



COUNTY GOVERNMENT OF KIAMBU

DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

REVENUE MOBILIZATION STRATEGY

FY 2024 –2027

DIRECTORATE OF REVENUE



FOREWORD

As Kiambu County continues to position itself as a leading economic hub, strengthening our internal revenue base has become both a necessity and a strategic priority. Sustainable revenue mobilization is central to our ability to deliver quality services, enhance infrastructure, and improve the overall well-being of our residents.

This Revenue Mobilization Strategy provides a comprehensive and forward-looking framework to enhance Own Source Revenue (OSR) through improved efficiency, innovation, and accountability. It outlines targeted interventions aimed at optimizing existing revenue streams, expanding the revenue base, and leveraging technology to strengthen revenue administration systems.

Over the recent financial years, the County has recorded steady growth in revenue performance, reflecting ongoing reforms in automation, monitoring, and service delivery. However, we recognize that significant opportunities still exist to unlock our full revenue potential. This Strategy therefore seeks to address existing challenges, including revenue leakages, data gaps, and compliance constraints, while positioning the County to respond effectively to the demands of a rapidly growing and urbanizing economy.

The successful implementation of this Strategy will require strong institutional coordination, sustained leadership commitment, and active collaboration with stakeholders, including the private sector and the citizens of Kiambu. By promoting transparency, accountability, and taxpayer engagement, we aim to foster a culture of compliance and shared responsibility in financing our development agenda.

I commend all those who contributed to the development of this Strategy, and I call upon all stakeholders to support its implementation. Together, we can build a resilient and sustainable revenue framework that will enable Kiambu County to achieve its development aspirations and improve the quality of life for all its residents.



Nancy Kirumba
CECM Finance and Economic Planning
County Government of Kiambu



ACKNOWLEDGEMENT

The preparation of this Revenue Mobilization Strategy has been a collaborative and consultative process involving various stakeholders across the County Government and beyond.

The County Government of Kiambu acknowledges the leadership and strategic guidance provided by the Office of the Governor and the County Executive Committee in shaping the direction of this Strategy. Their continued commitment to strengthening fiscal sustainability has been instrumental in the development of this framework.

Appreciation is extended to all county departments, whose technical input and sector-specific insights have been critical in identifying key revenue streams, challenges, and opportunities. In particular, the Directorate of Revenue has played a central role in providing data and operational perspectives that have informed the analysis and proposed interventions.

The County also recognizes the valuable contributions of the County Budget and Economic Forum, private sector stakeholders, and other partners who have participated in the consultative process. Their engagement has ensured that this Strategy reflects the realities of the County's economic environment and promotes inclusivity in revenue mobilization efforts.

The preparation of this Strategy has further benefited from reference to national policy frameworks and best practices from other counties, which have helped shape a comprehensive and practical approach to revenue mobilization.

Through these collective efforts, the County has developed a structured roadmap to enhance Own Source Revenue and strengthen fiscal sustainability.



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Chief Officer
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EXECUTIVE SUMMARY

The County Government of Kiambu has developed this Revenue Mobilization Strategy to provide a structured and coordinated framework for enhancing Own Source Revenue (OSR). The Strategy is informed by revenue performance up to FY 2023/24 and sets out strategic interventions to improve revenue mobilization in FY 2024/25 and beyond. It is aligned with the Constitution of Kenya (2010), the Public Finance Management Act (2012), and the National Policy on Enhancement of County Governments' Own Source Revenue.

Kiambu County is one of the most economically dynamic counties in Kenya, characterized by rapid urbanization, a vibrant private sector, and a diverse economic base that includes trade, real estate, manufacturing, and agriculture. This presents significant opportunities for revenue generation. However, despite this potential, the County's OSR performance has not fully matched its economic capacity.

In FY 2023/24, the County recorded Own Source Revenue of Ksh. 4.57 billion, up from Ksh. 3.61 billion in FY 2022/23, representing significant growth over the period. While this growth is commendable, it remains below the County's estimated revenue potential, indicating the need for targeted and sustained interventions.

The situational analysis highlights several challenges affecting revenue mobilization. These include revenue leakages arising from weak internal controls, incomplete and outdated revenue databases, limited integration of automated systems, low levels of taxpayer compliance, and inadequate enforcement mechanisms. Additionally, institutional capacity constraints and fragmented coordination across departments have affected efficiency in revenue collection.

At the same time, the County has made notable progress in modernizing revenue administration. The implementation of the Enterprise Resource Planning (ERP) system has enhanced automation of key revenue streams such as land rates, business permits, and development approvals. The introduction of the Hospital Management Information System (HMIS) has improved revenue collection in health facilities, particularly through enhanced billing and claims management under the National Hospital Insurance Fund (NHIF). Furthermore, strengthened monitoring mechanisms, including regular revenue performance reviews, have contributed to improved accountability.

This Strategy builds on these reforms and seeks to accelerate revenue growth through a comprehensive set of strategic interventions. These include full automation and integration of



revenue systems, expansion and diversification of the revenue base through mapping and enumeration, strengthening of compliance and enforcement mechanisms, institutional reforms including the operationalization of a County Revenue Authority framework, and decentralization of revenue services to enhance accessibility.

