate revived 9 dormant cooperatives, supported 4 cooperatives with value addition equipment, and facilitated the growth and development of cooperatives by holding trainings on enterprise development, governance and compliance. The Directorate of Alcoholic Drinks and Control collected revenue worth Ksh157 million and supported 11 Sub County liquor licensing regulation committees and County Liquor Licensing Review Committee.
199. Going into the next Medium Term Budget Expenditure Framework 2023/24-2025/26, the sector prioritizes to undertake various interventions across its programmes. Under administration, the Department seeks to recruit 45 staffs, promote 35 and train 75 staff. The Trade Directorate will among other activities rehabilitate 10 markets and construct six (6) new markets, carry out MSMEs training, hold 12 Trade Exhibition, establish one business incubation/ Enterprise centre, Map the revenue generation potential in markets, and undertake consumer Protection through inspection of business premises and Verification of Weighing and Measuring instruments. The Cooperative Directorate intends to revive six (6) marketing cooperatives, develop one (1) cooperative marketing strategy & County cooperative policy, County Cooperative Act and Regulations, support nine (9) marketing cooperatives with value addition equipment, promote women, youth and PWDs in cooperative leadership

positions. The Tourism Directorate plans to promote tourism by holding eight (8) Tourism events and activating 11 tourism sites, and market Nakuru County as a Tourism destination. The Alcohol Drinks Control Directorate over the medium term intends construct one (1) rehabilitation centre in collaboration with the Department of Health and other stakeholders, and establish the Alcoholic Fund, while the County bus terminus directorate will construct two (2) bus termini and rehabilitate three (3) termini. The Medium-Term Budget 2023/24-2025/26 allocated to the sector amounts to Ksh 411,503,737, Ksh 452,654,111, Ksh 497,919,522 respectively.

Health Sector

200. Health sector is one of the major sectors in the county and comprises of two divisions i.e., Public Health Services and Medical services. The Health Sector implements three major Programmes namely: Administration and Planning, Public health and sanitation and medical services.
201. During the medium the sector recruited 96 health care workers, enhanced sanitation and public health through various interventions. Increased uptake of family planning services from 55 percent to 66 percent. The percentage of deliveries by Skilled Birth Attendant increased to 90 percent. Additionally, the percentage of women of reproductive age screened for cervical cancer was 36 percent. During the MTEF Period, there was a policy shift from childhood immunization to vaccination across life which saw the introduction of HPV and covid 19 vaccinations. So far, the number of fully vaccinated against Covid-19 in Nakuru County stands at 545,985 which is 42.9 percent of the target population. The performance for routine childhood vaccines remained at 93 percent. Drugs, non-pharmaceuticals and laboratory reagents worth Ksh. 801,755,673.90 were procured and delivered to all public health facilities. This allocation was way below an annual target of Ksh 1.4 billion. Level IV and V

hospitals procured some commodities from local suppliers, but this was only occasioned by absence of the commodities at KEMSA and MEDS.

202. During the next Medium Term Budget Expenditure Framework (2023/24-2025/26), the health sector intends to reduce inequalities envisaged in health services, ensure improved oncology services, and enhance community services as well as ensuring Universal health coverage. Further, in order to ensure enhanced service delivery, the sector intends to fully automate health services, expand and operationalize new facilities, recruit and promote more staff as well as upgrading health facilities. In addition, the sector is intending to operationalize County blood donation/collection services and establishment of County blood donation and transfusion centre, provide adequate drugs and non-pharmaceuticals, strengthening of Community Health Strategy, equipping new facilities and maternities, as well as Infrastructure Upgrading in Molo, Njoro, Langalanga, Mai Mahiu, Olenguruone and Upper Solai. In order to implement the prioritized programmes/ projects, the Sector has been allocated Ksh 6,839,638,736, Ksh 7,523,602,609 and Ksh 8,275,962,870 in the FY 2023/24, FY 2024/25 and FY 2025/26 respectively.

Social Protection Sector

203. The Social Protection and Recreation sector has four directorates that include Youth, Gender & Culture, Sports and Social Services. During the MTEF period 2019/20-2021/22, the sectors Key achievements included initiation of performance contracting, undertaking trainings, construction and equipping of facilities, Purchase and distribution of uniforms, equipment, tools of work as well as mobility and assistive devices. Further, the sector signed various MOUs, developed policies, regulations as well as adopting some bills.

204. During the Medium-Term period 2023/24-2025/26 the department prioritizes to implement four programmes. Under Administration, Planning and Support Services Programme, the sector intends to: develop departmental strategic

plan and implement it in the subsequent years, recruit, promote and train staff, purchase of motor vehicles as well as improve ICT infrastructure within the sector. the sector will undertake construction of a sexual and gender-based violence rescue centre, enhance social welfare through completion of the remaining works at OVC -Njoro home craft and its operationalization, renovation of old rooms at Alms House and equipping of completed social halls.

205. Sports directorate has prioritized to develop, rehabilitate and upgrade sports infrastructure, promote sports talents and nurture them through tournaments/competitions and supporting teams, utilization of sports funds in supporting various teams throughout the county and finalizing the sports policy and regulations.

206. The youth empowerment and participation programme has prioritized to establish four production hubs namely: textile and garments, construction, packaging and furniture. Further, the programme aims at developing and implementing Nakuru County Youth Policy, enact Nakuru County Youth Engagement Service and operationalize the youth service.

207. The sector's budgetary allocations that will ensure implementation of the prioritized programmes and projects amounts to Ksh. 374,097,097, Ksh 411,506,807 and Ksh 452,657,487 for the next three financial year.

Public Administration and National/International Relations Sector

208. This sector comprises sub sectors namely; Office of the Governor & Deputy Governor, The County Treasury, Public Service, Training and Devolution, County Public Service Board, Office of the County Attorney and County Assembly of Nakuru.

209. The mandate for the **Office of the Governor and Deputy Governor** comes from the Constitution of Kenya 2010. The Sub Sector is responsible for resource organization, management, and accountability to improve quality service

delivery in Nakuru. It also creates a positive work environment and fosters mutual relationships between the County Government and its internal and external stakeholders, as well as promoting peace, democracy, good governance, unity, and cohesion within the county. Over the MTEF period 2019/20-2021/22, all 10 County Executive Committee members were appointed to head the various Departments. The Sub Sector also released 55 press releases conveying communiqués the Sub Sector. The Sub Sector organized and held at least 32 regular Cabinet meetings during which matters affecting the County were discussed. At least 18 Cabinet Memos were delivered relaying policy decisions made by the Cabinet. The Sub Sector was also able to commence construction of an Office Block at Milimani Offices.

210. During the 2023/2024-2025/2026 MTEF period, the subsector will be implementing a budget of Ksh 472,098,010, Ksh 519,307,811 and Ksh 571,238,592 focusing on its programs in light of its past accomplishments. It will aim to enhance its performance by directing its implementation in a way that improves it. The Sub Sector will complete the ongoing construction of the Milimani annex office block and equipping. The Sub-sector will guide the County Government towards the third administration, consistent with the requirements of Devolution.

211. **The County Treasury** Sub Sector is comprised of five directorates namely; Internal audit, Supply Chain Management, Economic Planning, Finance and External Resource Mobilization. The sub sector is mandated to carry out as to monitor, evaluate and oversee the management of public finances and economic affairs of the County Government. Further mandates include to coordinate the preparation of the annual budgets; guide and control implementation of the same. Other obligations include; management of County public debt; mobilisation of County financial resources for budget needs both locally and externally; preparation of financial statements as well

as being the custodian of government assets; developing and implementing financial & economic policies in the County; providing leadership in County in the acquisition and disposal of public assets.

212. During the MTEF 2019/20 – 2021/22 the Sub Sector continued construction of County Treasury building to 34 percent; provided capacity building opportunities for its' staff including training in budget preparation, financial reporting, Planning, Promotional courses such as Senior Management Course, Strategic Leadership Management Programme, Supervisory among others; Acquired a new revenue system CIFOMS to improve efficiency in revenue collection; and had all County departments using automated financial systems. Further, the County Treasury recruited 91 staff consisting of economists, accountants and finance officers and recommended staff due for promotion so as to improve its Human resource productivity. The sub-sector also published all the County Treasury documents on the County's website in compliance with the requisite laws requiring publication and publicization of the documents. The sub-sector adhered to the legal framework and guidelines governing public finance management by timely preparation of Budget Circular, CBROP, CFSP, Sector reports and Budget estimates; preparation of the annual procurement plan and quarterly procurement reports; Annual Financial Statement and quarterly financial reports. The subsector also strengthened the planning function through operationalization of County planning offices by deploying staff to all County departments; conducted M&E activities; tracked implementation of the Nakuru County CIDP by producing a MTR document; prepared three ADPs.

213. The County Treasury continues to prioritise the completion of the County Treasury office block which is expected to accommodate all its Directorates bringing a "one stop shop" for all County Treasury Services. The Sub- Sector also aims at strengthening management and usage of funds to ensure prudence in financial management and reporting. Further the Sub- Sector

seeks to empower its' staff by according them opportunities to attend long and short-term courses to enhance their skills and empower them in performance of their duties. In budget implementation, the County Treasury will issue guidelines and do follow-ups to ensure projects and planned activities are realized within the set timelines. The Sub- Sector will also ensure that all statutory documents are submitted to the County Assembly and other Entities as per the requisite directives/legislations. The County Treasury plans to operationalize the already passed acts and policies, and formulate relevant policies and acts to enable optimal performance of its mandate. The Sub Sector will advise other departments on funding opportunities that may arise due to PPPs external funding opportunities. The Sub- Sector shall also guide the line departments in the formulation of concept notes, papers and proposals for seeking funds with external partners.

214. Going forward in to the next Medium Term Expenditure Framework (MTEF), the County Treasury Sub- Sector intends to establish and operationalize a statistical unit, prepare and adopt a County Investment Plan (CIP), prepare the County Indicator Handbook, operationalize the debt management unit, complete the automation of the revenue system as well as carrying on with revenue mapping so as to increase the amount of revenue collected with an allocation of Ksh 3,471,523,455, Ksh 3,818,675,801, Ksh 4,200,543,381 including ward development kitty. To further institutionalize planning and continue to encourage linkage between planning and implementation of programmes/ projects in the county entities, the department through the COMEC shall continue carrying out regular monitoring and evaluation activities throughout the County.

215. **Public Service, Training and Devolution** sub sector is the main administrative department of the County Government. The department executes its mandate in five Directorates, namely; Human Resource Management, Administration, Enforcement, Civic education & public participation and

Disaster and Humanitarian Assistance. The department coordinates decentralized units in service delivery and facilitates payroll administration, human resource and performance management, public participation and civic education, insurance cover, enforcement/compliance and disaster mitigation and humanitarian assistance.

