



THE COUNTY TREASURY  
DEPARTMENT OF FINANCE, ICT AND ECONOMIC PLANNING

## 2026 COUNTY FISCAL STRATEGY PAPER

*Promoting Sustainable and Inclusive Growth for Socio-Economic  
Development*

*FEBRUARY 2026*

DRAFT

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## FOREWORD

The County Fiscal Strategy Paper (CFSP) is a key policy and planning instrument that provides the strategic foundation for the preparation of the County Government's budget for the Financial Year 2026/2027 and the Medium-Term Expenditure Framework (MTEF) period. In accordance with Section 117 of the Public Finance Management Act, 2012, this document sets out the County Government's broad fiscal priorities, policy objectives, and financial framework, while ensuring adherence to the principles of fiscal responsibility as enshrined in the Constitution of Kenya, 2010.

This 2026 County Fiscal Strategy Paper is the fourth to be prepared under the current administration and reflects the continued commitment of the County Treasury to prudent fiscal management, efficient allocation of public resources, and sustainable service delivery. The document builds on the progress achieved in the implementation of the 2023–2027 County Integrated Development Plan (CIDP) and provides a clear policy direction to guide budgeting and expenditure decisions in a period characterized by constrained fiscal space and rising demand for public services.

The preparation of this CFSP was undertaken through an inclusive and consultative process in line with statutory requirements. The views received during these consultations were carefully considered and have informed the policy choices and fiscal strategies articulated in this document. This participatory approach reinforces transparency, accountability, and public ownership of the county's development agenda.

The 2026 CFSP is aligned with the national macroeconomic framework and the 2026 Budget Policy Statement, ensuring coherence between national and county fiscal and development priorities. It outlines the county's strategic response to prevailing economic conditions, revenue performance trends, expenditure pressures, and fiscal risks, while proposing measures to enhance revenue mobilization, improve expenditure efficiency, and maintain fiscal sustainability over the medium term.

In recognition of the need to promote inclusive and resilient growth, the CFSP prioritizes strategic investments in seven key thematic areas with the greatest potential to drive socio-economic transformation. These include agricultural transformation and inclusive growth, healthcare, education with emphasis on early childhood development and vocational training, infrastructure development, the Micro, Small and Medium Enterprise (MSME) economy, manufacturing, and water supply, environmental conservation, and climate change action. These priorities are designed to stimulate economic recovery, enhance productivity, create employment opportunities, and improve the quality of life for the people of Kiambu County.

The County Treasury remains committed to ensuring that public resources are allocated in a manner that delivers maximum value for money, while safeguarding fiscal discipline. In this regard, the CFSP emphasizes fiscal consolidation, rationalization of recurrent expenditure, prioritization of high-impact development programmes, and strengthening of public financial management systems. Particular attention has been

given to identifying and managing fiscal risks that could adversely affect budget implementation and service delivery.

As the County Government moves forward with the preparation of the FY 2026/2027 budget and the medium-term estimates, the County Treasury will continue to work closely with the County Executive Committee, the County Assembly, development partners, and all stakeholders to ensure effective implementation of the strategies outlined in this CFSP. The success of this fiscal strategy will depend on sustained collaboration, adherence to approved policy priorities, and continued commitment to accountability and good governance.

I wish to express my appreciation to all stakeholders who contributed to the preparation of this document and reaffirm the County Treasury's dedication to supporting the County Government's development agenda through sound fiscal policy and responsible financial management. Together, we shall continue to lay a strong foundation for sustainable growth, inclusive development, and improved livelihoods for all residents of Kiambu County.

**NANCY KIRUMBA**  
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## ACKNOWLEDGEMENT

The 2026 County Fiscal Strategy Paper (CFSP) has been prepared in accordance with the provisions of the Public Finance Management Act, 2012. The Paper sets out the County Government's medium-term fiscal and budgetary policy priorities, taking into account the prevailing macroeconomic conditions and the fiscal outlook. It provides the basis for the preparation of the FY 2026/2027 Budget and the Medium-Term Expenditure Framework, consistent with the principles of fiscal responsibility.

The County Government remains committed to prudent fiscal management and the pursuit of sustainable and inclusive economic growth. However, budget execution during the second quarter of FY 2025/2026 was constrained by delays in exchequer releases from the National Treasury. In addition, underperformance in own-source revenue and emerging expenditure pressures adversely affected cash flow management and the timely implementation of the approved budget.

In response to these developments, and in order to safeguard fiscal discipline and ensure continuity in service delivery, the fiscal framework for FY 2025/2026 was revised through Supplementary Estimates No. 1, in line with the County Allocation of Revenue Act, 2026 (CARA). These measures were necessary to align expenditure with available resources while maintaining progress towards the County's fiscal consolidation objectives.

The fiscal and policy measures proposed in the 2026 CFSP are aimed at strengthening macro-fiscal stability, enhancing efficiency in public spending, improving the business and investment environment, and supporting the delivery of priority programmes. The County will continue to pursue a tight fiscal stance to contain fiscal risks, particularly the accumulation of pending bills, while implementing reforms to strengthen own-source revenue performance. Expenditure rationalisation will be sustained, with emphasis on prioritisation, expenditure controls, and improved value for money in public service delivery.

The preparation of this Policy Statement was undertaken through a consultative and coordinated process involving all County departments, whose technical inputs were critical to its completion. The County Treasury also acknowledges the contributions received from stakeholders and members of the public during the public participation process. Special appreciation is extended to the County Treasury technical team for their professionalism and dedication in coordinating and finalising the 2026 County Fiscal Strategy Paper.

**Zachary Gitau,**  
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## ABBREVIATIONS

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

## *About CFSP*

### **Overview**

1. The County Fiscal Strategy Paper (CFSP) is a government policy document that sets out the broad strategic priorities and policy objectives that guide the County government in preparation of the budget for the subsequent financial year and over the medium-term.
2. The document is prepared in accordance with Section 117 of the PFM Act, 2012 which requires the County Treasury to prepare and submit the County Fiscal Strategy Paper to the County Executive Committee for approval. The Preparation of the CFSP is a consultative process that entails seeking and considering the views of: The Commission on Revenue Allocation (CRA), the public, any other interested persons or groups, and any other forum that is established by legislation.
3. This document adheres to the principles of fiscal responsibility demonstrating prudent, efficient and transparent management of public resources in line with the Constitution of Kenya and the Public Finance Management (PFM) Act of 2012. Additionally, the document is aligned with the 2026 Budget Policy Statement (BPS) prepared by the National Government.
4. Upon approval, the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly by the 28th of February each year. The County Assembly is then required to table and discuss the approved County Fiscal Strategy Paper within 14 days of submission; and may adopt it with or without amendments. Subsequently, the County Executive Committee Member for finance shall consider recommendations made by the County Assembly in finalizing the budget for the FY 2026/2027 and the medium term.
5. The 2026 County Fiscal Strategy Paper contains:
  - a. The broad strategic priorities and policy goals of the County Government;
  - b. An assessment of the current state of the economy, including macroeconomic forecasts;
  - c. The financial outlook with respect to County Government revenue and expenditures for the next financial year and over the medium term;
  - d. The fiscal responsibility principles and financial objectives to be pursued over the medium term; and
  - e. A statement of Specific Fiscal Risks.

## 1.0 PROMOTING SUSTAINABLE AND INCLUSIVE GROWTH FOR SOCIO-ECONOMIC DEVELOPMENT

### 1.1. Preamble

6. The 2026 County Fiscal Strategy Paper, the fourth prepared under Governor WA Matangi's administration, highlights the progress made in implementing the strategic initiatives outlined in the 2023-2027 County Integrated Development Plan (CIDP). The CIDP is a five-year planning document that sets forth priority policies and strategies aimed at sustaining inclusive growth and driving socio-economic transformation within the county from 2023 to 2027. These priorities are aligned with the Governor's manifesto and are central to the objectives of the approved CIDP for the period. The CIDP places a strong emphasis on key areas such as poverty alleviation, education, empowerment of youth and women, and support for the elderly. These priorities are designed to ensure balanced, prudent, and sustainable development throughout Kiambu County.
7. At the national level, the National Government continues to implement policies and interventions aimed at reducing the cost of living and improving livelihoods, while promoting sustainable and inclusive economic transformation through the Bottom-Up Economic Transformation Agenda. These efforts are designed to reverse the economic recession and stimulate economic recovery. This Development Agenda emphasizes the importance of managing the cost of living through well-functioning markets to boost productivity, ensure the availability of goods and services, and make them more affordable for all citizens. The National Government has recognized significant market failures in sectors that once supported the economy. Consequently, targeted interventions have been identified in five core priority areas: i) Agricultural Transformation and Inclusive Growth; ii) Micro, Small, and Medium Enterprise (MSME) Economy; iii) Housing and Settlement; iv) Healthcare; and v) Digital Superhighway and Creative Industry.
8. The National Government has made significant progress in the core pillars of the Bottom-Up Economic Transformation Agenda (BETA). Key achievements include:
  - i) **Food Security and Cost of Living Reduction:** To ensure food security and reduce the cost of living, the Government has continued to roll out fertilizer and seed subsidies for farmers nationwide. These subsidies have helped farmers increase production in key food value chains and revive struggling export crops. Over

the medium term the fertilizer subsidy programme reached 3.15 million farmers, achieving 62 percent cost reduction from Ksh 6,500 to Ksh 2,500 per bag. Maize production increased 95 percent from 34 million bags in 2022 to 67 million bags by 2024, with projections of 70 million bags in 2025. National milk production surpassed 5 billion liters annually through artificial insemination services reaching over 1 million livestock. The success was driven using technology, including an integrated digital platform that registered over 6 million farmers.

- ii) **Transforming the micro, small and Medium Enterprise (MSME) Economy:** The Micro, Small and Medium Enterprises (MSME) sector remains the backbone of Kenya's economy, accounting for 98 percent of all businesses, providing 84 percent of total employment (approximately 14.9 million jobs), and contributing 40 percent to GDP. The sector spans informal home-based enterprises, artisans, mechanics, tailors, carpenters, fabricators, and medium-sized formal enterprises. As of December 2024, Ksh 6.43 billion had been advanced to 4,198 MSMEs across 46 counties and 12 economic sectors through the Credit Guarantee Scheme, supporting 26,714 jobs. Between 2022 and 2025, the Government disbursed Ksh 72 billion through the Financial Inclusion Fund and Ksh 4.86 billion in industrial credit via Stawi and Inua Biashara, creating thousands of jobs in manufacturing and value-added agricultural processing.

- iii) **Universal Health Coverage:** In pursuit of universal health coverage, the Government replaced the National Health Insurance Fund with Taifa Care and established the Social Health Authority (SHA). The SHA administers three essential funds, including the Social Health Insurance Fund (SHIF), ensuring that every Kenyan, particularly the most vulnerable, can access quality healthcare services. SHIF empowers citizens to contribute towards accessing a wide range of healthcare benefits.

Between 2022 and 2025, the Government has implemented strategic interventions to strengthen primary healthcare, expand health infrastructure, improve service delivery, and ensure sustainable financing. A key achievement is the enrolment of over 27 million Kenyans have so far enrolled in the Social Health Authority by 2025, representing more than 200 percent growth from fewer than 9 million under NHIF, with over 21 million entirely new members.

The Government has also deployed 107,831 Community Health Promoters supporting 8.8 million households and established 228 Primary Care Networks, sponsored approximately 2.49 million vulnerable households; and established 228 Primary Healthcare Networks (PHCNs) across all 47 counties, out of a target of 315 networks. These networks integrate community health units, dispensaries, health centers, and hospitals, facilitating seamless referrals, continuity of care, and coordinated health service delivery. Disease control achievements include 89 percent tuberculosis treatment success, 80 percent immunization coverage, and 1.4 million people on antiretroviral therapy. Kenya BioVax Institute achieved 90 percent completion while KEMRI developed 638 research proposals and published 1,501 papers.

- iv) **Affordable Housing:** Between 2022 and 2025, progress has been realized in provision of affordable houses under the Affordable Housing Programme. Currently, 214,057 housing units are under construction across all 47 counties, marking significant progress toward national housing objectives. Completed units include: 605 units in Bondeni; 1,080 units in Mukuru; 110 units in Homabay; and 390 institutional units across various counties. Ongoing projects include: 83,044 affordable units (32 percent completion); 44,803 social housing units (17 percent completion); and 11,527 institutional units (22 percent completion). To date, 1,189 units have been handed over to beneficiaries. Additional progress includes packaging 178,000 student beds for universities, TVETs, and KMTCS, with 74,000 under construction. This is to enhance access to affordable housing and low-cost mortgages.
- v) **Digital Transformation:** To drive digital transformation, the Government has expanded last-mile fiber-optic connectivity by leveraging the extensive Kenya Power transmission lines network, reaching remote and underserved areas. From 2022 to 2025, digital transformation accelerated with 24,000 kilometers of fiber optic cable added, expanding total infrastructure to 80,633 kilometers. This comprise of 30,454 kilometers of public sector fiber up from 22,486 kilometers in 2022 and 50,179 kilometers of private sector fiber, reflecting substantial investment in nationwide broadband capacity. Under the National Optic Fiber

Backbone, 7,152 kilometers of fiber have been installed, connecting 82 hospitals and 1,114 public institutions to high-speed internet.

To support widespread access and digital inclusion, the Government established 404 digital hubs and distributed 21,372 devices to enhance digital access and expand training opportunities. In addition, 1,578 JiConnect public Wi-Fi hotspots have been rolled out in markets, town centers, bus stages, and public facilities, growing from zero hotspots in 2022 to nearly 1,500 by 2025.

9. The County Government remains committed to collaborating with the National Government in implementing this transformative agenda, which fosters sustainable and inclusive growth. So far, several policies and programs have been successfully executed to accelerate and sustain this progress, including:

- Boosting investment in key economic sectors to drive sustainable recovery, with a focus on agricultural transformation, manufacturing growth, environmental conservation, water supply, and sustainable land management.
- Expanding critical infrastructure such as roads, water, and ICT to create a business-friendly environment.
- Enhancing access to quality social services in health, education, and social safety nets for vulnerable populations.
- Empowering youth, women, and persons with disabilities through County Government-funded programs that offer training and non-interest loans (revolving funds).
- Implementing policy, legal, and institutional reforms to improve public service efficiency.

10. Through a range of priority economic policies, structural reforms, fiscal consolidation plans, and sectoral expenditure programs outlined in this 2026 CFSP, the County Government is making decisive efforts to tackle these challenges and enhance resilience to shocks, aligning with its strategy for socio-economic transformation and inclusive growth. Over the medium term, guided by the County Integrated Development Plan (2023-2027), the County Government will focus on implementing economic recovery strategies to steer the economy toward a stable and sustainable growth path.

## 1.2. Core Thematic Areas

11. Through a range of priority economic policies, structural reforms, fiscal consolidation plans, and sectoral expenditure programs outlined in this 2026 CFSP, the County Government is making decisive efforts to tackle these challenges and enhance resilience to shocks, aligning with its strategy for socio-economic transformation and inclusive growth. Over the medium term, guided by the County Integrated Development Plan (2023-2027), the County Government will focus on implementing economic recovery strategies to steer the economy toward a stable and sustainable growth path.
12. The County Government will implement policies, structural reforms, and strategic investments in seven key thematic areas with the highest potential impact. These include:
- **Agricultural Transformation and Inclusive Growth**
  - **Healthcare**
  - **Education**, focusing on early childhood development, vocational training centers, and social protection
  - **Infrastructure Development** to drive inclusive growth
  - **Micro, Small, and Medium Enterprise (MSME) Economy** and employment creation
  - **Manufacturing**
  - **Water Supply, Environmental Conservation, and Climate Change Actions**

### 1.2.1. Agricultural Transformation and Inclusive Growth

13. The majority of the county's population relies on agriculture, either directly or indirectly, making it the sector with the highest employment multiplier effect and the greatest impact on job creation, particularly for economically excluded groups. Recognizing its critical role in sustaining livelihoods, the County Government has undertaken targeted interventions and increased investments to transform the sector. These efforts focus on enhancing productivity across key value chains, including coffee and tea, food crops such as maize and beans, and livestock development.

14. Over the past two years, the County Government has made significant strides in strengthening the agricultural sector, recognizing its vital role in job creation, food security, and economic empowerment. A series of targeted interventions have been implemented to enhance productivity, promote sustainability, and improve farmer's livelihoods.
15. To boost poultry farming, 443,115 indigenous chicks were procured and distributed, alongside FMD e-vaccination campaigns, ensuring disease prevention and higher survival rates. Additionally, the distribution of 48,007 semen doses has enhanced livestock breeding programs, improving dairy and beef production. The sector has also benefited from stocking of tilapia and catfish fingerlings in selected ponds, promoting fish farming as an alternative income source and enhancing nutritional diversity.
16. Recognizing the importance of cooperative societies in strengthening agricultural value chains, the County Government facilitated the distribution of dairy equipment units to cooperatives, supporting milk processing and value addition. Furthermore, the registration of new cooperatives has provided farmers with access to collective bargaining, better markets, and financial support, ultimately increasing their profitability.
17. To enhance food production and improve yields, the government distributed 318,078 bags(2kg) of certified maize seeds, 8,094 packets(2kg) of certified bean seeds, 375,079 bags(10kg) of food crop fertilizer, and 260,960 fruit seedlings to farmers. These efforts have directly contributed to improved crop resilience, higher yields, and increased household incomes.
18. Sustainable land and water management remain a priority, given their impact on long-term agricultural productivity. In this regard, 35 farm ponds were constructed, ensuring a steady supply of water for irrigation, particularly in dry seasons. Additionally, 182.8 km of soil and water conservation structures were developed, preventing land degradation and promoting sustainable farming practices. The planting of 8,000 agroforestry trees further supports environmental conservation while providing additional economic benefits through timber, fruits, and improved soil fertility.



19. To strengthen farmer networks and knowledge-sharing, the County Government undertook the mapping and profiling of 130,465 value chain actors and trained 174 SACCO officials. These efforts have improved coordination across agricultural sectors, providing farmers with greater access to financial resources, training, and markets.
20. In promoting diversification and value addition, the County Government established two tissue culture (TC) banana hardening nurseries, each with a capacity of 1,500 seedlings, across two sub-counties. These nurseries are crucial in supplying high-quality banana plantlets, which enhance yields and disease resistance. Additionally, the construction of a solar dryer and installation of banana flour processing equipment in two sub-counties have created opportunities for farmers to engage in value addition, increasing their earnings.
21. Furthermore, sustainable farming practices were promoted through the establishment of three demonstration sites for vermicomposting and liquid fertilizer production across three sub-counties. These initiatives empower farmers with eco-friendly alternatives to synthetic fertilizers, improving soil health and reducing input costs. The distribution of 14 exogamic banana ripening chambers has also enhanced post-harvest management, reduced losses and improving market readiness for banana farmers.
22. Through these strategic interventions, the County Government has reaffirmed its commitment to transforming agriculture into a more productive, sustainable, and profitable sector. These efforts not only improve livelihoods but also contribute to food security, environmental conservation, and inclusive economic growth.
23. The County Government has been actively collaborating with development agencies to enhance agricultural productivity, sustainability, and economic opportunities for farmers. Through strategic partnerships, several **World Bank-funded projects** have been implemented, each designed to address key challenges in the agricultural sector and drive long-term growth.
24. The **National Agriculture Value Chain Development Project (NAVCDP)** has focused on increasing market participation and value addition for farmers engaged in selected agricultural value chains. Through training, financial support, and market

linkages, this project has helped smallholder farmers transition from subsistence farming to commercial agriculture, ensuring better prices and higher incomes.

25. To promote fish farming as an alternative source of income and nutrition, the **Aquaculture Business Development Project (ABDP)** has been instrumental in reducing poverty and improving food security. By supporting aquaculture enterprises with inputs, technical training, and market access, this initiative has strengthened the fisheries sector, created new employment opportunities while enhanced dietary diversity in the county.
26. These partnerships and interventions underscore the County Government's commitment to fostering a thriving agricultural sector. By leveraging global expertise and financial resources, these programs have not only strengthened the county's agricultural value chains but also contributed to economic growth, improved livelihoods, and enhanced food security for the local population.
27. Over the medium term, the County Government aims to build on the progress made in the agricultural sector by aligning all sectoral policies toward increasing food production, enhancing smallholder productivity, and reducing food costs. These efforts will be instrumental in ensuring food security, improving farmer incomes, and strengthening the county's overall economic resilience.
28. To achieve these objectives, The County Government will continue supporting all farmers in all the 60 wards by providing them with high-quality agricultural farm inputs such as certified maize seeds, fruit tree seedlings and fertilizer in a bid to boost production. In addition, the government aims to ensure that farmers have access to extension services to enhance their farming skills.
29. To support dairy farmers, the County Government is committed to enhancing the dairy value chain by procuring milk coolers and pasteurizers for dairy cooperatives. These investments will help farmers overcome challenges related to milk storage, preservation, and market access, ensuring they can supply high-quality dairy products while minimizing post-harvest losses. In addition, the government will provide vaccines and sera and expand veterinary services to improve livestock health and productivity. By preventing diseases and ensuring the well-being of dairy cattle, these interventions will lead to increased milk yields and higher incomes for farmers.

30. To further promote livestock farming, the government plans to distribute piglets and indigenous chickens to **Vulnerable and Marginalized Groups (VMGs)**. This initiative will empower small-scale farmers by diversifying their income sources, enhancing food security, and fostering inclusive economic growth. Collectively, these efforts will not only strengthen the dairy sector but also stimulate the local economy, create job opportunities, and improve food security. By addressing critical challenges such as high feed costs, limited access to veterinary services, and market constraints, the County Government aims to ensure that dairy and livestock farmers thrive in a more sustainable and profitable agricultural environment.
31. By consolidating these efforts, the County Government remains committed to transforming agriculture into a high-performing, resilient, and sustainable sector that not only ensures food security but also drives economic growth and improves the livelihoods of farmers across the county.

### 1.2.2 Healthcare

32. Health is a fundamental and essential aspect of human life, encompassing not only the absence of illness or disease but also the overall well-being and functioning of an individual, both physically and mentally. Recognizing its importance, the County Government of Kiambu has placed a special focus on strengthening the healthcare system as one of its key pillars in transforming the lives of its residents.
33. To achieve this, the County Government is committed to implementing strategic interventions aimed at accelerating the attainment of Universal Health Coverage (UHC). These efforts align with the National Government's vision of providing affordable and accessible healthcare.
34. By prioritizing healthcare, the County Government aims to ensure that every resident of Kiambu has access to quality health services, ultimately improving the health outcomes and quality of life for the population. These initiatives will contribute to building a healthier, more resilient community, supporting the county's socio-economic development in the long run.
35. Over the past two years, the healthcare sector in Kiambu has made significant progress in improving access to quality services and strengthening health infrastructure. Some of the key achievements include:

- The **Completion** of the **Ruiru Central Medical Store (CMS)**, Lusigetti medical wards, and a modern funeral home at Gatundu Level 5 Hospital. The CMS will streamline distribution of HPT in facilities.
- **Refurbished** and **equipped** 14 ambulances enhancing emergency medical response services.
- Procurement of a **medical truck** to distribute health products and technologies
- **Recruitment** of Community Health Promoters who receive monthly stipends. The CHPs were trained and equipped supplementing the healthcare workers at community level.
- **Procurement** and distribution of modern diagnostic medical equipment to various hospitals. improving patient care and outcomes, as well as enhancing operational efficiency and safety. They comprised of digital X-ray machines, digital IOPA X-ray machines, endoscopy machines, and modern ultrasound machines.
- **Procurement and distribution** of Health Products and Technologies (HPTs) to health facilities ensuring that all hospitals are well-stocked. The tracer availability for the HPTs was >85 %.