The Strategy also emphasizes the importance of stakeholder engagement and public awareness in promoting voluntary compliance. Improved service delivery, transparency, and communication are expected to enhance taxpayer confidence and willingness to pay.

In addition, the Strategy introduces a strong focus on data-driven decision-making, performance monitoring, and accountability. Regular revenue reporting, performance reviews, and the use of analytics will enable the County to track progress, identify gaps, and implement corrective measures in a timely manner.

The successful implementation of this Strategy is expected to result in increased Own Source Revenue, improved efficiency in revenue administration, reduced leakages, and enhanced fiscal sustainability. Ultimately, this will enable the County Government of Kiambu to better meet its development objectives and improve the quality of services delivered to its residents.



TABLE OF CONTENTS

FOREWORD.....	i
ACKNOWLEDGEMENT.....	ii
CHAPTER ONE	1
INTRODUCTION AND BACKGROUND.....	1
1.1 Background	1
1.2 Purpose of the Strategy	1
1.3 Scope of the Strategy	2
1.4 Methodology	2
CHAPTER TWO	3
SITUATIONAL ANALYSIS	3
2.1 Overview of Kiambu County Economy	3
2.2 Revenue Performance Analysis	3
2.3 Revenue Streams in Kiambu County.....	4
2.4 Revenue Administration and Institutional Framework	5
2.5 Revenue Systems and Automation	6
2.6 Key Challenges in Revenue Mobilization	6
2.7 SWOT Analysis	7
2.8 Revenue Potential and Gap Analysis.....	7
2.9 Summary of Key Findings	8
CHAPTER THREE	9
LEGAL AND POLICY FRAMEWORK	9
3.1 Overview	9
3.2 Constitutional Provisions	9
3.3 Public Finance Management Act (PFMA), 2012.....	10
3.4 County Government Act, 2012.....	10
3.5 National Policy on Enhancement of County Own Source Revenue (2019)	11
3.6 County Legal Framework	11



3.7 Policy and Legal Gaps	12
3.8 Policy Direction	12
CHAPTER FOUR.....	13
STRATEGIC FRAMEWORK	13
4.1 Overview	13
4.2 Vision	13
4.3 Mission	13
4.4 Core Values	13
4.5 Strategic Objectives	13
4.6 Strategic Pillars	14
4.7 Expected Outcomes.....	15
4.8 Alignment with Development Frameworks	15
CHAPTER FIVE	16
REVENUE MOBILIZATION STRATEGIES	16
5.1 Overview	16
5.2 Revenue Automation and Digital Transformation.....	16
5.3 Revenue Base Expansion and Diversification	17
5.4 Strengthening Compliance and Enforcement	17
5.5 Institutional Strengthening and Governance Reforms	18
5.6 Decentralization of Revenue Collection Services	19
5.7 Health Sector Revenue Optimization	19
5.8 Stakeholder Engagement and Public Awareness	20
5.9 Data Management and Revenue Intelligence	20
5.10 Public-Private Partnerships and External Resource Mobilization	20
5.11 Expected Impact of the Strategies	21
CHAPTER SIX	22
IMPLEMENTATION FRAMEWORK	22
6.1 Overview	22
6.2 Institutional Arrangements	22
6.3 Implementation	22
6.4 Implementation Matrix	24



CHAPTER SEVEN	25
FINANCIAL PROJECTIONS AND TARGETS	25
7.1 Overview	25
7.2 Revenue Growth Projections	25
7.3 Key Assumptions	25
7.4 Expected Outcomes	25
CHAPTER EIGHT	26
RISK MANAGEMENT FRAMEWORK	26
8.1 Overview	26
8.2 Key Risks and Mitigation Measures	26
8.3 Risk Monitoring	26
CHAPTER NINE	27
MONITORING AND EVALUATION FRAMEWORK	27
9.1 Overview	27
9.2 Key Performance Indicators (KPIs)	27
9.3 Reporting Framework	27
9.4 Monitoring and Evaluation Matrix	27
9.5 Feedback and Learning	28
CHAPTER TEN	29
CONCLUSION	29



CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 Background

The promulgation of the Constitution of Kenya (2010) introduced a devolved system of governance, establishing 47 county governments with clearly defined functions as set out in the Fourth Schedule. These functions include key service delivery areas such as health services, trade development, agriculture, transport, urban planning, and county infrastructure.

To effectively deliver on these mandates, county governments are empowered under Article 209 of the Constitution to generate revenue through property rates, entertainment taxes, and user charges for services rendered. These locally generated revenues, commonly referred to as Own Source Revenue (OSR), are intended to complement intergovernmental fiscal transfers and enhance the financial autonomy of counties.

Kiambu County, due to its strategic location within the Nairobi Metropolitan Region, is one of the most economically vibrant counties in Kenya. The county hosts a diverse range of economic activities, including industrial manufacturing, real estate development, trade and commerce, agriculture, and service-based enterprises. This economic diversity provides a strong foundation for revenue mobilization.

However, despite its significant economic potential, the contribution of Own Source Revenue to the County's total resource envelope remains below optimal levels. This has necessitated the development of a comprehensive and structured Revenue Mobilization Strategy to guide the enhancement of revenue collection, management, and administration.

