

OFFICE OF THE CONTROLLER OF BUDGET



**COUNTY GOVERNMENTS
BUDGET IMPLEMENTATION REVIEW REPORT**

**THE FIRST HALF OF
FY 2024/25**

FEBRUARY, 2025



FOREWORD

The Office of the Controller of Budget (OCoB) was established under Article 228 of the Constitution of Kenya in 2010. Its primary role is to oversee the implementation of budgets for National and County Governments by authorising withdrawals from public funds and reporting to each House of Parliament every four months. Additionally, Article 228(6) of the Constitution and Section 9 of the Controller of Budget Act, 2016, mandate the Controller of Budget (CoB) to submit quarterly budget implementation reports for the National and County Governments to Parliament thirty days after the end of each quarter.

I am pleased to present the County Governments' Budget Implementation Review Report for the first half of the Financial Year (FY) 2024/25, covering the period from July 1 to December 31, 2024. This report is based on data from the approved and revised county budgets for FY 2024/25, financial and non-financial reports from the County Governments, exchequer requisition records, and reports generated from the Integrated Financial Management Information System (IFMIS).

The report reviews how the forty-seven County Governments implemented their budgets. It analyses approved budgets, revenue received into the County Revenue Funds, exchequer issues, and expenditures. The expenditures are categorised into compensation to employees, operations and maintenance, and development spending, among others. It also presents the status of pending bills, programme expenditures, and absorption rates compared to the approved budgets.

Further, the report identifies key issues that affected budget implementation and provides recommendations for improvement. County Governments must act on these recommendations to ensure better budget implementation in the remaining FY 2024/25 period. This report offers the legislature and executive vital information on budget implementation, empowering them to make informed decisions about managing public funds. I urge all stakeholders in public finance to use this report to evaluate how County Governments utilise public money.

Lastly, I thank my staff for their hard work and commitment in reviewing the numerous reports from county governments to prepare this report. I also extend my appreciation to all County Treasuries that sent in their quarterly reports on time, which greatly facilitated the preparation of this report. My office is unwavering in its commitment to promoting good financial management in the public sector, a commitment that should reassure all stakeholders in public finance of our dedication to ensuring transparency and accountability.



FCPA Dr Margaret Nyakang'o, CBS

CONTROLLER OF BUDGET



- (i) *The County Treasury should ensure timely preparation and submission of financial reports to the Office of the Controller of Budget per the timelines prescribed in Section 166 of the PFM Act, 2012.*
- (ii) *The County should address its own-source revenue performance to ensure the approved budget is fully financed. Appropriate austerity measures should be implemented to ensure expenditure commitments are aligned with available revenue.*
- (iii) *The CECMF should follow up to ensure Fund Administrators prepare and submit statutory reports in line with the PFM Act, 2012.*
- (iv) *The county leadership should address the situation of pending bills to ensure that genuine bills are paid promptly in the remaining financial year. Further, compliance with the payment plan should be enforced.*
- (v) *The Government requires that salaries be processed through the IPPD system, and the County is advised to fast-track the acquisition of Unified Personnel Numbers for their staff. The County Public Service Board should regulate staff engagement on contract and casual workers as provided under Section 74 of the County Governments Act 2012. Further, strict compliance with the approved staff establishment should be maintained.*
- (vi) *The County Government should ensure that bank accounts are opened and operated at the Central Bank of Kenya as the law requires. However, imprest bank accounts for petty cash and revenue collection accounts are exempted*

3.13. County Government of Kiambu

3.13.1 Overview of FY 2024/25 Budget

The Kiambu County Gross Approved Budget FY 2024/25 budget is Kshs.23.57 billion. It comprises Kshs.8.16 billion (35 per cent) and Kshs.15.41 billion (65 per cent) allocation for development and recurrent programmes, respectively. The budget estimates represent an increase of Kshs.359.90 million (2 per cent) from the FY 2023/24 budget comprised of a development budget of Kshs.6.97 billion and a recurrent budget of Kshs.16.25 billion. The increase in the budget was attributed to the provision for pending bills.

The budget will be financed from different sources of revenue. These include Kshs.12.35 billion (52 per cent) expected from the National Government as the equitable share of revenue raised nationally, Kshs.3.25 billion (14 per cent) as additional allocations, and Kshs.7.98 billion (34 per cent) generated as gross own source revenue. The own-source revenue includes Kshs.2.1 billion (10 per cent) as Facility Improvement Fund (revenue from health facilities) and Kshs.5.88 billion (25 per cent) as ordinary own-source revenue. A breakdown of the additional allocations is shown in Table 3.106.

3.13.2 Revenue Performance

In the first half of FY 2024/25, the County had Kshs.7.78 billion to fund its development and recurrent activities. This amount consisted of Kshs.6.08 billion from the equitable share of revenue raised nationally, additional allocations from government and development partners of Kshs.64.89 million, and its own-source revenue (OSR) collection of Kshs.1.64 billion.

The total OSR collection of Kshs.1.64 billion includes Facilities Improvement Financing (FIF) of Kshs.676.95 million and Kshs.958.45 million as ordinary OSR. Table 3.106 summarises the total revenue available to the County Government during the first half of FY 2024/25.

Table 3.106: Kiambu County, Revenue Performance in the First Half of FY 2024/25

S/No	Revenue	Annual Budget Allocation (in Kshs)	Actual Receipts (in Kshs.)	Actual Receipts as Percentage of Annual Allocation (%)
A.	Equitable Share of Revenue Raised Nationally	12,345,835,662	6,080,087,816	49
	Sub Total	12,345,835,662	6,080,087,816	49
B	Conditional Grants			
1	Industrial Park & Aggregate Centre Grant		52,631,579	0



