COUNTY BUDGET REVIEW AND OUTLOOK PAPER

(CBROP), 2026

County Treasury
Department of Finance, ICT & Economic Planning

SEPTEMBER, 2026

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FOREWORD

The 2026 County Budget Review and Outlook Paper (CBROP) is prepared in accordance with Section 118 of the Public Finance Management Act, 2012, and the relevant regulations. It provides a review of the County Government's fiscal performance for FY 2025/2026 against the objectives and principles set out in the 2025 County Fiscal Strategy Paper (CFSP) and the Public Finance Management Act, 2012. The CBROP also presents the County's economic and fiscal outlook, highlights significant deviations from previous projections, and provides the basis for reviewing the FY 2026/2027 budget and preparing the FY 2027/2028 and medium-term budget framework.

The CBROP has been prepared against a backdrop of continued global and domestic economic uncertainty. Global economic growth slowed from 3.5 percent in 2025 to 3.0 percent in 2026, reflecting geopolitical tensions, disruptions in energy and commodity markets, inflationary pressures, and supply chain constraints. These developments, together with domestic economic conditions, may affect the County through higher fuel, transport, construction and other input costs, increased cost of service delivery, and potential pressure on revenue performance. The County Government will therefore continue to strengthen fiscal resilience through prudent financial management, enhanced revenue mobilization, expenditure prioritization, and effective management of fiscal risks.

During FY 2025/2026, total County revenue amounted to KShs. 22.69 billion, representing 83 percent of the target of KShs. 27.20 billion. Total expenditure stood at KShs. 19.35 billion, equivalent to an absorption rate of 71 percent, with recurrent and development expenditure recording absorption rates of 87 percent and 43 percent, respectively. Total revenue increased by 19.9 percent compared to FY 2024/2025, while Own Source Revenue (OSR) increased by 18.7 percent to KShs. 6.0 billion. While these results reflect progress in revenue mobilization, the gaps in revenue and development expenditure performance underscore the need for continued improvement in budget execution and resource mobilization.

Implementation of the FY 2026/2027 budget and preparation of the FY 2027/2028 budget continue to face challenges, including delays in exchequer releases, underperformance of OSR against targets, expenditure carryovers, pending bills, and increasing demand for priority services and development interventions. These pressures require strong fiscal discipline and prioritization within the available resource envelope. The County Government will therefore pursue fiscal consolidation focused on strengthening revenue mobilization, improving expenditure efficiency, containing the accumulation of pending bills, and protecting essential services and high-impact development programmes. Unspent balances from FY 2025/2026, together with available balances in the County Revenue Fund and emerging priorities,

will be addressed through the FY 2026/2027 Supplementary Budget to realign resources with current needs and funding realities.

The County Government will intensify measures to strengthen Own Source Revenue performance through improved revenue administration, digitalization, revenue mapping, compliance, audit, and accountability. The operationalization of the Kiambu County Revenue Authority, enhancement of the Enterprise Resource Planning (ERP) system, strengthening of revenue performance monitoring, and expansion of revenue services through mobile offices and Huduma Mashinani initiatives will support these efforts. Particular attention will be given to health-sector revenue through improved hospital information management systems, enhanced SHA registration and claims management, and increased access to Primary Health Care (PHC) capitation. These measures are intended to broaden the revenue base, minimize leakages, promote voluntary compliance, and strengthen the County's capacity to finance priority programmes.

The FY 2027/2028 and Medium-Term fiscal framework have been formulated within the available resource envelope and is informed by the FY 2025/2026 fiscal outturn, implementation of the FY 2026/2027 budget, the prevailing macroeconomic environment, and the policy direction of the approved CFSP. The framework seeks to balance fiscal consolidation with economic growth, quality service delivery, and investment in priority development programmes. Expenditure will be carefully prioritized to reduce non-core spending, improve value for money, and direct resources towards high-impact interventions in sectors including roads and infrastructure, agriculture, health, trade and enterprise development, education, water, housing, and other programmes aligned with the County Integrated Development Plan (CIDP).

Overall, the County Government remains committed to prudent fiscal management, sustainable revenue growth, efficient expenditure, and improved accountability in the use of public resources. Departments and Sector Working Groups will be required to strengthen prioritization and ensure that scarce resources are allocated to programmes and projects that deliver measurable economic and social benefits. Through these measures, the County Government will continue to strengthen fiscal resilience while advancing sustainable development and improving the quality of life of the residents of Kiambu County.

NANCY KIRUMBA
COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE, ICT & ECONOMIC PLANNING

ACKNOWLEDGEMENT

The 2026 County Budget Review and Outlook Paper (CBROP) has been prepared in accordance with the Public Finance Management Act, 2012, and the relevant regulations. The Paper provides an assessment of the County's fiscal performance for FY 2025/2026, reviews progress in the implementation of the FY 2026/2027 budget, and presents the macroeconomic and fiscal outlook that informs the preparation of the FY 2027/2028 and Medium-Term Budget Framework. It also highlights key fiscal challenges and provides policy direction for strengthening revenue mobilization, expenditure management, fiscal sustainability, and the delivery of priority programmes and services.

The preparation of the CBROP was coordinated by the **County Treasury under the leadership of the County Executive Committee Member responsible for Finance, ICT and Economic Planning**, with technical oversight provided by the **Budget** and **Economic Planning** Directorates. The process involved close collaboration and consultation with County departments, whose contributions provided the information, data, analysis, and sector perspectives necessary for the preparation and consolidation of the Paper.

Special appreciation goes to **H.E. Governor Dr. Kimani Wamatangi** for his leadership, guidance, and continued support towards prudent financial management and the implementation of the County Government's development priorities. I also commend the **County Treasury team**, particularly the officers in the **Budget**, **Economic Planning**, **accounting services** and **Finance** Directorates, for their input and commitment throughout the preparation of the CBROP.

Their collective effort and commitment have been instrumental in ensuring the successful preparation of the 2026 CBROP and in strengthening the County's fiscal planning and budget management processes.

CPA ZACHARY GITAU
CHIEF OFFICER, FINANCE & ECONOMIC PLANNING

Legal Basis for the Publication of the County Budget Review and Outlook Paper

The County Budget Review and Outlook Paper (CBROP) is prepared in accordance with Section 118 of the Public Financial Management Act, 2012 which states:

(1) A County Treasury shall-

(a) Prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and

(b) Submit the paper to the County Executive Committee by the 30th of September of that year.

(2) In preparing its County Budget Review and Outlook Paper, the County Treasury shall specify—

a) The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year.
b) The updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper.
c) information on—
    i. any changes in the forecasts compared with the County Fiscal Strategy Paper; or
    ii. how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
d) Reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated for doing so.

(3) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.