1.2 Purpose of the Strategy

The purpose of this Revenue Mobilization Strategy is to provide a comprehensive framework for enhancing the County's capacity to generate, manage, and account for Own Source Revenue in a sustainable and efficient manner.

Specifically, the Strategy seeks to:

- Provide a clear roadmap for improving revenue collection efficiency
- Identify opportunities for expanding and diversifying the revenue base
- Strengthen institutional and administrative frameworks for revenue management



- Enhance transparency, accountability, and compliance in revenue administration
- Align revenue mobilization efforts with the County’s development priorities

1.3 Scope of the Strategy

This Strategy covers all aspects of Own Source Revenue mobilization within Kiambu County, including:

- Identification and optimization of existing revenue streams
- Exploration of new and untapped revenue sources
- Institutional and administrative arrangements for revenue collection
- Legal and policy frameworks governing revenue administration
- Integration of technology and automation in revenue systems
- Stakeholder engagement and compliance mechanisms

The Strategy is applicable to all County departments, agencies, and entities involved in revenue generation, collection, and management.

1.4 Methodology

The development of this Strategy was informed by a comprehensive review of relevant documents, data, and stakeholder inputs. The methodology adopted included:

- Review of County financial reports, including revenue performance reports
- Analysis of existing revenue systems and administrative structures
- Benchmarking against best practices from other counties
- Consultations with key stakeholders, including County departments and revenue officers
- Alignment with national policies and legal frameworks



CHAPTER TWO

SITUATIONAL ANALYSIS

2.1 Overview of Kiambu County Economy

Kiambu County is a key economic hub within the Central Region and the Nairobi Metropolitan Area. Its proximity to Nairobi has positioned it as a major center for industrial, commercial, and residential development.

The County's economy is driven by several sectors:

2.1.1 Trade and Commerce

Kiambu hosts a large number of small and medium enterprises (SMEs), retail businesses, and wholesale traders operating within urban centers such as Thika, Ruiru, Kikuyu, Kiambu Town, and Limuru. These activities contribute significantly to revenue through business permits, market fees, and trade licenses.

2.1.2 Real Estate and Urban Development

Rapid urbanization has led to increased demand for housing, commercial buildings, and infrastructure. This has created significant revenue opportunities through land rates, building plan approvals, development charges, and property-related fees.

2.1.3 Industrial Sector

The County hosts major industrial zones, particularly in Thika and Ruiru, which contribute to revenue through licensing, permits, and service charges.

2.1.4 Agriculture

Agriculture remains a key economic activity, particularly in tea, coffee, dairy, and horticulture. This sector contributes to revenue through cess, permits, and related charges.

2.1.5 Health Services

County health facilities generate revenue through user fees and reimbursements from the National Hospital Insurance Fund, which has become an increasingly important revenue stream.

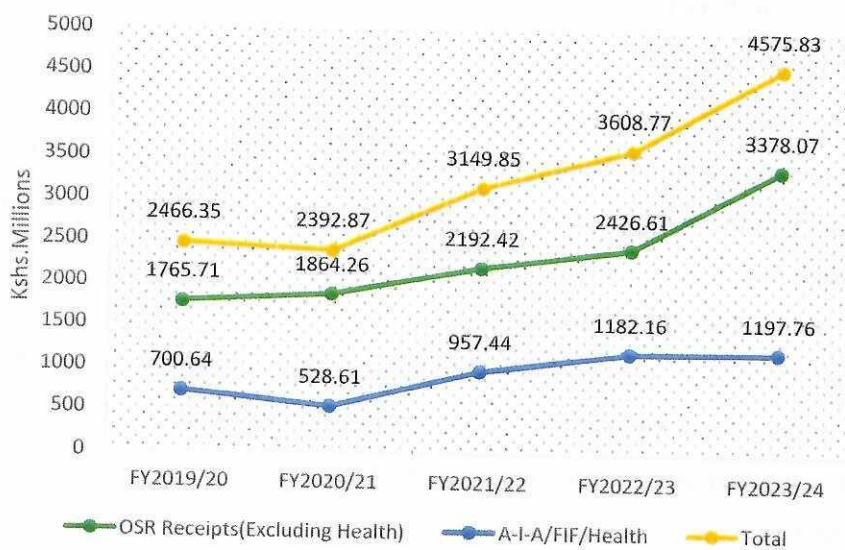
2.2 Revenue Performance Analysis

The County has recorded a generally upward trend in Own Source Revenue over the period FY 2019/20 to FY 2023/24, as illustrated in the Figure below. Total revenue increased from



approximately Ksh. 2.47 billion in FY 2019/20 to Ksh. 4.58 billion in FY 2023/24, reflecting steady growth over the review period.

This growth is attributed to improvements in revenue administration, including enhanced automation, strengthened monitoring, and improved service delivery. However, despite this progress, revenue performance remains below potential due to persistent challenges such as leakages, incomplete data, and compliance gaps.



