

# REPUBLIC OF KENYA



## COUNTY GOVERNMENT OF MACHAKOS

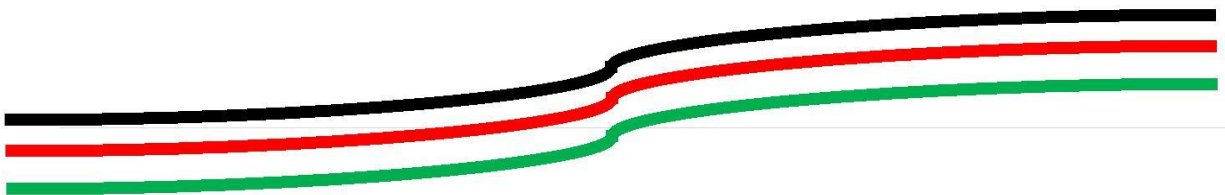
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### COUNTY BUDGET REVIEW OUTLOOK PAPER FY 2022/2023

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*PROMOTING ECONOMIC GROWTH FOR IMPROVED LIVELIHOOD*

*September, 2023*



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Finance, Economic Planning and Revenue Management

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MACHAKOS, KENYA

Or visit our Website: [www.machakos.go.ke](http://www.machakos.go.ke)

## FOREWORD

The Machakos County Budget Review and Outlook Paper (CBROP) for 2023 has been prepared in compliance with Section 118 of the Public Financial Management Act, 2012. It assesses the budget performance for the fiscal year 2022/2023 and outlines the development outlook for the fiscal year 2024/2025. It also presents recent economic and financial projections to inform budget proposals for the upcoming year.

The 2023 CBROP is prepared against the backdrop of a global economic recovery, although uncertainties remain due to the Russia-Ukraine war in 2022, which disrupted this recovery and led to an economic slowdown in Kenya and other nations. Kenya experienced a GDP growth rate of 4.8%, a decrease from the strong rebound of 7.6% in 2021 following the COVID-19 crisis.

Budget execution increased from 79% in FY 2021/2022 to 82% in the reporting period, attributed to a higher absorption of development budget, rising from 41% in FY 2021/2022 to 49% in FY 2022/2023. The County's own source revenue collections increased by 28% from Kshs. 1.1billion in FY 2021/2022 to Kshs. 1.4billion in FY 2022/2023. Overall, the County's receipts increased by 11.9% to Kshs. 11.97 billion from Kshs. 10.7billion in FY 2021/2022.

The FY 2022/2023 marks the final budget implementation phase for the second generation County Integrated Development Plan (CIDP) 2018-2022. Sectors have reviewed and prioritized programs not implemented during this period for funding in the third generation CIDP 2023-2027, Annual Development Plan 2023-2024, County Fiscal Strategy Paper 2023, and Budget Estimates for FY 2023/2024.

The County will continue to enhance its resource mobilization strategies to ensure adequate funds are available for promotion of economic growth for improved livelihood in Machakos County.

Hon. Onesmus Muia Kuyu  
**County Executive Committee Member –Finance, Economic Planning and Revenue Management**

## **ACKNOWLEDGEMENT**

The preparation of the 2023 CBROP was a collaborative endeavor involving all County departments. These departments provided essential and reliable information for inclusion in this paper. We extend our heartfelt appreciation to H.E. Governor Wavinya Ndeti, H.E. Deputy Governor Francis Mwangangi, and County Secretary Dr. Muya Ndambuki for their unwavering support throughout the preparation of this outlook paper and the broader budgeting process.

Special recognition is due to Mr. Onesmus Kuyu, CECM-Finance, Economic Planning, Revenue Management, and ICT, who spearheaded the preparation process. We also express our gratitude to all County Executive Committee Members, Chief Officers and Directors for their valuable support throughout the entire process.

The County Treasury is responsible for overseeing and ensuring the timely preparation and submission of the CBROP. A dedicated team from the Department of Finance invested considerable time and effort to ensure the successful completion of this document. This team includes Ms. Stella Miriti (Director Budget), CPA Winfred Muema (Deputy Director Budget), Mr. Sylvester Juma (Principal Economist), Ms. Lucia Wanza (Senior Finance Officer), CPA Daniel Mutula (Head of Accounting unit), CPA Grace Musyoki (Head of Financial Reporting unit), and all Finance Officers in various County entities. Their relentless dedication and commitment significantly contributed to the successful conclusion of the CBROP for 2023.

Lastly, I would like to express my deep appreciation to the other technical officers for their invaluable contributions and input to the document. I assure you that the time and effort invested will not go to waste, as the CBROP will play a crucial role in future planning and budgeting processes. Thank you all for your unwavering support.

Julius Kasanga  
**Chief Officer – Finance**

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## ABBREVIATIONS AND ACRONYMS

ABDP	Aquaculture Business Development Programme	KCSAP	Kenya Climate Smart Agriculture Project
ADP	Annual Development Plan	KDSP	Kenya Devolution Support Program
ASDSP	Agricultural Sector Development Support Programme	Kshs	Kenya Shillings
BETA	Bottom-up Economic Transformation Agenda	KUSP	Kenya Urban Support Program
CARA	County Allocation Revenue Act	MSMEs	Micro and Small Medium Enterprises
CBROP	County Budget Review and Outlook Paper	MTEF	Medium Term Expenditure Framework
CCISP	County Climate Institutional Support Program	MTP	Medium Term Plan
CCTV	Closed Circuit Television	NAVCDP	National Agricultural Value Chain Development Program
CECMF	County Executive Committee Member for Finance	NHIF	National Hospital Insurance Fund
CFSP	County Fiscal Strategy Paper	OSR	Own Source Revenue
CG	County Government	PBB	Programme Based Budget
CIDP	County Integrated Development Plan	PFMA	Public Finance Management Act
CoB	Controller of Budget	RMFLF	Road Maintenance Fuel Levy Fund
COFOG	Classification of Functions of Government	RRI	Rapid Results Initiative
CRA	Commission on Revenue Allocation	SIDA	Swedish International Development Agency
CRF	County Revenue Fund	UDG	Urban Development Grant
DANIDA	Danish International Development Agency	UIG	Urban Institutional Grant
EAC	East African Community		
ECDE	Early Childhood Development Education		
EMDEs	Emerging Markets and Developing Economies		
FLLoCA	Financing Locally Led Climate Action Programme		
FY	Financial Year		
GDP	Gross Domestic Product		
GNI	Gross National Income		
ICT	Information Communication Technology		
IFAD	International Fund for Agricultural Development		
IFMIS	Integrated Financial Management System		

## CHAPTER ONE

### 1 INTRODUCTION

#### A. Legal Basis for the Preparation and Publication of the County Budget Review and Outlook Paper

1. The **County** Budget Review and Outlook Paper is prepared in accordance with Section 118 of the Public Financial Management Act, 2012. The paper provides:
  - i. Actual fiscal performance in the previous financial year compared to the budget Appropriation for that year;
  - ii. Updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal strategy paper;
  - iii. Information on how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest County Fiscal strategy paper; and
  - iv. The reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.
2. County Executive committee shall consider the County Budget Review and outlook Paper with a view to approving it with or without amendments, not later than fourteen days after its submission.
3. Not later than seven days after the CBROP has been approved by Executive committee, the County Treasury shall:
  - i. submit the paper to the County Assembly; and
  - ii. as soon as practicable publish and publicize the paper

#### B. County Government Fiscal Responsibility Principles

4. In line with chapter 12 of the Constitution of Kenya, Section 107 of the Public Financial Management (PFM) Act, 2012

- i. The County Government's recurrent expenditure shall not exceed the County Government's total revenue. *(Compliance: The County's recurrent expenditure is 70% of the total revenue estimates)*
- ii. Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure *(Compliance: The County's development expenditure is 30% of the total revenue estimates)*
- iii. The County Government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County Government revenue as prescribed by the regulations. *(Compliance: The County's budget on wages and benefits was 48% of the total revenue. The high allocation to wages was occasioned by the need to adhere to Collective Bargaining Agreements)*
- iv. Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure. *(Compliance: The County did not have borrowings over the reporting period)*
- v. Public debt and obligations shall be maintained at a sustainable level as approved by County Government.

### **C. Objectives of the County Budget Review and Outlook Paper**

5. The 2023 CBROP aims at providing review of the fiscal performance for the FY 2022/2023 and how the outcomes impacted the County's financial objective and fiscal responsibility principles as envisaged in the PFM Act 2012 and County Fiscal Strategy Paper.
6. Based on the indicative County resource envelope, the CBROP 2023 will also relay the primary sector ceilings for FY 2024/2025 budget inclusive of indicative projections for the FY 2025/2026. These ceilings will set off the budget preparation process for the fiscal year the
7. The paper is organized into four chapters: Chapter 1 highlights the introduction Chapter II provides a review of fiscal performance in the FY 2022/2023; Chapter III looks at the Recent economic developments and the updated National and County macroeconomic outlook; Chapter IV gives a brief overview of the FY 2023/2024 budget framework.



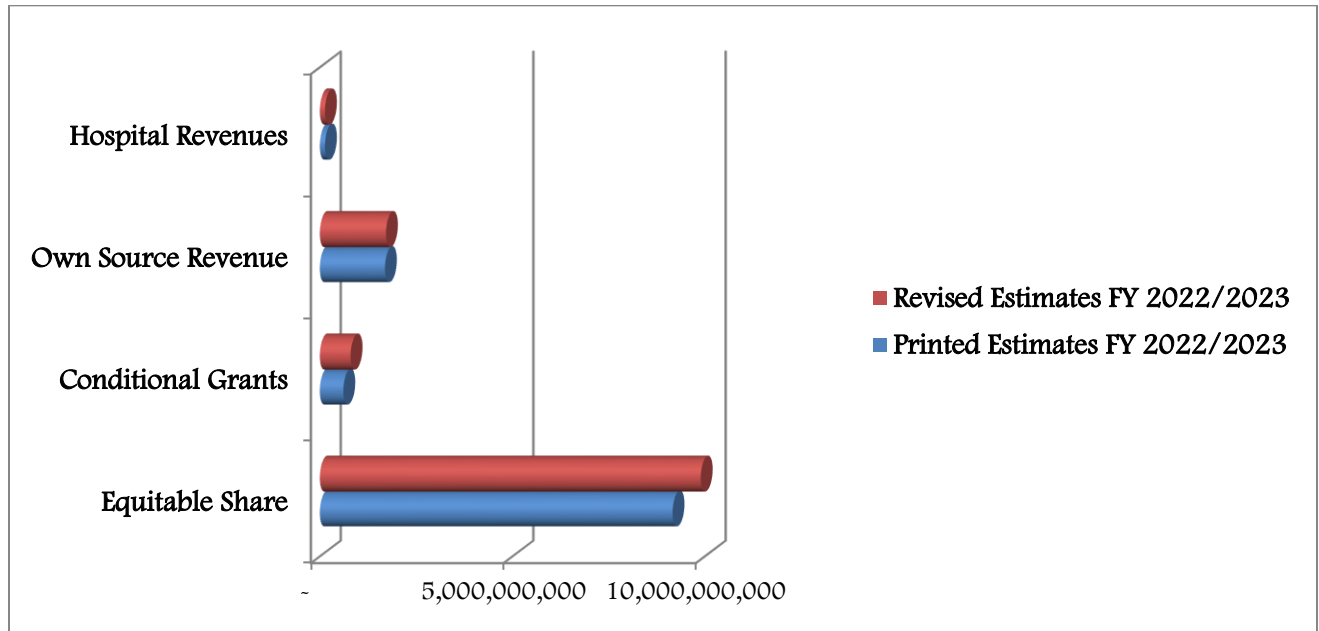
## CHAPTER TWO

### 2 REVIEW OF FISCAL PERFORMANCE IN FY 2022/2023

#### Overview

8. In the Financial Year (FY) 2022/2023, Machakos County Assembly approved a budget of Kshs.11.6 billion to be financed through Equitable Share (Kshs. 9.2 billion), Conditional Grants (Kshs. 0.6 billion), Hospital Revenues (Kshs. 0.1 billion) and Own Source Revenue (Kshs. 1.7 billion) representing 79%, 5%, 1% and 15% respectively. In the course of budget implementation, the County treasury revised the budget estimates to Kshs. 12.5 billion comprising of Equitable Share Kshs. 9.9 billion, Conditional Grants Kshs. 0.8 billion, Hospital Revenues Kshs. 0.1 billion and Own Source Revenue of Kshs. 1.7 billion. The increase in both equitable share and conditional grants was attributed to balances carried forward from the previous financial year (FY 2021/2022). Figure 1 below illustrates the various County revenue sources during the Financial Year

*Figure 1: County Budget Revenue Sources FY 2022/2023*

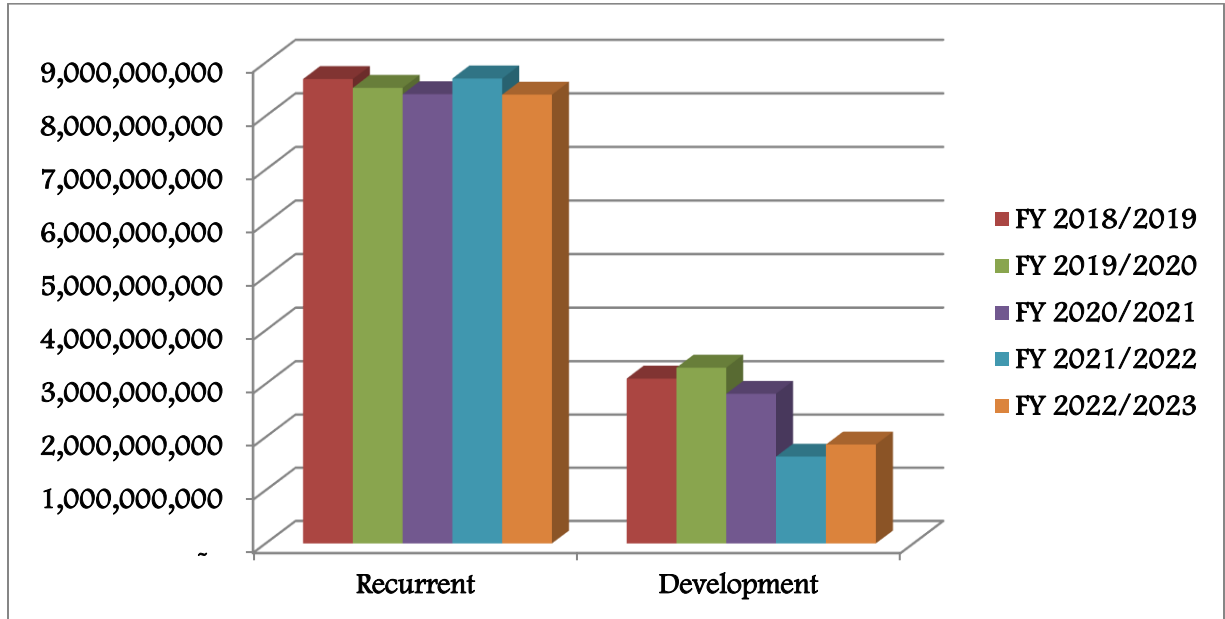


*Source: Machakos County Financial Statements FY 2022/2023*

9. The overall budget execution increased by 3% from 79 % in the FY 2021/2022 to 82% in the reporting period. This can be attributed to an increase in the absorption of

development budget from 41% in FY 2021/ 2022 to 49% in FY 2022/2023. Figure 2 below gives an expenditure comparison in the last five years.

**Figure 2: Comparative County expenditure for FY 2018/2019 –FY 2022/2023**



## 2.1 Fiscal Performance FY 2022/2023

### 2.1.1 Revenue performance

10. The County’s total revenue in the FY 2022/2023 was **Kshs. 11.97 billion** against a target of **Kshs. 12.54 billion**. This is an increase of 11.9% from the previous financial year. Table 1 below gives the fiscal out-turn for the FY 2022/2023.