**36.** The County in a bid to enhance accessibility and bring essential services to the citizens is constructing new facilities and upgrading the existing ones. They include; Kahawa Sukari, Thogoto, Karuri, Gachororo, Ndenderu–Ruaka, Ndumberi, Gathiga, and Ndeiya health facilities that are nearing completion while several other health facilities are under construction at various levels of completion, namely Kiawaroga, Gitaru, Kiganjo, Gatuanyaga, Maguguni, Ndururumo, Mutonya, Uthiru, and Igeania.

**37.** These achievements reflect the County Government’s commitment to improving healthcare services and making quality healthcare accessible to all residents, aligning with the broader goal of achieving Universal Health Coverage (UHC).

**38.** Building on the gains made, the Government through the Facility Improvement Fund (FIF) will ensure that hospitals are equipped with the tools they need including: medicine, equipment and other resources necessary to provide quality care, while involving citizens in decision making at every facility.

### 1.2.3 Education in early childhood, Vocational training centers and social protection

#### *Social protection*

39. The pursuit of a brighter future for Kiambu's children under the “Leave No Child Behind” initiative has sparked a transformative wave across the county. The County Government of Kiambu is deeply committed to ensuring that every child has access to quality education, recognizing it as the foundation for a prosperous and equitable society.
40. Upon assuming office, the new administration was confronted with the distressing state of the county's Early Childhood Development Education (ECDE) Centers. Many of these institutions, which are critical to the early learning and development of children, were in a state of neglect. The dilapidated classrooms stood as a stark reminder of the prolonged lack of investment and attention in these crucial facilities.
41. Over the past financial year, the County Government of Kiambu has made substantial strides in improving education, social welfare, and community development, with a focus on empowering vulnerable populations and enhancing infrastructure. Key achievements include:
- **Bursaries worth 100 million** shillings were issued to support needy students, benefiting over **17,628 learners**. This initiative has helped improve **school retention and transition rates**, ensuring that more students have access to education and the opportunity to complete their studies.
  - A total of **180 new model ECDE centers** were constructed, providing modern, well-equipped learning environments for young children. In addition, the department installed LAN on 30 computers and admitted the first cohort of 60 trainees for a 3-month course in computer training for **digital literacy programs** to enhance access to technology and internet resources in libraries.
  - Significant infrastructure developments were made in **VTCs**, including the construction of workshops, office blocks, and the installation of **cabro-making machines**. These projects not only improved the learning environment but also created opportunities for **job creation and revenue generation**. More than **2,431 trainees** received certification, equipping them with valuable skills for employment.

- The County Government also made considerable progress in **social protection initiatives**, including **food distribution** to vulnerable groups and **targeted assistance** to the elderly, people with disabilities, and victims of floods, ensuring that these communities receive the support they need to improve their well-being.
- The department also partnered and **Signed MOU** with **World Vision Tumikia Mtoto** for establishment and management of safe shelter for **SGBV victims**.
- Library services were also enhanced through **ICT training**, graduations, and the development of a draft **library services bill**, which will further improve the accessibility and quality of library services in Kiambu. The county commenced groundwork for the construction of **Githunguri Library** in partnership with **Nation Media Foundation and the Kenya National Library Services (KNLS)**, facelifted the county library in Thika and constructed Kiambu County Library ICT hub with support from Mt Kenya University.

42. These efforts reflect the County Government's dedication to fostering a **transformative education system**, **promoting social inclusion**, and creating a foundation for a prosperous future for all residents.

43. To support children's growth and address nutrition, the County Government of Kiambu has launched a **feeding program** for ECDE pupils. Under this initiative, all ECDE pupils receive a daily nutritious **bowl of uji, boiled eggs and milk** every week, providing essential nutrients that fuel their potential to learn and thrive in school. Going forward, the county plans to expand this program by providing every pupil with a packet of milk once per week, further enhancing the nutritional value of their meals and supporting their overall health and development. This effort underscores the County Government's commitment to ensuring that children not only have access to quality education but also the proper nutrition needed to succeed in their academic journey and beyond.

44. Recognizing the potential of the youth in Kiambu, the County Government has acquired cabro-making machines as part of an initiative aimed at empowering young people. This program provides employment opportunities for the youth in the production and laying of cabro stones, contributing to the beautification and improvement of urban centers across the county. By engaging the youth in this

productive work, the initiative not only enhances the physical infrastructure of the county but also equips young people with valuable skills and promotes economic empowerment within the community.

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

#### 1.2.4 Infrastructure Development for Inclusive Growth

46. Kiambu County has an extensive road network, covering a total of 7,917.425 km. However, there is still work to be done, with 249 km of roads yet to be opened. Of the total road network, 1,156.813 km are paved, while the majority, 6,760.612 km, are unpaved, indicating a significant opportunity for road improvements.
47. The county is well-connected by major highways, including the Thika Super Highway, which spans 50 km from Githurai-Ruiru-Juja-Thika and the A104 highway, which stretches 65 km from Uthiru-Kikuyu-Kamandura-Kinungi, with 25.1 km of this section currently undergoing a rehabilitation and expansion program. Additionally, Kiambu is served by a railway line that spans 131 km, with railway stations located in Kahawa, Ruiru, Juja, Thika, Kikuyu, and Limuru, providing further transportation options for both passengers and freight.
48. The Roads and Infrastructure sector in Kiambu County has made significant progress in improving transportation and infrastructure across the county. Some of the notable achievements include:
- **Boresha Barabara Program:** Under this program, the Road Directorate undertook extensive **road maintenance and rehabilitation**, successfully grading a total of **1986.87 kilometers** of roads and gravelling **731 kilometers** across all the 60 wards. These efforts have enhanced road accessibility and paved the way for

smoother transportation across the county. The department further procured Specialized Plants, machinery and Equipment, including 5 Tipper trucks, 1 Water Bowser, 1 Prime mover with a low loader, 1 pick-up Double Cabin and 2 Cabro Making Machines, for road works.

- **Bus Park Rehabilitation:** As part of enhancing public transportation infrastructure, the department completed the rehabilitation and construction of **3 bus parks** in Karuri, Kiambu and Kikuyu. **3 more bus parks**, in **Githiga**, **Kwamaiko**, and **Kwambira** bus parks reached advanced levels of completion. The upgrading of Banana bus park roads to paving blocks was also completed. The department also completed the construction of modern kiosks in 2 bus parks Makongeni and Kikuyu bus parks. Further the Kiambu County Transport Safety Action Plan was developed to enhance road safety within the County.
- **Bridge Construction and Rehabilitation:** The department managed to complete the construct of **Bosnia motorized bridge** and also installed a culvert bridge in **OJ-BTL** to improve connectivity in the region. Additionally, **5 footbridges**, i.e. Kianda Kinene-Kibiru, Lioki- Giathieko, Kiambururu-Gitombo, Githima-Muguti and Munyu-Komo, while Gakoe-Muchakai is ongoing at 40% level of completion
- **Angaza Kiambu Initiative:** Through this initiative, the department installed **3,860 solar streetlights** in all Wards. A further **3,700 solar street** lights and **32 floodlights** were procured and will be installed in FY 2025/26. The department also installed **116 grid-connected streetlights** and maintained **19,540 grid-connected streetlights** and flood masts.
- **Fire and Rescue Services:** To enhance fire and rescue services, the department procured extrication, diving, and rope rescue equipment, repaired grounded fire engines, and constructed to completion **2 fire stations**, i.e. Limuru and Githunguri fire stations. With support from Polish Centre for International Aid, an ablution block was built at Kiambu fire station, **400** staff trained and **8,100** community members sensitized on disaster management, 36 firefighters equipped, **21,000** fire safety inspections conducted, and **225** fire drills undertaken.

**49.** These efforts reflect the County Government's commitment to improving infrastructure and creating a safer, more efficient transportation network that meets



the needs of residents, businesses, and visitors alike. The goal is to ensure that all **60 wards** in the county have roads that are well-maintained and accessible throughout the year, regardless of the season.

#### **1.2.5 Micro, Small and Medium Enterprise (MSME) Economy and Employment Creation**

- 50.** The Micro, Small, and Medium Enterprise (MSME) sector plays a pivotal role in our economy, contributing significantly in providing income opportunities to economically excluded segments of the population including youth, women persons with disabilities and low skilled persons who experience disproportionately high unemployment.
- 51.** Recognizing the critical importance of access to credit as a catalyst for MSME growth, the County Government is committed to ensuring that Kiambu residents have access to affordable credit. In pursuit of this objective, the County will annually allocate resources to facilitate accessible, affordable, and county-backed loans for MSMEs, with a focus on minimizing interest rates, as the prevailing high rates have tended to impede the private sector and MSMEs.
- 52.** The county government has undertaken key initiatives to strengthen the Micro, Small, and Medium Enterprise (MSME) economy and boost employment creation, recognizing the sector's vital role in driving economic development and improving livelihoods.
- 53.** To enhance trade and provide secure business environments, the county embarked on constructing and rehabilitation of markets; Kigumo market sheds, Kiganjo Market, Kinoo Market, Kinoo Market, Kinoo Marangoni, Kagwe Market, Karuri market, Gakoe market shed, Ndeiya (bloti) Market, Kamangu Market shed, Maguguni Market shed, Gituamba Market Limuru -Rongai market, Kairi, Kirae, Ngoliba, Karia, Kerwa, Kambaa, Nyacaba, Munyu, Muchatha, Ndumberi and Mataara Markets.
- 54.** To streamline trade operations, three containers were installed to serve as offices and workshops for Weights & Measures, ensuring fair trade practices and improving business efficiency. The resettlement of 364 traders at Gitaru Market and 1,145 traders at Githurai Market has formalized trade operations, reducing street vending congestion and improving revenue collection. Additionally, the county is mounting and branding 240 boda Matara sheds across 60 wards, enhancing good working

environment and organization for motorcycle taxi operators, a critical sector in urban mobility and job creation.

55. The revival of stalled construction projects at Kiganjo Market, and Kigumo Market has restored business confidence and expanded trade infrastructure, enabling more traders to operate in a conducive environment.
56. Further boosting industrial and economic growth, the county facilitated the establishment of the Kiambu County Aggregation and Industrial Park (CAIP) at Waruhiu Agricultural Training Centre in Githunguri Sub-County. This initiative supports value addition, industrialization, and market linkages for agricultural produce, ultimately increasing farmers' income and job opportunities.
57. Construction of Juakali sheds and modern kiosks across the county to improve the working environment of boda-boda sector.
58. These initiatives collectively contribute to economic development by creating employment, enhancing trade efficiency, improving market accessibility, and fostering business sustainability, ultimately driving economic growth and prosperity within the county.
59. Going forward, the county remains committed to improving the business working environment by undertaking the construction, renovation, and equipping of markets and trading spaces, such as sheds, to provide a more conducive environment for traders. Additionally, efforts will be made to make trading licenses more affordable, ensuring that small-scale entrepreneurs can thrive.
60. A major initiative in this plan is the construction of seven mega markets in collaboration with the National Government. These markets—Kamwangi, Ruiru Phase 2, Madaraka, Kangangi, Githunguri, Wangige, and Githurai Phase 2—will significantly enhance trade infrastructure, providing modern, spacious, and well-equipped facilities for traders. The market designs have been developed in collaboration with the State Department for Housing and Urban Development to ensure alignment with national urban planning standards.
61. Beyond these, the county government will also finance the construction of 11 additional markets, further strengthening local trade hubs. Moreover, 20 more markets will be developed under the Economic Stimulus Programme (ESP), which

will improve market access for traders and increase economic opportunities across the county.

- 62.**In its continued efforts to create employment and improve livelihoods, the county has partnered with the National Government to implement the Affordable Housing Initiative. This initiative is expected to generate thousands of jobs in the construction and allied sectors while providing decent and affordable housing for residents. The county has already allocated over 100 acres of land for this transformative project, with various parcels identified for development.
- 63.**The first phase of the affordable housing project commenced in Kiambu Council Estate, Bustani, and Depot in Thika, addressing the growing demand for urban housing in key economic centers. The second phase will expand to Tigoni, Ruiru, Haile Selassie, and Bibirioni, further boosting access to quality housing and stimulating local economies in these regions.
- 64.**Through these strategic initiatives, the county aims to empower businesses, create employment, and enhance living standards for residents, ensuring sustainable economic growth and development.

#### **1.2.6 Manufacturing**

- 65.**The pursuit of self-reliance and wealth creation in Kiambu County is strongly anchored in the transformative power of industrialization. Central to this vision are several ambitious projects, including the Thika Smart Industrial City and an Industrial Park in Thika Delmonte land, which are being developed in collaboration with the National Government and the private sector. These projects are strategically positioned to create over 50,000 jobs, fueling sustainable economic growth and driving the county's industrialization agenda.
- 66.**In addition to these initiatives, the County Government, in partnership with the National Government, is investing KShs 500 million to establish an aggregation park at the Waruhiu Agriculture Training Center in Ngewa, Githunguri. This facility will help enhance the value of agricultural produce, benefiting farmers and supporting agribusiness growth by streamlining supply chains and increasing efficiency in agricultural processing.
- 67.**Looking to the future, parallel initiatives are being planned, including Export Processing Zones (EPZ) in Ndeiya and Thika. These zones aim to attract investors,

create economic opportunities, and generate jobs, all of which will stimulate the local economy and diversify the county's industrial base.

68. Together, these deliberate efforts aim to position Kiambu County as a leading manufacturing and innovation hub, driving job creation, economic diversification, and prosperity for the residents of Kiambu. By focusing on industrialization, the county is setting the stage for a resilient, sustainable, and thriving economy.

### 1.2.7 Water Supply, Environmental Conservation and Climate Change Action

69. The rapidly growing population in Kiambu County has placed significant pressure on the already limited water resources, making it essential for the County Government to make timely and strategic decisions to address this challenge. To ensure sustainable access to water, the Department of Water has implemented several interventions aimed at enhancing water supply across the county.
70. One of the key initiatives is the **“Maji Nyumbani” program**, which focuses on substantial improvements to water infrastructure to provide households with reliable access to water. This program involves the acquisition and deployment of an extensive network of **pipelines** and the strategic installation of **water tanks** throughout the county. These efforts are aimed at ensuring that every household has consistent and equitable access to clean water.
71. The **“Maji Nyumbani” program** and other water-related interventions in Kiambu County are driven by the strong network of **Eight (8) Water Service Providers (WSPs)**, all of which are wholly owned county entities. These WSPs play a critical role in ensuring that water infrastructure projects are effectively implemented and managed. They are responsible for the distribution, maintenance, and management of water services across the county, ensuring that the programs meet the needs of the population and are aligned with the county's broader water security goals.
72. The involvement of these WSPs strengthens the county's capacity to deliver sustainable and reliable water services to residents. Through their expertise and operational capacity, the county is enhancing its ability to address the growing demand for water and improve access to safe, clean water in both urban and rural areas. The strong partnership between the county government and these WSPs ensures that water service delivery remains efficient, and that all interventions, such

as the installation of pipelines, water tanks, water harvesting systems, and boreholes, are properly coordinated and managed.

73. Additionally, the county government is promoting water harvesting, desilting of dams, and the drilling of boreholes to augment water supply, especially in areas facing water shortages. These interventions are designed to enhance water storage capacity, improve water distribution, and ensure that the county can better cope with the growing demand for water resources.

74. Through these targeted actions, the county is working towards improving water accessibility and sanitation services, which is essential for the well-being of its residents and for fostering sustainable development. To address the growing water needs and improve sanitation across Kiambu County, the Department of Water has achieved significant progress in its efforts. Some of the key accomplishments include:

- **Procurement and Installation of Pipes:** The department procured over 278 km of pipelines, with more than 80% laid by the Water Service Providers (WSPs) to operationalize and rehabilitate boreholes at Ngochi, Mitahato, Ikinu, Gathangari, Ondiri Police Post, Mukua, Gatina, Gathanganje, Lari DCC, Gitogothi, Riu Nderi and Marengeta, while extending water supply services to Gathiurure, Gatina, Gathiru, Gatei, Gathaite, Mirigi, Kangongo (Ndenderu), Gitaru, Kingeero, Ondiri Ziwani, Kenyatta Road estates and Tiekunu (Ndeiya).
- **Drilling, Equipping and Rehabilitation of Boreholes**  
The directorate drilled and equipped boreholes at Komo, Nderu, Komothai, Njiku, Mariani, Gatuanabu, Ondiri Maii-hii, Rwenu Police Post, Kamuguga Vocational Centre, Muchatha and Ngecha Wagacucu, solarized boreholes at Gatuanabu and Lari DCC, and rehabilitated existing boreholes in Githunguri (Gatina, Thuita, Gathaithi and Mitahato) to enhance reliability and sustainability of water supply.
- **Supply of Water Tanks**  
Over 80 water tanks were supplied to institutions and ECDE centers, including Gachika Dispensary, Kinoo Dispensary, Chania ECDE, Muthurwa Water Self-Help Group and the County Headquarters, among others. In addition, elevated storage tanks were installed at Turitu Market and Lari DCC to improve storage and distribution efficiency.

- **Sanitation Infrastructure Development**

The department rehabilitated 17 public sanitation facilities, constructed nine (9) new Public Sanitation Facilities (PSFs), and completed public toilets at Makongeni Bus Park, Kahawa Sukari, Ngecha Cemetery and Rutara Cemetery. Additional sanitation facilities were constructed at Kamirithu, Rironi, Gathanga, Kibichoi Market Centre and Muchatha, significantly improving public hygiene and sanitation services.

- **Support to Water Service Providers (WSPs)**

Key support initiatives included funding Kikuyu Water Company's KARLO/Renguti project, implementation of stormwater drainage works in Kiandutu, 250 consumer water meters were issued to Limuru Water Company, and support to county water utilities through pipeline laying, collectively strengthening access to safe water and improved sanitation across Kiambu County.

- **Environmental Conservation and Waste Management**

The county raised 677,524 seedlings in nurseries located in Thika, Kiambu, Kikuyu and Ruiru, and planted 417,879 trees and 112,266 water-friendly trees across schools, public spaces, riparian zones, wetlands and catchment areas covering key rivers and ecosystems. In parallel, the county strengthened solid waste management through sustained clean-up activities, public awareness, infrastructure development and capacity-building initiatives, with a deliberate focus on transitioning towards a circular economy.

**75.** These efforts are crucial in ensuring a consistent and reliable water supply, as well as improved sanitation across Kiambu County, supporting the broader goal of providing sustainable services to all residents.

**76.** The FLLoCA Programme promotes the development and implementation of inclusive climate change policy and legislative frameworks at the county level, enabling counties to access pooled climate financing. This financing supports the delivery of locally driven climate actions, empowering communities and county governments to proactively address climate-related risks. By allowing counties to design solutions that respond to their specific vulnerabilities, the programme

enhances the effectiveness, relevance, and long-term sustainability of climate interventions.

77. To date the department has solarized boreholes and supported key sectors in mainstreaming climate change to enhance local capacity to respond to climate-related issues, builds resilience at the grassroots level, and ensures that the most vulnerable populations are supported in the face of climate change. This collaborative approach reinforces coordinated climate action at both county and national levels, contributing to a more adaptive and climate-resilient future.
78. In addition, the program enhances local capacity to respond to climate-related issues, builds resilience at the grassroots level, and ensures that the most vulnerable populations are supported in the face of climate change. This collaborative approach ultimately strengthens the overall response to climate challenges at both local and national levels, contributing to a more resilient future for the country.
79. Over the MTEF, the Department of Water and Sanitation plans to improve water supply and sanitation services through a set of strategic, demand-responsive interventions.
80. In the water supply sub-sector, the department will prioritize procurement, supply, and installation of over 900KM pipes of various diameters to expand and strengthen the water distribution network, ensuring wider access to safe and reliable water. The construction of additional water storage tanks and elevated towers will also be undertaken to enhance storage capacity and maintain supply during dry periods.
81. To further improve water access, the department will drill and equip additional boreholes in priority areas across the county, particularly in underserved communities. Existing boreholes will also be upgraded with the necessary infrastructure to optimize performance, while increased solarization of boreholes will reduce reliance on grid electricity and ensure consistent water supply in remote locations.
82. In the sanitation sub-sector, the department plans to construct over (20) new Public Sanitation Facilities (PSFs) to improve access to safe and hygienic sanitation services. Additionally, over (30) existing PSFs will be rehabilitated to address structural deterioration and enhance functionality, thereby improving public health outcomes.

- 83.**The department will continue to align with the President’s 15 billion Tree Growing and Restoration Initiative by planting more trees in public spaces, institutions and schools as well as conserving riparian areas.
- 84.**To promote a clean and sustainable environment, the Directorate of Environment and Waste Management will prioritize environmental conservation and integrated solid waste management programmes. Key interventions will include monthly community-led clean-up activities at the ward level, as well as the development and implementation of policies, plans, strategies, and legislative instruments to improve waste management efficiency.
- 85.**The county will also, undertake public awareness campaigns, and support environmental training and research on solid waste management. Strengthened environmental compliance and enforcement will be achieved through the introduction of modern regulatory frameworks and Air quality and pollution monitoring systems.
- 86.**To develop an efficient and sustainable waste collection and transportation system, the county will promote Extended Producer Responsibility (EPR) and advance a circular economy approach aimed at minimizing waste sent to landfills. Priority infrastructure investments will include the development of the Kangoki Full-Scale Landfill, establishment of Material Recovery Facilities (MRFs), construction of a composting plant, and implementation of waste segregation programmes in markets for organic and inorganic waste. Improvements to Kangoki access roads and construction of skip platforms will further enhance waste collection efficiency.
- 87.**To reduce carbon emissions and environmental pollution, the county will implement measures to address air and water pollution, including procurement of noise meters and installation of biodigesters to convert waste into energy and soil-enhancing by-products. The adoption of Artificial Intelligence (AI) solutions in waste management will improve operational efficiency, while expanded strategic partnerships will support sustainable development of waste management infrastructure. In addition, the county will procure, repair, and maintain solid waste management equipment and machinery to strengthen service delivery.