Trend in Own Source Revenue Collection, Kiambu County (FY 2019/20 – 2023/24)

2.3 Revenue Streams in Kiambu County

The County’s Own Source Revenue is derived from multiple streams, including:

2.3.1 Land and Property-Based Revenues

- Land rates
- Building plan approvals
- Plot and property registration fees
- Subdivision and development charges

This is one of the highest potential revenue streams but remains underexploited due to outdated valuation rolls and compliance challenges.



2.3.2 Trade and Business Licensing

- Single business permits
- Trade licenses
- Market fees
- Weights and measures fees

This stream benefits from the County's large SME base but is affected by informality and compliance gaps.

2.3.3 Health Sector Revenues

- User fees in hospitals
- NHIF reimbursements
- Facility-based services

Recent improvements in HMIS systems have enhanced revenue tracking and collection.

2.3.4 Transport and Parking Revenues

- Parking fees
- Transport-related charges

This stream is significant in urban centers but is prone to leakages.

2.3.5 Other Revenue Streams

- Advertising and signage fees
- Liquor licensing
- Environmental and public health fees
- Cess and agricultural produce charges

2.4 Revenue Administration and Institutional Framework

Revenue administration in Kiambu County is coordinated by the County Treasury through the Directorate of Revenue. The Directorate is responsible for the collection, recording, accounting, and reporting of all Own Source Revenue.



Revenue collection is implemented through a decentralized structure involving sub-county and municipal units. Sector departments also play a role in revenue generation, particularly in areas such as health, trade, and lands.

2.5 Revenue Systems and Automation

The County has made significant progress in automating revenue collection through:

- Enterprise Resource Planning (ERP) system
- Hospital Management Information System (HMIS)
- Digital payment platforms

These systems have improved transparency, reduced manual handling of revenue, and enhanced reporting.

However, key challenges remain:

- Incomplete system integration
- Data inconsistencies
- Limited real-time monitoring

2.6 Key Challenges in Revenue Mobilization

The County faces several structural and operational challenges:

2.6.1 Revenue Leakages

Weak internal controls and manual processes in certain areas have led to revenue losses.

2.6.2 Incomplete Revenue Databases

Lack of comprehensive data on taxpayers, properties, and businesses limits effective billing and enforcement.

2.6.3 Low Compliance Levels

A significant proportion of taxpayers do not comply with payment obligations due to weak enforcement and low awareness.

2.6.4 Weak Enforcement Mechanisms

Limited capacity of enforcement teams affects compliance.

2.6.5 System Integration Gaps

Existing systems are not fully integrated, leading to inefficiencies.



2.6.6 Institutional Capacity Constraints

Revenue staff require further training in ICT, customer service, and enforcement.

2.7 SWOT Analysis

Strengths	Weaknesses
Strong economic base	Revenue leakages
Existing automation systems (ERP, HMIS)	Incomplete databases
Diverse revenue streams	Weak enforcement
Strategic location near Nairobi	System integration gaps
Opportunities	Threats
Urbanization and real estate growth	Political interference
Digital revenue systems	Taxpayer resistance
NHIF and health financing	Economic fluctuations
Public-private partnerships	Compliance challenges

2.8 Revenue Potential and Gap Analysis

Kiambu County has significant untapped revenue potential, particularly in land-based revenues, trade licensing, and health services. The gap between actual collections and potential revenue is attributed to:

- Incomplete mapping of revenue sources
- Inefficiencies in billing and collection systems
- Weak enforcement and compliance mechanisms

Addressing these gaps will require a combination of policy, administrative, and technological interventions.



2.9 Summary of Key Findings

The situational analysis highlights that while Kiambu County has made notable progress in revenue mobilization, there remains substantial room for improvement. The County must focus on strengthening systems, expanding the revenue base, improving compliance, and enhancing institutional capacity to achieve sustainable revenue growth.



CHAPTER THREE

LEGAL AND POLICY FRAMEWORK

3.1 Overview

Revenue mobilization in Kiambu County is guided by a well-established legal and policy framework at both the national and county levels. This framework provides the legal authority, institutional arrangements, and operational guidelines necessary for the collection, management, and accountability of public revenues.

The effectiveness of Own Source Revenue mobilization is largely dependent on the strength, clarity, and enforcement of these legal provisions. This Strategy is therefore aligned with existing laws and policies while also identifying areas that require strengthening and reform.

3.2 Constitutional Provisions

The Constitution of Kenya (2010) provides the foundation for revenue mobilization by county governments.

Article 209 (Powers to Impose Taxes and Charges)

County governments are empowered to impose:

- Property rates
- Entertainment taxes
- Charges for services they provide

This provision forms the primary legal basis for Own Source Revenue collection.

Article 201 (Principles of Public Finance)

Revenue mobilization must adhere to principles of:

- Openness and accountability
- Public participation
- Equity and fairness
- Responsible financial management



Article 202 and 203 (Equitable Sharing of Revenue)

These articles define the framework for intergovernmental fiscal transfers, which complement Own Source Revenue.

3.3 Public Finance Management Act (PFMA), 2012

The PFMA provides the overarching framework for public financial management at the county level.