N/No	Revenue	Annual Budget Allocation (In Kshs)	Actual Receipts (In Kshs)	Actual Receipts as Percentage of Annual Allocation (%)
2	Court Fines	3,097,644	0	0
3	Mineral Royalties	312,338	0	0
4	IDA (World Bank) National Agricultural Value Chain Development Project (NAVCDP)	131,313,132	0	0
5	DANIDA Grant - Primary Health Care Devolved	14,327,300	0	0
6	Road Maintenance Fuel Levy Fund	113,429,340	0	0
7	Community Health Promoters	94,680,000	0	0
8	IDA (World Bank) credit - Kenya Urban Support Project (KUSP) Urban Development Grant (UDG)	1,058,146,816	0	0
9	IDA (World Bank) FLEW/A - County Climate Resilience Investment Grant	123,000,000	0	0
10	IDA (World Bank) credit - Kenya Devolution Support Project (KDSP) - Level II	37,500,000	0	0
11	IDA (World Bank) credit - Kenya Urban Support Project (KUSP) Urban Institutional Grant (UIG)	33,000,000	0	0
12	SIDA - Kenya Agricultural Business Development Project (KABDP)	11,819,919	0	0
13	World Bank - Kenya Informal Settlement Improvement Project II (KISIP II)	739,344,002	0	0
14	Aquaculture Business Development Project ABDP	19,403,341	0	0
Sub-Total		3,248,777,542	32,641,379	1
C Other Sources of Revenue				
1	Ordinary Own Source Revenue	3,880,140,717	938,432,330	16
2	Balance B/F from FY 2023/24	0	0	0
3	Facility Improvement Fund (FIF)	2,100,000,000	670,948,071	32
4	Other Revenues (MSF Belgium)	0	12,261,470	0
5	Appropriation in Aid (AIA)	0	0	0
Sub-Total		5,980,140,717	1,621,641,871	21
Grand Total		9,228,918,259	1,654,283,250	18

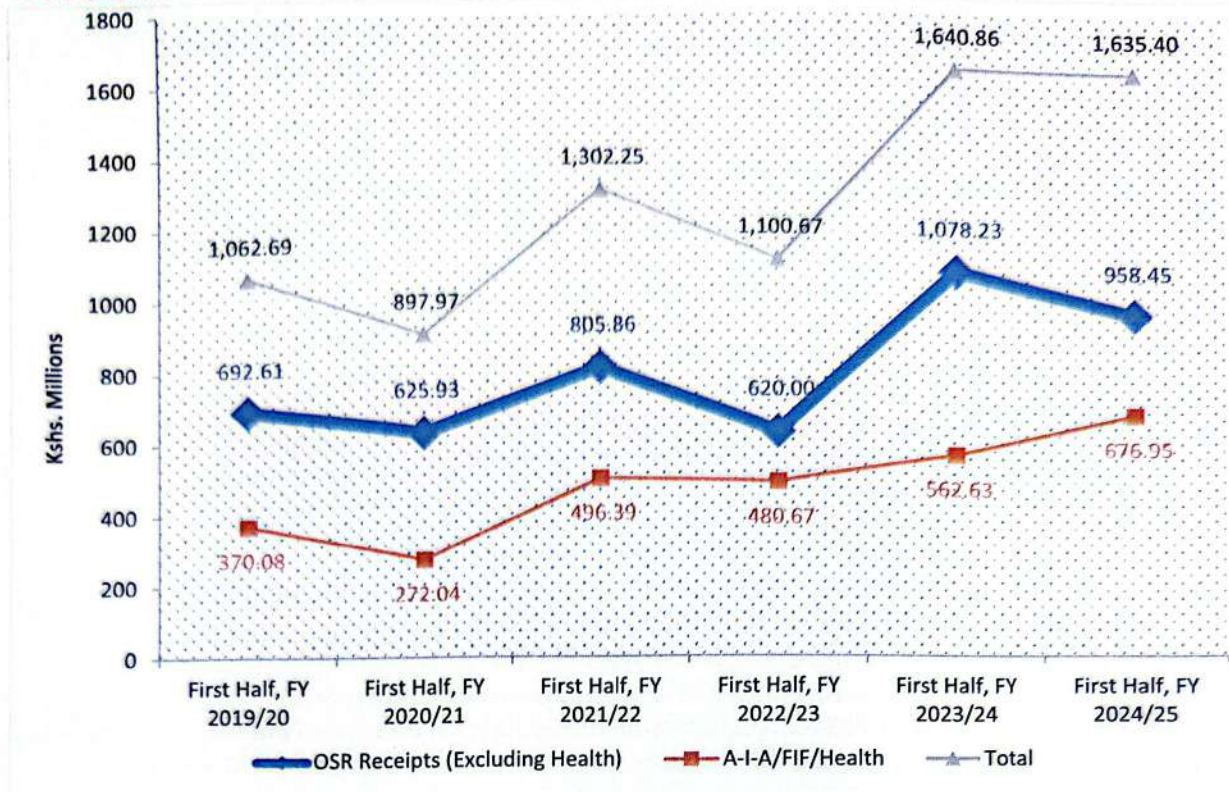
Source: Kiambu County Treasury

The County has governing legislation on the operation of ordinary A-I-A and FIR known as the Kiambu County Health Services Act of 2019.

Figure 49 shows the trend in own-source revenue collection from the first half of FY 2018/19 to the first half of FY 2024/25.



Figure 49: Trend in Own-Source Revenue Collection from the First Half of FY 2018/19 to the First Half of FY 2024/25