**Table 1: Fiscal Out-turn for the FY 2022/2023 (Amounts in Kshs.)**

	Actual FY 2021/2022	Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Actual FY 2022/2023	Budget Execution (%)
<b>Total Revenue</b>	<b>10,699,255,588</b>	<b>11,596,315,959</b>	<b>12,544,591,439</b>	<b>11,969,212,702</b>	<b>95</b>
Equitable Share	8,429,319,897	9,162,304,232	9,895,288,567	9,895,288,567	100
Conditional Grants	135,656,077	610,440,182	798,691,933	460,815,858	58
Own Source Revenue	1,118,461,753	1,690,079,199	1,717,118,593	1,309,473,301	76
Hospital Revenues	-	133,492,346	133,492,346	120,317,958	90
Returned CRF Issues	1,015,817,861	-	-	183,317,018	1

	Actual FY 2021/2022	Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Actual FY 2022/2023	Budget Execution (%)
<b>Total Expenditure</b>	<b>10,332,934,983</b>	<b>11,596,315,959</b>	<b>12,544,591,439</b>	<b>10,257,046,327</b>	<b>82</b>
<b>Recurrent</b>	<b>8,700,451,133</b>	<b>8,088,468,725</b>	<b>8,778,234,893</b>	<b>8,398,286,797</b>	<b>96</b>
County Assembly	911,640,806	1,007,126,181	1,189,846,181	1,109,670,183	93
County Executive	7,788,810,327	7,081,342,544	7,588,388,712	7,288,616,614	96
<b>Development</b>	<b>1,632,483,850</b>	<b>3,507,847,234</b>	<b>3,766,356,546</b>	<b>1,858,759,530</b>	<b>60</b>
County Assembly	137,355,091	318,500,000	318,500,000	22,470,207	7
County Executive	1,495,128,759	3,189,347,234	3,447,856,546	1,836,289,323	53

Source: Machakos County Financial Statements FY 2022/2023

Figure 3: Comparative County Total Receipts in FY 2018/2019 - FY 2022/2023

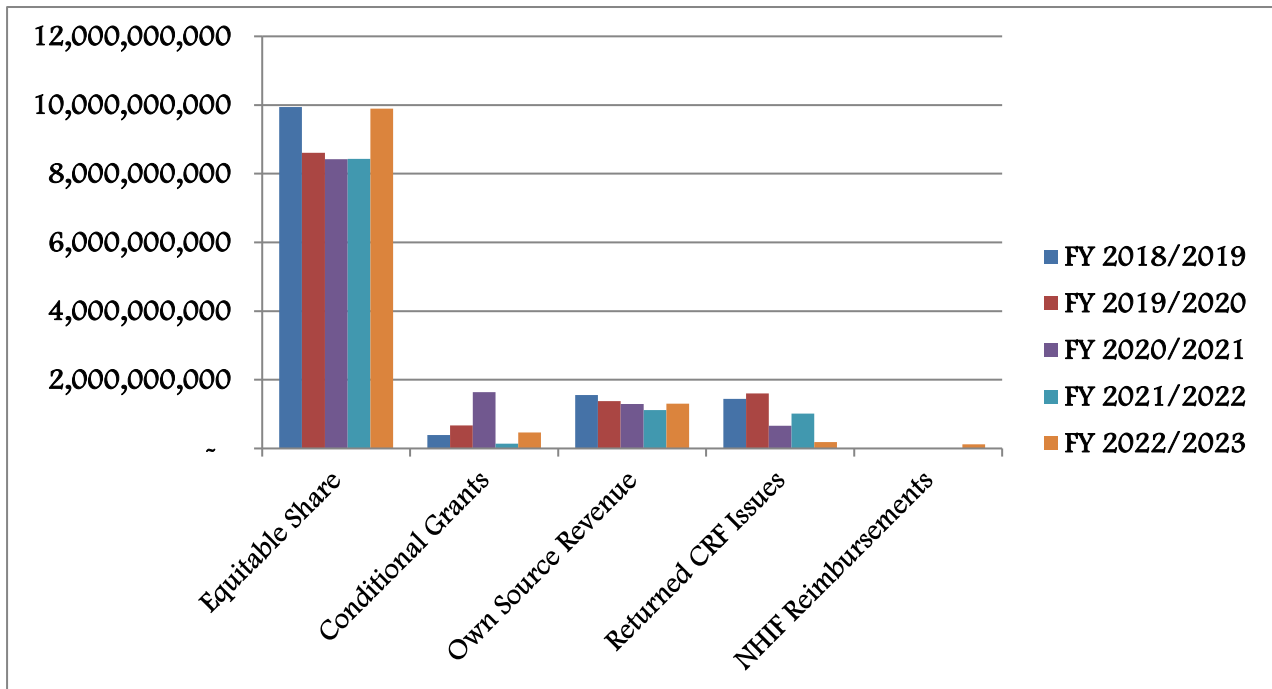
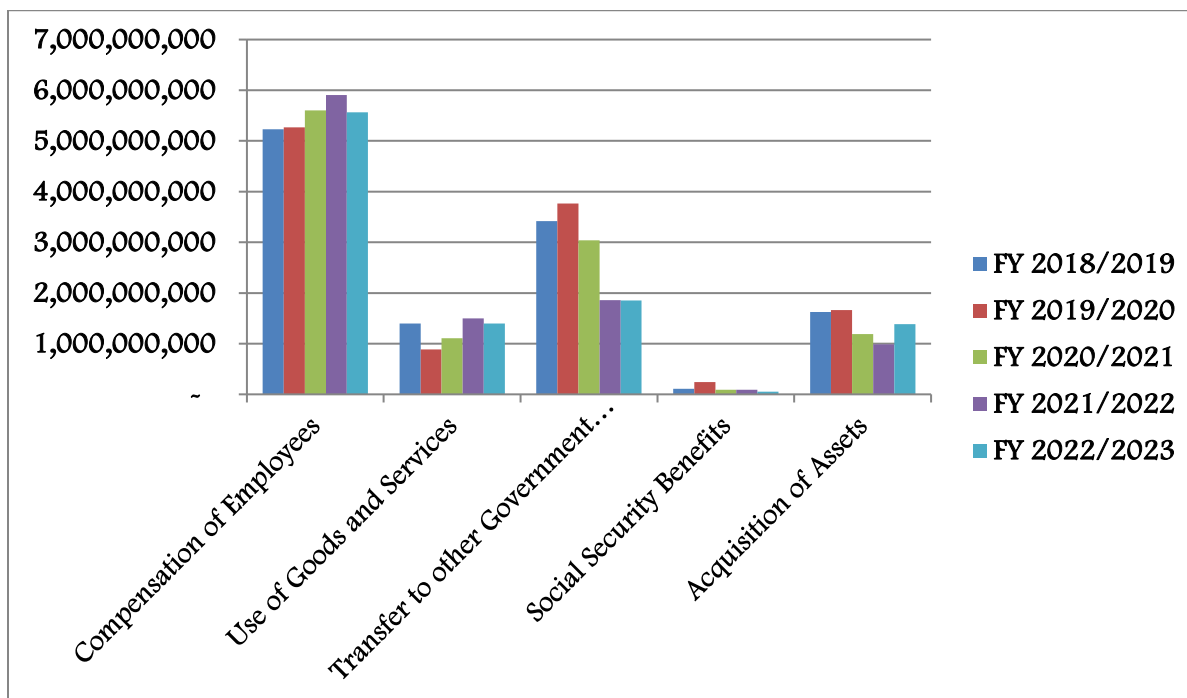


Figure 4: Comparative County Total Payments in FY 2018/2019 -FY 2022/2023



### 2.1.2 County Own Source Revenue

11. The County Government targeted to collect **Kshs. 1.69 billion** at the beginning of the Financial Year 2022/2023 which was revised to **Kshs. 1.72 billion** and managed to collect **Ksh.1.43 billion** which translates to 83% of the target. Table 2, 3 and 4 below gives a comparative revenue collection trends by stream, monthly and quarterly respectively.

Table 2: Comparative County Own Source Revenue by Stream

Revenue Stream	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023
Land Rates & Ground Rent	279,731,890	264,046,575	247,858,234	169,415,389	204,509,754
Single Business Permit	186,038,661	187,631,790	253,563,665	279,702,729	298,859,046
Quarry Extraction Fees	469,112,527	367,577,984	230,712,604	146,802,687	189,782,165
Sand Gravel	47,079,183	45,761,096	26,545,070	19,408,401	26,475,610
Market Fees	15,334,462	9,906,502	10,344,412	7,249,032	13,253,012
Plot/Stall Rent	14,232,315	8,924,665	4,886,747	3,242,039	3,351,824
Bus park	102,790,677	78,574,103	76,885,195	111,101,993	140,981,326
House Rent	1,469,010	778,608	1,388,750	860,962	1,792,252
Refuse/Conservancy Fee	14,788,520	25,716,168	30,431,751	28,320,120	32,406,484
Sign Board & Advertisement Fee	35,831,811	35,516,487	34,613,425	43,302,031	75,168,364

<b>Revenue Stream</b>	<b>FY 2018/2019</b>	<b>FY 2019/2020</b>	<b>FY 2020/2021</b>	<b>FY 2021/2022</b>	<b>FY 2022/2023</b>
Fire Fighting & Ambulance Mgt Unit	32,171,141	29,136,821	22,706,735	14,145,202	17,154,355
Slaughter House Fees/Livestock	16,074,086	11,358,703	8,556,254	12,502,064	14,831,987
Enforcement Management	19,795,112	9,082,973	5,897,440	3,787,116	7,338,385
Off-street Parking Unit	8,613,865	17,905,291	19,782,064	13,999,740	16,411,332
Building Plan Approvals	182,816,818	149,448,896	187,858,385	147,655,443	162,826,953
Cess	10,823,081	15,515,559	15,334,465	7,358,762	14,081,514
Social Services	1,207,655	98,460	60,550	82,039	295,720
Water Sales	164,000	554,651	2,784,850	796,369	689,000
Miscellaneous	588,433	247,805	85,810	-	-
People's Park/Maruba	-	-	368,300	902,871	1,185,601
House Loan Repayment	10,000	1,000	300,000	84,000	116,933
Salary Refunds/Advances		20,270	333,026	858,716	2,448,444
Agri Farm	801,060	64,100	58,263	66,200	463,760
Hospital Revenues	60,902,769	69,488,591	54,398,112	38,809,908	120,317,958
Liquor	52,214,949	35,054,335	53,906,756	61,556,386	72,373,670
Tourism	649,590	960,485	47,000	2,173,225	
Interest & Penalties on Plot and Stall Rent	-	7,912,237	148,139	58,541	197,770
Noise Pollution	94,700	595,795	235,475	541,107	386,650
Motor Cycle Registration	2,737,114	4,291,860	4,658,735	3,414,930	11,204,510
Weights and Measures	1,138,211	-	1,614,456	263,750	886,880
<b>Total OSR</b>	<b>1,557,211,640</b>	<b>1,376,171,810</b>	<b>1,296,364,668</b>	<b>1,118,461,753</b>	<b>1,429,791,259</b>

12. The top five revenue earners to the county are Single business permit, Land Rates, Quarry Extraction, Building Plans and Bus Parks

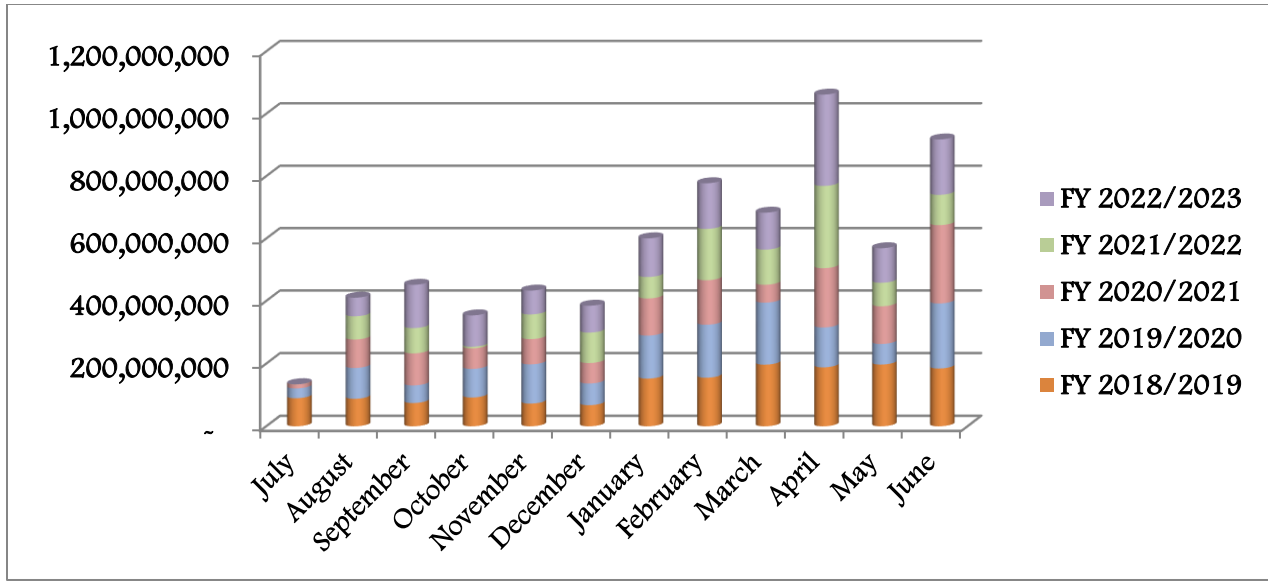
**Table 3: County Own Source Revenue per Month**

	<b>FY 2018/2019</b>	<b>FY 2019/2020</b>	<b>FY 2020/2021</b>	<b>FY 2021/2022</b>	<b>FY 2022/2023</b>
July	89,590,058	31,372,059	12,822,315	210,150	275,183
August	87,862,465	98,226,533	90,889,684	74,071,589	59,225,810
September	74,255,277	56,142,143	102,272,042	80,778,686	138,357,352
October	92,011,409	91,181,015	65,616,831	5,268,793	99,796,090
November	72,489,867	125,196,369	80,550,380	78,704,458	76,297,672
December	67,381,613	69,257,635	65,271,060	97,105,487	85,746,260
January	152,237,553	137,151,168	118,573,764	68,930,658	123,913,858
February	155,043,113	169,093,951	142,285,246	164,583,894	146,338,491
March	196,686,805	197,953,152	57,261,595	112,682,743	118,515,288
April	188,124,177	127,347,795	189,656,632	263,637,114	292,869,971
May	197,034,130	65,685,264	120,203,776	75,418,383	110,714,256
June	184,495,174	207,564,726	250,961,345	97,069,798	177,741,030
<b>TOTAL</b>	<b>1,557,211,641</b>	<b>1,376,171,810</b>	<b>1,296,364,670</b>	<b>1,118,461,753</b>	<b>1,429,791,260</b>

*Source: Machakos County Financial Statements FY 2022/2023*

13. Table 3 above shows that the month of April recorded the highest Own Source Revenue collections in the FYs 2021/2022 and 2022/2023. This is attributed to the Rapid Results Initiatives conducted during the month and the fact that most Single Business Permits expire in the month of March hence renewals occur in the month of April.