(4) Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall—

(a) Arrange for the Paper to be laid before the County Assembly; and

(b) As soon as practicable after having done so, publish and publicize the Paper

Fiscal Responsibility Principles to be enforced by the County Treasury

In line with the Constitution, the Public Financial Management (PFM) Act, 2012, sets out the fiscal responsibility principles that the County Treasury need to enforce. The PFM law (Section 107) states that:

(1) A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2) and shall not exceed the limits stated in the regulations.

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

a. The County Government's recurrent expenditure shall not exceed the County Government's total revenue.
b. Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure.
c. The County Government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County Government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly.
d. Over the medium term, the County Governments' borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
e. The county debt shall be maintained at a sustainable level as approved by County Assembly.
f. The fiscal risks shall be managed prudently; and
g. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

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

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

(5) The regulations may add to the list of fiscal responsibility principles set out in subsection (2).

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ABBREVIATIONS AND ACRONYMS

CADP	County Annual Development Plan
CARA	County Allocation of Revenue Act
CBROP	County Budget Review and Outlook Paper
CECM	County Executive Committee Member
CFSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
OCOB	Office of Controller of Budget
COVID	Coronavirus Disease
FY	Financial Year
GDP	Gross Domestic Product
IFMIS	Integrated Financial Management Information System
KDSP	Kenya Devolution Support Program
KUSP	Kenya Urban Support Program
MDAs	Ministries, Departments and Agencies
MTEF	Medium Term Expenditure Framework
MTP	Medium-Term Plan
NG	National Government
OSR	Own Source of Revenue
PFMA	Public Financial Management Act
UDG	Urban Development Grant
USSD	Unstructured Supplementary Service Data

I. INTRODUCTION

Objective of the 2026 County Budget Review and Outlook Paper (CBROP)

1. The 2026 County Budget Review and Outlook Paper (CBROP) offer an assessment of fiscal performance for the financial year 2025/2026, with a focus on compliance with the objectives and principles set forth in the 2026 County Fiscal Strategy Paper (CFSP) and the Public Finance Management (PFM) Act of 2012. Additionally, it presents macroeconomic projections and sector ceilings for the fiscal year 2027/2028 and the medium-term budget. It also highlights any deviations from the projections outlined in the 2026 CFSP. Moreover, the CBROP serves as a foundation for revising the current budget for FY 2026/2027 and provides guidance on the financial policies supporting the medium-term plan.

2. The 2026 County Budget Review and Outlook Paper (CBROP) serve as the foundation for developing the 2027 County Fiscal Strategy Paper (CFSP), which will outline the progress made in implementing the County Integrated Development Plan (CIDP 2023-2027) and the County Annual Development Plan. This process also includes the preparation of the fiscal year 2027/2028 and medium-term budget, guided by the Budget Calendar. The FY 2027/2028 Budget Calendar adheres to the timelines set forth in the Public Finance Management (PFM) Act, 2012, and includes the following key milestones from September 2026 to June 2027:

    - **Preparation of the FY 2027/2028 Medium-Term Expenditure Framework (MTEF) Budget Proposals**: This stage involves the development of MTEF Sector Budget proposals, with an emphasis on conducting Public Sector Hearings to ensure stakeholder engagement by November, 2026.
    - **2027 County Fiscal Strategy Paper (CFSP)**: The preparation of the 2027 CFSP will commence after the approval of the 2026 CBROP and will be based on budget proposals submitted by the various departments. Once prepared, the CFSP will be presented to the Executive Committee for

approval, followed by submission to the County Assembly by 28th February, 2027.

- **Preparation of Draft Budget Estimates and Finance Bill, 2027**: The draft Budget Estimates and the Finance Bill for 2027 will be submitted to both the Executive Committee and the County Assembly for consideration by 30th April, 2027.
- **Approval and Assent of the Appropriation Bill, 2027, and the Finance Bill, 2027**: The final approval and assent of both the Appropriation Bill and the Finance Bill are expected by 30th June 2027.

3. In compliance with the Public Finance Management (PFM) Act of 2012, the annual budget process aims to enhance the efficiency and effectiveness of revenue mobilization and County Government spending, ensuring debt sustainability and fostering economic growth. Within this framework, the 2026 County Budget Review and Outlook Paper (CBROP) sets sector ceilings that will guide the budget preparation process for FY 2027/2028 and the medium term. These sector ceilings are aligned with the County Government's priorities, emphasizing high levels of service delivery while maintaining manageable levels of pending bills.

4. With this background, the remainder of this paper is organized as follows: Section II reviews the fiscal performance for FY 2025/2026 and its implications for the financial objectives set out in the County Fiscal Strategy Paper, Section III provides an overview of recent economic developments and updates the macroeconomic outlook, Section IV examines the implementation of the FY 2026/2027 Budget, Section V outlines the resource allocation framework, Section VI presents the budget framework for FY 2027/2028, Section VII concludes the paper.

II. REVIEW OF FISCAL PERFORMANCE ON THE FY 2025/2026 BUDGET

Overview

5. In FY 2025/2026, total revenues amounted to KShs. 22.69 billion. This fell short of the target of KShs. 27.20 billion by 4.51 billion. This represented an overall revenue performance of 83 percent against the set target.

6. The actual expenditure for the fiscal year 2025/2026 amounted to KShs. 19.38 billion, compared to the budget estimate of KShs. 27.20 billion, indicating an absorption rate of 71.2 percent. Under recurrent expenditure, the absorption rate was 87.8 percent of the total recurrent budget, while the development expenditure was 42.9 percent of the total development budget.

7. Total revenue exhibited an increase from KShs. 18.92 billion in the 2024/2025 financial year to KShs. 22.69 billion in the 2025/2026 financial year, indicating a 16.6 percent increase in revenue. The increase was due to automation of revenue processes, improved compliance, sealing of revenue leakages, and enhanced accountability across all revenue streams. Notably, Own Source Revenue (OSR) increased by 16 percent from KShs. 5.05 billion in the 2024/2025 fiscal year to KShs. 6.00 billion in the 2025/2026 financial year.

8. Due to the missed targets on both National Government, Development partners and own source revenue in the FY 2025/2026 budget, the budget was under funded by KShs. 4.51 billion translating to 17 percent.