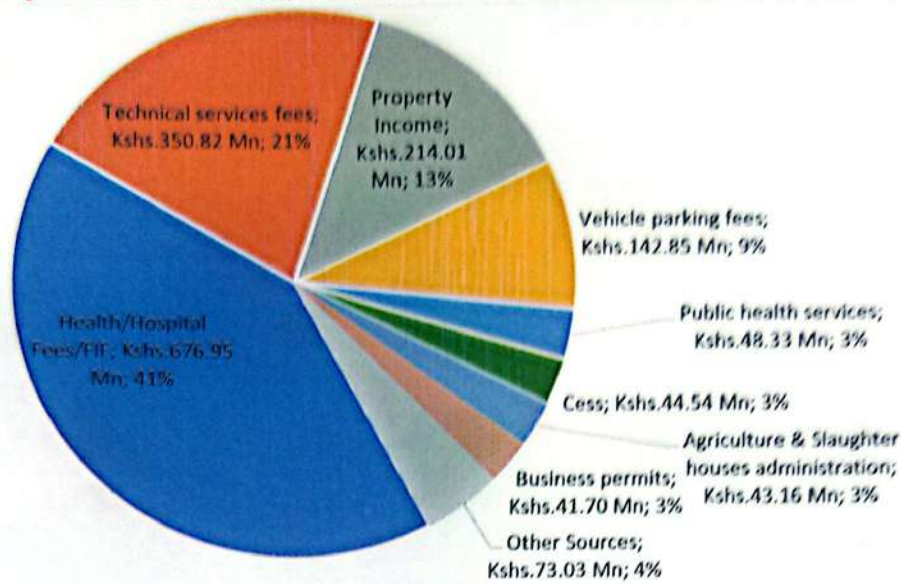
Source: Kiambu County Treasury

During the first half of FY 2024/25, the County generated Kshs.1.64 billion from its revenue sources, including AIA and FIF. This amount was an increase of 0.3 per cent compared to Kshs.1.64 billion realised in a similar period in FY 2023/24. This was 21 per cent of the annual target and 27 per cent of the equitable revenue share disbursed. The OSR includes revenue arrears and penalties charged on fees and levies from previous financial years of Kshs.5.67 million.

The revenue streams which contributed the highest OSR receipts are shown in Figure 50.



Figure 50: Top Streams of Own Source Revenue in the First Half FY 2024/25



Source: Kiambu County Treasury

The highest revenue stream, Kshs.676.95 million, was from the Facility Improvement Fund, which contributed 41 per cent of the total OSR receipts during the reporting period.

3.13.3 Borrowing by the County

No borrowing was reported during the period under review.

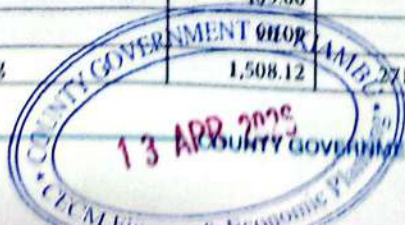
3.13.4 Exchequer Issues

The Controller of Budget approved withdrawals of Kshs.6.37 billion from the CRF account during the reporting period, which comprised Kshs.1.18 billion (19 per cent) for development programmes and Kshs.5.20 billion (82 per cent) for recurrent programmes. Analysis of the recurrent exchequers released in the first half of FY 2024/25 indicates that Kshs.3.26 billion was released towards compensation of employees and Kshs.1.94 billion for operations and maintenance expenditure. Releases towards compensation of employees in the first half of FY 2024/25 do not include the December 2024 exchequer request for the County Executive and County Assembly due to the challenges of migration from the IPPD to the HRIS-KE system, which delayed processing of the payroll.

Analysis of the operations and maintenance exchequer releases indicates that 2 per cent was for domestic travel and 0.3 per cent for foreign travel. The domestic travel exchequer amounted to Kshs.124.08 million and included Kshs.22.84 million for the County Executive and Kshs.101.24 million for the County Assembly. The foreign exchequer totalled Kshs.17.25 million, comprising only the County Assembly.

Table 3.107: Kiambu County, Budget Allocation and Exchequer Issued by Department

Department	Approved Budget Allocation (Kshs.Million)		Exchequer Issues (Kshs.Million)		Exchequer Issues to Approved Budget (%)	
	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly	1,357.42	110.00	413.65	-	30	0
County Executive	485.00	-	130.46	-	27	-
County Public Service Board	-	-	28.36	-	31	-
Finance, ICT & Economic Planning	1,508.12	271.00	477.46	-	32	0



Department	Approved Budget Allocation (Kshs.Million)		Exchequer Issues (Kshs.Million)		Exchequer Issues to Approved Budget (%)	
	Rec	Dev	Rec	Dev	Rec	Dev
Water, Environment and Natural Resources	500.73	601.89	217.97	34.46	44	6
Health Services	7,039.81	715.46	2,360.30	372.19	34	52
Roads, Transport and Public Works	771.10	1,724.15	316.20	296.32	41	17
Administration and Public Service	1,009.38	75.00	341.80	-	34	0
Agriculture, Crop Production & Irrigation	510.88	713.22	168.95	74.95	33	11
Education, Culture and Social Services	1,401.52	637.84	526.11	210.45	38	33
Youth and Sports	174.55	170.00	32.32	12.37	19	7
Lands, Physical Planning and Housing	402.52	2,833.11	115.55	2.18	29	0
Trade, Tourism, Industry and Cooperative	158.81	313.18	48.79	173.65	31	55
	15,409.91	8,164.84	5,177.93	1,176.58	34	14

Source: Kiambu County Treasury

As of 31 December 2024, the county government's cash balance in the CRF account was Kshs.862.79 million.

3.13.5 County Expenditure Review

The County spent Kshs.6.26 billion on development and recurrent programmes in the reporting period. The expenditure represented 7 per cent of the total funds released by the CoB and comprised Kshs.1.05 billion and Kshs.5.20 billion on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 13 per cent, while recurrent expenditure represented 34 per cent of the annual recurrent expenditure budget.

3.13.6 Settlement of Pending Bills

The County reported pending bills totalling Kshs.6.78 billion as of 30th June 2024. This amount includes Kshs.6.63 billion from the County Executive and Kshs.146.25 million from the County Assembly. The pending bills from the County Executive consist of Kshs.4.32 billion for recurrent expenditures and Kshs.2.31 billion for development expenditures.

During the first half of FY 2024/25, the County Executive paid off pending bills amounting to Kshs.1.15 billion, comprising Kshs.709.55 million for recurrent programmes and Kshs.437.24 million for development programmes. The County Assembly did not pay for any pending bills during the first half.

At the commencement of FY 2024/25, the county executive submitted a pending bills payment plan, committing to pay Kshs.600 million in the first half of FY 2024/25. The County adhered to this payment plan by surpassing the targeted payment, clearing Kshs.1.15 billion for the County Executive.

As of December 31, 2024, the outstanding bills amounted to Kshs5.63 billion, comprising Kshs.5.48 for the County Executive and Kshs.146.25 million for the County Assembly.

3.13.7 Expenditure by Economic Classification

The County Executive spent Kshs.2.98 billion on employee compensation, Kshs.1.81 billion on operations and maintenance, and Kshs.1.05 billion on development activities. Similarly, the County Assembly spent Kshs.304.43 million on employee compensation and Kshs.127.23 million on operations and maintenance, with no expenditure on development activities, as shown in Table 3.108.