**Figure 5: Comparative Monthly County Own Source Revenue Performance**



**Table 4: County Own Source Revenue per Quarter**

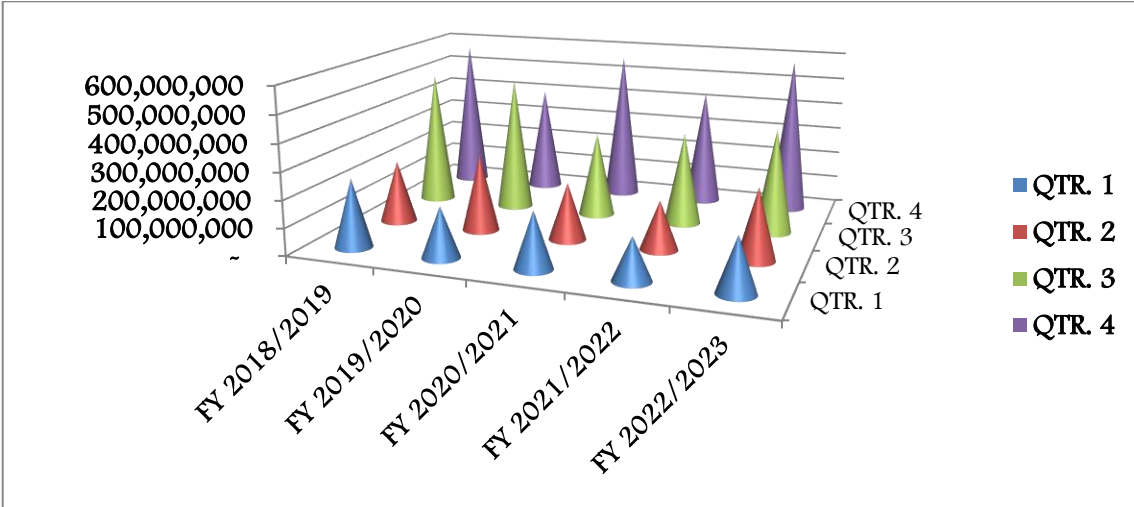
	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022	FY 2022/2023
QTR. 1	251,707,800	185,740,735	205,984,041	155,060,425	197,858,345
QTR. 2	231,882,889	285,635,019	211,438,271	181,078,738	261,840,022
QTR. 3	503,967,471	504,198,271	318,120,605	346,197,295	388,767,636
QTR. 4	569,653,481	400,597,785	560,821,753	436,125,295	581,325,256
<b>Total</b>	<b>1,557,211,641</b>	<b>1,376,171,810</b>	<b>1,296,364,670</b>	<b>1,118,461,753</b>	<b>1,429,791,260</b>

Source: Machakos County Financial Statements FY 2022/2023

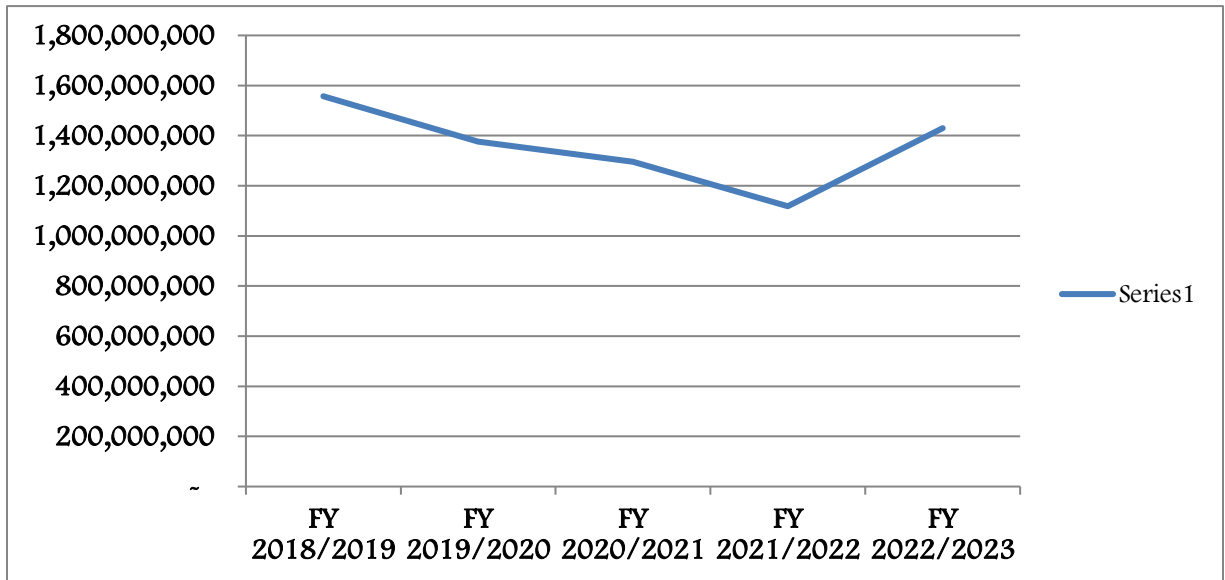
14. Some of the challenges noted during the financial year that lead to the under collection of the targeted revenue included use of outdated valuation roll hence low pricing; inadequate staffing levels both for enforcement and collection and lack of full revenue automation. Proposed strategies to address the revenue collection challenges going forward include; finalization of the valuation roll, enhance tax-payer education and sensitization, promote staff capacity and motivation of revenue personnel, improve on internal controls and audit systems, enforcement of legal and regulatory frameworks,

individual departments being given revenue collection targets that fall within their jurisdictions.

**Figure 6: Comparative Quarterly Revenue Performance**



**Figure 7: Trend in Yearly Own Source Revenue Collection**



15. Yearly collection trends in the last five years shows that FY 2018/2019 recorded the highest collections at Kshs. 1.56billion followed by FY 2022/2023 at Kshs.1.43billion. Going forward, the County Treasury has put in place measures that will enable it improve on the OSR collections some of which are updating valuation roll; automation and

digitalization of revenue processes; enforcement of performance contracts, targets and reviews; revenue mapping; capacity building and staff development; enacting of enforcement, fines and penalties tariffs; consolidation of 211 paybill numbers into two paybill numbers among others.

### 2.1.3 Conditional Grants

16. The County expected to receive **Kshs. 0.8 billion** as conditional grants while actual receipts amounted to **Kshs. 0.46 billion**. The individual performance of conditional grants is as indicated in table 4 below.

**Table 5 : Conditional Grants FY 2022/2023**

Revenue Stream	Actual Revenues FY 2021/2022	Printed Revenues FY 2022/2023	Revised Revenues FY 2022/2023	Actual Revenues FY 2022/2023
Level 5 Hospital	-	-	-	703,210
Universal Healthcare in Devolved System Program (DANIDA)	8,590,313	16,341,500	24,931,813	26,919,376
Transforming Health Systems for Universal Care Project-World Bank	9,012,164	-	5,832,823	5,832,823
Kenya Devolution Support Program (KDSP)-World Bank	-	-	167,833,059	167,833,058
Agricultural Sector Development Support Program (ASDSP)-SIDA	18,717,263	9,317,977	21,357,697	19,946,442
Kenya Urban Support Programme (UDG)-World Bank	-	-	102,675,950	-
Kenya Urban Support Program (UIG)-World Bank	-	-	1,145,356	4,729,036
Kenya Climate Smart Agriculture Project (KCSAP)-World Bank	99,336,337	321,468,007	79,602,537	79,602,536
Financing Locally Led Climate Change Action Programme (FLLoCA)-World Bank	-	125,000,000	147,000,000	22,000,000
National Agricultural Value Chain Development Project (NAVCDP)	-	-	70,000,000	67,192,729
Universal Health Care Project	-	-	-	21,003
Leasing of medical equipment	-	110,638,298	110,638,298	-
Emergency Locust Response Project	-	27,674,400	67,674,400	66,035,643
<b>Total</b>	<b>135,656,077</b>	<b>610,440,182</b>	<b>798,691,933</b>	<b>460,815,856</b>

*Source: Machakos County Financial Statements FY 2022/2023*



### 2.1.4 Expenditure Performance

17. Analysis of expenditure by economic classification shows that compensation of employees had the highest absorption rate at 44% of total budget followed by use of goods and services at 23% and finally acquisition of assets and non-financial assets at 15% giving an overall absorption rate of 82%. This is illustrated in table 5 below.

**Table 6: Expenditure Performance by Economic Classification for FY 2021/2022 and FY 2022/2023**

Economic Item	Actual Expenditure FY 2021/2022	Printed Estimates FY 2022/2023	Revised Estimates 2 FY 2022/2023	Actual Expenditure FY 2022/2023	Budget Execution (%)
Compensation of Employees	5,903,699,792	6,019,963,383	6,078,655,805	5,566,708,303	44
Use of goods and Services	2,796,751,341	1,989,340,552	2,683,771,146	2,831,578,494	23
Conditional Grants	-	610,440,182	785,190,228	-	-
Acquisition of Assets	1,632,483,851	2,976,571,842	2,996,974,260	1,858,759,530	15
<b>Sub Total</b>	<b>10,332,934,984</b>	<b>11,596,315,959</b>	<b>12,544,591,439</b>	<b>10,257,046,327</b>	<b>82</b>

*Source: Machakos County Financial Statements FY 2022/2023*

### 2.1.5 County Entities Expenditure Analysis

18. All County entities achieved an absorption rate of at least 65% with the exception of Trade, Industrialization and Innovation. The highest rate of absorption of budgeted funds was recorded in the department of Roads, Transport and Public Works at 95% and the least in the department of Trade, Industrialization and Innovation at 46%.

19. Absorption of development funds stood at 49% due to delays in Exchequer disbursements leading to delays in projects implementation and payments; increased cost of programmes/projects against the planned cost hence causing delay in implementation among others. Table 6 below gives the detailed analysis of every County Entity.

Table 7 : County Entity Expenditure Performance for Period Ending 30<sup>th</sup> June, 2023

County Entity		Actual Expenditure FY 2021/2022	Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023	Budget Execution (%)
Office of the Governor	Recurrent	483,535,953	552,144,648	592,144,648	466,629,103	79
	Development	2,996,800	14,334,385	19,334,385	13,638,038	71
	<b>Total</b>	<b>486,532,753</b>	<b>566,479,033</b>	<b>611,479,033</b>	<b>480,267,141</b>	<b>79</b>
County Public Service Board	Recurrent	34,202,221	50,736,706	58,718,706	39,691,446	68
	Development	-	41,112,751	20,112,751	-	-
	<b>Total</b>	<b>34,202,221</b>	<b>91,849,457</b>	<b>78,831,457</b>	<b>39,691,446</b>	<b>50</b>
Roads, Transport and Public Works.	Recurrent	195,815,377	197,914,081	255,285,089	246,490,779	97
	Development	584,232,787	942,342,159	634,490,071	599,261,197	94
	<b>Total</b>	<b>780,048,164</b>	<b>1,140,256,240</b>	<b>889,775,160</b>	<b>845,751,976</b>	<b>95</b>
Health and Emergency Services	Recurrent	4,065,419,607	3,715,790,836	3,921,205,706	3,867,858,032	99
	Development	132,306,109	452,528,294	725,101,281	209,589,012	29
	<b>Total</b>	<b>4,197,725,716</b>	<b>4,168,319,130</b>	<b>4,646,306,987</b>	<b>4,077,447,044</b>	<b>88</b>
Agriculture, Food Security and Co-operative Development.	Recurrent	408,223,924	374,588,632	312,568,368	276,876,068	89
	Development	225,727,457	456,080,148	420,675,866	270,590,704	64
	<b>Total</b>	<b>633,951,381</b>	<b>830,668,780</b>	<b>733,244,234</b>	<b>547,466,772</b>	<b>75</b>
County Assembly	Recurrent	911,640,806	1,007,126,181	1,189,846,181	1,109,670,183	93
	Development	137,355,091	318,500,000	318,500,000	22,470,207	7
	<b>Total</b>	<b>1,048,995,897</b>	<b>1,325,626,181</b>	<b>1,508,346,181</b>	<b>1,132,140,390</b>	<b>75</b>
Water, Irrigation, Environment and Natural Resources	Recurrent	99,138,802	110,746,454	109,767,159	109,514,916	100
	Development	186,804,114	444,254,627	483,227,935	292,756,892	61
	<b>Total</b>	<b>285,942,916</b>	<b>555,001,081</b>	<b>592,995,094</b>	<b>402,271,808</b>	<b>68</b>
Finance and Economic Planning.	Recurrent	546,860,952	476,591,141	552,936,479	540,798,398	98
	Development	193,270,211	63,747,742	261,530,229	91,106,401	35
	<b>Total</b>	<b>740,131,163</b>	<b>540,338,883</b>	<b>814,466,708</b>	<b>631,904,799</b>	<b>78</b>
Public Service, Quality Management and ICT	Recurrent	732,360,166	324,279,672	365,479,624	347,995,636	95
	Development	1,197,580	36,187,652	53,187,652	42,192,977	79
	<b>Total</b>	<b>733,557,746</b>	<b>360,467,324</b>	<b>418,667,276</b>	<b>390,188,613</b>	<b>93</b>
Tourism, Youth, Sports and Culture.	Recurrent	101,728,182	112,617,593	131,930,592	131,897,352	100
	Development	40,111,142	125,990,460	126,990,460	68,635,219	54
	<b>Total</b>	<b>141,839,324</b>	<b>238,608,053</b>	<b>258,921,052</b>	<b>200,532,571</b>	<b>77</b>
Trade, Industrialization and Innovation.	Recurrent	113,990,530	99,344,709	147,292,138	145,457,672	99
	Development	57,663,119	180,556,594	177,960,907	5,707,822	3
	<b>Total</b>	<b>171,653,649</b>	<b>279,901,303</b>	<b>325,253,045</b>	<b>151,165,494</b>	<b>46</b>
Education, Skills Training and Social Welfare	Recurrent	385,378,986	428,971,858	454,161,358	432,856,655	95
	Development	22,593,487	153,460,588	236,460,588	46,271,516	20
	<b>Total</b>	<b>407,972,473</b>	<b>582,432,446</b>	<b>690,621,946</b>	<b>479,128,171</b>	<b>69</b>
Energy, Lands, Housing and Urban Development.	Recurrent	106,488,998	159,060,095	193,392,629	192,626,143	100
	Development	39,603,355	262,317,219	248,386,623	195,560,329	79
	<b>Total</b>	<b>146,092,353</b>	<b>421,377,314</b>	<b>441,779,252</b>	<b>388,186,472</b>	<b>88</b>
	Recurrent	515,666,630	478,556,119	493,506,215	489,924,394	99

County Entity		Actual Expenditure FY 2021/2022	Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023	Budget Execution (%)
County Administration and Decentralized Units.	Development	8,622,598	16,434,617	40,397,800	979,219	2
	<b>Total</b>	<b>524,289,228</b>	<b>494,990,736</b>	<b>533,904,015</b>	<b>490,903,613</b>	<b>92</b>
<b>Total Recurrent</b>		<b>8,700,451,134</b>	<b>8,088,468,725</b>	<b>8,778,234,892</b>	<b>8,398,286,777</b>	<b>96</b>
<b>Total Development</b>		<b>1,632,483,850</b>	<b>3,507,847,236</b>	<b>3,766,356,548</b>	<b>1,858,759,533</b>	<b>49</b>
<b>Total Budget</b>		<b>10,332,934,984</b>	<b>11,596,315,961</b>	<b>12,544,591,440</b>	<b>10,257,046,310</b>	<b>82</b>

Source: Machakos County Financial Statements FY 2022/2023

20. Machakos County Entities have been classified into eight sectors in line with the classification of functions of Government (COFOG). Health sector was allocated the highest budget at Kshs. 4.6 billion due to its huge workforce followed by the Public Administration Sector at Kshs. 3.9 billion. Lands, Environment and Natural Resources sector was allocated the least budget at Kshs. 0.3 billion.

21. In terms of budget execution, Water and Irrigation sector was the highest with an absorption rate of 93% followed by Energy, Infrastructure and ICT at 91%. Lands, Environment and Natural Resources Sector was the least with 45% absorption rate Table 7 below highlights the expenditures in every sector.

Table 8: County Expenditure Performance for the Period Ending 30<sup>th</sup> June, 2023 by Sector

Sector	County Entity		Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023
Agriculture and Co-operative Development	Co-operatives Development	Recurrent	32,585,646	32,511,646	26,169,471
		Development	46,732,327	46,732,327	13,241,918
		<b>Total</b>	<b>79,317,973</b>	<b>79,243,973</b>	<b>39,411,389</b>
	Livestock & Veterinary	Recurrent	4,507,580	4,607,580	3,249,785
		Development	25,329,227	49,694,227	12,612,309
		<b>Total</b>	<b>29,836,807</b>	<b>54,301,807</b>	<b>15,862,094</b>
	Agriculture	Recurrent	336,095,406	273,149,142	245,865,712
		Development	379,818,594	320,049,312	242,936,537
		<b>Total</b>	<b>715,914,000</b>	<b>593,198,454</b>	<b>488,802,249</b>
	Fisheries	Recurrent	1,400,000	2,300,000	1,591,100
		Development	4,200,000	4,200,000	1,799,940
		<b>Total</b>	<b>5,600,000</b>	<b>6,500,000</b>	<b>3,391,040</b>
<b>Sector Sub-Total</b>		<b>830,668,780</b>	<b>733,244,234</b>	<b>547,466,772</b>	
Energy, Infrastructure and ICT	Transport	Recurrent	196,867,468	254,338,476	245,954,451
		Development	175,130,424	135,333,407	134,312,399
		<b>Total</b>	<b>371,997,892</b>	<b>389,671,883</b>	<b>380,266,850</b>
		Recurrent	102,498,949	117,644,304	116,892,328