216. Over the MTEF period 2019/20-2021/22, the department constructed and equipped 4 Sub- County and 11 ward offices. To enhance human resource management systems and structures, the HRM unit in its sole purpose of capacity building was able to train a total of 429 members of staff. The department also received and redeployed 594 interns across various county government entities. A total of 2,255 devolved staff were inducted in the public service superannuation scheme (PSSS). The department also received additional officers in the cadres of clerical officers, human resource management (HRM) officers and support staff, promoted 94 members of staff and 2 policy documents were domesticated: internship policy and the casuals' engagement policy. Registry unit acquired bulk filers, printers, furniture and desktop computers with the support of the KDSP grant.

217. During the 2023/24-2025/26 MTEF period, the subsector with an allocation of Ksh 896,283,608, Ksh. 985,911,969, and Ksh 1,084,503,166 respectively will finalize, review and re-align its organizational structure to enhance implementation of programs. At the same time the subsector will consolidate its programs to five in number including General Administration, Planning and Support Services, Coordination of County Civic Education and Public Participation, Co-ordination of County Policy Formulation, Enforcement and Compliance, Co-ordination of county Human Resource and Performance Management and Co-ordination of Disaster Management and Humanitarian Assistance. The subsector will also strive to improve coordination of service delivery in the county, by providing logistical support such as more office

space, improved staffing and providing vehicles. Further the department will ensure all the County employees are on a comprehensive insurance cover. The Department will operationalize the Public Participation and civic engage Directorate and Disaster Management and Humanitarian assistance. Further the department will ensure that all the employees are on Performance Contracting and Appraisal. Further the County will implement the recommendations on human resource reforms once the HR taskforce finalizes and gives a report.

218. **Office of the County Attorney** is the principal legal advisor to the county government, handles conveyance matters, drafting consent, preparation and execution of county legal documents, litigation for the County Government as well as drafting legal instruments. A major cost factor for the sub-sector remains in litigation. Since inception of the County Government the Office of the County Attorney Registry has a total of 1243 casefiles of these 477 court cases have been concluded while 766 are currently active in court. By end of FY 2021/22, 417 cases were under external advocates and 349 case files under County Law office. In the medium term the Office of the County Attorney will establish a Legal Library, fastrack the conclusion of existing cases and deploy the use of Alternative dispute resolution mechanisms (ADRM) have been initiated both by the office and the Court in an attempt to reduce the current case file load in the department. The allocated budget for the sub sector amounts to Ksh 77,630,920, Ksh 85,394,012 and Ksh 93,933,414, FY 2023/24, FY 2024/25 and FY 2025/26 respectively.

219. **The County Public Service Board** is charged with the responsibility of maintaining high levels of professional ethics by affording adequate and equal opportunities to all cadres of the County Public Service. The Board facilitated recruitment a total of 883 (397-males, 486-females and 16-PLWDs)

officers; 594 interns deployed across various county government entities, 72 officers in the department of Finance and Economic planning, 10 in NCPSB, 16 in the department of Roads, Transport and Public works, 85 in the department of Health, 19 in the department of Water, Environment, Energy and Natural Resources, 63 in the department of Agriculture, Livestock and Fisheries and 24 in the department of Education, ICT and E-government. So as to enhance motivation in public service the board promoted a total of 315 officers across various Departments.

220. To enable the Sub Sector carry out its core mandate of recruitment, promotion, re-designation, disciplinary control and the promotion of principles of governance and national values, the sub-sector has been allocated Ksh. 82,424,133, Ksh. 90,666,546, Ksh. 99,733,201 for the MTEF period 2023/24-2025/26. The sub-sector will continue to work towards enhancing service delivery by developing an integrated Human Resource Management system that will enhance speedy receiving of Job applications, long listing, shortlisting of candidates and conducting interviews within a specified time period, and purchase motor vehicle(s) for ease of transport. Similarly, the Board will continue to improve Human Resource productivity through Board members and secretariat trainings and capacity building. Additionally, the Board is also expected to develop its five years strategic plan.

221. **The County Assembly of Nakuru** is among the forty-seven (47) County Assemblies in Kenya established under Article 176 (1) of the Constitution. The sub sector's objectives includes; To attain a cohesive, social economically and politically developed county based on the rule of law, constitutionalism and participative democracy, To promote democratic and accountable exercise of power in Nakuru county through progressive legislation, faithful representation and effective public oversight, Provide overall policy and leadership direction for county prosperity, Promote prudent economic,

financial and fiscal management for growth and economic stability, Promote good governance and accountability in management of public affairs at the county, Provide quality, efficient, effective, results based and ethical public services and Strengthen legislation and oversight over public agencies and promote good governance.

222. During the MTEF period 2019/20 - 2021/22, the Sub sector achieved the following; passed and publicized 7 Acts of the county assembly, production of Hansard Reports, refurbished Chambers, adoption of Charters towards establishment of Molo and Gilgil Municipality, Constructed Modern Chamber (main chamber), training & capacity building for members, board and staff, established, equipped and staffed wards offices for the Members.

223. During the 2023/24 – 2025/26 MTEF period, the County Assembly will play a critical role in the realization of the county development agenda. The sub-Sector appreciates that its programmes are geared towards improving the welfare of the county and hence acknowledges the role played by its key stakeholders in the budget making process. It will also enact Laws and formulate policies necessary for effective functioning of the County Government and efficient use of resources for sustainable development. Furthermore, the Sector will endeavour to meet the diverse expectations of the stakeholders which largely revolve around good governance, macro-economic stability and improved service delivery. In order to achieve its targets in the FY2023/24 – 2025/26, the County Assembly of Nakuru sub sector has been allocated Ksh. 1,206,312,104, Ksh 1,326,943,314 and Ksh 1,459,637,646 respectively.

4.10 Public Participation/Sector Hearings and Involvement of Stakeholders

224. The Medium-Term Budget Framework 203/24-25/26 begins with a new County administration. The MTEF period 203/24-25/26 preparation is informed by the public and stake holders views raised during the public participation.

The Public Finance Management Act 2012, the County Government Act 2012 and Article 201 of the Constitution of Kenya calls for openness, accountability and public participation in financial matters. The County Treasury issued a circular in accordance to Section 128 of the Public Financial Management Act, 2012 that provided guidelines and procedures for budget preparation in 2023/24-2025/26 Medium Term Expenditure Framework (MTEF) period. The guidelines applied to all the County Government Departments, Entities, Municipal Boards and the County Assembly. All sectoral activities, retreats and engagement forums were held in the month of November 2022 and January 2023.

225. Section 117 of the PFM Act 2012 obligates the County Treasury to take into account views of among others, the public and interested persons/groups in preparing the CFSP. Public participation provides an all-inclusive avenue for identifying and prioritizing government projects and activities under the budgeting process by all stakeholders and the general public. The County in the process of preparing the CFSP 2023, made a public notice on local dailies on 23rd January 2023, regarding public hearings on the County Sectoral budget proposals and recommendation for the 2023/2024-2025/2026 MTEF period. The physical public participation took five days from 30th January to 3rd February, 2023. The purpose of the hearings was to provide a platform where members of the public interrogated the County Sectoral performance in the previous 2019/20-2021/22 MTEF period and gave their input for the next financial year's budget and MTEF period. All Sectors and Sub Sectors were well represented and were given a chance to deliberate on their gains for the last three years and also demonstrate their plans for the next financial year. This gave the public a chance to evaluate County's performance, give proposals for the next budget and also give recommendations on areas of improvement in all the Sectors.

226. The County also made its submissions based on the Draft 2023 BPS with regard to strategic priorities, policy goals and proposed County allocations for the financial year 2023/2024 with reference to their impact on County Government of Nakuru planning and formulation, coordination and management of budget. The County Treasury will also share the draft CFSP to the National Treasury and CRA for their inputs, comments and recommendations.

V. CONCLUSION AND NEXT STEP

227. The fiscal policies outlined in the CFSP 2023 have been aligned to the draft CIDP 2023-2027, the Governor's Manifesto and the fiscal responsibility principles outlined in the PFM law. They are also consistent with the national Medium-Term Plan (IV) priorities and other strategic objectives which set a basis for County Government allocation of public resources. The CFSP 2023 marks the start of the implementation of the 3rd Generation CIDP 2023-2027.
228. Budgetary resources are limited thus it is imperative that departments prioritize their programmes within the available resources to ensure that utilization of public funds are in line with County Government priorities. Departments need to carefully consider detailed costing of projects, strategic significance, deliverables (output and outcomes), alternative interventions, administration, implementation plans in allocating resources and collaboration between departments. There is also need to ensure that recurrent resources are being utilized efficiently and effectively.
229. Proper implementation of the budget is critical towards service provision that will promote sustainable growth. Sustainability growth requires greater effort from all the stakeholders including County Government Departments, Civil Society, Communities, County Assembly and development partners. This means providing for continuous consultation, finding solutions and encouraging innovation to build a sustainable County.
230. Going forward, and in view of the recent policy change involving reorganization of County Government functions that resulted into constitution of the Nakuru County Revenue Authority and the Office the County Attorney as well as the conferment of the Nakuru Municipality to City Status and limited resources, MTEF budgeting will entail adjusting non-priority expenditures to cater for the priority.

ANNEXURES

Annex I: County Government of Nakuru Operations FY 2023/2024 - 2025/2026

REVENUE SOURCE	ACTUAL COLLECTIONS	APPROVED ESTIMATES	CFSP PROJECTION	PROJECTIONS		GROWTH (ACTUAL FY2021/2022)	% GROWTH		
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026		2023/24	2024/25	2025/26
Property tax (Plot rent and Land rates)	358,025,333	390,000,000	393,827,866	413,519,260	434,195,223	35,802,533	10.0%	5.0%	5.0%
Trade License	340,914,255	370,000,000	375,005,681	393,755,965	413,443,763	34,091,426	10.0%	5.0%	5.0%
Market Fees	42,902,255	70,000,000	47,192,481	49,552,105	52,029,710	4,290,226	10.0%	5.0%	5.0%
Building Approval	62,899,592	80,000,000	90,997,098	95,546,953	100,324,301	28,097,506	44.7%	5.0%	5.0%
Cess	19,906,004	40,000,000	21,896,604	22,991,435	24,141,006	1,990,600	10.0%	5.0%	5.0%
Royalties	226,165,890	230,000,000	248,782,479	261,221,603	274,282,683	22,616,589	10.0%	5.0%	5.0%
Stock/ Slaughter fees	10,032,019	27,000,000	11,035,221	11,586,982	12,166,331	1,003,202	10.0%	5.0%	5.0%
House Rent	12,825,091	50,000,000	14,107,600	14,812,980	15,553,629	1,282,509	10.0%	5.0%	5.0%
Advertising	135,641,699	130,000,000	149,205,869	156,666,162	164,499,470	13,564,170	10.0%	5.0%	5.0%
Parking fees	242,540,937	282,200,000	266,795,031	280,134,782	294,141,521	24,254,094	10.0%	5.0%	5.0%
Liquor Licensing	78,088,705	80,000,000	85,897,576	90,192,454	94,702,077	7,808,871	10.0%	5.0%	5.0%
County Park Fees	56,000	800,000	61,600	64,680	67,914	5,600	10.0%	5.0%	5.0%
Health fees and charges	59,230,055	90,000,000	65,153,061	68,410,714	71,831,249	5,923,006	10.0%	5.0%	5.0%
Other Fees and Charges	118,219,850	140,000,000	130,041,835	136,543,927	143,371,123	11,821,985	10.0%	5.0%	5.0%
Sub Total Local Sources	1,707,447,685	1,980,000,000	1,900,000,000	1,995,000,000	2,094,750,000	192,552,315	11.3%	5.0%	5.0%
Facility Improvement Fund	1,551,625,289	1,300,000,000	1,700,000,000	1,785,000,000	1,874,250,000	148,374,711	9.6%	5.0%	5.0%
SUB TOTAL (AIA & Local Sources)	3,259,072,974	3,280,000,000	3,600,000,000	3,780,000,000	3,969,000,000	340,927,026	10.5%	5.0%	5.0%
Balance in County Revenue Fund									
Donor Grants (DANIDA)	11,533,279	22,077,700	19,115,250			(2,962,450)	-13.4%	-100.0%	-
Loans and Grants CRA				-	-	-			
Kenya Devolution Support Program (KDSP) Level I				-	-	-			
Kenya Devolution Support Program (KDSP) Level II	120,374,189								
World Bank National Agricultural Value Chain Development Project (NAVCDP)			70,000,000	77,000,000	84,700,000	70,000,000	100.0%	10.0%	10.0%