Table 1: Fiscal Outturn for the FY 2025/2026

Fiscal Outturn FY 2025/2026					
	2024/2025	2025/2026			
	Actual	Target(A)	Actual(B)	Deviation (Target Vs Actual) C=B-A	Absorption % (B/A)
Total Revenue	**18,919,433,348**	**27,202,740,115**	**22,688,010,280**	**(4,514,729,835)**	**83**
National Government Transfer	12,293,695,472	13,071,817,986	13,071,817,986	0	**100**
Additional Conditional Allocations	574,266,842	2,982,222,680	2,402,355,530	(579,867,150)	81
Own Source Revenue	5,054,611,248	9,934,222,680	6,000,097,668	(3,934,125,012)	**60**
Other Revenues)	996,859,786	1,213,739,096	1,213,739,096	0	**100**
Total Expenditure	**16,985,728,399**	**27,202,740,115**	**19,375,229,328**	**(7,827,510,787)**	**71.2**
Recurrent	13,650,825,792	17,133,353,654	15,051,448,671	(2,081,904,983)	**87.8**
Development	3,334,902,607	10,069,386,461	4,323,229,328	(5,745,605,804)	**42.9**

Source: County Treasury

A. FY 2025/2026 FISCAL PERFORMANCE

I. Revenue Performance

9. The total revenue for the year under review was KShs. 22.69 billion, which constituted 83 percent of the annual target of KShs. 27.20 billion. This marked an increase of 19.9 percent compared to the previous fiscal year, FY 2024/2025, which amounted to KShs. 18.92 billion.

10. From the revenue budget, the main source of revenue for the County Governments in the FY 2025/2026 was Equitable Share of KShs. 13.07 billion accounting for 48.1 percent of the total County revenue. During the same period, additional allocations to the County Governments from the National Government's share of revenue as well as from proceeds of loans and grants was Kshs.2.98 billion which accounted for 11 percent of the budgeted revenue while own source revenue was KShs 9.93billion translating to 36.52 percent of the budgeted revenue. Other revenues of KShs 1.21 billion accounted for 4.46 percent of the total revenues.

Table 2: Revenue Performance in Financial Year 2025/2026

	Revenue Performance FY 2025/2026 (KShs)					
		FY 2024/2025	FY2025/2026			
	Revenue Source	Actual	Target(A)	Actual(B)	Deviation(B-A) (KShs)	Actual to Target %(B/A)
A	**Total revenue from National Government**	**12,867,962,314**	**16,054,778,339**	**15,474,173,516**	**(580,604,823)**	**96**
	Equitable Share Allocation	12,293,695,472	13,071,817,986	13,071,817,986	**0**	100
	Additional Conditional Allocations	574,266,842	2,982,222,680	2,402,355,530	**(579,867,150)**	81
B	**Own Source Revenue (OSR)**	**5,054,611,248**	**9,934,222,680**	**6,000,097,668**	**(3,934,125,012)**	60
C	**Other Revenues**	**996,859,786**	**1,213,739,096**	**1,213,739,096**	**0**	100
	Totals County Revenue	**18,919,433,348**	**27,202,740,115**	**22,688,010,280**	**(4,514,729,835)**	83

Source: County Treasury

a) Equitable Share

11. As provided for under the County Allocation of Revenue Act (CARA), 2025, the County Government projected to receive KShs. 13.07 billion for FY 2025/2026. During the period under review the County received KShs. 13.07 billion representing 100 percent of the targeted revenue. The county received all its Equitable Share.

b) Additional Allocations

12. As provided for under County Government Additional Allocation Act (CGAAA), 2025, the County expected to receive KShs. 2.98 billion. During the period under review, the actual conditional grant received was KShs. 2.40 billion, representing 81 percent of the annual target.

13. The underperformance in the transfer of additional allocations to the County Governments was as a result of: the National Treasury not disbursing monies for court fines, settlement of doctor's arrears, Community Health Promoters and 0.5%Housing Levy Fund to County Rural and Affordable housing Committees due to revenue underperformance in the financial year 2025/2026. The table below summarizes the revenue from the conditional grants for the period under review.

Table 3: Revenue from the Conditional Grant for the FY 2025/2026

Conditional Grants Performance FY 2025/2026 (KShs)					
	FY 2024/2025	FY 2025/2026			
	Actual	Target (A)	Actual (B)	Deviation (B-A)	Actual to Target %
Conditional allocations	**574,266,842**	**2,982,960,353**	**2,402,355,530**	**(580,604,823)**	**81**
Industrial Park & Aggregation Centers Grant	52,631,579	133,368,422	133,368,422	0	100
Road Maintenance Fuel Levy fund	118,951,472	0	0	0	0
Community Health Promoters (CHPs)	0	94,680,000	0	(94,680,000)	0
Basic Salary Arrears for county Government health workers	0	119,957,202	0	(119,957,202)	0
Court Fines	0	4,105,101	0	(4,105,101)	0
Mineral Royalties	0	10,139,863	10,139,863	0	100
IDA (World bank) credit-Kenya Urban Support project (KUSP)	32,309,300	35,000,000	26,000,000	(9,000,000)	74
DANIDA Grant - Universal Healthcare for Devolved System Program	14,527,500	21,232,500	15,198,000	(6,034,500)	72
IDA (World bank) National Agricultural Value Chain development Project (NAVCDP)	91,303,899	231,250,000	230,289,401	(960,599)	99.5
World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	264,543,092	200,000,000	176,262,491	(23,737,509)	88
IDA (World bank) FLLoCA- County climate institutional support (CCIS) Grant	0	11,000,000	11,000,000	0	100
IDA (World bank) FLLoCA- County climate Resilience Investment (CCRI) Grant	0	125,000,000	0	(125,000,000)	0
IDA (World Bank) credit Kenya Devolution Support Project (KDSP) - Level 1	0	37,500,000	70,503,589	33,003,589	188
IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban Development Grant	0	1,605,239,643	1,605,239,643	0	100
IDA (World Bank) credit Kenya Devolution Support Project (KDSP) - Level 2	0	352,500,000	124,354,121	(228,145,879	35
0.5%Housing Levy Fund to County Rural and Affordable housing Committees	0	1,987,622	0	(1,987,622)	0

Source: County Treasury

c) County Own Source Revenue Performance

14. The County Government realized KShs. 6 billion on Own Source Revenue (OSR) during the financial year, which was 60 percent of the annual target of KShs. 9.93 billion. This included Facility Improvement Fund (FIF) and NHIF collection of KShs. 2.01 billion.

15. This signifies a **notable increase of 18.9 percent** compared to the KShs. 5.05 billion generated during a similar period in FY 2024/2025. The increase in OSR can be attributed to the introduction of a new ERP revenue system, the issuance of waivers on land rates that encouraged the public to pay, the creation of various

task forces in tandem with Huduma Mashinani and RRI initiatives that helped in collection, supervising, and public sensitization on revenue matters through the introduction of bulk SMS as a reminder of payments due.

16. Among the various revenue streams, certain categories stood out with impressive collections: **Hospital collections** achieved the highest at KShs. 2.33 billion, followed by **Land, Physical planning and Housing Unit** at KShs. 1.96 billion, and **Roads, Transport and Public works unit** at KShs 524.9 million.

17. Notably, there was substantial growth across majority of the revenue streams as compared to the previous financial year, 2024/2025. This growth can be attributed to the revenue strategies as indicated above.