Table 3.108: Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Budget (Kshs.)		Expenditure (Kshs)		Absorption (%)		Overall Absorption
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly	
Total Recurrent Expenditure	14,052,498,504	1,357,416,186	4,789,887,077	431,654,944	34	32	34
Compensation to Employees	7,702,584,301	607,931,941	2,982,040,584	304,426,894	39	50	40
Operations and Maintenance	6,349,914,203	749,484,245	1,807,846,493	127,228,050	28	17	27
Development Expenditure	8,054,839,430	110,000,000	1,054,523,774	-	13	-	13
Total	22,107,337,934	1,467,416,186	5,844,410,851	431,654,944	26	29	27

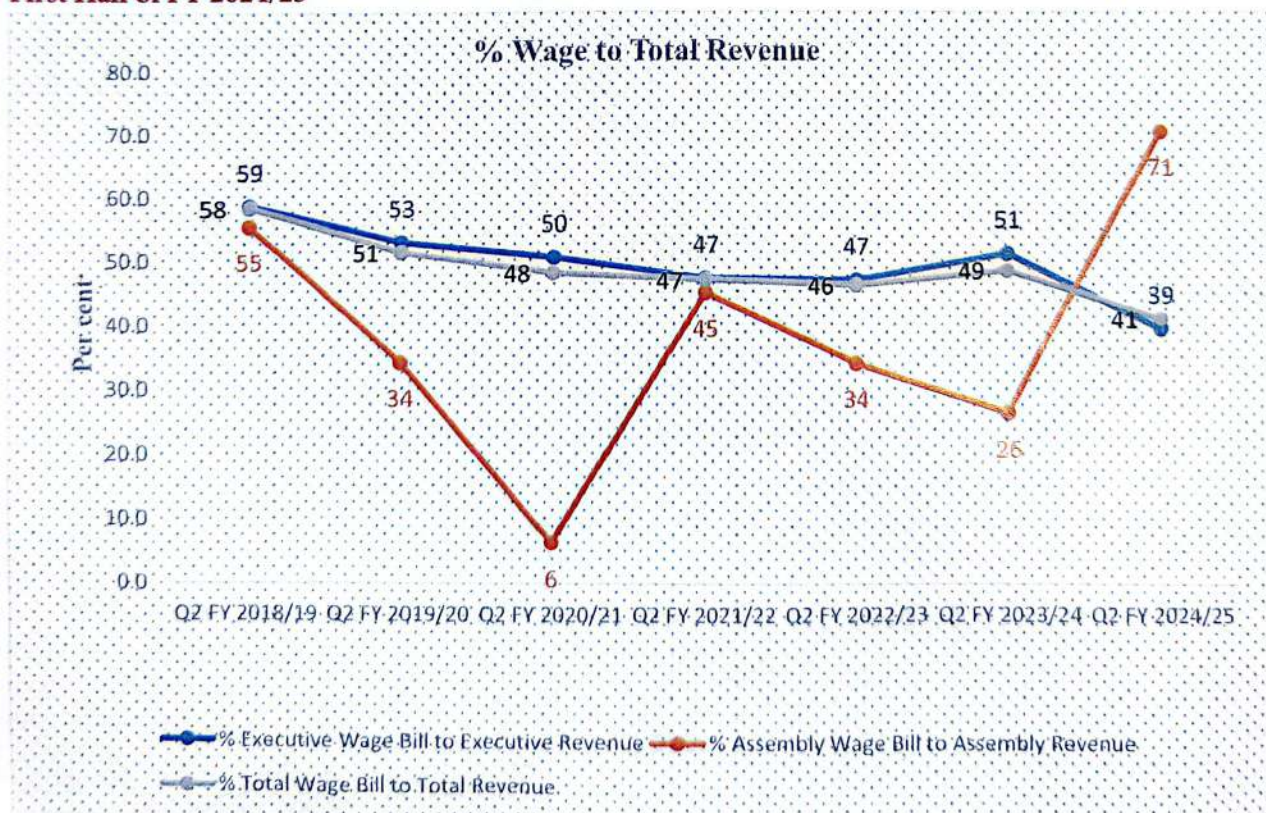
Source: Kiambu County Treasury

3.13.8 Expenditure on Employees' Compensation

In the first half of FY 2024/25, expenditure on employee compensation was Kshs.3.29 billion, or 42 per cent of the available revenue of Kshs.7.73 billion. This expenditure represented a decrease from Kshs.3.69 billion reported in a similar period in FY 2023/24. The wage bill included Kshs.1.58 billion paid to the Health Sector employees, translating to 48 per cent of the total wage bill.

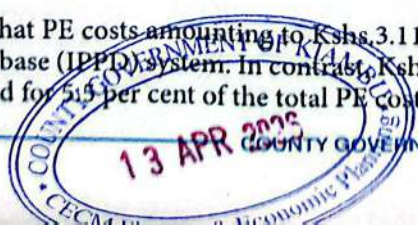
Figure 51 shows the trend of personnel expenditures as a percentage of total revenue from the first half of FY 2018/19 to the first half of FY 2024/25.

Figure 51: Percentage of Wage Bill to Total Revenue Received from the First Half of FY 2018/19 to the First Half of FY 2024/25



Source: Kiambu County Treasury

Further analysis indicates that PE costs amounting to Kshs.3.11 billion were processed through the Integrated Personnel and Payroll Database (IPPD) system. In contrast, Kshs.179.38 million was processed through manual payrolls, which accounted for 5.5 per cent of the total PE cost.



The County Assembly spent Kshs.39.33 million on committee sitting allowances for the 87 MCAs against the annual budget allocation of Kshs.75 million. The average monthly sitting allowance was Kshs.75,340 per MCA. The County Assembly had 23 House Committees.

3.13.9 County Emergency Fund and County-Established Funds

Section 116 of the PFM Act 2012 allows County Governments to establish other public funds with approval from the County Executive Committee and the County Assembly. The County allocated Kshs.2.95 billion to County-Established funds in FY 2024/25, or 13 per cent of the County's overall budget. Further, the County allocated Kshs.50 million to the Emergency Fund (below 1 per cent of the total budget) in line with Section 110 of the PFM Act, 2012.