Sector	County Entity		Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023	
	Housing and Urban Development	Development	147,606,546	153,675,950	107,130,795	
		<b>Total</b>	<b>250,105,495</b>	<b>271,320,254</b>	<b>224,023,123</b>	
	Public Works	Recurrent	213,399	113,399	99,850	
		Development	155,000,000	135,000,000	117,044,724	
		<b>Total</b>	<b>155,213,399</b>	<b>135,113,399</b>	<b>117,144,574</b>	
	Roads	Recurrent	833,214	833,214	436,478	
		Development	612,211,735	364,156,664	347,904,074	
		<b>Total</b>	<b>613,044,949</b>	<b>364,989,878</b>	<b>348,340,552</b>	
	Energy	Recurrent	17,809,205	21,546,384	21,541,507	
		Development	95,330,321	91,330,321	85,485,681	
		<b>Total</b>	<b>113,139,526</b>	<b>112,876,705</b>	<b>107,027,188</b>	
	ICT	Recurrent	55,201,523	58,558,772	46,186,159	
		Development	5,262,277	5,262,277	-	
		<b>Total</b>	<b>60,463,800</b>	<b>63,821,049</b>	<b>46,186,159</b>	
	<b>Sector Sub-Total</b>		<b>1,563,965,061</b>	<b>1,337,793,168</b>	<b>1,222,988,446</b>	
	<b>Commercial, Tourism and Labour Affairs</b>	Trade	Recurrent	70,587,003	75,238,939	74,271,285
			Development	131,644,089	121,989,207	5,707,822
			<b>Total</b>	<b>202,231,092</b>	<b>197,228,146</b>	<b>79,979,107</b>
Industrialization		Recurrent	200,000	-	-	
		Development	48,912,505	55,971,700	-	
		<b>Total</b>	<b>49,112,505</b>	<b>55,971,700</b>	<b>-</b>	
Tourism		Recurrent	107,024,586	106,337,585	106,305,156	
		Development	60,745,502	52,245,502	21,335,939	
		<b>Total</b>	<b>167,770,088</b>	<b>158,583,087</b>	<b>127,641,095</b>	
<b>Sector Sub-Total</b>		<b>419,113,685</b>	<b>411,782,933</b>	<b>207,620,202</b>		
<b>Health</b>	Health	Recurrent	3,715,790,836	3,921,205,706	3,867,858,032	
		Development	452,528,294	725,101,281	209,589,012	
		<b>Total</b>	<b>4,168,319,130</b>	<b>4,646,306,987</b>	<b>4,077,447,044</b>	
<b>Public Administration</b>	Office of the Governor	Recurrent	552,144,648	592,144,648	466,629,103	
		Development	14,334,385	19,334,385	13,638,038	
		<b>Total</b>	<b>566,479,033</b>	<b>611,479,033</b>	<b>480,267,141</b>	
	Finance	Recurrent	454,040,815	516,736,153	509,772,523	
		Development	46,730,800	252,766,344	91,106,401	
		<b>Total</b>	<b>500,771,615</b>	<b>769,502,497</b>	<b>600,878,924</b>	
	Economic Planning	Recurrent	22,550,326	36,200,326	31,025,875	
		Development	17,016,942	8,763,885	-	
		<b>Total</b>	<b>39,567,268</b>	<b>44,964,211</b>	<b>31,025,875</b>	
	Public Service and Quality Management	Recurrent	269,078,149	306,920,852	301,809,477	
		Development	30,925,375	47,925,375	42,192,977	
		<b>Total</b>	<b>300,003,524</b>	<b>354,846,227</b>	<b>344,002,454</b>	
	Legal	Recurrent	24,161,923	67,597,199	67,513,137	
		Development	-	-	-	
		<b>Total</b>	<b>24,161,923</b>	<b>67,597,199</b>	<b>67,513,137</b>	
	County Public Service Board	Recurrent	50,736,706	58,718,706	39,691,446	
		Development	41,112,751	20,112,751	-	
		<b>Total</b>	<b>91,849,457</b>	<b>78,831,457</b>	<b>39,691,446</b>	
	Decentralized Units and County Administration	Recurrent	478,332,089	492,582,185	489,511,953	
		Development	14,334,617	40,397,800	979,219	
		<b>Total</b>	<b>492,666,706</b>	<b>532,979,985</b>	<b>490,491,172</b>	

Sector	County Entity		Printed Estimates FY 2022/2023	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023
	County Assembly	Recurrent	1,007,126,181	1,189,846,181	1,109,670,183
		Development	318,500,000	318,500,000	22,470,207
		<b>Total</b>	<b>1,325,626,181</b>	<b>1,508,346,181</b>	<b>1,132,140,390</b>
<b>Sector Sub-Total</b>			<b>3,341,125,707</b>	<b>3,968,546,790</b>	<b>3,186,010,539</b>
<b>Education and Social Welfare</b>	Education	Recurrent	428,971,858	444,161,358	430,262,603
		Development	143,460,588	226,460,588	46,271,516
		<b>Total</b>	<b>572,432,446</b>	<b>670,621,946</b>	<b>476,534,119</b>
	Youth and Sports	Recurrent	3,734,717	23,734,717	23,734,387
		Development	65,244,958	74,744,958	47,299,280
		<b>Total</b>	<b>68,979,675</b>	<b>98,479,675</b>	<b>71,033,667</b>
	Social Welfare	Recurrent	-	10,000,000	2,594,052
		Development	10,000,000	10,000,000	-
		<b>Total</b>	<b>10,000,000</b>	<b>20,000,000</b>	<b>2,594,052</b>
	Culture	Recurrent	1,082,320	1,082,320	1,082,320
		Development	-	-	-
		<b>Total</b>	<b>1,082,320</b>	<b>1,082,320</b>	<b>1,082,320</b>
<b>Sector Sub-Total</b>			<b>652,494,441</b>	<b>790,183,941</b>	<b>551,244,158</b>
<b>Water and Irrigation</b>	Water	Recurrent	107,535,334	106,533,989	106,281,746
		Development	243,753,573	196,302,581	175,866,067
		<b>Total</b>	<b>351,288,907</b>	<b>302,836,570</b>	<b>282,147,813</b>
	Irrigation	Recurrent	120,000	-	-
		Development	5,103,092	53,103,092	47,322,347
		<b>Total</b>	<b>5,223,092</b>	<b>53,103,092</b>	<b>47,322,347</b>
<b>Sector Sub-Total</b>			<b>356,511,999</b>	<b>355,939,662</b>	<b>329,470,160</b>
<b>Land Environment and Natural Resources</b>	Lands and Physical Planning	Recurrent	38,751,941	54,201,941	54,192,308
		Development	19,380,352	3,380,352	2,943,853
		<b>Total</b>	<b>58,132,293</b>	<b>57,582,293</b>	<b>57,136,161</b>
	Environment and Natural Resources	Recurrent	8,486,903	9,389,170	8,094,350
		Development	197,497,962	233,822,262	69,568,478
		<b>Total</b>	<b>205,984,865</b>	<b>243,211,432</b>	<b>77,662,828</b>
<b>Sector Sub-Total</b>			<b>264,117,158</b>	<b>300,793,725</b>	<b>134,798,989</b>
<b>TOTAL RECURRENT</b>			<b>8,088,468,725</b>	<b>8,778,234,892</b>	<b>8,398,286,777</b>
<b>TOTAL DEVELOPMENT</b>			<b>3,507,847,236</b>	<b>3,766,356,548</b>	<b>1,858,759,533</b>
<b>Total County Budget.</b>			<b>11,596,315,961</b>	<b>12,544,591,440</b>	<b>10,257,046,310</b>

Source: Machakos County Financial Statements FY 2022/2023

**Table 9: County Expenditure Performance for the Period Ending 30<sup>th</sup> June, 2023 by Programme**

**i. Recurrent Expenditure**

<b>Programme/Sub-programme</b>	<b>Programme</b>	<b>Actual Expenditure FY 2020/2021</b>	<b>Actual Expenditure FY 2021/2022</b>	<b>Revised Estimates FY 2022/2023</b>	<b>Actual Expenditure FY 2022/2023</b>
<b>OFFICE OF THE GOVERNOR</b>					
Sub-programme 1	Office of the Governor	294,014,932	297,328,504	329,293,561	277,976,236
Sub-programme 2	Transport Department	21,280,640	30,420,027	28,651,209	27,496,393
Sub-programme 3	Human Resource and Administration Section	18,663,637	79,927,351	37,903,820	23,417,224
Sub-programme 4	ICT Section	9,302,647	10,372,713	16,995,994	13,125,963
Sub-programme 5	Hospitality Services Section	21,616,932	16,863,491	38,973,355	19,998,666
Sub-programme 6	Cabinet Office	4,128,433	3,457,180	6,493,175	6,279,676
Sub-programme 7	Office of the Deputy Governor	27,360,876	21,156,578	68,988,765	60,053,808
Sub-programme 8	Directorate of Projects Delivery, Monitoring and Evaluation	1,494,248	10,358,438	21,078,510	12,882,067
Sub-programme 9	Office of the County Secretary	5,627,000	7,498,231	31,786,195	21,745,853
Sub-programme 10	Office of the County Advisors	3,880,383	6,153,440	11,980,064	3,653,217
<b>TOTAL</b>		<b>407,369,728</b>	<b>483,535,953</b>	<b>592,144,648</b>	<b>466,629,103</b>
<b>PUBLIC SERVICE, QUALITY MANAGEMENT AND ICT</b>					
Sub-programme 1	General Administration and support services	517,405,747	680,086,350	299,331,352	296,874,037
Sub-programme 2	Quality Management	-	159,960	70,000	-
Sub-programme 3	Training, Research and Development	91,429,580	50,340,030	7,519,500	4,935,440
Sub-programme 4	Information Communication Technology	366,200	1,190,778	51,615,218	42,508,883
Sub-programme 5	ICT Infrastructure	8,944,758		5,018,554	3,427,276
Sub-programme 6	Closed Circuit Television	-	583,048	1,925,000	250000
<b>TOTAL</b>		<b>618,146,285</b>	<b>732,360,166</b>	<b>365,479,624</b>	<b>347,995,636</b>
<b>TRADE, INDUSTRIALIZATION AND INNOVATION</b>					
Sub-programme 1	Headquarter Administration Services	27,773,850	73,659,428	72,124,534	71,794,020
Sub-programme 2	Trade Development	4,691,895		1,322,640	865,700
Sub-programme 3	Business and Enterprise Development		780,390	1,566,765	1,386,565
Sub-programme 5	Investment Facilitation and Support	1,396,000	1,577,554	225,000	225000
Sub-programme 6	Hygiene and Sanitation	4,434,272	4,783,035	4,456,000	3,673,250
Sub-programme 7	Legal Services	179,259,776	33,190,123	67,597,199	67,513,137
<b>TOTAL</b>		<b>217,555,793</b>	<b>113,990,530</b>	<b>147,292,138</b>	<b>145,457,672</b>
<b>FINANCE AND ECONOMIC PLANNING</b>					

Programme/Sub-programme	Programme	Actual Expenditure FY 2020/2021	Actual Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023
Sub-programme 1	Revenue Management	63,985,839	44,700,788	268,835,562	268,800,752
Sub-programme 2	Budget Formulation, Coordination and Implementation	19,236,898	42,833,773	43,455,529	43,455,529
Sub-programme 3	Supply Chain Management	-	6,985,987	9,741,708	8,824,511
Sub-programme 4	Accounts Services	4,107,170	30,377,211	26,901,846	25,799,807
Sub-programme 5	Audit Services	2,700,000	11,665,033	16,700,000	16,327,000
Sub-programme 6	Human Resource Management and Support Services	2,376,256,721	399,425,128	151,101,508	146,564,924
Sub-programme 7	County Planning and Statistical Information Services	16,730,587	10,272,408	35,400,326	30,275,875
Sub-programme 8	External Resources Mobilization	750,000	600,624	800,000	750,000
<b>TOTAL</b>		<b>2,483,767,215</b>	<b>546,860,952</b>	<b>552,936,479</b>	<b>540,798,398</b>
<b>COUNTY ADMINISTRATION AND DECENTRALIZED UNITS</b>					
Sub-programme 1	General Administration and support services	273,503,339	493,759,304	471,295,725	470,389,123
Sub-programme 2	Civic Engagement	2,871,482	414,100	1,050,000	970,000
Sub-programme 3	Administration and Co-ordination Services		1,431,511	1,710,394	1,146,398
Sub-programme 5	Solid Waste Management	10,595,480	9,071,497	1,700,000	1,187,930
Sub-programme 8	Inspectorate Services and Management	5,865,517	10,990,218	17,750,096	16,230,943
<b>TOTAL</b>		<b>292,835,818</b>	<b>515,666,630</b>	<b>493,506,215</b>	<b>489,924,394</b>
<b>AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT</b>					
Sub-programme 1	General Administration and support services	100,965,922	382,405,212	264,539,142	241,000,162
Sub-programme 2	Crop Development and Management	22,341,363	3,418,021	4,070,000	3,515,550
Sub-programme 3	Livestock Resources Management and Development	22,482,009	2,053,145	2,510,000	1,739,740
Sub-programme 4	Fisheries Development	4,172,664	496,620	2,300,000	1,591,100
Sub-programme 5	Veterinary Services	1,016,400	226,800	2,097,580	1,510,045
Sub-programme 6	Agriculture Training Centre	533,587	1,941,200	4,540,000	1350000
Sub-programme 7	Co-operative Development and Marketing	4,789,045	2,611,546	26,183,646	21,875,987
Sub-programme 8	Capacity Building to Co-operative Societies	-	2,642,536		-
Sub-programme 7	Promotion of Co-operative Marketing and Value Chain	-	2,636,830	1,650,000	1,612,000
Sub-programme 8	Co-operative Financial Services	-	3,238,226	1,400,000	1,400,000

Programme/Sub-programme	Programme	Actual Expenditure FY 2020/2021	Actual Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023
Sub-programme 9	Promotion and growth of Co-operative Societies	-	2,654,388	1,162,000	684,224
Sub-programme 10	Co-operative Audit Support Services	-	3,899,400	2,116,000	597,260
<b>TOTAL</b>		<b>156,300,990</b>	<b>408,223,924</b>	<b>312,568,368</b>	<b>276,876,068</b>
<b>WATER, IRRIGATION, ENVIRONMENT AND NATURAL RESOURCES</b>					
Sub-programme 1	Water Supply and Sewerage	8,610,463	15,261,636	4,412,665	4,244,364
Sub-programme 4	General Administration and support services	35,497,678	79,460,226	102,121,324	102,037,382
Sub-programme 5	Environment and Natural Resources	2,740,150	4,416,940	3,233,170	3,233,170
<b>TOTAL</b>		<b>46,848,291</b>	<b>99,138,802</b>	<b>109,767,159</b>	<b>109,514,916</b>
<b>HEALTH AND EMERGENCY SERVICES</b>					
Sub-programme 1	Medical Services	2,394,474,584	3,471,822,090	3,370,520,467	3,369,973,385
Sub-programme 2	Machakos Level 5	323,057,549	368,251,244	357,738,106	345,120,857
Sub-programme 3	Kangundo Level 4	33,967,893	40,668,381	47,712,125	39,256,958
Sub-programme 4	Matuu Level 4	17,430,338	30,141,390	31,423,785	24,482,508
Sub-programme 5	Kathiani Level 4	14,080,730	20,390,798	26,327,763	15,434,341
Sub-programme 6	Mwala Level 4	4,414,163	15,264,384	12,024,971	8,106,031
Sub-programme 7	Kimiti Level 4		5,252,468	4,305,321	2,911,663
Sub-programme 8	Masinga Level 4		3,005,863	4,465,150	2,983,911
Sub-programme 9	Athi River Level 4		3,497,269	4,428,399	3,046,944
Sub-programme 10	Mutituni Level 4		2,023,000	6,428,399	5,046,911
Sub-programme 11	Ndithini Level 4		2,304,916	6,330,071	4,860,275
Sub-programme 12	Kalama Level 4		6,098,578	5,758,494	3,861,665
Sub-programme 13	Emergency Services	6,629,825	7,886,898	5,000,000	5,000,000
Sub-programme 14	Public Health	1,794,927	88,812,328	38,742,655	37,772,583
<b>TOTAL</b>		<b>2,795,850,009</b>	<b>4,065,419,607</b>	<b>3,921,205,706</b>	<b>3,867,858,032</b>
<b>ROADS, TRANSPORT AND PUBLIC WORKS</b>					
Sub-programme 1	Head quarter Administrative services	66,850,629	154,084,740	181,786,711	174,044,742
Sub-programme 2	Road Development and Management	1,789,750	3,540,522	833,214	436,478
Sub-programme 3	County Government Buildings		202,240	113,399	99850
Sub-programme 4	County Fleet Management	27,012,247	37,987,875	72,551,765	71,909,709
<b>TOTAL</b>		<b>95,652,626</b>	<b>195,815,377</b>	<b>255,285,089</b>	<b>246,490,779</b>
<b>EDUCATION, SKILLS TRAINING AND SOCIAL WELFARE</b>					
Sub-programme 1	Head quarter Administrative services	152,494,916	374,566,098	425,661,358	414,943,413
Sub-programme 3	Youth Development Services	-	-	18,500,000	15,319,190
Sub-programme 4	Gender and Social Services	5,225,255	10,812,888	10,000,000	2,594,052
<b>TOTAL</b>		<b>157,720,171</b>	<b>385,378,986</b>	<b>454,161,358</b>	<b>432,856,655</b>
<b>ENERGY, LANDS, HOUSING AND URBAN DEVELOPMENT</b>					
Sub-programme 1	Lands and Physical Planning	31,215,752	65,000,912	54,201,941	54,192,308