REVENUE SOURCE	ACTUAL COLLECTIONS	APPROVED ESTIMATES	CFSP PROJECTION	PROJECTIONS		GROWTH (ACTUAL FY2021/2022)	% GROWTH		
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026		2023/24	2024/25	2025/26
World Bank National Agricultural and Rural inclusive growth Projects (NARIGP)	187,784,783	269,563,385	187,911,173	206,702,290	227,372,519	(81,652,212)	-30.3%	10.0%	10.0%
Agricultural Sector Development Support Projects (ASDSP II)	21,506,143	9,518,784	5,252,658	5,777,924	6,355,716	(4,266,126)	-44.8%	10.0%	10.0%
IFAD Conditional grant Kenya Livestock Commercialization Project (KELCOP)			30,000,000	33,000,000	36,300,000	30,000,000			
Grant to Compensate Forgone User Fees				-	-	-			
Conditional Fund -Kenya Urban Support Project (KUSP) - Urban Development Grant				-	-	-			
Conditional Fund -Kenya Urban Support Project (KUSP) - Urban Institutional Grant				-	-	-			
Conditional Allocation from a World Bank credit to Finance Locally-Led Climate Action Program, (FLLoCA) for County Climate Institution Support (CCIS) Level I			11,000,000	12,100,000	13,310,000	11,000,000			
Conditional Allocation from a World Bank credit to Finance Locally-Led Climate Action Program, (FLLoCA)		125,000,000	125,000,000	137,500,000	151,250,000	-	0.0%	10.0%	10.0%
Conditional Fund - World Bank - Kenya Informal Settlement Improvement Project II (KISIP II)		300,000,000	300,000,000	330,000,000	363,000,000	-	0.0%	10.0%	10.0%
Nutrition International Grant	4,999,400		10,000,000	11,000,000	12,100,000	10,000,000	100%	10.0%	10.0%
Conditional Fund -Leasing of Medical Equipment	153,297,872	110,638,298	124,723,404	137,195,744	150,915,319	14,085,106	12.7%	0.0%	0.0%
Conditional grant from GoK for Aggregated Industrial Parks Programme			100,000,000	110,000,000	121,000,000	100,000,000	100.0%		
Grant to Road Maintenance Fuel Levy Fund (RMFLF)				-	-	-			
Grant For Level 5 Hospital				-	-	-			
World Bank THS-UC Conditional allocation	79,405,205			-	-	-			
Grant for Rehabilitation of Youth Polytechnics				-	-	-			
Transfers for Library Services function			14,033,063	15,436,369	16,980,006	14,033,063			
C.R.A Equitable Share	13,026,116,323	13,026,116,323	13,577,808,485	13,713,586,570	13,850,722,436	551,692,162	4.2%	1.0%	1.0%
SUB TOTAL	13,605,017,194	13,862,914,490	14,574,844,033	14,789,298,898	15,034,005,996	711,929,543	5.1%	1.5%	1.7%
GRAND TOTAL	16,864,090,168	17,142,914,490	18,174,844,033	18,569,298,898	19,003,005,996	1,031,929,543	6.0%	2.2%	2.3%

Annex II: Trend in Growth of Equitable share of Revenue

EXCHEQUER RECEIPTS TRENDS	ALLOCATION	GROWTH	% GROWTH
2013/2014 (Base Year)	5,936,875,619	5,936,875,619	100%
2014/2015	7,082,152,961	1,145,277,342	19%
2015/2016	8,116,330,943	1,034,177,982	15%
2016/2017	8,757,624,645	641,293,702	8%
2017/2018	9,271,400,000	513,775,355	6%
2018/2019	9,451,400,000	180,000,000	2%
2019/2020	10,476,150,000	1,024,750,000	11%
2020/2021	10,476,150,000	-	0%
2021/2022	13,026,116,323	2,549,966,323	24%
2022/2023	13,026,116,323	-	0%
2023/2024 (BPS Projected)	13,577,808,485	551,692,162	5%

Annex III: Total Expenditure Sector Ceilings for the Period 2023/2024 - 2025/2026

	SECTOR	SUB SECTOR	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
					2024/2025	2025/2026
1	Agriculture Rural and Urban Development					
1.1		Agriculture, Livestock Development, Fisheries and Veterinary Services				
		Compensation to Employees	397,097,565	362,963,185	399,259,504	439,185,454
		Operations & Maintenance	165,784,649	143,710,894	158,081,983	173,890,182
		Development Gross	574,675,907	456,613,831	502,275,214	552,502,736
		Sub Total	1,137,558,121	963,287,910	1,059,616,701	1,165,578,371
1.2		Land, Housing, Urban Development and Physical Planning				
		Compensation to Employees	86,790,108	96,560,546	106,216,600	116,838,260
		Operations & Maintenance	46,947,804	77,378,898	85,116,787	93,628,466
		Development Gross	423,665,858	403,829,931	444,212,924	488,634,216
		Sub Total	557,403,770	577,769,374	635,546,312	699,100,943
1.3		Nakuru City				
		Compensation to Employees	13,143,586	13,539,086	14,892,995	16,382,294
		Operations & Maintenance	36,686,330	40,969,418	45,066,360	49,572,996
		Development Gross	60,000,000	55,000,000	60,500,000	66,550,000
		Sub Total	109,829,916	109,508,504	120,459,354	132,505,290
1.4		Naivasha Municipality				
		Compensation to Employees	9,092,422	10,351,344	11,386,478	12,525,126
		Operations & Maintenance	29,699,734	35,986,120	39,584,732	43,543,205
		Development Gross	50,000,000	50,000,000	55,000,000	60,500,000
	Sub Total	88,792,156	96,337,464	105,971,210	116,568,331	
	SUB TOTAL (SECTOR)	1,893,583,964	1,746,903,252	1,921,593,578	2,113,752,935	
2	Education					
2.1		Education				
		Compensation to Employees	459,953,569	512,925,062	564,217,568	620,639,325
		Operations & Maintenance	179,833,469	298,975,368	328,872,905	361,760,195
		Development Gross	263,626,108	53,458,838	58,804,722	64,685,194
	Sub Total	903,413,146	865,359,267	951,895,194	1,047,084,714	

	SECTOR	SUB SECTOR	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS		
					2024/2025	2025/2026	
2.2		Vocational Training					
		Compensation to Employees			-	-	
		Operations & Maintenance	91,935,043	108,689,589	119,558,547	131,514,402	
		Development Gross	148,620,228	97,396,969	107,136,666	117,850,332	
		Sub Total	240,555,272	206,086,558	226,695,213	249,364,735	
SUB TOTAL (SECTOR)			1,143,968,417	1,071,445,825	1,178,590,408	1,296,449,448	
3	Social Protection, Culture and Recreation						
3.1		Youth, Gender, Sports and Social Services					
		Compensation to Employees	106,907,137	113,740,713	125,114,784	137,626,263	
		Operations & Maintenance	129,328,432	146,133,277	160,746,605	176,821,265	
		Development Gross	155,355,246	83,823,107	92,205,418	101,425,959	
		Sub Total	391,590,815	343,697,097	378,066,807	415,873,487	
3.2		Culture					
		Compensation to Employees			-	-	
		Operations & Maintenance		15,400,000	16,940,000	18,634,000	
		Development Gross		15,000,000	16,500,000	18,150,000	
		Sub Total	-	30,400,000	33,440,000	36,784,000	
SUB TOTAL (SECTOR)			391,590,815	374,097,097	411,506,807	452,657,487	
4		Energy, Infrastructure and ICT					
4.1			Infrastructure				
			Compensation to Employees	132,806,420	126,958,018	139,653,819	153,619,201
	Operations & Maintenance		195,940,973	229,937,964	252,931,761	278,224,937	
	Development Gross		776,707,342	468,044,581	514,849,039	566,333,943	
	Sub Total		1,105,454,735	824,940,563	907,434,619	998,178,081	
4.2	ICT and E-Government						
	Compensation to Employees		-		-	-	
	Operations & Maintenance		33,122,692	33,472,673	36,819,941	40,501,935	
	Development Gross		31,967,813	31,184,337	34,302,771	37,733,048	
	Sub Total		65,090,506	64,657,010	71,122,712	78,234,983	
SUB TOTAL (SECTOR)				1,170,545,241	889,597,574	978,557,331	1,076,413,064

	SECTOR	SUB SECTOR	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
					2024/2025	2025/2026
5	Environment Protection, Water and Natural Resources					
5.1		Water, Environment, Energy, Climate Change and Natural Resources				
		Compensation to Employees	217,313,857	230,277,731	253,305,504	278,636,055
		Operations & Maintenance	64,578,145	99,457,887	109,403,676	120,344,044
		Development Gross	798,350,381	305,649,963	336,214,960	369,836,456
		Sub Total	1,080,242,383	635,385,581	698,924,140	768,816,554
	SUB TOTAL (SECTOR)		1,080,242,383	635,385,581	698,924,140	768,816,554
6	General Economics and Commercial Affairs					
6.1		Trade, Business Support, Entrepreneurship and Tourism				
		Compensation to Employees	60,454,321	71,274,915	78,402,407	86,242,647
		Operations & Maintenance	109,347,570	137,989,898	151,788,887	166,967,776
		Development Gross	143,538,924	202,238,924	222,462,817	244,709,098
		Sub Total	313,340,814	411,503,737	452,654,111	497,919,522
	SUB TOTAL (SECTOR)		313,340,814	411,503,737	452,654,111	497,919,522
7	Health					
7.1		Health Services				
		Compensation to Employees	4,203,444,625	4,070,452,177	4,477,497,395	4,925,247,134
		Operations & Maintenance	1,564,881,626	1,798,139,437	1,977,953,381	2,175,748,719
		Development Gross	1,064,400,073	971,047,121	1,068,151,833	1,174,967,017
		Sub Total	6,832,726,324	6,839,638,736	7,523,602,609	8,275,962,870
	SUB TOTAL (SECTOR)		6,832,726,324	6,839,638,736	7,523,602,609	8,275,962,870
8	Public Administration and National/Inter County Relations					
8.1		Office of the Governor and Deputy Governor				
		Compensation to Employees	100,523,424	94,925,337	104,417,871	114,859,658
		Operations & Maintenance	230,139,554	276,705,497	304,376,047	334,813,651
		Development Gross	62,858,516	100,467,176	110,513,894	121,565,283
		Sub Total	393,521,494	472,098,010	519,307,811	571,238,592