## **2.0 RECENT ECONOMIC DEVELOPMENT AND MEDIUM-TERM OUTLOOK-**

### **2.1. Global and Regional Economic Developments**

- 88.** The global growth remained resilient in 2025 and was estimated to grow by 3.2 percent before easing slightly to 3.1 percent in 2026. This performance was supported by a surge in exports to the United States ahead of higher tariff implementation, improved financial conditions, and robust consumer spending. Growth is projected to slow down in 2026 as the temporary boost from front-loading fades and as higher effective tariff rates and elevated trade-policy uncertainty weigh on activity. Additionally, subdued global demand and escalating geopolitical tensions continue to pose significant risks to the global outlook.
- 89.** The growth of the advanced economies is projected to remain at 1.6 percent in 2025 and 2026 respectively. The growth in the United State is projected at 2.0 percent in 2025 and 2.1 percent in 2026 supported by resilient household spending, strong business investment, particularly in AI-related technologies, and easing financial conditions. Growth in the euro area is projected at 1.2 percent in 2025 and 1.1 percent in 2026. This moderate expansion is underpinned by rising real wages, which bolster household consumption, as well as investment in technology and equipment, although progress is constrained by trade-policy uncertainty, weaker export demand and subdued business confidence. The growth in emerging markets and developing economies is projected to grow at 4.2 percent in 2025 then slow to 4.0 percent in 2026. This moderate growth is underpinned by relatively resilient domestic demand in regions such as South Asia and Middle East / Central Asia, coupled with recoveries in investment in several countries. At the same time, China's growth softens, weighing on the aggregate; and growth in Latin America is projected to remain sluggish amid external pressures.
- 90.** The growth in the Sub-Saharan Africa region is more favorable and is expected to grow at 4.1 percent in 2025, with a modest pickup to 4.4 percent in 2026. This resilience is supported by macroeconomic stabilization, recovering private consumption, improving investment conditions, and ongoing economic reforms. Nonetheless, the region still faces risks from fiscal pressures and external vulnerabilities.

## 2.2. Domestic Economic Development

91. Over the past three years, Kenya's economy has remained strong and resilient to domestic and external shocks outperforming both global and regional averages. The economy has thus been able to withstand severe impacts of domestic and external shocks and grew by 4.7 percent in 2024 supported by positive growths in all sub-sectors except construction, and mining and quarrying. The growth is projected at 5.3 percent in 2025 and 2026 respectively.
92. The economy also remained strong in the first half of 2025 and registered a growth of 4.9 percent and 5.0 percent in the first and second quarter respectively. This growth was primarily underpinned by strong performance in the agriculture sector, a recovery of the industry sector, and the resilience of services sector. All economic sectors recorded positive growth rates in the first half of 2025, with varied magnitudes across activities.
93. The primary sector grew by an average of 5.6 percent in first half of 2025 compared to an average growth of 4.3 percent during the same period in the 2024. This was as a result of the robust growth in the agriculture, forestry and fishing sub-sector and a recovery in the mining and quarrying sub-sector. Activities in the agriculture, forestry, and fishing sub-sector expanded by 6.0 percent in the first quarter and 4.4 percent in the second quarter of 2025, compared to growth of 5.6 percent and 4.5 percent in the corresponding quarters of 2024. This performance was driven by favorable weather conditions experienced in most parts of the country involved in crop and animal production. This was evident in the significant increase in production of milk, coffee, vegetables, fruits and cut flowers. However, the sub-sector's performance was somewhat curtailed by a decline in tea production. The mining and quarrying sub-sector grew by 10.8 percent in the first quarter and 15.3 percent in the second quarter of 2025, compared to a contraction of 16.1 percent and a contraction of 5.5 percent in the same quarters of 2024. This reflected increased activity and renewed investment following a period of subdued performance in the previous year.
94. The performance in the industry sector improved to a growth of 2.6 percent in the first quarter and 3.3 percent in the second quarter of 2025 from a growth of 1.5 percent and 0.5 percent in corresponding quarters of 2024. This growth was driven

by improved performance across manufacturing, electricity and water supply, and construction. The growth in the manufacturing sub sector was supported by strong increases in coffee auctions and milk deliveries in food manufacturing activities and increased production in cement and galvanized sheets in non-food manufacturing activities. On the other hand, the electricity and water supply sub-sector growth was driven by higher electricity generation, with solar wind and geothermal contributing significantly, although increases in thermal generation and decline in hydro curtailed overall performance. Further, construction sub-sector growth was driven by increased consumption of key inputs such as cement, iron and steel. Additionally, the quantity of imported bitumen increased during the period.

95. The growth in the services sector slowed down to 4.8 percent in the first quarter and 5.5 percent in the second quarter of 2025 from the 6.8 percent and 6.2 percent growths posted in the corresponding quarters of 2024. However, there was a notable improvement in transport and storage sub-sector which was supported by increased activity in land transport, railway operations, and port throughput.

### **Inflation Rate**

96. The overall inflation rate has declined and remained below the Government target range of  $5.0 \pm 2.5$  percent since June 2024. The stable inflation has been supported by: abundant supply of food attributed to favorable weather conditions coupled with government interventions; lower fuel inflation attributed to the stability of the exchange rate; lower international oil prices; and the decline in non-core inflation due to the impact of previous monetary policy tightening. Inflation stood at 4.6 percent in October 2025 compared to 2.7 percent in October 2024. The slight increase reflects the easing of monetary policy.
97. Core inflation increased to 2.7 percent in October 2025 from 1.8 percent in October 2024, largely driven by higher prices of processed food items. Non-core inflation rose to 9.9 percent in September 2025 from 5.1 percent in October 2024, driven primarily by sharper increases in transport costs, as well as higher prices of vegetables, particularly tomatoes, carrots, onions, and cabbages, alongside pressures from utilities and energy.

### **Kenya Shilling Exchange Rate**

98. The Kenya Shilling remained relatively stable against the US Dollar, exchanging at an average of KSh 129.2 in October 2025, the same as in the corresponding period of the previous year. However, the Shilling depreciated against the Sterling Pound and the Euro by 2.3 percent and 6.8 percent, respectively. The Sterling Pound averaged KSh 172.7 in October 2025, up from KSh 168.8 in October 2024, while the Euro averaged KSh 150.5 compared to KSh 140.9 over the same period.
99. The foreign exchange market was mainly supported by steady inflows from agricultural exports and diaspora remittances, which helped cushion the Shilling against excessive volatility.

### **Interest rates**

100. Short-term interest rate has declined in line with the easing of the monetary policy. KESONIA (overnight interbank rate) decreased to 9.3 percent in October 2025 compared to 12.1 percent in October 2024 while the 91-day Treasury Bills rate declined to 7.9 percent from 15.0 percent, over the same period. The 182-day Treasury Bills rate declined to 7.9 percent in October 2025 from 15.8 percent in October 2024 while the 364-day Treasury Bills also declined to 9.4 percent from 16.1 percent over the same period. The reduction in government domestic borrowing rates has led to lower debt servicing costs.
101. Commercial banks' average lending and deposit rates increased in the year to September 2025 in line with the easing of monetary policy. The average lending rate decreased to 15.1 percent in September 2025 from 16.9 percent in September 2024 while the average deposit rate also decreased to 7.6 percent from 11.2 percent over the same period. Consequently, the average interest rate spread increased to 7.4 percent in September 2025 from 5.7 percent in September 2024.

### **Money and Credit**

102. Broad money supply (M3) improved to 7.0 percent in the year to September 2025 compared to a growth of 1.6 percent in the year to September 2024. The improved growth of M3 was due to an increase in the growth of Net Domestic Assets (NDA) particularly credit to the private sector.

- 103.** The NFA of the banking system slowed down to a growth of 7.9 percent in the year to September 2025 compared to a growth of 26.1 percent in the year to September 2024. Growth in the NFA was mainly due to an increase in Central Bank's foreign assets while commercial banks' foreign assets declined during the period.
- 104.** Net Domestic Assets (NDA) grew by 6.8 percent in the year to September 2025, compared to a contraction of 2.2 percent over a similar period in 2024. The domestic credit extended by the banking system to the Government contracted by 94.5 percent in the year to September 2025 compared to a growth of 6.5 percent in the year to September 2024 while lending to other public sectors also contracted by 38.5 percent compared to a contraction of 17.0 percent over the same period. The decline in domestic credit to government in September 2025 was largely attributed to increased uptake of credit by the private sector, as banks shifted their lending portfolios toward more profitable private investments amid lower yields on Treasury bills.

#### **Private Sector Credit**

- 105.** Growth in private sector credit from the banking system recorded a growth of 5.0 percent in the year to September 2025 compared to a growth of 0.4 percent in the year to September 2024. Growth in credit to key sectors of the economy, particularly manufacturing, building and construction, and consumer durables, improved in September. This mainly reflects improved demand for credit in line with the declining lending interest rates.
- 106.** The Monthly (month on month) credit flows to the private sector improved to KSh 79.4 billion in September 2025 from KSh 13.0 billion in September 2024. This is due to the easing of the monetary policy stance to lower the cost of funds for banks (Chart 2.4). Sustained demand particularly for working capital due to resilient economic activities and the implementation of the Credit Guarantee Scheme for the vulnerable MSMEs will continue to support private sector credit uptake.

### **External Sector Developments**

107. The overall balance of payments position slowed down to a deficit of US\$. 2,172.9 million (1.6 percent of GDP) in September 2025 from a deficit of US\$. 392.7 million (0.3 percent of GDP) in September 2024.
108. The current account deficit was at US\$. 3,459.8 million (2.5 percent of GDP) in September 2025 compared to US\$ 1,819.3 million (1.4 percent of GDP) in September 2024, supported by resilient goods exports, an improvement in net receipts on the services account, net primary income and net secondary income balance. The current account deficit in the 12 months to September 2025 was more than fully financed by financial account inflows.
109. The capital account balance increased by US\$. 120.6 million to register a surplus of US\$ 262.6 million in September 2025 compared to a surplus of US\$. 142.1 million in the same period in 2024. Net financial inflows improved to US\$. 4,738.3 million in September 2025 compared to US\$. 1,130.9 million in September 2024. The net financial inflows were mainly in the form of direct investments, financial derivatives and other investments. However, portfolio investments registered a net outflow during the period partly due to global risk aversion, unattractive demand for high yields from investors amid fiscal strain, low investor appetite for sovereign credit, and political-financial instability.

### **Capital Markets Development**

110. Improved macroeconomic conditions and stability of the Kenya Shilling against major international currencies has boosted investors' confidence thus triggered inflows of foreign direct investment and increased participation in the Nairobi Securities Exchange (NSE). This improved the NSE 20 share index by 63.6 percent to 3,117 points in October 2025 up from 1,906 points in October 2024. Equally, market capitalization expanded by 61.1 percent to KSh 2,966 billion from KSh 1,841 billion over the same period. These levels represent the strongest performance of the NSE since the pre-COVID period, reflecting renewed confidence in Kenya's economic recovery and long-term prospects.

## **2.3. Impact of National Macroeconomic Variables on County Development**

- 111.** Stable and well-managed national macroeconomic conditions are essential for sustainable county development as they directly affect financing, investment, service delivery and economic opportunities at the County level. The National Government transfers are the main source of total County Government revenue. The stability of the macroeconomic environment therefore supports a strong national economic growth which in return increases government revenues thus enabling higher transfers to counties through equitable share and grants. The revenue received from the national sources is used for infrastructure development, service delivery and local economic activities resulting to increased County Gross Domestic Product and improved quality of life. Slow growth, on the other hand, constrains county budgets and development spending.
- 112.** Macroeconomic stability in the Country enhances investors' confidence and attracts foreign direct investment. Accommodative policies also support Small and Medium Enterprises (SMEs), agriculture and local investments which can boost both national and county revenues allocations. Low and stable inflation, on the other hand, encourages investment by reducing uncertainty, allowing the County to allocate more resources toward development and economic growth. Equally, low and stable interest rates promote increased private sector lending particularly to small and medium enterprises thus stimulating investment, spending and improved living standards within the County.
- 113.** The foreign exchange market has shown increased stability over time, with the Kenya shilling strengthening against the US dollar and remaining stable against other major currencies. This stability creates a favorable investment climate, lowers debt servicing costs, enhances the performance of domestic borrowing, and supports interest rate stability. These factors collectively contribute to positive spillover effects on County economic growth and development.
- 114.** Agriculture remains the leading contributor to the country's Gross Domestic Product and employs a large share of the population. As a predominantly agricultural County, Kiambu's population largely depends on this sector for livelihoods. The sector has remained resilient, supported by favorable weather conditions and government measures aimed at reducing production costs. In

response, the County will continue to develop and implement appropriate policies and interventions to strengthen agriculture and other key sectors.

115. On overall, County performance is closely linked to the formulation and execution of prudent policies. The County Government will continue to adopt sound fiscal policies and other suitable measures to mitigate adverse effects, maintain stability, enhance counties' fiscal space for development projects and service delivery.

## **2.4 Fiscal Performance**

116. Budget execution for six months (July to December 2025) of the FY 2025/26 progressed well. Total Revenue available to the County as at 31<sup>st</sup> December, 2025 was KShs. 7.88 billion (29 percent) of the budget estimates comprising of, Own Source revenue of KShs. 1.77 billion (18 percent of the target), exchequer released on equitable share from National Government of KShs. 5.42 billion (41 percent of the target), and unspent balance from the County's Special Purpose Accounts (SPA) of KShs. 682 million. Revenue performance is anticipated to improve over the course of the financial year, mainly due to the RRI initiatives adopted by the County Treasury and on leveraging technology to automate existing and new revenue streams.
117. The total budget absorption for the period under review was KShs. 6.82 billion (25.4 percent) of the total revised budget estimates for FY 2025/26. Absorption under Recurrent was at 5.6 billion (33.9 percent of the allocated budget) while development was at KShs. 1.22 billion (11.8 percent of the allocated budget). It's worth noting that out of the available funds for the period under review, amounting to a total of KShs. 6.82 billion, the County was able to absorb 86.6 percent.
118. Overall expenditures were below target primarily due to the late disbursement of exchequer funds and missed revenue targets, which adversely affected the budget execution. Consequently, there was low absorption of both the recurrent and development budgets. However, it is anticipated that the absorption rate will rise in the coming months as revenue flows from both the National Government and own source revenue increases.



119. Revenues are also expected to progressively improve in the third quarter of the financial year, as it is the peak period for the collection of major revenues such as business permits and rates, among others. The County has continued to implement new revenue collection strategies, such as RRI initiatives, which will ensure that its own-source revenue collection is optimized. Judging by the above revenue performance, it is anticipated that the revenue targets for the FY 2025/26 will be achieved.

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

## 2.5. Revenue Performance

121. The total funds available for budget implementation during the period amounted to KShs. 7.88 billion as shown in table 1 below.

Table 1: Overall Revenue performance

REVENUE PERFORMANCE AS AT 31 <sup>st</sup> December 2025 FY 2025/2026				
	SOURCE OF REVENUE	Budget Allocation Supplementary 1 (KShs.)	Actual Receipts (KShs.)	Actual Receipts as % of Annual Allocation
A	Equitable Share Allocation	13,071,817,986	5,424,804,463	41
B	Own Source Revenue (OSR)	9,934,222,680	1,771,854,176	18
C	<b>TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS</b>	<b>3,143,187,166</b>	<b>0</b>	<b>0</b>
	<b>I. Conditional Additional Allocation from the National Government share</b>	<b>766,106,858</b>	<b>0</b>	<b>0</b>
	Industrial Park & Aggregation Centers Grant	133,368,422	0	0
	Road Maintenance Fuel Levy Fund	418,101,234	0	0
	Community Health Promoters (CHPs)	94,680,000	0	0
	Basic Salary Arrears for county government health workers	119,957,202	0	0
	<b>II. Unconditional Additional Allocation from the National Government share</b>	<b>14,244,964</b>	<b>0</b>	<b>0</b>
	Court Fines	4,105,101	0	0

REVENUE PERFORMANCE AS AT 31 <sup>st</sup> December 2025 FY 2025/2026				
	SOURCE OF REVENUE	Budget Allocation Supplementary 1 (KShs.)	Actual Receipts (KShs.)	Actual Receipts as % of Annual Allocation
	Mineral Royalties	10,139,863	0	0
	<b>III. Conditional Additional Allocation financed from proceeds of loans and grants from Development Partners</b>	<b>2,362,835,344</b>	0	0
	DANIDA Grant - Universal Healthcare for Devolved System Program	21,232,500	0	0
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)	1,331,482,863	0	0
	IDA (World Bank) credit - Kenya Devolution Support Project (KDSP) - Level II	37,500,000	0	0
	IDA (World Bank) credit - Kenya Devolution Support Project (KDSP)service delivery &investment grant - Level II	352,500,000	0	0
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban institutional Grant (UIG)	35,000,000	0	0
	SIDA -Kenya Agricultural Business development Project (KABDP)	15,882,359	0	0
	IDA (World bank) National Agricultural Value Chain development Project (NAVCDP)	231,250,000	0	0
	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	200,000,000	0	0
	IDA (World bank) FLLoCA- County climate Resilience Investment Grant	125,000,000	0	0
	IDA (World bank) FLLoCA- County climate Institutional Support Grant	11,000,000	0	0
	0.5%Housing Levy Fund to County Rural &Urban Affordable Housing Committee's	1,987,622	0	0
D	<b>OTHER COUNTY REVENUE</b>	<b>682,091,928</b>	<b>682,091,928</b>	<b>100</b>
	Balance b/f (CRF), Unspent Balances FY 2024/2025	83,401	83,401	100
	FLLoCA-SPA closing balance	158,632,515	158,632,515	100
	SPAs closing balances	521,551,862	521,551,862	100
	Nutrition International SPA closing balance	1,824,150	1,824,150	100
	<b>TOTALS</b>	<b>26,831,319,760</b>	<b>7,878,750,567</b>	<b>29</b>

Source: Kiambu County Treasury

122. Kshs.5.42 billion (41 percent of the annual target) represents the equitable share of revenue from the National Government, while KShs. 1.77 billion (18 percent of the annual target) was generated from own-source revenue (OSR). Further, KShs. 682 million was derived from closing balances in the County's Special Purpose Accounts (SPA).

123. Notably, no money has been received from grants both from the National Government, loans and proceeds from development partners during the period

under review of the financial year. This has largely attributed to the low absorption of the budget and we anticipate that the grants will be disbursed in the remaining months of the financial year.

### Own Source of Revenue Performance

124. Own Source Revenue (OSR) for six months (July 2025 to December 2025) of the FY 2025/26 was KShs. 1.77 billion. This was attributed to the implementation of an automated revenue management system, the system has helped seal loopholes at sub-counties and hospitals, focusing on revenue streams like physical planning, land rates, vehicle parking, hospital fees and single business permits.

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

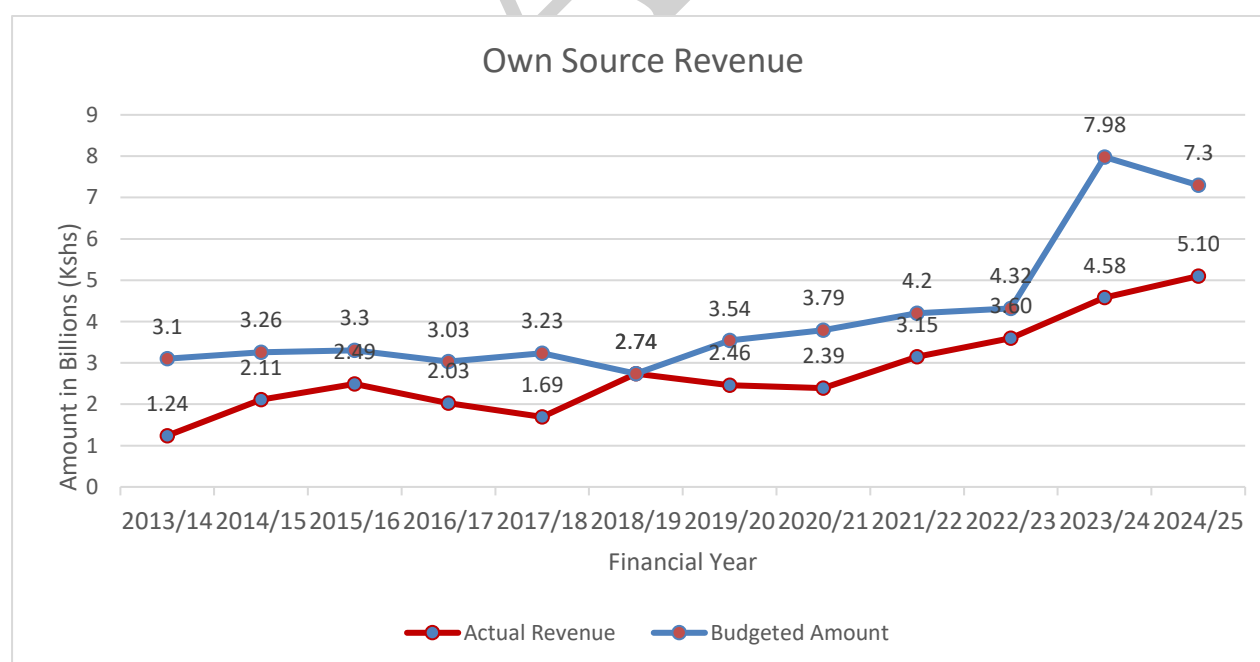
**Table 2: Own source revenue performance**

Revenue Performance as at 31 <sup>st</sup> December 2025 FY 2025/2026				
	Revenue Source	Budget Allocation Supplementary 1 (Kshs)	Actual revenue (KShs)	Actual Receipts as % of Annual Target
	<b>Own Source Revenue</b>	<b>9,934,222,680</b>	<b>1,771,854,176</b>	<b>18</b>
	Physical Planning unit	2,171,820,188	421,857,901	19
	Land rates Management unit	1,683,797,097	186,333,403	11
	Business Permit Management Unit	923,084,637	54,864,665	6
	Vehicle Parking Management unit	714,464,837	151,098,300	21
	Liquor Licenses Management unit	464,465,146	27,390,120	6
	Roads, Transport and Public Works Management unit	332,770,011	29,604,460	9
	Water Environment & Natural Resources Management	373,957,976	38,899,030	10
	Cess Management Unit	211,171,166	64,813,644	31
	Agriculture, Livestock & Fisheries Management Unit	87,938,163	8,615,339	10
	Slaughterhouse Management Unit	92,549,997	29,856,546	32
	Housing Management unit	46,471,232	8,304,381	18
	Market Management unit	105,599,114	7,129,500	7
	Trade, Tourism Industry and Cooperative units	59,203,166	4,070,760	7
	Education, Culture & Social Services Unit	14,471,232	903,175	6
	Administration	35,089,122	5,403,590	15
	Hospital Collections (FIF)	1,300,000,000	301,102,118	23
	NHIF Rebates	800,000,000	362,384,244	45
	Public Health	511,849,818	68,575,000	13

*Source: Kiambu County Treasury*

126. The County anticipates an upward growth of revenue collection for the next six months of the financial year. To enhance revenue measures, the county has installed a new integrated revenue management system to reduce revenue leakages, increasing the efficiency and effectiveness of existing revenue-generating operations and improving control through better recording and reporting. The County has also procured and installed a robust, efficient and cost-effective Hospital Management Information System (HMIS) for all public healthcare facilities to ensure a paperless and efficient records and patient information management system thus improving revenue collection over the medium term. The County will further build the capacity of revenue officers and officers involved in monitoring of revenue collection through training to equip them with relevant skills.
127. Other measures that the County government is putting in place to maintain growth of revenue over the medium term include mapping revenue sources, enforcement and targeting the community through short messages to encourage compliance.