Table 3.109 summarises each established Fund's budget allocation and performance during the reporting period.

Table 3.109: Performance of County Established Funds in the First Half of FY 2024/25

S/No.	Name of the Fund	Approved Budget Allocation in FY 2024/25 (Kshs.)	Exchequer Issues in the First Half of FY 2024/25 (Kshs.)	Actual Expenditure in First Half of FY 2024/25 (Kshs.)	Cumulative disbursements to the Fund (Kshs)	Submission of Annual Financial Statements
County Executive Established Funds						
1.	Kiambu Alcoholic Drinks Control Fund	70,000,000	0	30,399,661	0	Yes
2.	Kiambu County Education Bursary Fund	200,000,000	100,000,000	2,652,257	0	Yes
3.	Kiambu County Emergency Fund	50,000,000	0	11,310	0	Yes
4.	Kiambu County Executive Car Loan & Mortgage Scheme Fund		0	85,782	0	Yes
5.	Kiambu County Jiinue Fund	50,000,000	0	1,490,885	0	Yes
6.	Kiambu County Facility Improvement Fund	2,200,000,000	0	250,446,032	0	Yes
7.	Kiambu County Climate Fund	377,754,776	0	6,816,430	0	Yes
County Assembly Established Funds						
8.	Kiambu County Assembly Car Loan & Mortgage Scheme Fund	0	-	3,104,489	0	Yes
9.	Kiambu County Assembly Staff Mortgage Scheme Fund	-	-	9,040	0	Yes
	Total	2,947,754,776	100,000,000	295,015,886	0	

Source: Kiambu County Treasury

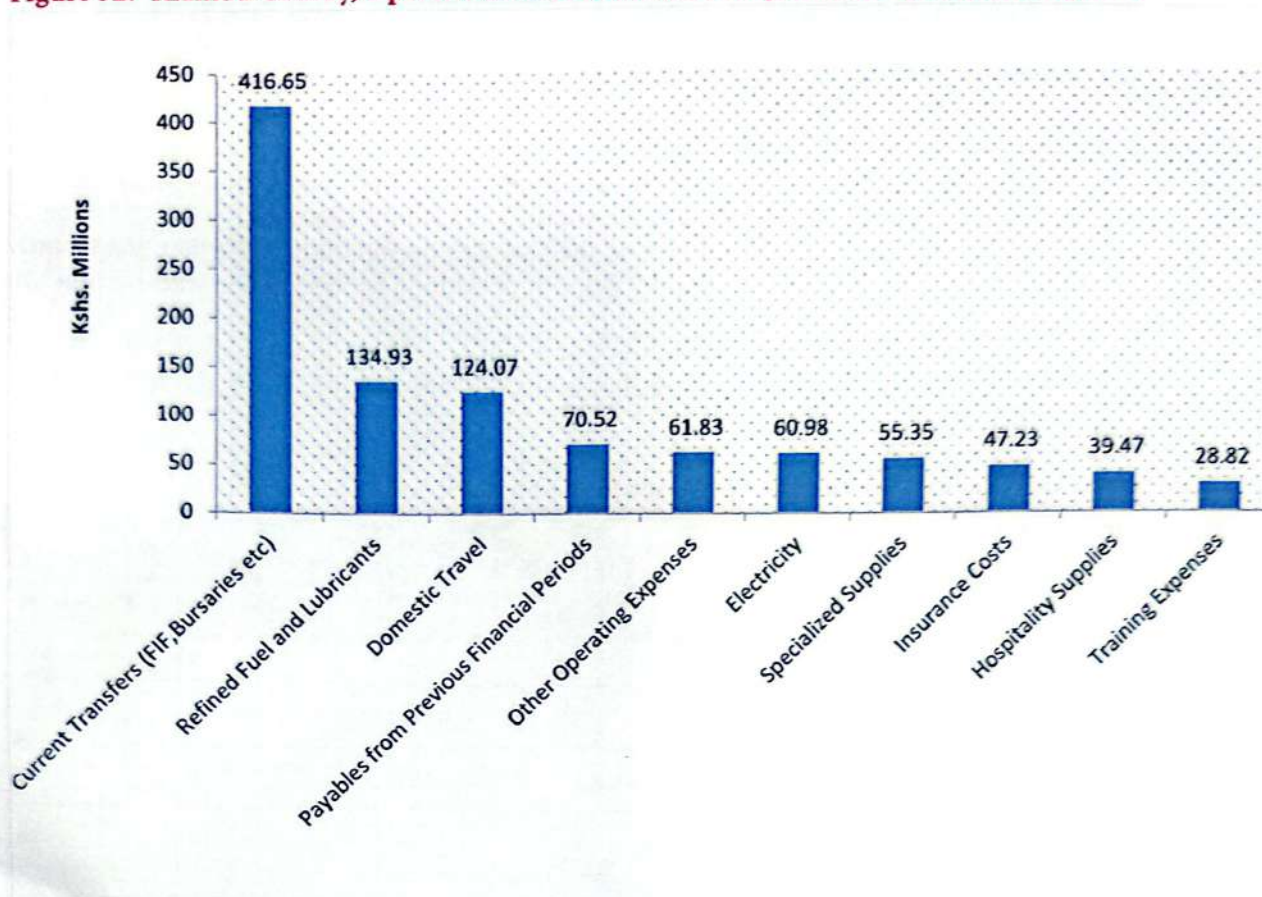
During the reporting period, the CoB received quarterly financial returns from the fund administrators of all funds, as indicated in Table 3.109, which was in line with the requirement of Section 168 of the PFM Act, 2012.

3.13.10 Expenditure on Operations and Maintenance

Figure 52 summarises the Operations and Maintenance expenditure by major categories.



Figure 52: Kiambu County, Operations and Maintenance Expenditure by Major Categories



Source: Kiambu County Treasury

Expenditure on domestic travel amounted to Kshs.124.07 million and comprised Kshs.101.24 million spent by the County Assembly and Kshs.22.84 million by the County Executive. Expenditure on foreign travel amounted to Kshs.17.25 million by the County Assembly. Spending on foreign travel is summarised in Table 3.110.

