THE COUNTY TREASURY

DEPARTMENT OF FINANCE, ICT AND ECONOMIC PLANNING

2024 COUNTY FISCAL STRATEGY PAPER

"Sustaining Inclusive Growth for Socio-Economic Transformation"

FEBRUARY 2024

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FOREWORD

The County Fiscal Strategy Paper 2024 is the second to be prepared under the current administration, reaffirming priority policies and strategies outlined in the Governor's manifesto, Kenya Vision 2030, and the County Integrated Development Plan (CIDP) 2023-2027. Aligned with the national objectives contained in the 2024 Budget Policy Statement (BPS), it addresses negative global and persistent shocks impacting the economy.

Against this backdrop, the National Government continues to implement interventions and policies to reduce the cost of living, improve livelihoods, and foster sustainable inclusive economic transformation through the Bottom-Up Economic Transformation Agenda. This agenda targets five core priority areas: Agricultural Transformation, Micro, Small and Medium Enterprise (MSME) Economy, Housing and Settlement, Healthcare, and Digital Superhighway and Creative Industry.

To align with the Bottom-Up Economic Transformation Agenda (BETA) under the Kenya Kwanza Administration, the County Government pledges support for national efforts. The 2024 CFSP focuses on implementing policies and programs that accelerate and sustain inclusive growth by aligning with the priorities identified by the Kenya Kwanza administration.

Through various priority economic policies, structural reforms, fiscal consolidation plans, and sectoral expenditure programs outlined in this 2024 CFSP, the County Government aims to bolster resilience to shocks and pursue socio-economic transformation and inclusive growth. Over the medium term, economic recovery strategies will be prioritized to reposition the economy on a steady and sustainable growth trajectory.

The medium-term fiscal policy approach aims to reinforce the County Government's socio-economic transformation agenda by implementing a fiscally responsible consolidation plan. This plan aims to alleviate annual increases in liabilities while efficiently managing liabilities and ensuring provision of essential public services.

The fiscal policy also aims to boost revenues for FY 2024/25 and the medium term through intensified efforts in revenue collection, administrative and policy reforms, and revenue enhancement initiatives. Expenditure-side efforts focus on improving efficiency in public spending, ensuring value for money, and scaling up Public Private Partnerships financing.

The County Government will implement policies, structural reforms, and promote investment in seven core thematic areas expected to have the highest impact: Agriculture transformation, Health Care, Education, Infrastructure Development, MSME Economy and Employment Creation, Manufacturing, Water Supply, Environmental Conservation, and Climate Change Actions.

Given limited resources, detailed budget allocations for the FY 2024/25 Budget and the Medium Term will be based on hard sector ceilings and shall be submitted to the County Assembly by 30th April 2024. The targeted outcomes of budget implementation include reducing the cost of living, increasing employment, enhancing equitable income distribution, social security, and expanding the revenue base. All departments are urged to adhere to sector ceilings and deadlines to facilitate the finalization of the FY 2024/25 and medium-term budget proposals.

NANCY KIRUMBA
CECM, FINANCE ICT & ECONOMIC PLANNING

ACKNOWLEDGEMENT

The 2024 County Fiscal Strategy Paper (CFSP) is prepared in compliance with the provisions of the Public Finance Management Act, 2012. It outlines the strategic priorities of the new administration, highlights the current state of the economy, provides macro-fiscal outlook over the medium term together with a summary of County Government spending plans as a basis for the FY 2024/25 budget. The publication of the 2024 CFSP aims to improve the public's understanding of public finance management and guide debate on economic and development matters. As we finalize the budget for the FY 2024/25 and the medium term, I wish to emphasize that the economy is operating under tight fiscal constraints. Departments are therefore urged to undertake a careful scrutiny of individual budgets execution reports to curtail growth of recurrent budgets and ensure funding priorities are accorded to the new administration's Social-Economic Transformation Agenda.

The preparation of the 2024 CFSP was a collaborative effort among various County Government departments led by chief officers; we are grateful for their inputs and timely provision of information and for their cooperation during the period of the assignment. More strategic information was obtained from the National Government 2024 Budget Policy statement (BPS) and the county sector working group's reports from respective departments. It is with great humility that I take the opportunity to express my profound gratitude and deepest regards to members of the County Executive Committee and His Excellency the Governor for the visionary leadership that has enabled us chart a clear development path.

We are also grateful to the core team at the County Treasury, the Directorate of Budget led by the Ag. Director Budget, Accountants, and Finance Officers, the Directorate of Economic Planning led by the Director of Economic Planning, Deputy Director, Economists, Statisticians, the Directorate of Revenue, led by Director revenue and revenue accountants who tirelessly coordinated the preparation and finalization of this document, ensuring it was produced on time and meets all the requirements.

Finally, Special thanks also go to all the stakeholders for their active participation during preparation of this CFSP. We reiterate our commitment to serving you and improve on prudent public finance management, transparency and accountability on all public finance matters.

WILLIAM KIMANI,
CHIEF OFFICER, FINANCE AND ECONOMIC PLANNING

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ABBREVIATIONS

ADP	Annual Development Plan
BPS	Budget Policy Statement
CADP	County Annual Development Plan
CBEF	County Budget and Economic Forum
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy paper
CIDP	County Integrated Development Plan
CIUDS	County Integrated Urban Development Strategy
CLAIMS	County Land Management Information system
CLMC	County Land Management Committees
ECDE	Early Childhood Development Education
FY	Financial Year
GIS	Geographical Information system
GDP	Gross Domestic Product
ICT	Information, Communication & Technology
IFMS	Integrated Financial Management Information System
ISUDP	Integrated Strategic Urban Development Plan
KISIP	Kenya Informal Settlements Improvement Project
MOU	Memorandum of Understanding
MSMEs	Medium and small micro Enterprises
MTEF	Medium Term Expenditure framework
MTP	Medium Term Plan
OSR	Own Source of Revenue
PAPS	Project Affected Persons
PDPs	Partial Development Plans
PFMA	Public Finance Management Act
REA	Rural electrification Authority
SACCOs	Saving and Credit Cooperative Societies
USSD	Unstructured Supplementary Service Data
VTCs	Vocational Training Centers
WB	World Bank

Fiscal Responsibility Principles for the County Governments

(1) In line with the Constitution, the Public Finance Management Act (PFMA), 2012, sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. The PFM law (Section 107) states that:

(2) In managing the County government's public finances, the County Treasury shall enforce the following fiscal responsibility principles-

(a) The County government's recurrent expenditure shall not exceed the County government's total revenue;

(b) Over the medium term, a minimum of thirty percent of the County government's Budget shall be allocated to the development expenditure;

(c) The County government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;

(d) Over the medium term, the government's borrowings shall be used only for the Purpose of financing development expenditure and not for recurrent expenditure;

(e) The County debt shall be maintained at a sustainable level as approved by County assembly;

(f) The fiscal risks shall be managed prudently; and

(g) 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.

(3) For the purposes of sub section (2) (d), short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited County government revenue

(4) Every County government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the County assembly.

Legal Basis for the Preparation of the County Fiscal Strategy Paper

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance 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 the County Treasury shall 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.
7. The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned.
8. The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County Assembly.

1.0 INTRODUCTION

Overview

1. The County Fiscal Strategy Paper (CFSP) is a government policy document that outlines the broad strategic priorities and policy goals guiding the County Governments in formulating their budgets for the upcoming financial year and the medium term.

2. Within this document, adherence to fiscal responsibility principles demonstrates prudent and transparent management of public resources in accordance with the Constitution and the Public Finance Management (PFM) Act of 2012. The document is also aligned to the 2024 Budget Policy Statement prepared by the National Government.

3. Section 117 of the PFM Act, 2012 stipulates that the County Treasury must prepare and present the County Fiscal Strategy Paper for approval to the County Executive Committee. Subsequently, the County Treasury is required to submit the approved Fiscal Strategy Paper to the County Assembly by the 28th of February each year. The County Assembly is required, within 14 days of submission, to table and discuss a report containing recommendations and pass a resolution to adopt it, with or without amendments. The County Executive Committee Member for finance shall take into account resolutions passed by the County Assembly in finalizing the budget for the FY 2024/2025 and the medium term.

4. The 2024 County Fiscal Strategy Paper contains:
    a. An assessment of the current state of the economy including macroeconomic forecasts;
    b. The financial outlook with respect to County Government revenue and expenditures for the next financial year and over the medium term;
    c. The proposed expenditure ceilings for the County Government, including those of County assembly;
    d. The fiscal responsibility principles and financial objectives over the medium term; and
    e. Statement of Specific Fiscal Risks.

5. Preparation of the CFSP is a consultative process that involves seeking and taking into account the views of: The Commission on Revenue Allocation; the public; any other interested persons or groups; and any other forum that is established by legislation.

2.0 RECENT ECONOMIC DEVELOPMENT AND MEDIUM TERM OUTLOOK

2.1. Global and Regional Economic Developments

6. The global economy is facing challenges occasioned by global supply chain disruptions due to the prolonged Russia -Ukraine conflict, elevated global interest rates on account of inflationary pressures limiting access to credit and exacerbating debt servicing costs; and significant losses and damages due to frequent extreme weather events increasing fiscal pressures. This has led to a slowdown in global growth to 3.0 percent in 2023 and 2.9 percent in 2024 from 3.5 percent in 2022 which is below the average growth of 3.8 percent.

7. The growth of the advanced economies are projected to slow down from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 reflecting slowdown in the growth in the USA and Euro Area. This slowdown in growth resulted from aggressive monetary policy tightening that has contributed to a significant deterioration of global financial conditions. The growth in emerging market and developing economies is projected to decline slightly from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, although with notable shifts across regions.

8. The growth in the Sub -Saharan Africa region is projected to decline to 3.3 percent in 2023 from 4.0 percent in 2022 reflecting worsening climate change related shocks, inflationary and exchange rate pressures, and domestic supply issues, including, notably, in the electricity sector. Growth in the region is expected to rebound to 4.0 percent in 2024, picking up in four fifths of the sub-Saharan Africa's countries, and with strong performances in non-resource intensive countries.

2.2. Domestic Economic Development

9. Kenya's economy exhibited resilience in 2022 with growth performance well above the global and Sub Saharan Africa average despite experiencing severe multiple shocks. The economic growth rate slowed down to 4.8 percent in 2022 from 7.6 percent in 2021.

10. The economic growth averaged 5.6 percent in the first three quarters of 2023. The economy recorded a growth rate of 5.5 percent in quarter 1, 5.5 percent in quarter 2 and 5.9 percent in quarter 3 of 2023 compared to the growth recorded in 2022 of 6.2 percent in quarter 1, 5.2 percent in quarter 2 and 4.3 percent in quarter 3.

This growth was primarily underpinned by a rebound in the agricultural activities which grew by an average of 7.0 percent in the first three quarters of 2023 compared to a contraction of 1.8 percent during the same period in 2022. All economic sectors recorded positive growth rates in the first three quarters of 2023, though the magnitudes varied across activities

11. The agriculture sector rebounded strongly in the first three quarters of 2023, following improved weather conditions and the impact of fertilizer and seed subsidies provided to farmers by the Government. The sector grew by 6.1 percent in the first quarter, 8.2 percent in the second quarter and 6.7 percent in the third quarter . The strong performance was reflected in enhanced production, especially of food crops that led to significant increase in exports of tea, coffee, vegetables and fruits. However, production of cut flowers and sugarcane declined during the period.
12. The performance of the industrial sector remained positive in the first three quarters of 2023 and recorded growths of 2.4 percent in the first quarter, 1.7 percent in the second quarter and 2.9 percent in the third quarter compared to growths of 4.4 percent, 4.2 percent and 3.0 percent, respectively in similar quarters in 2022. Growth in the sector was supported by increased activities in the construction sector mainly reflected in the increased consumption of cement and imports of bitumen, iron, and steel. Activities in the manufacturing sector, which accounts for nearly half of the industrial sector output, was hampered by a decline in the manufacture of both food (particularly sugar production) and non-food products while electricity sub-sector slowed down due to a notable decrease in electricity generation from all sources, except geothermal.
13. The activities in the services sector sustained a strong growth rate averaging at 6.2 percent in the first three quarters of 2023. It recorded recording 5.9 percent in the first quarter, 5.9 percent in the second quarter and 6.9 percent in the third quarter. The robust performance was reflected in the notable growth of information and communication especially increases in wireless internet and fiber-to-home subscriptions; wholesale and retail trade; accommodation and food services driven by recovery in tourism; transport and storage; financial and insurance resulting from

strong private sector credit growth and lending to the government; and real estate supported by sustained expansion of the construction industry.

Inflation Rate

14. The year-on-year inflation rate eased to 6.6 percent in December 2023 from a peak of 9.6 percent in October 2022 and has been within the Government target range of 5 +/- 2.5 percent for the first half of 2023/24 demonstrating prudent monetary policies. However, inflation has remained sticky in the upper bound of the Government's target range since July 2023 due to relatively higher energy prices. Consequently, the tightening of the monetary policy was to address the pressures on the exchange rate and mitigate second round effects including from global prices. This ensured that inflationary expectations remain anchored, while setting inflation on a firm downward path towards the 5.0 percent mid-point of the target range. The easing of inflation was also supported by Government interventions and favourable weather conditions that increased food supply and lowered food prices.

15. Food inflation remained the dominant driver of overall inflation in November 2023. However, it declined to 7.7 percent in December 2023 from a peak of 15.8 percent in October 2022 supported by general decline in international food prices, government interventions through zero rating of select food commodities, and improved weather conditions that enhanced production of fast-growing food items, thus moderating their prices. Nonetheless, sugar prices remained elevated driven by domestic and global factors.

16. Fuel inflation remained elevated reflecting the impact of the rise in international oil prices, depreciation in the shilling exchange rate and gradual withdraw of the fuel subsidize from September 2022 and the upward adjustment of electricity tariff from April 2023. Fuel inflation declined to 13.7 percent in December 2023 from 15.5 percent in November 2023, driven by a downward adjustment in pump prices. Additionally, the upward adjustment of VAT on petroleum product in July 2023 from 8.0 percent to 16.0 percent to eliminate tax credits from the sector exacted upward pressures on prices. However, prices of cooking gas continued to decline and moderated inflation reflecting the impact of the zero-rating of VAT on liquefied petroleum gas (LPG).

17. Core (non-food non-fuel) inflation remained stable at 3.4 percent in December 2023, from a peak of 4.4 percent in March 2023. The decline is attributed to the tight monetary policy and muted demand pressures.

Kenya Shilling Exchange Rate

18. Just like other countries, the economy has been experiencing foreign exchange challenges due to the rise of US interest rates. The Kenya Shilling weakened by 25.3 percent against the US Dollar, 30.2 percent against the Sterling Pound and 29.2 percent against the Euro in December 2023 compared to a similar period in 2022. The shilling exchanged against the US Dollar at an average of KShs 154.1 in December 2023 compared to an average of KShs 122.9 in December 2022. The Kenya shilling also weakened to exchange at KShs 168.0 against the Euro in December 2023 compared to KShs 130.0 in December 2022; and at KShs 195.0 against the Sterling Pound in December 2023 compared to KShs 149.8 over the same period. The Kenyan Shilling was also supported by increased remittances, adequate foreign exchange reserves and strong exports receipts.

Interest rates

19. Short-term interest rates increased in the year to December 2023 depicting the tight monetary policy stance and liquidity conditions in the money market. The interbank rate increased to 11.7 percent in December 2023 compared to 5.4 percent in December 2022 while the 91-day Treasury Bills rate increased to 15.8 percent compared to 9.3 percent over the same period. The introduction of the interest rate corridor, in August 2023 has aligned the interbank average weighted rate to the Central Bank Rate and thereby improving the transmission of the monetary policy.

20. Commercial banks' average lending and deposit rates increased in the year to October 2023 in line with the tightening of the monetary policy stance. The average lending rate increased to 14.2 percent in October 2023 from 12.4 percent in October 2022 while the average deposit rate increased to 9.1 percent from 7.0 percent over the same period. Consequently, the average interest rate spread declined to 5.1 percent in October 2023 from 5.4 percent in October 2022.

Money and Credit

21. Broad money supply (M3) growth was 21.1 percent in the year to November 2023 compared to a growth of 5.3 percent in the year to November 2022. This growth was mainly due to an improvement in the Net Foreign Assets (NFA) of the banking system and resilient domestic credit.

22. Net Foreign Assets (NFA) of the banking system improved by 179.6 percent in the year to November 2023 compared to a contraction of 52.5 percent in the year to November 2022. The increase in NFA mainly reflected the improvement in commercial banks' foreign assets.

23. Net Domestic Assets (NDA) registered a growth of 10.7 percent in the year to November 2023 compared to a growth of 14.6 percent over a similar period in 2022. The growth in NDA was mainly supported by an increase in domestic credit, particularly resilient private sector credit and net lending to the government. Growth of domestic credit extended by the banking system to the Government declined to a growth of 14.4 percent in the year to November 2023 compared to a growth of 15.2 percent in the year to November 2022.

Private Sector Credit

24. Growth in private sector credit from the banking system remained resilient partly reflecting improving business conditions and demand for working capital .Credit advanced to private sector credit improved to a growth of 13.2 percent in the year to November 2023 compared to a growth of 12.5 percent in the year to November 2022. Various sub-sectors that registered improved credit expansion were finance and insurance, manufacturing, agriculture and transport and communication. Growth in private sector credit is expected to remain relatively stable, supported by, among other factors, resilient economic activity, and the implementation of the Credit Guarantee Scheme for the vulnerable MSMEs.

External Sector Developments

25. The overall Balance of Payments position slowed down to a surplus of USD 1,321.4 million (1.3 percent of GDP) in November 2023 from a surplus of USD 1,802.8 million (1.6 percent of GDP) in November 2022. Exports contracted in the year to November 2023 by 2.9 percent mainly due to a decline in horticultural exports particularly cut flowers despite an improvement in receipts from tea, chemicals and

manufactured exports. The increase in receipts from tea exports reflects higher prices attributed to lower global supply due to drought amid resilient demand from traditional markets while the increase in manufactured exports receipts reflects strong regional demand.

26. On the other hand, imports declined by 11.4 percent in the year to November 2023, mainly reflecting lower imports of infrastructure related equipment, manufactured goods, oil, and chemicals. Oil prices remain elevated on account of increased geopolitical fragmentation and global oil supply cuts by major oil exporters particularly Saudi Arabia and Russia.

27. The current account deficit improved to USD 4,196.5 million (4.2 percent of GDP) in November 2023 compared to USD 6,012.3 million (5.4 percent of GDP) in November 2022. The current account balance was supported by an improvement in the trade balance account and resilient remittances.

Capital Markets Development

28. Activity in the capital markets slowed down in December 2023 compared to December 2022 as advanced economies tightened their monetary policy amid inflationary pressures. The NSE 20 Share Index declined to 1,509 points in December 2023 compared to 1,676 points in December 2022 while Market capitalization declined to Ksh 1,432 billion from Ksh 1,986 billion over the same period.

2.3. Impact of National Macroeconomic Variables on County Development

29. The global and national economic outlook has a great impact on the performance of the County considering the largest share of the total revenue originates from the National Government transfers. The stability of the macroeconomic environment therefore supports growth of the County since the dynamics of the macro-economic framework have direct and/or indirect effects on the County decision and operations. The County performance also depends on formulation and implementation of prudent policies aimed at improving the service delivery.

30. The national performance influences the level of economic activities and developments in the County. For instance, non-performance of revenue in the National Government (as a result of a harsh economic environment) has a spillover effect on implementation of the County Development Agenda since resources meant

for development are less. Low and stable inflation rate on the other hand, encourages more investments and reduces uncertainties thus enabling the County to invest more on development leading to improved economic growth and stability. Similarly, low and stable interest rates stimulate higher private sector lending, especially the Small and Medium Enterprises. This encourages more spending and investments in the County leading to economic growth and improved quality of life for the residents.

31. Foreign exchange has been challenging to many countries including Kenya. The weakening of Kenya shillings against the US dollar and other global currencies, poses a risk to the County economic outlook and hampers implementation of development programs due to increased cost of imported inputs. Efforts should be made such as tightening of aggressive money policy to promote investments and economic growth.

32. Kiambu is predominantly an agricultural County with the sector employing a large proportion of its population and contributing majorly to the Country's Gross Domestic Product (GDP). The sector has recorded a slowdown in performance mainly attributed to unfavorable weather conditions due to the impact of climate change which could adversely affect agricultural production and result in domestic inflationary pressures and food insecurity. In this regard, the County will formulate prudent policies and interventions to support the agriculture sector and other critical sectors

33. The County performance depends on formulation and implementation of prudent policies. The County Government will continue to pursue prudent fiscal policies and other appropriate measures to safeguard the County from adverse effects if any; ensure stability and guide service delivery.

2.4 Fiscal Performance

34. Budget execution in the first eight months (July 2023 to February 2024) of the FY 2023/24 progressed well. Total Revenue available to the County as at 26th February, 2024 was KShs. 11.15 billion (45.8 percent) of the revised budget and comprised of Own Source revenue of KShs. 2.53 billion (31.7 percent of the target), exchequer released on equitable share from National Government of KShs. 6.05 billion (49.5

percent of the target) and unspent balance of KShs. 2.548 Billion from FY 2022-2023. Revenue performance is anticipated to improve over the course of the financial year, mainly due to the RRI initiatives adopted by the current administration.

35. The total budget absorption for the period under review was KShs. 9.36 Billion (38.2 percent) of the total revised budget estimates for FY 2023/24. However, it's worth noting that out of the available funds for the period under review, amounting to a total of KShs. 11.15 Billion, the County was able to absorb 84.0 percent. Overall expenditures were below target primarily due to the late disbursement of exchequer funds and missed revenue targets, which adversely affected budget execution. Consequently, there was low absorption of both the recurrent and development budgets. However, it is anticipated that the absorption rate will rise in the coming months as revenue flows from both the National Government and own sources increase.

36. Revenues are also expected to progressively improve in the third quarter of the financial year, as it is the peak period for the collection of major revenues such as business permits and rates, among others. The County has continued to implement new revenue collection strategies, such as RRI initiatives, which will ensure that its own-source revenue collection is optimized. Judging by the above revenue performance, it is anticipated that the revenue targets for the FY 2023/24 will be achieved.

37. On the expenditure, the County Government has embarked on expenditure rationalization by promoting fiscal discipline, allocative and operational efficiency and prioritization to improve efficiency and reduce wastage by ensuring the expenditures are on the most impactful Programmes that yield the highest welfare benefits to the people of Kiambu. Expenditure management will be strengthened with continued implementation of the Integrated Financial Management Information System (IFMIS) across all the departments.