Key provisions include:

- Establishment of the County Treasury as the entity responsible for financial management
- Designation of the County Receiver of Revenue, responsible for receiving and accounting for all county revenues
- Requirements for revenue collection, banking, accounting, and reporting
- Emphasis on transparency, accountability, and fiscal discipline

The PFMA also requires counties to establish systems that ensure efficient and effective revenue collection and management.

3.4 County Government Act, 2012

The County Government Act provides for the structure and functioning of county governments, including:

- Establishment of administrative and institutional frameworks
- Promotion of public participation in governance
- Coordination between departments in service delivery

This Act supports revenue mobilization by ensuring that governance structures are aligned with service delivery and accountability.



3.5 National Policy on Enhancement of County Own Source Revenue (2019)

The National Treasury developed this policy to guide counties in strengthening revenue mobilization.

The policy recommends that counties:

- Identify and classify all revenue streams
- Standardize revenue collection systems
- Enhance automation and digitization
- Strengthen legal and institutional frameworks
- Promote transparency and accountability

This Strategy aligns with these recommendations by emphasizing system integration, revenue mapping, and institutional strengthening.

3.6 County Legal Framework

Kiambu County has enacted several laws and regulations to support revenue mobilization.

These include:

3.6.1 County Finance Acts

The annual County Finance Act provides the legal basis for:

- Imposition of fees, charges, and taxes
- Revision of tariffs and rates
- Regulation of revenue streams

3.6.2 Trade Licensing and Markets Legislation

These laws regulate:

- Issuance of business permits
- Market operations and fees
- Trade-related revenue streams

3.6.3 Alcoholic Drinks Control Legislation

Provides for:



- Licensing of alcohol-related businesses
- Regulation of alcohol trade
- Collection of licensing fees

3.6.4 Physical Planning and Land Use Legislation

Governs:

- Building approvals
- Development control
- Land-related charges

3.6.5 Public Health and Environmental Regulations

Support revenue collection through:

- Public health permits
- Environmental compliance fees

3.7 Policy and Legal Gaps

Despite the existence of these frameworks, several gaps remain:

- Outdated valuation rolls affecting land-based revenues
- Weak enforcement of existing laws
- Fragmentation of revenue-related legislation
- Inadequate operationalization of revenue authority structures

This Strategy proposes reforms to address these gaps and strengthen the legal framework.

3.8 Policy Direction

To enhance revenue mobilization, the County will:

- Review and update revenue-related laws regularly
- Harmonize and consolidate revenue legislation
- Strengthen enforcement mechanisms
- Operationalize institutional frameworks for revenue collection



CHAPTER FOUR STRATEGIC FRAMEWORK

4.1 Overview

This Strategic Framework outlines the vision, mission, guiding principles, and strategic objectives that will guide revenue mobilization efforts in Kiambu County over the strategy period.

It provides a structured approach to addressing the challenges identified in the situational analysis and leveraging available opportunities to enhance Own Source Revenue.

4.2 Vision

A financially sustainable and economically resilient Kiambu County with efficient, transparent, and diversified revenue systems.

4.3 Mission

To enhance Own Source Revenue through efficient systems, expanded revenue base, strong institutional capacity, and improved compliance, in order to support sustainable service delivery and development.

4.4 Core Values

Revenue mobilization in the County will be guided by the following values:

- **Transparency:** Ensuring openness in revenue collection and utilization
- **Accountability:** Strengthening responsibility in revenue management
- **Efficiency:** Optimizing revenue collection systems and processes
- **Equity:** Ensuring fairness in taxation and service delivery
- **Integrity:** Upholding ethical standards in revenue administration

4.5 Strategic Objectives

The Strategy is anchored on the following strategic objectives:



4.5.1 Enhancing Revenue Collection Efficiency

The County will improve efficiency by strengthening systems, processes, and institutional arrangements for revenue collection. This includes reducing leakages, improving billing accuracy, and enhancing reporting mechanisms.

4.5.2 Expanding and Diversifying the Revenue Base

The County will identify and exploit new revenue streams while optimizing existing ones. This will involve revenue mapping, update valuation rolls, and formalizing informal sector activities.

4.5.3 Strengthening Compliance and Enforcement

The County will enhance compliance through improved enforcement mechanisms, regular audits, and increased taxpayer awareness.

4.5.4 Promoting Automation and Digital Transformation

The County will leverage technology to enhance revenue collection, improve transparency, and support data-driven decision-making.

4.5.5 Strengthening Institutional Capacity

The County will build the capacity of revenue staff and strengthen institutional frameworks to improve performance.

4.5.6 Enhancing Stakeholder Engagement

The County will promote collaboration with stakeholders to improve compliance and enhance revenue mobilization.

4.6 Strategic Pillars

The Strategy is organized around the following key pillars:

- i. Revenue Automation and Digitization
- ii. Revenue Base Expansion
- iii. Compliance and Enforcement



- iv. Institutional Strengthening
- v. Decentralization of Revenue Services
- vi. Stakeholder Engagement
- vii. Data and Performance Management

4.7 Expected Outcomes

The implementation of this Strategy is expected to achieve:

- Increased Own Source Revenue collections
- Improved efficiency and transparency in revenue administration
- Reduced revenue leakages
- Enhanced taxpayer compliance
- Strengthened institutional capacity

4.8 Alignment with Development Frameworks

This Strategy is aligned with:

- County Integrated Development Plan (CIDP)
- Annual Development Plans (ADPs)
- National development frameworks such as Vision 2030
- Sustainable Development Goals (SDGs)



CHAPTER FIVE

REVENUE MOBILIZATION STRATEGIES

5.1 Overview

This chapter outlines the strategic interventions that Kiambu County will implement to enhance Own Source Revenue collection over the strategy period. The interventions are informed by the challenges and opportunities identified in the situational analysis and are aligned with the legal and policy framework guiding revenue mobilization.