Table 4: Own Source Revenue FY 2025/2026

Performance of Own Source Revenue						
Revenue Stream	**FY 2023/2024**	**FY2024/2025**	**FY2025/2026**			
	Actual	**Actual**	**Target A**	**Actual B**	**Deviation (Target Vs Actual B-A**	**Absorption % B/A**
Department of Trade, Industrialization, Tourism and Investments	145,388,021	435,326,553	1,078,614,067	505,243,036	(573,371,031)	46.8
Department of Youth and Sports	1,444,286	1,544,860	5,827,445	936,000	(4,891,445)	16.1
Department of Education, Culture and Social Services	1,483,651	1,622,270	14,471,232	2,071,655	(12,399,577)	14.3
Department of Water, Environment and Natural Resources	167,730,306	242,226,213	585,129,142	310,989,244	(274,139,898)	53.2
Department of Agriculture, Livestock and Fisheries	116,154,236	90,142,007	189,761,010	88,712,824	(101,048,186)	46.8
Department of Health	1,415,340,594	1,810,096,601	2,711,849,818	2,332,832,282	(379,017,536)	86
Department of Lands, Physical Planning and Housing	1,895,219,373	1,780,175,165	3,801,780,850	1,924,601,129	(1,877,179,721)	50,6
Department of Roads, Transport and Public Works	530,307,068	432,547,847	1,047,234,848	524,885,196	(522,349,652)	50.1
Department of Administration and Public Service	312,683,768	260,929,732	499,554,268	309,826,302	(189,727,966)	62
TOTAL COLLECTIONS	**4,585,751,301**	**5,054,611,248**	**9,934,222,680**	**6,000,097,668**	**(3.934,125,012)**	**60.4**

Source: County Treasury

Note; *The budget has been reported on cash basis. Excluded is KShs 501,099,119 being account receivables from SHA/SHIF rebates for the period under review.*

d) Other Revenues

18. The County Government had budgeted for KShs 1.21 billion as revenue from other sources. This amount comprised of closing balances brought forward in the

County Revenue Fund (CRF) from the previous financial year of KSh. 83,401, KShs. 682 million from special purpose accounts (SPA) and 531.6 million form FIF.

19. The actual receipts for this revenue category were KShs. 1.21 billion representing 100 percent of the targeted revenue as shown the table below.

Table 5: Performance of other revenues

Other Revenue Performance FY 2025/2026 (KShs.)					
Revenue Source	**FY 2024/25**	**FY 2025/2026**			
	Actual	**Actual**	**Target**	**Deviation**	**Actual to Target %**
Other Revenue	**996,859,786**	**1,213,739,096**	**1,213,739,096**	**0**	**100**
Adjustments to Cash Basis (CRF)	984,598,316	83,401	83,401	0	100
FLLoCA-SPA closing balances	12,261,470	158,632,515	158,632,515	0	100
FIF closing balance B/F	0	531,647,168	531,647,168	0	100
Nutrition International (SPA closing balances	0	1,824,150	1,824,150	0	100
DANIDA	0	14,527,500	14,527,500	0	100
RMFLF	0	118,951,472	118,951,472	0	100
KUSP	0	32,309,300	32,309,300	0	100
NAVCDP	0	91,303,899	91,303,899	0	100
KISIP	0	264,543,092	264,543,092	0	100

Source: County Treasury

II. COUNTY EXPENDITURE PERFORMANCE

Comprehensive Expenditure Review

20. In the fiscal year 2025/2026, the County Government's approved supplementary budget amounted to KShs. 27.20 billion. This budget was divided into KShs. 17.13 billion (63 percent) designated for recurrent expenditure and KShs10.07 billion (37 percent) allocated to development expenditure.

21. During the period under review, KShs. 19.38 billion was requisitioned and approved by the Office of the Controller of Budget (OCoB). KShs. 4.32 billion was requisitioned under development expenditure while KShs. 15.05 billion was requisitioned under recurrent expenditure. The Facility Improvement Fund (FIF) and SHA/SHIF collection were KShs. 2.01 billion.

a) Recurrent Expenditure

22. The County Government's recurrent expenditure was KShs. 14.98 billion, equivalent to 87 percent of the revised recurrent budget of KShs. 17.13 billion. This resulted in a deviation of KShs. 2.15 billion from the approved recurrent budget. The decline was primarily due to unrealized projected revenues, particularly shortfalls in OSR, and partial receipt of conditional grants by the National Government.

23. Under recurrent expenditure, the Departments of Health Services, Roads, Transport and Public Works, and Administration and Public Service achieved the highest absorption rates, recording 94 percent, 90 percent and 87 percent respectively.

Expenditure on Personnel Emoluments

24. The total expenditure on Personnel emolument was KShs. 8.52 billion which accounted for 37.6 percent of the County total revenue. Under County Executive, Personnel emoluments (PE) amounting to KShs. 7.88 billion was paid while KShs. 632.8 million expended by the County Assembly for the period under review.

b) Development Expenditure

25. The total development expenditure for FY 2025/2026 was KShs. 4.37 billion, which was 43 percent of the development budgetary allocation of KShs. 10.07 billion.

26. The departments of Health Services, followed by department of Education, Gender, Culture and Social Services and Youth Affairs, Sports and Communication recorded the highest absorption at 79 percent,78 percent and 76 percent respectively.

27. The table below summarizes Budget Absorption per Department FY 2025/2026 during the reporting period.

Table 6: Budget Absorption per Department FY 2025/2026

Budget Absorption Per Department FY 2025/2026				
Vote	**Department**	**Approved Budget Estimates (AB)**	**Actual Expenditure (AE)**	**Total Expenditure as % of Annual Target (AE/AB)**
RECURRENT				
4061	County Assembly	1,507,967,268	1,201,078,016	80
4062	County Executive	565,333,038	457,431,967	81
4063	County Public Service Board	86,111,896	69,605,967	81
4064	Finance ICT & Economic Planning	1,795,781,897	1,543,032,354	86
4067	Water, Environment, Natural Resources, Energy and Climate Change	657,890,423	498,919,593	76
4068	Health Services	7,797,344,710	7,363,263,437	94
4073	Roads, Transport & Public Works	802,101,615	722,966,234	90
4075	Administration & Public Service	1,045,402,375	910,567,110	87
4077	Agriculture, Livestock and Cooperatives	585,038,917	391,014,526	67
4078	Education, Gender, Culture & Social Services	1,454,599,029	1,196,973,345	82
4079	Youth Affairs, Sports & Communication	186,959,034	143,704,073	77
4080	Lands, Housing Physical Planning &MAUD	439,534,243	318,611,101	72
4081	Trade, Tourism, Industrialization and Investments	209,289,209	162,330,216	78
	Total	**17,133,353,654**	**14,979,497,939**	**87**
DEVELOPMENT				
4061	County Assembly	131,208,201	6,923,064	5
4062	County Executive	-	-	-
4063	County Public Service Board	-	-	-
4064	Finance ICT & Economic Planning	42,745,000	0	0
4067	Water, Environment, Natural Resources, Energy and Climate Change	815,589,672	169,793,349	21
4068	Health Services	1,496,205,603	1,177,133,439	79
4073	Roads, Transport & Public Works	2,232,745,980	838,789,364	38
4075	Administration & Public Service	410,770,767	19,646,453	5
4077	Agriculture, Livestock and Cooperatives	705,419,109	427,117,854	61
4078	Education, Gender, Culture & Social Services	1,081,122,860	843,326,047	78
4079	Youth Affairs, Sports & Communication	169,500,000	129,407,546	76
4080	Lands, Housing Physical Planning &MAUD	2,147,526,244	265,899,915	12
4081	Trade, Tourism, Industrialization and Investments	836,553,025	494,249,314	59
	Total	**10,069,386,461**	**4,372,286,345**	**43**
	GRAND TOTAL	**27,202,740,115**	**19,351,784,284**	**71**