2.5 Revenue Performance

38. The total funds available for budget implementation during the period amounted to KShs. 11.15 billion as shown in table **1 below**

Table 1: Overall Revenue performance

	REVENUE PERFORMANCE AS AT 26th February, 2024	FY 2023/2024		
	SOURCE OF REVENUE	**Actual**	**Supplementary 1**	**Actual Receipts as % of Annual Target**
	Total Revenue from National Government	**6,052,638,462.0**	**13,733,974,777.0**	**44.1%**
A	**EQUITABLE SHARE**	**6,052,638,462.0**	**12,227,552,449.0**	**49.5%**
B	**TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS**	**-**	**1,506,422,328.0**	**0.0%**
	I. Conditional Additional Allocation from the National Government's Share of Revenue	**-**	**534,388,478.0**	0.0%
	Medical Leasing	-	124,723,404.0	0.0%
	Industrial Park & Aggregation Centers Grant	-	250,000,000.0	0.0%
	Provision of fertilizer subsidy programme	-	159,665,074.0	0.0%
	II. Unconditional Additional Allocations from the National Governments Share of Revenue	**-**	**15,224,547.0**	**0.0%**
	Court Fines	-	5,084,684.0	0.0%
	Mineral Royalties	-	10,139,863.0	0.0%
	III. Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development partners	**-**	**807,717,103.0**	**0.0%**
	IDA(World bank) National Agricultural Value Chain Development Project (NAVCDP)	-	250,000,000.0	0.0%
	DANIDA Grant - Universal Healthcare for Devolved System Program	-	17,209,500.0	0.0%
	IDA(World bank) FLLoCA- County Climate Resilience Investment Grant(CCRI)	-	125,000,000.0	0.0%
	IDA(World bank) FLLoCA- County climate institutional support (CCIS) Grant	-	35,982,967.0	0.0%
	IFAD- Aquaculture business development project ABDP	-	23,664,715.0	0.0%
	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	-	50,000,000.0	0.0%
	Sweden- Agricultural Sector Development Support Programme (ASDSP II)	-	2,583,952.0	0.0%
	World Bank Credit - National Agricultural & Rural Inclusive Growth Porject (NAGRIP)	-	303,275,969.0	0.0%
	IV. National Government Expenditures on Devolved Functions to be Converted to Addional Allocations Grant to County Governments	**-**	**149,092,200.0**	0.0%
	Livestock value chain support project	-	149,092,200.0	0.0%
C	**Other County Revenue**	**2,564,296,411.0**	**2,630,929,246.0**	**97.5%**
	Adjustment to cash Basis(CRF)	2,548,373,211.0	2,548,373,211.0	100.0%
	MSF BELGIUM	13,648,800.0	43,200,000.0	31.6%
	Nutrition International	2,274,400.0	39,356,035.0	5.8%
D	**Own Source Revenue**	**2,533,452,057.7**	**7,980,140,717.0**	**31.7%**
	TOTAL	**11,150,386,930.7**	**24,345,044,740.0**	**45.8%**

Source: Kiambu County Treasury

39. Kshs.6.05 billion (49.5 percent of the annual target) represents the equitable share of revenue from the National Government, while KShs. 13.65 million (31.6 percent of the annual target) comes from MSF Belgium. Additionally, KShs. 2.27 million (5.8 percent) was sourced from the Nutrition International Program, and KShs. 2.53 billion (31.7 percent of the annual target) was generated from own-source revenue (OSR). Further, KShs. 2.54 Billion was derived from closing balances in the County Revenue Fund account from the previous financial year (2022/2023).

40. Notably, no revenue was received from grants both from the national Government, loans and proceeds from development partners during the period under review of the financial year. This can largely be attributed to the ongoing implementation of intergovernmental transfer agreements to County Governments as per amended PFMA, 2012. However, with the agreement model now in place and already cascaded to County Governments for implementation, we anticipate that the grants will be disbursed in the remaining months of the financial year.

Own Source of Revenue Performance

41. Own Source Revenue (OSR) for the first eight months of the financial year 2023/24 was KShs. 2.53 billion. This was attributed to the implementation of an automated revenue management system, Kiambu-Pay. The system has helped seal loopholes at sub-counties and hospitals, focusing on revenue streams like physical planning, land rates, vehicle parking, hospital fees and single business permits.

42. Further, the creation of various task forces such as Rapid Results Initiatives in supervising, analyzing and reporting on revenue collection processes and public sensitization on the importance of revenue payment, including reminders through sending of bulk SMS, has also contributed to efficiency in revenue collection.

Table 2: Own source revenue performance

	REVENUE PERFORMANCE AS AT 26th February, 2024	FY 2023/2024		
	SOURCE OF REVENUE	Actual	Supplementary 1	Actual Receipts as % of Annual Target
D	**Own Source Revenue**	**2,533,452,057.7**	**7,980,140,717.0**	**31.7%**
	Agriculture Livestock & Fisheries Management Unit	30,592,941.4	83,395,975.0	36.7%
	Physical Planning Management Unit	492,390,291.2	1,630,645,457.0	30.2%
	Business Permit Management Unit	185,783,861.0	450,650,500.0	41.2%
	Cess Management Unit	61,186,043.5	156,921,249.0	39.0%
	Education Culture ICT & Social Services Unit	596,300.0	650,000.0	91.7%
	Housing Management Unit	11,014,039.0	35,450,000.0	31.1%
	Land Rates Management Unit	407,551,496.8	1,951,633,742.0	20.9%
	Market Management Unit	7,391,330.0	15,525,226.0	47.6%
	Administration	18,734,665.6	-	0.0%
	Roads Transport Public Works Management Unit	47,510,470.0	180,310,302.0	26.3%
	Trade Tourism Industry & Cooperatives Unit	1,548,360.0	11,646,309.0	13.3%
	Vehicle Parking Management Unit	235,651,517.7	602,132,055.0	39.1%
	Water Environment & Natural Resources Mgt Unit	50,845,382.6	102,805,757.0	49.5%
	liquor management unit	138,152,537.3	350,000,000.0	39.5%
	Miscelleneous Receipts	-	8,374,145.0	0.0%
	Health Services Management Unit	**844,502,821.7**	**2,400,000,000.0**	**35.2%**
	Hospital Collections(FIF)	523,204,134.5	1,300,000,000.0	40.2%
	NHIF Rebates	195,487,818.7	1,000,000,000.0	19.5%
	Public Health	125,810,868.5	100,000,000.0	125.8%

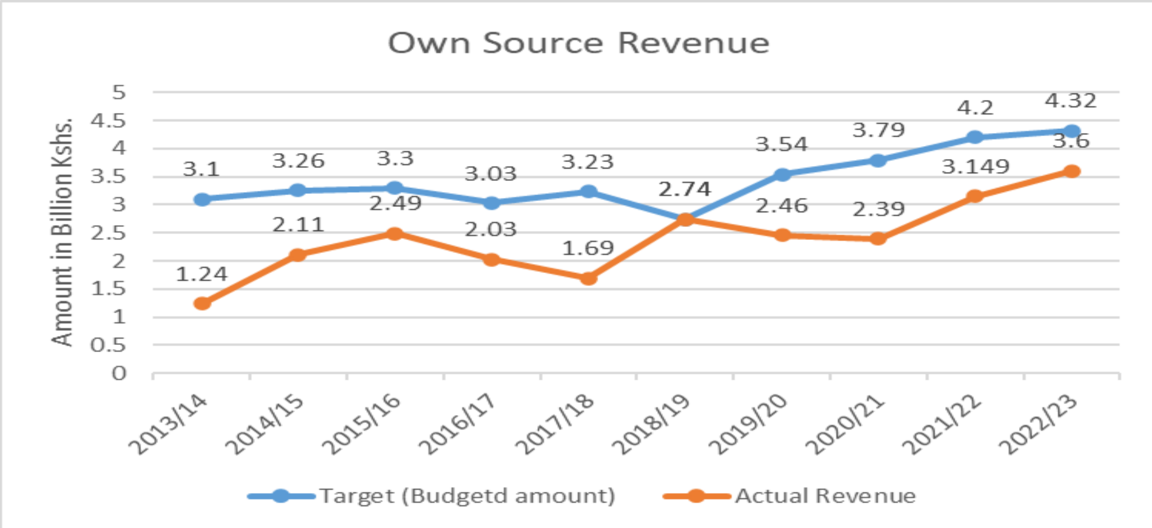
Source: Kiambu County Treasury

43. As the country's political environment stabilizes and the economy continues to recover from the COVID-19 shocks, the County anticipates an upward growth of revenue collection for the period of the financial year compared to the first eight months of the financial year. To enhance revenue measures, the county is installing a new integrated revenue management system to reduce revenue leakages, increasing the efficiency and effectiveness of existing revenue-generating operations and improving control through better recording and reporting. The County has also procured and installed a robust, efficient and cost-effective Hospital Management Information System (HMIS) for all public healthcare facilities to ensure a paperless and efficient records and patient information management system thus improving

revenue collection over the medium term. The County will further build the capacity of revenue officers and officers involved in monitoring of revenue collection through training to equip them with relevant skills.

44. Other measures that the County government is putting in place to maintain growth of revenue over the medium term include mapping revenue sources, enforcement and targeting the community through short messages to encourage compliance.

Figure 1: Own Source of Revenue Trend



Source: Kiambu County Treasury

45. The County Own Source Revenue (OSR) has in recent years kept an upward trajectory of growth since the inception of devolution. From the figure above, the county has consistently continued to bridge the huge gap between the actual revenue realized versus the targeted revenue.

46. For the financial year 2023/24, the reported figure of Kshs.2.53 Billion is the actual collection as at 26th February, 2024. With the implementation of the Own Source Revenue enhancement measures, actual revenue collection is expected to increase during the remaining months of the financial year which is the peak months for own source revenue collection for the County.

47. During the period under review, the County faced some challenges that hindered optimal collection of revenue. These challenges include factors such as fluctuations in interest rates and inflation. The surge in fuel and food prices, which contributes to an escalated cost of living and affects the overall economy, poses a significant threat to the business environment. Further, weak enforcement mechanisms of

development control fees especially in the area of building plans approvals and non-compliance by traders have also contributed significantly to the collection of revenue. Regardless of this, revenue performance is projected to remain on an upward trajectory over the medium term.

2.6. Expenditure Performance

Table 3: Analysis of County Expenditures as at February 2024

REQUISITIONS AS AT 26th FEBRUARY 2024 FY 2023-2024				
Vote	Department	Supplementary budget estimates B	Total Requisitions released to date C	%Total Requisitions releases to the supplementary budget E=C/B*100
	RECCURENT			
4061	County Assembly	1,628,986,518	883,876,683	54.3%
4062	County Executive	452,052,495	162,919,334	36.0%
4063	County Public Service Board	98,090,971	32,676,858	33.3%
4064	Finance, ICT & Economic Planning	1,542,091,007	674,032,396	43.7%
4067	Water Environment & Natural Resources	580,631,688	303,338,392	52.2%
4068	Health services	7,104,427,420	4,246,359,885	59.8%
4073	Roads,Transport & public Works	700,628,021	353,582,745	50.5%
4075	Administration & public service	992,614,396	535,117,998	53.9%
4077	Agriculture,Livestock and Cooperatives	525,777,238	274,326,189	52.2%
4078	Education,Gender,Culture & social Services	1,532,748,958	745,750,170	48.7%
4079	Youth Affairs,Sports & Communication	181,482,827	72,290,038	39.8%
4080	Lands,Housing,Physical Planning &Municipal Adminstration and Urban Development	440,902,109	146,622,509	33.3%
4081	Trade, Tourism,Industrialization and Investments	181,308,607	52,016,014	28.7%
	TOTAL	**15,961,742,255**	**8,482,909,211**	**53.1%**
	DEVELOPMENT			
4061	County Assembly	127,000,000	-	0.0%
4062	County Executive	-	-	0.0%
4063	County Public Service Board	-	-	0.0%
4064	Finance, ICT & Economic Planning	350,966,018	4,554,127	1.3%
4067	Water, Environment, Energy & Natural Resources	696,580,000	99,842,567.00	14.3%
4068	Health services	1,186,679,400	111,767,571.00	9.4%
4073	Roads,Transport & public Works	2,157,648,652	336,804,676.00	15.6%
4075	Administration & Public service	127,860,000	29,735,650.00	23.3%
4077	Agriculture,Livestock and Cooperatives	1,528,907,155	182,145,162.00	11.9%
4078	Education,Gender,Culture & social Services	631,570,773	71,967,089.00	11.4%
4079	Youth Affairs,Sports & Communication	165,071,184		0.0%
4080	Lands,Housing,Physical Planning &Municipal Adminstration and Urban Development	528,824,811	8,850,979.00	1.7%
4081	Trade, Tourism,Industrialization and Investments	1,032,194,492	36,986,024.80	3.6%
	TOTAL	**8,533,302,485**	**882,653,846**	**10.3%**
	GRAND TOTAL	**24,495,044,740**	**9,365,563,057**	**38.2%**

Source: Kiambu County Treasury

48. The total expenditure for the period under review was KShs 9.36 billion representing an absorption rate of 38.2 percent of the total revised budget FY 2023/24. During the period under review, Recurrent Expenditure was at KShs. 8.48 billion representing an absorption rate of 53.1 percent while Development Expenditure was KShs. 882.65 million, representing an absorption rate of 10.3%. Under recurrent expenditure, the department of Health Services recorded the highest absorption at 59.8 percent while the department of Trade, Investment, tourism and Industrialization had the lowest absorption at 28.7 percent.

49. Under development expenditure, the department of Administration had the highest absorption at 23.3 percent while the departments of County Assembly and Youth Affairs, Sports and Communication had nil absorption.

50. The under absorption in both recurrent and development budget was occasioned by delay in disbursement of revenues from the National Government (NG) and the missed own source revenue target for the first eight months of the financial year. With proper structures put in place, the absorption rate is expected to rise in the remaining months of the financial year.

2.7. Fiscal Policy

51. The medium-term fiscal policy approach aims to reinforce the County Government's socio-economic transformation agenda by consistently implementing a fiscally responsible consolidation plan that responds to growth. This plan is crafted to alleviate the annual increase of liabilities while instituting an efficient strategy for liability management, all without compromising the provision of essential public services. The overarching goal is to realize a transformative development agenda anchored in providing core services, ensuring equity, minimizing costs through the elimination of duplication and inefficiencies, creating employment opportunities, and enhancing the livelihoods of the people, ultimately contributing to the revitalization of Kiambu County.

52. The fiscal policy aims to continue boosting revenues for the FY 2024/25 and the medium term. As part of the economic recovery plan, the County Government will intensify its efforts in revenue collection. To achieve this objective, the County Government will implement a combination of administrative and policy reforms in revenue mobilization. This will be achieved through introduction of revenue

enhancement initiatives to expand the revenue base and strengthen revenue administration. In addition, the County Government will put in place measures to broaden the revenue base and rationalize expenditures in order to reduce the fiscal deficits.

53. In addition, the County commenced several revenue reforms and has continued to persist investing in technology to automate existing and additional revenue streams. These reforms are anticipated to enhance the convenience of revenue collection and augment Own Source Revenue, thereby contributing to the financing of both current and future County Budgets.

54. The County Government will implement a combination of revenue administrative and policy measures to enhance revenue collection efforts over the medium term, thereby supporting economic activity. Specifically, the County will concentrate on mobilizing own resource revenue through initiatives that include;

- Installation of a new integrated revenue management system to curb leakage.
- Enhancing staff capacity by training revenue officers and officers involved in monitoring of revenue collection.
- Equipping of Sub Counties' offices with office equipment to facilitate collection of revenue.
- Targeting the community through short messages to encourage compliance. The Introduction of systems that will send reminders via texts to the residents reminding them to pay as per the deadlines set.
- Implementation of a cashless system of revenue collection. The County executive stopped the use of cash handling by the revenue collectors to reduce chances of theft and increase accountability.
- Strengthening Audit function in auditing of revenue collection.
- Sensitizing the public to pay by educating them on the correlation between paying the revenues due and the service delivery by the county government.
- Providing easier access to payment points in marginalized areas. This will be achieved by providing mobile revenue collection offices in the areas to encourage residents to pay as they will be closer to them.

- Introduction of physical planning enforcement teams that will visit all construction sites ensuring that all have complied with the laws and that all amounts due have been paid.
- Introduction of the updated valuation roll that will improve land rates revenue collections by great margins.

Revenue Administrative or Policy Measures to Achieve Projected Revenue FY 2024-2025

- Revenue Enhancement Initiatives have been ongoing throughout the County. Management has pledged to elevate this endeavor into a major operation, ensuring the collection of most, if not all, revenues, even in previously untapped areas, to maximize revenue collection and achieve set targets.
- The third quarter stands out as the optimal period for revenue collection. Management has taken the initiative to advise all sub-counties to issue invoices to residents as an advanced reminder to pay their business permits and other levies by March 31, 2024. This will entail officers from the revenue directorate actively obtaining invoices for all businesses and personally delivering them to business owners.
- Task forces have been established to ensure that all buildings under construction in the county are duly approved and all due revenues are paid. The team will conduct comprehensive checks throughout the entire county to ensure residents' compliance with the law and the full payment of outstanding amounts. This will foster residents' full cooperation with the law and maximize revenue collection. Moreover, no approvals will be granted unless all pending land rates are settled. This dual approach will not only increase revenue from Physical Planning but also boost land rates collection.
- His Excellency the Governor has authorized the issuance of waivers on interest and penalties to landowners in the County, aiming to incentivize them to settle their land rates arrears. This initiative has significantly bolstered revenue under the land rates department.

55. Adequate mobilization of OSR is the key to counties' improved ability to provide various public goods and services to eradicate poverty and achieve development goals. In the face of rising liabilities and increasing expenditure needs, OSR

mobilization is key to enabling counties to bridge funding gaps occasioned by inadequate disbursements from the National Government. Additionally, the enhancement of OSR mobilization can improve fiscal autonomy through more predictable access to revenue, thereby allowing the County to have greater control over their development agenda. The success of devolution in Kenya is dependent on the existence of a sound revenue system in the country including OSR.

56. Revenue enhancement in the County Government plays a major role in meeting their financial responsibilities as well as financing the budgets and budgetary priorities as per the provisions of the Constitution of Kenya (2010) and County Government Act (2012). Over the years, the County Government of Kiambu has not been realizing its own source revenue targets thereby affecting implementation of the budget, programs and development projects. This has been occasioned by lack of openness and accountability in collection, reporting, poor administration, improper organizational structures, weak revenue monitoring and evaluation system, corruption among others.

57. The County will continue improving on the existing revenue streams collection efficiency through automation of the revenue processes as well as widen the revenue base. Mobilization of additional revenue through enforcement and administrative reforms including the automation of systems will continue to remain the key focus in the medium term. Emphasis will primarily focus on increasing our own source revenue by inducting an all integrated system that will curb all loopholes in revenue collection.

58. The County Government does not intend to directly increase revenue by hiking taxes but rather expand the revenue collection base. However, it is important to note that the National Government works hand in hand with County Government and in doing so there may be instances where new fees and charges are introduced through National Legislation that may affect Counties. The County Government will continuously adopt any said laws as shall be prescribed. The County Government main focus is to shift from high burden revenue streams with little potential and high collection cost that out-way the netted income Vis - a - Vis high management risk, to revenue streams with low risk and higher returns.

59. The main challenges identified that have hampered revenue collection include; shortage of revenue collection staff, lack of adequate facilitation towards revenue collection activities, political interference in undertaking duties, absence of robust enforcement mechanism, manipulation of revenue generation systems, frequent system downtime, forgeries, impersonation, lack of databases, bureaucracy and centralization of services, lack of synergies and proper interdepartmental coordination among others.

60. To curb the challenges faced and seal loopholes in the various revenue streams, the county government has adopted revenue enhancement strategies and implementation plans with timelines. The strategies; emphasis in creation of synergies between and among all the relevant departments, regular reporting and follow up of forgeries and prosecutions on cases of impersonations, setting of realistic targets, decentralization of services to sub-county and ward level, close staff supervision, establishment of databases, adoption of cashless payment systems, regular audit and maintenance of systems, revision of stringent rules and regulations among many others.

61. Further, the County government has created full autonomy for the directorate in charge of revenue. To this end, adoption of a cashless payment system, installation of an integrated revenue system and appointment of a chief officer in charge of revenue has been done so as to enhance efficiency in revenue collection and administration.

62. On the Expenditure side, the County Government will sustain efforts to improve efficiency in public spending and ensure value for money by eliminating non priority expenditures; scaling up the use of Public Private Partnerships financing for commercially viable projects and rolling out an end-to-end e-procurement system. Adjustments will be made to fiscal aggregates to reflect revisions in the macroeconomic projections as well as revenue performance. To achieve this target, the County Government will continue to restrict growth in recurrent spending, endeavor to absorb more on development budget and put more effort in its own source of revenue mobilization.

63. Promoting fiscal discipline, allocative, and operational efficiency is a primary focus for the County. The County Government aims to align its expenditures with total revenues, ensuring that budgets are allocated to programs, projects, and activities that will have a significant positive impact on society. In addition to financial prudence, the County is dedicated to ensuring the delivery of high-quality services at a reasonable cost.

64. In addition, the County Government is committed to the strategic allocation of resources to priority areas that will contribute to the transformation of the county. This involves dedicating more resources to crucial sectors such as healthcare, agriculture, water, education, transport infrastructure, and housing.

65. Effective service delivery is recognized as a vital aspect, acknowledging that it requires not only technical expertise but also political good will, community engagement, and adequate financial resources. To achieve this, the County Government emphasizes public participation to tailor services according to the needs of the people. Collaboration with other agencies and organizations, including public-private partnerships with the National Government through ministries and parastatals such as KURA, state department of housing and urban development, and KENHA, is actively pursued to execute major projects within the County. Further, the County Government has recently passed the Kiambu County Revenue Allocation Act. This Act provides a framework for the equitable sharing of county resources among the wards; provides resources for economic and social development in a fair and just manner as well as provides mechanisms for identification and prioritization of ward projects among others.

66. In addition to these collaborative efforts, the County Government is investing in technology, such as the automation of revenue collection, to enhance efficiency and ensure quality service delivery. Moreover, staff training and development opportunities are provided to equip county employees with the necessary skills and knowledge required for delivering high-quality services. Through these comprehensive strategies, the County Government strives to uphold its commitment to efficient resource utilization and the provision of essential services to its residents.

67. The above reforms on the revenue and expenditure side, will ensure the budget is fully financed and there is no fiscal deficit.