Figure 1: Own Source of Revenue Trend



Source: Kiambu County Treasury

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

129. For the financial year 2025/26, the reported figure of Kshs.1.77 billion is the actual collection as at 31<sup>st</sup> December 2025. With the implementation of the Own Source Revenue enhancement measures, actual revenue collection is expected to increase during the remaining months of the financial year.

130. During the period under review, the County faced some challenges that hindered optimal collection of revenue. These challenges include factors such as poor organizational structures, inadequate monitoring systems, Insufficient revenue collection staff, lack of transparency, limited facilitation and logistical support, Political interference, Weak enforcement mechanisms and system downtimes, Cases of forgery, impersonation, system manipulation, Lack of comprehensive databases and interdepartmental coordination among others.

## 2.6. Expenditure Performance

Table 3: Analysis of County Expenditures as at 31<sup>st</sup> December 2025

COUNTY EXPENDITURE AS AT 31 <sup>ST</sup> DECEMBER 2025 FY 2025-2026				
Vote	Department	Approved Budget Supplementary 1 (AB)	Actual Expenditure (AE)	Total Expenditure as % of Annual Target
<b>RECURRENT</b>		<b>KShs.</b>		
4061	County Assembly	1,507,967,268	423,926,575	28.1
4062	County Executive	582,104,850	85,604,682	14.7
4063	County Public Service Board	90,740,688	30,138,112	33.2
4064	Finance ICT & Economic Planning	1,596,702,281	359,044,051	22.5
4067	Water, Environment, Natural Resources, Energy and Climate Change	663,757,983	162,914,581	24.5
4068	Health Services	7,224,076,418	3,143,183,125	43.5
4073	Roads, Transport & Public Works	802,316,024	310,879,751	38.7
4075	Administration & Public Service	1,031,574,290	311,486,934	30.2
4077	Agriculture, Livestock and Cooperatives	535,694,758	161,910,226	30.2
4078	Education, Gender, Culture & Social Services	1,552,789,029	424,854,884	27.4
4079	Youth Affairs, Sports & Communication	195,395,034	34,003,491	17.4
4080	Lands, Housing, Physical Planning & Municipal Administration and Urban Development	521,883,145	118,932,749	22.8
4081	Trade, Tourism, Industrialization and Investments	212,864,646	35,033,586	16.5
	<b>Total</b>	<b>16,517,866,414</b>	<b>5,601,912,747</b>	<b>33.9</b>
<b>DEVELOPMENT</b>				

COUNTY EXPENDITURE AS AT 31 <sup>ST</sup> DECEMBER 2025 FY 2025-2026				
Vote	Department	Approved Budget Supplementary 1 (AB)	Actual Expenditure (AE)	Total Expenditure as % of Annual Target
4061	County Assembly	131,208,201	-	0
4062	County Executive	-	-	0
4063	County Public Service Board	-	-	0
4064	Finance ICT & Economic Planning	240,000,000	0	0
4067	Water, Environment, Natural Resources, Energy and Climate Change	809,589,672	29,363,285	3.6
4068	Health Services	1,268,958,595	407,410,378	32.1
4073	Roads, Transport & Public Works	2,489,819,194	314,651,953	12.6
4075	Administration & Public Service	457,000,713	7,963,023	1.7
4077	Agriculture, Livestock and Cooperatives	890,033,795	157,503,174	17.7
4078	Education, Gender, Culture & Social Services	1,085,659,570	119,239,809	11
4079	Youth Affairs, Sports & Communication	226,000,000	33,964,880	15
4080	Lands, Housing, Physical Planning & Municipal Administration and Urban Development	1,970,732,981	0	0
4081	Trade, Tourism, Industrialization and Investments	744,450,625	149,055,524	20
	<b>Total</b>	<b>10,313,453,346</b>	<b>1,219,152,026</b>	<b>11.8</b>
	<b>GRAND TOTAL</b>	<b>26,831,319,760</b>	<b>6,821,064,773</b>	<b>25.4</b>

Source: Kiambu County Treasury

131. The total expenditure for the period under review was KShs 6.82 billion representing an absorption rate of 25.4 percent of the total revised budget FY 2025/26. During the period under review, Recurrent Expenditure was at KShs. 5.6 billion representing an absorption rate of 33.9 percent while Development Expenditure was KShs. 1.22 billion, representing an absorption rate of 11.8 percent. Under recurrent expenditure, the department of Health Services recorded the highest absorption at 43.5 percent while the department of County Executive had the lowest absorption at 14.7 percent.

132. Under development expenditure, the department of Health Services had the highest absorption at 32.1 percent while the departments of County Assembly, Finance, ICT and Economic Planning and Lands, Housing, Physical Planning and MAUD had nil absorption.

133. The under absorption in both recurrent and development budget was occasioned by delay in disbursement of revenues from the National Government (NG) and the missed own source revenue target for the Six months of the financial

year. With proper structures put in place, the absorption rate is expected to rise in the remaining months of the financial year.

## **2.7. Fiscal Policy for FY 2026/27 and the Medium Term**

- 134.** The fiscal policy for FY 2026/27 and the medium term will be anchored on a growth supportive consolidation strategy that advances the County Government's priorities under the Governors manifesto, CIDP 2022-2027 which has been aligned to the national government Bottom - Up Economic Transformation Agenda (BETA) and the Fourth Medium Term Plan.
- 135.** This plan focuses on managing liabilities, curbing the growth of pending bills, and establishing an effective liability management strategy while safeguarding service delivery. Efforts will also target enhancing own-source revenue (OSR) mobilization, reprioritizing expenditures, and protecting priority programmes and social spending.
- 136.** To support economic recovery, the fiscal policy emphasizes revenue enhancement for FY 2026/27 and beyond. The County Government will focus on expanding the revenue base and strengthening revenue administration through administrative and policy reforms. These measures will aim to reduce fiscal deficits by increasing revenue and rationalizing expenditures.
- 137.** Revenue projections indicate an increase in total revenue, including Appropriations-in-Aid (A-I-A), from KShs. 23.68 billion in FY 2026/27 to KShs. 24.34 billion in FY 2027/28 and KShs. 24.98 billion in FY 2028/29. Similarly, total expenditure is projected to rise from KShs. 23.68 billion in FY 2026/27 to KShs. 24.98 billion in FY 2028/29. Recurrent expenditure is expected to increase from KShs. 15.88 billion in FY 2026/27 to KShs. 16.77 billion in FY 2028/29, while development spending will grow progressively to sustain growth momentum from 7.80 billion in FY 2026/27 to KShs. 8.21 billion in FY 2028/29.

Table 4: Fiscal Framework

	FY 2023/2024	FY 2024/2025	FY 2025-2026	FY 2026/2027	FY2026/2027	FY2027/2028
	Actual	Actual	Supplementary 1 Estimates	2026 CFSP	Projections	Projections
<i>Amount in KShs.</i>						
<b>Total Revenue</b>	<b>19,102,622,748</b>	<b>19,350,160,673</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,815</b>	<b>24,988,332,389</b>
Equitable Share Allocation	11,249,348,252	12,293,695,472	13,071,817,986	13,240,133,217	13,902,139,878	14,541,037,507
Additional Conditional Allocations	655,324,348	574,266,842	3,143,187,166	2,263,738,186	2,255,312,110	2,255,312,110
Own Source Revenue (OSR)	4,576,313,302	5,485,338,573	9,934,222,680	8,182,076,895	8,187,888,827	8,191,982,772
Other Revenues	2,621,636,846	996,859,786	682,091,928		-	-
<i>Amount in KShs.</i>						
<b>Total Expenditure</b>	<b>17,859,776,242</b>	<b>16,985,728,399</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,816</b>	<b>24,988,332,389</b>
Recurrent Expenditure	14,289,475,356	13,635,825,792	16,517,866,414	15,884,715,435	16,321,276,481	16,770,934,358
Development Expenditure	3,570,300,886	3,349,902,607	10,313,453,346	7,801,232,863	8,024,064,335	8,217,398,031

Source of Data: Kiambu County Treasury

### 2.7.1 Revenue Reforms and Enhancements

**138.** The County Government has embarked on significant revenue reforms, including leveraging technology to automate existing and new revenue streams. These reforms aim to enhance efficiency, increase transparency, and boost Own Source Revenue (OSR) to finance County budgets and development priorities.

**139.** To improve revenue mobilization over the medium term, the County Government will implement various administrative and policy measures, including:

- **Operationalization of the Kiambu County Revenue Authority:** this will provide an independent corporate body responsible for the Own Source Revenue collection in the County.
- **Finalize the ERP implementation in all revenue modules:** Curb leakages and improve accountability.
- **Rapid Result Initiatives (RRI) at the Municipalities:** involve the management from the CECMs, Cos and Directors in monitoring revenue collection at the municipalities.
- **Hold revenue enhancement meetings:** To hold daily revenue enhancement meeting at the municipality level, weekly virtual meetings between the



Management and Municipal Managers, Subcounty Administrators, Finance Officers, Revenue officers and Trade officers. Hold monthly physical meeting between the management and the municipalities heads of department.

- **Staff training:** Enhance the capacity and professionalism of revenue collection officers.
- **Equipping Sub-County offices:** Provide tools and facilities for efficient revenue collection.
- **Community engagement through SMS:** Issue payment reminders to ensure compliance.
- **Audit and compliance:** Strengthen the audit function to ensure transparency.
- **Public sensitization:** Educate residents on the benefits of timely revenue payments.
- **Mobile collection offices:** Improve access to payment points in marginalized areas.
- **Physical planning enforcement:** Ensure compliance with regulations and dues at construction sites.
- **Updated valuation roll:** Enhance land rates revenue collection significantly.

140. Revenue enhancement measures for FY 2026/27 include:

- **Advanced invoicing:** Sub-County offices will issue invoices early, reminding residents to pay business permits and levies.
- **Compliance task forces:** Teams will inspect construction projects to ensure approvals and payments, including settlement of land rates arrears.
- **Reduction of the Rate struck from 0.25 to 0.125:** the reduction will encourage the landowners to settle the land rates thereby boosting revenue collections.

141. Adequate OSR mobilization is essential for counties to address rising expenditure needs, provide public goods and services, and achieve development goals. Enhanced OSR can bridge funding gaps caused by insufficient National Government disbursements, improve fiscal autonomy, and ensure counties maintain control over their development agendas.

142. However, challenges in OSR collection have persisted, including lack of transparency, poor organizational structures, inadequate monitoring systems,

Insufficient revenue collection staff, Limited facilitation and logistical support, Political interference, Weak enforcement mechanisms and system downtimes, Cases of forgery, impersonation, system manipulation, Lack of comprehensive databases and interdepartmental coordination among others. These issues have historically impacted the County's ability to meet revenue targets, affecting programme and project implementation.

- 143.** To address these challenges, the County Government is automating revenue processes and widening the revenue base. The focus is shifting from high-cost, high-risk streams with minimal returns to low-risk streams with higher revenue potential. Others interventions include; creating synergies between departments, Regular reporting and follow-up on fraud and impersonation cases, Decentralizing services to Municipality and ward levels, Close staff supervision and establishment of databases, implementing cashless payment systems and revising outdated rules and regulations.
- 144.** These efforts aim to improve transparency, accountability, and the achievement of revenue targets over the medium term.

### **2.7.2 Expenditure Reforms**

- 145.** In line with the Constitution of Kenya (2010), the Public Finance Management Act (PFMA), 2012, and the County Government's fiscal responsibility principles, the County Government will continue to implement expenditure reforms aimed at enhancing efficiency, effectiveness, and accountability in the use of public resources.
- 146.** The County Government will sustain austerity measures focused on rationalizing and containing recurrent expenditure, in order to create fiscal space for development spending while safeguarding the delivery of essential services. These measures will be complemented by the rollout of an end-to-end e-procurement system in accordance with the Public Procurement and Asset Disposal Act (PPADA), with the objective of improving transparency, strengthening competition, reducing procurement-related inefficiencies, and ensuring value for money.
- 147.** Promoting fiscal discipline, allocative efficiency, and operational effectiveness remains a key policy priority. In this regard, the County Government will align expenditure plans with available and projected revenues, consistent with the PFMA

requirement for a balanced and sustainable budget. Budgetary allocations will be prioritized towards programmes, projects, and activities that are aligned to the County Integrated Development Plan (CIDP), Annual Development Plans (ADPs), and sector priorities, and which deliver the highest socio-economic returns to residents.

- 148.** Further, the County Government is committed to improving the quality of public service delivery at an affordable and sustainable cost. Additional expenditure reform measures will include strengthening commitment controls, enhancing budget execution and reporting, improving monitoring and evaluation frameworks, and enforcing compliance with approved budgets to ensure that public funds are utilized efficiently and for their intended purposes.

#### ***Implementation of Treasury Single Account***

- 149.** In order to strengthen public cash management and in compliance with the Public Finance Management Act, 2012, County Governments are required to migrate to the Treasury Single Account (TSA) framework during **Phase II of implementation in FY 2025/26**. The Treasury Single Account is a unified structure of government bank accounts that facilitates the consolidation and optimal utilization of county cash resources, enhances transparency, and improves cash planning and control.
- 150.** The migration of County Governments to the TSA will be undertaken in close consultation with the Intergovernmental Budget and Economic Council (IBEC), in accordance with Sections 17(2) and 9(1) of the Public Finance Management Act, 2012. This reform will involve the rationalization and consolidation of county bank accounts and the integration of county financial management systems, with the objective of strengthening fiscal discipline, improving commitment controls, and ensuring efficient utilization of county resources.

#### ***Accrual Accounting***

- 151.** To strengthen management of public resources, the Government is in the process of transitioning from cash basis to accrual basis of accounting to improve cash management and enhance financial and fiscal reporting. The transition to accrual

accounting process is guided by accounting standards (IPSAS 33). As of December 2025, the County Treasury had constituted the Steering and technical committees which were guiding the transition process. All financial assets including the bank accounts were disclosed in the financial statements whereas financial liabilities (pending bills) were incorporated in the financial statements.

- 152.** The county treasury in the process of ensuring the County inventory are disclosed in the financial statements as at 30th June 2025 whereas assets Identification and valuation was work in progress with completion targeted by FY 2026/27. Financial reporting staffs were trained on basic accrual transition and the County Treasury is in the process of ensuring all key staffs are sensitized and trained on accrual accounting. The accrual accounting system will enable comprehensive accounting of all government assets and liabilities, enhancing financial reporting and fiscal oversight.

#### ***Zero-based Budgeting Approach***

- 153.** Through the guidelines from the National Government, the County Government will embark on the Zero-Based Budgeting approach in preparing future budgets. To implement Zero Based Budgeting, the National Treasury will guide on Budget Costing Tools in the IFMIS Budget Module and standardized costing methodologies to streamline calculation of budget baselines and prioritization to give credible base for preparation of budget estimates at the County level.

#### ***Assets and Liabilities Management Reforms***

- 154.** In line with strengthening the management of assets and liabilities in the public sector, the County Government of Kiambu has forwarded the names of officers designated as IFMIS rights users for the rollout of the IFMIS Asset Management Module within the County. This initiative is aimed at operationalizing the Asset Management Module to enhance effective tracking, recording, and management of county assets.
- 155.** The designated officers will be responsible for the continuous updating and maintenance of the County Asset Register. In addition, the County has constituted a Standing Committee on Asset Management and deployed officers to the Asset

Management Unit to oversee and coordinate asset management functions. Going forward, the County is in the process of customizing and operationalizing the Asset and Liability Management Policy issued by the National Treasury to fully align it with county-specific operations

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

### 3.0 BUDGET FOR FY 2026/2027 AND THE MEDIUM TERM

#### 3.1 Fiscal Framework FY 2026/27 and the Medium Term

157. The FY 2026/2027 and the medium-term budget is based on the County Government's policy priorities and the macroeconomic policy framework outlined in Chapter I and Chapter II. The County Government remains committed to pursuing a growth-friendly fiscal consolidation plan by containing expenditures and enhancing mobilization of revenue in efforts to curtail the growth of pending bills without compromising the delivery of essential services.

#### 3.2 Revenue Projections

158. Article 203(2) of the Constitution provides that the equitable share allocated to County Governments shall not be less than fifteen (15) per cent of the most recent audited revenue raised nationally, as approved by the National Assembly. In the 2026 Budget Policy Statement (BPS), the National Treasury proposes to allocate County Governments an equitable share of KSh 420.0 billion from the Nationally raised shareable revenue. The proposed allocation will be shared among County Governments in accordance with the Fourth Basis for Revenue Sharing approved by Parliament under Article 217 of the Constitution.

159. The 2026 BPS proposes to allocate Kiambu County KSh. 13.24 billion as its equitable share for the FY 2026/27.

160. Further, the National Treasury proposes to allocate KSh 64.69 billion as additional (conditional and unconditional) allocations to County Governments. Out of this, KSh 7.2 billion will be financed from the National Government's share of revenue, and KSh 57.46 billion from proceeds of loans and grants from Development Partners. Kiambu County projects an allocation of KShs. 2.26 billion from additional allocations from the National Government share of revenues and proceeds from loans and grants from development partners.

161. Own Source Revenue has been projected at KShs. 8.18 billion.

162. In the financial year **2026/2027 total County revenue** is projected at KShs. 23.68 billion from the projected KShs. 26.83 billion in FY **2025/2026**.

163. The comprehensive breakdown of the total County revenue projection for the financial year 2026/2027 is provided for under **Annex 2**. A summary of the major revenue sources has been analyzed in table 5 below.

**Table 5: Revenue Projections FY 2026/27-2028/29**

	FY 2023/2024	FY 2024/2025	FY 2025-2026	FY 2026/2027	FY2026/2027	FY2027/2028
	Actual	Actual	Supplementary 1 Estimates	2026 CFSP	Projections	Projections
<i>Amount in KShs.</i>						
<b>Total Revenue</b>	<b>19,102,622,748</b>	<b>19,350,160,673</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,815</b>	<b>24,988,332,389</b>
Equitable Share Allocation	11,249,348,252	12,293,695,472	13,071,817,986	13,240,133,217	13,902,139,878	14,541,037,507
Additional Conditional Allocations	655,324,348	574,266,842	3,143,187,166	2,263,738,186	2,255,312,110	2,255,312,110
Own Source Revenue (OSR)	4,576,313,302	5,485,338,573	9,934,222,680	8,182,076,895	8,187,888,827	8,191,982,772
Other Revenues	2,621,636,846	996,859,786	682,091,928	-	-	-

*Source: Kiambu County Treasury*

### 3.3 Expenditure Projection

**164.** The overall expenditure is projected at KShs. 23.68 billion in FY 2026/27 from the projection of KShs. 26.83 billion in FY 2025/26. The FY 2026/27 comprise of Recurrent expenditure of KShs. 15.88 billion (67.1 percent) and development expenditure at KShs. 7.56 billion (32.9 percent).

**Table 6: Expenditure Projections FY 2026/27-2028/29**

	FY 2023/2024	FY 2024/2025	FY 2025-2026	FY 2026/2027	FY2026/2027	FY2027/2028
	Actual	Actual	Supplementary 1 Estimates	2026 CFSP	Projections	Projections
<i>Amount in KShs.</i>						
<b>Total Expenditure</b>	<b>17,859,776,242</b>	<b>16,985,728,399</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,816</b>	<b>24,988,332,389</b>
Recurrent Expenditure	14,289,475,356	13,635,825,792	16,517,866,414	15,884,715,435	16,321,276,481	16,770,934,358
Development Expenditure	3,570,300,886	3,349,902,607	10,313,453,346	7,801,232,863	8,024,064,335	8,217,398,031

*Source: Kiambu County Treasury*

### 3.4 Overall Deficit and Financing

**165.** The County Government has allocated resources for spending that are proportionate to revenues projections in the FY 2026/27. The County budget shall be financed through transfers from the National Government, Own Source of Revenue and revenues from development partners. The FY 2026/27 fiscal framework is therefore fully financed.

### 3.5 FY 2026/27 and Medium-Term Budget Priorities

166. The FY 2026/27 Medium-Term Budget Framework is anchored on the County Government's strategy to stimulate economic recovery, sustain growth, and reposition the county towards a sustainable and inclusive development path. This will be achieved through the implementation of priority programmes outlined in the FY 2026/27 Annual Development Plan (ADP), aligned with the 2023–2027 County Integrated Development Plan (CIDP) and the National Government's Bottom-up Economic Transformation Agenda (BETA). The framework emphasizes strengthening the linkage between planning, budgeting, resource allocation, and performance monitoring to ensure efficient use of resources and effective service delivery.
167. The budget prioritizes investments in key sectors with the highest socio-economic impact, including agriculture, health, education and social protection, infrastructure, MSMEs and employment creation, manufacturing, water, environmental conservation, and climate change action. Public spending will be focused on the county's most critical needs to achieve quality outputs and outcomes, while departments will be required to enhance efficiency through cost-effective budgeting, project rationalization, and realignment of expenditures towards priority programmes, with the aim of reducing non-priority spending and expanding the county's revenue base.