Source: County Treasury

c) County Established Funds

28. 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. 2.55 billion to county established funds in FY 2025/2026, constituting 9.4 percent of the County's overall budget for the year. Actual expenditure during the financial year under review was KShs. 2.06 billion.

The table below summarizes each established Fund's budget allocation and performance during the reporting period.

Table 7: Performance of County Established Funds

County Established Fund Performance as at 30th June 2026 (KShs.)				
Vote	**Name of the Fund**	**Approved Budget**	**Actual Transfer**	**Absorption**
		Amount	**Amount**	**%**
4061	Kiambu County Assembly Car Loan & Mortgage Scheme Fund	0	0	0
4061	Kiambu County Assembly Staff Mortgage Scheme Fund	74,735,610	0	0
4062	Kiambu County Executive Car loan and mortgage scheme fund	-	-	0
4064	Kiambu County Emergency Fund	50,000,000	25,000,000	50
4068	Kiambu County Health Services Improvement Fund	2,200,000,000	2,014,294,532	91.6
4075	Kiambu County Alcoholic Drinks Control Fund	30,000,000	20,000,000	66
4078	Kiambu County Education Bursary Fund	200,000,000	0	0
4079	Kiambu County Jiinue Fund		-	0
	Total	**2,554,735,610**	**2,059,294,532**	80.6

Source: County Treasury

d) Pending Bills

29. In the fiscal year 2025/2026, the County Government allocated KShs. 1.48 billion in the approved budget estimates to address pending bills, covering both recurrent and development expenditures. Specifically, KShs. 467.2 million was allocated from the recurrent budget, with an additional KShs. 1.01 billion from the development budget.
30. During the period under review, the County Government committed, through a letter to the Office of the Controller of Budget, to pay KShs. 1.20 billion towards the settlement of pending bills. The County Government adhered to the payment plan and paid KShs. 1.88 billion.
31. To prudently manage fiscal risk, the County Government has implemented stringent spending measures, contingent on the availability of funds and alignment with the approved budget estimates.
32. . The County Government is committed to maintaining pending bills at a sustainable level, recognizing that an excessively large outstanding bill negatively impacts service delivery to the residents of Kiambu County, especially when a significant portion of development funds is diverted to settling bills rather than

funding development projects. This goal will be achieved by reducing county expenditures and exploring strategies to augment available resources, thereby preventing budgetary deficits.

33. Table below provides a summary of the pending bills owed by the county government as of June 30, 2026.

Table 8: Summary of pending bills as at 30th June 2026

Vote	Department	Category	Outstanding 30.06.2025	Paid up to 30.06.2026	Additional during the year	Outstanding Bills as at 30.06. 2026
4062	County Executive	Recurrent	63,536,953	15,965,157	7,384,198	54,955,994
	Legal	Recurrent	309,122,296	29,741,125	153,164,267	432,545,439
	SUB TOTAL		**372,659,249**	**45,706,282**	**160,548,465**	**487,501,433**
4063	County Public Service Board	Recurrent	19,557,029	4,026,306	1,249,198	16,779,921
	SUB TOTAL		**19,557,029**	**4,026,306**	**1,249,198**	**16,779,921**
4064	Finance ICT & Economic Planning	Recurrent	627,030,516	306,941,718	734,209,001	1,054,297,798
		Development	3,329,882	-		3,329,882
	SUB TOTAL		**630,360,398**	**306,941,718**	**734,209,110**	**1,057,627,680**
4067	Water, Environment, Natural Resources, Energy and Climate Change	Recurrent	69,371,431	22,506,150	11,895,790	58,761,071
		Development	111,426,384	27,102,177	53,218,289	137,542,496
	SUB TOTAL		**180,797,815**	**49,608,327**	**65,114,079**	**196,303,567**
4068	Health Services	Recurrent	2,253,467,460	147,477,770	33,238,926	2,139,228,616
		Development	361,329,301	254,910,777	46,802,466	153,220,990
	SUB TOTAL		**2,614,796,761**	**402,388,547**	**80,041,392**	**2,292,449,606**
4073	Roads, Transport & Public Works	Recurrent	80,494,498	10,833,774	18,452,578	88,113,302
		Development	2,501,140,915	640,397,362	220,105,397	2,080,848,950
	SUB TOTAL		**2,581,635,413**	**651,231,136**	**238,557,975**	**2,168,962,252**
4075	Administration & Public Service	Recurrent	123,291,262	65,343,358	14,745,061	72,692,965
		Development	13,969,710	7,963,023	3,614,815	9,621,502
	SUB TOTAL		**137,260,972**	**73,306,381**	**18,359,876**	**82,314,467**
4077	Agriculture, Livestock and Cooperatives	Recurrent	27,898,771	12,181,861	8,330,994	24,047,904
		Development	58,904,585		12,170,171	71,074,756
	SUB TOTAL		**86,803,356**	**12,181,861**	**20,501,165**	**95,122,660**
4078	Education, Gender, Culture Social Services	Recurrent	59,616,975	31,531,974	3,550,085	31,635,086
		Development	200,636,162	164,636,862	69,148,274	105,147,575
	SUB TOTAL		**260,253,137**	**196,168,835**	**72,698,359**	**136,782,661**
4079	Youth Affairs, Sports & Communication	Recurrent	17,153,154	3,619,149	2,645,900	16,179,905
		Development	83,808,658	53,006,841	25,135,973	55,937,789
	SUB TOTAL		**100,961,812**	**56,625,990**	**27,781,873**	**72,117,694**
4080	Lands, Housing Physical Planning &MAUD	Recurrent	51,648,652	15,503,357	25,562,342	61,707,637
		Development	1,356,823	1,356,823	10,300,000	10,300,000
	SUB TOTAL		**53,005,475**	**16,860,180**	**35,862,342**	**72,007,637**
4081	Trade, Tourism, Industrialization & Investments	Recurrent	26,119,569	10,040,855	2,401,800	18,480,515
		Development	77,888,780	52,217,249	23,605,048	49,276,579
	SUB TOTAL		**104,008,349**	**62,258,104**	**26,006,848**	**67,757,094**
	GRAND TOTAL		**7,142,099,768**	**1,877,303,669**	**1,480,930573**	**6,745,726,672**