SECTOR	SUB SECTOR	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
				2024/2025	2025/2026
8.2	County Treasury				
	Compensation to Employees	555,366,462	539,389,475	593,328,423	652,661,265
	Operations & Maintenance	428,135,771	540,493,980	594,543,378	653,997,716
	Development Gross	371,140,000	2,391,640,000	2,630,804,000	2,893,884,400
	Sub Total	1,354,642,233	3,471,523,455	3,818,675,801	4,200,543,381
8.3	Public Service, Training and Devolution				
	Compensation to Employees	654,880,126	531,090,839	584,199,922	642,619,915
	Operations & Maintenance	199,530,543	299,812,362	329,793,598	362,772,957
	Development Gross	49,880,408	65,380,408	71,918,449	79,110,294
	Sub Total	904,291,078	896,283,608	985,911,969	1,084,503,166
8.4	County Public Service Board				
	Compensation to Employees	30,836,606	30,374,133	33,411,546	36,752,701
	Operations & Maintenance	41,012,918	45,050,000	49,555,000	54,510,500
	Development Gross	7,500,000	7,000,000	7,700,000	8,470,000
	Sub Total	79,349,524	82,424,133	90,666,546	99,733,201
8.5	Office of the County Attorney				
	Compensation to Employees	400,000	18,302,916	20,133,208	22,146,528
	Operations & Maintenance	19,500,000	53,328,004	58,660,805	64,526,885
	Development Gross	5,000,000	6,000,000	6,600,000	7,260,000
	Sub Total	24,900,000	77,630,920	85,394,012	93,933,414
8.6	County Assembly				
	Compensation to Employees	437,923,966	437,923,966	481,716,363	529,887,999
	Operations & Maintenance	972,288,238	648,388,138	713,226,952	784,549,647
	Development Gross	150,000,000	120,000,000	132,000,000	145,200,000
	Sub Total	1,560,212,204	1,206,312,104	1,326,943,314	1,459,637,646
SUB TOTAL (SECTOR)		4,316,916,533	6,206,272,231	6,826,899,454	7,509,589,400
TOTAL	Total Compensation to Employees	7,466,934,194	7,261,049,442	7,987,154,386	8,785,869,825
	Total Operations & Maintenance	4,538,693,491	5,030,019,404	5,533,021,344	6,086,323,479
	Total Development Gross	5,137,286,805	5,883,775,187	6,472,152,706	7,119,367,977
	GRAND TOTAL	17,142,914,490	18,174,844,033	19,992,328,437	21,991,561,280

Annex IV: Total Recurrent Expenditure Ceilings for the Period 2023/2024 - 2025/2026

VOTE	Source of Funding	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
				2024/2025	2025/2026
Office of the Governor and Deputy Governor	Gross Allocation	330,662,978	371,630,834	408,793,917	449,673,309
	Local Revenue	31,279,557	30,163,083	33,179,392	36,497,331
	Emergency Fund	70,000,000	70,000,000	77,000,000	84,700,000
	CRA Equitable Share	229,383,421	271,467,751	298,614,526	328,475,978
County Treasury	Gross Allocation	983,502,233	1,079,883,455	1,187,871,801	1,306,658,981
	Local Revenue	118,020,268	107,988,346	118,787,180	130,665,898
	CRA Equitable Share	865,481,965	971,895,110	1,069,084,621	1,175,993,083
County Public Service Board	Gross Allocation	71,849,524	75,424,133	82,966,546	91,263,201
	Local Revenue	8,621,943	7,542,413	8,296,655	9,126,320
	CRA Equitable Share	63,227,581	67,881,720	74,669,892	82,136,881
Health	Gross Allocation	5,768,326,251	5,868,591,614	6,455,450,776	7,100,995,854
	Local Revenue	546,947,040	437,815,737	481,597,310	529,757,041
	AIA	910,000,000	1,190,000,000	1,309,000,000	1,439,900,000
	User Foregone Fees	38,723,265	38,723,265	42,595,592	46,855,151
	Level 5 Grant	261,710,982	261,710,982	287,882,081	316,670,289
	CRA Equitable Share	4,010,944,963	3,940,341,630	4,334,375,793	4,767,813,373
Trade, Business Support, Entrepreneurship, Tourism and Culture	Gross Allocation	169,801,890	224,664,813	247,131,294	271,844,423
	Local Revenue	17,376,227	17,466,481	19,213,129	21,134,442
	Enterprise Fund	25,000,000	50,000,000	55,000,000	60,500,000
	CRA Equitable Share	127,425,663	157,198,331	172,918,165	190,209,981
Infrastructure	Gross Allocation	328,747,393	356,895,982	392,585,580	431,844,138
	Local Revenue	39,449,687	35,689,598	39,258,558	43,184,414
	CRA Equitable Share	289,297,706	321,206,384	353,327,022	388,659,724
Agriculture, Livestock Development, Fisheries and Veterinary Services	Gross Allocation	562,882,214	506,674,079	557,341,487	613,075,636
	Local Revenue	67,545,866	50,667,408	55,734,149	61,307,564
	CRA Equitable Share	495,336,348	456,006,671	501,607,338	551,768,072
Land, Housing, Urban Development and Physical Planning	Gross Allocation	133,737,912	173,939,444	191,333,388	210,466,727
	Local Revenue	16,048,549	17,393,944	19,133,339	21,046,673
	CRA Equitable Share	117,689,362	156,545,499	172,200,049	189,420,054
Water, Environment, Energy, Climate Change and Natural Resources	Gross Allocation	281,892,002	329,735,618	362,709,180	398,980,098
	Local Revenue	33,827,040	31,873,562	35,060,918	38,567,010
	Conditional Grant	-	11,000,000	12,100,000	13,310,000
	CRA Equitable Share	248,064,962	286,862,056	315,548,262	347,103,088
Public Service, Training and Devolution	Gross Allocation	854,410,669	830,903,200	913,993,520	1,005,392,872
	Local Revenue	90,769,280	63,684,808	70,053,288	77,058,617
	Medical and Motor vehicle Insurance	98,000,000	194,055,125	213,460,637	234,806,701
	CRA Equitable Share	665,641,389	573,163,268	630,479,595	693,527,554

VOTE	Source of Funding	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
				2024/2025	2025/2026
Education, Vocational Training, ICT and E-Government	Gross Allocation	764,844,773	954,062,692	1,049,468,961	1,154,415,857
	Local Revenue	70,146,585	66,277,280	72,905,008	80,195,509
	Bursary, Counterpart Funding & School Feeding	180,289,894	291,289,894	320,418,883	352,460,772
	CRA Equitable Share	514,408,294	596,495,518	656,145,070	721,759,577
Youth, Gender, Sports and Social Services	Gross Allocation	236,235,569	259,873,990	285,861,389	314,447,528
	Local Revenue	25,048,268	22,536,139	24,789,753	27,268,728
	Sports & Disability Fund Allocation	27,500,000	55,000,000	60,500,000	66,550,000
	Transfer for Library Services	-	14,033,063	15,436,369	16,980,006
	CRA Equitable Share	183,687,301	182,337,851	200,571,636	220,628,800
Naivasha Municipality	Gross Allocation	38,792,156	46,337,464	50,971,210	56,068,331
	Local Revenue	4,655,059	4,633,746	5,097,121	5,606,833
	CRA Equitable Share	34,137,098	41,703,717	45,874,089	50,461,498
Office of the County Attorney	Gross Allocation	19,900,000	71,630,920	78,794,012	86,673,414
	Local Revenue	2,388,000	7,163,092	7,879,401	8,667,341
	CRA Equitable Share	17,512,000	64,467,828	70,914,611	78,006,072
Nakuru City	Gross Allocation	49,829,916	54,508,504	59,959,354	65,955,290
	Local Revenue	5,979,590	5,450,850	5,995,935	6,595,529
	CRA Equitable Share	43,850,326	49,057,654	53,963,419	59,359,761
County Assembly	Gross Allocation	1,410,212,204	1,086,312,104	1,194,943,314	1,314,437,646
	Local Revenue	169,225,464	108,631,210	119,494,331	131,443,765
	CRA Equitable Share	1,240,986,740	977,680,894	1,075,448,983	1,182,993,881
TOTAL		12,005,627,685	12,291,068,846	13,520,175,731	14,872,193,304

Annex V: Total Development Expenditure Ceilings for the Period 2023/2024 - 2025/2026

VOTE	Source of Funding	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
				2024/2025	2025/2026
Office of the Governor and Deputy Governor	Gross Allocation	62,858,516	100,467,176	110,513,894	121,565,283
	Local Revenue	7,543,022	10,046,718	11,051,389	12,156,528
	CRA Equitable Share	55,315,494	90,420,459	99,462,504	109,408,755
County Treasury	Gross Allocation	371,140,000	2,391,640,000	2,630,804,000	2,893,884,400
	Local Revenue	35,536,800	39,164,000	43,080,400	47,388,440
	Debt Resolution	75,000,000	350,000,000	385,000,000	423,500,000
	Ward Allocation		1,650,000,000	1,815,000,000	1,996,500,000
	CRA Equitable Share	260,603,200	352,476,000	387,723,600	426,495,960
County Public Service Board	Gross Allocation	7,500,000	7,000,000	7,700,000	8,470,000
	Local Revenue	900,000	700,000	770,000	847,000
	CRA Equitable Share	6,600,000	6,300,000	6,930,000	7,623,000
Health	Gross Allocation	1,064,400,073	971,047,121	1,068,151,833	1,174,967,017
	Local Revenue	80,928,009	19,504,662	21,455,128	23,600,641
	AIA	390,000,000	510,000,000	561,000,000	617,100,000
	Other Conditional Grants	132,715,998	153,838,654	169,222,519	186,144,771
	Level 5 Grant		112,161,850	123,378,035	135,715,838
	CRA Equitable Share	593,472,064	175,541,956	193,096,151	212,405,767
Trade, Business Support, Entrepreneurship, Tourism and Culture	Gross Allocation	143,538,924	217,238,924	238,962,817	262,859,098
	Local Revenue	17,224,671	11,723,892	12,896,282	14,185,910
	Conditional Grant		100,000,000	110,000,000	121,000,000
	CRA Equitable Share	126,314,253	105,515,032	116,066,535	127,673,188
Infrastructure	Gross Allocation	776,707,342	468,044,581	514,849,039	566,333,943
	Local Revenue	72,139,531	17,750,000	19,525,000	21,477,500
	RMFLF Grant	175,544,581	290,544,581	319,599,039	351,558,943
	CRA Equitable Share	529,023,230	159,750,000	175,725,000	193,297,500
Agriculture, Livestock Development, Fisheries and Veterinary Services	Gross Allocation	574,675,907	456,613,831	502,275,214	552,502,736
	Local Revenue	35,471,249	16,345,000	17,979,500	19,777,450
	Conditional Grants	279,082,169	293,163,831	322,480,214	354,728,236
	CRA Equitable Share	260,122,490	147,105,000	161,815,500	177,997,050
Land, Housing, Urban Development and Physical Planning	Gross Allocation	423,665,858	403,829,931	444,212,924	488,634,216
	Local Revenue	14,839,903	10,382,993	11,421,292	12,563,422
	Conditional Grant	300,000,000	300,000,000	330,000,000	363,000,000
	CRA Equitable Share	108,825,955	93,446,938	102,791,632	113,070,795