3.0 SUSTAINING INCLUSIVE GROWTH FOR SOCIO-ECONOMIC TRANSFORMATION

3.1. Preamble

68. The County Fiscal Strategy Paper 2024, is the second to be prepared under the current administration and reaffirms the priority policies and strategies outlined in the Governors manifesto and as prioritized in the approved County Integrated Development Plan (CIDP) 2023-2027. The document is framed against negative global and persistent shocks that have pushed the economy to its lowest vibrant level. These shocks include, supply chain disruptions due to ongoing conflicts in Eastern Europe and the Israeli-Palestinian war; high interest rates limiting access to credit and exacerbating debt servicing costs; exchange rate volatility, significant losses and damages due to frequent extreme weather events; and elevated commodity prices such as on petroleum products on account of increased geopolitical fragmentation and global oil supply cuts.

69. Against this background, the National Government continues to implement interventions and policies to reduce the cost of living and improve livelihoods, while at the same time fostering a sustainable inclusive economic transformation through the Bottom-Up Economic Transformation Agenda. This is meant to reverse the economic recession and ignite economic recovery. This Development Agenda recognizes the importance of managing the cost of living through well-functioning markets to enhance productivity, availability and affordability of goods and services for all citizens. The National Government has noted that market failures in sectors that supported the economy are glaring. The interventions target five core priority areas namely: i) Agricultural Transformation and Inclusive Growth; ii) Micro, Small and Medium Enterprise (MSME) Economy; iii) Housing and Settlement; iv) Healthcare; and v) Digital Superhighway and Creative Industry.

70. In order to align with the Bottom-Up Economic Transformation Agenda (BETA) under the Kenya Kwanza Administration, the County Government will continue supporting the National Government on implementation of the Economic Transformation Agenda to promote sustainable and inclusive growth. The 2024 CFSP focuses on the implementation of policies and Programmes that will further

accelerate and sustain inclusive growth by aligning its priorities to those core areas identified by the Kenya Kwanza administration.

71. Towards this end, the County Government will undertake the following targeted strategic interventions to support the realization of the County's socio-economic transformation agenda and achieve resilient and sustainable economic recovery:
    i) Enhance investment in key economic sectors for broad-based sustainable recovery by promoting agricultural transformation, growth in manufacturing, environmental conservation, water supply, and sustainable land use and management.
    ii) Scale up the development of critical infrastructure in the county, such as roads, water, and ICT, to create an enabling environment for doing business.
    iii) Expand access to quality social services in health, education, and appropriate social safety nets for the vulnerable population.
    iv) Support the youth, women, and persons living with disabilities through the establishment of County Government-funded empowerment programs by providing training and availing non-interest loans (revolving fund) to them.
    v) Implement various policy, legal, and institutional reforms to enhance the efficiency of public service delivery.

72. Through the various priority economic policies, structural reforms, fiscal consolidation plans, and Sectoral expenditure programs outlined in this 2024 CFSP, the County Government is taking determined steps to address these challenges, bolstering resilience to shocks as part of the strategy for socio-economic transformation and inclusive growth. Over the medium term, the County Government, through the County Integrated Development Plan (2023-2027), will prioritize the implementation of economic recovery strategies to reposition the economy on a steady and sustainable growth trajectory.

3.2 Core Thematic Areas

73. The County Government will implement policies and structural reforms and promote investment in seven core thematic areas that are expected to have the highest impact. These are: Agriculture transformation and inclusive growth; Health Care; Education in early childhood, vocational training centers and social protection; Infrastructure Development for Inclusive Growth; Micro, Small and

Medium Enterprise (MSME) Economy and Employment Creation; Manufacturing; and Water Supply, Environmental Conservation and Climate Change Actions

3.2.1. Agricultural Transformation and Inclusive Growth

74. The Kenyan economy remains highly dependent on the agriculture sector, which contributed an average of 21.2 percent of the GDP in 2022 thereby exerting a significant influence on the overall economic performance. According to KNBS 2023 GCP report, Kiambu County contributed an average of 4.0 percent GCP and featured among the top five counties. During the month of October, the county rolled out farmer registration exercise in all sub counties aimed at profiling and mapping farmers to implement an e-voucher system for distribution of subsidized farm inputs.

75. Agriculture sector is the backbone of our County. To increase agricultural productivity, the county distributed essential farm inputs mainly maize seeds, fertilizer and avocado seedlings. It has also distributed one- month old Kienyeji chicken to women as a socio-economic empowerment program. The women participating in this program will eventually become key suppliers for eggs for our ECDEs feeding programme. The Department of Agriculture has been supporting farmers by providing complimentary Artificial Insemination services for their animals. In addition, through partnerships with Dairy Cooperatives, the County has been supplying sexed semen at a subsidized rate.

76. The County has been working with donors and other development agencies to boost agriculture. The World Bank funded National Agricultural and Rural Inclusive Growth Project (NARIGP) has been particularly supportive of our agricultural sector. Programs such as Kamwamba Multi-community Irrigation project in Gatundu North have been completed benefitting the residents of Chania and Mang'u wards directly or indirectly. The project has also funded common interest groups (CIGs) with micro projects and producer organizations (POs) with inclusion grants for investments along dairy, local chicken banana and Irish potatoes value chains in all the 20 wards.

77. Over the medium term, the County Government will develop policy, legal and regulatory frameworks and agricultural planning and financial management to provide an enabling environment for agricultural productivity. The following key interventions will be put in place;

i. The County Government will continue supporting all farmers in the 60 wards by providing them with high-quality agricultural farm inputs such as certified maize seeds, fruit tree seedlings and fertilizer in a bid to boost production. In addition, the government aims to ensure that farmers have access to extension services to enhance their farming skills.
ii. To address the issue of dependency on rain-fed agriculture and vulnerability to drought and climate change, the County Government plans to support irrigation. This includes constructing individual and community water pans, procuring and installing drip kits, implementing community irrigation projects, and providing training on irrigation technologies. These initiatives are crucial for achieving food security.
iii. In order to support dairy farmers, the County Government intends to procure milk coolers and pasteurizers for dairy cooperatives. They also plan to provide vaccines and sera, and offer other veterinary services. Furthermore, the government aims to distribute piglets and indigenous chickens to VMGs. These efforts will assist dairy farmers in overcoming challenges such as high feed costs, difficulties in storage and milk preservation, and limited access to markets. Additionally, these initiatives will stimulate the economy, improve food security, and create job opportunities.
iv. Regarding fisheries development and management, the county will focus on enhancing skills through extension services, promoting aquaculture development, managing capture and recreational fisheries, and developing market opportunities.
v. To increase the availability of seeds for all crops and improve value addition, the County Government will collaborate with local research institutions as well as both public and private sectors to scale up seed multiplication.

3.2.2 Healthcare

78. Health is a fundamental and essential aspect of human life. It encompasses not only the absence of illness or disease but also the overall well-being and functioning of an individual, both physically and mentally. For this reason, the County Government of Kiambu has placed a special focus on the healthcare system as one of its key pillars in transforming the lives of Kiambu residents. The county has

committed to implement strategic interventions to accelerate the attainment of Universal Health Coverage (UHC), which aligns with the National government's vision of affordable and accessible healthcare, a vital part of the Bottom-up Transformation Agenda

79. The County Government of Kiambu became the pioneering county in rolling out the Universal Healthcare program. The launching of the **'Kiambu Afya'** popularly known as **'Wamatangi Care'**, which is in line with His Excellency President William Ruto's vision of affordable and accessible Health Care, will ensure easy access to medical services for the people of Kiambu. The program has enrolled 70,600 households, benefitting over 300,000 individuals. In financial 2024/25, the county government through the department of Health Services will embark on a fresh phase of registration to surpass 100,000 households and cover more than 500,000 individuals. This program grants access to inpatient and outpatient health services at public health facilities without incurring an out-of-pocket expenditure. In collaboration with NHIF, the program has secured enhanced benefits for beneficiaries, covering chronic diseases like hypertension and diabetes. It also includes Last Expense Cover, offering Kshs.100 000 to the family of a deceased member to assist in funeral expenses.

80. To increase the availability of human capital in healthcare and boost health service delivery, the county government has scaled up investment in the healthcare workforce. Over 700 healthcare professionals were recently promoted and adequate measures will be implemented to address the challenge of inadequate human resources and the poor industrial relations between health professionals. This will enable them to get equal treatment in capacity building for better health services. Additionally, the County Government recruited and deployed 2,881 Community Health Promoters (CHPs) across the county where each gets an allocation of 100 homes within their neighborhoods. The promoters' roles include; provision of essential preventive and promotive health education, basic first aid for treating minor injuries and ailments at the household level, and referral for facility-based healthcare.

81. To improve the overall efficiency of the healthcare system, the county is completing installation and activation of a Health Management Information System (HMIS) in

all healthcare facilities to enhance health care service delivery and manage distribution of drugs. This will play a crucial role in ensuring adequate health pharmaceutical products (HPTs) across the county.

82. To address the deplorable health sector infrastructure, various infrastructural developments are in progress, these include; Construction of 13 new level 3 hospitals in Ndumberi, Kiamumbi, Mwihoko, Kahawa Sukari, Ndenderu, Kiawaroga, Kawaida, Gitothua, Athena, Kahawa Wendani, Gitaru, Uthiru and Ndarasha. Ng'enda dispensary in Gatundu South is being upgraded to a Level 3 hospital. These level 3 hospitals will comprise outpatient and inpatient wings with 16-bed capacity maternity, 10-bed general ward, a mini theater, and a laboratory. The aim is to have at least one level 3 hospital in all wards and two facilities in the heavily populated wards. The county is also constructing new level 4 hospitals in Juja, Karuri, and Thogoto, and complete stalled level 4 projects in Bibirioni, Lari and Githunguri. Renovations is currently ongoing at Kiambu Level 5 Hospital, Thika Level 5 Hospital, Kihara, Kigumo, Tigoni, Nyathuna, as well as dispensaries at Kamae, Ngoliba, Kinale, Juja Farm, Makongeni, Rironi, and Ngorongo. Igegania Level 4 facility will also be upgraded to a Level 5 facility and a new mortuary constructed at Gatundu level 5 hospital.

83. Over the medium term, the new administration will embark on a KShs 500 million marshal plan to procure and equip all the county health facilities with state-of-the-art medical equipment to enhance quality health care services delivery. Further, the county is in the process of renovating and fully equipping 14 ambulances as well as acquiring 6 new ones.

3.2.3 Education in early childhood, Vocational training centers and Social protection

84. The pursuit of a brighter future for Kiambu children under the **"Leave No Child Behind"** initiative has ignited a transformative wave in Kiambu. The county government is dedicated to ensuring that children have access to quality education. To improve on the outcomes of access to education, the county has tripled the bursary allocation from KShs 100 million to KShs 300 million, this has progressively removed the walls of financial hardship that continues to obstruct the dreams of countless needy children.

85. Upon assuming office, the new administration was struck by the distressing state of the county Early Childhood Development Education (ECDE) Centers across Kiambu County. The dilapidated classrooms are a reminder of the neglect these crucial institutions have suffered from, for a long time. To rectify this and ensure a firm foundation in the education of Kiambu children, the county has through the department of Education, Culture and Social services has commissioned the construction of 180 modern ECDE centers. These centers comprise of PP1 and PP2 classrooms, offices, ablution blocks, and children play areas. The county plans to modernize all the 524 ECDE centers within the medium term.

86. To address nutrition in children's growth, the county government has initiated a feeding program for ECDE pupils. All ECDE pupils receive a daily nutritious bowl of uji and boiled eggs every week fueling their potential to learn and flourish. Going forward, the county plans to make available to every pupil a packet of milk once per week.

87. Under Vocational Training centers (VTC), the county has revived the construction of stalled VTCs, paving the way for skills development and empowering the youths to contribute meaningfully to the society. The plan of the government is to have a VTC in every ward to ensure improved accessibility to quality education.

88. Over the medium term, the county government will continue with construction and remodeling of both new and old ECDEs and VTCs, which will eventually be fitted with contemporary equipment and computer laboratories to boost access to quality education across the county as well as building ablution blocks at VTCs and ECDEs to promote sanitation. In addition, the county will continue to recruit instructors for VTCs, promote teachers in ECDEs, develop quality assurance reports, evaluate and accredited VTCs and ECDEs, enhance enrolment and retention of school-age children, and upscale the feeding program to improve nutrition among school-age children.

89. In order to provide assistance to the underprivileged and vulnerable individuals throughout the county, sexual gender-based violence sensitization forums will be organized as well as equipping of Wangunyu Safe Shelter SGBVRC. In addition, PLWDs will be mapped, assessed, and issued with assistive gadgets. The county

government plans to enhance the bursary allocation to KShs 500 million over the medium term.

90. Moreover, in recognizing the potential of the youths in the county, the county government will acquire cabro-making machines to be installed in the vocational training centers (VTCs). This initiative aims to empower the youth, employing them in the production and laying of cabro stones, to enhance the face of the county urban centers

3.2.4 Infrastructure Development for Inclusive Growth

91. Kiambu County has a total of 7,917.425 Km of road network. 249 Km of road are yet to be opened. 1,156.813KMs of these roads are paved and 6,760.612km unpaved. It is served by Thika Super Highway from Githurai-Ruiru-Juja-Thika on average of 50Kms and A104 Uthiru-Kikuyu-Kamandura- Kinungi on average of 65 which 25.1km of it is on rehabilitation expansion programme. It is also served by a railway line which is 131km and has Railway stations in Kahawa, Ruiru, Juja, Thika, Kikuyu and Limuru.

92. The sector of Roads, Transport and Public Works is a key enabler to the **socio-economic transformative agenda** under one of the pillars in the Governors Manifesto. The current administration is committed to revamp the road network throughout the county. The commitment extends further to enhancing the rural road network to facilitate the transportation of goods by farmers and small-scale traders to market centers. The goal is to ensure that all the 60 wards boast of roads that are well maintained and accessible throughout the different seasons of the year. To achieve this, the county plans to have a road construction unit in every sub county equipped with all the necessary machinery such as excavators, graders, trucks, water bowsers and compactors. Construction materials will be sourced from county quarries hence significantly reducing the overall cost of building and maintaining county roads.

93. To this end, the county government has successfully opened up and restored more than 400 rural access roads in all the wards. In addition to upgrading existing roads, the County Government plans to construct new road networks to address areas that have previously lacked adequate road development. Further, the county will embark on the process of tarmacking roads in various parts of the county.

94. On transport, building of new bus parks is ongoing in Makongeni Thika, Kiambu Town, Kwa Maiko in Githunguri and in Kikuyu. These new bus parks will improve public transportation. Upcoming tendered bus parks include Githurai, Githunguri and OJ in Ruiru.

95. The County aims to achieve sustainable mobility by incorporating non-motorized traffic lanes for pedestrians and reducing air pollution for road users. Recognizing the critical role of roads in the county's infrastructure, the County Government has undertaken projects that have effectively doubled the number of paved roads over time. Nevertheless, there remains a substantial demand for roads across all wards, necessitating either construction or rehabilitation efforts. In the medium term, the County Government is dedicated to ongoing investment in road infrastructure, ensuring the completion of all ongoing road projects. Furthermore, there will be a focus on prioritizing the improvement and maintenance of rural access roads.

3.2.5 Micro, Small and Medium Enterprise (MSME) Economy and Employment Creation

96. The Micro, Small, and Medium Enterprise (MSME) sector plays a pivotal role in our economy, contributing significantly in providing income opportunities to economically excluded segments of the population including youth, women persons with disabilities and low skilled persons who experience disproportionately high unemployment.

97. Recognizing the critical importance of access to credit as a catalyst for MSME growth, the County Government is committed to ensuring that Kiambu residents have access to affordable credit. In pursuit of this objective, the County will annually allocate resources to facilitate accessible, affordable, and county-backed loans for MSMEs, with a focus on minimizing interest rates, as the prevailing high rates have tended to impede the private sector and MSMEs.

98. The County aspires to establish a People's Bank, similar to the Hustler Fund, with an initial seed capital of Kshs.200 million. This programme will provide tailored business solutions to MSMEs within the County, encompassing credit financing and innovative interventions to facilitate financial resource accessibility for youth entrepreneurial initiatives. Moreover, it aims to alleviate the financial burden on

MSMEs in the county by offering them the opportunity to borrow capital at exceptionally low interest rates, thereby fostering the growth of their ventures.

99. To enhance MSMEs infrastructure and capacity building, the County Government will work with the National Government to create frameworks that provide secure trading places in the cities and towns. The County Government will also establish Smart Business Development Centers in all the 12 municipalities, create cottage industries, modern kiosks, carwash stations, Juakali shed, industrial parks and business incubation centers, undertake mapping of MSMEs and conduct training to MSMEs through the Kenya Small Business Development Centers programme in collaboration with Strathmore University Business School.

100. The County will also undertake construction, renovation and equipping of markets as well as trading places such as sheds to provide a conducive environment for traders and make trading licenses affordable. This includes construction of 7 Mega markets in collaboration with the National Government, these markets are; Kamwangi, Ruiru Phase 2, Madaraka, Kangangi, Githunguri, Wangige and Githurai Phase 2. The market designs were prepared in collaboration with the state department for housing and urban development. 11 more markets funded by the County and a further 20 markets will be constructed under the ESP programme.

101. In further effort to create employment for our people, the county will continue to partner with the national government in the affordable housing initiative. In this initiative, the County has set aside over 100 acres for this important project. Together with other stakeholders, the county has already identified suitable parcels of land in various locations for the construction of houses. The sites identified for the first phase of the project include; Kiambu Council Estate, Bustani and Depot in Thika. The second phase will see construction starting in Tigoni, Ruiru, Haile Selassie and Bibirioni.

3.2.6 Manufacturing

102. The pursuit of self-reliance and wealth creation in the county hinges on the pivotal role of industrialization. In this context, transformative projects, notably the Thika Industrial City and an Industrial Park in Thika Delmonte land in collaboration with the National Government and the private sector, stand as strategic milestones. Envisioned to generate over 50,000 jobs fostering sustainable economic growth. To

enhance the value of agricultural produce, the county in collaboration with the national government, is investing KShs 500 million in setting up an aggregation park at Waruhiu Agriculture Training centers in Ngewa, Githunguri. Parallel initiatives are in the pipeline including EPZ in Ndeiya and Thika to attract investors, create economic opportunities, and generate jobs to stimulate the local economy. These deliberate measures aim to position Kiambu County as a manufacturing and innovation hub for employment creation, propelling economic growth and ensuring prosperity for Kiambu County residents.

3.2.7 Water Supply, Environmental Conservation and Climate Change Action

103. The rapidly growing population has put immense pressure on the already limited water resources, making it imperative to make quick and strategic decisions. The county government through the department of water has undertaken several interventions aimed at promoting water harvesting, desilting dams, and drilling boreholes. Through the **"Maji Nyumbani"** program, the county government will undertake substantial water infrastructure improvements to provide water to households. This program involves the acquisition and deployment of an expansive network of pipelines and strategically positioned water tanks. To this end more than 100 kilometers of pipes network has been installed. The ultimate goal is to establish more than 5,000 water connections to ensure at least 10,000 households access water. The county has partnered with development partners such as the national government, Athi water, and DANIDA among others to increase water access to 80 percent by 2027.

104. To further address the water challenges in the county, the county has engaged the national government, where the national government has agreed to allocate KShs. 5.7 billion to expand the capacity of the Karemenu dam. This expansion will increase the water capacity from the current 70 million cubic meters to 90 million cubic meters. This will benefit Kiambu, Ruiru, and Thika, which have been grappling with water shortage due to high population.

105. Environmental conservation, access to adequate supply of clean water, and climate actions are fundamental for the achievement of socio-economic development as envisioned in the Bottom-Up Economic Transformation Agenda (BETA) and Kenya's Vision 2030. Indeed, the County policy envisions a clean, secure

and sustainable environment and targets access to clean water and basic sanitation for all residents in Kiambu. Towards this end, the County Government continues to prioritize; provision of clean, safe water and sanitation services, environmental protection and management, conservation of natural resources, reduce carbon emissions and enhance resilience to impacts of climate change.

106. The County Government has also prioritized the implementation of environmental and solid waste management conservation programs which shall include; monthly collective community effort to clean up wards, develop policies, plans, strategies, and bills; establish eco-schools, hold awareness campaigns, and conduct environmental training and research on solid waste management whereas ensuring environmental compliance and enforcement. Further, the County shall establish a Sustainable waste collection and transportation system, Support Extended producer responsibility, Promote and support Circular economy towards zero waste to landfill, establish Kang'oki full scale Landfill, establish material recovery facilities, establish composting facility, Introduce waste segregation in our markets for two fractions (organic/inorganic), improvement of Kangóki access roads as well as construction of skips platform. To reduce the carbon emissions, the county shall reduce air and water pollution, establish bio digestion for waste to energy and soil regeneration. Further it intends to adopt and promote artificial intelligence in waste management and expand partnerships for sustainable development of waste management infrastructure. Additionally, procure and repair solid waste management equipment and machineries among others.

107. To increase forest cover and sustainable management of natural resources, the County Government shall develop the natural resources and forestry policy which will guide environmental conservation efforts in the county. Building on this, the County Government will continue to raise seedlings in schools, health facilities and churches. Create Green public spaces by maintaining parks, gardens, and public areas. Further, the County plans to create a database for green spaces and update the database on quarries and minerals, conserve water catchment areas and grow trees.

108. In order to deliver locally-led climate resilience actions and strengthen National and County Governments' capacity to manage climate risks, the National

Government in collaboration with Development Partners developed an innovative Financing Locally-led climate Action (FLLoCA) Program. The Program is designed to encourage cross-agency collaboration and vertical linkages from community level up to national level in addressing climate change. The programme is supporting counties to put in place participative climate change policy and legislative frameworks in order to be able to access pooled finance to support implementation of locally-led climate actions.

109. The County Government shall adopt e-mobility as a high-priority intervention to address the challenges of pollution, adverse health effects and fuel costs which raise the cost of living. To promote the use of renewable energy, mitigate against climate change and reduce vulnerability to the impacts of climate change, the County plans to formulate policies, bills, and regulations on renewable energy and climate change, increase the uptake of different sources of renewable energy county-wide as well as increase awareness of renewable energy and climate change to Kiambu residents on how to switch to clean cooking technologies.

3.3 Enablers

110. The following enablers will be prioritized to enhance the attainment of the County Government Agenda:

3.3.1 Governance and Public Service Delivery

111. The guiding principle under the Governance pillar in the governor's manifesto is to instill integrity, accountability, transparency and commitment in service delivery. The objective of this pillar is to transform the governance system to create an equitable, wealthy and prosperous Kiambu county which shall be achieved through a series of actions which include; bottom up prioritization of development activities and services from ward levels to the sub county and county levels, establishment of a revenue service body which will oversee the pooling and usage of allocated funds, forensic audit of county assets and liabilities and establishment of an effective public participation forums that will inform decision making.