The strategies are designed to address structural inefficiencies, strengthen institutional capacity, enhance compliance, and leverage technology to improve efficiency and transparency in revenue administration.

5.2 Revenue Automation and Digital Transformation

The County Government of Kiambu recognizes that automation is a critical enabler of efficient revenue collection. While significant progress has been made through the implementation of the Enterprise Resource Planning (ERP) system and the Hospital Management Information System (HMIS), existing systems remain partially integrated and do not fully support real-time data sharing and decision-making.

To address these gaps, the County will prioritize the full integration of all revenue-related systems into a unified digital platform. This will involve linking key modules such as land rates, business permits, parking systems, and health revenue systems to ensure seamless billing, payment, and reporting processes.

The County will also strengthen integration with national digital platforms, including e-Citizen and the National Hospital Insurance Fund (NHIF), to enhance accessibility and improve efficiency in revenue collection. In addition, the adoption of data analytics tools will support revenue forecasting, trend analysis, and identification of underperforming revenue streams.

The implementation of real-time dashboards will enable continuous monitoring of revenue performance at the county and sub-county levels, thereby improving accountability and enabling timely corrective action.

These interventions are expected to reduce manual processes, minimize revenue leakages, improve transparency, and enhance overall efficiency in revenue administration.



5.3 Revenue Base Expansion and Diversification

Kiambu County has a broad and dynamic economic base that presents significant opportunities for expanding revenue generation. However, a substantial portion of this potential remains untapped due to incomplete data, unregistered businesses, and limited coverage of revenue streams.

The County will undertake comprehensive revenue mapping and enumeration exercises to identify all taxable entities, including properties, businesses, and service points. This process will involve the use of digital tools, geographic information systems (GIS), and field surveys to develop a comprehensive and up-to-date revenue database.

In addition, the County will update valuation rolls to reflect current market values, thereby enhancing the accuracy and fairness of property-based taxation. Efforts will also be made to formalize informal sector activities through targeted registration and sensitization initiatives, enabling these businesses to contribute to the revenue base.

The County will further review and rationalize existing fees and charges to ensure that they are aligned with economic realities while remaining fair and affordable. New revenue streams will also be explored, particularly in areas such as environmental management, urban services, and emerging economic activities.

Through these measures, the County aims to broaden its revenue base, increase revenue yield, and ensure sustainability in revenue mobilization.

5.4 Strengthening Compliance and Enforcement

Low levels of taxpayer compliance have been identified as a major constraint to revenue performance in Kiambu County. This is partly due to weak enforcement mechanisms, limited monitoring capacity, and inadequate awareness among taxpayers.

To address this challenge, the County will strengthen its enforcement framework by enhancing the capacity of inspectorate and compliance teams. This will include training personnel, equipping enforcement units with the necessary tools, and deploying them strategically across revenue collection points.



The County will adopt a risk-based approach to compliance, focusing enforcement efforts on high-risk and high-value revenue streams. Regular audits and inspections will be conducted to identify non-compliance and enforce corrective measures.

The introduction of compliance certificates and digital tracking systems will further enhance accountability by ensuring that only compliant businesses are allowed to operate. Penalties for non-compliance will be enforced consistently to deter revenue evasion.

In parallel, the County will promote voluntary compliance through taxpayer education and improved service delivery. By enhancing transparency and demonstrating the value of public services, the County aims to build trust and encourage compliance among residents and businesses.

5.5 Institutional Strengthening and Governance Reforms

Effective revenue mobilization requires strong institutional frameworks and governance structures. While Kiambu County has established a Directorate of Revenue within the County Treasury, there is a need to further strengthen institutional capacity and coordination.

The County will therefore prioritize the enhancement of existing institutional arrangements to provide a more structured and professional approach to revenue administration. This will include strengthening coordination across departments, clarifying roles and responsibilities, and improving accountability and efficiency in revenue collection.

Capacity building programs will be implemented to equip revenue staff with the necessary skills in areas such as ICT, customer service, compliance enforcement, and financial management. Performance management systems will also be strengthened to ensure that revenue targets are aligned with individual and departmental responsibilities.

In addition, internal audit and control systems will be enhanced to improve oversight and reduce revenue leakages. Clear roles and responsibilities will be defined across departments to minimize duplication and improve coordination.

These reforms are expected to strengthen governance, improve efficiency, and enhance the overall effectiveness of revenue administration.



5.6 Decentralization of Revenue Collection Services

Accessibility of revenue services is a key factor in enhancing compliance and improving revenue performance. In Kiambu County, centralized revenue collection systems have limited access for some residents, particularly in remote and peri-urban areas.