VOTE	Source of Funding	APPROVED ESTIMATES FY 2022/2023	CFSP CEILINGS 2023/2024	PROJECTIONS	
				2024/2025	2025/2026
Water, Environment, Energy, Climate Change and Natural Resources	Gross Allocation	798,350,381	305,649,963	336,214,960	369,836,456
	Local Revenue	91,804,495	14,587,220	16,045,942	17,650,536
	Climate Change Mitigation Prog	33,312,923	34,777,764	38,255,540	42,081,094
	Conditional Grant		125,000,000	137,500,000	151,250,000
	CRA Equitable Share	673,232,963	131,284,980	144,413,478	158,854,825
Public Service, Training and Devolution	Gross Allocation	49,880,408	65,380,408	71,918,449	79,110,294
	Local Revenue	5,985,649	6,538,041	7,191,845	7,911,029
	CRA Equitable Share	43,894,759	58,842,368	64,726,604	71,199,265
Education, Vocational Training, ICT and E-Government	Gross Allocation	444,214,150	182,040,144	200,244,158	220,268,574
	Local Revenue	45,350,911	12,575,025	13,832,527	15,215,780
	Conditional Grant	66,289,894	56,289,894	61,918,883	68,110,772
	CRA Equitable Share	332,573,345	113,175,225	124,492,747	136,942,022
Youth, Gender, Sports and Social Services	Gross Allocation	155,355,246	83,823,107	92,205,418	101,425,959
	Local Revenue	18,642,630	8,382,311	9,220,542	10,142,596
	CRA Equitable Share	136,712,616	75,440,796	82,984,876	91,283,364
Naivasha Municipality	Gross Allocation	50,000,000	50,000,000	55,000,000	60,500,000
	Local Revenue	6,000,000	5,000,000	5,500,000	6,050,000
	Conditional Grant	-	-	-	-
	CRA Equitable Share	44,000,000	45,000,000	49,500,000	54,450,000
Office of the County Attorney	Gross Allocation	5,000,000	6,000,000	6,600,000	7,260,000
	Local Revenue	950,000	600,000	660,000	726,000
	CRA Equitable Share	4,050,000	5,400,000	5,940,000	6,534,000
Nakuru City	Gross Allocation	60,000,000	55,000,000	60,500,000	66,550,000
	Local Revenue	7,200,000	5,500,000	6,050,000	6,655,000
	Conditional Grant	-	-	-	-
	CRA Equitable Share	52,800,000	49,500,000	54,450,000	59,895,000
County Assembly	Gross Allocation	150,000,000	120,000,000	132,000,000	145,200,000
	Local Revenue	28,500,000	12,000,000	13,200,000	14,520,000
	CRA Equitable Share	121,500,000	108,000,000	118,800,000	130,680,000
TOTAL		5,137,286,805	5,883,775,187	6,472,152,706	7,119,367,977

Annex VI: Adherence to Fiscal Responsibility Principles

In line with Article 201 of the Constitution of Kenya 2010, Section 107 of the Public Finance Management Act (PFMA) 2012, the County Government has adhered to the fiscal responsibility as envisaged in the aforementioned statutes as follows;

- I. **The County Government's recurrent expenditure shall not exceed the County Government's total revenue** - The County Government has always implemented a balanced budget and ensures that a maximum of 70 percent is allocated towards recurrent expenditure. Recurrent expenditures as per the Approved Estimates for the FY2022/2023 is 60.8 percent of the total budget. For the FY2023/2024, the recurrent expenditure is projected at 67.6 percent of the total expenditure.
- II. **Over the medium term, a minimum of 30 percent of the County budget shall be allocated to development expenditure** – The County Government has over time continued to adhere to the stipulated allocation requirement of a minimum of 30 percent to its development budget. In the medium-term FY 2021/2022-2022/2023, its allocation for development expenditure stood at 47.3 percent, 45.5 percent and 30.0 percent respectively. The projected development expenditure for the next MTEF period FY2023/2024 – 2025/2026 will amount to Ksh. 5.883 billion (32.4 percent), Ksh. 6.183 billion (32 percent) and Ksh. 6.505 billion (32 percent) respectively.
- III. **The County Government's expenditure on wages and benefits for its employees not to exceed 35 percent of the County Government's revenue as prescribed by the Regulations** - Section 25(1) (b) of the PFM (County Governments) Regulations, 2015 requires that County Governments' wage bill shall not exceed 35 percent of their total revenue. The wage bill in the FY 2023/24 is at 40 percent of the County budget which is still higher than the prescribed 35 percent. The high wage bill is as a result of the implementation of the contributory pension scheme after passing of the

County Governments' Retirement Scheme Act (2019), worker's collective bargaining agreements.

- IV. **Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure** - The County Government has continued to ensure that it maintains a rationalized and balanced budget. Deliberate efforts exercised by the County enabled the clearance of the loans inherited from the defunct Local Authorities. The County has continued to comply with the requirements of this principle and going forward any Borrowing will be informed by the County Debt Management Strategy Paper and all borrowing shall be used to finance development expenditure.
- V. **Public debt and obligations shall be maintained at a sustainable level as Approved by County Government (CG)** - Pursuant to Section 107(2) and 107 (4) of the PFM Act, County debt should be maintained at sustainable levels and does not exceed a percentage of its annual revenue in respect of each financial year by resolution of the County Assembly.

Prudent financial management and improved credibility of the budget associated with realistic revenue estimates is expected to ensure that the County continues to maintain a balanced budget ensuring realistic revenue estimates which equals total expenditure with the aim of reducing pending bills. Focus will also be on ensuring the reduction of current debt through servicing of pending bills.

- VI. **Fiscal risks shall be managed prudently** - The County Government has improved its macroeconomic forecasts and regularly reviews the impact of macroeconomic projections and its implications to the budget. The County Government will continue to put measures in place to enhance revenue collection, majorly through automation, finalization of the valuation roll,

widening of revenue bases. Expenditure rationalization will also be continuously pursued.

- VII. **A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future** - The County Government coordinates the collection of its local revenue to provide for revenue raising measures relating to County taxes, licenses, fees and charges through the preparation of the annual Finance Act. The County's realistic own source revenue targets have generally registered improvements over the medium term. The County has a comprehensive revenue strategy including: review of laws; ensure Finance Act is approved on time; posting of staffs to the Revenue Directorate and further automation of more services.

Annex VII: Statement of Specific Fiscal Risks

There exist downside risks to the County fiscal outlook emanating from global, domestic (country-level) and County level environments.

For prudent management of risks, the PFM Act 2012 requires the preparation of a “Statement of Fiscal Risks. Thus, this section provides an assessment of fiscal risks that the County outlook is exposed to that may affect the achievement of the targets and objectives detailed in this CFSP. The fiscal risks arise from uncertainties in the global outlook, budget implementation, creation of new entities and climate change impacts.

This section also details the measures that the Government is implementing to mitigate such risks.

1. Risks related to Uncertainties in the global and national economy

The continuing uncertainties in the global economy occasioned by the ongoing Russia-Ukraine conflict could heighten the volatility of oil and commodity prices, and cause elevated inflationary pressure across the globe. The weakening Kenya shilling against the major world currencies exacerbates this further, leading to deterioration of the local purchasing power. The scenario is likely to continue into the medium-term, raising the costs of service delivery to go up, even at the county level.

Any underperformance by the national economy would likely affect negatively the shareable revenues, leading to low or no growth in the equitable share to the County Government.

2. Risks related to Budget execution:

The PFM Act require County Governments to manage public finances prudently, including the adherence to fiscal responsibility principles. However, a number of risks related to the budget implementation cycle portend, in the MTEF period under consideration. These include:

- i) High personnel emoluments: The compensation to employees' amount is projected at 40 percent of the total County budget, in the medium term. The growth in wage bill could easily rise if all the pending promotions were to take effect. Further, the rate of natural attrition by staff has been higher than replacement, depicting a need for additional recruitment of staff. The County Government has constituted a Human Resource Taskforce to assess and advise on how best to tackle the underlying human resource challenges.
- ii) High level of pending bills to county debtors has been a recurring issue within the County government. In addition, there has been demand notices for unremitted pension deductions that date back to pre-devolution period, for original amounts and accrued interest. There needs to be a dedicated resolution towards solving the stalemate. The growing bills could likely blur the County Government's reputation on its ability to meet its financial obligations and hamper on the county's competitiveness to attract competent merchants. The County government in December 2022 commissioned a taskforce to assess the pending bills for the period 2020/21-2021/22 and recommending best modalities to address the pending bills. In the current supplementary budget, the debt resolution amount was increased from Ksh. 75 million to Ksh. 400 million. This is further projected to stabilise at 300 million annually, during the MTEF period. The County will seek to strengthen the expenditure management and controls to minimise cases of new bills.
- iii) Low budget execution: The budget execution rate in the last MTEF period has been lower than planned, at an average rate of 70 percent. This has been characterised by low development budget absorption across departments. The underspending has been leading to high number of projects that remain unimplemented at the end of financial years, giving rise to project rollovers. The understaffing in technical

cadres has further been crowding the ability to implement new projects. The overall effect is that there has been deferred benefits to the public due to inadequate and poor infrastructure for service delivery.

On the revenue side, performance has also been below par occasioned by low Own-source revenue performance, and further contributing to budget deficits.

Although there are ongoing efforts to improve on the technical staffing levels especially in the Public Works Department, there needs to be an expedition of the whole project cycle from initiation to completion and operationalisation, by the different players. The administration has instituted revenue enhancement strategies in the current year and going forward.

3. Creation of new Entities

In line with the Urban Areas and Cities Act, operationalisation of new urban institutions has been ongoing within the last three years. In the year 2022, both Gilgil and Molo Municipalities were issued with Municipal charters, adding to the existing Naivasha Municipality. In addition, Nakuru Municipality got an elevation to City status in December 2021. It's worth noting that the existing boards have been operating below par with inadequate mandates and budgets. Naivasha and Nakuru have been highly reliant on conditional grants from World Bank, under the Kenya Urban Support Programme.

For these new institutions to operate optimally, there will be need to allocate county funds, alongside the donor funding.