112. To bring services delivery closer to the people of Kiambu County, the county government through the department of Administration and Public Service has been improving offices at the devolved units. The department has fast tracked the completion of offices in Juja and Lari office blocks; Juja is at 85 percent completion.

Renovations are also ongoing in Kabete, Githunguri as well as Gatundu North sub-counties offices. Similarly, the department of administration continues to be committed to enforcing county laws and applicable national legislation thus enhancing adherence to the rule of law and reducing nuisances.

113. On the issue of human resource, the county government has embarked on having a well-structured and vibrant public service, manned by competent and motivated personnel in all the departments. The county has also procured a comprehensive medical cover for all the staff in an effort to ensure the wellbeing of the county staff.

114. The county government has enhanced control of hawking activities within the county urban areas by ensuring hawkers operate within regulated periods and in designated areas, thus enhancing free flow of both human and traffic and controlling unfair competition between formal and informal traders.

115. On financial management and public resource utilization, the county treasury has paid over KShs 1 billion pending bills inherited from the previous regimes. To this end, the county has developed and submitted a pending bill payment plan to the office of the Controller of Budget (OCoB) to clear the remaining debts. The county government entered the 2023/2024 financial year with a clean slate after clearing all outstanding bills related to works completed or goods and services supplied during the 2022/2023 financial year. The county government has also acquired and installed an Enterprise Resource System (ERP), a system that covers management of finances in all areas such as hospital management, building approvals, business permits as well as other revenue streams.

3.3.2 Information Communication and Technology

116. Kenya is a strong leader in the Information, Communication and Technology space. Appropriate policy framework, constitutionally protected freedoms of expression, media, information and communication has cemented the country's position as a regional and continental hub of innovation overtime.

117. Over the medium term, the County will improve the ICT infrastructure through construction and equipping of ICT incubation centers in all wards, develop modern solar powered data centers, install integrated management systems and networks, undertake Information security audits, equipping of office blocks with internet and

CCTVs and prepare County ICT roadmap and policy. The County also aims to install a digitized "**Hudumia Wana Kiambu**" platform for enhanced service delivery. This will entail digitization and automation of all critical County Government processes throughout the County, with a view to bringing County Government services online at greater convenience to citizens.

4.0 BUDGET FOR FY 2024/2025 AND THE MEDIUM TERM

4.1 Fiscal Framework FY 2024/25 and the Medium Term

118. The budget for FY 2024/25 and the medium-term is anchored in the County Government's policy priorities and the macroeconomic policy framework outlined in Chapter II and Chapter III. The County Government remains committed to pursuing a growth-friendly fiscal consolidation plan. This involves controlling expenditures and bolstering revenue mobilization efforts to curtail the growth of pending bills without compromising the delivery of essential services. To achieve this, departments will be encouraged to adopt efficiency in resource allocation through cost budgeting. This involves restructuring and realigning with the County Government's priority programs that significantly impact the improvement of the livelihoods of the people of Kiambu. Simultaneously, efforts will be made to reduce non-priority spending without compromising the delivery of essential services.

4.2 Revenue Projections

119. The projected resource envelope for the financial year 2024/25 is KShs. 23.63 Billion. This comprises of KShs. 12.41 Billion from Equitable Share, KShs. 7.98 Billion from Own Source Revenue, an anticipated allocation of KShs. 3.21 Billion from additional allocations from the National Government share of revenues and proceeds from loans and grants from development partners, and KShs. 26.4 million from other County development partners. The comprehensive breakdown of the total County revenue projection for the financial year 2024/25 is provided for under ***Annex 2***. A summary of the major revenue sources have been analyzed in table 4 below.

Table 4: Revenue Projections FY 2024/25-2026/27

REVENUE PROJECTION FY 2024/2025-2026/27					
Source	Actuals	Supplementary 1 Estimates	Proposed Estimates	Projected Estimates	
	FY 2022/2023	FY 2023/2024	FY 2024/2025	FY 2025/2026	FY 2026/2027
Equitable Share	11,717,525,720.00	12,227,552,449	12,415,767,252	12,606,879,185	12,800,932,843
County Government Additional Allocations	250,263,622.45	1,656,422,328	3,216,450,781	3,216,450,781	3,216,450,781
Unspent Balances B/F (CRF)	1,041,432,882.00	2,548,373,211	-	-	
Own Source Revenue (OSR)	3,608,767,153.31	7,980,140,717	7,980,140,717	8,379,147,753	8,798,105,140
Other Revenues from Development Partners	31,691,000	82,556,035	26,400,000	26,400,000	26,400,000
TOTAL REVENUE	**16,649,680,378**	**24,495,044,740**	**23,638,758,750**	**24,228,877,719**	**24,841,888,765**

Source: Kiambu County Treasury

4.3 Expenditure Projections

120. The total County Government expenditure for FY 2024/25 is projected at KShs. 23.63 Billion of which KShs. 15.38 billion (64.93 percent) is allocated towards recurrent expenditure and KShs. 8.25 billion (35.07 percent) allocated towards development expenditure.

4.4 Overall Deficit and Financing

121. The County Government has allocated resources for spending that are proportionate to revenues projections in the FY 2024/25. The County budget shall be financed through transfers from the National Government, Own Source of Revenue and revenues from development partners. The FY 2024/25 fiscal framework is therefore fully financed.

4.5 FY 2024/25 and Medium-Term Budget Priorities

122. The Financial Year 2024/25 and the Medium-Term Budget Framework is built upon the County Government's initiatives to stimulate and sustain economic activity and reposition it toward a sustainable and inclusive growth path. This goal will be realized through the implementation of programs that support economic recovery and address the additional priority programs identified by the County Government as well as align its goals towards implementation of the Bottom-up Economic Transformation Agenda (BETA) at the National Government.

123. The County Government is dedicated to executing priority programs outlined in the 2024/25 Annual Development Plan (ADP) to fulfill the aspirations of the people of Kiambu, as articulated in the 2023-2027 County Integrated Development Plan (CIDP). Concurrently, there is a recognition of the necessity to enhance resources during the programming period. In pursuit of these objectives, the County Government will formulate a framework to deliver higher quality services, emphasizing strong connections between resources, and budgeting, monitoring, and clear expectations for achieving planned outcomes. This approach reflects the commitment to efficient resource utilization and the fulfillment of the community's long-term aspirations.

124. The agenda is oriented towards achieving economic turnaround and fostering inclusive growth. It seeks to amplify investments in seven core pillars, envisioned to yield the most substantial impact on both the economy and household welfare.

These pillars include: Agricultural Transformation and Inclusive Growth; Healthcare; Education in Early Childhood, Vocational Training Centers, and Social Protection; Infrastructure Development for Inclusive Growth; Micro, Small, and Medium Enterprise (MSME) Economy and Employment Creation; Manufacturing; Water Supply Environment Conservation and Climate Change Action. The implementation of these priority programs is designed to reduce the cost of living, eliminate hunger, create employment opportunities, and provide for the majority of the Kiambu population. Simultaneously, it aims to expand the revenue base, thereby enhancing own-source revenue collection. This comprehensive approach is poised to bring about positive transformations, contributing to the overall well-being and prosperity of the people of Kiambu.

125. Additionally, public spending will be directed towards the most critical needs of the county with the aim of achieving quality outputs and outcomes with optimum utilization of resources. Further, the departments will be encouraged to adopt efficiency in allocation of resources through cost budgeting and reviewing projects to restructure and re-align with the County Government priority Programmes and reduce non-priority spending

4.6 Budgetary Allocations for the FY 2024/25 and the Medium-Term

126. The total budget for FY 2024/25 is projected at KShs. 23.63 billion. The allocation on County entities programmes has been summarized under ***annex 3***. However, the allocations to the County Government entities is summarized in table 5 below;

Table 5: Proposed Allocations for FY 2024/2025

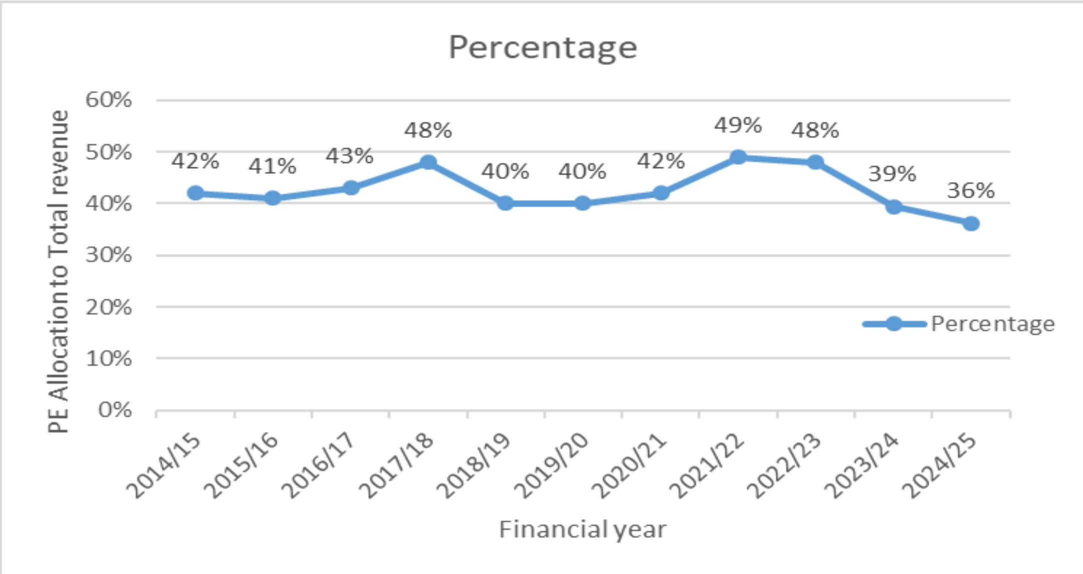
Department Ceilings for the FY 2024/25-2026/27 (Kshs)										
	Department		Supplementary 1	CFSP Ceiling	Projections		Share In Departmental Expenditure			
Vote	Recurrent		FY 2023-2024	2024/2025	2025/2026	2026/2027	2023/24	2024/25	2025/26	2026/27
4061	**County Assembly**	**Sub-Total**	**1,755,986,518**	**1,537,347,776**	**1,352,347,776**	**1,352,347,776**	**7%**	**7%**	**6%**	**5%**
		Rec-Gross	1,628,986,518	1,427,347,776	1,352,347,776	1,352,347,776	10%	9%	9%	8%
		Dev-Gross	127,000,000	110,000,000	0	0	2%	1%	0%	0%
4062	**County Executive**	**Sub-Total**	**452,052,495**	**485,000,000**	**502,250,000**	**514,806,250**	**2%**	**2%**	**2%**	**2%**
		Rec-Gross	452,052,495	485,000,000	502,250,000	514,806,250	2.7	3.2	3.2	3%
		Dev-Gross	0	0	0	0	0.0	0.0	0.0	0%
4063	**County Public Service Board**	**Sub-Total**	**98,090,971**	**90,090,971**	**92,343,245**	**94,651,826**	**0.4%**	**0.4%**	**0.4%**	**0.4%**
		Rec-Gross	98,090,971	90,090,971	92,343,245	94,651,826	1%	1%	1%	1%
		Dev-Gross	0	0	0	0	0%	0%	0%	0%
4064	**Finance, ICT & Economic Planning**	**Sub-Total**	**1,893,057,025**	**1,816,616,154**	**1,825,506,558**	**1,880,817,444**	**8%**	**8%**	**8%**	**8%**
		Rec-Gross	1,542,091,007	1,545,616,154	1,594,506,558	1,634,369,222	10%	10%	10%	10%
		Dev-Gross	350,966,018	271,000,000	231,000,000	246,448,222	4%	3%	3%	3%
4067	**Water, Environment Energy & Natural Resources**	**Sub-Total**	**1,277,211,688**	**1,117,313,072**	**1,165,785,577**	**1,211,115,629**	**4%**	**5%**	**5%**	**5%**
		Rec-Gross	580,631,688	500,725,926	518,369,074	531,328,301	3%	3%	3%	3%
		Dev-Gross	696,580,000	616,587,146	647,416,503	679,787,328	6%	7%	8%	8%
4068	**Health Services**	**Sub-Total**	**8,291,106,820**	**7,861,160,390**	**8,192,504,942**	**8,411,673,550**	**36%**	**33%**	**34%**	**34%**
		Rec-Gross	7,104,427,420	7,045,698,635	7,237,216,101	7,418,146,503	47%	46%	46%	46%
		Dev-Gross	1,186,679,400	815,461,755	955,288,841	993,527,047	15%	10%	11%	11%
4073	**Roads, Transport Public Works & Utilities**	**Sub-Total**	**2,858,276,673**	**2,495,249,442**	**2,973,380,678**	**3,047,715,195**	**12%**	**11%**	**12%**	**12%**
		Rec-Gross	700,628,021	665,628,021	687,393,722	704,578,565	4%	4%	4%	4%
		Dev-Gross	2,157,648,652	1,829,621,421	2,285,986,957	2,343,136,630	28%	22%	27%	27%
4075	**Administration & Public Service**	**Sub-Total**	**1,120,474,396**	**1,046,882,896**	**1,085,304,968**	**1,112,437,593**	**4%**	**4%**	**4%**	**4%**
		Rec-Gross	992,614,396	971,882,896	1,001,304,968	1,026,337,593	6%	6%	6%	6%
		Dev-Gross	127,860,000	75,000,000	84,000,000	86,100,000	1%	1%	1%	1%
4077	**Agriculture, Livestock & Co-operative Development**	**Sub-Total**	**2,054,684,393**	**1,212,275,464**	**1,288,207,351**	**1,320,412,534**	**9%**	**5%**	**5%**	**5%**
		Rec-Gross	525,777,238	510,877,238	528,774,169	541,993,523	4%	3%	3%	3%
		Dev-Gross	1,528,907,155	701,398,226	759,433,182	778,419,011	18%	8%	9%	9%
4078	**Education, Culture, & Social Services**	**Sub-Total**	**2,164,319,731**	**1,774,657,912**	**1,843,977,834**	**1,890,077,280**	**7%**	**8%**	**8%**	**8%**
		Rec-Gross	1,532,748,958	1,401,518,957	1,441,681,931	1,477,723,979	8%	9%	9%	9%
		Dev-Gross	631,570,773	373,138,955	402,295,903	412,353,300	5%	5%	5%	5%
4079	**Youth Affairs, Sports and Communication**	**Sub-Total**	**346,554,011**	**344,552,827**	**366,491,648**	**375,653,939**	**2%**	**1%**	**2%**	**2%**
		Rec-Gross	181,482,827	174,552,827	181,991,648	186,541,439	1%	1%	1%	1%
		Dev-Gross	165,071,184	170,000,000	184,500,000	189,112,500	3%	2%	2%	2%
4080	**Lands, Housing, Physical Planning, Urban Development & Administration**	**Sub-Total**	**969,726,920**	**3,285,626,942**	**2,895,792,616**	**2,969,070,609**	**4%**	**14%**	**12%**	**12%**
		Rec-Gross	440,902,109	402,518,169	427,956,123	438,655,026	3%	3%	3%	3%
		Dev-Gross	528,824,811	2,883,108,773	2,467,836,492	2,530,415,583	6%	35%	29%	29%
4081	**Trade, Industrilization,Tourism & Investment**	**Sub-Total**	**1,213,503,099**	**571,984,904**	**644,984,527**	**661,109,140**	**5%**	**2%**	**3%**	**3%**
		Rec-Gross	181,308,607	158,808,604	164,828,819	168,949,540	1%	1%	1%	1%
		Dev-Gross	1,032,194,492	413,176,300	480,155,708	492,159,600	12%	5%	6%	6%
	GRANT TOTAL	**Sub-Total**	**24,495,044,740**	**23,638,758,750**	**24,228,877,719**	**24,841,888,765**	**100%**	**100%**	**100%**	**100%**
	Recurrent Gross	**Rec-Gross**	**15,961,742,255**	**15,380,266,174**	**15,730,964,134**	**16,090,429,543**	**66.3%**	**65.1%**	**64.9%**	**64.8%**
	Development Gross	**Dev-Gross**	**8,533,302,485**	**8,258,492,576**	**8,497,913,585**	**8,751,459,222**	**33.7%**	**34.9%**	**35.1%**	**35.2%**

Source: Kiambu County Treasury

4.6.1 Allocation to Personnel Emolument

127. The projected expenditure on personnel emoluments for the 2024/25 financial year is estimated at KShs 8.56 billion, representing 36.2 percent allocation of the total county revenue. Section 25 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015 provides that there is a stipulated limit for the County Government's expenditure on wages and benefits, set at 35 percent of the County's total revenue. Consequently, the county government's expenditure on personnel emoluments exceeds the legal threshold. The figure 2 below illustrates the trend in personnel emolument expenditure since the 2014/15 financial year.

Figure 2: Trend in Personal Emolument (PE)



Source: *Kiambu County Treasury*

128. Based on the above trend, it is evident that the County has not met the legal threshold since the onset of devolution. This deficiency has been influenced by several factors; The County Government inherited a substantial payroll from both the defunct local authorities and the National Government. The Department of Health carries the bulk of this considerable wage bill. Consequently, there has been a persistent demand for more staff to enhance services at our hospitals. Also there has been upward revision of salaries and allowances for health workers.

129. Similarly, the expansion of education in our ECDE centers and vocational centers, has also necessitated the recruitment of additional personnel. Further, other factors such as; promotion of county staff, the transition of employees from contractual to permanent and pensionable status, the establishment of new entities such as

municipalities, salary review by SRC, introduction of additional taxes such as Housing levy has contributed to the overall increase in the wage bill over the years

130. Nevertheless, the County Government is dedicated to ensuring that the allocation for personnel emoluments meets the required limit. To ensure compliance with expenditure regulations on salaries, the county intends to continue increasing its total revenues, particularly its own source revenue. Consequently, this will reduce the percentage of the wage bill relative to total revenues. Further, staff recruitment has been restricted majorly to technical and essential services positions.

Table 6: The table below shows the PE medium term projections

Personnel emoluments			
Economic Classification	**FY 2024/2025**	**FY 2025/2026**	**FY 2026/2027**
Compensation of employees	8,564,662,882	8,821,602,768	9,086,250,852
Operations & maintenance	6,815,603,292	6,909,361,365	7,004,178,691
Recurrent Expenditure	15,380,266,174	15,730,964,134	16,090,429,543
Development Expenditure	8,258,492,576	8,497,913,585	8,751,459,222
Total Budget	**23,638,758,750**	**24,228,877,719**	**24,841,888,765**

Source: Kiambu County Treasury

4.6.2 Allocation to County Established Funds

131. Section 116 (1) of the Public Finance Management Act, 2012 provides that a County Executive Committee member for Finance may establish other public funds with the approval of the County Executive Committee and the County Assembly. The County treasury has made allocations to the county established funds as indicated in table 6 below.

Table 6: Allocation to County Established funds

Fund Name	Amount
Kiambu County Education Bursary Fund	200,000,000
Kiambu Emergency Fund	50,000,000
Kiambu Alcoholic Drinks Control Fund	70,000,000
Facility Improvement Fund (FIF)	2,300,000,000
Kiambu Enterprise Fund	40,000,000
Total	**2,660,000,000**

Source: Kiambu County Treasury

4.6.3. Conditional Grants

132. Article 202 (2) of the Constitution provides that County Governments may be given additional allocations from the National Government's share of revenue, either conditionally or unconditionally. Management of intergovernmental fiscal transfers is provided in the PFM Act, 2012, its Regulations and National Treasury Circular No. 8 of 2017 on "Guidelines for the Management of Intergovernmental

Fiscal Transfers in Kenya". National Government Ministries Departments and Agencies (MDAs) are responsible for development of frameworks for the management of conditional additional allocations made to beneficiary County Governments. These frameworks outline the total allocation to each conditional additional allocation and the specific amount apportioned to each participating county governments; the conditions to be met by participating County Governments; and the responsibilities of both MDAs, and beneficiary County Governments. The Accounting Officers in the respective MDAs are responsible for submission of these frameworks to the National Treasury, for concurrence with National Treasury Departments and hence the subsequent inclusion in the County Governments Additional Allocations Bill (CGAAB).

133. From the BPS 2024, Kiambu County Government shall be receiving various additional Conditional allocations FY 2024/2025. The proposed conditional allocation shall be distributed based on their 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. The County Government shall enter into an agreement with the National Treasury for the transfer of the respective conditional allocation made to the county government pursuant to the provisions of Section 191A the Public Finance Management Act, 2012.

134. The County will receive the aforementioned amount representing proceeds from external loans and grants for various programs under Agriculture, Health, 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 Resilience Investment Grant (CCRIG), Kenya Devolution Support programme (KDSP II), NAVCDP, Aquaculture Business development program and KUSP. Final allocation details for these grants will be directed by the County Governments Additional Allocations Act, 2024.

135. In FY 2024/25, the County Government of Kiambu expects to receive a total KShs. 3.21 Billion as additional allocations from the National Government share of

revenue and proceeds of loans and grants as seen in table 7 below. The additional conditional allocations are meant to support specific national policy objectives to be implemented by County Governments.