Table 3.110: Summary of Highest Expenditure on Foreign Travel in the First Half of FY 2024/25

Arm of County Government	No. of Officers Travelled	Date travelled	Purpose of the travel	Destination	Total Costs of the Travel (Kshs.)
County Assembly	5	26th Sept to 2nd Oct 2024	CAKSB & ESAMI Consultative Meeting	Arusha, Tanzania	1,942,735
County Assembly	21	6-12 Oct 2024	Training on Capacity Building for Legislators	Dubai, UAE	15,826,083
County Assembly	1	15-21 Sept 2024	7th African Network of Parliamentary Budget Offices Annual Conference	Kampala, Uganda	354,850
County Assembly	1	22-28 Sept 2024	Capacity Building Training on Performance Budget Program	Dubai, UAE	759,929
County Assembly	5	26th Sept to 2nd Oct 2024	CAKSB & ESAMI Consultative Meeting	Arusha, Tanzania	1,942,735
Total					18,883,597

Source: Kiambu County Assembly

The operations and maintenance costs include Kshs.18.78 million in management fees, Kshs.14.21 million on "Other operating expenses", and Kshs.7.22 million in Bank Charges.

3.13.11 Facility Improvement Financing

During the period under review, the County reported collecting Kshs.676.95 million as FIF, which was 32 per cent of the annual target of Kshs.2.10 billion. The collected amount was retained and utilised at the source per the Facility Improvement Financing Act of 2023.

The health facilities did not provide a report on the utilisation of the FIF during the reporting period, contrary to Section 18 (e) of the FIF Act, 2023.

3.13.12 Development Expenditure

In the First Half of FY 2024/25, the County reported spending Kshs.1.05 billion on development programmes, representing a 26 per cent increase compared to a similar period in FY 2023/24, when the County spent Kshs.838.68 million. Table 3.111 summarises the development projects with the highest expenditure in the reporting period.

Table 3.111: Kiambu County, List of Development Projects with the Highest Expenditure

No.	Sector	Project Name	Project Location	Contract sum (Kshs)	Amount paid to date (Kshs)	Implementation status (%)
1	Health	Construction of a level IV Hospital at Karuri level IV hospital	Karuri ward	180,734,625	42,780,323	60
2	Health	4130299 Payables from previous Financial period-Others (Budgets)		41,683,533	41,683,533	94
3	Roads, Transport, Public Works & Utilities	Proposed Rehabilitation of various bus parks within Kiambu County	All Wards	125,000,000	125,000,000	100
4	Trade and Markets	Payables from the previous period	ALL	55,000,000	55,000,000	66
5	Agriculture, Livestock And Cooperative Development	Pending Bills	County-wide	41,594,698	41,594,698	71
6	Trade and Markets Boda Boda Sheds All Wards			54,000,000	54,000,000	54
7	Agriculture, Livestock And Cooperative Development	Procurement of food crop fertiliser and coffee fertiliser	County-wide	50,000,000	50,000,000	40
8	Agriculture, Livestock And Cooperative Development	2640599 Other Capital Grants and Trans	Kiambu County	65,000,000	65,000,000	31
9	Health	Construction of a level III Hospital at Kahawa Sukari	Kahawa Sukari	43,813,600	20,000,000	100
10	Health	Construction of a level III Hospital at Ndumberi	Ndumberi ward	41,913,760	20,000,000	60

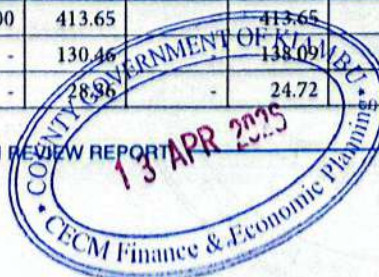
Source: Kiambu County Treasury

3.13.13 Budget Performance by Department

Table 3.112 summarises the approved budget allocation, expenditure and absorption rate by departments in the first half of FY 2024/25.

Table 3.112: Kiambu County, Budget Allocation and Absorption Rate by Department

Department	Budget Allocation (Kshs.)		Exchequer Issues (Kshs.)		Expenditure (Kshs.)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly	1,357.42	110.00	413.65	-	413.65	-	100	-	30	-
County Executive	485.00	-	130.46	-	130.09	-	106	-	28	-
County Public Service Board	90.09	-	28.36	-	24.72	-	87	-	27	-



Department	Budget Allocation (Kshs.)		Exchequer Issues (Kshs.)		Expenditure (Kshs.)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
Finance, ICT & Economic Planning	1,508.12	271.00	477.46	-	417.00	-	87	-	28	-
Water, Environment and Natural Resources	500.73	601.89	217.97	34.46	177.83	75.52	82	219	36	13
Health Services	7,039.81	715.46	2,360.30	372.19	2,599.25	279.72	110	75	37	39
Roads, Transport and Public Works	771.10	1,724.15	316.20	296.32	236.77	279.64	75	94	31	16
Administration and Public Service	1,009.38	75.00	341.80	-	337.78	1.35	99	-	33	2
Agriculture, Crop Production & Irrigation	510.88	713.22	168.95	74.95	171.46	73.29	101	98	34	10
Education, Culture and Social Services	1,401.52	637.84	526.11	210.45	522.79	265.13	99	126	37	42
Youth and Sports	174.55	170.00	32.32	12.37	34.40	12.37	106	100	20	7
Lands, Physical Planning and Housing	402.52	2,833.11	115.55	2.18	100.17	2.18	87	100	25	0
Trade, Tourism, Industry and Cooperative	158.81	313.18	48.79	173.65	29.63	65.31	61	38	19	21
Total	15,409.91	8,164.84	5,177.93	1,176.58	5,203.54	1,054.52	100	90	34	13

Source: Kiambu County Treasury

Analysis of department expenditures shows that the Department of Education, Culture, and Social Services recorded the highest absorption rate for development and recurrent budgets, at 42 per cent and 37 per cent, respectively. It was followed by the Department of Health Services, at 39 per cent and 37 per cent for development and recurrent expenditures, respectively.