To address this challenge, the County will decentralize revenue collection services by establishing and equipping sub-county revenue offices. Mobile revenue collection units will also be deployed to reach underserved areas and facilitate convenient payment of fees and charges.

The expansion of Huduma Mashinani initiatives will bring services closer to residents, particularly during peak revenue collection periods. These initiatives will not only improve accessibility but also enhance public awareness and engagement.

Decentralization is expected to reduce barriers to compliance, increase revenue coverage, and improve service delivery.

5.7 Health Sector Revenue Optimization

The introduction of the Hospital Management Information System (HMIS) presents an opportunity to enhance efficiency in revenue collection within the health sector. Improved automation of billing, reporting, and tracking of services is expected to strengthen revenue performance across county health facilities.

The County will therefore focus on strengthening revenue mobilization in the health sector by improving billing systems, enhancing claims processing, and ensuring timely follow-up on reimbursements from existing health financing mechanisms. In addition, efforts will be made to improve service delivery and accountability within health facilities to support increased revenue collection.

Investment in health infrastructure, equipment, and service delivery will further enhance utilization of health services, leading to increased revenue.

By strengthening systems and processes within the health sector, the County aims to maximize revenue while improving the quality of healthcare services.



5.8 Stakeholder Engagement and Public Awareness

Sustainable revenue mobilization requires active participation and cooperation from stakeholders, including residents, businesses, and development partners.

The County will implement targeted public awareness campaigns to educate taxpayers on their obligations and the importance of revenue in supporting service delivery. These campaigns will utilize multiple channels, including media, digital platforms, and community engagement forums.

The County will also strengthen engagement with stakeholders through platforms such as the County Budget and Economic Forum, ensuring that revenue policies are informed by stakeholder input.

Improved communication, transparency, and service delivery will enhance taxpayer confidence and promote voluntary compliance.

5.9 Data Management and Revenue Intelligence

Data is a critical asset in effective revenue mobilization. The County will strengthen its data management systems by developing a centralized and integrated revenue database.

The use of data analytics will enable the County to identify trends, monitor performance, and make informed decisions. Revenue intelligence systems will support targeted enforcement, forecasting, and planning.

Improved data quality and accessibility will enhance efficiency, transparency, and accountability in revenue administration.

5.10 Public-Private Partnerships and External Resource Mobilization

In addition to Own Source Revenue, the County will explore opportunities for mobilizing resources through public-private partnerships (PPPs) and collaboration with development partners.

PPPs will be promoted in areas such as infrastructure development, markets, and service delivery. These partnerships will leverage private sector investment to enhance service provision while generating revenue for the County.



The County will also strengthen its capacity to develop bankable proposals to attract funding from development partners and climate finance mechanisms.

Diversifying revenue sources through partnerships will enhance financial sustainability and reduce reliance on traditional revenue streams.

5.11 Expected Impact of the Strategies

The implementation of these strategies is expected to:

- Increase Own Source Revenue collections significantly
- Improve efficiency and transparency in revenue administration
- Reduce revenue leakages
- Enhance taxpayer compliance
- Strengthen institutional capacity
- Support sustainable service delivery



CHAPTER SIX IMPLEMENTATION FRAMEWORK

6.1 Overview

The successful implementation of this Revenue Mobilization Strategy will require a coordinated and structured approach involving all relevant county departments and stakeholders. The County Treasury, through the Directorate of Revenue, will take overall responsibility for coordination, supervision, and reporting.

Implementation will be guided by clearly defined roles, timelines, and performance targets to ensure accountability and effective delivery of results.

6.2 Institutional Arrangements

The implementation of this Strategy will involve the following key institutions:

- **County Treasury:** Overall coordination, policy direction, and resource allocation
- **Directorate of Revenue:** Day-to-day revenue administration, monitoring, and reporting
- **Sector Departments (Lands, Trade, Health, Transport):** Revenue generation and compliance within respective sectors
- **ICT Directorate:** System development, integration, and maintenance
- **Internal Audit:** Oversight and assurance on revenue processes
- **County Assembly:** Legislative oversight and approval of revenue laws
- Collaboration among these entities will be critical to ensure efficiency and avoid duplication of roles.

6.3 Implementation Approach

The Strategy will be implemented in phases:

Short-Term (0–6 Months)

- Integration of revenue systems (ERP, HMIS)
- Revenue mapping and data cleanup



- Strengthening enforcement mechanisms

Medium-Term (6–12 Months)

- Updating valuation rolls
- Capacity building of staff
- Expansion of revenue streams

Long-Term (Beyond 12 Months)

- Full automation and system optimization
- Institutional reforms (Revenue Authority)
- Strengthening PPP frameworks