Programme/Sub-programme	Programme	Actual Expenditure FY 2020/2021	Actual Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023
Sub-programme 2	Housing and Urban Development	8,467,008	2,987,235	100,444,304	99,900,343
Sub-programme 3	Machakos Municipality	-	7,872,948	5,400,000	5,400,000
Sub-programme 4	Mavoko Municipality	-	7,591,401	7,400,000	7,199,999
Sub-programme 5	Kangundo-Tala Municipality	-	5,108,591	4,400,000	4,391,986
Sub-programme 6	County Electrification	72,185,772	17,927,911	21,546,384	21,541,507
<b>TOTAL</b>		<b>111,868,532</b>	<b>106,488,998</b>	<b>193,392,629</b>	<b>192,626,143</b>
<b>TOURISM, CULTURE, YOUTH AND SPORTS</b>					
Sub-programme 1	General administrative and Support Services	40,627,638	92,220,524	101,958,883	101,950,763
Sub-programme 2	Heritage & Culture	-	1,018,655	1,082,320	1,082,320
Sub-programme 3	Liquor Management	-	350,000	775,970	775,489
Sub-programme 4	Tourism Development and Marketing	30,000	387,031	392,587	392,587
Sub-programme 5	Management of Recreational Facilities	-	-	750,000	745,690
Sub-programme 6	Machawood	1,743,378	1,043,712	2,116,115	2,116,115
Sub-programme 7	County Image Directorate	300,000	1,403,378	1,120,000	1,100,001
Sub-programme 8	Youth Administrative and Support Services	7,386,848	1,155,266	-	-
Sub-programme 9	Stadia Management	-	1,183,046	1,449,952	1,449,952
Sub-programme 10	Youth Empowerment	-	1,131,780	1,364,765	1,364,435
Sub-programme 11	Sports Promotion	-	1,834,790	20,920,000	20,920,000
<b>TOTAL</b>		<b>50,087,864</b>	<b>101,728,182</b>	<b>131,930,592</b>	<b>131,897,352</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>					
Sub-programme 1	Human Resource and Administration	18,951,026	34,202,221	58,718,706	39,691,446
<b>TOTAL</b>		<b>18,951,026</b>	<b>34,202,221</b>	<b>58,718,706</b>	<b>39,691,446</b>
<b>COUNTY ASSEMBLY</b>					
	Legislative Services	881,143,919	911,640,806	1,189,846,181	1,109,670,183
<b>TOTAL</b>		<b>881,143,919</b>	<b>911,640,806</b>	<b>1,189,846,181</b>	<b>1,109,670,183</b>
	<b>GRAND TOTAL</b>	<b>8,334,098,267</b>	<b>8,700,451,134</b>	<b>8,778,234,892</b>	<b>8,398,286,777</b>

## ii. Development Expenditure

Programme/Sub-programme	Expenditure FY 2020/2021	Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023
<b>OFFICE OF THE GOVERNOR</b>				
Co-ordination and Supervisory Services	3,064,372	2,996,800	19,334,385	13,638,038
	<b>3,064,372</b>	<b>2,996,800</b>	<b>19,334,385</b>	<b>13,638,038</b>
<b>PUBLIC SERVICE, QUALITY MANAGEMENT AND ICT</b>				
General Administration and support services	-	1,197,580	47,925,375	42,192,977
ICT Infrastructure	6,454,149		5,262,277	-
	<b>6,454,149</b>	<b>1,197,580</b>	<b>53,187,652</b>	<b>42,192,977</b>
<b>TRADE, INDUSTRIALIZATION AND INNOVATION</b>				
Trade Development	12,190,476	40,016,159	91,989,207	1,357,436
Business and Enterprise Development	4,120,381	1,745,165	30,000,000	4,350,386
Industrial Development	9,178,008	15,901,795	55,971,700	-

Programme/Sub-programme	Expenditure FY 2020/2021	Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023
Investment Promotion	2,950,000			
	<b>28,438,865</b>	<b>57,663,119</b>	<b>177,960,907</b>	<b>5,707,822</b>
<b>FINANCE AND ECONOMIC PLANNING</b>				
General Administration			7,000,000	6,908,173
Revenue Management	17,450,240	9,111,038	83,089,300	26,026,840
Budget Formulation, Coordination and Implementation	1,055,000	-	43,931,500	3,967,082
Audit Services		1,214,702	500,000	318,355
Supply Chain Management		800,000	800,000	771,071
Accounts Services	170,626,246	182,144,471	117,445,544	53,114,880
Economic Planning and Statistical Services	-	-	8,763,885	-
	<b>189,131,486</b>	<b>193,270,211</b>	<b>261,530,229</b>	<b>91,106,401</b>
<b>COUNTY ADMINISTRATION AND DECENTRALIZED UNITS</b>				
General Administration and support services	4,593,283	5,694,448	39,351,961	-
Solid waste management		2,928,150		-
Inspectorate & Fire Fighting Services	1,649,975		1,045,839	979,219
	<b>6,243,258</b>	<b>8,622,598</b>	<b>40,397,800</b>	<b>979,219</b>
<b>AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT</b>				
General Administration and support services	198,003,128	220,795,023	264,739,312	205,975,469
Crop Development and Management	23,345,858	1,000,000	50,010,000	33,664,340
Livestock Resources Management and Development	10,603,431	3,248,730	13,444,000	11,138,997
Fisheries Development	-		4,200,000	1,799,940
Veterinary Services	1,341,522	683,704	36,250,227	1,473,312
Agriculture Training Centre	999,267	-	5,300,000	3,296,728
Co-operative Development and Marketing	-	-	1,214,200	-
Promotion of corporative marketing and value chain	-	-	44,413,851	13,241,918
Promotion and growth of corporative societies	-	-	1,104,276	-
	<b>234,293,206</b>	<b>225,727,457</b>	<b>420,675,866</b>	<b>270,590,704</b>
<b>WATER, IRRIGATION, ENVIRONMENT AND NATURAL RESOURCES</b>				
Water Supply and Sewerage	160,037,680	111,422,614	170,619,199	150,890,703
Water Resources Management and Storage	2,342,503	5,000,000	10,000,000	9,727,115
Irrigation Development and Promotion	156,184,675	25,082,999	53,103,092	47,322,347
General Administration and support services	-	1,031,504	15,683,382	15,248,249
Environment and Natural Resources	26,492,843	44,266,997	233,822,262	69,568,478
	<b>345,057,701</b>	<b>186,804,114</b>	<b>483,227,935</b>	<b>292,756,892</b>
<b>HEALTH AND EMERGENCY SERVICES</b>				
General Administration and planning	76,943,160	29,343,259	372,486,166	94,114,744
Machakos Level 5	232,057,815	24,132,409	156,200,000	87,123,390
Kangundo Level 4	-	7,278,666	11,500,000	2,300,725
Matuu Level 4	-	12,528,016	21,120,000	5,604,904
Kathiani Level 4	-		6,675,130	-
Mwala Level 4	-		7,230,000	-
Athi River Level 4	-		25,000,000	-

Programme/Sub-programme	Expenditure FY 2020/2021	Expenditure FY 2021/2022	Revised Estimates FY 2022/2023	Expenditure FY 2022/2023
Emergency Services	498,992	484,000	15,145,000	-
Public Health and Community Outreach	36,781,531	58,539,759	109,744,985	20,445,249
	<b>346,281,498</b>	<b>132,306,109</b>	<b>725,101,281</b>	<b>209,589,012</b>
<b>ROADS, TRANSPORT AND PUBLIC WORKS</b>				
General Administration and Support Services	54,502,327	64,291,554	67,583,407	66,984,129
Road Development and Management	504,814,105	421,842,571	364,156,664	347,904,074
County Government Buildings Services	172,079,518	77,509,340	135,000,000	117,044,724
County Fleet Management	51,931,343	20,589,322	67,750,000	67,328,270
	<b>783,327,293</b>	<b>584,232,787</b>	<b>634,490,071</b>	<b>599,261,197</b>
<b>EDUCATION, SKILLS TRAINING AND SOCIAL WELFARE</b>				
General Administration and support services	47,403,271	22,593,487	76,674,798	3,678,200
Basic Education	6,240,466		13,150,000	11,030,025
Youth Development Services	80,765,116		136,635,790	31,563,291
Social Services	-		10,000,000	0
	<b>134,408,853</b>	<b>22,593,487</b>	<b>236,460,588</b>	<b>46,271,516</b>
<b>ENERGY, LANDS, HOUSING AND URBAN DEVELOPMENT</b>				
Housing and Urban Development	578,294,332	7,888,236	153,675,950	107,130,795
Lands and Physical Planning	-		3,380,352	2,943,853
County Electrification	20,558,856	31,715,119	91,330,321	85,485,681
	<b>598,853,188</b>	<b>39,603,355</b>	<b>248,386,623</b>	<b>195,560,329</b>
<b>TOURISM, YOUTH, SPORTS AND CULTURE</b>				
Tourism Development and Marketing	19,426,832	4,342,239	11,328,064	3,584,039
Management of Recreational Facilities	6,164,492		40,550,768	17,751,900
Talent Management (Machawood)	-		183,335	-
County Beautification	-		183,335	-
Stadia Management	51,316,625	29,048,229	55,793,458	37,509,980
Sports Management	-	4,020,674	14,473,000	9,789,300
Youth Development Services	887,040	2,700,000	4,478,500	-
	<b>77,794,989</b>	<b>40,111,142</b>	<b>126,990,460</b>	<b>68,635,219</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>				
Human Resource and Administration	-		20,112,751	-
	-	-	<b>20,112,751</b>	-
<b>COUNTY ASSEMBLY</b>				
Legislative Services	134,065,167	137,355,091	318,500,000	22,470,207
	<b>134,065,167</b>	<b>137,355,091</b>	<b>318,500,000</b>	<b>22,470,207</b>
<b>GRAND TOTAL</b>	<b>2,887,414,025</b>	<b>1,632,483,850</b>	<b>3,766,356,548</b>	<b>1,858,759,533</b>

## 22. Challenges faced during implementation:

- i. IFMIS downtimes delaying payments/operations.
- ii. Delays in Exchequer disbursements leading to delays in projects implementation and payments.
- iii. General climate change leading to prolonged drought periods, unreliable and erratic rainfall and increase in temperatures.

- iv. Increase in inflation rates has led to increased cost overruns of programmes/projects against the planned cost hence causing delay in payments.

### **Risk Management Practices**

The County government has put in place effective arrangements for risk management and internal controls. The Internal Audit unit assesses risks in various departments for management action.

The County gazetted The Machakos County Emergency Fund Committee members through gazette number 206 of 15<sup>th</sup> September 2023.

Development of County Disaster Management Policy and established a fully operational emergency and inspectorate department to address emergencies in the County.

### **Market Place Practices**

The County Government of Machakos has operationalized e-procurement through Integrated Financial Management Information System (IFMIS) to enhance transparency and accountability in procurement process from procurement planning, requisition, sourcing, and payment. e-procurement ensures that public procurement of goods and services is done fairly, equitably, transparently, competitively and in a cost-effective manner. IFMIS e-procurement module is linked to an item master which has indicative prices for all commonly used items to ensure that there are no price inflations by procuring entities, thus enhancing value for money.

Further e-procurement has inbuilt approvals at all levels of the procurement process to enhance checks, controls and accountability.

Apart from increasing efficiency in service delivery due to competition, transparency and lower transaction costs, e-procurement system is designed to enable the government increase and monitor government procurement opportunities to the preference groups, including women, youth and differently abled persons.

## CHAPTER THREE

### 3 RECENT ECONOMIC DEVELOPMENTS AND FISCAL OUTLOOK

#### 3.1 Introduction

23. The 2023 County Budget Review Outlook Paper (CBROP) has been prepared against a background of global economic recovery with the fading effects of the COVID-19 pandemic. This is amidst of uncertainties due to the outbreak of the Russia-Ukraine war in 2022 which disrupted this recovery leading to a slowdown in economic activity in Kenya and other nations. Looking forward, Kenya faces several significant risks, including rising commodity prices due to the war and a weakening Kenya Shilling against the US dollar.

#### 3.2 Global Economic Outlook

24. The 2023 County Budget Review Outlook Paper (CBROP) is formulated against the backdrop of a global economic slowdown. In 2022, the real GDP growth rate dropped to 3.4%, down from the 6.0% growth observed in 2021.

25. The deceleration was as a result of the tightening monetary policies in most regions, resurgence of COVID 19 in China and the Russia-Ukraine war that led to supply chain disruptions. The slowdown was experienced by both advanced economies and the Emerging Markets and Developing Economies (EMDEs). Growth in EMDEs was constrained by among other reasons, strengthening of the US Dollar against most currencies and recurrence of COVID-19 that negatively impacted on global supply chain. The world inflation rose from 4.7% in 2021 to 8.7% in 2022 on account of high energy prices, supply chain disruptions associated with Russian-Ukraine war and significant depreciation of most currencies relative to the US dollar.

#### 3.3 Regional Economic Outlook

26. Economic growth in Sub-Saharan Africa decelerated from 4.8% in 2021 to 3.9% in 2022. This is mainly attributed to the COVID-19 pandemic, which affected the region's health systems, trade, tourism, remittances, and investment. The pandemic also reduced the

global demand for the region's commodities, such as oil, metals, and agricultural products.

27. Moreover, the region faced other external shocks, such as the surge in global inflation, which increased the cost of imports and reduced the purchasing power of consumers.

28. The region also experienced supply disruptions due to the conflict between Russia and Ukraine, which affected the availability and prices of energy and fertilizers.

29. Furthermore, the region suffered from climate shocks, such as droughts, floods, and locust invasions, which damaged crops and livestock and worsened food insecurity. These factors combined to lower the economic growth in sub-Saharan Africa in 2022.

30. However, there is some optimism as growth is expected to rebound to 3.7% in 2024 and 3.9% in 2025, indicating that the slowdown may hit its lowest point this year. Nevertheless, these growth rates are not sufficient to effectively combat extreme poverty and promote widespread prosperity in the medium to long term. The gradual recovery of per capita income growth, estimated at 1.2% in the coming year and 1.4% in 2025, still falls short of achieving poverty reduction rates seen in the region before the pandemic.

31. The East African Community (EAC) Gross Domestic Product (GDP) expanded by 4.9% in the period under review against a growth rate of 6.7% in 2021.

### **3.4 Domestic Economic Outlook**

32. In 2022, Kenya experienced a GDP growth rate of 4.8 percent, which was a decrease from the strong rebound of 7.6 percent in 2021 following the COVID-19 crisis. Nominal GDP increased from Ksh. 12,027.7 billion in 2021 to Ksh. 13,368.3 billion in 2022.

33. Agriculture remained the dominant sector accounting for 21.2% of the overall GDP in 2022. Gross National Income (GNI) rose from Ksh. 11,823.5 billion in 2021 to Ksh. 13,163.2 billion in 2022.

34. Despite facing global financial challenges, fuel and food price shocks, and a severe drought in the second half of 2022, Kenya's growth rate remained consistent with its long-term trajectory.
35. The growth was primarily driven by the service sector, contributing 80 percent of the total GDP increase. Key sectors such as financial services, tourism, and transport performed exceptionally well. Notably, Kenya's GDP growth outpaced that of Sub-Saharan Africa, which grew at 3.6 percent in 2022.
36. Kenya's economy demonstrated resilience in the face of multiple crises, including inflationary pressures, exchange rate fluctuations, and food insecurity caused by the historic drought. To navigate this challenging economic environment, Kenya pursued a combination of measures, including greater exchange rate flexibility, fiscal consolidation, and tighter monetary policy.
37. Fiscal consolidation played a crucial role in maintaining macroeconomic stability and supporting inclusive and sustained growth. The Government continued its efforts to address debt sustainability challenges, which had been interrupted by the pandemic, helping to reduce external and domestic imbalances.
38. Looking ahead, the medium-term growth outlook remains positive, with GDP growth expected to stay at around 5 percent in 2023, down from 5.5 and back up to 5.3 percent in 2024 in line with pre-pandemic trends and the country's estimated potential GDP growth rate. Real per capita incomes are projected to grow at approximately 3 percent, and poverty is expected to decrease as well.

### **3.5 County's Economic Outlook**

39. The County economic outlook look promising despite spillover of both the global and domestic economic challenges. As per the 2023 Gross County Product (GCP) Machakos County is one the Counties with a large economy of KSh 378.4 billion in 2022. Further Machakos County is among the top ten counties with the highest Gross County Product per capita in 2022.

40. Over the medium term the economy is expected to grow as a result of various programmes that the Government will implement across all sectors geared towards economic turnaround. Special focus will be placed on; socio-economic empowerment, food and nutrition security, climate change, water Supply, accessibility to universal health care and infrastructure development.
41. This is as outlined in the third generation County Integrated Development Plan (CIDP) 2023-2027, Annual Development Plan 2023-2024, County Fiscal Strategy Paper 2023, and Budget Estimates for FY 2023/2024. The County will continue to enhance its resource mobilization strategies to ensure adequate funds are available for achieving its socio-economic transformation goals.