### 3.6 Budgetary Allocations for the FY 2026/27 and the Medium-Term

168. The total budget for FY 2026/27 is projected at KShs. 23.68 billion. The allocation on County entities programmes has been summarized under *annex 3*. However, the allocations to the County Government entities are summarized in table 7 below;



**Table 7: Summary Budget Allocations for the FY 2026/27- 2028/29**

Department Expenditure Ceilings for the FY 2026/27-2028/29 MTEF Period (Kshs)					
Vote No.	Department	Supplementary 1 Estimates	2026 CFSP CEILINGS	PROJECTIONS	
	Recurrent	FY 2025/2026	FY 2026/2027	FY 2027/2028	FY 2028/2029
4061	County Assembly	1,507,967,268.0	1,332,680,576.0	1,332,680,576.0	1,332,680,576.0
4062	County Executive	582,104,850.0	530,000,000.0	545,900,000	562,277,000
4063	County Public Service Board	90,740,688.0	90,000,000.0	92,700,000	95,481,000
4064	Finance, Economic Planning & ICT	1,596,702,281.0	1,600,000,000.0	1,648,000,000	1,697,440,000
4067	Water, Environment, Energy & Natural Resources	663,757,983.0	565,800,000.0	582,774,000	600,257,220
4068	Health Services	7,224,076,418.0	7,209,878,000.0	7,426,174,340	7,648,959,570
4073	Roads, Transport & Public Works	802,316,024.0	745,000,000.0	767,350,000	790,370,500
4075	Administration & Public Service	1,031,574,290.0	1,017,500,000.0	1,048,025,000	1,079,465,750
4077	Agriculture, Livestock & Cooperative Development	535,694,758.0	488,806,691.0	503,470,892	518,575,018
4078	Education, Gender & Social Services	1,552,789,029.0	1,500,050,168.0	1,545,051,673	1,591,403,223
4079	Youth Affairs, Sports & Communication	195,395,034.0	195,000,000.0	200,850,000	206,875,500
4080	Lands, Housing, Physical Planning-MAUD	521,883,145.0	420,000,000.0	432,600,000	445,578,000
4081	Trade, , Tourism, Industry & Investment	212,864,646.0	190,000,000.0	195,700,000	201,571,000
	<b>Total Recurrent</b>	<b>16,517,866,414</b>	<b>15,884,715,435</b>	<b>16,321,276,481</b>	<b>16,770,934,358</b>
	<b>Development</b>				
4061	County Assembly	131,208,201.0	50,000,000.0	50,000,000	50,000,000
4062	County Executive	-	-		
4063	County Public Service Board	-	-		
4064	Finance, Economic Planning & ICT	240,000,000.0	800,000,000.0	824,000,000	848,720,000
4067	Water, Environment, Energy & Natural Resources	809,589,672.0	483,000,000.0	497,490,000	512,414,700
4068	Health Services	1,268,958,595.0	750,000,000.0	772,500,000	795,675,000
4073	Roads, Transport & Public Works	2,489,819,194.0	1,830,000,000.0	1,884,900,000	1,923,598,277
4075	Administration & Public Service	457,000,713.0	422,500,000.0	435,175,000	448,230,250
4077	Agriculture, Livestock & Cooperative Development	890,033,795.0	681,250,000.0	701,687,500	722,738,125
4078	Education, Gender & Social Services	1,085,659,570.0	550,000,000.0	566,500,000	583,495,000
4079	Youth Affairs, Sports & Communication	226,000,000.0	250,000,000.0	257,500,000	265,225,000
4080	Lands, Housing, Physical Planning-MAUD	1,970,732,981.0	1,446,482,863.0	1,480,171,835	1,496,537,479
4081	Trade, , Tourism, Industry & Investment	744,450,625.0	538,000,000.0	554,140,000	570,764,200
	<b>Total Development</b>	<b>10,313,453,346</b>	<b>7,801,232,863</b>	<b>8,024,064,335</b>	<b>8,217,398,031</b>
	<b>Totals</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,816</b>	<b>24,988,332,389</b>

Source: Kiambu County Treasury

### 3.6.1 Allocation to Personnel Emolument

169. The projected expenditure on personnel emoluments for the 2026/27 financial year is estimated at KShs 9.33 billion, representing 39.4 percent allocation of the total county revenue. Section 25 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015 provides that there is a stipulated limit for the County Government's expenditure on wages and benefits, set at 35 percent of the County's total revenue. Consequently, the county government's expenditure on personnel emoluments exceeds the legal threshold.
170. The County has not met the legal threshold since the onset of devolution. This deficiency has been influenced by several factors; The County Government inherited a substantial payroll from both the defunct local authorities and the National Government. The Department of Health carries the bulk of this considerable wage bill. Consequently, there has been a persistent demand for more staff to enhance services at our hospitals. Also there has been upward revision of salaries and allowances for health workers.
171. Similarly, the expansion of education in our ECDE centers and vocational centers, has also necessitated the recruitment of additional personnel. Further, other factors such as; promotion of county staff, the transition of employees from contractual to permanent and pensionable status, the establishment of new entities such as municipalities, salary review by SRC, introduction of additional taxes such as Housing levy has contributed to the overall increase in the wage bill over the years.
172. Nevertheless, the County Government is dedicated to ensuring that the allocation for personnel emoluments meets the required limit. To ensure compliance with expenditure regulations on salaries, the county intends to continue increasing its total revenues, particularly its own source revenue. Consequently, this will reduce the percentage of the wage bill relative to total revenues. Further, staff recruitment has been restricted majorly to technical and essential services positions.

Table 8: The table below shows the PE medium term projections 2025/26-2027/28

Economic Classification	2025-2026	2026-2027	FY 2026/2027	FY 2027/2028
Recurrent	Supplementary 1	2026 CFSP	Projections	Projections
Compensation of Employees	9,064,974,703	9,336,923,944	9,617,031,662	9,905,542,612
Operations & Maintenance	7,452,891,711	6,547,791,491	6,704,244,818	6,865,391,746
<b>Total Recurrent Expenditure</b>	<b>16,517,866,414</b>	<b>15,884,715,435</b>	<b>16,321,276,481</b>	<b>16,770,934,358</b>
<b>Development Expenditure</b>	<b>10,313,453,346</b>	<b>7,801,232,863</b>	<b>8,024,064,335</b>	<b>8,217,398,031</b>
<b>Total Budget</b>	<b>26,831,319,760</b>	<b>23,685,948,298</b>	<b>24,345,340,816</b>	<b>24,988,332,389</b>

Source: Kiambu County Treasury

### 3.6.2 Allocation to County Established Funds

173. Section 116 (1) of the PFM Act, 2012 (CAP 412A) provides that a County Executive Committee member for Finance may establish other public funds with the approval of the County Executive Committee and the County Assembly. The County treasury has made allocations to the county established funds as indicated in table 9 below.

Table 9: Allocation to County Established funds

Fund Name	Allocation (KShs.)
Kiambu County Education Bursary Fund	200,000,000
Kiambu Emergency Fund	50,000,000
Kiambu Alcoholic Drinks Control Fund	60,000,000
Facility Improvement Fund (FIF)	2,100,000,000
Kiambu Enterprise Fund	50,000,000
<b>Total</b>	<b>2,460,000,000</b>

Source: Kiambu County Treasury

### 3.6.3 Conditional Grants

174. Article 202 (2) of the Constitution provides that County Governments may be given additional allocations from the National Governments Share of revenue either conditionally or unconditionally; while Article 190 of the Constitution also provides that Parliament shall by legislation ensure that County Governments have adequate support to enable them to perform their functions.

175. Further, Section 4 of the County Governments Additional Allocations Act (CGAAA), 2025 requires that additional allocations shall be funds agreed upon by the National Assembly and the Senate during the consideration of the Budget Policy Statement and shall comprise of County Governments' additional allocations

financed from either the National Government's Share of Revenue or proceeds of loans or grants from Development Partners. Pursuant to Section 5 of the CGAAA 2025, funds for additional allocations to County Governments shall be included in the budget estimates of the National Government and shall be submitted to Parliament for approval.

- 176.** In the 2026 Budget Policy Statement, the National Treasury proposes to allocate KSh 64.69 billion as additional (conditional and unconditional) allocations to County Governments. Out of this, KSh 7.2 billion will be financed from the National Government's share of revenue, and KSh 57.46 billion from proceeds of loans and grants from Development Partners.
- 177.** The County will receive the amount representing proceeds from external loans and grants for various programs under Agriculture, Health, Urban Development, and the Environment sector.
- 178.** Additional unconditional allocations include allocations from court fines and 20% share of mineral royalties to county Government. Conditional from National government Grants include: payment of outstanding salary arrears for health workers, Community Health promoters, aggregation and industrial parks (CAIPS) programme.
- 179.** Additional allocations financed from proceeds of loans and grants from development partners include: IFAD-Aquaculture Business Development Programme (ABDP), IDA (World Bank) Financing Locally-Led Climate Action Program- County Climate Institutional support (FLLOCA-CCSI) and resilience Investment (FLLOCA-CCRI), IDA (World Bank) second Kenya Devolution Support programme – institutional (KDSP level I), & service delivery and investment grant (KDSP level II), IDA (World Bank) Second Kenya Urban support Project (KUSP)- Urban development Grant (UDG) & Urban Institutional Grant (UIG), IDA (World Bank) National agriculture value Chain Development Project (NAVCDP), DANIDA- Primary Health Care in devolved context, Sweden- Kenya Agricultural Business Development Project (KABDP). Final allocation details for these grants will be directed by the County Governments Additional Allocations Act.

### **3.6.3.1 Intergovernmental Fiscal Transfers**

**180.** National Government Ministries Departments and Agencies (MDAs) are responsible for development of frameworks for the management of conditional additional allocations made to beneficiary County Governments. These frameworks outline the total allocation to each conditional additional allocation and the specific amount apportioned to each participating County Government; the conditions to be met by participating County Government; and the responsibilities of both MDAs, and beneficiary County Governments. The Accounting Officers in the respective MDAs are responsible for submission of these frameworks to the National Treasury for inclusion in the County Governments Additional Allocations Bill (CGAAB), 2025.

### **3.6.3.2 Intergovernmental Agreements in respect of the Additional Conditional Allocations**

**181.** Section 9 of the CGAAA, 2022 for FY 2021/22 vide Kenya Gazette Supplement No. 74 of 29th April made consequential amendments to the PFM Act, 2012 to provide for among others, the insertion of Sections 191A to 191E on intergovernmental agreements. These sections required that the National Treasury shall enter into an intergovernmental agreement with the respective County Governments for the transfer of the respective conditional allocations made to the County Governments pursuant to the Act; that such agreements shall set out any conditions that may be attached to the conditional allocations; and that the requisition of funds from the County Revenue Fund (CRF) for the purposes of a conditional grant shall be supported by the intergovernmental agreement approved under Section 191A.

**182.** However, the National Treasury prepared and submitted to the Cabinet the Public Finance Management (Amendment) Bill, 2024 which seeks to repeal Section 191 A-E of the Public Finance Management Act (CAP 412A) to provide for seamless implementation of conditional allocations while ensuring there is no duplication in management of the conditional allocations. The Bill has since then been approved by the Cabinet and forwarded to the Hon. Attorney General with the accompanying Cabinet Memorandum, for onward transmission to Parliament.

Table 10: Summary of County Additional Allocations

	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
	Actual	Supplementary 1	2026 CFSP	Projections	
<b>TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS</b>	<b>574,266,842</b>	<b>3,143,187,166</b>	<b>2,263,738,186</b>	<b>2,255,312,110</b>	<b>2,255,312,110</b>
I. Additional Allocations Financed from National Governments Share of Revenue	0	14,244,964	14,244,964	10,782,328	10,782,328
II. Additional Allocation Financed from National Government's Share of Revenue	171,583,051	766,106,858	94,680,000	94,680,000	94,680,000
III. Additional Conditional Allocations Financed from Proceeds of Loans and Grants from Development partners	402,683,791	2,362,835,344	2,154,813,222	2,149,849,782	2,149,849,782

Source: Kiambu County Treasury

**183.** Resource allocation and utilization in the FY 2026/27 and the medium term will be guided by County Integrated Development Plan (2023-2027), County Annual Development Plan (2026/27) and MTEF sector reports FY 2026/27. This approach is designed to facilitate the efficient use of public funds. The baseline estimates reflect the current department/sector spending levels in sector Programmes. In the recurrent expenditure category, non-discretionary expenditures take first charge. These include payment of pending bills, salaries, pensions and critical daily operations to meet service delivery.

#### 3.6.4 Criteria for Resource Allocation

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

- i. Linkage of Programmes with the value chains of the Bottom-Up Economic Transformation Agenda priorities;
- ii. Linkage of the programme with the priorities of CIDP 2023-2027
- iii. Linkage of Programmes that support mitigation and adaptation of climate change;
- iv. Completion of ongoing projects, viable stalled projects and payment of verified pending bills;
- v. Degree to which a programme addresses job creation and poverty reduction;
- vi. Degree to which a programme addresses the core mandate of the department/Sector expected outputs and outcomes from a programme;
- vii. Cost effectiveness, efficiency and sustainability of the programme; and
- viii. Requirements for furtherance and implementation of the Constitution.

**185.** The baseline estimates reflect the current ministerial spending levels in sector programmes. In the recurrent expenditure category, non-discretionary expenditures take first charge. These include payment of pending bills and salaries and pensions.

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

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

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

### **3.6.5 Kiambu County Revenue Allocations Act, 2024**

- 188.** The Kiambu County Revenue Allocation Act, 2024, was enacted by the County Assembly of Kiambu to provide for the equitable allocation and use of county resources. This Act, signifies a pivotal legislative effort by the County Assembly of Kiambu to establish frameworks for the just distribution and effective utilization of county resources. Enacted with the objective of fostering equitable allocation and optimal utilization of these resources, the Act addresses various dimensions of fiscal management and distribution of resources within Kiambu County. The object and purpose of the Act is to; provide a framework for the equitable sharing of county resources among the wards; provide resources for economic and social development in a fair and just manner; provide a guaranteed budget line in the county budget cycles for funding of ward activities; provide mechanisms for identification and prioritization of ward projects and provide for participation of the public in the determination and implementation of identified projects within the wards. In the FY 2025-2026, the ward projects have been allocated **KShs. 600 million**.

### **3.7 Public Participation and Involvement of Stakeholders**

- 189.** Public participation and involvement of stakeholders in the medium-term budget process are constitutional requirements. In fulfillment of this obligation, the County Government convened Sector Working Groups (SWGs) to develop sector reports contributing to the development of the fiscal strategy paper, with the active involvement of key stakeholders.
- 190.** The PFM Act, 2012 (CAP 412A) requires that the input of the public be considered before the budget proposals are firmed up. Accordingly, the County conducted Public Participation forums across all 12 Sub Counties in February, 2026. Further, the draft 2026 CFSP will be availed on the County website, both the public and stakeholders will be requested to provide comments. As required by the PFM Act, 2012 (CAP 412A), the document will be shared with various stakeholders, including the Commission of Revenue Allocation (CRA) and the Office of the Controller of Budget (OCoB). The comments received will be carefully considered in finalizing this document.



## 4.0 STATEMENT OF SPECIFIC FISCAL RISK

**191.** This section covers specific fiscal risk that the County Government of Kiambu faces and elevates the importance of effective risk management.

**192.** The specific fiscal risks include:

- a) Fiscal Risks Related to Devolution;
- b) Climate Change Related Fiscal Risks to the Economy;
- c) Crystallization of Contingent Liabilities;

### **A. Fiscal Risks Related to Devolution;**

**193.** County Treasuries are required under Section 107 of the PFM, Act 2012 to manage their public finances in accordance with the principles of fiscal responsibility. Among the fiscal responsibility principles set out in Section 107 (2) is the requirement for the County Treasury to manage its fiscal risks prudently. Several fiscal risks that require prudence in its management by the County Governments are as follows:

#### **i) Pending Bills**

**194.** As of January 26, 2025, the County Government had accumulated pending bills totaling KShs. 5.51 billion. Of this amount, KShs 922.7million were found to be audited and eligible, KShs 557.7m million were audited and ineligible, KShs 2.049 billion were unaudited pending bills from the previous years, KShs 2.9 million were audited ineligible staff payables, KShs 1.26 billion were audited eligible transfers per the OAG June 2020 report, and KShs 715 million were unaudited transfers for FY 2020/21 and FY 2021/22.

**195.** During FY 2024/25, the county government managed to settle KShs 1.146 billion of the pending bills, including KShs 16.6 million in audited OAG eligible pending bills and KShs 1.13 billion that were not audited by OAG.

**196.** To mitigate this issue, the current administration is committed to avoiding an increase in the stock of pending bills by strictly adhering to approved budgets and closely monitoring cash flows. Additionally, the county government will submit a pending bills plan to the Controller of the Budget for compliance. In the current financial year, the county has pledged to settle pending bills with every monthly exchequer release.

**197.** Moving forward, the County Government is committed to maintaining pending bills at a sustainable level, as excessive outstanding bills negatively impact service delivery to the residents of Kiambu County, diverting a significant portion of development funds toward bill settlements. This goal can be achieved by reducing county expenditures, exploring strategies to augment available resources to prevent budgetary deficits, and implementing stringent measures to safeguard public resources, including austerity measures and combating corruption. Moreover, the county government has put measures in place to mitigate the problem of pending bills by strictly adhering to the approved budget.

#### **ii) High Wage Bill**

**198.** The county's wage bill remains substantial and poses a significant risk to the budget framework. Over time, the demand for technical and critical staff has necessitated additional recruitment, leading to a rising wage bill. The implementation of staff promotions by the Salaries and Remuneration Commission (SRC), increased ECDEs enrollment that requires more teachers, coupled with the upward revision of salaries and allowances particularly for health workers has further exacerbated this issue.

**199.** To mitigate this risk, the county government plans to reduce the proportion of spending on personnel emoluments. Measures include freezing new recruitment, except for critical positions, and anticipating a reduction in the workforce due to retirements. Additionally, an ambitious revenue mobilization strategy aims to gradually lower the percentage of the wage bill.

#### **iii) Missed Revenue Targets**

**200.** Recurring issues with missed revenue targets have led to low budget absorption, particularly in development expenditures across various county departments. As a result, some projects remain unimplemented by the end of each financial year, leading to project rollovers. The unpredictability and delays in fund transfers from the National Government pose further risks to the effective implementation of the county's budget. In previous financial years, this challenge was exacerbated by delayed resource releases from the National Government, missed own-source revenue targets, and substantial pending bills.

**201.** To address these challenges, the county government is enhancing its own-source revenue collection. Proactive strategies have been instituted to increase revenue collection, meet established targets, and fully finance the budget.

#### **iv) Creation of New Entities**

**202.** In accordance with the Urban Areas and Cities Act, the county has established new urban institutions. In March 2023, six new municipalities were granted municipal charters, supplementing the existing six and bringing the total to twelve. Additionally, efforts are underway to elevate Thika Municipality to the status of an industrial smart city.

**203.** However, the existing municipal boards have been operating below their potential due to limited mandates and insufficient budgets. The initial six municipalities have relied heavily on conditional grants from the World Bank through the Kenya Urban Support Programme. To ensure the effective operation of these newly established municipalities, county funds must be allocated alongside donor funding. Over the medium term, all Municipal Management Committees are expected to become fully operational, requiring additional financial support.

### **B. Climate Change Related Fiscal Risks to the Economy**

**204.** In the recent years, the county has faced harsh climatic conditions, including drought and famine. While Kiambu County is not among the worst-hit areas, certain regions exhibit semi-arid characteristics. These extreme climate variations have led to decreased agricultural productivity, reducing revenue from cess and agro-processing value chains. Additionally, food and nutrition insecurity has worsened, necessitating additional funding to address hunger and mitigate damage caused by the draught.

**205.** Food inflation within the county has further diminished consumers' purchasing power, limiting their ability to engage in income-generating activities and ultimately affecting revenue generation.

**206.** To address these challenges, the county is implementing the Financing Locally-Led Climate Action (FLLoCA) Program, supported by the World Bank, to fund climate adaptation and mitigation projects. Development budget allocations have

been made to support program interventions, and all county sectors are mandated to incorporate climate change measures into their programs.

### **C. Crystallization of Contingent Liabilities**

- 207.** Contingent liabilities refer to potential obligations that may arise based on uncertain future events. While they are not recorded in the CFSP's financial position, they must be adequately disclosed. A contingent liability is recorded in financial statements only if the obligation is probable and can be reasonably estimated.
- 208.** Contingent liabilities can be explicit or implicit. Explicit liabilities are legal obligations established by law or contractual agreements that the government is required to settle when due. In contrast, implicit liabilities are not legally defined but arise from public expectations or political interventions. Since contingent liabilities are often not reflected directly in the budget, they may be poorly quantified, increasing the risk of unplanned expenditures if they materialize. Therefore, monitoring these liabilities is essential to avoid fiscal strain during the budget year.
- 209.** The County government has been disclosing these contingent liabilities in its financial statements annually, including ongoing court cases, which are being closely monitored.

## 5.0 DEPARTMENT PRIORITIES AND ALLOCATIONS

### 5.2 County Executive

- 210.** The County Executive comprises four directorates: Administration (Executive), Public Participation and Civic Education, the Office of the County Attorney, and Service Delivery. The County Executive's main mandate is to provide overall policy and leadership direction in the management of public affairs in the County. The department coordinates civic education and public participation in governance, policy formulation and implementation. It also ensures effective and efficient service delivery, coordinates County Government flagship programmes; monitoring, evaluation and reporting on the Governor's key development priorities. Further, the department facilitates the enactment of county legislation in addition to overseeing the implementation of inter-county relations and linkages of other sectors to Counties across Kenya.
- 211.** Key achievements during the 2022/23 – 2024/25 MTEF period includes: providing policy direction and guidelines through management meetings for the purposes of coordinating county functions; generating cabinet papers/memos that presented information, proposals and recommendations to the management to facilitate informed decision making; developing County government policies as well as drafting bills for submission to the County Assembly for approval; successfully arbitrating and representing several cases in court; enhancing coordination of programs, projects, initiatives and monitoring of key development priorities, programmes and projects; undertaking projects visits to assess progress implementation; undertaking visits to facilities to assess levels of service delivery, and coordinating the development of departmental customer service charters.
- 212.** The County Executive faced several challenges during this period, such as: insufficient resources which negatively affected service delivery, weak monitoring and evaluation (M&E) system, inadequate office accommodation and equipment, among others.
- 213.** In the 2026/27 – 2028/29 MTEF period, the County Executive plans to execute the following activities: Coordinate county functions through management meetings, generate cabinet papers and memos to inform decision making; Coordinate departments/sectors in plans and policies formulation and presenting

them to the County Executive Committee and County Assembly for approval; Follow up on implementation of approved plans and policies; Monitor and ensure compliance with departmental service charters to enhance service delivery; Promote civic education and enhance public participation in governance, policy formulation, and implementation; Provide public legal services to promote justice, democracy, and a corruption-free environment; Undertake monitoring and evaluation visits to projects to check on implementation progress and to facilities to assess levels of service delivery.

- 214.** To implement the planned activities, the county executive has been allocated Ksh.530 million, Ksh. 545.9 million and Ksh.562.28 million as the recurrent budget in FY 2026/27, FY 2027/28 and FY 2028/29 respectively.

### **5.3 County Public Service Board**

- 215.** The County Public Service Board (CPSB) core mandate is to; establish and manage the County public service system; facilitate appointment, recruitment and promotion of staff; establish and abolish offices in the County; and ensure disciplinary control. The CPSB also promotes County public service values and principles of governance; facilitates the development of coherent and integrated human resource planning; advises the county on human resource management and development; and makes recommendations to the SRC on behalf of the county regarding remuneration, pensions and gratuities for County public service employees.
- 216.** During the MTEF period FY 2022/23 - 2024/25, CPSB conducted recruitment and promotion of staff to various positions as required in the County. The Board also exercised disciplinary control by successfully solving cases of officers who breached either county policies, regulations or terms of employment. Further, the CPSB facilitated the decentralization of human resource services to the sub-county and departmental levels. In addition, the preparation and publishing of County Human Resource manual was done as well as reviewing and updating of Human Resource competency framework and disciplinary guidelines.
- 217.** The County Public Service Board faced several challenges during this period, among them; limited budget allocations to effectively implement the sectors mandates, huge pending payables affecting programme financing, lengthy policy

review and approval processes coupled with inadequate enforcement of existing regulations together with misalignment between county and national policies causing implementation gaps, high staff turnover leading to loss of trained personnel. In addition, significant advancement in technological innovations rendering available ICT infrastructure and data management tools insufficient.