In the medium term, more municipalities and Town Management Committees are projected to be operationalised, further requiring additional funding.

4. Other risks- Climate Change

The Country has been experiencing harsh climatic conditions for the last two years, leading to drought and famine in the country. Although Nakuru County is not one of the worst-hit counties, there are pockets within Nakuru that are semi-arid in nature. In addition, good climate areas have received lesser productivity in the last two years. The decline in productivity may contribute to a decline revenue from cess and agro-processing value-chains. Further, it continues to aggravate the food and nutrition security within the county. This may require some funds to address the hunger situation, if the weather conditions do not improve.

Food inflation within the county will further contribute to reducing the consumers purchasing power. This will continue to deprive the residents' finances for other income generating activities, further aggravating their ability to contribute to revenue generation in the County.

The County is implementing the Financing Locally-Led climate Action (FLLoCA) Program that will be supported by World-Bank in financing climate adaptation and mitigation projects. The County commits one percent of its development budget towards the programme interventions, amounting to Ksh 34 million within the period 2023/24. The County has further required all sectors to mainstream climate change interventions within their programmes.

**Annex VIII: Sector Composition and Sector Working Groups for MTEF Budget
2023/2024-2025/2026**

CLASSIFICATION OF FUNCTIONS OF GOVERNMENT (COFOG)	SECTOR	SECTOR COMPOSITION(S)
General Public Services	Public Administration and National/Inter County Relations	Office of The Governor and Deputy Governor
		County Public Service Board
		Finance and Economic Planning
		Public Service, Training and Devolution
		Office of the County Attorney
		County Assembly
Recreation, Culture and Social Protection	Social Protection, Culture and Receptions	Dept. Of Culture, Dept. Of Sports Dept. Of Social Services
Education	Education	Dept. Of Education Dept. of Vocational Training
Economic Affairs	Agriculture Rural and Urban Development	Agriculture, Livestock Development, Fisheries and Veterinary Services
		Land, Housing, Urban Development and Physical Planning
		Nakuru City
		Naivasha Municipality
	General Economics and Commercial Affairs	Trade, Business Support, Entrepreneurship and Tourism
	Energy, Infrastructure and ICT	Infrastructure ICT And E-Government
Environment Protection	Environment Protection Water and Natural Resources	Water, Environment, Energy, Climate Change and Natural Resources
Health	Health	County Health Services
Macro Working Group	Macro Working Group	Department of Finance and Economic Planning

Annex IX: CFSP 2023 Public Hearings Highlights

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
Environment Protection, Water and Natural Resources	Environment Protection, Water and Natural Resources	Rotary club has developed strategy to harvest water. Department should partner with the rotary club to leverage on these opportunities for water harvesting.	The opportunity for collaboration was welcomed. CO to meet with Rotary Club representative and discuss the proposed partnerships
		Prioritization of ongoing water projects particularly the Itare Dams, Boreholes and defluorination equipment.	Itare Dam will soon be revived as the County government will leverage the opportunity by National government which is planning to Construct 100 dams across the Country. Itare Dam has been earmarked for recommissioning.
		Resource allocation should be increased to the sector as water is a crucial aspect to sustainable development	County treasury tasked with increasing allocation of resources to the water sector. External partnerships and collaborations with PBOs and development partners are favorable options for funding.
		Community managed boreholes are having challenges managing and distributing water from community water projects. What are the plans to addressed this.	Solarization of boreholes will continue. Community based projects that are struggling should be handed over to the County government water entities to ensure effective management.
		Poor access to water in kiamunyi area of Nakuru west.	3 boreholes drilled and equipped. Distribution of water will be undertaken In the 2023/24 -2025/26 MTEF period.
		The CGN should provide technical officers to guide costing of projects during public participation to ensure enough resources are allocated to the projects	The County department ensures that water officers/engineers across the wards to provide costing advice to residents. A costing handbook for projects will be prepared and used as a reference document in public participation forums for planning and budgeting.
		The department does not adhere to the 5% job allocation to the PWDs of all vacant casual positions.	The recruitment of casuals is highly political. There is need to address the thorny issue of political interference in recruitment of casuals and other County staff.
		Regular sewer system bursts and poor management of systems especially in Ronda and Mwariki	The KFW water project in collaboration with the world bank will help address the bursts through expansion of the sewer systems. Feasibility study nearly complete
		Concern on the health hazard associated with asbestos roofing in the County	The department has taken the lead in ensuring that asbestos roofing is removed and disposed appropriately, across the County.
		Barut residents complained of displacement as a result of rising lake levels and surface runoff water. What is the department's response to this issue.	KFW project will benefit residents of Barut with an expanded sewer line.
What is the departments take on the government's programme of planting 15 billion trees	In the new financial dispensation, the department plans to spearhead the planting 1.5 million trees.		

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Employment for County residents in the department.	The NCPSB is an equal opportunity employer. Priority for employment is given to PWDs then qualified County residents
General Economics and Commercial Affairs	General Economics and Commercial Affairs	Reinforcing the need to operationalize the SME fund. There's need to explain the difference between the hustler fund and the County SME fund.	The SME fund is a revolving fund managed by the County department of Trade while the Hustler fund or The Financial Inclusion Fund is a National government scheme that provides mobile lending to Kenyans at very low interest rates.
		Fate of MoU with KCB with regard to SME fund on 52 million allocations to KCB bank in exchange for reduced lending rates	The MoU was cancelled. CGN to operationalize cooperative fund and SME fund to provide credit to cooperatives and saccos. This will ease the process to a great extent.
		PWDs be allocated spaces for businesses	Spaces will be allocated spaces in the new market at the ground floor
		Increased allocation to the sector that is seriously underfunded	Sentiment shared by the sector. The sector will endeavor to cooperate with development partners to ensure the resource gap is bridged
		Miss tourism event to be revived	Funds to be allocated for the same
		Bars close to schools	There will be no arbitrary licensing of bars in residential or school areas
		Allocation of SME funds to be open, honest and transparent and factor beneficiaries who actually need it.	The sector is committed to ensuring that the process and management of the sector funds
		Proposed programmes in collaboration with the National Chambers of Commerce between County business operators and those from abroad to borrow good practices. Some form of exchange programme.	The CECM will take up the proposal at the County executive/cabinet level
		Need to regulate Wasilis and other private operators operating as PSVs	Policy on licensing of Taxis and other digital transport operators are functions of NTSA.
		Nakuru Tourism Circuit. Leveraging on growth in the tourism activities e.g., WRC	Recommendation taken up by the CECM to be actionized
		Status of the Nakuru international airport	Lanet International airport is ongoing and once complete will promote tourism and County business
Status or fate of the Naivasha dry port	Investors are given the opportunity to chose whether cargo is cleared at Naivasha, Nairobi, or Mombasa port. Operations at the port are still on going although the capacity has declined substantially as a result of the government directive.		

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
Social Protection, Culture and Recreation	Social Protection, Culture and Recreation	Operationalization of youth center near Gioto (London Social Hall)	The social halls are adopting a new model from traditional meeting centre to a centre that serves the community in entirety. This includes installation ICT infrastructure, studio equipment, modern gyms, sports equipment others. The social halls are to be converted to community Centre
		Rampant drug abuse among the youth	Drug eradication requires a multifaceted approach between state and non-state actors. At the sector level, 15M has been allocated to Njoro OVCs towards rehabilitation center for children and youth
		Inadequate supply of sports equipment, dilapidated nature of sports stadia and facilities	Inadequate budgetary allocation to the sector to construct and improve the
		Land grabbing and inadequate public land for	The asset management team in collaboration with the departments is consolidating and securing all assets belonging to the County government. The office of the County attorney is currently litigating cases concerning public land grabbing
		Non commencement of Gilgil GBV Centre yet department wants to regulate the mushrooming of Private GBV centers	There is no land. The pre-established location proved unfruitful. BQs and others are ready. There is an allocation of 17M on the same.
		Poor development budget absorption rate	The electioneering period was highly implicated for the low absorption rates. Further the department promised to improve
		There is need to conduct a TNA for training and capacity building programmes for the youth	Youth should go for public participation and make recommendations on the same.
		Implementation of the County disability fund. What is the status of the disability fund.	The PWD fund was removed by assembly but the department is in the process of having it returned. The PWD act will be reviewed to bring on board more stakeholders. The PWD fund should be reviewed also to draw from external partners. Generally, the department is in the process of instituting major reforms to the fund to make in more sustainable.
		County government should support sport among PWDs by supporting them with sports equipment that are disability friendly equipment that are very expensive.	There are proposals for County to support PWDs in wheelchair racing and sitting basketball. Part of the sports fund will be used towards this initiative
Social Protection sector should be allocated more funds to the sector	A sentiment shared by the department. Treasury tasked with the same while the sector to focus on strengthening external resource mobilization		

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Establish a kitty for youth to enhance employment, reduce crime, and promote/support Youth owed SMEs	The youth empowerment programme in collaboration with the national assembly will be converted into a revolving youth fund to loan youth money with more friendly terms
		Expansion and operationalization of alms house to cater for more elderly	There are plans to upgrade and fence the facility to accommodate more old people.
		Status of the youth policy	There is a draft youth policy. The policy will be submitted to public participation
		The department should adopt an equitable approach rather than equality in the allocation of sports and disability funds per ward observing that wards are not equal, geographically, development level or otherwise.	The existing regulations and laws provide for equal allocations of the funds to all wards. There is need for reforms to use a needs-based approach in allocation of these funds.
		For empowerment of PWDs, there is need for CGN to collect comprehensive data of registered PWDs The CGN should observe and allocate funds for all celebration days for PWDs CGN should set up Centres e.g., textile and fabrics to assist PWDs with informal training. Capacity building programmes for PWDS.	CGN currently has three interventions for PWDs segregation, integration, and inclusion. There are plans to build a textile hub at Menengai social hall. Further the department is pushing for the 5% threshold in employment of public servants that are PWDs
Agriculture Rural and Urban Development	Agriculture Livestock in Fisheries	Assurance on the safety of GMO and GMO products	Extensive research has been conducted on the safety of GMO products, reinforcing the point that GMO foods and products are safe and viable way of addressing food insecurity.
		Agricultural Offices should be made more friendly to the public	The department is determined to maintained high standards of customer service open for all people without discrimination.
		Strategies for Youth participation in Agriculture	The third generation CIDP has provided specific interventions for youth inclusion in the agricultural value chain.
		Prevision of lease land for agriculture observing the issue of inadequate land for farming. Recommend leasing ASK land and ATC land to youth groups	The County department of Agriculture will collaborate with relevant entities to ensure that idle public land is put to productive use. E.g., the idle marinda land will be used as a breeding Centre for livestock
		What is the departments stand on pyrethrum revival and what measures are there to protect the pyrethrum sector	Pyrethrum revival is a key pillar in the governor's manifesto and has been prioritized in the new plan period. Through partnerships with KENTEGRA corp. the department plans to increase the acreage under pyrethrum and incomes from this cash-crop