### **3.6 Risks to the Outlook**

#### **External Risks:**

42. **Weaker Growth in Europe** - One of the external risks to the global economic outlook is the possibility of weaker economic growth in Europe. Europe is a significant trading partner for many countries, and any slowdown in its economy can have ripple effects globally. This is caused by economic uncertainties, political instability, or external shocks. A weaker European economy can lead to reduced demand for exports from other regions, potentially affecting global trade and economic growth.
43. **Rising Global Commodity Prices** - The increase in global commodity prices poses another external risk. Commodity prices, including those for energy, food, and raw materials, can impact inflation and trade balances in various countries. Elevated commodity prices can lead to higher import costs for countries that rely on these commodities, potentially causing inflationary pressures. This, in turn, can prompt central banks to tighten monetary policy to control inflation. For commodity-exporting countries, higher prices can initially boost their revenues but may also lead to economic imbalances and dependency on commodity markets, making them vulnerable to price fluctuations.
44. **Potential Financial Tightening in Advanced Economies** - Financial tightening in advanced economies, characterized by higher interest rates or reduced monetary stimulus, can have global repercussions. Central banks in advanced economies may raise interest rates to combat inflation or address financial stability concerns. Such policy shifts can affect



global capital flows, leading to a reassessment of risk in financial markets. This can impact emerging markets and developing economies, which may experience capital outflows and currency depreciation. Higher interest rates in advanced economies can also increase borrowing costs for Governments, businesses, and households worldwide, potentially affecting investment and consumption.

#### **Domestic Risks:**

45. **High Cost of Living** - High cost of living is a pressing issue which affects prices for essential goods and services thus eroding the purchasing power of households. High living costs can lead to social and political pressures, as citizens may demand policies to alleviate economic hardships.

46. **Sustaining Tax Efforts** - The challenge of sustaining tax efforts is a critical concern in our country, particularly in the context of the Finance Act 2023. The Government has introduced tax reforms and revenue-raising measures to fund public services, social programs, and infrastructure investments. However, the key challenge is to strike a delicate balance between generating revenue necessary for essential services and creating incentives for investment and job creation without burdening businesses and individuals excessively.

47. The Government continues to respond to the adverse impact of these emerging issues through fiscal measures, among them fertilizer subsidies to lower the cost of production, targeted intervention to persons and communities affected by drought and establishment of the Hustler Fund to support growth of MSMEs and individual traders that will correct the market failures of the vast majority of Kenyans at the bottom of the pyramid.

#### **Risks at the County level:**

##### **Delay in Disbursements**

47. Delays in disbursements of funds by the national Government may be a challenge as this may lead to disruptions in implementing programs.

### **Public Expenditure Pressures**

48. Increased public expenditure pressures, particularly wage and other recurrent expenditures, will put a strain to the fiscal space. With the commitment to improve infrastructure within the County e.g. roads and water, the County will put strategies in place to manage recurrent expenditures.

### **Low Agricultural Output**

49. Over the years the County has experienced low agricultural output due to erratic weather patterns leading to depressed livelihood.

## CHAPTER FOUR

### 4.0 RESOURCE ALLOCATION FRAMEWORK

#### 4.1 Implementation of the FY 2023/2024

50. Implementation of the FY 2023/24 budget has begun well with indicators in the first months pointing to meeting the end year target in regards to absorption of funds and improved strategies in revenue collection. The Medium-Term Fiscal Framework (MTFF) for the FY 2024/2025 emphasizes on efficiency and effectiveness of public spending and improving revenue collection to stimulate and sustain economic activities.

#### 4.2 Medium Term Expenditure Framework

51. The 2023/24-2025/26 MTEF builds up on the National Government's efforts to stimulate and sustain economic activity through BETA. The document is framed against a backdrop of global economic slowdown occasioned by the ongoing Russia-Ukraine conflict, elevated global inflation, lingering effects of the COVID-19 pandemic, persistent supply chain disruptions, food security and climate change effects.

52. Allocation of resources in the medium term will therefore be based on;

- i. PFM Act, 2012 principles
- ii. The Medium-Term Plan of Vision 2030
- iii. Equitable share of revenue allocation from the National Government
- iv. Ongoing projects
- v. HE the Governor's Manifesto 2022
- vi. Programmes prioritized in the County Integrated Development Plan (2023-2027)
- vii. Cost effectiveness and sustainability of the programmes
- viii. Annual Development Plan (ADP)
- ix. Budget ceilings allocated by the Commission of Revenue Allocation
- x. Degree to which the programmes address the strategic objectives of the County.
- xi. Degree to which the programmes are addressing the core function and responsibilities of the ministry.

53. To finance FY 2023/2024, the County Treasury projects its revenues at **Kshs. 14.7 billion**. This will comprise Equitable Share of **Kshs.9.5 billion**, Conditional Grants of **Kshs. 1.1 billion**, Hospital Revenues of **Ksh. 1.0 Billion** Own Source Revenue of **Kshs. 3.0 billion** and Disposal of Assets at **Kshs. 0.1billion** representing 65%, 7%, 7%, 20% and 1% of the total revenue respectively. Table 7 below gives the breakdown of County revenue sources and the expenditure allocations for the FY 2023/2024.

**Table 9: Revenue Vs Expenditure FY 2022/2023-FY 2023/2024**

	Revised Estimates FY 2022/2023	Actual Expenditure FY 2022/2023	Budget Execution (%)	Printed Estimates FY 2023/2024	% Allocation
<b>Total Revenue</b>	<b>12,544,591,439</b>	<b>11,969,212,702</b>	<b>95</b>	<b>14,747,002,447</b>	<b>100</b>
Equitable Share	9,895,288,567	9,895,288,567	100	9,547,295,309	65
Returned CRF Issues	-	183,317,018	1	-	-
Conditional Grants	798,691,933	460,815,858	58	1,092,827,676	7
Hospital Revenues	133,492,346	120,317,958	90	1,008,000,000	7
Own Source Revenue	1,717,118,593	1,309,473,301	76	2,998,879,462	20
Asset Disposal	-	-	-	100,000,000	1
<b>Total Expenditure</b>	<b>12,544,591,439</b>	<b>10,257,046,327</b>	<b>82</b>	<b>14,747,002,447</b>	<b>100</b>
<b>Recurrent Vote</b>	<b>8,778,234,893</b>	<b>8,398,286,797</b>	<b>96</b>	<b>9,588,286,517</b>	<b>65</b>
Compensation to Employees	6,078,655,805	5,566,708,303	92	6,364,418,166	43
Use of Goods and Services	2,683,771,146	2,831,578,494	106	3,108,617,929	21
Current Grants	15,807,942	-	-	115,250,422	1
<b>Development Vote</b>	<b>3,766,356,546</b>	<b>1,858,759,530</b>	<b>49</b>	<b>5,158,715,930</b>	<b>35</b>
Acquisition of Assets	2,996,974,260	1,858,759,530	49	4,181,138,677	28
Capital Grants	769,382,286	-	-	977,577,253	7

*Source: Machakos County Treasury, 2023*

## ANNEXES

### Annex 1: Resource Envelope in the Medium Term

Revenue Stream	Printed Revenues FY 2023/2024	Projected Revenues FY 2024/2025	Projected Revenues FY 2025/2026
Equitable Share	9,547,295,309	9,921,609,186	10,403,201,823
Aggregated Industrial Parks Programme	100,000,000	100,000,000	100,000,000
Fertilizer Subsidy Programme	195,350,986	195,350,986	195,350,986
Court Fines	14,436,324	14,436,324	14,436,324
Mineral Royalties	99,716	99,716	99,716
Universal Healthcare in Devolved System Program (DANIDA)	14,148,750	14,148,750	14,148,750
Agricultural Sector Development Support Program (ASDSPID)-SIDA	3,761,966	3,761,966	3,761,966
Kenya Climate Smart Agriculture Project (KCSAP)-World Bank	90,000,000	90,000,000	90,000,000
Aquaculture Business Development Programme (ABDP)-IFAD	15,401,768	15,401,768	15,401,768
Financing Locally Led Climate Change Action Programme (FLLoCA)-World Bank	133,000,000	133,000,000	133,000,000
FLLoCA County Climate Institutional Support Programme (CCISP)-World Bank	11,000,000	11,000,000	11,000,000
Livestock Value Chain Support Project-Poland	35,809,200	35,809,200	35,809,200
National Agricultural Value Chain Development Project (NAVCDP)	250,000,000	250,000,000	250,000,000
Hospital Revenues	1,008,000,000	1,108,800,000	1,219,680,000
Asset Disposal	100,000,000	110,000,000	121,000,000
Leasing of medical equipment	124,723,404	124,723,404	124,723,404
Emergency Locust Response Project (ELRP)	105,095,561	105,095,561	105,095,561
Own Source Revenue	2,998,879,462	3,148,823,435	3,306,264,607
<b>Total</b>	<b>14,747,002,447</b>	<b>15,382,060,297</b>	<b>16,142,974,105</b>

**Annex 2: Medium Term Expenditure by County Entity**

County Entity		Printed Estimates FY 2023/2024	% Allocation	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Office of the Governor	Recurrent	580,874,154	4	616,177,410	687,625,737
	Development	19,578,170	-	20,557,079	21,584,932
	<b>Total</b>	<b>600,452,324</b>	<b>4</b>	<b>636,734,488</b>	<b>709,210,670</b>
County Public Service Board	Recurrent	38,013,709	-	37,730,394	39,616,914
	Development	20,000,000	-	6,000,000	6,300,000
	<b>Total</b>	<b>58,013,709</b>	<b>-</b>	<b>43,730,394</b>	<b>45,916,914</b>
Roads, Transport and Public Works.	Recurrent	247,436,258	2	259,808,071	270,099,974
	Development	711,731,765	5	747,318,353	781,954,271
	<b>Total</b>	<b>959,168,023</b>	<b>7</b>	<b>1,007,126,424</b>	<b>1,052,054,245</b>
Health	Recurrent	4,062,841,432	28	4,264,041,003	4,417,873,428
	Development	994,139,145	7	1,043,846,102	1,087,225,170
	<b>Total</b>	<b>5,056,980,577</b>	<b>34</b>	<b>5,307,887,105</b>	<b>5,505,098,598</b>
Agriculture, Food Security and Co-operative Development.	Recurrent	379,572,813	3	365,369,349	383,637,816
	Development	830,637,413	6	875,844,284	917,011,499
	<b>Total</b>	<b>1,210,210,226</b>	<b>8</b>	<b>1,241,213,632</b>	<b>1,300,649,315</b>
County Assembly	Recurrent	1,008,995,826	7	1,038,532,490	1,087,940,049
	Development	292,000,000	2	273,000,000	286,650,000
	<b>Total</b>	<b>1,300,995,826</b>	<b>9</b>	<b>1,311,532,490</b>	<b>1,374,590,049</b>
Water, Irrigation, Environment and Climate Change	Recurrent	134,088,120	1	129,242,526	135,704,652
	Development	718,500,000	5	738,380,000	747,599,000
	<b>Total</b>	<b>852,588,120</b>	<b>6</b>	<b>867,622,526</b>	<b>883,303,652</b>
Finance, Economic Planning and Revenue Management.	Recurrent	983,253,752	7	1,027,161,188	1,078,519,246
	Development	474,976,422	3	498,725,243	523,661,505
	<b>Total</b>	<b>1,458,230,174</b>	<b>10</b>	<b>1,525,886,431</b>	<b>1,602,180,751</b>
Gender, Youth, Sports and Social Welfare	Recurrent	124,639,769	1	129,821,757	136,312,845
	Development	192,655,003	1	202,287,753	212,402,141
	<b>Total</b>	<b>317,294,772</b>	<b>2</b>	<b>332,109,510</b>	<b>348,714,986</b>
Trade, Industry, Tourism and Innovation.	Recurrent	178,284,115	1	340,505,981	416,158,045
	Development	508,778,732	3	481,907,669	505,003,052
	<b>Total</b>	<b>687,062,847</b>	<b>5</b>	<b>822,413,650</b>	<b>921,161,097</b>
Education	Recurrent	546,786,371	4	574,125,690	602,831,974
	Development	172,729,112	1	181,365,568	190,433,846
	<b>Total</b>	<b>719,515,483</b>	<b>5</b>	<b>755,491,258</b>	<b>793,265,820</b>
Lands, Urban Development, Housing and Energy.	Recurrent	240,766,270	2	235,952,084	247,749,688
	Development	167,755,550	1	174,043,328	182,745,494
	<b>Total</b>	<b>408,521,820</b>	<b>3</b>	<b>409,995,412</b>	<b>430,495,182</b>
Devolution	Recurrent	979,169,215	7	973,842,676	1,022,534,810
	Development	45,934,618	-	48,231,349	50,642,916
	<b>Total</b>	<b>1,025,103,833</b>	<b>7</b>	<b>1,022,074,025</b>	<b>1,073,177,726</b>
County Attorney	Recurrent	83,564,716	1	87,742,952	92,130,099
	Development	9,300,000	-	10,500,000	11,025,000
	<b>Total</b>	<b>92,864,716</b>	<b>1</b>	<b>98,242,952</b>	<b>103,155,099</b>
<b>Total Recurrent</b>		<b>9,588,286,520</b>	<b>65</b>	<b>10,080,053,570</b>	<b>10,618,735,278</b>
<b>Total Development</b>		<b>5,158,715,930</b>	<b>35</b>	<b>5,302,006,727</b>	<b>5,524,238,827</b>

County Entity		Printed Estimates FY 2023/2024	% Allocation	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Total Budget		14,747,002,450	100	15,382,060,297	16,142,974,105

*Source: Machakos County Treasury, 2023*

### Annex 3: Expenditure by Programme in the Medium Term

#### a) Recurrent Expenditure

Programme/Sub-programme	Programme	Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
<b>OFFICE OF THE GOVERNOR</b>				
Sub-programme 1	Coordination and Supervisory Services	309,336,718	332,394,381	356,819,674
Sub-programme 2	Transport Services	31,733,750	33,407,125	38,449,625
Sub-programme 3	Human Resource and Administration Services	55,250,000	56,387,500	57,581,875
Sub-programme 4	ICT Services	22,641,444	23,466,656	24,333,129
Sub-programme 5	Hospitality Services	25,973,355	27,272,023	28,635,624
Sub-programme 6	Cabinet Office	6,493,175	6,756,195	11,905,393
Sub-programme 7	Office of the Deputy Governor	74,457,386	80,392,994	90,889,157
Sub-programme 8	Projects Delivery, Monitoring and Evaluation	-	-	21,078,510
Sub-programme 9	Office of the County Secretary	34,816,786	35,466,200	37,090,584
Sub-programme 10	Office of the County Advisors	20,171,540	20,634,336	20,842,166
<b>TOTAL</b>		<b>580,874,154</b>	<b>616,177,410</b>	<b>687,625,737</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>				
Sub-programme 1	Human Resource and Administration	38,013,709	37,730,394	39,616,914
<b>TOTAL</b>		<b>38,013,709</b>	<b>37,730,394</b>	<b>39,616,914</b>
<b>ROADS, TRANSPORT AND PUBLIC WORKS</b>				
Sub-programme 1	Head quarter Administrative services	196,036,258	205,838,071	216,129,974
Sub-programme 2	Road Development and Management	1,200,000	1,260,000	1,260,000
Sub-programme 3	County Government Buildings Services	10,100,000	10,605,000	10,605,000
Sub-programme 4	County Fleet Management	40,100,000	42,105,000	42,105,000
<b>TOTAL</b>		<b>247,436,258</b>	<b>259,808,071</b>	<b>270,099,974</b>
<b>HEALTH</b>				
Sub-programme 1	General Administration and Support Services	3,418,345,006	3,587,319,756	3,755,495,369
Sub-programme 2	Machakos Level 5	169,429,588	177,901,067	186,796,120
Sub-programme 3	Kangundo Level 4	54,100,000	56,805,000	59,645,250
Sub-programme 4	Matuu Level 4	43,600,000	45,780,000	48,069,000
Sub-programme 5	Kathiani Level 4	58,600,000	61,530,000	64,606,500
Sub-programme 6	Mwala Level 4	43,600,000	45,780,000	48,069,000
Sub-programme 7	Kimiti Level 4	38,600,000	40,530,000	17,088,750
Sub-programme 8	Masinga Level 4	40,600,000	42,630,000	44,761,500
Sub-programme 9	Athi River Level 4	30,600,000	32,130,000	33,736,500
Sub-programme 10	Mutituni Level 4	30,600,000	32,130,000	11,025,000
Sub-programme 11	Ndithini Level 4	30,600,000	32,130,000	33,736,500