**218.** During the 2026/27-2028/29 MTEF period, the CPSB plans to continue delivering on its mandates by appointing and recruiting, promoting staff on a need basis. It will also hold disciplinary meetings to resolve cases of non-compliance to county policies, regulations or terms of employment. The Board will also ensure disciplinary guidelines; HR masterplan and the HR competency framework are reviewed and up to date. Further, CPSB intends to continuously engage with stakeholders as well as staff through meetings and trainings.

**219.** To implement the planned programme activities, CPSB has been allocated KShs 90 million, KShs 92.7 million and Ksh95.48 million as recurrent budget for FY 2026/27, FY 2027/2028 and FY 2028/29 respectively.

#### **5.4 Finance, ICT and Economic Planning**

**220.** The department has eight directorates namely; Revenue, Finance, Budget, Accounting Services, Supply Chain Management, ICT, Internal Audit, and Economic Planning. The Department is mandated with preparation of development plans, preparation of estimates of revenues and expenditures, preparation of financial reports, supply chain management services, internal audit services, offering ICT support services, payment of goods and services and cash flow managements, management of county revenues among other functions. It is the County's think tank responsible for policy analysis on a wide range of fiscal issues.

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

- 222.** During the MTEF period FY 2022/23 - 2024/25, the department ensured there was prudent utilization of public resources. There were timely preparation and submission of the County Integrated Development plan 2023-2027, all County Annual Development Plans, Annual budget estimates, supplementary budgets, county fiscal strategy papers, county budget review and outlook papers, procurement plans, quarterly and annual progress reports, quarterly and annual financial statements, and internal audit reports. The department also trained staff on public finance management, mobilized collection of OSR, and ensured prioritized expenditure aligned with the available resources.
- 223.** In the MTEF period FY 2022/23 - 2024/25, the department faced the following challenges; delayed disbursement of exchequer by the national government, missed own source revenue targets to fund priority areas, huge pending bills which affected funding of priority programmes, inadequate budgetary allocation to effectively implement the sectors mandates, and low public participation in planning matters and policy development.
- 224.** During the 2026/27-2028/29 MTEF period, the department plans to improve prudence and compliance in the management of public resources through; training of staff of various cadres, preparation and submission of financial reports, procurement plans, audit reports, County Annual Development Plans, quarterly and annual progress reports, budgets, county fiscal strategy papers, and county budget review and outlook papers. It will also engage the public in financial matters where various public participation forums will be held. In addition, the department plans to develop modern solar powered data centers, install integrated management systems, equip office blocks with internet and CCTVs as well as constructing and equipping solar powered ICT incubation centers.
- 225.** To implement these programs, the department has been allocated, Kshs.2.4 billion FY 2026/27, Kshs.2.47 billion FY 2027/28 and Kshs.2.55 billion FY 2028/29. These allocations comprise, KShs.1.6 billion in FY 2026/27, Ksh.1.65 billion in FY 2027/28 and KShs. 1.69 billion in FY 2028/29 for recurrent and KShs 800 million, KShs 824 million and KShs 848.7 million for development expenditure for the same period.



## 5.5 Administration and Public Service

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

**227.** In the FY 2022/23 – 2024/25 MTEF period, the department improved service delivery through the completed construction of Juja Sub County Office Block, Lari Sub County offices, executive kitchen, boardroom and dining area. In addition, the renovation of Kabete, Githunguri and Gatundu North sub county offices was completed. Service delivery was enhanced through coordination of all departmental activities, undertaking of all payroll related activities, provision of medical insurance cover to the staff. deployment of staff of various cadres in the sub counties, carrying out capacity building on various members of staff, processing of staff benefits, staff promotions and medical cover. There was a headcount of all the county staff. The department also purchased uniforms and equipment for various officers including; sub county administrators, ward administrators, gaming inspectors and enforcement officers for better service delivery.

**228.** During the 2022/23 – 2024/25 MTEF period, the department faced various challenges which included; inadequate financial resources and accumulated pending bills affecting the implementation of the development projects and high rate of Alcohol and substance abuse which makes the control and fight on alcohol and substance take a huge budget allocation.

**229.** In the FY 2026/27 - FY 2028/29 MTEF period, the department has planned to improve service delivery through; construction, renovation and equipping of offices, construction of ablution blocks, construction of perimeter walls and gates, capacity building of staff and processing of staff medical cover and welfare benefits. The department will also focus on alcohol and substance abuse reduction through;

crackdowns, awareness forums and rehabilitation services. Additionally, the department will ensure enforcement of county laws through rebranding of the inspectorate unit and ensure responsible betting and gaming through awareness forums, crackdowns and licensing of betting and gaming premises.

- 230.** To implement these programs, the department has been allocated KShs. 1.44 billion for FY 2026/27 and KShs. 1.48 billion for FY 2027/2028 and KShs. 1.53 billion for FY 2028/2029. These allocations comprise, KShs. 1.02 billion, KShs 1.05 billion and 1.08B for FY 2026/27, FY 2027/28 and FY 2028/29 respectively for recurrent and KShs 422.5 million, KShs 435.2 million and KShs 448.2 million for development expenditure for the same period.

## **5.6 Agriculture Livestock and Cooperative Development**

- 231.** The department comprises five directorates, namely: Crops and Irrigation; Agribusiness and Market Development; Livestock Production; Fisheries Development and Veterinary Services; and Cooperative Development. Additionally, the department oversees two institutions: the Agricultural Training Centre at Waruhiu and the Agricultural Mechanization Service in Ruiru.
- 232.** The department's overarching goal is to attain food and nutrition security, promote innovative and commercially oriented agriculture through favorable policies and legal frameworks for sustainable development, support a vibrant and sustainable cooperative movement, and ensure equitable wealth distribution across the County. It plays a critical role in the County's social and economic development and contributes to key national agendas, including Kenya Vision 2030, the Bottom-Up Economic Transformation Agenda (BETA), the Agricultural Sector Transformation and Growth Strategy (ASTGS), and the Sustainable Development Goals (SDGs).
- 233.** During the MTEF period FY 2022/23-2024/25, the department implemented six programs to enhance production and productivity, improve food and nutrition security, and increase farmer income. Key achievements included: Procurement and distribution of 318,078 (2kg packet) of certified maize, 8,094 (2kg packets) of certified bean seeds, as well as 260,960 Hass avocado seedlings to farmers across the County, Training of 24,950 farmers on modern farming technologies in

collaboration with stakeholders, Construction of 182.8 kilometers of soil and water conservation structures, 35 small-scale demonstration water pans, and installation of 35 solar-powered systems in partnership with NARIGP, Completion of the Kamwamba irrigation project in Gatundu North, serving Chania and Mang'u wards, Identification and promotion of seven climate-smart agriculture technologies, including terracing, planting fruit trees on contours, gully rehabilitation, rainwater harvesting, and cover crop planting.

- 234.** The Directorate of Agribusiness procured and distributed 375,079 (10kg bags) of coffee and food fertilizer to farmers. It trained 428 farmers and agri-entrepreneurs on value addition for bananas, yogurt, and vegetable preservation. Furthermore, 7,998 farmers and 30 staff were trained on coffee production management and value addition. To ensure product quality and safety, the department trained 12 agri-dealers and 2,000 farmers on quality input use. Extension messages reached 3,881 farmers in Waruhiu ATC, and 23 farmers were trained on food safety and certification.
- 235.** Through the Directorate of Livestock Production, the department held FMD campaign under the e vaccination exercise, four LSD, and four anthrax vaccination campaigns. Additionally, 48,007 artificial insemination (AI) doses were administered under the Free AI Program, while 443,115 indigenous chicks were procured and distributed. The department also trained 38,000 poultry farmers on improved production methods and 60,000 value chain actors on climate-smart technologies. Sensitization on drug residues in milk, eggs, and meat reached 3,200 farmers, while 41,000 farmers and stakeholders received training on livestock enterprises.
- 236.** In collaboration with the Aquaculture Business Development Program (ADBP), the department stocked 5 fingerlings (tilapia and catfish) in selected ponds. It also conducted 86 farmer training sessions on modern aquaculture technologies and equipped 1,700 farmers with these innovations. Nineteen aquaculture demonstration centers were established to enhance knowledge sharing.
- 237.** Despite the notable achievements, the department encountered several challenges: Accumulated pending bills, which impeded the implementation of development projects, Erratic weather conditions due to climate change, affecting agricultural production, Shortage of technical staff, exacerbated by retirements, Inadequate

transport for extension services, Data deficiencies, hindering effective planning and policy formulation, Rapid urbanization reducing available agricultural land.

**238.** Over the next MTEF period, the department aims to enhance production, productivity, food security, and economic empowerment through the following initiatives:

**239.** Crop Production and Market Access: Procurement and distribution of certified seeds, seedlings, and fertilizers for food crops and coffee, Support for small-scale irrigation projects, Training farmers on agro-ecological farming, fruit and vegetable production, and best practices for post-harvest handling and packaging, Promotion of urban and peri-urban farming, Upgrading Waruhiu ATC to enhance the quality of extension services, Encouragement of value addition to agricultural produce.

**240.** Livestock and Fisheries Development: Disease control through vaccination campaigns and equipping veterinary laboratories, Training on disease management and drug residue prevention in livestock products, Completion and equipping of slaughterhouses for bovine, poultry, and rabbits, Provision of AI services, distribution of piglets and indigenous chickens, and procurement of milk coolers and pasteurizers, Stocking of rivers, dams, and ponds with fingerlings and equipping farmers with modern aquaculture technologies.

**241.** Cooperative Development: Training cooperative management committees and members, Conducting audits, inspections, and risk assessments, Registration of new cooperatives and facilitation of cooperative federations, particularly in ASALs, Promotion of good governance and digitization of cooperative operations.

**242.** To implement these programs, the department has been allocated KShs 1.17 billion for FY 2026/27, Ksh.1.21 billion for FY 2027/28 and KShs. 1.24 billion for FY 2028/2029. These allocations comprise of KShs. 488.8 million in FY 2026/27, KShs 503.5 million in FY 2027/28 and KShs. Ksh518.6 million in FY 2028/29 for recurrent expenditure and KShs 681.3 million, KShs 701.7 million and KShs 722.7 million for development expenditure for the same period.

## **5.7 Water, Environment, Energy and Natural Resources**

**243.** The Department of Water, Environment, Natural Resources, Energy and Climate Change (WENRECC) comprises four directorates: Water & Sanitation, Natural

Resources & Forestry, Environment & Waste Management, and Energy & Climate Change. The sector's goal is to ensure the provision of water and sanitation services, environmental protection and management, conservation of natural resources, reduction of carbon emissions, and enhanced resilience to the impacts of climate change. The sector's programs support key productive areas, including Agriculture, Tourism, Housing, Energy, and Manufacturing. WENRECC also has direct and indirect linkages with other sectors of the economy, promoting socio-economic development aligned with Kenya Vision 2030, relevant Sustainable Development Goals (SDGs), and various multilateral agreements.

**244.** Key Achievements (2022/2023–2024/2025 MTEF Period), Directorate of Water and Sanitation procured over 278 km of pipelines to operationalize and rehabilitate boreholes at Ngochi, Mitahato, Ikinu, Gathangari, Ondiri Police Post, Mukua, Gatina, Gathanje, Lari DCC, Gitogothi, Riu Nderi and Marengeta, while extending water services to Gathiurure, Gatina, Gathiru, Gatei, Gathaite, Mirigi, Kangongo (Ndenderu), Gitaru, Kingeero, Ondiri Ziwani, Kenyatta Road estates and Tiekunu (Ndeiya). The directorate drilled and equipped boreholes at Komo, Nderu, Komothai, Njiku, Mariani, Gatuanabu, Ondiri Maii-hii, Rwenu Police Post, Kamuguga Vocational Centre, Muchatha and Ngecha Wagacucu, rehabilitated boreholes in Githunguri (Gatina, Thuita, Gathaithi and Mitahato), supplied over 80 tanks to institutions, issued 250 consumer meters to Limuru Water Company, installed elevated tanks at Turitu Market and Lari DCC, solarized boreholes, and conducted hydrogeological studies, EIAs and ESMPs.

**245.** Further, sanitation and support works included rehabilitation of 17 public facilities, construction of nine PSFs, and completion of public toilets at Makongeni Bus Park, Kahawa Sukari, Ngecha Cemetery and Rutara Cemetery, with new facilities in Kamirithu, Rironi, Gathanga, Kibichoi Market Centre and Muchatha. Additional interventions comprised funding Kikuyu Water Company's KARLO/Renguti project, stormwater drainage in Kiandutu, support to county water utilities through pipeline laying, and provision of water and sanitation facilities to Gachika Dispensary, Kinoo Dispensary, Chania ECDE, Gachika Dispensary, Muthurwa Water Self-Help Group and the County Headquarters, strengthening access to safe water and sanitation countywide.

- 246.** Over the MTEF period, the directorate of Environment and Waste Management coordinated monthly countywide clean-ups and conducted a total of 602 environmental awareness campaigns across all 13 sub-counties, while providing training to plant operators, drivers, 240 waste pickers, 180 youths on e-waste management, 15 environment officers, and additional groups on landfill management using the Fukuoka semi-aerobic method, with support from ISUZU East Africa, JICA, UN-Habitat, the African Clean Cities Platform, and ICRAF. Infrastructure and equipment improvements included repair and maintenance of waste collection trucks, a fleet of 32 trucks and machinery, repair of 20 skips, procurement of two dump trucks and a compactor, distribution of 42 skip bins, 125 litter bins, triple litter bins, and 1,000 assorted tools and PPEs, construction of multi-skip platforms at Makongeni and Madaraka Market, and ongoing procurement of garbage skips and weighbridge and data center installation at Kang'oki. Rehabilitation and maintenance works at Kang'oki dumpsite covered 2 km and later 1.5 km of access roads, 2.5 km of access roads, and 1.5 km of drainage, routine tipping platform maintenance, installation of four solar floodlights, drone and engineering surveys for the dumpsite development plan, and measures that reduced fires, smoke emissions, and exit times from four hours to 15–25 minutes, significantly improving waste disposal efficiency and safety across the county.
- 247.** Directorate of Natural Resources and Forestry significantly scaled up tree growing, conservation, forestry functions and quarry regulation initiatives across the county. Over the MTEF period, it raised 677,524 seedlings in nurseries in Thika, Kiambu, Kikuyu and Ruiru, and planted or transplanted 417,879 trees—including indigenous trees, bamboo, Hass avocado and 112,266 water-friendly trees—across schools, public spaces, riparian areas, wetlands and catchments, covering rivers and ecosystems such as Theta, Mbagathi, Ndarugu, Bathi, Karimenu, Gatamaiyu, Washington, Kamiti, Ite, Thiririka, Sasumwa Dam and Chania, with 15 rivers and wetlands conserved and 16 ecosystems mapped. The directorate planted trees in 47 schools and public areas, worked with MCAs to plant 49,769 trees, mapped 51.4 km of riparian areas, sensitized 225 riparian landowners and 16 community groups, trained 54 forestry staff, and beautified recreational areas including Christina and Moi Gardens in Thika and Kiambu County Headquarters. It also initiated, completed

or continued development of green parks such as Jeevanjee Park (completed), Mama Ngina Park Phase I (completed), and Limuru Peoples', Kahawa Sukari (Ruiru) and Gatundu South parks (ongoing), rehabilitated county office compounds, updated quarry databases for 44 sites in Juja and Thika, issued 44 quarrying certificates, prepared quarry status reports, initiated drafting of the Kiambu Quarrying Bill, and under FLLoCA developed Bills of Quantities for conservation of nine rivers and distribution of fruit trees.

- 248.** Directorate of Renewable Energy and Climate Change advanced climate change mitigation and adaptation through planning, capacity building, and implementation of FLLoCA and energy initiatives. Over the period, it conducted consultative meetings with SETA, trained enumerators, and completed surveys for households, health facilities, SMEs, ECDEs, TVETs and institutions; mapped 184 households and distributed energy-efficient jikos in partnership with EKI; assessed energy use in Juja and Ruiru markets; and carried out power analyses at Kiambu and WEENR offices. Under FLLoCA, the directorate undertook the County Climate Risk Assessment (PCRA), trained cross-sectoral technical working groups, administrators and committees, nominated and inducted Ward Climate Change Planning Committees (WCCPCs), and appointed climate change, steering and technical committees across all 60 wards, culminating in submission of the Participatory Climate Risk Assessment and County Climate Change Action Plan (CCCAP) report to the FLLoCA PIU. Additional achievements included community energy planning workshops, training of trainers with ADA on devolved climate finance, pilot PMC training in 10 wards, environmental and social screening and stakeholder engagement for FLLoCA investments, securing EIAs for 21 boreholes and ESMPs for 18 ECDEs, drilling Juja Farm, Githunguri-Gichamu and Kabuku Primary boreholes, equipping and solarizing Gatuanabu borehole, initiating Sustainable Land Management in the agriculture sector, strengthening CCCU staff capacity, and initiating review of the Climate Change Act (2021), Climate Change Policy and fund regulations.
- 249.** Challenges faced during the period under review included; Lack of a centralized database management system, Understaffing and an aging workforce, Inadequate field vehicles and budgetary allocations, Accumulated pending bills, Insufficient civic education.

- 250.** Future (2026/27–2028/29 MTEF Period under Water and Sanitation include; Drill, equip, and operationalize boreholes to realize the Maji Nyumbani program as outlined in the governor’s manifesto, Map and digitize water infrastructure, Support the County’s Water Service Providers to ensure water infrastructure projects are effectively implemented and managed, develop spring sources, promote water harvesting, and desilt dams, Construct composite filtration units (CFUs) to enhance water supply, scale up sanitation by constructing and rehabilitating public sanitation facilities.
- 251.** Environment and Waste Management will create a sustainable waste collection and transportation system; the county will support Extended Producer Responsibility (EPR) and promote a circular economy aimed at achieving zero waste to landfills. Key infrastructure projects include the development of Kangoki Full-Scale Landfill, establishment of Material Recovery Facilities (MRFs), construction of a composting facility, and implementation of waste segregation programs in markets for both organic and inorganic waste. Additionally, the improvement of Kangoki access roads and construction of skip platforms will enhance waste collection efficiency. To reduce carbon emissions and pollution, the county will implement measures to curb air and water pollution, including the procurement of noise meters and the establishment of bio digesters to convert waste into energy and soil-enriching products. The adoption of Artificial Intelligence (AI) in waste management will further enhance efficiency, and strategic partnerships will be expanded to ensure the sustainable development of waste management infrastructure. Furthermore, solid waste management equipment and machinery will be procured and repaired to improve service delivery.
- 252.** Natural Resources and Forestry will develop a natural resources and forestry policy, quarrying bill and update databases for green spaces and quarries, raise and plant tree seedlings in schools and public spaces, establish and maintain green spaces, conserve water catchments, and increase forest cover as well as raise awareness in conserving riparian areas.
- 253.** Energy and Climate Change will formulate energy and climate change policies, support the key sectors in mainstreaming the climate actions under the FLLoCA programme. Promote clean cooking technologies and renewable energy adoption



across the county, operationalize the Climate Change Unit and develop climate actions to reduce vulnerability to climate change impacts.

- 254.** To implement these programs, the department has been allocated KShs. 1.05 billion for FY 2026/27, KShs 1.08 billion for FY 2027/28, KShs 1.11 billion for FY 2028/29. These allocations comprise of KShs. 565.8 million for FY 2026/27, KShs. 582.8 million for FY 2027/28 and KShs. 600.3 million for FY 2028/29 for recurrent expenditure and Ksh.483 million, KShs. 497.5 million and KShs 512.4 million for development expenditure for the same period.

## **5.8 Health Department**

- 255.** The department has four directorates: Planning and Administration, Curative and Rehabilitative Services, Public Health and Sanitation, and Nursing Services. It discharges its mandate as stipulated in Schedule 4, Section 2 of the Constitution of Kenya, and is a key player in implementing Universal Health Coverage (UHC) in line with the national government's Bottom-Up Transformation Agenda.
- 256.** During the MTEF period FY 2022/23–2024/25, notable progress was made in advancing health infrastructure within Kiambu County in a bid to enhance accessibility. Construction of the Ruiru Central Store, Lusigetti medical wards, and a modern funeral home at Gatundu Level 5 Hospital was completed, while construction of Kahawa Sukari, Thogoto, Karuri, Gachororo, Ndenderu–Ruaka, Ndumberi, Gathiga, and Ndeiya health facilities were at advanced stages of completion. Several other health facilities were under construction at various levels of completion, including Kiawaroga, Gitaru, Kiganjo, Gatuanyaga, Maguguni, Ndururumo, Mutonya, Uthiru, and Igeania.
- 257.** To enhance Universal Health Coverage (UHC), Kiambu Afya Care Program health facility in-charges and data clerks were trained on the hospital insurance claims system, and health facilities were equipped with modern technologies to improve claims processing and billing. CHPs were also trained on SHA registration through community-assisted approaches. The department further rolled out the electronic Community Health Information System (e-CHIS) mobile application and trained Community Health Promoters (CHPs) on its use. They were provided with

kits and mobile phones, enabling real-time household data collection, health service planning, and effective facility linkages.

- 258.** To enhance specialized services, the department procured various equipment, including ultrasound machines, digital X-ray machines, digital IOPA X-ray equipment, pulse oximeters, small laboratory equipment, as well as laboratory reagents and radiology consumables. The department also established a fully functional dental clinic at Thika Level 5 Hospital, commissioned a fully equipped dental unit at Ruiru Level 4 Hospital, and established a fully equipped palliative care center at Ruiru Level 4 Hospital. In addition, critical care services were strengthened through the establishment of ICU and HDU centres, while NCD centres were established in all 12 sub-counties with weekly monitoring and reporting of clinical services.
- 259.** The department further ensured the availability of health products and technologies (HPTs) through the Central Medical Store and Hospital FIF, and procured a medical truck to facilitate HPT distribution. Tracer availability remained above 85%. The department also ensured skilled deliveries, supplementation of pregnant women with iron and folic acid, auditing of maternal deaths, and monitoring of reproductive health indicators. Over 80% of children were fully immunized. Additionally, vitamin A supplementation and deworming exercises were conducted during Malezi Bora Weeks and through school health programmes. Community health services were provided, with the CHP model playing a critical role.
- 260.** To reduce communicable diseases, the department ensured 100% administration of PEP to HIV-exposed clients within 72 hours, initiated ART for HIV-positive mothers at ANC, provided prophylaxis to exposed infants, and sensitized adolescents on SGBV, HIV, and teenage pregnancies. Prevention of Mother to Child Transmission (PMTCT) coverage stood at 91%. Patients were screened for TB, diagnosed, and treated, with contact tracing and follow-ups conducted. Further, all disease outbreaks were responded to within 48 hours.
- 261.** The department faced several challenges during programme implementation, including inadequate budgetary allocations, delayed disbursement of funds, rising prevalence of NCDs, shortages of healthcare workers and high staff turnover,

reliance on donor funding for critical programmes, limited specialized centres and equipment, and low capacity to address emerging health issues.