The County had over-expenditure above the exchequer releases in the departments of County Executive, Water, Environment and Natural Resources, Health Services, Agriculture, Crop Production & Irrigation, Education, Culture & Social Services and Youth & Sports as a result of diverting funds meant for payments in one department to the other.

3.13.14 Budget Execution by Programmes and Sub-Programmes

Table 3.113 summarises the budget execution by programmes and sub-programmes in the first half of FY 2024/25.

Table 3.113: Kiambu County, Budget Execution by Programmes and Sub-Programmes

Programme	Sub-Programme	Revised Gross Approved Estimates (Kshs.)		Actual Expenditure (Kshs.)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
COUNTY ASSEMBLY OF KIAMBU							
Legislation and oversight	Legislation and oversight	688,434,245	-	223,036,025	-	32	0
	Sub Total	688,434,245	-	223,036,025	-	32	0
General Administration Planning and Support Services	General Administration Planning and Support Services	524,310,941	110,000,000	150,321,478	-	29	0
	Sub-Total	524,310,941	110,000,000	150,321,478	-	29	0
Representation services	Representation services	144,671,000	-	40,297,442	-	28	0

Programme	Sub-Programme	Revised Gross Approved Estimates (Kshs.)		Actual Expenditure (Kshs.)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
	Sub-Total	144,671,000	-	40,297,442	-	28	0
Grand Total		1,357,416,186	110,000,000	413,654,945	-	30	0
KIAMBU COUNTY EXECUTIVE							
Leadership & Coordination of County Admin & Departments	General Administration and Support Services	411,430,000	-	128,875,723	-	31	0
	Public awareness and Institutional Strengthening	24,070,000	-	1,593,569	-	7	0
	Legal services	49,500,000	-	7,617,845	-	15	0
		485,000,000	-	138,087,137	-	28	0
KIAMBU COUNTY PUBLIC SERVICE BOARD							
Leadership and Administration of Human Resources and Development in County Public Service	Human Resource development and management services	90,090,971	-	24,719,377	-	27	-
TOTAL		90,090,971	-	24,719,377	-	27	-
DEPARTMENT: FINANCE & ECONOMIC PLANNING							
Public Finance Management and Economic Policy & Strategy	Budget	14,955,200	-	2,554,536	-	17	-
	Revenue	393,500,000	5,000,000	56,527,655	-	14	-
	Accounting	62,500,000	-	21,231,430	-	34	-
	Internal Audit	10,387,800	-	1,437,257	-	14	-
	Economic Planning	11,157,000	-	1,265,736	-	11	-
General Administration and support services	General Administration and support services	1,000,616,154	5,000,000	326,685,870	-	33	-
ICT Services	ICT services	15,000,000	261,000,000	7,300,000	-	49	-
Totals		1,508,116,154	271,000,000	417,002,484	-	28	-
KIAMBU COUNTY WATER, ENVIRONMENT, ENERGY & NATURAL RESOURCES							
Water and environment administration	Administration, Planning & Support Services	500,725,926	-	177,826,222	-	-	-
Water	Water Resource Management and Sanitation	-	174,252,369	-	64,485,176	-	37
Natural Resources	Natural Resources, Forest Conservation and Management	-	10,000,000	-	-	-	-
Environment	Environment and Solid Waste Management	-	44,883,260	-	9,438,390	-	21
Renewable Energy and Climate Change	Climate Change Mitigation & Adaptation	-	372,754,777	-	1,598,980	-	-
TOTAL		500,725,926	601,890,406	177,826,222	75,522,546	36	13
KIAMBU COUNTY HEALTH SERVICES							
Health Services	Curative	1,200,000,000	715,461,755	313,446,295	279,724,696	26	39
Health Services	Preventive and Promotive	959,107,042	-	-	-	6	-
Health Services	Pharmaceuticals	120,000,000	-	-	-	-	-



Programme	Sub-Programme	Revised Gross Approved Estimates (Kshs.)		Actual Expenditure (Kshs.)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
Health Services	Administration and Support	4,760,698,635	-	2,224,723,090	-	47	-
TOTAL		7,039,805,677	715,461,755	2,599,249,622	279,724,696	37	39
KIAMBU COUNTY ROADS, TRANSPORT, PUBLIC WORKS & UTILITIES							
Maintenance of Roads, Bridges, Transport, Construction and Maintenance	General administration and support services	771,101,086	-	236,772,225	-	31	-
	Construction of road and civil works	-	1,724,148,357	-	279,642,420	-	16
TOTALs		771,101,086	1,724,148,357	236,772,225	279,642,420	31	16
DEPARTMENT: KIAMBU COUNTY ADMINISTRATION & PUBLIC SERVICE							
Administraion & Public Service							0
General Administration Planning and Support services	General Administration Planning and Support services	924,882,896	35,000,000	335,299,045	1,352,180	36	4
	Sub Total	924,882,896	35,000,000	335,299,045	1,352,180	36	4
Administraion & Public Service							-
Human Resource Management & Development Services	Human Resource Management & Development	54,500,000	-	2,479,673	-	5	-
	Sub-Total	54,500,000	-	2,479,673	-	5	-
Administraion & Public Service							-
Alcoholic Fund	Alcoholic Drinks Control & Rehabilitation	30,000,000	40,000,000	-	-	-	-
	Sub-Total	30,000,000	40,000,000	-	-	-	-
Grand Total		1,009,382,896	75,000,000	337,778,718	1,352,180	33	2
DEPARTMENT: KIAMBU COUNTY AGRICULTURE, LIVESTOCK AND COOPERATIVE DEVELOPMENT							
Agriculture, Livestock and Cooperative Development	General Administration, Planning and Support Services	426,762,458	-	168,670,269	-	40	-
	Crop Development, Irrigation and Marketing Services	806,000	431,835,070	-	59,262,850	-	14
	Livestock and Fisheries Management and Development	46,308,780	276,383,074	326,585	14,029,882	1	5
	Cooperative Development and Management	37,000,000	5,000,000	2,458,972	-	7	-
Total Amount		510,877,238	713,218,144	171,455,826	73,292,732	34	10
DEPARTMENT: KIAMBU COUNTY EDUCATION, GENDER, CULTURE & SOCIAL SERVICES							
Pre-primary education, Promotion of Culture and Social Services	PrePrimary education and youth polytechnics services	380,140,000	607,835,695	154,209,260	265,131,887	41	44
	Gender, Culture and Social services	36,130,000	30,000,000	325,000	-	1	-