<b>Programme/Sub-programme</b>	<b>Programme</b>	<b>Printed Estimates FY 2023/2024</b>	<b>Projected Estimates FY 2024/2025</b>	<b>Projected Estimates FY 2025/2026</b>
Sub-programme 12	Kalama Level 4	30,600,000	32,130,000	33,736,500
Sub-programme 13	Public Health	73,566,838	77,245,179	81,107,438
<b>TOTAL</b>		<b>4,062,841,432</b>	<b>4,264,041,003</b>	<b>4,417,873,428</b>
<b>COUNTY ASSEMBLY</b>				
	Legislative Services	1,008,995,826	1,038,532,490	1,087,940,049
		<b>1,008,995,826</b>	<b>1,038,532,490</b>	<b>1,087,940,049</b>
<b>WATER, IRRIGATION, ENVIRONMENT AND CLIMATE CHANGE</b>				
Sub-programme 1	Water Resources Management	97,924,249	102,820,461	107,961,485
Sub-programme 2	Sewerage System and Sanitation	1,550,000	1,627,500	1,708,875
Sub-programme 3	Irrigation Schemes Development and Promotion	-		
Sub-programme 4	General Administration and support services	3,150,000	3,307,500	3,472,875
Sub-programme 5	Environment and Natural Resources	9,546,172	10,023,481	10,524,655
Sub-programme 6	Climate Change	21,917,699	11,463,584	12,036,763
<b>TOTAL</b>		<b>134,088,120</b>	<b>129,242,526</b>	<b>135,704,652</b>
<b>AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT</b>				
Sub-programme 1	General Administration and support services	342,470,164	326,411,568	342,732,146
Sub-programme 2	Crop Development and Management	2,260,005	2,373,005	2,491,655
Sub-programme 3	Livestock Resources Management and Development	1,366,548	1,434,875	1,506,619
Sub-programme 4	Fisheries Development	1,056,906	1,109,751	1,165,239
Sub-programme 5	Veterinary Services	855,993	898,793	943,732
Sub-programme 6	Agriculture Training Centre	2,614,704	2,745,439	2,882,711
Sub-programme 7	Co-operative Development and Marketing	22,648,493	23,780,918	24,969,964
Sub-programme 8	Capacity Building to Co-operative Societies	1,000,000	1,050,000	1,102,500
Sub-programme 9	Promotion of Co-operative Marketing and Value Chain	1,000,000	1,050,000	1,102,500
Sub-programme 10	Co-operative Financial Services	1,500,000	1,575,000	1,653,750
Sub-programme 11	Promotion and growth of Co-operative Societies	1,250,000	1,312,500	1,378,125
Sub-programme 12	Co-operative Audit Support Services	1,550,000	1,627,500	1,708,875
<b>TOTAL</b>		<b>379,572,813</b>	<b>365,369,349</b>	<b>383,637,816</b>
<b>FINANCE, ECONOMIC PLANNING AND REVENUE MANAGEMENT</b>				
Sub-programme 1	Revenue Management	410,987,593	426,281,722	447,595,808

<b>Programme/Sub-programme</b>	<b>Programme</b>	<b>Printed Estimates FY 2023/2024</b>	<b>Projected Estimates FY 2024/2025</b>	<b>Projected Estimates FY 2025/2026</b>
Sub-programme 2	Budget Formulation, Coordination and Implementation	42,363,780	44,481,969	46,706,067
Sub-programme 3	Supply Chain Management	11,926,490	12,522,815	13,148,955
Sub-programme 4	Accounting Services	42,760,407	44,898,427	47,143,349
Sub-programme 5	Audit Services	9,720,000	10,206,000	10,716,300
Sub-programme 6	Human Resource Management and Support Services	297,973,124	312,871,780	328,515,369
Sub-programme 7	Economic Planning and Statistical Services	39,804,069	41,794,272	43,883,985
Sub-programme 8	Monitoring and Evaluation	9,450,248	9,922,760	10,418,898
Sub-programme 9	External Resources Mobilization	19,449,126	20,421,582	21,442,661
Sub-programme 10	Project Delivery Unit	44,850,000	47,092,500	49,447,125
Sub-programme 11	ICT Support Services	46,300,361	48,615,379	51,046,148
Sub-programme 12	ICT Infrastructure	6,143,554	6,450,732	6,773,268
Sub-programme 13	CCTV	1,525,000	1,601,250	1,681,313
<b>TOTAL</b>		<b>983,253,752</b>	<b>1,027,161,188</b>	<b>1,078,519,246</b>
<b>GENDER, YOUTH, SPORTS AND SOCIAL WELFARE</b>				
Sub-programme 1	Youth and Sports Administrative Services	71,296,382	73,811,201	77,501,761
Sub-programme 2	Stadia Management			
Sub-programme 3	Youth Empowerment			
Sub-programme 4	Sports Promotion			
Sub-programme 5	Gender and Social Welfare Administrative Services	53,343,387	56,010,556	58,811,084
		<b>124,639,769</b>	<b>129,821,757</b>	<b>136,312,845</b>
<b>TRADE, INDUSTRY, TOURISM AND INNOVATION</b>				
Sub-programme 1	Trade Administrative and Support Services	44,797,449	47,126,465	49,482,789
Sub-programme 2	Trade Development	2,715,433	2,851,205	2,993,765
Sub-programme 3	Business and Enterprise Development	10,000,000	100,220,500	150,598,290
Sub-programme 4	Industrialization and Innovation	46,736,010	50,802,811	53,742,951
Sub-programme 5	Investment Promotion	10,000,000	10,000,000	20,000,000
Sub-programme 6	Tourism Administrative and Support Services	58,147,873	95,605,000	102,805,250
Sub-programme 7	Heritage and Culture	999,722	11,000,000	11,625,000
Sub-programme 8	Liquor Management	701,270	1,000,000	1,500,000
Sub-programme 9	Tourism Development and Marketing	887,350	6,000,000	6,300,000

Programme/Sub-programme	Programme	Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Sub-programme 10	Management of Recreational Facilities	1,299,502	4,200,000	4,110,000
Sub-programme 11	Machawood	998,308	10,000,000	10,500,000
Sub-programme 12	County Image	1,001,198	1,700,000	2,500,000
		<b>178,284,115</b>	<b>340,505,981</b>	<b>416,158,045</b>
<b>EDUCATION</b>				
Sub-programme 1	General Administration, Planning and Support Services	536,929,693	563,776,178	591,964,987
Sub-programme 2	Basic Education	9,856,678	10,349,512	10,866,987
<b>TOTAL</b>		<b>546,786,371</b>	<b>574,125,690</b>	<b>602,831,974</b>
<b>LANDS, URBAN DEVELOPMENT, HOUSING AND ENERGY</b>				
Sub-programme 1	Lands and Physical Planning	62,346,321	49,713,637	52,199,319
Sub-programme 2	Housing and Urban Development	98,643,736	102,473,423	107,597,094
Sub-programme 3	Machakos Municipality	17,000,000	17,850,000	18,742,500
Sub-programme 4	Mavoko Municipality	19,000,000	19,950,000	20,947,500
Sub-programme 5	Kangundo-Tala Municipality	15,700,000	16,485,000	17,309,250
Sub-programme 6	County Electrification	28,076,213	29,480,024	30,954,025
<b>TOTAL</b>		<b>240,766,270</b>	<b>235,952,084</b>	<b>247,749,688</b>
<b>DEVOLUTION</b>				
Sub-programme 1	County Administration and Decentralized Units	372,609,131	391,239,588	410,801,567
Sub-programme 2	Civic Engagement	2,750,000	2,887,500	3,031,875
Sub-programme 3	Administration and Co-ordination Services	7,250,000	7,612,500	7,993,125
Sub-programme 4	Solid Waste Management	3,500,000	3,675,000	3,858,750
Sub-programme 5	Inspectorate Services and Management	225,222,199	236,483,309	248,307,474
Sub-programme 6	Emergency Services	19,139,000	20,095,950	21,100,748
Sub-programme 7	Public Service Administration and Support Services	298,357,385	295,425,254	310,196,517
Sub-programme 8	Performance Management	2,500,000	2,625,000	2,756,250
Sub-programme 9	Training, Research and Development	47,841,500	13,798,575	14,488,504
<b>TOTAL</b>		<b>979,169,215</b>	<b>973,842,676</b>	<b>1,022,534,810</b>
<b>COUNTY ATTORNEY</b>				
Sub-programme 1	Legal Services	83,564,716	87,742,952	92,130,099
<b>TOTAL</b>		<b>83,564,716</b>	<b>87,742,952</b>	<b>92,130,099</b>
<b>GRAND TOTAL</b>		<b>9,588,286,520</b>	<b>10,080,053,570</b>	<b>10,618,735,278</b>

Source: Machakos County Treasury, 2023

*b) Development Expenditure*

Programme/Sub-programme		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
<b>OFFICE OF THE GOVERNOR</b>				
Sub-programme 1	Coordination and Supervisory Services	19,578,170	20,557,079	21,584,932
<b>TOTAL</b>		<b>19,578,170</b>	<b>20,557,079</b>	<b>21,584,932</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>				
Sub-programme 1	Human Resource and Administration	20,000,000	6,000,000	6,300,000
<b>TOTAL</b>		<b>20,000,000</b>	<b>6,000,000</b>	<b>6,300,000</b>
<b>ROADS, TRANSPORT AND PUBLIC WORKS</b>				
Sub-programme 1	General Administrative services	71,500,000	75,075,000	78,828,750
Sub-programme 2	Road Development and Management	376,500,000	395,325,000	415,091,250
Sub-programme 3	County Government Buildings Services	191,731,765	201,318,353	211,384,271
Sub-programme 4	County Fleet Management	72,000,000	75,600,000	76,650,000
<b>TOTAL</b>		<b>711,731,765</b>	<b>747,318,353</b>	<b>781,954,271</b>
<b>HEALTH</b>				
Sub-programme 1	General Administration and Support Services	538,872,154	565,815,762	594,106,550
Sub-programme 2	Machakos Level 5	142,000,000	149,100,000	156,555,000
Sub-programme 3	Kangundo Level 4	15,000,000	15,750,000	16,537,500
Sub-programme 4	Matuu Level 4	26,000,000	27,300,000	28,665,000
Sub-programme 5	Kathiani Level 4	12,993,866	13,643,559	5,512,500
Sub-programme 6	Mwala Level 4	23,000,000	24,150,000	25,357,500
Sub-programme 7	Kimiti Level 4	10,000,000	10,500,000	11,025,000
Sub-programme 8	Masinga Level 4	10,000,000	10,500,000	11,025,000
Sub-programme 9	Athi River Level 4	10,000,000	10,500,000	11,025,000
Sub-programme 10	Mutituni Level 4	11,000,000	11,550,000	12,127,500
Sub-programme 11	Ndithini Level 4	21,000,000	22,050,000	23,152,500
Sub-programme 12	Kalama Level 4	10,000,000	10,500,000	11,025,000
Sub-programme 13	Public Health	164,273,125	172,486,781	181,111,120
<b>TOTAL</b>		<b>994,139,145</b>	<b>1,043,846,102</b>	<b>1,087,225,170</b>
<b>COUNTY ASSEMBLY</b>				
	Legislative Services	292,000,000	273,000,000	286,650,000
<b>TOTAL</b>		<b>292,000,000</b>	<b>273,000,000</b>	<b>286,650,000</b>
<b>WATER, IRRIGATION, ENVIRONMENT AND CLIMATE CHANGE</b>				
Sub-programme 1	Water Resources Management	320,000,000	329,700,000	324,135,000

Programme/Sub-programme		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Sub-programme 2	Sewerage System and Sanitation	29,000,000	30,450,000	31,972,500
Sub-programme 3	Irrigation Schemes Development and Promotion	99,561,724	105,539,810	111,816,800
Sub-programme 4	General Administration and support services	-	-	-
Sub-programme 5	Environment and Natural Resources	24,900,000	22,050,000	23,152,500
Sub-programme 6	Climate Change	245,038,276	250,640,190	256,522,200
<b>TOTAL</b>		<b>718,500,000</b>	<b>738,380,000</b>	<b>747,599,000</b>
<b>AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT</b>				
Sub-programme 1	General Administration and support services	562,487,090	590,611,445	620,142,017
Sub-programme 2	Crop Development and Management	122,459,386	128,582,355	132,386,474
Sub-programme 3	Livestock Resources Management and Development	62,852,603	65,995,233	69,294,995
Sub-programme 4	Fisheries Development	17,329,908	18,196,403	19,106,224
Sub-programme 5	Veterinary Services	13,082,928	13,737,074	14,423,928
Sub-programme 6	Agriculture Training Centre	25,000,000	29,925,000	31,421,250
Sub-programme 7	Co-operative Development and Marketing	-	-	-
Sub-programme 8	Promotion of Co-operative Marketing and Value Chain	25,000,000	26,250,000	27,562,500
Sub-programme 9	Promotion and growth of Co-operative Societies	2,425,498	2,546,773	2,674,112
<b>TOTAL</b>		<b>830,637,413</b>	<b>875,844,284</b>	<b>917,011,499</b>
<b>FINANCE, ECONOMIC PLANNING AND REVENUE MANAGEMENT</b>				
Sub-programme 1	General Administration Services			
Sub-programme 2	Revenue Management	122,750,745	128,888,282	135,332,696
Sub-programme 3	Budget Formulation, Coordination and Implementation	93,931,500	98,628,075	103,559,479
Sub-programme 4	Supply Chain Management			
Sub-programme 5	Accounting Services	180,000,000	189,000,000	198,450,000
Sub-programme 6	Audit Services	15,500,000	16,275,000	17,088,750
Sub-programme 7	Economic Planning and Statistical Services	3,000,000	3,150,000	3,307,500
Sub-programme 8	ICT Infrastructure	59,794,177	62,783,886	65,923,080

Programme/Sub-programme		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
<b>TOTAL</b>		<b>474,976,422</b>	<b>498,725,243</b>	<b>523,661,505</b>
<b>GENDER, YOUTH, SPORTS AND SOCIAL WELFARE</b>				
Sub-programme 1	Stadia Management	31,000,000	32,550,000	34,177,500
Sub-programme 2	Youth Empowerment	20,000,000	21,000,000	22,050,000
Sub-programme 3	Sports Promotion	10,000,000	10,500,000	11,025,000
Sub-programme 4	Gender and Social Welfare Administrative Services	131,655,003	138,237,753	145,149,641
<b>TOTAL</b>		<b>192,655,003</b>	<b>202,287,753</b>	<b>212,402,141</b>
<b>TRADE, INDUSTRY, TOURISM AND INNOVATION</b>				
Sub-programme 1	Trade Administrative and Support Services	8,000,000	8,400,000	8,820,000
Sub-programme 2	Trade Development	39,298,083	41,262,987	43,326,137
Sub-programme 3	International Trade	2,000,000	10,000,000	10,500,000
Sub-programme 4	Business and Enterprise Development	12,581,663	28,210,746	29,621,283
Sub-programme 5	Industrialization and Innovation	391,084,984	305,639,233	320,921,195
Sub-programme 6	Tourism Administrative and Support Services	8,164,002	8,572,202	9,000,812
Sub-programme 7	Heritage and Culture	2,450,000	2,572,500	2,701,125
Sub-programme 8	Liquor Management	1,500,000	1,575,000	1,653,750
Sub-programme 9	Tourism Development and Marketing			
Sub-programme 10	Management of Recreational Facilities	21,000,000	22,050,000	23,152,500
Sub-programme 11	Machawood	22,500,000	43,625,000	45,306,250
Sub-programme 12	County Image	200,000	10,000,000	10,000,000
		<b>508,778,732</b>	<b>481,907,669</b>	<b>505,003,052</b>
<b>EDUCATION</b>				
Sub-programme 1	General Administration, Planning and Support Services	35,000,000	36,750,000	38,587,500
Sub-programme 2	Basic Education	90,000,000	94,500,000	99,225,000
Sub-programme 3	Youth Development Services	47,729,112	50,115,568	52,621,346
<b>TOTAL</b>		<b>172,729,112</b>	<b>181,365,568</b>	<b>190,433,846</b>
<b>LANDS, URBAN DEVELOPMENT, HOUSING AND ENERGY</b>				
Sub-programme 1	Lands and Physical Planning	42,755,550	44,893,328	47,137,994
Sub-programme 2	Housing and Urban Development	1,400,000	1,470,000	1,543,500
Sub-programme 3	Machakos Municipality	11,200,000	11,760,000	12,348,000