Table 7: Allocation to County Additional Allocations

	Revenue Projections for the FY 2024/25-2026/27 MTEF Period (Kshs)				
		FY 2023/2024	FY 2024/2025	FY 2025/2026	FY 2026/2027
	SOURCE OF REVENUE	Supplementary 1 2023-2024	CFSP Ceilings	Projections	
B	**TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS**	**1,656,422,328**	**3,216,450,781**	**3,216,450,781**	**3,216,450,781**
	I. Conditional Additional Allocation from the National Government's Share of Revenue	**534,388,478**	**409,602,488**	**409,602,488**	**409,602,488**
	Medical Leasing	124,723,404	0	0	0
	Road Manitenance Levy Fund (RMLF)	0	335,429,530	335,429,530	335,429,530
	Community Health Promoters (CHPs)	0	74,172,958	74,172,958	74,172,958
	Industrial Park & Aggregation Centers Grant	250,000,000	0	0	0
	Provision of fertilizer subsidy programme	159,665,074	0	0	0
	II. Unconditional Additional Allocations from the National Governments Share of Revenue	**15,224,547**	**6,230,202**	**6,230,202**	**6,230,202**
	Court Fines	5,084,684	5,697,644	5,697,644	5,697,644
	Mineral Royalties	10,139,863	532,558	532,558	532,558
	III. Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development partners	**957,717,103**	**2,800,618,091**	**2,800,618,091**	**2,800,618,091**
	IDA(World bank) National Agricultural Value Chain Development Project (NAVCDP)	250,000,000	151,515,152	151,515,152	151,515,152
	DANIDA Grant - Universal Healthcare for Devolved System Program	17,209,500	14,527,500	14,527,500	14,527,500
	IDA(World bank) FLLoCA- County Climate Resilience Investment Grant(CCRI)	125,000,000	125,000,000	125,000,000	125,000,000
	IDA(World bank) FLLoCA- County climate institutional support (CCIS) Grant	35,982,967	0	0	0
	IFAD- Aquaculture business development project ABDP	23,664,715	19,395,531	19,395,531	19,395,531
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban institutional Grant (UIG)	0	35,000,000	35,000,000	35,000,000
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)	0	1,658,136,816	1,658,136,816	1,658,136,816
	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	200,000,000	759,543,092	759,543,092	759,543,092
	Sweden- Agricultural Sector Development Support Programme (ASDSP II)	2,583,952	0	0	0
	World Bank Credit - National Agricultural & Rural Inclusive Growth Porject (NAGRIP)	303,275,969	0	0	0
	IDA (World Bank) credit - Kenya Devolution Support Project (KDSP) - Level II	0	37,500,000	37,500,000	37,500,000
	IV. National Government Expenditures on Devolved Functions to be Converted to Addional Allocations Grant to County Governments	**149,092,200**	**-**	**-**	**-**
	Livestock value chain support project	149,092,200	0	0	0
C	**Other County Revenue**	**2,630,929,246**	**26,400,000**	**26,400,000**	**26,400,000**
	Adjustment to cash Basis	2,548,373,211	0	0	0
	MSF BELGIUM	43,200,000	26,400,000	26,400,000	26,400,000
	Nutrition International	39,356,035	0	0	0

Source: *Kiambu County Treasury*

4.6.3.1 Allocations for Unconditional Additional Allocations from National Governments share of revenue

i. Court fines and fines emanating from contravention of County Legislation-KShs. 5.6 Million

136. During its 17th Ordinary Session held on 31st May, 2022, Intergovernmental Budget and Economic Council (IBEC) considered and adopted a report and a framework for sharing of funds arising from the contravention of County Government legislation. Going forward, the National Treasury has proposed that these revenues be captured in the annual County Governments Additional Allocations Bill to enable its disbursement to the relevant County Governments as tabulated by the Judiciary.

137. In line with the advisory by the Attorney General that transfer of revenue from court fines emanating from county legislation to the County Governments can only be done by way of appropriation or by enactment of an Act of Parliament specifically excluding them from Consolidated Fund and Payable to the County Revenue Fund, the CGAAB 2023 proposes to allocate KShs 108.7 million to ten County Governments in FY 2023/24. For FY 2024/25, the Judiciary has provided a schedule indicating the revenue collected in FY 2022/23 was KShs 7.4 million and 12.3 million for FY 2023/24. The Judiciary has been called upon to budget this amount as a transfer to the County Governments to enable it to be transferred in the FY 2024/25.

ii. The Management of the 20% Share of Mineral Royalties-Kshs.0.53 million

138. The National Government is committed to ensuring that the mineral royalties due to the respective County Governments and communities in line with the Mining Act, 2016 are disbursed. To address this matter, the State Department of Mining will be forwarding to the National Treasury a framework for sharing the 20% share of mineral royalties among the County Governments for inclusion in the annual County Governments Additional Allocations Bill. Additionally, the Ministry of Mining, through a multi-agency team is currently finalizing the development of regulations with respect to the share of mineral royalty revenue due to communities. The regulations will provide for the transfer and management of the 10 percent share of mineral royalties due to communities.

139. The purpose and objective of the Unconditional Additional Allocation are to disburse a 20% share of the counties' funds.

4.6.3.2 Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development partners

i. **Kenya Informal Settlements Improvements Project (KISIP II)-KShs. 759.5 million**

140. The KISIP II is a World Bank-funded program aimed at developing sustainable infrastructure in selected informal settlements within urban areas as part of slum upgrading initiatives.

141. Specifically for Kiambu County, infrastructure improvement in selected informal settlements for FY 2023/24 and 2024/25 will focus on Umoja in Thika Hospital ward, Kiang'ombe in Thika Kamenu ward, Misri in Limuru-Limuru East, Fort-Jesus/Matopeni in Ruiru Biashara ward, and Bosnia/Riverside in Ruiru-Kiuu ward.

142. In the current FY 2023/2024, there is an allocation of KShs. 200 million towards these works. The infrastructure upgrading works will involve the construction of roads, footpaths, drainage systems, and public lighting infrastructure.

ii. **National Agricultural Value Chain Development Project (NAVCDP)- KShs. 151.5 million**

143. 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.

144. The purpose of the grant is to increase market participation and value addition for targeted farmers in select value chains in project areas.

145. NAVCDP directly aligns with the first pillar of Agriculture transformation focusing on increased participation of small farmers into commercially oriented value chains, while also responding to the ASTGS goals of enhanced value addition and climate resilience.

iii. IFAD -Aquaculture Business Development Programme (ABDP)-KShs. 19.3 Million

146. Purpose and Objective of the Conditional Additional Allocation is to increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted Counties.

iv. Financing Locally-Led Climate Action (FLLoCA) – KShs. 125 million

147. 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.

148. The objectives of the Grant are to allow County Governments to implement, equally in a participatory manner, the County Climate Action Plans, whilst incentivizing them to increasingly put additional county resources into the Climate Fund and mainstream climate action into the regular operations of the county departments.

149. 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 national level capacity for coordination, monitoring, and reporting. The program will be implemented by the National Government in collaboration with County Governments.

v. IDA (World Bank) credit: Kenya Urban Support Program (KUSP)- Urban Institutional Grant (UIG) KShs. 35 million & ; Kenya Urban Support Program (KUSP)-Urban development Grant (UDG) KShs. 1,658,136,816.

150. The purpose of the UIG grant is to provide support to urban boards and administrators within the respective participating County governments for financing infrastructure investments in urban areas.

151. The UIG grant provides support to participating County governments for the formulation of urban development plans including the establishment and operation of urban institutional arrangements such as charters, board's administrations and operation of urban institutional arrangements and for the initial preparation of urban infrastructure investments.

vi. DANIDA Grant- Primary Health Care in Devolved Context (PHCDC)-KShs. 14 Million

152. The purpose of the grant is to improve primary health care with focus on reproductive, maternal newborn, child and adolescent health (RMNCAH) services at the County Level. The grant shall be used exclusively to supplement operations and maintenance (O&M) costs of all gazetted Health facilities for level 2s and 3s hospitals in the County and as defined in the GoK Chart of Accounts.

vii. KENYA DEVOLUTION SUPPORT PROGRAM (KDSP II)- KShs. 37.5 Million

153. The Grant will be used by counties to finance capacity-building and institutional strengthening activities. The grants will incentivize counties to set up core governance and institutional arrangements for management of public resources, which will enhance capacity, facilitate achievement of Program results, and support Program coordination.

viii. ADDITIONAL ALLOCATION TOWARDS COUNTY HEALTH PROMOTERS - KShs. 74.1 Million

154. This additional allocation will be allocated towards the payment of stipends to Community Health Promoters. Each county will be required to provide evidence of funds allocated for the payment of CHP stipends as well as demonstrate that CHPs are submitting data through the e-CHIS.

ix. ROAD MAINTENANCE LEVY FUND - KShs. 335.4 Million

155. This is a Conditional allocation for the maintenance of County Roads from the Road Maintenance Levy Fund (RMLF). The main criteria for allocation to Specific County include the Length of Road (Km), Climate/Rainfall, Rural Access Index (RAI), Soil Type Distribution, and Equal Share.

4.7 Resource Allocation Framework

156. Resource allocation and utilization in the 2024/2025 financial year and the medium term will be guided by County Integrated Development Plan (2023-2027), County Annual Development Plan (2024-25) and MTEF sector reports FY 2024-25. This approach is designed to facilitate the efficient use of public funds. The baseline estimates reflect the current department/sector spending levels in sector

Programmes. In the recurrent expenditure category, non-discretionary expenditures take first charge. These include payment of pending bills, salaries, pensions and critical daily operations to meet service delivery.

157. Development expenditures have been allocated on the basis of priorities as outlined in the CIDP 2023-2027, Programmes/projects supporting the Bottom-Up Economic Transformation Agenda and the Governors manifesto. The following criteria was used in apportioning capital budget:

a) **On-going projects:** emphasis was given to completion of on-going capital projects and in particular infrastructure projects with high impact on poverty reduction, equity and employment creation;
b) **Counterpart funds:** priority was also given to adequate allocations for donor counterpart funds which is the portion that the County Government must finance in support of the projects financed by development partners;
c) **Post COVID-19 Recovery:** Consideration was further given to interventions supporting Post COVID-19 recovery; and
d) **Strategic policy interventions:** further priority was given to policy interventions covering the entire nation, regional integration, social equity and environmental conservation.

4.7.1 Criteria for Resource Allocation

158. The departments will be encouraged to adopt efficiency in allocation of resources through cost budgeting and reviewing the portfolio of funded projects. The departments are also encouraged to restructure and re-align with the County Government priority Programmes. Realization of these objectives will be achieved within the budget ceilings provided in this CFSP. The following criteria will serve as a guide for allocating resources:

i. Linkage of Programmes with the value chains of the Bottom-Up Economic Transformation Agenda priorities;
ii. Linkage of the programme with the priorities of CIDP 2023-2027
iii. Linkage of Programmes that support mitigation and adaptation of climate change;
iv. Completion of ongoing projects, viable stalled projects and payment of verified pending bills;

v. Degree to which a programme addresses job creation and poverty reduction;
vi. Degree to which a programme addresses the core mandate of the department/Sector expected outputs and outcomes from a programme;
vii. Cost effectiveness, efficiency and sustainability of the programme; and
viii. Requirements for furtherance and implementation of the Constitution.

159. The budget estimates will be scrutinized and should additional resources become available in the process of firming up the resource envelope; the County government will redirect them to fund strategic priorities that may have been left out due to resource constraints.

4.7.2 Kiambu County Revenue Allocations Act, 2024

160. The Kiambu County Revenue Allocation Act, 2024, was enacted by the County Assembly of Kiambu to provide for the equitable allocation and use of county resources. This Act, signifies a pivotal legislative effort by the County Assembly of Kiambu to establish frameworks for the just distribution and effective utilization of county resources. Enacted with the objective of fostering equitable allocation and optimal utilization of these resources, the Act addresses various dimensions of fiscal management and distribution of resources within Kiambu County. The object and purpose of the Act is to; provide a framework for the equitable sharing of county resources among the wards; provide resources for economic and social development in a fair and just manner; provide a guaranteed budget line in the county budget cycles for funding of ward activities; provide mechanisms for identification and prioritization of ward projects and provide for participation of the public in the determination and implementation of identified projects within the wards.

4.8 Public Participation and Involvement of Stakeholders

161. Public participation and involvement of stakeholders in the medium-term budget process are constitutional requirements. In fulfillment of this obligation, the County Government convened Sector Working Groups (SWGs) to develop sector reports contributing to the development of the fiscal strategy paper, with the active involvement of key stakeholders. Additionally, the PFM Act of 2012 mandates that the public's input be considered before finalizing budget proposals. Accordingly, the County conducted Public Participation forums on the 21st and 22nd of February, 2024, across all 12 Sub Counties. Further, the draft 2024 CFSP was uploaded onto the County website on the 13th of February, 2024, inviting both the public and stakeholders to provide comments. As required by the Public Finance Management Act (PFM) of 2012, the document was shared with various stakeholders, including the Commission of Revenue Allocation (CRA) and the Office of the Controller of Budget (OCoB). The comments received were carefully considered in finalizing this document. A summary of the comments received from both stakeholders and the public, as well as the actions taken, is provided in **Annex 4.**

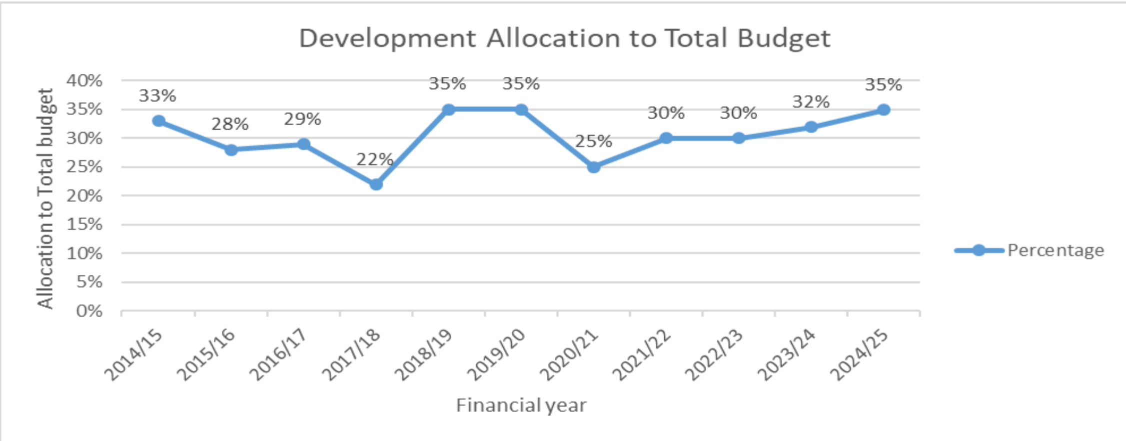
4.9 Compliance with Fiscal Responsibility Principles

162. In the administration of the County Government's public finances, the County Treasury is tasked with upholding fiscal responsibility principles outlined in Section 107(2) of the Public Finance Management Act, 2012. These principles include:

- **i.** The County Government's recurrent expenditure should not exceed its total revenue. Adhering to this directive, the proposed recurrent expenditure is set at 64.93 percent of the total projected revenue.

- **ii.** Over the medium term, a minimum of thirty percent of the county government's budget should be allocated to development expenditure. In alignment with this mandate, the County Government's allocation to development expenditures in the proposed fiscal outlays presented in this CFSP is at 35.07 percent of the total expenditures for development in FY 2024/25. This commitment reflects a dedication to fostering sustainable development and growth.

Figure 3: Trend in Development Budget Allocation

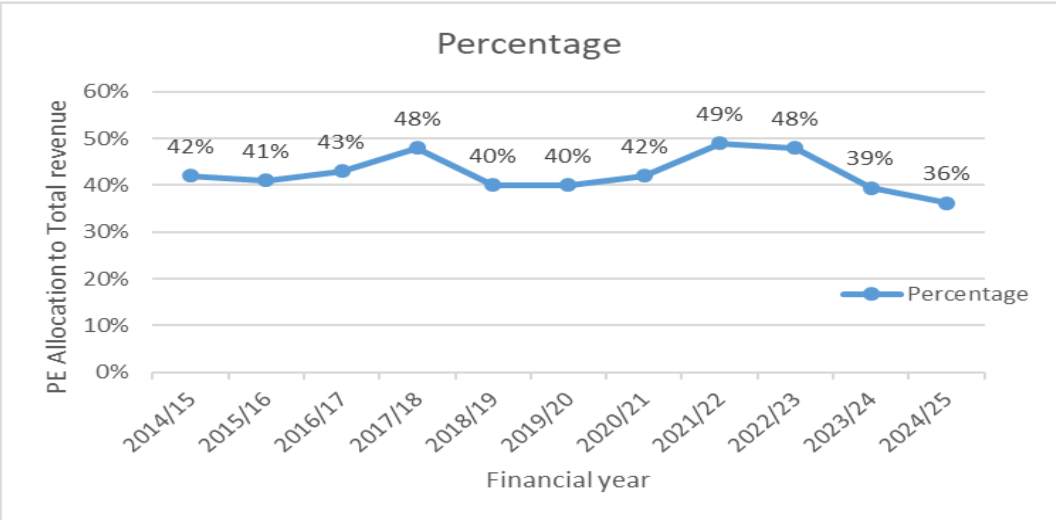


Source: Kiambu County Treasury

iii. **Compliance with the requirement for expenditure on wages**

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. To comply with this regulation, the County Government projected expenditure in FY 2024/25 on Personal Emolument (PE) is KShs. 8.56 Billion representing 36.2% of the total revenue. This is higher than the legal provision threshold of 35 percent. Going forward in the medium term, the County Government is committed to bringing the proportion of the expenditure on wages down so as to comply with the legal requirement.

Figure 4: Trend in employee compensation to total budget



Source: Kiambu County Treasury

iv. **Compliance with County public debt shall never exceed twenty (20%) percent of the County government's total revenue**

Regulation 25 1 (d) of the PFM (County Governments) Regulations 2015 provides that the county public debt shall never exceed twenty (20%) percent of the County Governments' total revenue at any one time. The County does not intend to borrow in the FY 2024/25 and has therefore adhered to the principle.

v. **Management of Fiscal Risks;**

The County Government is required to also manage fiscal risks prudently in line with PFM Act, 2012. The County Government has enhanced its macroeconomic forecasting capabilities and consistently evaluates the effects of macroeconomic projections on the budget. It remains committed to implementing measures aimed at bolstering revenue collection, primarily through automation and broadening revenue sources. Further, efforts to rationalize expenditure will persist. The County is also dedicated to addressing outstanding bills.

vi. **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 oversees the collection of its own source revenue by implementing revenue-raising measures pertaining to County taxes, licenses, fees, and charges through the annual preparation of the Finance Act. Over the medium term, the County's own-source revenue targets have consistently shown improvement. The County has developed a comprehensive revenue strategy, which includes reviewing laws, ensuring timely approval of the Finance Act, staffing the Revenue Directorate adequately, full automation of revenue collection and other services through the ERP system.

5.0 DEPARTMENT PRIORITIES AND ALLOCATIONS

163. The allocation of departmental ceilings over the medium term has been guided by the following principles:

- In the recurrent expenditure category, non-discretionary expenditures are given priority. This primarily includes payment of salaries and wages, which are projected to account for 35.95 percent of the expected total revenue receipts.
- Conditional grants from development partners also take precedence in the allocation process.
- Additionally, ongoing projects and interventions in investment projects are considered in apportioning the capital budget. Priority is given to projects that support social development, foster economic growth, and contribute to the transformation of the County.

5.1 County Assembly

164. Kiambu County Assembly (KCA) is a legislative arm of the Kiambu County Government composed of 86 members, 60 of whom are elected and 26 nominated to represent special interest groups. Its mandate is to represent the County residents, make laws and carry out oversight activities.

165. In the MTEF period 2020/21 - 2022/23 the assembly made some key achievements that include; construction of various ward offices; lease of MCA's offices; provision of medical insurance to the staff; capacity buildings of different members of staff; passing of various bills; carrying out oversight activities and equipping of various offices.

166. In the same period, the county assembly however faced some challenges that include budgetary constraints, Delays in implementation of projects due to delayed procurement processes, Untimely and unpredictable disbursement of funds and failure to fully finance the approved budget by undisbursed exchequer releases.

167. During the MTEF period 2024/25 -2026/27, the County Assembly plans to construct office blocks; undertake staff trainings; construct speakers residence; lease offices for MCA's; formulate/review policies; consider motions and pass bills and carry out oversight roles.

168. To implement the planned Programmes, the county assembly has been allocated a recurrent budget of KShs 1.53 billion in FY 2024/25, KShs 1.35 billion in FY 2025/26 and KShs 1.35 billion in FY 2026/27.

5.2 County Executive

169. The County Executive comprises four directorates namely; Administration (executive), Public participation and civic education, the office of the county attorney and service delivery. The County Executive provides overall policy and leadership direction in the management of public affairs and coordinates policy formulation, implementation, and monitoring and evaluation. In addition, it facilitates enactment of county legislation, oversees all public agencies in the execution of budget and facilitates public service delivery by overseeing and managing the human resource function in the entire public service. The sector also mobilizes resources for funding government Programmes at the county levels, oversees prudent financial management and promotes transparency and accountability in use of public resources. In addition, it oversees implementation of inter counties relations and links all other sectors to the rest of the counties in Kenya.

170. During the MTEF period 2020/21- 2022/23, the County Executive made some achievements, which include; providing policy direction and guidelines through cabinet meetings to promote efficient and effective service delivery. The sector was also involved in the issuance of policy guidelines, statements, circulars, memos and security interventions. It further developed County government policies and cabinet papers and drafted bills for submission to the County Assembly for approval. Additionally, several cases were arbitrated upon and others were represented in court.

171. The challenges faced during the implementation period 2020/21-2022/23 were; inadequate funding which affected service delivery, weak monitoring and evaluation system and low levels of awareness of the county plans, Acts and policies by the community.

172. In 2024/25 - 2026/27, MTEF period, the county executive plans to implement two Programmes namely; General administration planning and support services and government advisory services. Under these Programmes, the county executive will

focus on coordinating departments/sectors to formulate sector plans and policies, table the sector plans and policies before the County Executive Committee and County Assembly, and follow up on implementation. The County Executive will also ensure there is effective and efficient service delivery by facilitating the formulation and development of a County Service Charter, coordination of County departments to develop their service charters, and follow up on the implementation of the service charter. Additionally, the department will strengthen Inter-County relations by developing inter-County dispute resolution mechanisms and strengthening linkages between County and National Government. Further, it will increase employee efficiency through Performance Contracting, provide public legal services and a just, democratic and corrupt free County, promote civic education, enhance public participation in governance, policies formulation and implementation, and have a fully automated M&E system.

173. To implement the planned Programmes, the county executive has been allocated Ksh.485 million, Ksh.502.2 million and Ksh.514.8 million as the recurrent budget in FY 2024/25, FY 2025/26 and FY 2026/27 respectively.

5.3 County Public Service Board

174. The County Public Service Board (CPSB) core mandate is to; establish and manage Kiambu County public service system, facilitate recruitment, selection, training, development and promotion of staff, establish and abolish offices in the County, exercise disciplinary control and provide regular reports to the county assembly on the executions and the functions of the departments. The CPSB also promotes County public service values and principles of governance, facilitates the development of coherent and integrated human resource planning, advises the county on human resource management and development, and makes recommendations to the SRC on behalf of the county regarding remuneration, pensions and gratuities for County public service employees.

175. During the 2019/20-2022/23 MTEF period, CPSB made some achievements that included: motivation of staff to enhance their productivity and efficiency in service delivery through rolling out a comprehensive medical cover for all the County staff under the National Hospital Insurance Fund, promotion of staff, addressing industrial disputes on labor related grievances as advanced by the various workers

Unions and provision of policy direction in human resource management where a County Staff Establishment was developed and adopted by the County Executive. The Board also provided human resource advisory in terms of schemes of service and career guidelines, managed staff complaints and disciplinary cases, promoted values and principles, held human resource advisory meetings, sensitization and various capacity building forums.

176. The CPSB experienced various challenges in the 2019/20-2022/23 MTEF plan period that include: inadequate funding and absence of financial autonomy forcing the board to scale down and suspend many important Human Resource activities which ultimately curtail service delivery, and existence of huge disparities in remuneration between the employees of the former local defunct authorities and those hired by the current devolved government. Emergence of Covid-19 Pandemic also derailed the operations of the Board. Since there were limited physical meetings.