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Infrastructural development in areas that supply food to CBD	Recommendation taken up and will be undertaken. E.g., the department in collaboration with Public Works will dispatch graders to Kuresoi North to Open up access roads
		Protection of fertilizers and ensuring subsidized fertilizers reaches farmers	The County government has established a centre to coordinate distribution of fertilizers. Mapping of stores to hold these fertilizers closer to the farmers area is ongoing. Chief's camps have been earmarked as temporary holding areas for the fertilizers.
		Inadequate extension officers to advice farmers on best agriculture practices	Plans are underway to recruit and train more extension officers to deliver critical extension services to farmers across the County
		Improvement of AI services	CGN through the department is in the process of revamping AI services and make them more affordable and accessible.
		Department to cascade national policies on livestock, agricultural marketing, etc in departmental operation	The department is in the process of domesticating national government policies
	Lands Housing Physical planning and Urban Development	Corruption in the lands department. Misappropriation of funds by the department in light of new corruption scandal featured on various Media Stations	The department observed the changes in leadership of the department and promised change in land administration and land issues. Under the leadership of the Governor, effectiveness and efficiency honesty and transparency will be the new normal at lands. The department welcomes information on corrupt land officials as whistleblowers.
		Poor payment of land rates, what enforcement measures are taken	The Planned digitization of land records will ensure 100% collection of land rates
		Fast track approval of valuation roll	Draft valuation roll is in place awaiting public participation and approval
		Poor accessibility of housing structures for PWDs	The department will charter new 10 councils, two new municipalities in addition to the 3 municipalities to enhance urban planning. This will among other ensure that all urban structures are accessible and compliant with the disability Act
		Need to have a PWD representative in the tendering committee to ensure that accessibility is guaranteed	Implementation of the PWD act will see PWDs access to essential services enhanced
		Fair allocation of housing units under the affordable housing programme	The CGN in consultation with the national government will set up affordable housing units in Naivasha (1000), Nakuru (1000) and Elburgon (500), which will be allocated to low-income earners as a priority.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
			In addition, two center of excellence in ABMT will be available to the County residents to ensure the cost of building is low.
		Subdivision of land into 40 X 80 parcels	This is referred to as illegal subdivision of land, particularly in residential land. The department is committed to controlling such subdivision and members of the public are encouraged to report such incidents
	Nakuru City	Tarmacking of the access road to South Cemetry	Recommendation taken up as being long overdue
		Strengthening of environmental management, garbage collection and segregated waste disposal	Donating water separation bins to schools to train children who can be
		Nakuru to be made into a spongy city observing drainage issues	Design of spongy city on going
		Strategy on youth employment to reduce urban Crime in the City	In collaboration with contractors
		Kanu street road rehabilitation	Earmarked for expansion in collaboration with KURA and KRB
		Provision of trading kiosks to women	Allocation of kiosks to be done in a transparent and open manner going forward
		Strengthening the Creative Industry in the City	One of the social halls will have a studio to fureyhr the cause of the creatives
		Including the media as a key stakeholder	An oversight which will be taken up
		Training of the CITY in collaboration with other major world cities	A city in Germany will be used for training. A delegation
		Naming of roads	To be done in collaboration with the department of Infrastructure
		Bus Rapid Transit systems revival	Taken up and plans are in place for the same in the new plan period
	Naivasha Municipality	Poor access to water in collaboration with WSPs	The board will have representation in WSP boards to share interests of the
		Strengthening of environmental management, garbage collection	Residents to pay for services of garbage collectors under the IWMS, which if strengthened is likely to reduce open waste and disposal issues
		Municipal strategy on tree planting and biodiversity conservation	There are budgetary allocation to improve the tree cover by tree planting initiative s
		Providing opportunities for international investors to invest in Naivasha SEZ, Energy, and other sectors.	KENGEN is a partner in affordable housing program in Naivasha
		Training of the Municipality in collaboration with other major world cities	Training to be done in collaboration with a city in Germany

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Supporting Groups during the upcoming cultural week	Naivasha has no cultural week but Naivasha is working to revive boat racing, cycling festivals and others.
		Harmonization of Programmes and subprogram in urban entities	Taken up and will be implemented
		County residents taken to benchmark in other cities in the country	Taken up and will be considered.
		Support establishment of a Nakuru city TV station	A good recommendation which will be taken up.
Education	Education	Bursaries have not been adequate and is issued in an opaque manner.	Inadequate funds from County Treasury to fund comprehensive bursary programmes.
		Political interference in bursary administration. High status residents get bursary.	Ward bursary committees through the ward administrators will be sensitized on the regulations of bursary administration to ensure that only the needy benefit.
		The department should collaborate with the social protection sector to identify possible beneficiaries of the bursary and capitation grants	Street children in particular have been a target niche for VTC training with arrangements made to sponsor some of them fully and consequently improve their lives
		VTCs should have more courses than those currently offered. These include Driving courses.	The department of education is in the process of purchasing trucks to be used in VTCs for driving
		VTCs should be fully equipped and staffed to offer quality training. Boarding facilities should be constructed to accommodate long distance trainees.	This has been factored in at the CIDP particularly for VTC centers of excellence.
		Bursary fund should benefit VTCs and ECDEs as is the departments mandate	The department should prioritize VTC trainees in bursary application
		School feeding Programme- status	The department is putting in place strategies to revive and enhance the school feeding programme
		Strategies to market County VTCs	Marketing through social media, chiefs office and churches will be done to enhance enrollment rate.
		Encroachment of VTC land by land developers	Principals to provide allotment letters to the department to ensure that title deeds are secured in collaboration with the lands department
		Timely dissemination of critical information regarding.	The department will use multifaceted approach in dissemination of information including websites, social media, chiefs, ward admins, churches etc.,
		The department in collaboration with development partners should support sporting and other co-curricular activities in County VTCs	This is already ongoing. Case in point ILO which is earmarked to support 7 VTCs into the new MTEF period. The department will organize drama festivals and ball games to further enhance the same.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
Energy Infrastructure and ICT	Infrastructure	Rapid initiative response to seal long-standing potholes in urban roads which are not under the County mandate	In collaboration with other road agencies the department is active in communication road degradation for active response
		The issue of incase in the number of fires in the County.	Inadequate capacity owing to inadequate funds to purchase fire engines, establish more stations and recruit more fire fighting
		Re-marking of zebra crossings which have faded in town and rural tarmacs	In collaboration with NTSA, the department is keen to find other partners to enhance safety in roads.
		Rebranding of Boresha Barabara initiative	The BB programme has been remodelled to ensure equal coverage across the wards. Renaming will be done soon through a public participatory process
		Delays in repair and maintenance of streetlights. Where should resident's seek help	There is inadequate budgetary allocation tio maintain streetlights. For example an allocation of 5M against a requirement of 100M
		Proposed installation of a culvert at Dr Arthur church road which has been to replace the one damaged in 2019.	Taken up for consideration
		There is need to have drainages as a component of road construction to ensure value for money as without drainage systems roads are easily damaged by surface runoff	Inadequate budgetary allocation
		Recommendation to have 100 percent absorption rate particularly on development budget	The department will enhance M&E of government projects. Prefeasibility studies are also key in ensuring projects do not stall
		Vandalism of road infrastructure railings, accidents, criminal activities as the ngata junction is not lit	Department to install streetlights along ngata bridge junctions to promote safety
		Criteria department uses to prioritize road maintenance and upgrades	The CIDP and Budget making process
		Parking on NMTs and pedestrian parkways	Enforcement to take this up and impound all vehocles parked on NMTs
		PWD friendly infrastructure	No new buildings are approved unless they are PWD compliant. Measures will be put in place to ensure that old government buildings are retrofitted to be more compliant
		Contractors should use compacters to ensure PWDs can use the roads as opposed to simply grading and murraming	PWDs are encouraged to register themselves to ensure
		Employment of PWDs in road networks against AGPO regulations	Compliance with AGPO is impeded by moral and fraudulent issues.
Solarization of streetlighting to save on cost of power	Has been done across the County although vandalism cases are		

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
	ICT Sub Sector	Need for recruitment of more staff to enhance service delivery	Staff to be recruited and deployed to operationalize digital centers
		Supply of ICT equipment to VTCs, ECDEs, Adult learning Centres, and other Institutions	Recommendation taken up for the upcoming MTEF period
		Why ICT does not manage revenue collection systems	The mandate of revenue collection lies with the County treasury, despite the
		Does the ICT department have capacity to fully automate County government services	No, but going forward and with more resources the department will strengthen its services across the sub counties. Further, there is need to automate services using the e-Citizen Platform
		Bila Waya Network in Nakuru CBD has not been operational for a while and youth are not reaping the benefits from this WiFi	The contract for the Bila Waya service provider lapsed and is yet to be renewed hence the down-time
		Suppliers for development projects are from Nairobi yet there are supplies in Nakuru. The department should procure these services from the County.	The procurement process is open and competitive. However, on internet provision, most internet service providers which have capacity are based in Nairobi. Competitive bidding as per the PPDA
		Department should triple efforts to enhance digital literacy as a way of reducing online Fraud	To enhance digital literacy, training is provided to organized groups for free
Health Services	Health Services	Commendations provided to the health department for various interventions by the health departments particularly Margaret Kenyatta wing at the PGH	the department also thanks the County residents for their support in the implementation of health projects.
		Need to expedite Completion of Olenguruone level IV hospital	The governor is committed to ensuring completion and operationalization of the facility
		Poor development budget absorption rate	Most health projects are multi year and are paid based on completion level. Delays in release of funds from national treasury further exacerbates the situation
		Community strategy- County supports 2500 CHVs with stipend. However, there is lack of consistency in the payment of stipends sometimes delaying for three months and are	Delays of release of funds from national treasury. Governor however intends to increase CHV stipend to 5000 going forward
		Inadequate drugs in health Centres	There is inadequate allocation to the sector to cater for the requirements. Currently health sector allocates 800 million for the same against a target of 1.2 billion
		Inadequate health staff- the staff level is below the WHO standards of nurses and Doctors. There is need for health staff to address the inadequacy and improve service delivery	Governor has directed for the operationalization of all health facilities. No new facilities will be established with this regard until all health centers are operational

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Lack of water and electricity in some health facilities	KPLC is working on increasing last mile coverage to all hospitals.
		Too many dispensaries with no officers- there is need to prioritize health recruitment rather than new health facilities	The governor has since given a directive that all health projects must be completed and operationalized.
		The fate of contracted health staff.	The County executive is still in the process of setting up the framework for reforms in the employment
		Progress of taskforce drafted to review the terms of employment	Report has not yet been released to advice and guide on the process of absorbing contracted staff into P&P basis.
		What the department is doing to ensure compliance with the WHO 5 km radius and where that has been met, there are reports of understaffing and lack of basic utilities. Need to focus on operationalization rather than construction of new.	Regulations will be put in place to map and ensure compliance with 5KM radius. The County residents have been advised not to prioritize proposals relating with construction of dispensaries during ward project selection.
		Need to operationalize level three facilities with maternity wings	No new facilities will be constructed without operationalizing the existing facilities.
		CEDGG- there is need to create awareness in the selection of health management committees. There is need for public participation in the selection of these committees.	There is public participation in the selection the committee convened by respective ward administrators and the
		There's is need for a system to manage emerging disease such as EBOLA	The health department is on alert and adequately prepared to handle new and emerging diseases in a similar manner
		There is need to reduce political interference in health department operations to increase efficiency. Cross-sec	it is impossible to separate politics from executive functions as they have an oversight mandate. The County executive is however keen to collaborate with the assembly to ensure that all
		The department should come up with a programme to increase public awareness on the need for blood transfusion	COVID -19 affected the blood transfusion drive in schools and universities. The department continues to create awareness in many fora with regard to blood transfusion
		Increased awareness on STI (Super Gonorrhoea) and HIV observing the growing cases	The department is prepared to handle cases of super-gonorrhoea. Residents are encouraged to stop self-medication and visit health facilities for treatment. There is further the need to use protection during intercourse to prevent contracting STIs. Government has been conducting programmes to increase awareness on the same and providing condoms and other protective measures
		Progress of UHC programme in Nakuru County	The department in collaboration with the national government is currently engaged in reaching out to low-income households to ensure access to health services .