**262.** In the 2026/27–2028/29 MTEF period, the department will complete ongoing infrastructure projects, renovate health facilities, construct new ablution blocks and perimeter fences, procure utility vehicles and ambulances, recruit and promote staff, and establish customer care units. It will also strengthen the Health Management Information System, inspect food premises and facilities for health compliance, screen schoolchildren for various health conditions, and conduct sensitization campaigns on HIV control, TB control, and SGBV prevention. Immunization and supplementation activities will be undertaken, alongside monitoring of reproductive health indicators.

**263.** Additionally, the department will procure assorted medical equipment, expand surgical and other specialized services, offer rehabilitative and laboratory services, Non-Communicable Diseases control, Child health services, procure Health Products and Technologies (HPT), ensure commodity security, and provide patient-centered pharmaceutical care including antimicrobial stewardship (AMS) activities.

**264.** The department has been allocated KShs 7.96 billion, KShs 8.19 billion, and KShs 8.44 billion for FY 2026/27, FY 2027/28, and FY 2028/29, respectively. This allocation includes KShs 7.2 billion, KShs 7.43 billion, and KShs 7.65 billion for recurrent expenditure, and KShs 750 million, KShs 772.5million, and KShs 795.7 million for development expenditure.

## **5.9 Education, Gender, Culture and Social Services**

**265.** The department comprises four directorates: Early Childhood Development Education (ECD), Vocational Education and Training (VET), Gender & Social Services and Culture, Libraries & Research. Its mandate includes increasing access, equity, quality, and relevance of vocational training and early childhood development education; promoting, conserving, and managing the county's cultural heritage and creative industries; and advocating for child protection, special interest groups, and gender and disability mainstreaming and empowerment.

**266.** During the 2022/23–2024/25 Medium-Term Expenditure Framework (MTEF) period, the department implemented three programs: General Administration,

Planning and Support Services, Early Childhood and Vocational Training Development and Gender, Culture and Social Services Promotion Education. Several key achievements were realized.

- 267.** The department improved service delivery by equipping offices with furniture and stationery and expanded access to learning by constructing and remodeling ECDE and VTC facilities. This included equipping facilities with modern tools, establishing computer laboratories, and operationalizing new ECDE classrooms. Sanitation was enhanced through the construction of ablution blocks in ECDEs and VTCs.
- 268.** Additionally, the quality of education and school participation improved due to initiatives such as assessing and accrediting VTCs and ECDEs, conducting quality assurance assessments, recruiting instructors for VTCs, hiring and promoting ECDE teachers, and implementing the school feeding program.
- 269.** To promote gender and cultural values, the department mapped cultural resources, trained women, persons with disabilities (PWDs), special interest groups (SIGs), and procured and distributed sanitary towels to those in need. It also organized cultural festivals and conducted gender-based violence (GBV) training for community leaders and stakeholders.
- 270.** Further, the department supported vulnerable groups by disbursing bursaries benefitting 130,240 needy learners, rehabilitating and assisting street families and other vulnerable groups.
- 271.** Despite these achievements, the department faced several challenges during the implementation of its programs. These included inadequate funding, an upsurge in SGBV cases that strained resources and safe houses, an overwhelming number of needy and vulnerable cases, and a lack of appreciation for arts and cultural heritage.
- 272.** For the 2026/27–2028/29 MTEF period, the department plans to: Construct and equip offices, ECDEs, and VTCs; Upscale the school feeding program, employ additional teachers and trainers for both ECDEs and VTCs, introduce ICT integration, establish centers of excellence in VTCs, construct production units, disburse bursary grants, and upscale social welfare programs to improve the livelihoods of the needy and vulnerable, rehabilitate and conserve cultural and heritage sites, map and

document cultural resources, promote the creative industry, and enhance gender, disability, and child empowerment programs.

- 273.** To implement these programs, the department has been allocated KShs 2.05 billion for FY 2026/27, KShs 2.11 billion for FY 2027/28, and KShs 2.17 billion for FY 2028/29. These allocations comprise KShs 1.5 billion, KShs 1.54 billion and KShs 1.6 billion for recurrent expenditure and KShs 550 million, KShs 566.5 million, and KShs 583.5 million for development expenditure, respectively.

#### **5.10 Youth Affairs, Sports and Communication**

- 274.** This department includes three directorates: Youth Affairs, Sports, and Communication. It plays a vital role in the county's transformation and economic development by promoting and developing youth initiatives and sports for a vibrant sporting industry and empowered youth.
- 275.** During the 2022/23–2024/25 MTEF period, the department implemented four programs: General Administration, Planning and Support Services; Sports; Youth Affairs; and Communication.
- 276.** Some of the key achievements in the department included the successful organization of International Youth Day, which served as a powerful reminder of the importance of empowering young people and recognizing their contributions to society. The department also conducted the KICOSCA selection with the aim of engaging county staff in meaningful roles alongside other counties. Youths were trained in digital skills through programs such as the Huawei Digi Truck, equipping them with relevant competencies for the digital age. In addition, the department invested in communication equipment by purchasing a public address system to enhance outreach and engagement during county activities, and also procured office furniture to improve the working environment. The department rehabilitated several facilities, including Thigio Grounds, Kanjeru Stadium, Githunguri Stadium Phase 1, Kagwe Stadium, Ruiru BTL Grounds, and Gachie Grounds, thereby fostering a supportive environment for sports and recreation. Furthermore, the rehabilitation of Thika Stadium Phase 2 was undertaken to ensure the facility met modern standards. Challenges faced during this period included low budgetary allocations, high youth unemployment (leading to increased crime and drug abuse), inadequate

staff capacity building, and constant technological changes requiring retraining and new investments.

**277.** For the 2026/2027-2028/2029 MTEF period, the department plans to: Improve service delivery through office construction, renovation, and equipping, as well as staff capacity building. Enhance youth participation in sports by constructing indoor arenas, upgrading stadiums to national standards, and rehabilitating playing fields. Train sports managers, referees, coaches, and first aiders, and establish sports academies. Empower youth by constructing and equipping amphitheaters, providing technical training, and supporting entrepreneurship and marketing skills. Establish exchange and skill enhancement programs, finance youth entrepreneurs, and provide training on access to government opportunities (AGPO). Enhance communication services by printing newspaper supplements, purchasing communication equipment, establishing desks in sub-counties, producing documentaries, and improving social media coverage.

**278.** To implement these programs, the department has been allocated KShs 445 million for FY 2026/27, KShs 458.4 million for FY 2027/28, and KShs 472.1 million for FY 2028/29. These allocations comprise KShs 195 million, KShs 200.9 million, and KShs 206.9 million for recurrent expenditure, and KShs 250 million, KShs 257.5 million, and KShs 265.2 million for development expenditure, respectively.

### **5.11 Lands Housing, Physical Planning, Urban Development and Administration**

**279.** The department is comprised of five directorates: Physical Planning, Housing and Community Development, Survey and Geo-Informatics, Valuation and Asset Management, and Municipal Administration and Urban Development. The department's mandate includes the provision and implementation of spatial plans, development of a GIS/LIS database for spatial data management, determination of property boundaries, efficient land and property valuation and management, effective documentation and rating of county assets, promotion of decent housing in sustainable environments, implementation and review of land policies, and administration and management of urban areas and cities within the county.

**280.** In the MTEF period FY 2022/23-2024/25, the department achieved Twelve Integrated Strategic Urban Development Plans for 12 urban areas and one corridor

plan were successfully completed. Prequalification criteria for selecting suppliers for the 112 market centers were developed and submitted to procurement for action. The County Spatial Plan has been finalized and is currently undergoing data cleansing and publication for final approval by the assembly. Additionally, 37 Part Development Plans (PDPs) for public land were gazetted and launched on Ardhi-Sasa, with allotment letters pending for Mangu, Kiambu Affordable Housing, Kanyoni, and Kiriko. Misri PDPs are awaiting assembly approval, while site inspections were conducted for 35 newly requested parcels for PDPs

**281.** The department was able to provide safe, decent and affordable housing through construction of 40 Two-Bedroom units in Thika Municipality, and renovation of 6 one-bedroom rental units in Kikuyu Municipality. Offices at the Red-Nova headquarters were renovated, and three sites in Kiambu were identified and cleared for the Affordable Housing Project. Five local plans for tenure regularization in Kiandutu, Matharau, Kanjeru, Kiamburi, and Kiroe settlements were finalized, along with the beaconing of 4,960 parcels of land in preparation for the issuance of title deeds. Project-Affected Persons (PAPs) were successfully relocated from Kiambu Council Estate in Kiambu, Depot Estate, and Bustani Estate in Thika to facilitate the Affordable Housing initiative.

**282.** A Transaction Advisory Consultant was procured to support the actualization of the affordable housing agenda in Kiambu. Additionally, a contractor was engaged for key infrastructure improvements, including upgrading 7 kilometers of roads to bituminous standards and installing 385 solar-powered security lights in Umoja, Kiang'ombe, Fort Jesus, Bosnia, and Misri settlements. Collaboration with the State Department of Housing and Urban Development also led to the procurement of a contractor for the installation of 195 streetlights in these areas. Finally, the County Housing Bill 2023 was drafted and passed by the County Assembly of Kiambu in May 2024, further strengthening the county's housing policy framework. The department made significant strides in housing and community development by constructing 40 two-bedroom housing units in Thika Municipality and renovating six one-bedroom rental units in Kikuyu Municipality. Offices at the Red-Nova headquarters were also renovated, and three sites in Kiambu were identified and cleared for the Affordable Housing Project. Five local plans for tenure regularization

in Kiandutu, Matharau, Kanjeru, Kiamburi, and Kiroe settlements were finalized, while 4,960 parcels of land were beaconed in preparation for title deed issuance. Project-Affected Persons (PAPs) were successfully relocated from Kiambu Council Estate, Depot Estate, and Bustani Estate in Thika to facilitate the Affordable Housing initiative.

**283.** A Transaction Advisory Consultant was engaged to support the affordable housing agenda, while a contractor was procured to upgrade seven kilometers of roads to bituminous standards and install 385 solar-powered security lights in Umoja, Kiang'ombe, Fort Jesus, Bosnia, and Misri settlements. Additionally, 195 streetlights were installed in collaboration with the State Department of Housing and Urban Development. The County Housing Bill 2023 was drafted and passed by the County Assembly of Kiambu in May 2024, strengthening the county's housing policy framework.

**284.** Achievements in Physical Planning; Twelve Integrated Strategic Urban Development Plans for 12 urban areas and one corridor plan were completed. Prequalification criteria for suppliers for 112 market centers were developed and submitted to procurement for action.

**285.** The County Spatial Plan was finalized and is undergoing data cleansing and publication for final approval. Thirty-seven Part Development Plans (PDPs) for public land were gazetted and launched on Ardhi-Sasa. Site inspections for 35 new parcels for PDPs were conducted, while Misri PDPs enabled the issuance of 470 title deeds to beneficiaries.

**286.** The Kiambu County Valuation Roll 2015 was successfully implemented, along with the 2018 area rates as per the gazette notice. Assets from the defunct local authorities were inspected and valued for transfer to the county government. Additionally, approximately 15,000 new properties were introduced into the county land rating register, which now contains 117,000 registered properties, representing 30% of the land titles in Kiambu. Land clinics were also successfully conducted at the ward level in five sub-counties: Ruiru, Juja, Limuru, Lari, and Thika, further enhancing public engagement and addressing land-related issues. Urban Development Initiatives; The elevation of Thika Municipality to Thika Industrial Smart City is ongoing, with an Ad Hoc and Technical Committee supporting the process. Operationalization of 12



municipalities was achieved through the recruitment of 12 Municipal Managers and 84 Municipal Board members, with municipal offices under construction.

**287.** The Thika Industrial Smart City project has commenced, supported by an established Ad hoc and Technical Committee. Significant progress has also been made in operationalizing the 12 municipalities through the recruitment of 11 Municipal Managers and 75 Municipal Board members. Additionally, the construction of municipal offices is underway. The Urban Improvement Program has commenced with the surveying and designing of key urban centers, including Gatundu, Ruaka, Wangige, Ting'ang'a, and Githunguri. Under the Kenya Urban Support Program (KUSP) Phase 1, projects were successfully completed in six municipalities. Moreover, an induction training and two Municipal Board meetings were conducted, resulting in the approval of budget estimates, public participation, and Municipal Plans. Public participation forums were also successfully conducted across all 12 municipalities for project selection, further ensuring community involvement and transparency.

**288.** The department faced several challenges, including: A manual approval system, leading to delays in building approvals and developer compliance, Inadequate budget allocations for key programs, such as establishing a GIS lab, Historical land issues resulting in high numbers of disputes, Inadequate vehicles for compliance and monitoring activities, A lack of digitized land records, hindering efficient land management, High court-imposed fines for non-compliant developers, Rapid development in some sub-counties with insufficient planning personnel, High building material costs affecting affordable housing projects.

**289.** Planned Activities for the 2026/27–2028/29 MTEF Period; To address these challenges and improve service delivery, the department plans to: Construct, equip, and maintain offices, Motivate and appraise staff and service departmental vehicles, Survey and map public land, issue title deeds, resolve land disputes, and digitize land records, Upgrade informal settlements, county residential houses, and implement affordable housing projects, Develop spatial frameworks, zoning plans, and property valuation systems to enhance revenue collection, Upgrade municipal infrastructure, including roads, drainage, sewer systems, and public amenities,

Transform Thika into an Industrial Smart City, positioning it as a hub for innovation and economic growth.

- 290.** The department has been allocated KShs. 1.87 billion in FY 2026/27, KShs. 1.91 billion in FY 2027/28, and KShs. 1.94 billion in FY 2028/29. This includes KShs. 420 million, KShs. 432.6 million, and KShs. 445.6 million for recurrent expenditure, and KShs. 1.45 billion, KShs. 1.48 billion, and KShs. 1.49 billion for development expenditure during the same period.



## **5.12 Trade Industrialization, Tourism and Investment**

- 291.** The department comprises four directorates: Trade, Industrialization, Tourism, and Investments. Its core mandate is to promote investments in trade, industry, and tourism by creating an enabling environment for sustainable socio-economic development in the County. This is achieved through the implementation of five programs: General Administration, Planning and Support Services; Trade Development and Promotion; Industrial and Entrepreneurial Development; Tourism Development and Promotion; and Investment Development.
- 292.** During the MTEF period FY 2022/23-2024/25, the department achieved significant milestones. construction of 540 new boda Tongkang's sheds some at different stages of development, construction/renovation of 18 markets to promote trade. Additionally, 23 market committee elections were successfully conducted, resolved 24 market conflicts. On the other hand, the department, verified and stamped 13,201 weights, 7,312 weighing instruments, and 4,052 trade measuring instruments. To promote industrialization and entrepreneurship, the department constructed 38 modern kiosks and 36 No. of modern Juakali sheds. Moreover, 45No. of smart business centers were established and trained 328 MSME groups on value addition. Kiambu County Aggregation and Industrial Park at Waruhiu Farm was established and 7 No. of exhibitions /expo/forums were conducted in the county. To promote tourism the department, participated exhibitions and forums, rehabilitated tourist sites, improved / conserved Heritage sites, new recreational /Leisure facilities established and formulated tourism policies/ Concept papers.
- 293.** During the period under review, the Department experienced several challenges that adversely affected the effective implementation of its mandate. These included

an influx of sub-standard, counterfeit, and contraband goods within the County, which undermined local businesses and consumer protection efforts. Delays in the release of exchequer funds disrupted cash flow and hindered the timely implementation of planned activities. The Department also faced insufficient budgetary allocations to adequately meet its operational and development requirements, resulting in stalled projects and the accumulation of pending bills. Additionally, the lack of departmental vehicles constrained field operations, particularly programme monitoring, inspection, and evaluation. The absence of a designated workshop for trade measures verification and a secure store for seized sub-standard goods further limited effective enforcement and regulatory functions. Moreover, the tourism sector remains underdeveloped, compounded by inadequate marketing and promotion of the County's tourist attraction sites, thereby limiting the sector's contribution to local economic growth.

- 294.** During the upcoming MTEF period 2026/27–2028/29, the Department will implement strategic interventions aimed at strengthening trade, industrial development, and tourism to stimulate local economic growth and employment creation. Priority actions will include the construction and rehabilitation of markets, installation of cold storage facilities, and development of supportive infrastructure such as ablution blocks and boda Tongkang's sheds to improve the business environment. It will expand market access for local traders and producers through linkages to export markets and e-commerce platforms, while strengthening regulatory services through business licensing, trade measurements verification, and legal metrology awareness forums. Industrialization efforts will focus on establishing smart business centers, industrial parks, cottage industries, and incubation hubs to support MSME growth, innovation, and value addition. Further the department will also promote circular and green economy initiatives, host trade exhibitions and expos, and develop modern Jua Kali infrastructure to formalize and support the informal sector. In the tourism sector, emphasis will be placed on upgrading tourist sites, developing promotional materials, and promoting cultural tourism. Additionally, the Department will develop an investor's guide, identify bankable PPP projects, and organize investment forums to position the County as a competitive investment destination.

**295.** To implement these programs, the department has been allocated KShs. 728 million for FY 2026/27, KShs. 749.8 million for FY 2027/28, and KShs. 772.3 million for FY 2028/29. This includes KShs. 190 million, KShs. 195.7 million, and KShs. 201.6 million for recurrent expenditure and KShs. 538 million, KShs. 554.1 million, and KShs. 570. million for development expenditure for the respective years.

### **5.13 Roads Transport Public Works and Utilities**

**296.** The Roads, Transport, Public Works and Utilities Department is comprised of four directorates, namely Roads, Transport, Public Works, and Utilities. The Department plays a critical role in the planning, development, rehabilitation, and maintenance of County roads, transport infrastructure, and all County public works buildings. In addition, it oversees public transport operations and bus parks; installs and maintains County lighting; promotes renewable energy initiatives; and undertakes fire prevention, emergency response, and disaster management functions. Its primary objective is to deliver safe, efficient, and reliable transport infrastructure and services while ensuring environmental sustainability, social equity, and economic efficiency.

**297.** During the Medium-Term Review period FY 2022/2023–2024/2025, the Department recorded key achievements across all directorates. Under the Boresha Barabara programme, 1,986.87 km of roads were graded and 731.74 km graveled, alongside construction of motorized and culvert bridges and procurement of road machinery. Three bus parks were completed, with three more nearing completion, and key transport plans developed. Five footbridges were constructed, 3,860 solar street lighting installed and an extensive streetlighting was maintained. Under fire and rescue, key services were strengthened through equipment procurement, construction of 2 fire stations, repair of grounded fire engines, did fire safety inspections, and disaster management community training.

**298.** In the MTEF period 2022/23- 2024/25, the department faced several challenges that include; delayed release of exchequer funds and cash flow constraints have affected budget absorption, particularly for capital-intensive projects. These delays have also contributed to pending bills, reduced contractor confidence and project implementation delays.

**299.** During the MTEF period 2026/27- 2028/29, the department has planned to keep reviewing the service charter and capacity build the staff in various cadres. In addition, the department will construct County roads, non-motorized traffic, motorable bridges, footbridges, bus parks and parking bays. The department also plans to maintain; roads to motorable status, storm water drains, non-motorized walkways and bridges. The department will further carry out installation and maintenance of solar flood masts and solar streetlights, as well as construction and equipping fire stations.

**300.** To implement these Programmes, the department has been allocated KShs 2.56 billion in FY 2026/27, KShs 2.65 billion in FY 2027/28 and KShs 2.71 billion in FY 2028/29. This comprises KShs. 745 million, KShs. 767.4 million and KShs. 790.4 million for recurrent expenditure and KShs. 1.83 billion, KShs 1.88 billion and KShs 1.92 billion for development expenditure for the same period.

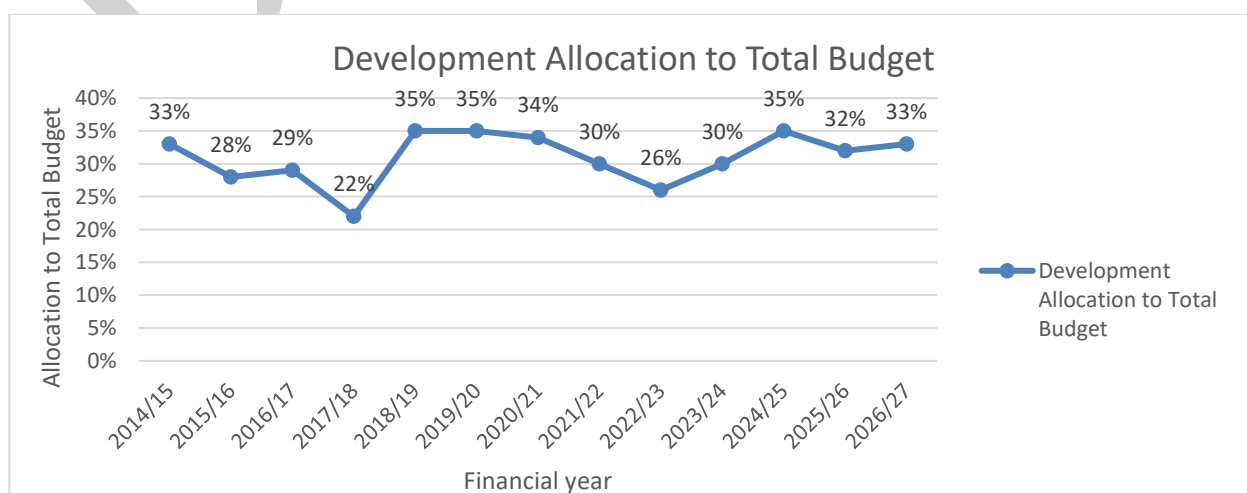
## ANNEXES

### Annex 1: Compliance with Fiscal Responsibility Principles

In line with the constitution, the PFM Act, 2012, and the PFM (County Government) Regulations, 2015 and in keeping with the prudent and transparent management of public resources, the County Government has adhered to the fiscal responsibility principles as outlined in Section 107(2) of the PFM Act, 2012 (CAP 412A). These principles include:

- i. **Recurrent Budget:** The County Government's recurrent expenditure should not exceed its total revenue. Adhering to this directive, the proposed fiscal outlays presented in this CFSP under recurrent expenditure is set at 67.1 percent of the total projected revenue.
- ii. **Development Budget:** In accordance with the PFM Act, 2012 (CAP 412A), a minimum of thirty percent of the County Governments' budgets shall be allocated to development expenditure over the medium term. In adherence to this fiscal responsibility principle both at the budget approval stage and during the actual implementation of the budget. In alignment with this mandate, the County Government's allocation to development expenditures in the proposed fiscal outlays presented in this CFSP is at 32.9 percent of the total expenditures for development in FY 2026/27. This commitment reflects a dedication to fostering sustainable development and growth. The allocation to development expenditures is projected to remain above the recommended threshold over the medium term.