177. In the 2024/25 - 2026/27 MTEF period, the department plans to implement the programme of General Administration, Planning and Support Services. The programme will focus on improving service delivery through recruitment, promotion and training of staff, resolving disciplinary cases, updating of competence inventory and developing an Integrated Human Resource Information Management System. The department also plans to carry out sensitization forums on promotion of values and principles, human resource advisory meetings and stakeholders engagement forums; and compliance to regulatory framework.

178. To implement the planned Programmes, CPSB has been allocated KShs 90 million, KShs. 92.3 million and KShs. 94.6 million as recurrent budget in FY 2024/25, FY 2025/26 and FY 2026/27 respectively.

5.4 Finance, ICT and Economic Planning

179. The department has eight directorates namely; Revenue, Finance, Budget, Accounting Services, Supply Chain Management, ICT, Internal Audit, and Economic Planning. The Department is mandated with preparation of development plans, preparation of estimates of revenues and expenditures, preparation of financial reports, supply chain management services, internal audit services, offering ICT support services, payment of goods and services and cash flow managements,

management of county revenues among other functions. It is the County's think tank responsible for policy analysis on a wide range of fiscal issues.

180. The department ensures external resources (grants, loans, and donations) are effectively mobilized, and utilized. The department is also responsible for the administration and enforcement of revenue laws and for that purpose, the collection and accounting for all rates, taxes, fees and charges payable by or under any laws in the County; collection of statistical data needed for planning purposes; County budget implementation, monitoring and evaluation. In addition, it facilitates resource mobilization and allocation, budget execution, prudent financial management and promoting transparency and accountability in the County.

181. During the MTEF period FY 2020/21 - 2022/23, the department ensured there was prudent utilization of public resources. There was timely preparation and submission of the County Integrated Development plan 2023-2027, all County Annual Development Plans, Annual budget estimates, supplementary budgets, county fiscal strategy papers, county budget review and outlook papers, procurement plans, quarterly and annual progress reports, quarterly and annual financial statements, and internal audit reports. The department also trained staff on public finance management, mobilized collection of OSR, and ensured prioritized expenditure aligned with the available resources.

182. In the MTEF period 2020/21-2022/23, the department faced the following challenges; delayed disbursement of exchequer by the national government, missed own source revenue targets to fund priority areas, huge pending bills which affected funding of priority Programmes, inadequate budgetary allocation to effectively implement the sectors mandates, and low public participation in planning matters and policy development.

183. During the 2024/25-2026/27 MTEF period, the department plans to improve prudence and compliance in the management of public resources through; training of staff of various cadres, preparation and submission of financial reports, procurement plans, audit reports, County Annual Development Plans, quarterly and annual progress reports, budgets, county fiscal strategy papers, and county budget review and outlook papers. It will also engage the public in financial matters where various public participation forums will be held. In addition, the department plans

to develop modern solar powered data centers, install integrated management systems, equip office blocks with internet and CCTVs as well as constructing and equipping solar powered ICT incubation centers

184. To implement the prioritized Programmes, the department has been allocated KShs 1.81 billion in FY 2024/25, KShs. 1.82 billion in FY 2025/26 and Ksh.1.88 billion in FY 2026/27.This comprises KShs. 1.55 billion, KShs. 1.59 billion and Ksh.1.63 billion for recurrent expenditure and Ksh.220 million, KShs 231 million and KShs 246.4 million for development expenditure for the same period.

5.5 Administration and Public Service

185. This department has six directorates namely: Administration, Alcoholic Drinks Control, Inspectorate, Monitoring & Compliance, Betting & Gaming Control, and Human Resource Management & Human Resource Development. The core mandate of the department is to provide services to the public and ensure there is good coordination of various structures within the county. It is responsible for efficient management and development of the human resources in the county such as capacity building of staff and determination of optimal staffing levels. Further, the department; ensures enforcement and compliance of the public to various county laws, curbs alcohol & substance abuse and irresponsible betting & illegal gaming

186. In the FY 2019/20 - 2021/2022 MTEF period, the department made some key achievements that include; Improved service delivery through; the completion of Kiambu sub-county offices, deployment of staff of various cadres in the sub-counties, carrying out capacity building on various members of staff, processing of staff benefits, staff promotions and medical cover. The department ensured the reduction of incidences of illegal, counterfeit alcohol and substance abuse through crackdown and prosecution of illegal brewers, carrying out awareness forums, and undertaking rehabilitation of persons dependent on alcohol. The department also enhanced the public to county laws and applicable national legislation through enforcement of revenue collection within urban areas, building regulations, Alcoholic Drinks Control Acts, and control of hawking activities within CBDs. Further, a reduction in irresponsible and illegal betting and gaming was enhanced through awareness forums, crackdowns, and issuance of betting and gaming licenses.

187. During the 2019/20 -2021/22 MTEF period, the department faced various challenges which included; inadequate financial resources and accumulated pending bills affecting the implementation of the development projects.

188. In the FY 2024/25 - FY 2026/27 MTEF period, the department has planned to improve service delivery through; construction, renovation, and equipping of offices, construction of ablution blocks, mainstreaming of climate change in the sub county offices, capacity building of staff and processing of staff medical cover and welfare benefits. The department will also focus on alcohol and substance abuse reduction through; crackdowns, awareness forums and rehabilitation services. Additionally, the department will ensure enforcement of county laws through rebranding of the inspectorate unit and ensure responsible betting and gaming through awareness forums, crackdowns and licensing of betting and gaming premises.

189. In order to implement the Programmes, the department has been allocated KShs 1.04 billion KShs. 1.08 billion and KShs. 1.11 billion in FY 2024/25, FY 2025/26 and FY 2026/27 respectively. This comprises KShs. 971.8 million, KShs. 1.00 billion and KShs. 1.02 billion for recurrent expenditure and KShs. 75 million, KShs 84 million and KShs 86.1 million for development expenditure for the same period.

5.6 Agriculture Livestock and Cooperative Development

190. The department comprises five directorates namely: Crop and Irrigation, Agribusiness and Marketing, Livestock & Veterinary, Fisheries Development and Cooperative Development. In addition, there are two institutions; Agricultural Training Centre at Waruhiu and Agricultural Mechanization Service in Ruiru. The department's overall goal is to attain food and nutrition security, promote innovative and commercially oriented agriculture through favorable policy and legal framework for sustainable development, promote a vibrant and sustainable cooperative movement and ensure there is equitable distribution of wealth across the County. It is also a key player in social and economic development of the County as well as delivery of national development agendas namely; the Kenya vision 2030, Bottom-Up Economic Transformation Agenda (BETA) , Agricultural Sector Transformation and Growth Strategy (ASTGS) and the Sustainable Development Goals (SDGs).

191. During the MTEF period 2020/21-2022/23, the department implemented six Programmes aimed at increasing production and productivity, enhancing food and nutrition security and increasing income. The department procured and distributed 528.22 tons of certified seeds (maize and bean seeds) and 60,000 Hass avocado tree seedlings to farmers across the county. In addition, the department trained 204,773 farmers on modern farming technologies across the County in collaboration with different stakeholders. Further, the department in collaboration with NARIGP constructed 70 KMs of soil and water conservation structures, 120 small-scale water pans for demonstration, and installed 120 solar-powered systems. It also completed one value chain multi community investment (MCI) the Kamwamba irrigation project in Gatundu North serving Chania and Mang'u wards. The project has also funded common interest groups (CIGs) with micro projects and producer organizations (POs) with inclusion grants for investments along dairy, local chicken banana and Irish potatoes value chains in all the 20 implementing wards.

192. The directorate of agribusiness procured and distributed 1,320 tonnes of coffee and food fertilizer to farmers, trained 780 farmers/agri-entrepreneurs on value addition technologies along banana value-addition, yogurt making and vegetable preservation as well as training 2,625 farmers and 120 staff on coffee production management and value addition. To enhance production of quality and safe products, the department trained 100 agro-dealers and 200 farmers on quality inputs.

193. The department through the directorate of livestock production held 12 FMD, 4 LSD, and 4 Anthrax vaccination campaigns across the county. Additionally, 48,007 doses of AI were inseminated through the Free AI program, 138,000 indigenous one-month old chicks procured and distributed to farmers and 38,000 poultry farmers trained on improved poultry production. Further, 60,000 value chain actors trained on climate smart technologies in collaboration with ASDP and NARIGP and sensitized 3,200 farmers on drug residues in milk, eggs and meat to enhance food safety. In addition 41,000 farmers/stakeholders were trained on livestock enterprise.

194. In collaboration with Aquaculture, Business Development Program (ADBP), the department also stocked 584,100 fingerlings (Tilapia and Catfish) in selected ponds, conducted 86 farmers training on modern aquaculture technologies, and equipped

1,700 farmers with modern aquaculture technologies. To enhance aquaculture development, the department established 19 demonstration centers.

195. During the implementation of the Programmes/projects, the department faced various challenges which included; accumulated pending bills affecting the implementation of the development projects, erratic weather conditions as a result of climate change affecting production, shortage of technical staff due to retirement, inadequate transport to facilitate extension services, data deficiency impeding planning and policy formulation and rapid urbanization in the County leading to decreased agricultural land.

196. In the FY 2024/25- 2026/27 MTEF period, the department has planned to increase production and productivity, enhance food and nutrition security, and promote economic empowerment. To increase crop productivity, market access and value addition, the department will procure and distribute certified seeds and seedlings, food crop and coffee fertilizer, and support small scale irrigation. It will also train farmers on best crop varieties for various Agro-Ecological Zones (AEZ) and Agro-ecological farming, production of fruits, vegetables, herbs and spices best practices for harvest and post-harvest handling and packaging, as well as urban and peri-urban farming. The department will enhance provision of quality extension services by upgrading Waruhiu ATC. It will also promote value addition and ensure production of quality and safe produce.

197. To increase livestock and fisheries productivity, profitability and utilization, the department will control and manage livestock diseases where it will hold vaccination campaigns, rehabilitate and equip veterinary laboratories, issue livestock movement permits and train farmers on disease control. To enhance food safety, bovine, poultry and rabbit slaughter-house will be completed and equipped, inspected and licensed. Farmers, vendors and consumers will be trained on drug residues in livestock products. Additionally, the department will offer A.I services both sexed semen and conventional, procure and distribute piglets and indigenous chicken to farmers, procure and install bulk milk coolers, and avail milk pasteurizers to farmers. Under fisheries development, the department will procure fingerlings and stock them in rivers/dams/ponds, procure subsidized aquaculture kits, equip

farmers with modern technologies, and establish/develop aquaculture demonstration centers

198. To promote growth and development in the cooperative movement, the department will train cooperative management committees and cooperatives members, carry out cooperatives audits, inspections and risk assessments, register new cooperatives, and facilitate the formation of cooperatives federations, cooperatives in ASALs and sector specific cooperatives. It will also promote good governance, digitize operations in cooperative societies as well as mapping cooperative societies.

199. To enable the department to implement the prioritized Programmes, it has been allocated KShs. 1.21 billion in FY 2024/25, KShs. 1.28 billion in the FY 2025/26 and KShs. 1.32 billion in the Financial Year 2026/27.This comprises KShs. 510.8 million, KShs. 528.7 million and KShs. 541.9 million for recurrent expenditure and KShs. 701.3 million, KShs 759.4 billion and KShs 778.4 billion for development expenditure for the same period.

5.7 Water, Environment, Energy and Natural Resources

200. The Department of Water, Environment, Energy and Natural Resources (WEENR) comprises four directorates namely; Water & Sanitation, Natural Resources & Forestry, Environment & Waste Management, and Renewable Energy & Climate Change. The aim of the sector is to ensure provision of water and sanitation services, environmental protection and management, conservation of natural resources, reduction of carbon emissions and enhance resilience to impacts of climate change. The Programmes in this sector support the main productive sectors namely; Agriculture, Tourism, Housing, Energy, and Manufacturing. It also has direct and indirect linkages with all other sectors of the economy thus promoting socio-economic development geared towards the realization of the Kenya Vision 2030, relevant Sustainable Development Goals (SDGs), and various multilateral agreements relating to the sector.

201. During the 2020/2021-2022/23 MTEF period, the department implemented five Programmes namely; General administration planning and support services, water resources management and sanitation, environment management, protection and

compliance, natural resources forest conservation and management and climate change mitigation and adaptation. The directorate of water and sanitation in collaboration with the Water Service Providers (WSPs) developed the Kiambu County Water Investment Plan (2021-2025) to guide and plan the development of water-related infrastructure. Through financing from the county, AWWDA, NAMSIP, and the WSPs, 47 boreholes were drilled, equipped and/or operationalized, spring sources developed, and a composite filtration unit (CFU) developed and installed providing an additional 21,354m^3/day. To increase access to water services in unserved areas, over 700 KMs of pipelines were procured and laid across the County extending water coverage countywide. Storage tanks were also constructed/rehabilitated totaling an additional 2,513m^3 which were financed by the county, WSPs, and AWWDA

202. To reduce non-revenue water (NRW) in the WSPs, the directorate offered technical support in mapping and digitizing the water and sanitation services infrastructures and supplied 2,042 meters of pipeline to the WSPs. Additionally, the WSPs increased access to sewerage services by laying and extending sewer pipelines across the county. To increase access to public sanitation facilities (PSF), PSF was constructed and dilapidated toilets were rehabilitated. The water and sewer connectivity increased, thereby benefiting at least 76,390 people who were connected to water and 10,860 who were connected to sewer.

203. To increase environmental awareness, the department conducted over 100 trainings mainly during the county and community collective monthly clean up exercises and established five eco schools. The county increased the capacity to manage waste (collection, transport and disposal) in terms of human resources and equipment through procurement and servicing of all solid waste disposal equipment and machinery. Kiambu and Gioto dumpsite were decommissioned during the review period. The directorate procured 2 compactors, 41 tripper litter bins, one excavator, one bulldozer (KOMATSU) and a high pressure washing machine through JICA. In addition, it held major clean ups across the county, conducted environmental trainings, and held environmental awareness campaigns

204. The directorate of natural resources & forestry raised and transplanted 395,248 tree seedlings and implemented transitional forestry-devolved for forestry devolved

functions. It also mapped, secured and conserved water sources catchment areas through, awareness creation, planting of trees in water catchment and riparian areas. Further, it facilitated the process of collecting revenue by issuing quarrying invoices and certificates, and improved aesthetic value in the county by developing, maintaining recreational parks, gardens, roundabouts and other green spaces in Thika, Ruiru, Kiambu and Kikuyu sub counties. To enhance management of forestry within the county, there is a draft policy of the Kiambu County Sustainable Forest Management and Tree Growing Policy.

205. To enhance climate change mitigation and adaptation, the directorate mapped and undertook energy needs assessment in learning institutions, health facilities and informal settlements. It also undertook a sustainability audit in 10 sub counties, developed the Kiambu County Climate Change Bill, 2021 which was enacted in November 2021 into an Act; developed draft Kiambu County Climate Change Fund, Regulations, 2021, and formulated Draft County Climate Change Policy. In addition, it undertook sensitization workshops on climate change mainstreaming in county development plans, budgetary processes and operations for county staff, initiated the formulation of County Energy Plan (CEP) under the Sustainable Energy Technical Assistance (SETA) project, and coordinate and participated in 7th Annual Devolution Conference which was on climate action. The directorate conducted Participatory County Climate Risk Assessment (PCRA) and climate action planning approaches under Kenya's Financing Locally Led Climate Action (FLLoCA) Program.

206. During implementation, the department faced the following challenges; Lack of a database management system at a sector level, understaffing and high ageing workforce in the sector, inadequate vehicles to facilitate fieldwork activities inadequate budgetary allocation, accumulated pending bills and inadequate civic education

207. In the MTEF period 2024/25-2026/27, the directorate of water and sanitation plans to, provide adequate, affordable, safe, clean water and sanitation services by ensuring boreholes are drilled, equipped and operationalized in a bid to realize the 'Maji Nyumbani' Program as outlined in the governor's manifesto. In addition, it plans to map and digitize water infrastructures and assets, support water utilities as well as developing policies, plans and strategies. It will further develop spring

sources, promote water harvesting, desilt dams, rehabilitate intake and increase the amount of water injected into the supply system besides constructing a composite filtration unit (CFU) to offer more water supply. Further, plastic tanks will be procured and supplied to institutions and special groups, as well as constructing ground and elevated $1000m^3$ storage tanks. In a bid to increase access to water services in unserved areas and extend water coverage county-wide, the directorate will procure and lay pipes across the county. It will also scale up the sanitation issues by constructing and rehabilitating public sanitation facilities to increase accessibility.

208. To enhance a clean environment, the directorate of environment and waste management in the MTEF period plans to prioritize the implementation of environmental and solid waste management conservation programs which will include; monthly collective community effort to clean up wards, develop policies, plans, strategies, and bills; establish eco-schools, hold awareness campaigns, and conduct environmental training and research on solid waste management besides ensuring environmental compliance and enforcement. Further, the County shall establish a sustainable waste collection and transportation system, support extended producer responsibility, promote and support circular economy towards zero waste to landfill, establish Kangoki full scale landfill, and establish material recovery facilities. It will also establish a composting facility, introduce waste segregation in our markets for two fractions (organic/inorganic), as well as improvement of Kangóki access roads and construction of skips platforms. To reduce the carbon emissions, the county shall reduce air and water pollution by procuring noise meters, establish bio digestion for waste to energy and soil regeneration. Further, it intends to adopt and promote Artificial intelligence in waste management and expand partnerships for sustainable development of waste management infrastructure. Additionally, it will procure and repair solid waste management equipment and machineries among others.

209. To increase forest cover and sustainable management of natural resources, the natural resources and forestry directorate plans to develop Natural Resource Forest policy, strategies and plans, raise seedlings in schools, health facilities/churches and increase green public spaces by maintaining parks, gardens, and public areas. Further,

the directorate plans to create a database for green spaces, update the database on quarries and minerals, conserve water catchment areas and grow trees.

210. To promote the use of renewable energy, mitigate against climate change and reduce vulnerability to the impacts of climate change, the directorate plans to formulate policies, bills, and regulations on renewable energy and climate change, operationalize the Climate Change Unit, and develop climate actions geared at reducing vulnerability to the impacts of climate change. Additionally, it will increase the uptake of different sources of renewable energy countywide. Further, the directorate plans to increase awareness of renewable energy and climate change to Kiambu residents and how to switch to clean cooking technologies.

211. To enable the department to implement the prioritized Programmes, it has been allocated KShs. 1.11 billion in FY 2024/25, KShs. 1.16 billion in FY 2025/26 and Kshs.1.21 billion in FY 2026/27. This comprises KShs. 500.7 million, KShs. 518.3 million and KShs. 531.3 million for recurrent expenditure and Ksh.616.5 million, KShs. 647.4 million and KShs 679.7 million for development expenditure for the same period.

5.8 Health Department

212. The department has four directorates: Planning and Administration, Curative and Rehabilitative Services, Public Health and Sanitation Services, and Nursing Services. Its mandate is to provide curative and preventive health services by strengthening the available health services for all. The department is a key player in implementing Universal Health Coverage (UHC) in line with the National government's vision of affordable and accessible healthcare, a vital part of the Bottom-up Transformation Agenda.

213. In the FY 2020/21 – 2022/23, the department implemented four Programmes namely; Administration, Planning and Support Service, Curative and Rehabilitative Services, County Pharmaceutical Services, and Preventive & Promotive Health Services. Key achievements were realized through the implementation of the Programmes. To ensure effective and efficient health service delivery under Administration, Planning, and Support Service, the department renovated and facelifted Lusigetti Hospital, Igegania level 4 hospital, Limuru health center, OPD

facility, and the laboratories units at Muchatha dispensary and Gatundu level 5 hospital; constructed walkways at Ruiru level 4 hospitals and ablution blocks at Kamuchege dispensary and Karia health center; held various performance management and review meetings and established a County Health Stakeholders forum. The department also supervised 56 facilities; established 13 functional procurement committees; purchased facilities and equipment, and expanded the bed capacity in most facilities to respond to the COVID-19 pandemic; prepared Bills of quantities for all the planned projects; provided six specialized trauma evacuation ambulances and trained various staff on Integrated Management of Acute Malnutrition.

214. To promote curative health services under curative and rehabilitative services, the department provided non-pharmaceutical, cleansing, and sanitary commodities to all health facilities; established a fully functional dental clinic at Thika Level 5 and other dental clinics in Kiambu Level 5, Lari Level 4, Tigoni Level 4, Wangige Level 4, and Kihara. The department also set and equipped a palliative care center at Ruiru level 4 hospital; provided equipment for small labs and lab reagents to 85% of Laboratories; acquired Pulse Oximeters for assessing oxygen saturation in the management of Pneumonia and put in place quality assurance systems in the laboratories. Further, the department provided primary diagnostic services with a digital X-ray machine at Kigumo Level 4 Hospital; provided critical care services such as ICU/HDU; established NCD centers in all 12 Sub-Counties; provided nutrition service equipment to 70% of county facilities and commissioned a county central pharmaceutical store in Ruiru, whose construction is ongoing.

215. To offer quality pharmaceutical care services across the county under pharmaceuticals services, the department; established a Health Products and Technologies Unit (HPTU) to provide oversight & coordination for HPT supply chain management and coordinated procurement, storage, and distribution of quality HPTs to all health facilities. The department also coordinated quarterly ordering of Malaria commodities; provided PPES to healthcare workers during and after the COVID-19 pandemic; provided oversight, mentorship and training of various staff on commodity management; appointed sub-county commodity TWGs; automated the inventory management; renovated pharmacies/stores in Lari,

Rironi, Limuru and distributed storage equipment and devices such as pallets and thermometers to various facilities. The department further provided quality pharmacovigilance (PV) activities; trained CASIC TWG members & developed CASIC work plan for the County; trained staff on infection prevention control (IPC), antimicrobial stewardship activities, assessment of IPC and managed vaccination of COVID-19 at different health facilities.

216. To reduce preventable health conditions under Preventive and Promotive Health Services, the department facilitated all deliveries; provided family planning to 40% of women; supervised HIV/TB Support in 18 Health facilities, audited all maternal deaths; provided 33.5 % LLITNs to targeted pregnant women; provided Preventive ARVs to HIV + pregnant women; trained HCWs; enrolled 25649 pregnant women in the SMS platform concerning pregnancy related health information; provided iron/ folate supplements to all targeted pregnant women; provided BEOC and CEOC to all facilities and provided BCG and DPT/Hep+HiB1 doses to 100% and 91.1% of children respectively. The department also established CHUs and appointed 2,881 CHPs; passed different health messages to the community through routine visits, provided sanitation facilities in schools; trained adolescent champions; dewormed and screened 39 cases of measles and other outbreaks; established a contingency plan for emerging outbreaks preparedness and response; set a county Public Health and Emergency Operations; issued prophylaxis to 100% of exposed Infants and PEP to those exposed to HIV Acquisition and treated those exposed to TB . Further the department engaged various groups such as bodaboda, youths, male champions, and teenage mothers regarding sensitization on teenage pregnancy, HIV, SGBV, and community practice; destroyed malaria vector breeding sites and conducted joint malaria supervision for all the facilities supplied with LLINs, and undertook certification, licensing, and issuing of medical certificates to more than 24,806 food premises and 40,000 food handlers.