6.4 Implementation Matrix

Strategic Area	Key Activities	Responsible Entity	Timeline	Expected Output
Automation & Integration	Integrate ERP, HMIS, and payment platforms	ICT & Revenue Directorate	Short-term	Fully integrated system
Revenue Mapping	Conduct enumeration of businesses and properties	Revenue Directorate	Short-term	Updated revenue database
Compliance & Enforcement	Strengthen inspectorate and conduct audits	Revenue Directorate	Continuous	Improved compliance
Revenue Base Expansion	Update valuation rolls and identify new streams	Lands & Finance	Medium-term	Increased revenue base
Institutional Strengthening	Train staff and operationalize Revenue Authority	County Treasury	Medium-term	Improved efficiency
Decentralization	Establish sub-county offices and mobile units	County Treasury	Medium-term	Increased accessibility
Health Revenue	Improve HMIS and NHIF claims processing	Health Department	Continuous	Increased health revenue
Stakeholder Engagement	Conduct public awareness campaigns	County Treasury	Continuous	Improved compliance



CHAPTER SEVEN FINANCIAL PROJECTIONS AND TARGETS

7.1 Overview

The financial projections outlined in this Strategy are based on historical revenue performance, economic trends, and the expected impact of the proposed interventions.

7.2 Revenue Growth Projections

The County projects a steady increase in Own Source Revenue as follows:

Financial Year	Projected OSR (Ksh. Billion)	Growth Rate
FY 2023/24	4.57	Baseline
FY 2024/25	5.26	15.0%
FY 2025/26	6.07	15.5%
FY 2026/27	7.04	16.0%

7.3 Key Assumptions

The projections are based on the following assumptions:

- Full implementation of automated revenue systems
- Improved compliance and enforcement
- Expansion of revenue base through mapping and valuation updates
- Increased health sector revenue through NHIF
- Stable macroeconomic environment

7.4 Expected Outcomes

- Increased revenue collections
- Reduced wage bill ratio
- Enhanced fiscal sustainability



CHAPTER EIGHT RISK MANAGEMENT FRAMEWORK

8.1 Overview

The implementation of this Strategy is subject to various risks that may affect revenue performance. The County will adopt a proactive approach to risk management to ensure effective mitigation.

8.2 Key Risks and Mitigation Measures

Risk	Impact	Mitigation Strategy
Political interference	Disrupts enforcement	Strengthen legal framework
System failures	Disrupts revenue collection	Invest in ICT infrastructure
Low compliance	Reduced revenue	Enhance enforcement and awareness
Data inaccuracies	Poor planning	Conduct regular audits
Resistance to automation	Delays implementation	Capacity building and sensitization

8.3 Risk Monitoring

The County will continuously monitor risks through regular reviews and adapt mitigation strategies accordingly.



CHAPTER NINE

MONITORING AND EVALUATION FRAMEWORK

9.1 Overview

Monitoring and evaluation (M&E) is critical to ensuring that the Strategy achieves its objectives. The County will establish a robust M&E framework to track progress, assess performance, and inform decision-making.

9.2 Key Performance Indicators (KPIs)

Indicator	Target
OSR growth rate	15–16% annually
Compliance rate	Increase by 20%
Automation coverage	100%
Revenue leakage reduction	Significant reduction

9.3 Reporting Framework

- Daily revenue monitoring at municipal level
- Monthly revenue reports
- Quarterly performance reviews
- Annual evaluation reports

9.4 Monitoring and Evaluation Matrix

The Monitoring and Evaluation framework will be supported by continuous data collection, regular reporting, and periodic reviews to ensure that implementation remains on track. Findings from the M&E process will inform policy adjustments, resource allocation, and strategic decision-making.



Result Area	Indicator	Means of Verification	Responsible Unit	Reporting Frequency
Revenue Growth	Annual OSR growth rate	Revenue reports, financial statements	Directorate of Revenue	Monthly / Quarterly
Compliance Improvement	Increase in compliance rate	Taxpayer database, enforcement records	Revenue Directorate / Enforcement Unit	Quarterly
Automation of Revenue Systems	Percentage of revenue streams automated	ERP/HMS system reports	ICT & Revenue Department	Semi-Annual
Revenue Leakages Reduction	Reduction in uncollected revenue	Audit reports, reconciliation reports	Internal Audit / Revenue Directorate	Quarterly
Stakeholder Engagement	Number of stakeholder engagements conducted	Meeting reports, participation records	County Treasury	Quarterly

9.5 Feedback and Learning

The County will establish mechanisms to incorporate feedback from stakeholders and continuously improve revenue mobilization strategies



CHAPTER TEN CONCLUSION

This Revenue Mobilization Strategy provides a comprehensive and structured framework for enhancing Own Source Revenue in Kiambu County. It outlines clear and practical interventions aimed at strengthening revenue administration, expanding the revenue base, improving compliance, and enhancing institutional capacity.

The successful implementation of this Strategy will require sustained commitment, effective coordination across departments, and continuous engagement with stakeholders. By leveraging technology, strengthening systems, and promoting transparency and accountability, the County will be better positioned to minimize revenue leakages and optimize its revenue potential.

As Kiambu County continues to grow and evolve, a strong and sustainable revenue base will be critical in supporting the delivery of quality services, infrastructure development, and overall socio-economic transformation. This Strategy therefore serves not only as a roadmap for improving revenue performance but also as a foundation for strengthening fiscal resilience and long-term development.

The County remains committed to continuously reviewing and refining its revenue approaches to respond to emerging challenges and opportunities, ensuring that revenue mobilization efforts remain effective, inclusive, and aligned with the County's development priorities.