Source: County Treasury

Fiscal Performance for the Financial Year 2025/2026 with Regard to Fiscal Responsibilities Principles

34. In line with the Constitution, the PFM Act Cap. 412, the PFM Regulations, and in keeping in line with prudent and transparent management of public resources, the County Government has largely adhered to the fiscal responsibility principles as set out in the statute as follows:

(a) Recurrent Expenditure as a Percentage of Total Revenue

35. On the principle that the County Government's recurrent expenditure shall not exceed the county government's total revenue, the County Government's actual recurrent expenditure of KShs. 14.98 billion did not exceed the County Government's total revenue of KShs. 22.69 billion hence the County has complied with the fiscal responsibility principle.

(b) Development Budget as a Percentage of the Total Budget

36. Section 107(2) (b) of the Public Finance Management (PFM) Act, 2012, requires that, over the medium term, a minimum of thirty percent of the county government's budget be allocated to development expenditure.

37. In the financial year 2025/2026, the budget allocation for development expenditure was KShs. 10.07 billion, representing 37 percent of the revised total county budget. The County adhered to the legal requirement of allocating at least 30 percent of the total budget to development expenditure.

38. During the same period under review, the actual development spending for the County Government amounted to KShs. 4.37 billion, translating to 43 percent of the development budget and 16 percent of the total budget for FY 2025/2026.

39. To improve the absorption of development expenditure, the County Government plans to reduce recurrent expenditure and enhance revenue collection, thereby creating more fiscal space for investment in development projects. It is important to note that missing revenue targets can hinder the absorption of development

expenditure, as most recurrent expenses are non-discretionary and cannot be deferred.

40. Additionally, the low absorption of capital expenditure can be attributed to several factors, including delayed disbursements from the National Treasury, underperformance in Own Source Revenue (OSR) collection, failure to receive some conditional grants for development projects, and lengthy procurement processes. The County also faced challenges related to pending bills, which made it difficult to attract reliable vendors and suppliers for the timely delivery of goods and services, leading to delays in project implementation.

(c) Expenditure on Wage Bill as a Percentage of Total Revenue

41. Regulation 25 (1) (a) and (b) of the PFM (County Governments) Regulations 2015 provides that the County Governments' expenditure on wages and benefits for its public officers shall not exceed thirty-five (35) percent of the County Government's total revenue. During FY 2025/2026, expenditure on the wage bill amounted to KShs. 8.52 billion, accounting for 37.5% of the total revenue of KShs. 22.69 billion, against a PFMA, 2012 required threshold of 35 percent. This was an improvement from 42 percent incurred in the previous 2024/2025 financial year.

42. Since the inception of devolution, the county government have faced significant challenges in adhering to this wage bill ceiling requirement, primarily due to external factors. These factors include nationwide Collective Bargaining Agreements (CBAs) that counties are obligated to implement without additional financial provisions, such as the CBAs for nurses and doctors, which have strained the County Government's financial resources. Additionally, counties inherited large workforces from devolved units, particularly in the health sector. Further, inadequate resource allocations from the national government to counties and periodic salary reviews by the Salaries and Remuneration Commission (SRC) have contributed to the ongoing rise in the wage bill.

43. Moving forward, the County Government is committed to reducing the proportion of expenditure on wages to free up more resources for development activities, in compliance with legal requirements. Strategies to achieve this goal include streamlining the public service, negotiating with the National Government through the Council of Governors and the Intergovernmental Budget and Economic Forum (IBEC) to secure additional resources for counties, and enhancing efforts to improve Own Source Revenue (OSR) mobilization. The County will also focus on implementing and strengthening performance management systems, restructuring and reorganizing the County's organizational structure, staff rationalization, and fully automating the County payroll.

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

44. The County Government did not borrow any funds during the period under review.

(e) The County debt shall be maintained at a sustainable level;

45. The County Government did not have any public debts during the period under review.

(f) Prudent Management of Fiscal Risk

46. Section 107 (2) (f) of the PFM Act, 2012 requires the County Treasury to manage their fiscal risks prudently. During the review period, a number of fiscal risks were identified in revenue and expenditure performance. These are:

i. **High expenditure on wage bill** that lowers the ability of county government to meet financial obligations on operations & maintenance and development requirements; and,
ii. **Missed revenue targets,** which results in an unfunded budget resulting in accumulation of pending bills.
iii. **Pending bills**.

47. The County Government is committed to mitigate on all risks identified above as demonstrated in this document.

(g) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

48. On the principle of maintaining a reasonable degree of predictability with respect to the level of tax rates and the tax base, the County Government continues to carry out revenue reforms and amendments by revising its fees and charges through the approved 2025 Finance Act.

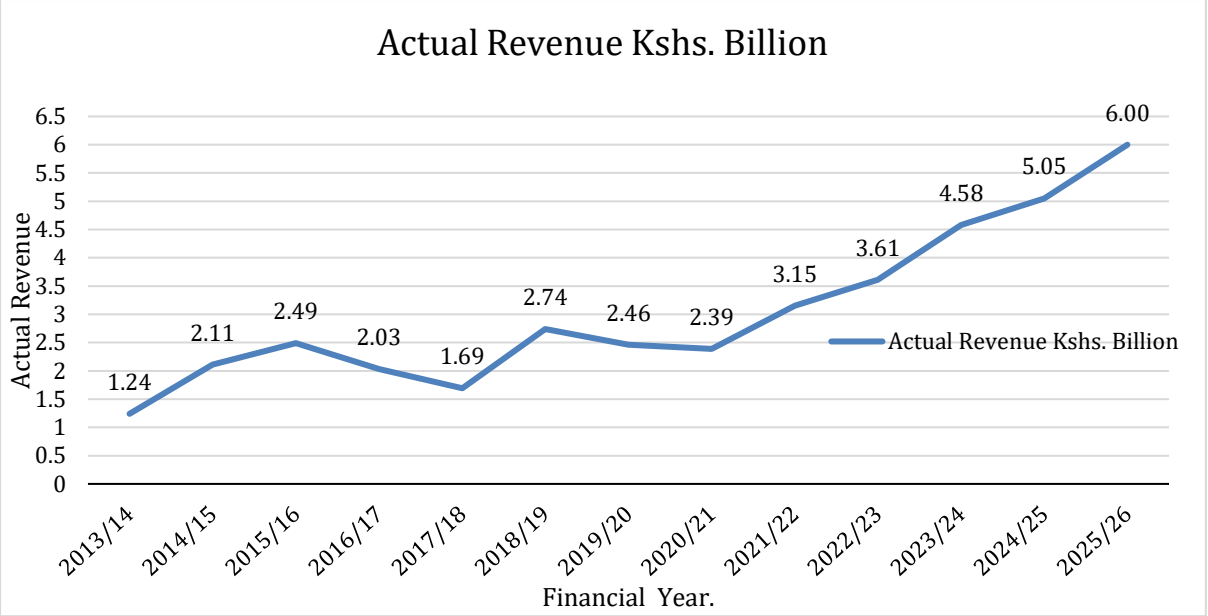
Fiscal Performance for FY 2025/2026 in Relation to Financial Objectives