Programme	Sub-Programme	Revised Gross Approved Estimates (Kshs.)		Actual Expenditure (Kshs.)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
	General administration and support services	985,248,957	-	368,260,454	-	37	-
	TOTALS	1,401,518,957	637,835,695	522,794,714	265,131,887	37	42
DEPARTMENT: KIAMBU COUNTY YOUTH AFFAIRS, SPORTS & COMMUNICATION							
Youth Affairs, Sports and Communication	Youth Affairs	11,000,000	-	1,655,000	-	15	-
	Sports	53,500,000	-	4,325,900	-	8	-
	Communication	17,000,000	-	731,692	-	4	-
	General Administration	93,052,827	-	27,685,467	-	30	-
	Youth Empowerment	-	40,000,000	-	-	-	-
	Improvement of Sports Infrastructure	-	130,000,000	-	12,374,340	-	10
		174,552,827	170,000,000	34,398,059	12,374,340	20	7
DEPARTMENT: LAND, HOUSING, PHYSICAL PLANNING, MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT							
Urban Areas Development & Administration	Urban Areas Administration and Management	135,000,000	1,958,136,816	16,149,030	-	12	-
General Administration, Planning and Support Services	General administration and support services	227,518,169	-	84,019,091	-	37	-
Land Use Management, Valuation & Rating and Physical Planning	Land Administration services	40,000,000	14,428,865	-	-	-	-
Housing and Community Development	Housing Development	-	860,543,092	-	2,175,000	-	-
GRAND TOTAL		402,518,169	2,833,108,773	100,168,121	2,175,000	25	-
DEPARTMENT: KIAMBU COUNTY TRADE, INDUSTRIALIZATION, TOURISM & INVESTMENT							
Programme 1	General Administration, Planning and Support Services	158,808,604		29,634,572		19	-
	Trade and Markets		274,000,000		65,307,973	-	24
	Tourism promotion and marketing		9,176,300		-	-	-
	Industrialisation		20,000,000		-	-	-
	Investment		10,000,000		-	-	-
	Sub Total	158,808,604	313,176,300	29,634,572	65,307,973	19	21
Grand Total		15,409,914,691	8,164,839,430	5,203,542,022	1,054,523,774	34	13

Source: Kiambu County Treasury

Sub-programmes with the highest levels of implementation based on absorption rates were ICT Services in the Department of Finance and Economic Planning at 49 per cent, Administration & Support in the Department of Health Services at 47 per cent, Pre-Primary education in the Department of Education, Gender, Culture & Social Services at 44 per cent, and Water Resource Management in the Department of Water, Environment, Energy & Natural Resources at 37 per cent of budget allocation.



3.13.15 Accounts Operated Commercial Banks

The County Government operated seventy-four accounts with commercial banks, including eleven for Health Facilities, fourteen for FIF, seven for Established Funds, six special purpose accounts, and thirty-six for revenue.

Regulations 82(1)(b) of the PFM (County Governments) Regulations, 2015, requires that County Government bank accounts be opened and maintained at the Central Bank of Kenya. The only exemption is for imprest bank accounts for petty cash and revenue collection bank accounts.

3.13.16 Key Observations and Recommendations

In the course of overseeing and reporting on the implementation of the County budget, the COB identified the following challenges which hampered effective budget implementation;

- i. Own-source revenue underperformed at Kshs.1.64 billion against an annual target of Kshs.7.98 billion, representing 21 per cent of the yearly target.
- ii. The high pending bills amounted to Kshs.5.63 billion as of 31st December 2024.
- iii. Use of manual payroll. Personnel emoluments amounting to Kshs.179.38 million were processed through manual payroll, accounting for 6 per cent of the total payroll cost. Manual payroll is prone to abuse and may lead to the loss of public funds where proper controls are lacking.
- iv. The County Government uses commercial bank accounts for operations contrary to Regulations 82(1) (b) of the PFM (County Governments) Regulations, 2015, which requires that County Government bank accounts be opened and maintained at the Central Bank of Kenya.

The County should implement the following recommendations to improve budget execution:

- i. *The County should address its own-source revenue performance to ensure the approved budget is fully financed. Appropriate austerity measures should be implemented to ensure expenditure commitments are aligned with available revenue.*
- ii. *The county leadership should address the situation of pending bills to ensure that genuine bills are paid promptly in the remaining financial year.*
- iii. *The Government requires that salaries be processed through the IPPD system, and the County is advised to fast-track the acquisition of Unified Personnel Numbers for their staff. The County Public Service Board should regulate staff engagement on contract and casual workers as provided under Section 74 of the County Governments Act 2012. Further, strict compliance with the approved staff establishment should be maintained.*
- iv. *The County Government should ensure that bank accounts are opened and operated at the Central Bank of Kenya as the law requires. However, imprest bank accounts for petty cash and revenue collection accounts are exempted.*

3.14. County Government of Kilifi

3.14.1 Overview of FY 2024/25 Budget

The Kilifi County Gross Approved FY 2024/25 budget is Kshs.21.41 billion. It comprises Kshs.9.97 billion (47 per cent) and Kshs.11.44 billion (53 per cent) allocation for development and recurrent programmes, respectively. The budget estimates represent an increase of Kshs.4.39 billion (26 per cent) from the FY 2023/24 budget comprised a development budget of Kshs.5.42 billion and a recurrent budget of Kshs.11.59 billion. The increase in the budget was attributed to the rise in the balance of unspent funds from the previous financial year and an increment in the County's own source revenue collection target. The County's Net Approved Budget is Kshs.21.01 billion, comprising Kshs.9.57 billion for recurrent and Kshs.11.44 billion for development.

The budget will be financed from different sources of revenue. These include Kshs.12.55 billion (59 per cent) expected from the National Government as the equitable share of revenue raised nationally, Kshs.3.45 billion (16 per cent) as additional allocations, and a cash balance of Kshs.3.43 billion (16 per cent) was brought