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
			Currently there are over 60,000 households benefiting from the UHC programme. Everyone is encouraged to take the initiative to register for the NKIF programme for themselves and their loved ones if unable.
		Improving drainage and sanitation in market places	Health collaborates with the department of environment for enforcement to ensure markets are clean and well drained
		Project status meetings at the ward level to enhance accountability in the utilization of public funds	Recommendation taken up for consideration by the department of finance and economic planning
		During the recruitment of health staff, the department should consider recruiting unemployed qualified youth from needy households	Priority is given to residents of the County during recruitments. Residents can serve as cleaners, guards and provide other supportive services
		Mental health did not give prominence to mental health issues through increased budgetary allocation.	Residence encouraged to register in the UHC programme which covers issues of mental health.
Public Administration and International Relations	Office Of the County Attorney	Does the office provide legal services to the public as is the case with extension service providers	OCA does not offer legal advice on personal matters rather on issues directly affecting the County government
		Encroachment of Mwariki road which is always stopped in court./.. There is need to demolish houses built on road reserves	Residents asked to provide information regarding issues to do with public land and land grabbing to the OCA for further redress.
		Why does the law not apply to high caliber officials in the government. Corruption in the County Exports of certified seedlings pyrethrum by the board to other countries. Rampant land grabbing especially in the Mau Area	The law is administered equally to all. The culture of reading and understanding the law is important. Information can be found at the kenya law reports website
		The city should support an initiative to produce a documentary of the city	Recommendation taken up for consideration and further consultations on efficacy.
	Public Service Training and Devolution	Enhanced Civic Education which is seriously lacking in the County. There is need for sustained CE in the County	The Department is collaborating with partners to strengthen efforts of CE. The bill on Civic Education once accented into an act, will help strengthen County Civic Education through resource allocation.
		Increased alcohol and substance abuse among County Officials	The public to report drug abusing public officers or those whose conduct is lacking for disciplinary process.
		Some unclear indicators on training and mapping of stakeholders	Indicators will be made more clear to ensure the targets and indicators are easily understood.
		Mandate of constructing offices. What's the difference between the officers done by the assembly and offices done by PSM	Executive does not interfere with operations of the assembly. Ward offices serve the ward administrators and technical departments at the ward level.
		County enforcement officers to be drawn from NYS service men and women	In the recent employment of Enforcement officers has 60% officers with NYS background. Constraints of geography

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
			and mainstreaming of other cross cutting issues prevented 100%
		Training of enforcement officers on public relations and human rights	Collaboration with the public in ensuring effective service delivery. Residents to act on their civic duties while enforcement officers to exercise powers in a lawful manner. The officers will undergo continuous training to ensure effective service delivery
		Enhancement succession management in the County government	A taskforce has been formed to look into matters pertaining to civil service reforms including proper succession planning and management
		Public Service week to be held at the Sub County level	Taken into consideration, subject to budget and human resource availability
		Timely remittance of statutory deductions by the payroll administrator	A taskforce has been appointed to look into public service reforms including
		Poor implementation of AGPO	AGPO has been fully implemented across sectors
		Poor gender representation in high cadres of technical and leadership governance	False. The top leadership comprises the recommended threshold for women in leadership under the affirmative action policy.
		Use of chiefs in disseminating knowledge related to governance, CE &PP	The chief office collaborates with the county government Ward Administrators for information dissemination,
	County Public Service Board	Ghost workers and employees who are illegally occupying office	Payroll is being streamlined to ensure that all officers in the payroll are duly qualified with supporting documents and appointments
		Illegal redesignation of employees	Taskforce to complete streamlining the public service
		Feedback to candidates who fail to secure positions	The new system will have a feature on feedback for non-successful candidates
		The boards position on the issue of youth unemployment	The NCPSB is an equal opportunity employer. Youth in the County are encouraged to apply for vacant positions
		Confirmation of qualified acting County officials	Part of the public service reforms includes a strategy to confirm and promote those who have stagnated for long.
		Prioritization of qualified vulnerable individuals in recruitment including PWDs as the board strives to attain the 5% recommendation	The board gives first priority employment to qualified PWDs
		Is there an internship programme going forward?	No resources have been allocated to continue the programme
		Disproportionate representation of marginalized groups in public service	The County public service board gives first priority to PWDs who are qualified.

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	Office of The Governor And The Deputy Governor	Procedure of meeting the governor. Improved accountability in the office of the governor observing the graft cases In the County	The governor's priority to transparent service delivery is unwavering. In the current regime, chief officers and CECMs are and other leaders will be hands-on and accessible at all times to the public, in what is called people centered governance
		Money allocated for construction of deputy governors' residence should be reallocated to other important things such as pending bills or health financing as the deputy governor has a personal residence.	The construction of the official residences for governors and deputy governors is a legally backed undertaking across counties.
		Inefficiencies in bursary administration which is received by rich folk. Increased Bursary allocation per child for improved outcomes.	Ward bursary committees to be closely monitored by the public and cases of corruption, nepotism in bursary administration should be reported to the office for action
		Disaster funds should be channeled towards resettling those displaced around lake Nakuru	Recommendation taken up for consideration and further consultation
		Office of the governor should fund creatives as Nakuru is one of the 13 UNESCO creative cities to leverage on the investment opportunities linked with this.	The Culture directorate will leverage on the gains associated with the new status of being a UNESCO creative city which include but not limited to City-to-City training and funding.
		Increased stipend for CHVs and CWHs	CHVs to receive an increment from 2000 to 5000 going forward into the MTEF period.
		Corruption and nepotism in employment, leading to a spur in crime, teen pregnancies and deplorable living conditions.	The County government is working will numerous partners including USAID to design and develop programmes addressing Youth Unemployment. The County is further striving to create a conducive business environment including a single business permit covering all licenses.
		Enhanced support to vulnerable groups including PWDs, the poor, and OVCs	In collaboration with ward administrators' residents should regularly engage the office for areas of interventions
		Attendance of Chief of staff, DG, Political Advisor and other key players in the office of the governor to attend sector hearings	Recommendation noted and representation will improve in the next sector hearings
		CRA to enhance ceilings for the office for improved service delivery	Discussions ongoing to address this issue
		Concern of growing litigations against the County. What strategies are in place to reduce the number of cases	It is the constitutional right of the public to move to court and keep the government in check. ADR is the official County position to settle disagreements and disputes with the public and other organizations.
		Ward administrators and MCAs providing poor services and to fraud the public	The County government to investigate these issues which are isolated cases.

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		Youth access to AGPO is highly hindered as a result of Centralized Procurement Process.	The position of the administration is to protect vulnerable community members
		Exploitation of the Labor force particularly in the private sector	In collaboration with OSH and the ministry of labor, the County holds regular engagements with investors to improve working conditions of workers
	County Assembly	County assembly to invest in ward offices especially for MCAs without offices. Town based offices are not feasible. This should be done through public participation. Tendering should be prioritized for contractors based in the ward not from outside Nakuru	The recommendation noted and will be taken up.
		MCAs and Speaker and Clerk to attend sector hearings going forward	The request will be passed to the speaker and the clerk of the assembly
		Issue of budget approval delays and budget cuts. Case in point agriculture budget cut to provide foreign travel fund for MCA to the tune of 68M	The ceiling is determined by CRA and its impossible to supplement funds from executive to assembly beyond these ceilings. The PPDA guides all procurement procedures at the assembly with full compliance to AGPO and other procurement laws.
		Incorporation of governor manifesto in Assembly Interventions	The assembly is 100% behind the governor and has aligned all their interventions to be in line with the manifesto of the political administration within the confines of the law.
	Finance And Economic Planning	What is the criteria used to select CBEF members	CBEF is competitively recruited by the CPSB
		High cost of Public Procurement and delays in project implementation and procurement	Taxation and contractor profits were implicated for the upward adjustments in contracted works
		Timely dissemination of information and materials up to the ward level	Taken up and will commence soon. APR will be disseminated across the wards starting next financial year.
		Lack of transparency and accountability in the tendering and procurement processes.	The County uses an open tender system which is highly transparent. There is need for Civic education in the tendering and public procurement process.
		Leakages in revenue collection (2.4 against a CRA potential of 7 billion). Under collection of 17 billion according to AG report, the largest chunk being Land rates and rents arrears	Strategies to optimize revenue collections through revenue mapping will be implemented starting the new financial dispensation. Automation of revenue services will further improve efficiency of revenue collection.
		Increased litigations	Every citizen has a right to seek judicial redress. The position of CGN is AJS and ADR before moving to court.
		Political interference in project and programme implementation	The political class play an important role in overseeing the executive as they implement programmes and projects

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		Implementation of Audit recommendation to correct the issues raised by the qualified audit opinion	The new regime is keen on implementing the recommendation of the Auditor General report and is keen on ensuring
		Mainstreaming special interest groups in plans and budgets	Mainstreaming crosscutting issues in development planning is a key focus area in the third generation CIDP.
		Timely submission of statutory documents in collaboration with CA	Economic planning is always on time in submissions
		Mapping of revenue sources	There is a taskforce that has been formed to map businesses across all the sub counties. 2B target for OSR excluding FIF will be achieved with this
		Resource mobilization strategies	There are numerous strategies that have been put in place to enhance the resource envelop for the county. Once implemented, they will help alleviate the huge resource gaps across sectors
		Stalled projects e.g., the treasury buildings	Multiyear capital investment projects are expensive and usually implemented in phases with respect to availability of resources
		Ballooning pending bills	Most pending bills are associated with defunct local authorities' which lack proper documentation to process payments according to AG report
		External Resource Mobilization	There's a department on ERM tasked with coordinate mobilization of resources from partners on behalf of the County
		Inadequate funds to implement flagship projects for the social Protection sector. Treasury to collaborate with UNESCO to source funding for Nakuru from the 300 other creative cities.	Recommendation to be taken up in collaboration with relevant departments (Culture, ERM and the City board)
		Economists to be deployed to wards	Welcomed recommendation, however not easily implementable due to budget constraints.