49. In FY 2025/2026, the County Government set several key financial objectives aimed at strengthening financial management and improving fiscal performance:

a. Enhancing Own Source Revenue (OSR) Collection

50. During FY 2025/2026, the focus was on achieving an annual target of KShs. 9.93 billion on own source revenue (OSR), without raising fees and charges during the period. A comprehensive study on OSR and the tax gap, conducted by the Commission on Revenue Allocation (CRA) with support from the World Bank in June 2022, indicated the county's potential to collect up to KShs. 13.9 billion.

51. In FY 2025/2026, the County generated a total of KShs. 6 billion from its various revenue streams, including Facility Improvement Fund (FIF). This represented a 15.75 percent increase compared to the KShs. 5.05 billion collected in FY 2024/2025 and accounted for 60 percent of the annual revenue target. This was the highest OSR collection in recent years, indicating the county's potential to further increase OSR with intensified efforts.



Source: County Treasury

b. Ensuring Effective, Efficient, and Economic Use of Public Resources

52. During the period under review, the County Government aimed to maintain strict control over public expenditure, prioritizing essential services and investments in growth-enhancing sectors. This objective was to be achieved through the enforcement of budgetary discipline, the elimination of wasteful spending, and the streamlining of government operations to achieve cost savings.

53. However, under-spending was observed in both the recurrent and development budgets for FY 2025/2026, due to several factors including delayed disbursements from the National Treasury, underperformance in OSR collection, non-receipt of certain conditional grants for development projects, lengthy procurement processes, and challenges related to pending bills.

54. In response, the County Government plans to implement measures to improve resource absorption and has embarked on an aggressive campaign to mobilize OSR during FY 2026/2027, ensuring full funding of the budget.

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

A. Global Economic Performance

55. The global economic growth declined to 3.0 percent in 2026 from 3.5 percent in 2025. The slowdown is largely attributed to the adverse effects of conflict in the Middle East, including higher energy prices, elevated inflationary pressures, supply chain disruptions, and increased geopolitical uncertainty. Growth is expected to recover in 2027 supported by the gradual normalization of energy markets, easing geopolitical tensions and continued investment and productivity gains associated.

56. Growth in advanced economies is projected to remain subdued, with growth rising slightly from 1.7 percent in 2026 to 1.8 percent in 2027. The outlook reflects divergent effects of the Middle East conflict and the technology-driven investment cycle. Net energy exporters are partly cushioned by favorable terms-of-trade effects, while net energy importers face greater pressure from higher energy prices, although economies benefiting from technology-related activity are expected to perform better. Within the advanced economies, growth in the United States is projected at 2.3 percent in 2026 and 2.2 percent in 2027, supported by fiscal policy, accommodative financial conditions and continued technology-related investment, while growth in the Euro Area and United Kingdom remains weaker before recovering in 2027 as the energy shock diminish.

57. Growth in Emerging Market and Developing Economies is projected to slow to 3.8 percent in 2026 from 4.5 percent in 2025, before recovering to 4.5 percent in 2027. The slowdown reflects significant variation in risk and exposure across regions. The more pronounced slowdown is expected in the Middle East and Central Asia, where growth is projected to fall from 3.7 percent in 2025 to 0.7 percent in 2026 before rebounding strongly to 6.5 percent in 2027, as disruptions to energy production and transport ease. Growth in Emerging and Developing Asia is expected to remain relatively resilient, supported by strong technology-related

investment, robust external demand, and continued expansion of productive capacity.

58. Growth in Sub-Saharan Africa is projected to moderate to 4.3 percent in 2026 from 4.5 percent in 2025, before recovering to 4.5 percent in 2027. The slowdown in 2026 reflects higher energy and food prices arising from the Middle East conflict and reduced official development assistance, with the impact varying across economies. Growth is expected to strengthen in 2027 as external conditions improve, although structural and financing constraints and limited participation in the AI-driven technology expansion will continue to weigh on the region's outlook.

B. **Domestic Economic Performance**

59. The Kenyan economy has remained resilient despite the challenging global environment, growing at an average rate of 5.0 percent over the period 2022 to 2025, compared with average global growth of 3.4 percent and 4.1 percent in Sub-Saharan Africa. The resilience reflects sound macroeconomic management including prudent monetary and fiscal policies, sustained structural reforms and increasing economic diversification, which have strengthened the economy's capacity to absorb and withstand adverse external and domestic shocks. The positive growth momentum was sustained in the first quarter of 2026, with real GDP growth accelerating to 5.3 percent compared to 4.9 percent recorded in the corresponding quarter of 2025. The growth was broad-based with major sectors recording positive performance. The expansion was largely was supported largely by stronger activity in manufacturing; agriculture, forestry and fishing; accommodation and food services; financial and insurance services; and real estate.

60. The Primary Sector recorded a growth of 5.1 percent in the first quarter of 2026, compared to a growth of 5.7 percent in the corresponding quarter of 2025. Growth in the sector was supported by positive performance in both the agriculture, forestry and fishing and mining and quarrying sub-sectors. However, the slower expansion of these key sub-sectors resulted in a moderation in the overall growth of the primary sector compared with the same period in 2025.