217. The department faced several challenges during the implementation of the Programmes that include: Presence of Covid-19 pandemic that exposed the vulnerability and difficulties of the health systems in ensuring the continuity of essential health services; a rising trend of Non-Communicable Diseases (NCDs) such as cancer, hypertension, heart diseases, and diabetes exerting pressure on the health

systems; childbirth-related conditions which continue to pose threat in the healthcare system due to inadequacy of emergency services for delivery, under-utilization of existing antenatal services and inadequate skills and competences of health workers in this area. There is also low uptake of reproductive health services in the county due to social, cultural, and political influence, lack of information, and inadequate supply of RH commodities in the health system. Further, there is a severe shortage of human resources in health due to many officers exiting the service through retirements, deaths, resignations, or search for greener pastures.

218. In the MTEF period 2024/25-2026/27, the department has planned to procure and service utility vehicles and ambulances; supervise all health facilities; construct and equip new facilities and rehabilitate the existing ones; construct new ablution blocks and perimeter fences; conduct employees and customer satisfaction surveys; aid recruitment of staff and promotions; provide comprehensive medical cover and capacity building on various areas to the staff, establish customer care service units, procure health data collection tools and ICT equipment, adopt a queue management systems, upgrade hospitals with modern libraries for filling inpatient case notes, drill and solarize health facilities boreholes, expand CCC/PMTCT sites and HPT store; establish more dental units within the health centers and provide health centers with; HPTs, solar power, and phase 3 electricity.

219. The department will also; screen school going children on various health conditions; undertake sensitization campaigns on prevention of HIV, TB, teenage pregnancies and SCBV; distribute prevention commodities; ensure hygiene and sanitation within the health facilities; destroy various breeding sites for mosquitoes and rodents; inspect, license and issues medical certificates for food premises and handlers; assess factories and different institutions to ensure compliance with health and safety standards; vaccinate people against multiple infections, provide UHC; deworm school children; provide LLIN to infants and expectant mothers; undertake disease surveillance and emergency response activities, provide vitamin A supplementation; establish health care waste management; increase the proportion of pregnant women receiving iron supplements; sensitize and increase access of people to modern family planning methods; increase access of iron supplements to expectant women; work towards reduction of newborns with low birth weight;

improve access of pregnant women to ANC and protective ARVs and screen women of reproductive age for cervical cancer.

220. Further, the department will construct medical waste incinerators; procure equipment meant for renal dialysis, delivery, dental care, MRIs, CT scans, x-rays, ultrasounds, EEG, ECG, mammography, emergency activities, endoscopy and other health-related activities; provide services such as physiotherapy and occupation therapies; offer basic and referral laboratory services; procure pharmaceutical materials such as medical supplies; operationalize production hubs, install water purification plants and procure water treatment chemicals and HVAC systems; install and automate HPT HMIS/LMIS for inventory and supply chain management and undertake performance and plans review meetings.

221. To implement the 2024/25 -26/27 MTEF Programmes, the department has been allocated KShs 7.86 billion, KShs. 8.19 billion and KShs 8.41 billion in FY 2024/25, FY 2025/26 and FY 2026/27 respectively. This comprises KShs. 7.04 billion, KShs. 7.23 billion and KShs 7.41 billion for recurrent expenditure and KShs. 815.46 million, KShs 955.28 million and KShs 993.5 million for development expenditure for the same period.

5.9 Education, Gender, Culture and Social Services

222. The department has four directorates: Early Childhood Development Education (ECDE), Vocational Training Education (VTC), Gender and Social Services, and Culture and Heritage. The mandate of the department is to increase access, equity, quality and relevance of Vocational Training and early childhood development education, promote, conserve and manage the county's cultural heritage and the creative industry, promote and advocate for; child protection, special interest groups and gender and disability mainstreaming and empowerment.

223. During the 2020/21-2022/23 MTEF period, the department implemented three programs: General Administration, Planning and Support Services, Early Childhood Development Education (ECDE) & Vocational Training Education, and Gender, Culture, & Social Services. Key achievements were realized through the implementation of the Programmes. The department improved service delivery by renovating and equipping one office and expanded access to learning through the

construction and remodeling of ECDEs and VTCs and equipping facilities with modern equipment and computer laboratories. The department also improved sanitation by constructing ablution blocks in ECDEs and VTCs. Additionally, the department improved the quality of education and increased enrolment, retention, and nutrition of school-going children by assessing and accrediting VTCs and ECDEs, conducting quality assurance assessments, recruiting instructors in VTCs, recruiting and promoting teachers in ECDEs and implementing a feeding program. The department also enhanced gender and cultural values by mapping cultural resources, training women, PWDs, and SIGs, procuring and distributing sanitary briefs to those in need, holding cultural festivals, and conducting training on GBV for community leaders and other stakeholders. Further, the department helped the needy in the society by; increasing bursary allocations from 100 million to 300 million and rehabilitating and assisting street families.

224. The department faced various challenges during implementation of the Programmes that include: Inadequate funding thus not being able to meet its financial requirements, an upsurge in SGBV cases putting a huge burden on departmental resources and the existing safe houses, an overwhelming number of needy and vulnerable cases, and negative attitude towards vocational training which limits the VTC intake despite the majority in the society lacking any other formal education.

225. In the MTEF period 2024/25- 2026/27, the department has planned to construct and equip offices, construct, refurbish, and equip ECDEs and VTCs, upscale the school feeding program, employ teachers and trainers in both ECDEs and VTCs, introduce ICT integration in both ECDEs and VTCs, introduce centers of excellence in VTCs, construct production units, repair motor vehicle, disburse bursary grant and upscale social welfare programs to improve the livelihoods of the needy and vulnerable. The department also plans to rehabilitate and conserve cultural and heritage sites, map, document, and conserve other cultural resources in the county, promote the creative industry, and upscale gender, disability, and child empowerment programs.

226. To implement the 2024/25- 2026/27 Programmes, the department has been allocated KShs 1.77 billion in FY 2024/25, KShs. 1.84 billion and KShs. 1.89 billion

in FY 2025/26 and FY 2026/27, respectively. This comprises KShs. 1.40 billion, KShs. 1.44 billion and KShs. 1.47 billion for recurrent expenditure and KShs. 373.13 million, KShs 402.2 million, and KShs 412.3 million for development expenditure for the same period.

5.10 Youth Affairs, Sports and Communication

227. The department comprises three directorates namely; Youth Affairs, Sports and Communication. This department plays its tactical role in the County's transformation and economic development through: promotion and development of youth and sports for a vibrant sporting industry and empowered youth

228. During the MTEF period 2020/21-2022/23, the department implemented four Programmes namely; General administration planning and support services, Sports, Youth Affairs and Communication. The department in collaboration with the National government upgraded Kirigiti stadium to national and international standards. It also nurtured and promoted talent by facilitating staff teams to participate in KICOSCA games where the teams performed exceptionally well. In addition, the department partnered with Football Kenya Federation whereby it facilitated affiliation of 180 teams to participate in leagues and competition hence increasing community teams' involvement in active competition. Additionally, the directorate of youth affairs in partnership with KCB bank launched Jiinue fund to promote welfare through self-employment and enterprise development among the youth, PWDs and women. Further, the directorate of communication prepared documentaries for all the departments, highlighting the milestones achieved and the key achievements by these departments. In addition, newspaper supplements, a county handbook, and a county magazine were prepared and a documentary produced.

229. During this period, the department experienced some challenges which include; low budgetary allocation, high unemployment rate among young people that leads to increased crime rate and drug abuse, inadequate capacity building of staff, and constant changes in technological approaches which demands new investments due to obsolescence and retraining.

230. In the 2024/25- 2026/27 MTEF period, the department plans to improve service delivery through construction/renovation and equipping offices, and capacity building staff. To increase participation of youths in sporting activities, the department will construct indoor arenas, upgrade stadiums to national standards, and construct changing rooms and washrooms as well as rehabilitation of playing fields. In addition, the directorate of sports will train inducted managers, referees, coaches and first aiders, train and support players participating in KICOSCA games and inter-county competitions, fully sponsor sports teams around the county, and establish sports academies.

231. To empower, motivate and equip youths, the directorate of youth affairs will construct and equip amphitheaters and facilitate youth training to equip young people with technical skills such as entrepreneurship, marketing skills, value addition etc. It will also train young people on exchange and skill enhancement programs besides financing entrepreneurs and training youths on access to government opportunities (AGPO). Additionally, the directorate of communication will increase awareness of services provided by the County through printing of newspapers and newspaper supplements, purchasing communication equipment, establishing communication desks in various sub-counties, producing documentaries and improving social media presence and coverage.

232. In order to implement the prioritized Programmes, the department has been allocated KShs 344.5 million, KShs. 366.49 million and KShs. 375.6 million in FY 2024/25, FY 2025/26 and FY 2026/27 respectively. This comprises KShs. 174.5 million, KShs. 181.9 million and Ksh.186.5 million for recurrent expenditure and KShs. 170 million, KShs 184.50 million and KShs 189.1 million for development expenditure for the same period

5.11 Lands Housing, Physical Planning, Urban Development and Administration

233. This department has five directorates namely Physical Planning, Housing and Community Development, Survey and Geo -informatics, Valuation and Asset Management, Municipal Administration & Urban Development. The department mandates are; provision and implementation of spatial plans, development of a GIS/LIS database for spatial data management and determination of property

boundaries, provision of efficient land, property valuation and management, effective county asset documentation and rating, promotion and facilitation of development of decent housing in sustainable environments, implementation and review of various land policies, administration and management of urban areas and cities within the county.

234. In the 2020/21 - 2022/23 MTEF period, the department made some key achievements that include: provided a conducive working environment for staff by renovating headquarters offices at Red-Nova; improved land administration and management of the land resource through the titling program in Thika informal settlement, Kiu, Mwihoko, and Ndeiya Karai Settlement Scheme; provided safe, decent and affordable housing through; construction of 40 two-Bedroom units in Thika Municipality; renovation of 6 one-bedroom rental units in Kikuyu Municipality and facilitating the private sector to construct over 1000 affordable houses in the county. The department facilitated surveying, titling, and issuance of 30 block titles to over 1000 residents of Umoja Informal Settlement; provided an overall spatial framework for the county through preparing 150 Part Development Plans (PDPs) for public land and drafting Kiambu County Spatial Plan and 12 Integrated Strategic Urban Development Plans (IUSDP). The department also processed 10,000 development applications, issued 10,000 development enforcement notices, streamlined the rating process, and improved land rate revenues through the Gazettement of the Kiambu County Valuation and Rating Act (Regulations). The department validated valuation reports for the water companies, identified and verified county assets relating to devolved functions under the IGTRC & CALC reports and undertook inspection and valuation of properties for acquisition, court/litigation, and rates exemption. Further, the department improved security and urban infrastructure by installing 25 high masts and 1500 solar street lights, upgrading 80 km of roads to bituminous standards, rehabilitating 50km of NMT facilities and 80km of storm water drainage, connecting 30Km sewer reticulation, landscaping & beautification of 2 urban parks and 3 major roundabouts and purchase of solid waste equipment (60 skips, 6 skip loaders, 6 tippers and 6 back loads) for solid waste management.

235. In the 2020/21-2022/23 MTEF period, the department faced several challenges that include; insufficient Survey equipment; delay in data sharing from the Ministry of Lands; lack of Personal Protective Equipment (safety helmets, high visibility jackets) for field officers; suspension of the new rating regime via executive order; implementation of a system that is not comprehensive in regards to property rating data; encroachment on road wayleaves; delay in relocation of utility services in projects implementation; lack of proper mechanism for handling complaints and dispute from Project Affected Persons (PAPs) leading to delay of dispute resolutions; Delayed response to requests from other Government agencies leading to overlapping of scope of works (e.g. KENHA, KERRA, Nairobi Water & Sewerage Company, etc.); inadequate civic education on government policies and programme; huge pending bills affecting budget process; inadequate office space in the sub counties and high cost of building materials thus affecting social and affordable housing

236. In the FY 2024/25 - 2026/27 MTEF period, the department plans to construct, equip and maintain offices; motivate and appraise staff and; service vehicles. It will also survey and map public land, issue title deeds, resolve land disputes and review boundaries, digitize land records and procure modern survey equipment. Further, the department will upgrade informal settlements and county residential houses and construct housing units under affordable housing Programmes. In addition, the department will prepare county housing bills and regulations; construct official residences for the Governor, Deputy Governor and the Speaker; provide a spatial framework for the county to guide development and zoning plans for market centers and other public lands; conduct valuation and capture new properties. Further the department will upgrade municipal infrastructures through construction of; roads, storm water drainage, sewer systems, fire stations and beautification of street parks, public parks and amenities as well as procurement of disaster management equipment.

237. In order to implement the prioritized Programmes the department has been allocated KShs. 3.28 billion in FY 2024/25, KShs 2.89 billion in FY 2025/26 and KShs 2.96 billion in FY 2026/27. This comprises KShs. 402.5 million, KShs. 427.9 million and KShs. 438.6 million for recurrent expenditure and KShs. 2.88 million,

KShs 2.46 Billion and KShs 2.53 million for development expenditure for the same period.

5.12 Trade Industrialization, Tourism and Investment

238. The department comprises four directorates namely: Trade, Industrialization, Tourism, and Investments. The core mandate of the department is to promote investments in trade, industries, and tourism sectors, by providing an enabling environment for sustainable socio-economic development in the County. This is done through the implementation of five Programmes namely; General Administration, Planning and Support Services, Trade Development and Promotion, Industrial and Entrepreneurial Development, Tourism Development and Promotion, and Investment Development.

239. During the MTEF period 2020/21-2022/23, the department completed the construction of 18 new bodaboda sheds, renovated 6 markets and constructed 5 ablution blocks in a bid to promote trade. The department also successively conducted 12 market committee elections and resolved 4 market conflicts. Additionally 17,108 weights, 8,248 weighing instruments and 3,596 trade measuring instruments were verified and stamped. Out of the verification exercise, KShs. 12,452,910 was collected as verification fees. To promote industrialization and entrepreneurship, the department completed the construction of two modern kiosks (20 stalls). The department also trained and capacity built over 48 MSMEs groups on entrepreneurship skills and further trained 560 MSMEs owners on value addition skills. To promote tourism the department completed the construction of 8 public washrooms at Mathore viewpoints and identified 5 new tourism attraction sites for documentation and marketing. Further the department collected KShs 2,561,581 as revenue from tourist attraction sites. To promote cooperatives the department trained 1,286 cooperative members, 592 cooperatives committee members and participated in 26 cooperatives sensitization forums. The department also carried out 54 risk assessments, 29 inspections and audited 388 cooperative societies generating KShs 6,587,300 as revenue to the County government.

240. The department faced the following challenges during 2020/21-2022/23 MTEF period that included; Influx of sub-standard, counterfeit and contra-band goods

which caused the local producers to face unfair competition, inadequate budgetary allocation to cater for the planned projects and activities that slowed down the development of the sector and lack of a workshop for trade measures verification and a store to keep seized sub-standard goods in the weights and measure section. Under-developed tourism and inadequate marketing of the tourist attraction sites has also slowed down the growth of the tourism sector in Kiambu County. There has also been challenges of good governance in cooperative movement which slowed down the growth momentum in the Cooperative sector as well as the collapse of some cooperatives societies

241. In the 2024/25-2026/27 MTEF period, the department plans to construct and renovate markets, install cold rooms in the market, construct market ablution blocks and bodaboda sheds, link traders to export markets & e-commerce, issue business licenses, verify trade measurements, and hold legal metrological awareness forums. In addition, the department will establish; smart business centers, industrial parks, cottage industries and incubation/start-up centers, hold trade exhibitions and expos, and create circular/green economies to promote recycling. It will further construct; modern Juakali sheds, prototype modern kiosks, car wash stations and shoe shiner sheds. Additionally, the department will establish Kiambu County people's bank and capacity build MSMEs through the Kenya Small Business Development Centers (KSBDC) Programme. The department will also develop tourism promotional material, upgrade tourist attraction sites and promote modern culture tourism activities. In addition, the department will develop an investor's guide, identify feasible projects for partnership via the PPP framework, hold investment forums/events and formulate investment legislation and policy framework for investment promotion.

242. To implement these Programmes, the department has been allocated KShs 571.9 million in FY 2024/25, KShs 644.9 million in FY 2025/26 and KShs 661.10 million in FY 2026/27. This comprises KShs. 158.80 million, KShs. 164.8 million and KShs. 168.9 million for recurrent expenditure and KShs. 413.17 million, KShs 480.1 million and KShs 492.1 million for development expenditure for the same period.

5.13 Roads Transport Public Works and Utilities

243. The Roads, Transport, Public Works and utilities department consists of four directorates namely: Roads, Transport, Public Works and Utilities. The department plays a key role in planning, development & maintenance of county roads, transport infrastructure, and all County public works buildings. The department also manages public transport and bus parks; install county lighting, promote renewable energy, prevent fire and emergency, and disaster response. Its main objective is to provide safe, efficient and effective transport infrastructure and services whilst achieving associated benefits and meeting the goals of environmental integrity, social equity and economic efficiency.

244. During the MTEF period 2020/2021- 2022/23, the department constructed 5 km of major roads, maintained and graded 410 km of roads, which entailed grading, bush clearing and drainage works as well as rehabilitation, and construction of 620 km of roads. Additionally, the department constructed 3 bridges and 12 foot bridges, and installed 5 flood masts and 230 street lights.

245. In the MTEF period 2020/2021- 2022/23, the department faced several challenges that include; inadequate funding affecting service delivery, encroachment of road reserves, presence of huge pending bills, Contractors/Suppliers apathy in doing business with the County due to non-payment and inadequate technical capacity especially in fire men /women

246. During the MTEF period 2024/25- 2026/27, the department has planned to develop service charters, and capacity build the staff in various cadres. In addition, the department will construct different roads, non-motorized roads, motorable bridges, bus parks and parking bays and footbridges. The department also plans to maintain; roads to motorable status, storm water drains, non-motorized walkways and bridges. The department will further carry out installation and maintenance of flood masts and streetlights, as well as construction and equipping fire stations.

247. To implement these Programmes, the department has been allocated KShs 2.49 billion in FY 2024/25, KShs 2.97 billion in FY 2025/26 and KShs 3.04 billion in FY 2026/27. This comprises KShs. 665.62 million, KShs. 687.3 million and KShs. 704.5 for recurrent expenditure and KShs. 1.82 billion, KShs 2.28 billion and KShs 2.34 billion for development expenditure for the same period.

ANNEXES

Annex 1: Statement of Specific Fiscal Risks

The potential financial risks the County Government may face in relation to its budget and finances for the FY 2024/25 include;

i. **Economic risks** include changes in economic conditions that can affect the revenue and expenditure projections, factors such as fluctuations in interest rates, inflation, and unemployment have the potential to influence the fiscal landscape. The surge in fuel and food prices, which contributes to an escalated cost of living and affects the overall economy, poses a significant threat to the business environment. If the economic conditions are not conducive the county risks under-performance on its own source of revenue. The economy is projected to experience an exceptionally strong but uneven recovery hence affecting the businesses operating within the county. While a rebound is expected in most economies, full recovery is not assured due to possible increasing debt levels and rising inflationary pressures.

   To mitigate these challenges, the County has proactively implemented strategies to bolster its internal revenue streams through revenue raising measures such as; improving on the existing revenue streams collection efficiency through automation of the revenue processes, widen the revenue collection base, mobilization of additional revenue through enforcement and administrative reforms, automation of systems by inducting all integrated system that will curb all loopholes in revenue collection, equipping revenue officers with supervisory skills and having a strong and disciplined enforcement team. As a result, the county is on course on OSR collection.

ii. **Risks related to Budget execution:**

   The PFM Act requires 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:

   (a) The County's **wage bill is high** and has continued to pose a risk to the budget framework. Over time, the need for technical and critical staff has occasioned the county to inevitably recruit more staff which has largely contributed to the increasing wage bill. The recent implementation of staff promotions by SRC, has further contributed to the burgeoning wage bill as well as CBAs upward revision of salaries and allowances for staff such as health workers.

To mitigate this risk, the county government plans to reduce the proportion of spending on personnel emolument. This will involve halting new recruitment except for critical staff and anticipating a significant reduction in the workforce due to retirements. Additionally, an ambitious revenue mobilization strategy aims to lower the percentage of the wage bill over time.

(b) **Missed revenue targets** has been a recurring issue, with shortfalls manifesting into low absorption of budget especially the development budgets across various County departments. Consequently, a significant number of projects remain unimplemented at the close of each financial year, resulting in project rollovers. Unpredictability and timeliness of fund transfers from the National Government poses a risk to proper implementation of the County's budget. In the past financial years, this risk was worsened by delays in the release of resources from the National Government, missed own source revenue targets to fund priority areas and huge pending bills. To address this risk, the County government plans to increase its own source of revenue collection. The County government has proactively instituted strategies aimed at increasing its own source of revenue collection to meet the set targets to fully finance the budget.

(c) **Pending Bills**

The County Government had accumulated a total of KShs. 5.59 Billion as pending bills as at 26th January 2024. Out of which, bills worth KShs. 954 Million were found to be Audited OAG eligible, KShs. 557 Million were Audited OAG Ineligible, KShs. 1.11 Billion were additional pending bills in the FY 2022/2023, KShs. 989 Million were additional pending bills in the FY 2023/2024, KShs. 2.9 Million were audited ineligible staff payables, KShs. 1.26 Billion were audited eligible transfers as per OAG June 2020 report and KShs 715 Million were unaudited transfers FY 2020/21 and FY 2021/22.

The County Government managed to settle a total of KShs. 266.3 Million of the pending bills during the FY 2023/24 in which KShs. 56.98 Million were Audited OAG eligible pending bills, KShs 2.86 Million were audited OAG ineligible (suppliers), KShs. 144.61 Million were not unaudited by OAG, KShs. 31.97 Million additional pending Bills in the FY 2022/2023 and KShs 29.86 Million additional pending Bills for the FY 2023/2024.