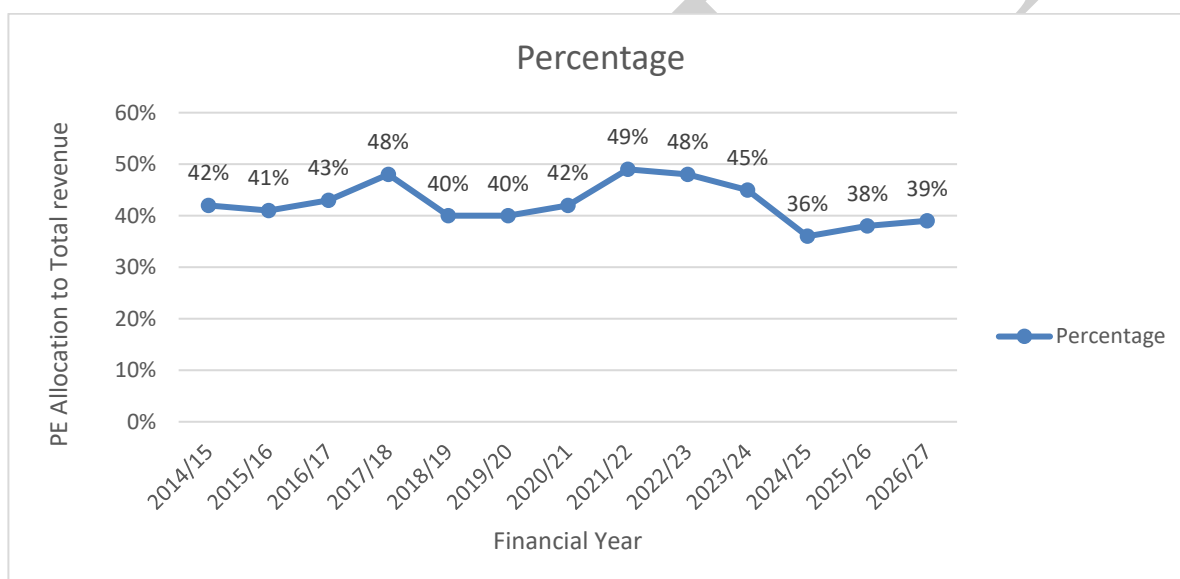
**Figure 2: Trend in Development Budget Allocation**



Source: Kiambu County Treasury

- iii. **Wages:** Section 107 (2) (c) of the PFM (County Governments) Regulations, 2015 requires that County Governments' wage bill (including benefits and allowances) shall not exceed 35 percent of the total County revenue. To comply with this regulation, the County Government projected expenditure in FY 2026/27 on Personal Emolument (PE) is KShs. 9.34 billion representing 39% of the total revenue. This is higher than the legal provision threshold of 35 percent. Going forward in the medium term, the County Government is committed to bringing the proportion of the expenditure on wages down to comply with the legal requirement.

**Figure 3: Trend in employee compensation to total budget**



*Source: Kiambu County Treasury*

- iv. **Borrowing:** Regulation 107 (2) (d) of the PFM (County Governments) Regulations 2015 provides that the county public debt shall never exceed twenty (20%) percent of the County Governments' total revenue at any given time. The County does not intend to borrow in the FY 2026/27 and has therefore adhered to the principle.
- v. **Risks:** County Governments are required to manage fiscal risks prudently in accordance with the Public Finance Management (PFM) Act. The County Government has enhanced its macroeconomic forecasting capabilities and consistently evaluates the effects of macroeconomic projections on the budget. It remains committed to implementing measures aimed at bolstering revenue collection, primarily through automation and broadening revenue sources.

Further, efforts to rationalize expenditure will persist. The County is also dedicated to addressing outstanding bills. The County Government is up to date on statutory deductions. On expenditures on wages, the County is committed to reduce on wage bill and increase its capacity to fund operations, maintenance and development activities.

- vi. **Taxes:** In accordance with provisions of the PFM Act 2012, County Governments should uphold a reasonable degree of predictability regarding tax rates and tax bases, considering any potential future tax reforms while implementing legislation for the collection of own-source revenue. The County Government oversees the collection of its own source revenue by implementing revenue-raising measures pertaining to County taxes, licenses, fees, and charges through the annual preparation of the Finance Act. Over the medium term, the County's own-source revenue targets have consistently shown improvement. The County has developed a comprehensive revenue strategy, which includes reviewing laws, ensuring timely approval of the Finance Act, staffing the Revenue Directorate adequately, full automation of revenue collection and other services through the ERP system.



## Annex 2: Revenue Projections FY 2025/2026-2027/2028

REVENUE ESTIMATES FY 2026/2027-2028/29 (KShs)					
		2025-2026	2026-2027	2027-2028	2028-2029
		Supplementary 1	2026 CFSP	Projections	
	<b>TOTAL REVENUE FROM NATIONAL GOVERNMENT</b>	<b>16,215,005,152</b>	<b>15,503,871,403.0</b>	<b>16,157,451,988</b>	<b>16,796,349,617</b>
<b>A</b>	Equitable Share Allocation	13,071,817,986	13,240,133,217.0	13,902,139,878	14,541,037,507
<b>B</b>	<b>TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS</b>	<b>3,143,187,166</b>	<b>2,263,738,186.0</b>	<b>2,255,312,110</b>	<b>2,255,312,110</b>
	<b>I. Additional Allocations Financed from National Governments Share of Revenue</b>	<b>14,244,964</b>	<b>14,244,964.0</b>	<b>10,782,328</b>	<b>10,782,328</b>
	Unconditional Additional allocations from Court Fines	4,105,101	4,105,101.0	5,084,684	5,084,684
	Unconditional Additional allocations from Mineral Royalties	10,139,863	10,139,863.0	5,697,644	5,697,644
	<b>II. Additional Allocation Financed from National Government's Share of Revenue</b>	<b>766,106,858</b>	<b>94,680,000.0</b>	<b>94,680,000</b>	<b>94,680,000</b>
	Conditional Grant for Road Maintenance Fuel Levy Fund	418,101,234	-		
	Conditional Grant for Industrial Park & Aggregation Centers Grant	133,368,422	-		
	Conditional Grant for Community Health Promoters (CHPs)	94,680,000	94,680,000.0	94,680,000	94,680,000
	Basic Salary Arrears for County Government Health workers	119,957,202	-	-	-
	<b>III. Additional Conditional Allocations Financed from Proceeds of Loans and Grants from Development partners</b>	<b>2,362,835,344</b>	<b>2,154,813,222.0</b>	<b>2,149,849,782</b>	<b>2,149,849,782</b>
	IDA (World bank) Financing Locally-Led Climate Action Program- County climate institutional support (FLLoCA-CCIS) Grant	11,000,000	11,000,000.0	11,000,000	11,000,000
	IDA (World bank) Financing Locally-Led Climate Action Program- County climate Resilient Investment (FLLoCA-CCRI) Grant	125,000,000	125,000,000.0	125,000,000	125,000,000
	IDA (World Bank) Second Kenya Devolution Support	37,500,000	37,500,000.0	37,500,000	37,500,000

REVENUE ESTIMATES FY 2026/2027-2028/29 (KShs)					
		2025-2026	2026-2027	2027-2028	2028-2029
		Supplementary 1	2026 CFSP	Projections	
	Program- Institutional Grant (Level 1 Grant) (KDSP)				
	IDA (World Bank) Second Kenya Devolution Support Program- Service Delivery & Investment grant (Level 2 Grant) (KDSP)	352,500,000	352,500,000.0	352,500,000	352,500,000
	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban institutional Grant (UIG)	35,000,000	35,000,000.0	35,000,000	35,000,000
	IDA (World Bank) Second Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)	1,331,482,863	1,331,482,863.0	1,331,482,863	1,331,482,863
	IDA (World bank) National Agricultural Value Chain Development Project (NAVCDP)	231,250,000	231,250,000.0	231,250,000	231,250,000
	DANIDA - Primary Health Care in Devolved Context (PHDC)	21,232,500	15,198,000.0	15,198,000	15,198,000
	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	200,000,000	-	-	0
	Sweden- Kenya Agricultural Business Development Project (KABDP)	15,882,359	15,882,359.0	10,918,919	10,918,919
	0.5% Housing Levy Fund to County Rural & Urban Affordable Housing committees	1,987,622	-	-	0
<b>C</b>	<b>Other County Revenue</b>	<b>682,091,928</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Adjustment to cash Basis (CRF Closing balances)	83,401	-	-	0
	FLLoCA- SPA Closing Bal.	158,632,515	-		
	SPAs closing Balances	521,551,862	-		
	Nutrition International SPA Closing Bal.	1,824,150	-	-	0
<b>D</b>	<b>Own Source Revenue</b>	<b>9,934,222,680</b>	<b>8,182,076,895.0</b>	<b>8,187,888,827</b>	<b>8,191,982,772</b>
	Physical Planning Management Unit	2,171,820,188	1,630,504,740.0	1,638,657,264	1,639,476,592
	Business Permit Management Unit	923,084,637	450,650,500.0	452,903,753	453,130,204
	Cess Management Unit	211,171,166	156,921,249.0	157,705,855	157,784,708
	Education Culture ICT & Social Services Unit	14,471,232	9,350,000.0	9,396,750	9,401,448
	Housing Management Unit	46,163,565	35,450,000.0	35,627,250	35,645,064
	Land Rates Management Unit	1,683,797,097	1,683,797,097.0	1,692,216,082	1,693,062,191
	Administration	35,089,122	35,089,122.0	35,264,568	35,282,200

REVENUE ESTIMATES FY 2026/2027-2028/29 (KShs)					
		2025-2026	2026-2027	2027-2028	2028-2029
		Supplementary 1	2026 CFSP	Projections	
	Roads Transport Public Works Management Unit	332,770,011	180,310,302.0	181,211,854	181,302,459
	Slaughterhouse Management Unit	92,549,997	92,549,997.0	93,012,747	93,059,253
	Agriculture Livestock & Fisheries Management Unit	87,938,163	11,796,213.0	11,855,194	11,861,122
	Trade Tourism Industry	49,930,316	20,020,454.0	20,120,556	20,130,617
	Cooperatives Unit	9,272,850	9,272,850.0	9,319,214	9,323,874
	Market Management Unit	105,599,114	105,599,114.0	106,127,110	106,180,173
	Youth and Sports	5,827,445	5,827,445.0	5,856,582	5,859,511
	Vehicle Parking Management Unit	714,464,837	602,132,055.0	605,142,715	605,445,287
	Water Environment & Natural Resources Mgt Unit	373,957,976	202,805,757.0	203,819,786	203,921,696
	Liquor management unit	464,465,146	350,000,000.0	351,750,000	351,925,875
	<b>Health Services Management Unit</b>	<b>2,611,849,818</b>	<b>2,600,000,000.0</b>	<b>2,577,901,548.0</b>	<b>2,579,190,498.8</b>
	Public Health	511,849,818	500,000,000.0	502,500,000	502,751,250
	Hospital Collections (FIF)	1,300,000,000	1,300,000,000.0	1,271,401,548	1,272,037,249
	NHIF/SHA Rebates	800,000,000	800,000,000.0	804,000,000	804,402,000
	<b>TOTAL REVENUE</b>	<b>26,831,319,760</b>	<b>23,685,948,298.0</b>	<b>24,345,340,815</b>	<b>24,988,332,389</b>

### Annex 3: Summary of Sectors/Departments and Programmes Allocation FY 2025/2026 and the Medium Term

Department Ceilings by Programmes for the FY 2026/27-2028/29 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	Supplementary		2026 CF5P		PROJECTIONS			
			2025/2026		2026/2027		FY 2027/2028		FY 2028/2029	
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
4061		<b>County Assembly</b>	<b>1,507,967,268</b>	<b>131,208,201</b>	<b>1,332,680,576</b>	<b>50,000,000</b>	<b>1,332,680,576</b>	<b>50,000,000</b>	<b>1,332,680,576</b>	<b>50,000,000</b>
	0706004060	General Administration, Planning and Support Services	678,216,945	131,208,201	639,448,635	50,000,000	639,448,635	50,000,000	639,448,635	50,000,000
	0701004060	Legislation, oversight of county Government	685,079,323		551,560,941		551,560,941	-	551,560,941	-
	0707004060	Representation Services	144,671,000		141,671,000		141,671,000	-	141,671,000	-
4062		<b>County Executive</b>	<b>582,104,850</b>	<b>-</b>	<b>530,000,000</b>	<b>-</b>	<b>545,900,000</b>	<b>-</b>	<b>562,277,000</b>	<b>-</b>
	0706004060	General Administration, Planning and Support Services	504,104,850		470,000,000	-	484,100,000	-	498,623,000	-
	0711004060	Government Advisory Services	78,000,000		60,000,000		61,800,000	-	63,654,000	-
4063		<b>County Public Service Board</b>	<b>90,740,688</b>	<b>-</b>	<b>90,000,000</b>	<b>-</b>	<b>92,700,000</b>	<b>-</b>	<b>95,481,000</b>	<b>-</b>
	0715004060	Human Resource Management and Development Services	90,740,688		90,000,000		92,700,000	-	95,481,000	-
4064		<b>Finance, Economic Planning &amp; ICT</b>	<b>1,596,702,281</b>	<b>240,000,000</b>	<b>1,600,000,000</b>	<b>800,000,000</b>	<b>1,648,000,000</b>	<b>824,000,000</b>	<b>1,697,440,000</b>	<b>848,720,000</b>
	0706004060	General Administration, Planning and Support Services	1,121,602,281		1,040,000,000	600,000,000	1,071,200,000	618,000,000	1,103,336,000	636,540,000
	0712004060	Public Finance Management Services	397,200,000	40,000,000	490,000,000	40,000,000	504,700,000	41,200,000	519,841,000	42,436,000
	0713004060	ICT Services	77,900,000	200,000,000	70,000,000	160,000,000	72,100,000	164,800,000	74,263,000	169,744,000
4067		<b>Water, Environment Energy &amp; Natural Resources</b>	<b>663,757,983</b>	<b>809,589,672</b>	<b>565,800,000</b>	<b>483,000,000</b>	<b>582,774,000</b>	<b>497,490,000</b>	<b>600,257,220</b>	<b>512,414,700</b>

Department Ceilings by Programmes for the FY 2026/27-2028/29 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	Supplementary		2026 CFSP		PROJECTIONS			
			2025/2026		2026/2027		FY 2027/2028		FY 2028/2029	
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
	1002004060	Administration, Planning and support services	625,655,368		548,500,000		564,955,000	-	581,903,650	-
	0109004060	Water Resources Management And Sanitation services		301,626,423		200,000,000	-	206,000,000	-	212,180,000
	0110004060	Natural Resources, Forest Conservation and Management	1,200,000	-	1,300,000	10,000,000	1,339,000	10,300,000	1,379,170	10,609,000
	0111004060	Environmental Management and compliance		28,000,000		50,000,000	-	51,500,000	-	53,045,000
		WARD PROJECTS					-	-		-
	011204060	Climate Change Mitigation and Adaptation	36,902,615	479,963,249	16,000,000	223,000,000	16,480,000	229,690,000	16,974,400	236,580,700
4068		<b>Health Services</b>	<b>7,224,076,418</b>	<b>1,268,958,595</b>	<b>7,209,878,000</b>	<b>750,000,000</b>	<b>7,426,174,340</b>	<b>772,500,000</b>	<b>7,648,959,570</b>	<b>795,675,000</b>
	0402004060	Administration, Planning and Support Services	4,809,466,418		4,809,466,418		4,953,750,411	-	5,102,362,923	-
	0401004060	Curative and Preventive health care services	314,610,000		300,411,582		309,423,929	-	318,706,647	-
	0404004060	Curative and rehabilitative Health Services	2,100,000,000	1,268,958,595	2,100,000,000	750,000,000	2,163,000,000	772,500,000	2,227,890,000	795,675,000
		WARD PROJECTS					-	-		-
	0405004060	County Pharmaceutical Services					-	-	-	-
4073		<b>Roads, Transport Public Works &amp; Utilities</b>	<b>802,316,024</b>	<b>2,489,819,194</b>	<b>745,000,000</b>	<b>1,830,000,000</b>	<b>767,350,000</b>	<b>1,884,900,000</b>	<b>790,370,500</b>	<b>1,923,598,277</b>
	0202004060	Administration, Planning and Support Services	802,316,024	467,612,829	745,000,000	300,000,000	767,350,000	309,000,000	790,370,500	318,270,000
	0203004060	Infrastructure Development and Maintenance		2,013,206,365		1,510,000,000	-	1,555,300,000	-	1,584,110,277

Department Ceilings by Programmes for the FY 2026/27-2028/29 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	Supplementary		2026 CFSP		PROJECTIONS			
			2025/2026		2026/2027		FY 2027/2028		FY 2028/2029	
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
		WARD PROJECTS					-	-	-	-
	0204004060	Energy, Disaster Management, Fire, Safety and Rescue		9,000,000		20,000,000	-	20,600,000	-	21,218,000
		<b>Administration &amp; Public Service</b>	<b>1,031,574,290</b>	<b>457,000,713</b>	<b>1,017,500,000</b>	<b>422,500,000</b>	<b>1,048,025,000</b>	<b>435,175,000</b>	<b>1,079,465,750</b>	<b>448,230,250</b>
	0706004060	General Administration, Planning and Support Services	971,574,290	427,000,713	957,500,000	392,500,000	986,225,000	404,275,000	1,015,811,750	416,403,250
	0714004060	Alcoholic Drinks Control and Rehabilitation	30,000,000	30,000,000	30,000,000	30,000,000	30,900,000	30,900,000	31,827,000	31,827,000
4075	0715004060	Human Resource Management and Development Services	30,000,000		30,000,000	-	30,900,000	-	31,827,000	-
		<b>Agriculture, Livestock &amp; Cooperative Development</b>	<b>535,694,758</b>	<b>890,033,795</b>	<b>488,806,691</b>	<b>681,250,000</b>	<b>503,470,892</b>	<b>701,687,500</b>	<b>518,575,018</b>	<b>722,738,125</b>
	0113004060	Administration, Planning and Support Services	438,477,832		418,806,691	-	431,370,892	-	444,312,018	-
	0106004060	Crop Development, Irrigation and Marketing services	800,000	628,463,893	-	451,250,000	-	464,787,500	-	478,731,125
	0107004060	Livestock and Fisheries Development and Management	34,416,926	203,069,902	30,000,000	200,000,000	30,900,000	206,000,000	31,827,000	212,180,000
4077	0108004060	Co-operative Development and Management	62,000,000	58,500,000	40,000,000	30,000,000	41,200,000	30,900,000	42,436,000	31,827,000
		<b>Education, Gender, Culture &amp; Social Services</b>	<b>1,552,789,029</b>	<b>1,085,659,570</b>	<b>1,500,050,168</b>	<b>550,000,000</b>	<b>1,545,051,673</b>	<b>566,500,000</b>	<b>1,591,403,223</b>	<b>583,495,000</b>
4078	0502004060	General Administration, Planning and Support Services	1,042,789,029		1,040,050,168		1,071,251,673	-	1,103,389,223	-

Department Ceilings by Programmes for the FY 2026/27-2028/29 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	Supplementary		2026 CFSP		PROJECTIONS			
			2025/2026		2026/2027		FY 2027/2028		FY 2028/2029	
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
	0503004060	Pre-Primary education, Vocational Education and Training	270,000,000	1,060,659,570	220,000,000	500,000,000	226,600,000	515,000,000	233,398,000	530,450,000
		WARD PROJECTS					-	-		-
	0504004060	Culture, Gender and Social Services Development	240,000,000	25,000,000	240,000,000	50,000,000	247,200,000	51,500,000	254,616,000	53,045,000
4079		Youth Affairs, Sports & Communication	195,395,034	226,000,000	195,000,000	250,000,000	200,850,000	257,500,000	206,875,500	265,225,000
	0903004060	General Administration, Planning and Support Services	90,395,034		90,000,000	-	92,700,000	-	95,481,000	-
	0904004060	Youth Empowerment	25,000,000		25,000,000	50,000,000	25,750,000	51,500,000	26,522,500	53,045,000
	0905004060	Sports	55,000,000	226,000,000	55,000,000	200,000,000	56,650,000	206,000,000	58,349,500	212,180,000
	0906004060	Communication	25,000,000		25,000,000		25,750,000	-	26,522,500	-
4080		Lands, Housing Physical Planning Municipal Administration & Urban Development	521,883,145	1,970,732,981	420,000,000	1,446,482,863	432,600,000	1,480,171,835	445,578,000	1,496,537,479
	0104004060	General Administration & support services	365,786,223		265,000,000		272,950,000	-	281,138,500	-
	0116004060	Land Use Management, Valuation & Rating and Physical Planning	15,000,000	25,000,000	15,000,000	15,000,000	15,450,000	15,450,000	15,913,500	15,913,500
	0114004060	Housing and Community Development	1,987,622	562,397,401	-	50,000,000	-	51,500,000	-	53,045,000
	0115004060	Urban Areas Development and Administration	139,109,300	1,383,335,580	140,000,000	1,381,482,863	144,200,000	1,413,221,835	148,526,000	1,427,578,979
4081		Trade, Industrialization Tourism & Investment	212,864,646	744,450,625	190,000,000	538,000,000	195,700,000	554,140,000	201,571,000	570,764,200



Department Ceilings by Programmes for the FY 2026/27-2028/29 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	Supplementary	2026 CFSP		PROJECTIONS				
			2025/2026		2026/2027		FY 2027/2028		FY 2028/2029	
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
	0306004060	Administration, Planning and Support Services	212,864,646		190,000,000	-	195,700,000	-	201,571,000	-
	0302004060	Trade Development and Promotion		544,082,203		400,000,000	-	412,000,000	-	424,360,000
	0303004060	Industrial and Entrepreneurship Development		170,368,422		100,000,000	-	103,000,000	-	106,090,000
	0304004060	Tourism Development and Promotion		25,000,000		25,000,000	-	25,750,000	-	26,522,500
		WARD FUND PROJECTS					-	-		-
	0305004060	Investment Development and Promotion		5,000,000		13,000,000	-	13,390,000	-	13,791,700
		<b>Totals</b>	<b>16,517,866,414</b>	<b>10,313,453,346</b>	<b>15,884,715,435</b>	<b>7,801,232,863</b>	<b>16,321,276,481</b>	<b>8,024,064,335</b>	<b>16,770,934,358</b>	<b>8,217,398,031</b>
		<b>Recurrent to Development Ratio</b>	<b>61.6</b>	<b>38.4</b>	<b>67.1</b>	<b>32.9</b>	<b>67.0</b>	<b>33.0</b>	<b>67.1</b>	<b>32.9</b>



#### **Annex 4: Summary of the Key Priorities Proposed during the Public Participation Forums**

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