Programme/Sub-programme		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Sub-programme 4	Mavoko Municipality	11,200,000	11,760,000	12,348,000
Sub-programme 5	Kangundo-Tala Municipality	26,200,000	27,510,000	28,885,500
Sub-programme 6	County Electrification	75,000,000	76,650,000	80,482,500
<b>TOTAL</b>		<b>167,755,550</b>	<b>174,043,328</b>	<b>182,745,494</b>
<b>DEVOLUTION</b>				
Sub-programme 1	Administration and Co-ordination Services	-	-	-
Sub-programme 2	Solid Waste Management	2,205,000	2,315,250	2,431,013
	Emergency Services			
Sub-programme 3	Inspectorate Services	41,729,618	43,816,099	46,006,904
Sub-programme 4	Public Service Administration and Support Services	2,000,000	2,100,000	2,205,000
<b>TOTAL</b>		<b>45,934,618</b>	<b>48,231,349</b>	<b>50,642,916</b>
<b>COUNTY ATTORNEY</b>				
Sub-programme 1	Legal Services	9,300,000	10,500,000	11,025,000
<b>TOTAL</b>		<b>9,300,000</b>	<b>10,500,000</b>	<b>11,025,000</b>
<b>GRAND TOTAL</b>		<b>5,158,715,930</b>	<b>5,302,006,727</b>	<b>5,524,238,827</b>

*Source: Machakos County Treasury, 2023*

#### Annex 4: Expenditure by Sector in the Medium Term

Sector	County Entity		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
Agriculture and Co-operative Development	Co-operatives Development	Recurrent	28,948,493	30,395,918	31,915,714
		Development	27,425,498	28,796,773	30,236,612
		<b>Total</b>	<b>56,373,991</b>	<b>59,192,691</b>	<b>62,152,325</b>
	Livestock & Fisheries	Recurrent	3,279,447	3,443,419	3,615,590
		Development	93,265,439	97,928,711	102,825,146
		<b>Total</b>	<b>96,544,886</b>	<b>101,372,130</b>	<b>106,440,737</b>
	Agriculture & Food Security	Recurrent	347,344,873	331,530,012	348,106,512
		Development	709,946,476	749,118,800	783,949,741
		<b>Total</b>	<b>1,057,291,349</b>	<b>1,080,648,812</b>	<b>1,132,056,253</b>
<b>Sector Sub-Total</b>			<b>1,210,210,226</b>	<b>1,241,213,632</b>	<b>1,300,649,315</b>
Energy, Infrastructure and ICT	Roads & Transport	Recurrent	237,336,258	249,203,071	259,494,974
		Development	520,000,000	546,000,000	570,570,000
		<b>Total</b>	<b>757,336,258</b>	<b>795,203,071</b>	<b>830,064,974</b>
	Urban Development & Housing	Recurrent	150,343,736	156,758,423	164,596,344
		Development	50,000,000	52,500,000	55,125,000
		<b>Total</b>	<b>200,343,736</b>	<b>209,258,423</b>	<b>219,721,344</b>
	Public Works	Recurrent	10,100,000	10,605,000	10,605,000
		Development	191,731,765	201,318,353	211,384,271
		<b>Total</b>	<b>201,831,765</b>	<b>211,923,353</b>	<b>221,989,271</b>
	Energy	Recurrent	28,076,213	29,480,024	30,954,025
		Development	75,000,000	76,650,000	80,482,500
		<b>Total</b>	<b>103,076,213</b>	<b>106,130,024</b>	<b>111,436,525</b>
	ICT	Recurrent	53,968,915	56,667,361	59,500,729
		Development	59,794,177	62,783,886	65,923,080
		<b>Total</b>	<b>113,763,092</b>	<b>119,451,247</b>	<b>125,423,809</b>
<b>Sector Sub-Total</b>			<b>1,376,351,064</b>	<b>1,441,966,118</b>	<b>1,508,635,924</b>
Commercial, Tourism and Labour Affairs	Trade	Recurrent	47,512,882	49,977,670	52,476,554
		Development	61,879,746	87,873,733	92,267,420
		<b>Total</b>	<b>109,392,628</b>	<b>137,851,403</b>	<b>144,743,974</b>
	Industry and Innovation	Recurrent	46,736,010	50,802,811	53,742,951
		Development	391,084,984	305,639,233	320,921,195
		<b>Total</b>	<b>437,820,994</b>	<b>356,442,044</b>	<b>374,664,146</b>
	Small & Medium Enterprise Development	Recurrent	20,000,000	110,220,500	170,598,290
		Development	12,581,663	28,210,746	29,621,283
		<b>Total</b>	<b>32,581,663</b>	<b>138,431,246</b>	<b>200,219,573</b>
Tourism	Recurrent	61,035,995	106,805,000	114,715,250	



Sector	County Entity		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
		Development	30,664,002	32,197,202	33,807,062
		<b>Total</b>	<b>91,699,997</b>	<b>139,002,202</b>	<b>148,522,312</b>
<b>Sector Sub-Total</b>			<b>671,495,282</b>	<b>771,726,896</b>	<b>868,150,005</b>
<b>Health</b>	Health	Recurrent	4,062,841,432	4,264,041,003	4,417,873,428
		Development	994,139,145	1,043,846,102	1,087,225,170
		<b>Total</b>	<b>5,056,980,577</b>	<b>5,307,887,105</b>	<b>5,505,098,598</b>
<b>Public Administration</b>	Office of the Governor	Recurrent	580,874,154	616,177,410	687,625,737
		Development	19,578,170	20,557,079	21,584,932
		<b>Total</b>	<b>600,452,324</b>	<b>636,734,488</b>	<b>709,210,670</b>
	Finance	Recurrent	404,743,801	424,980,991	446,230,040
		Development	289,431,500	303,903,075	319,098,229
		<b>Total</b>	<b>694,175,301</b>	<b>728,884,066</b>	<b>765,328,269</b>
	Economic Planning	Recurrent	68,703,443	72,138,614	75,745,544
		Development	3,000,000	3,150,000	3,307,500
		<b>Total</b>	<b>71,703,443</b>	<b>75,288,614</b>	<b>79,053,044</b>
	Public Service and Performance Management	Recurrent	348,698,885	311,848,829	327,441,271
		Development	2,000,000	2,100,000	2,205,000
		<b>Total</b>	<b>350,698,885</b>	<b>313,948,829</b>	<b>329,646,271</b>
	County Attorney	Recurrent	83,564,716	87,742,952	92,130,099
		Development	9,300,000	10,500,000	11,025,000
		<b>Total</b>	<b>92,864,716</b>	<b>98,242,952</b>	<b>103,155,099</b>
	County Public Service Board	Recurrent	38,013,709	37,730,394	39,616,914
		Development	20,000,000	6,000,000	6,300,000
		<b>Total</b>	<b>58,013,709</b>	<b>43,730,394</b>	<b>45,916,914</b>
County Administration and Decentralized Units	Recurrent	379,859,131	398,852,088	418,794,692	
	Development	-	-	-	
	<b>Total</b>	<b>379,859,131</b>	<b>398,852,088</b>	<b>418,794,692</b>	
Public Participation & Civic Engagement	Recurrent	2,750,000	2,887,500	3,031,875	
	Development	-	-	-	
	<b>Total</b>	<b>2,750,000</b>	<b>2,887,500</b>	<b>3,031,875</b>	
County Assembly	Recurrent	1,008,995,826	1,038,532,490	1,087,940,049	
	Development	292,000,000	273,000,000	286,650,000	
	<b>Total</b>	<b>1,300,995,826</b>	<b>1,311,532,490</b>	<b>1,374,590,049</b>	
Project Delivery Unit	Recurrent	44,850,000	47,092,500	49,447,125	
	Development	-	-	-	
	<b>Total</b>	<b>44,850,000</b>	<b>47,092,500</b>	<b>49,447,125</b>	

Sector	County Entity		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026	
	Revenue Management	Recurrent	410,987,593	426,281,722	447,595,808	
		Development	122,750,745	128,888,282	135,332,696	
		<b>Total</b>	<b>533,738,338</b>	<b>555,170,004</b>	<b>582,928,504</b>	
	County Image	Recurrent	1,001,198	1,700,000	2,500,000	
		Development	200,000	10,000,000	10,000,000	
		<b>Total</b>	<b>1,201,198</b>	<b>11,700,000</b>	<b>12,500,000</b>	
	Inspectorate and Emergency Services	Recurrent	244,361,199	256,579,259	269,408,222	
		Development	41,729,618	43,816,099	46,006,904	
		<b>Total</b>	<b>286,090,817</b>	<b>300,395,358</b>	<b>315,415,126</b>	
<b>Sector Sub-Total</b>		<b>4,417,393,688</b>	<b>4,524,459,284</b>	<b>4,789,017,638</b>		
<b>Education and Social Welfare</b>	Education	Recurrent	546,786,371	574,125,690	602,831,974	
		Development	125,000,000	131,250,000	137,812,500	
		<b>Total</b>	<b>671,786,371</b>	<b>705,375,690</b>	<b>740,644,474</b>	
	Youth and Sports	Recurrent	72,294,690	83,811,201	88,001,761	
		Development	131,229,112	157,790,568	165,180,096	
		<b>Total</b>	<b>203,523,802</b>	<b>241,601,769</b>	<b>253,181,857</b>	
	Gender and Social Welfare	Recurrent	53,343,387	56,010,556	58,811,084	
		Development	131,655,003	138,237,753	145,149,641	
		<b>Total</b>	<b>184,998,390</b>	<b>194,248,309</b>	<b>203,960,725</b>	
	Heritage and Culture	Recurrent	999,722	11,000,000	11,625,000	
		Development	2,450,000	2,572,500	2,701,125	
		<b>Total</b>	<b>3,449,722</b>	<b>13,572,500</b>	<b>14,326,125</b>	
	<b>Sector Sub-Total</b>		<b>1,063,758,285</b>	<b>1,154,798,268</b>	<b>1,212,113,181</b>	
	<b>Water and Irrigation</b>	Water	Recurrent	101,074,249	106,127,961	111,434,360
			Development	320,000,000	329,700,000	324,135,000
<b>Total</b>			<b>421,074,249</b>	<b>435,827,961</b>	<b>435,569,360</b>	
Irrigation		Recurrent	-	-	-	
		Development	99,561,724	105,539,810	111,816,800	
		<b>Total</b>	<b>99,561,724</b>	<b>105,539,810</b>	<b>111,816,800</b>	
<b>Sector Sub-Total</b>		<b>520,635,973</b>	<b>541,367,771</b>	<b>547,386,160</b>		
<b>Land, Environment and Natural Resources</b>	Lands and Physical Planning	Recurrent	62,346,321	49,713,637	52,199,319	
		Development	42,755,550	44,893,328	47,137,994	
		<b>Total</b>	<b>105,101,871</b>	<b>94,606,965</b>	<b>99,337,313</b>	
	Environment and Natural Resources	Recurrent	9,546,172	10,023,481	10,524,655	
		Development	24,900,000	22,050,000	23,152,500	
		<b>Total</b>	<b>34,446,172</b>	<b>32,073,481</b>	<b>33,677,155</b>	
		Recurrent	21,917,699	11,463,584	12,036,763	

Sector	County Entity		Printed Estimates FY 2023/2024	Projected Estimates FY 2024/2025	Projected Estimates FY 2025/2026
	Climate Change	Developmen t	245,038,276	250,640,190	256,522,200
		<b>Total</b>	<b>266,955,975</b>	<b>262,103,774</b>	<b>268,558,963</b>
	Hygiene and Sanitation	Recurrent	5,050,000	5,302,500	5,567,625
		Developmen t	31,205,000	32,765,250	34,403,513
		<b>Total</b>	<b>36,255,000</b>	<b>38,067,750</b>	<b>39,971,138</b>
<b>Sector Sub-Total</b>		<b>442,759,018</b>	<b>426,851,969</b>	<b>441,544,568</b>	
<b>TOTAL RECURRENT</b>		<b>9,588,286,520</b>	<b>10,080,053,570</b>	<b>10,618,735,278</b>	
<b>TOTAL DEVELOPMENT</b>		<b>5,158,715,930</b>	<b>5,302,006,727</b>	<b>5,524,238,827</b>	
<b>Total County Budget.</b>			<b>14,747,002,44 7</b>	<b>15,382,060,297</b>	<b>16,142,974,105</b>

*Source: Machakos County Treasury, 2023*

## Annex 5: Machakos County Sector Composition

Sector	County Entity
<b>Agriculture and Cooperative Development</b>	<ul style="list-style-type: none"> <li>• Agriculture and Food Security</li> <li>• Livestock and Fisheries Development</li> <li>• Co-operatives Development</li> </ul>
<b>Energy, Infrastructure and ICT</b>	<ul style="list-style-type: none"> <li>• Roads and Transport</li> <li>• Public Works</li> <li>• Urban Development and Housing</li> <li>• Energy and Electrification</li> <li>• Information, Communication Technology Infrastructure</li> </ul>
<b>Commercial, Tourism and Labour Affairs</b>	<ul style="list-style-type: none"> <li>• Trade and External Relations</li> <li>• Industry and Innovation</li> <li>• Small and Medium Enterprise Development</li> <li>• Digital Economy</li> <li>• Tourism</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• Medical Services</li> <li>• Public Health</li> <li>• Health Facilities and Infrastructure Development</li> </ul>
<b>Education, Youth and Social Welfare</b>	<ul style="list-style-type: none"> <li>• ECDE</li> <li>• Vocational Training</li> <li>• Gender and Social Welfare</li> <li>• Youth and Sports</li> </ul>
<b>Public Administration</b>	<ul style="list-style-type: none"> <li>• Office of the Governor</li> <li>• Finance</li> <li>• Economic Planning</li> <li>• Revenue Management</li> </ul>

Sector	County Entity
	<ul style="list-style-type: none"> <li>• Public Service and Performance Management</li> <li>• County Public Service Board</li> <li>• County Administration and Decentralized Units</li> <li>• Inspectorate, Firefighting and Emergency Services</li> <li>• Public Participation and Civic Engagement</li> <li>• Public Communication and E-Government</li> <li>• County Assembly</li> <li>• County Attorney</li> <li>• Project Delivery Unit</li> <li>• County Image</li> </ul>
<b>Water and Irrigation</b>	<ul style="list-style-type: none"> <li>• Water and Irrigation</li> </ul>
<b>Land, Environment and Natural Resources</b>	<ul style="list-style-type: none"> <li>• Lands and Physical Planning</li> <li>• Environment</li> <li>• Climate Change</li> <li>• Sewerage, Sanitation and Waste Management</li> </ul>

*Source: Machakos County Integrated Development Plan 2023-2027*

## Annex 6: Machakos County Budget Calendar FY 2024/2025

No.	Activity	Responsibility	Timeline
1.	Issue guidelines for preparation of FY 2024/2025 and Medium-Term County Budget Estimates <i>(Sec. 128 (2))</i>	County Executive Committee Member for Finance (CECMF)	30 <sup>th</sup> August 2023
2.	Submission of Annual Development Plan (ADP) for FY 2024/2025 to the County Assembly for approval <i>(Sec. 126 (3))</i>	CECM responsible for Planning	1 <sup>st</sup> September, 2023
3.	Submission of CBROP-2023 to County Executive Committee <i>(Sec. 118 (1b))</i>	County Treasury	30 <sup>th</sup> September 2023
4.	Approval of CBROP 2023 <i>(Sec. 118 (3))</i>	County Executive Committee	14 <sup>th</sup> October, 2023
5.	Submission of CBROP-2023 to County Assembly <i>(Sec. 118 (4))</i>	County Treasury	21 <sup>st</sup> October, 2023
6.	Submission of CFSP- 2024 to County Executive Committee	County Treasury	14 <sup>th</sup> February, 2024
7.	Submission of CFSP-2024 to County Assembly <i>(Sec. 117 (1))</i>	County Treasury	28 <sup>th</sup> February, 2024
8.	Approval of CFSP-2024 <i>(Sec. 117(6) &amp; Reg. 30 (4))</i>	County Assembly	15 <sup>th</sup> March, 2024
9.	Submission of Budget Proposals for FY 2024/2025 to County Treasury <i>(Reg. 30(6))</i>	Accounting Officers	10 <sup>th</sup> April, 2024
10	Submission of Budget Estimates for FY 2024/2025 to County Executive Committee <i>(Sec. 129 (1) &amp; Reg. 30(7))</i>	County Treasury	20 <sup>th</sup> April, 2024
11	Submission of Budget Estimates for FY 2023/2024 to County Assembly <i>(Sec. 129 (2a) &amp; Reg. 30(8))</i>	CECMF	30 <sup>th</sup> April, 2024
12	Submission of County Finance Bill to County Assembly <i>(Sec. 132 (2))</i>	CECMF	June, 2024
13	Approval of the Budget Estimates for FY 2024/2025 <i>(Sec. 131 (1))</i>	County Assembly	30 <sup>th</sup> June, 2024
14	Approval of Finance Bill 2024 <i>(Sec. 133)</i>	County Assembly	30 <sup>th</sup> September, 2024

Source: PFM Act 2012