To mitigate this, the current administration pledges to avoid increasing the stock of pending bills by strictly adhering to approved budgets and closely monitoring cash flows. Additionally, the county government will submit a pending bills plan to the controller of the budget for adherence. In the current financial year, the County has committed to settle pending bills on every monthly exchequer released.

Going forward, the County Government is committed to maintaining pending bills at a sustainable level, as an excessively large outstanding bill negatively impacts service delivery to the residents of Kiambu County, diverting a significant portion of development funds to bill settlements. This goal can be achieved by; reducing county expenditures, exploring strategies to augment available resources thereby preventing budgetary deficits, applying stringent measures which have been put in place to safeguard public resources including austerity measures and taming corruption. In addition, the County Government has put in place measures to mitigate the problem of pending bills by strictly spending within the approved budget.

(d) Statutory Remittances

According to Local Authorities Pension Trust (LAPTRUST), the County of Government of Kiambu approximately owes KShs. 165,448,235.11 Million as at 31st May 2023 to the pension body which has accumulated over the years. These debts are both historical pension contribution debts and post devolution pension liabilities that were reviewed by the pension body as at March, 2022. However, these pension liabilities have not been verified by the County and therefore not reflected in the pending bills stock hence posing a great risk that these liabilities may not be prioritized for payment. In addition, the County Governments' Retirement Scheme Act (2019) which was expected to provide clarity on the County pension was challenged in court thus hindering the effective implementation of this legal framework.

To mitigate the risk of neglecting these liabilities, the county treasury will take stock of all pension liabilities and ensure proper recording in the stock of County pending bills. Priority will be given to settling these liabilities to ensure County staff receive their pensions upon retirement.

iii. **Creation of new Entities**

In accordance with the Urban Areas and Cities Act, the operationalization of new urban institutions has been initiated. In March 2023, six new municipalities were granted Municipal charters, supplementing the existing six municipalities, thus bringing the total to 12 municipalities. Further, the County is currently in the process of elevating Thika Municipality to the status of an industrial smart city.

It is important to note that the existing boards have been functioning below par due to insufficient mandates and budgets. The initial six municipalities have heavily relied on conditional grants from the World Bank, facilitated through the Kenya Urban Support Programme. For these newly established institutions to function effectively, there will be a necessity to allocate county funds in addition to donor funding. In the medium term, it is projected that all these Municipal Management Committees will become operational, necessitating further financial support.

iv. **Other risks- Climate Change**

The country has been grappling with harsh climatic conditions over the past two years, resulting in drought and famine, as well as El Niño rains towards the end of last year. Although Kiambu County is not among the worst-hit areas, there are pockets within the county that exhibit semi-arid characteristics. Additionally, these extreme climate variations have led to decreased productivity, contributing to a decline in revenue from cess and agro-processing value-chains. Moreover, they have exacerbated food and nutrition insecurity within the county, necessitating additional funds to address hunger and mitigate damage caused by the El Niño rains.

Furthermore, food inflation within the county has eroded consumers' purchasing power, reducing their ability to engage in other income-generating activities and further hindering their contribution to revenue generation in the County.

To address these challenges, the County is implementing the Financing Locally-Led Climate Action (FLLoCA) Program, which will be supported by the World Bank to finance climate adaptation and mitigation projects. The County has allocated 2.5 percent of its development budget to the program interventions, amounting to KShs 399 million for the period 2023/24. Additionally, the County has mandated all sectors to incorporate climate change interventions into their programs.

v. Crystallization of Contingent Liabilities

Contingent liabilities are potential liabilities that may occur depending on the outcome of uncertain future events. They are not reflected in the CFSP financial position, but must be given adequate disclosure. However, a contingent liability is only recorded in the financial statements if the contingency is probable and the amount of the liability can reasonably be estimated.

Contingent liability can be explicit or implicit. Explicit contingent liabilities are specific government obligations established by law or a contract authorized by law. The Government is legally mandated to settle such an obligation when it becomes due. On the other hand, implicit contingent liabilities represent a moral obligation or expected burden for the Government not in the legal sense, but based on public expectations and political intervention. Contingent liabilities are frequently not recorded directly in the budget and thus are not subjected to budgetary oversight. These could lead to poor quantification of Contingent Liabilities and the possibility of large unplanned expenditures if the guarantee crystallizes. There is a need therefore to monitor these contingent liabilities to avoid fiscal difficulties in the budget year in the event they happen.

The County Government has been disclosing these contingent liabilities in its financial statements annually. These are the ongoing court cases and the county is monitoring closely.

Annex 2: Revenue Projections FY 2024/2025-2026/2027

	Revenue Projections for the FY 2024/25-2026/27 MTEF Period (Kshs)				
		FY 2023/2024	FY 2024/2025	FY 2025/2026	FY 2026/2027
	SOURCE OF REVENUE	Supplementary 1 2023-2024	CFSP Ceilings	Projections	
	Total Revenue from National Government	**13,883,974,777**	**15,632,218,033**	**15,823,329,966**	**16,017,383,624**
A	**EQUITABLE SHARE**	12,227,552,449	12,415,767,252	12,606,879,185	12,800,932,843
B	**TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS**	**1,656,422,328**	**3,216,450,781**	**3,216,450,781**	**3,216,450,781**
	I. Conditional Additional Allocation from the National Government's Share of Revenue	**534,388,478**	**409,602,488**	**409,602,488**	**409,602,488**
	Medical Leasing	124,723,404	0	0	0
	Road Manitenance Levy Fund (RMLF)	0	335,429,530	335,429,530	335,429,530
	Community Health Promoters (CHPs)	0	74,172,958	74,172,958	74,172,958
	Industrial Park & Aggregation Centers Grant	250,000,000	0	0	0
	Provision of fertilizer subsidy programme	159,665,074	0	0	0
	II. Unconditional Additional Allocations from the National Governments Share of Revenue	**15,224,547**	**6,230,202**	**6,230,202**	**6,230,202**
	Court Fines	5,084,684	5,697,644	5,697,644	5,697,644
	Mineral Royalties	10,139,863	532,558	532,558	532,558
	III. Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development partners	**957,717,103**	**2,800,618,091**	**2,800,618,091**	**2,800,618,091**
	IDA(World bank) National Agricultural Value Chain Development Project (NAVCDP)	250,000,000	151,515,152	151,515,152	151,515,152
	DANIDA Grant - Universal Healthcare for Devolved System Program	17,209,500	14,527,500	14,527,500	14,527,500
	IDA(World bank) FLLoCA- County Climate Resilience Investment Grant(CCRI)	125,000,000	125,000,000	125,000,000	125,000,000
	IDA(World bank) FLLoCA- County climate institutional support (CCIS) Grant	35,982,967	0	0	0
	IFAD- Aquaculture business development project ABDP	23,664,715	19,395,531	19,395,531	19,395,531
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban institutional Grant (UIG)	0	35,000,000	35,000,000	35,000,000
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)	0	1,658,136,816	1,658,136,816	1,658,136,816
	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	200,000,000	759,543,092	759,543,092	759,543,092
	Sweden- Agricultural Sector Development Support Programme (ASDSP II)	2,583,952	0	0	0
	World Bank Credit - National Agricultural & Rural Inclusive Growth Porject (NAGRIP)	303,275,969	0	0	0
	IDA (World Bank) credit - Kenya Devolution Support Project (KDSP) - Level II	0	37,500,000	37,500,000	37,500,000
	IV. National Government Expenditures on Devolved Functions to be Converted to Addional Allocations Grant to County Governments	**149,092,200**	**-**	**-**	**-**
	Livestock value chain support project	149,092,200	0	0	0
C	**Other County Revenue**	**2,630,929,246**	**26,400,000**	**26,400,000**	**26,400,000**
	Adjustment to cash Basis	2,548,373,211	0	0	0
	MSF BELGIUM	43,200,000	26,400,000	26,400,000	26,400,000
	Nutrition International	39,356,035	0	0	0
D	**Own Source Revenue**	**7,980,140,717**	**7,980,140,717**	**8,379,147,753**	**8,798,105,140**
	Agriculture Livestock & Fisheries Management Unit	11,796,213	11,796,213	12,386,024	13,005,325
	Physical Planning Management Unit	1,630,645,457	1,630,645,457	1,712,177,730	1,797,786,616
	Business Permit Management Unit	450,650,500	450,650,500	473,183,025	496,842,176
	Cess Management Unit	156,921,249	156,921,249	164,767,311	173,005,677
	Education Culture ICT & Social Services Unit	650,000	650,000	682,500	716,625
	Housing Management Unit	35,450,000	35,450,000	37,222,500	39,083,625
	Land Rates Management Unit	1,951,633,742	1,951,633,742	2,049,215,429	2,151,676,201
	Market Management Unit	15,525,226	15,525,226	16,301,487	17,116,562
	Administration	0	0	0	0
	Roads Transport Public Works Management Unit	180,310,302	180,310,302	189,325,817	198,792,108
	Slaughterhouse Management Unit	71,599,762	71,599,762	75,179,750	78,938,738
	Trade Tourism Industry & Cooperatives Unit	11,646,309	20,020,454	21,021,477	22,072,551
	Vehicle Parking Management Unit	602,132,055	602,132,055	632,238,658	663,850,591
	Water Environment & Natural Resources Mgt Unit	102,805,757	102,805,757	107,946,045	113,343,347
	liquor management unit	350,000,000	350,000,000	367,500,000	385,875,000
	Miscelleneous Receipts	8,374,145	0	0	0
	Health Services Management Unit	**2,400,000,000**	**2,400,000,000**	**2,520,000,000**	**2,646,000,000**
	Hospital Collections(FIF)	1,300,000,000	1,300,000,000	1,365,000,000	1,433,250,000
	NHIF Rebates	1,000,000,000	1,000,000,000	1,050,000,000	1,102,500,000
	Public Health	100,000,000	100,000,000	105,000,000	110,250,000
	TOTAL	**24,495,044,740**	**23,638,758,750**	**24,228,877,719**	**24,841,888,765**

Annex 3: Summary of Sectors and Programmes Allocation FY 2024/2025 & the Medium Term

Department Ceilings by Programmes for the FY 2024/25-2026/27 MTEF Period (Kshs)										
			Supplementary 1		Adopted 2024 CFSP CEILING		Projections			
Vote No.	Programme Code	Sector/Department Name & Programmes	FY 2023/2024		FY 2024/2025		FY 2025/2026		FY 2026/2027	
			Recurrent	Development	Rec	Dev	Recurrent	Development	Recurrent	Development
4061		**County Assembly**	**1,628,986,518**	**127,000,000**	**1,427,347,776**	**110,000,000**	**1,352,347,776**	**-**	**1,352,347,776**	**-**
	0706004060	General Administration, Planning and Support	462,580,014	127,000,000	1,427,347,776	110,000,000	1,352,347,776	-	1,352,347,776	-
	0701004060	Legislation, oversight of county Government	1,020,301,188		-	-	-	-	-	-
	0707004060	Representation Services	146,105,316		-	-	-	-	-	-
4062		**County Executive**	**452,052,495**	**-**	**485,000,000**	**-**	**502,250,000**	**-**	**514,806,250**	**-**
	0706004060	General Administration, Planning and Support	402,515,989		435,500,000	-	451,512,500	-	462,800,313	-
	0711004060	Government Advisory Services	49,536,506	-	49,500,000	-	50,737,500	-	52,005,938	-
4063		**County Public Service Board**	**98,090,971**	**-**	**90,090,971**	**-**	**92,343,245**	**-**	**94,651,826**	**-**
	0715004060	Human Resource Management and Development	98,090,971		90,090,971	-	92,343,245	-	94,651,826	-
4064		**Finance, Economic Planning & ICT**	**1,542,091,007**	**350,966,018**	**1,545,616,154**	**271,000,000**	**1,594,506,558**	**231,000,000**	**1,634,369,222**	**246,448,222**
	0706004060	General Administration, Planning and Support	1,029,723,460	23,000,000	1,030,616,154	5,000,000	1,066,631,558	10,500,000	1,093,297,347	11,025,000
	0712004060	Public Finance Management Services	487,367,547	10,000,000	500,000,000	5,000,000	512,500,000	10,500,000	525,312,500	11,025,000
	0713004060	ICT Services	25,000,000	317,966,018	15,000,000	261,000,000	15,375,000	210,000,000	15,759,375	224,398,222
4067		**Water, Environment Energy & Natural**	**580,631,688**	**696,580,000**	**500,725,926**	**616,587,146**	**518,369,074**	**647,416,503**	**531,328,301**	**679,787,328**
	1002004060	General Administration, Planning and Support	507,838,854		495,725,926	-	513,244,074	-	526,075,176	-
	0109004060	Water Resources Management And Sanitation		238,000,000	-	213,006,420	-	252,000,000	-	264,600,000
	0110004060	Natural Resources ,Forest Conservation and		25,000,000	-	25,000,000	-	26,250,000	-	27,562,500
	0111004060	Environmental Management and compliance	24,192,000	94,580,000	-	54,580,000	-	99,309,000	-	104,274,450
	011204060	Climate Change Mitigation and Adaptation	48,600,834	339,000,000	5,000,000	324,000,726	5,125,000	269,857,503	5,253,125	283,350,378
4068		**Health Services**	**7,104,427,420**	**1,186,679,400**	**7,045,698,635**	**815,461,755**	**7,237,216,101**	**955,288,841**	**7,418,146,503**	**993,527,047**
	0402004060	General Administration, Planning and Support	4,822,459,295		4,760,698,635	-	4,889,966,101	-	5,012,215,253	-
	0401004060	Curative and Preventive health care services	983,345,000	-	965,000,000	-	994,250,000	-	1,019,106,250	-
	0404004060	Curative and rehabilitative Health Services	1,178,623,125	1,186,679,400	1,200,000,000	815,461,755	1,230,000,000	955,288,841	1,260,750,000	993,527,047
	0405004060	County Pharmaceutical Services	120,000,000		120,000,000	-	123,000,000	-	126,075,000	-
4073		**Roads, Transport Public Works & Utilities**	**700,628,021**	**2,157,648,652**	**665,628,021**	**1,829,621,421**	**687,393,722**	**2,285,986,957**	**704,578,565**	**2,343,136,630**
	0202004060	General Administration, Planning and Support	700,628,021		665,628,021	-	687,393,722	-	704,578,565	-
	0203004060	Infrastructure Development and Maintenance		2,132,648,652	-	1,804,621,421	-	2,259,736,957	-	2,316,230,380
	0204004060	Energy, Disaster Management, Fire, Safety and		25,000,000	-	25,000,000	-	26,250,000	-	26,906,250
4075		**Administration & Public Service**	**992,614,396**	**127,860,000**	**971,882,896**	**75,000,000**	**1,001,304,968**	**84,000,000**	**1,026,337,593**	**86,100,000**
	0706004060	General Administration, Planning and Support	936,882,896	77,860,000	924,882,896	35,000,000	950,054,968	42,000,000	973,806,343	43,050,000
	0714004060	Alcoholic Drinks Control and Rehabilitation	32,000,000	50,000,000	30,000,000	40,000,000	30,750,000	42,000,000	31,518,750	43,050,000
	0715004060	Human Resource Management and Development	23,731,500	-	17,000,000	-	20,500,000	-	21,012,500	-
4077		**Agriculture, Livestock & Cooperative**	**525,777,238**	**1,528,907,155**	**510,877,238**	**701,398,226**	**528,774,169**	**759,433,182**	**541,993,523**	**778,419,011**
	0113004060	General Administration, Planning and Support	426,762,457		426,762,457	-	437,431,518	-	448,367,306	-
	0106004060	Crop Development, Irrigation and Marketing	8,800,000	1,023,150,240	6,800,000	474,609,850	9,020,000	516,725,096	9,245,500	529,643,224
	0107004060	Livestock and Fisheries Development and	40,314,781	455,756,915	40,314,781	186,788,376	41,322,651	201,708,085	42,355,717	206,750,788
	0108004060	Co-operative Development and Management	49,900,000	50,000,000	37,000,000	40,000,000	41,000,000	41,000,000	42,025,000	42,025,000
4078		**Education, Gender, Culture & Social Services**	**1,532,748,958**	**631,570,773**	**1,401,518,957**	**373,138,955**	**1,441,681,931**	**402,295,903**	**1,477,723,979**	**412,353,300**
	0502004060	General Administration, Planning and Support	995,248,958		985,248,957	-	1,009,880,181	-	1,035,127,185	-
	0503004060	Pre-Primary education, Vocational Education and	497,000,000	584,570,773	380,140,000	333,138,955	389,643,500	355,045,903	399,384,588	363,922,050
	0504004060	Culture, Gender and Social Services Development	40,500,000	47,000,000	36,130,000	40,000,000	42,158,250	47,250,000	43,212,206	48,431,250
4079		**Youth Affairs, Sports & Communication**	**181,482,827**	**165,071,184**	**174,552,827**	**170,000,000**	**181,991,648**	**184,500,000**	**186,541,439**	**189,112,500**
	0903004060	General Administration, Planning and Support	91,052,827		93,052,827	-	95,379,148	-	97,763,626	-
	0904004060	Youth Empowerment	7,500,000	-	11,000,000	40,000,000	11,275,000	51,250,000	11,556,875	52,531,250
	0905004060	Sports	53,500,000	165,071,184	53,500,000	130,000,000	54,837,500	133,250,000	56,208,438	136,581,250
	0906004060	Communication	29,430,000		17,000,000	-	20,500,000	-	21,012,500	-
4080		**Lands, Housing Physical Planning Municipal Administration & Urban Development**	**440,902,109**	**528,824,811**	**402,518,169**	**2,883,108,773**	**427,956,123**	**2,467,836,492**	**438,655,026**	**2,530,415,583**
	0104004060	General Administration, Planning and Support	214,849,501		227,518,169	-	233,206,123	-	239,036,276	-
	0116004060	Land Use Management, Valuation & Rating and Physical Planning	95,000,000	74,093,092	40,000,000	14,428,865	41,000,000	51,689,587	42,025,000	52,981,826
	0114004060	Housing and Community Development	-	325,281,719	-	860,543,092	-	829,781,669	-	850,526,211
	0115004060	Urban Areas Development and Administration	131,052,608	129,450,000	135,000,000	2,008,136,816	153,750,000	1,586,365,236	157,593,750	1,626,907,545
4081		**Trade, Industrialization Tourism & Investment**	**181,308,607**	**1,032,194,492**	**158,808,604**	**413,176,300**	**164,828,819**	**480,155,708**	**168,949,540**	**492,159,600**
	0306004060	Administration, Planning and Support Services	118,553,607		158,808,604	-	164,828,819	-	168,949,540	-
	0302004060	Trade Development and Promotion	62,755,000	422,095,916	-	374,000,000	-	440,000,000	-	451,000,000
	0303004060	Industrial and Entrepreneurship Development	-	595,000,000	-	20,000,000	-	20,500,000	-	21,012,500
	0304004060	Tourism Development and Promotion	-	10,000,000	-	9,176,300	-	9,405,708	-	9,640,850
	0305004060	Investment Development and Promotion	-	5,098,576	-	10,000,000	-	10,250,000	-	10,506,250
		Totals	**15,961,742,255**	**8,533,302,485**	**15,380,266,174**	**8,258,492,576**	**15,730,964,134**	**8,497,913,585**	**16,090,429,543**	**8,751,459,222**

Annex 4: Highlights of the Issues raised during Public Participation

SECTOR	Issues	PROPOSED INTERVENTIONS
Finance ICT and Economic Planning	Inadequate ICT infrastructures and connectivity	• Construction of an ICT hub with broadband connectivity and digital services to enhance access to information, communication, and e-government services.
Administration and public Services	Lack of Civic education	• Conduct structured and robust civic education. • Allocation of funds towards civic education.
	Drug and substance abuse	• Sensitize the public on effects of drug and substance abuse. • Construction of rehabilitation centers. • Enhance crackdown on illicit brewers
Agriculture, Livestock and Cooperative Development	Decline of Agricultural activities due to real estate developments, soil acidity and land sub-division.	• Implement strict zoning regulations. • Provide financial incentives, or subsidies to encourage investment in agricultural activities. • Deployment and strengthening of agricultural extension services. • Establish programs to protect agricultural land. • Purchase of soil testers.
	Decline in tea and coffee farming due to informal selling of tea and coffee to brokers.	• Promote formal markets for farmers, provide Civic education and support on proper selling practices.
	Low agricultural productivity	• Train/capacity builds farmers on modern technologies, Provision of subsidised fertilizer and certified seeds.
	Shortage of milk coolers	• Installation of milk coolers
Water Environment Energy and Natural Resources	Degradation of water quality and availability.	• Implement and educate on sustainable water management practices. • Laying of pipes and maintenance of existing ones.
	Inadequate clean and safe water supply in homes and health facilities and schools	• Supply of clean and safe water

SECTOR	Issues	PROPOSED INTERVENTIONS
	Environmental degradation	• Promote conservation initiatives to address environmental degradation.
	Unsustainable use of natural resources.	• Promote the adoption of renewable energy technologies.
	Poor waste management	• Install garbage collection bins in every shopping centre. • Construct modern waste management plant.
Health Services	Outdated infrastructure in hospitals	• Renovate/refurbish existing hospitals.
	Concern about delays in completing stalled projects.	• Complete all stalled projects.
	Shortage of drugs and proper medical services	• Ensure availability of drugs and medical services.
Education, Gender Culture and Social Services	Rising education costs and equality access to bursary for needy students	• Increase bursary allocation and distribute it fairly to needy students.
	lack of cultural preservation	• Preserve culture heritage and regularly hold Cultural events.
	Inadequate modern training equipment's in Vocational Training Centers	• Equip Vocational training centers with modern training equipment's.
	Inadequate ECDE teachers and classes	• Construction of ECDE classes and employment of ECDE teachers.
Youth Affairs, Sport and Communication	Limited access to Entrepreneurial and life skills.	• Provide youth training on Entrepreneurial and life skills.
	High levels of unemployment among the youth.	• Facilitate youths with business loans to start small businesses through a revolving fund.
	Lack of sports facilities and talent search programmes.	• Construction, upgrading of modern sports facilities and enhanced talent search programmes.
Lands, Housing Physical Planning and Municipal Administration and Urban Development	Grabbing of public lands	• Reclaim grabbed lands.
	Delays in processing of building approvals.	• Expedite building approvals.
Trade Industry Tourism Investments and Cooperative Development	Few markets and existing markets lack modern market facilities.	• Construct modern markets.
	Limited access to credit.	• Promote access to affordable credit.

SECTOR	Issues	PROPOSED INTERVENTIONS
	Poor working environment for boda boda operators	• Construction of boda boda sheds.
Roads Transport Public Works and utilities	Poor road conditions	• Construction and maintenance of county access roads and bridges.
	Poor drainage systems	• Improve drainage systems.
	Insecurity	• Install streetlights and flood masts in the affected areas.