61. The agriculture, forestry and fishing sub-sector grew by 4.9 percent in the first quarter of 2026, compared to 5.3 percent in the corresponding quarter of 2025. Growth was supported by increased production of tea, sugarcane and dairy products alongside improved performance of horticultural exports, reflecting favorable weather conditions, improved productivity and sustained export demand. However, growth moderated compared to the previous year, mainly due to lower coffee production associated with the biennial production cycle, as well as a decline in fruit exports arising from reduced production and weaker demand in key international markets. The Mining and Quarrying sub-sector grew by 9.1 percent in the first quarter of 2026, compared to 12.7 percent in the corresponding quarter of 2025. The sub-sector's performance was supported by increased production of key minerals particularly soda ash, construction materials and other quarry products, driven by sustained demand from the construction and manufacturing sectors. However, growth moderated compared to the corresponding quarter of 2025, partly reflecting a higher base effect and slower expansion in mineral production.
62. The industry sector recorded notable improvement in performance, growing by 5.1 percent in the first quarter of 2026 compared to a growth of 3.6 percent in the first quarter of 2025. The stronger performance was supported by increased activity across the manufacturing, construction, and electricity and water supply sub-sectors, reflecting improved production and investment activity.
63. The services sector recorded a growth of 5.0 percent in the first quarter of 2026 compared to a growth of 4.8 percent in the same period in 2025. This growth was as a result of the relative growth registered by Financial and Insurance subsector and Accommodation and Food service subsectors. The Accommodation and Food Service sub-sector grew strongly by 14.7 percent in the first quarter of 2026, compared to 8.0 percent in the corresponding quarter of 2025, which was supported by increased international visitor arrivals through the country's major airports, reflecting sustained recovery in tourism, improved air connectivity, and stronger demand for hospitality services. There was also improved performance in

Financial and Insurance sub-sector that grew by 6.3 percent in the first quarter of 2026, compared to 5.3 percent in the corresponding quarter of 2025. This growth was supported by an accommodative monetary policy stance reflected in lower policy and market interest rates, which reduced the cost of credit, improved liquidity conditions and supported increased lending to the private sector.

Inflation Developments

64. Overall year-on-year inflation increased to 6.5 percent in July 2026 from 4.1 percent in July 2025 due to higher energy prices arising from the elevated global oil prices but remained within the target range of 5±2.5 percent. The Government implemented targeted stabilization measures in April 2026 to cushion consumers from the full impact of rising global fuel prices. These interventions included the use of resources from the Petroleum Development Levy Fund to subsidize fuel pump prices. the Government also reduced the VAT rate on specific petroleum products from 16 percent to 8 percent for an initial period of three months which was further extended by another three months in July 2026. Subsequently, global oil prices eased in June 2026. The decline in global oil prices, together with the Government's fuel stabilization measures, partly moderated domestic fuel prices and contributed to the easing of overall inflation from 6.7 percent in May to 6.4 percent in June 2026.
65. Core inflation remained stable at 3.2 percent in July 2026, compared to 3.1 percent in July 2025, supported by lower prices of selected manufactured food items, alongside stable prices in other non-volatile components. In contrast, non-core inflation rose to 15.0 percent from 7.2 percent over the same period, largely driven by relatively higher energy prices, transport costs and food prices.

Interest rate developments

66. The Central Bank of Kenya (CBK), through the Monetary Policy Committee (MPC), has continued to adopt an accommodative monetary policy stance, progressively reducing the Central Bank Rate (CBR) from 12.75 percent in August 2024 to 8.75 percent by July 2026. The easing of monetary policy is aimed at supporting

increased private sector credit, investment and economic activity, while maintaining price and financial sector stability.

67. The short-term interest rates have declined to 8.8 percent in July 2026 from 9.6 percent in July 2025. The decline signaled improved liquidity conditions in the interbank money market and lowering of banks' short-term funding costs, which supports credit expansion.
68. The average commercial bank lending rates declined to 14.4 percent in June 2026 from 15.3 percent in June 2025, while average deposit rates also declined to 6.8 percent from 8.4 percent over the same period. This was in line with the easing in monetary policy. Consequently, the interest rate spread widened to 7.5 percent from 6.9 percent, reflecting the faster adjustment in deposit rates relative to lending rates.
69. Treasury bill rates remained relatively stable across maturities in the year to July 2026, although movements varied by tenor. The 91-day Treasury bill rate increased to 8.8 percent in July 2026 from 8.1 percent in July 2025, while the 182-day Treasury bill rate rose to 9.0 percent from 8.4 percent over the same period. In contrast, the 364-day Treasury bill rate declined to 9.0 percent from 9.7 percent over the same period. The mixed movement across maturities reflects prevailing market liquidity conditions and investor demand across the different maturities.

Monetary and Credit Developments

70. Broad money supply (M3) recorded stronger growth, expanding by 11.3 percent in the year to June 2026, compared to 7.5 percent in the year to June 2025. The acceleration in monetary expansion was driven by increased growth in both Net Foreign Assets (NFA) and Net Domestic Assets (NDA) reflecting improved liquidity conditions within the economy.
71. Net Foreign Assets (NFA) of the banking system increased significantly by 32.9 percent in the year to June 2026 compared to 17.7 percent growth recorded in the corresponding period of 2025. The stronger growth in NFA was primarily driven by an increase in the Central Bank's foreign assets reflecting an improvement in

the country's foreign exchange reserves. Additionally, commercial banks recorded higher net foreign assets, largely associated with increased deposits abroad.

72. Net Domestic Assets (NDA) improved to a growth of 6.4 percent in the year to June 2026, compared to a growth of 5.5 percent in the year to June 2025. Domestic credit extended by the banking system to the Government grew by 5.5 percent in the year to June 2026 compared to a growth of 37.7 percent over a similar period in 2025. The decreased net lending to government mainly reflected decreased uptake of government securities by commercial banks. Lending to other public sector also declined, mainly reflecting net repayments by parastatals.

Private sector credit

73. Growth in private sector credit from the banking system recorded a growth of 10.6 percent in the year to June 2026 compared to a growth of 2.2 percent in June 2025. Growth in credit to key sectors of the economy, particularly manufacturing, building and construction, transport and communication, real estate and agriculture remained strong, reflecting improved demand for credit in line with the declining lending interest rates.
74. The Monthly (month on month) credit flows to the private sector improved to KSh 59.8 billion in June 2026 from KSh 10.7 billion in June 2025 due to the easing of the monetary policy stance to lower the cost of funds for banks and sustained demand particularly for working capital due to resilient economic activities.

External Sector Developments

75. The overall balance of payments improved significantly from a deficit of 2,830.8 million US$ (2.1 percent of GDP) in June 2025 to a deficit of 1,509.4 million US$ (1.0 percent of GDP) in June 2026. This represents a reduction in the deficit of 1,321.4 million US$ (approximately 46.7 percent change).
76. The current account deficit widened to US$ 4,366.3 million (2.8 percent of GDP) in the year to June 2026, compared to US$ 2,585.3 million (1.9 percent of GDP) in the year to June 2025 mainly due to a higher trade deficit. The current account balance was supported by resilient goods exports, increased service receipts and an

improvement in net primary income. The current account deficit in the 12 months to June 2026 was more than fully financed by financial account inflows.

77. The capital account balance decreased by US$. 90.4 million to register a surplus of US$ 159.9 million in the year to June 2026 compared to a surplus of US$ 250.3 million in the same period in 2025. Net financial inflows improved to US$ 6,092.1 million in the year to June 2026, compared to US$ 4,576.5 million in the year to June 2025. This reflected an increase in net financial liabilities, which more than offset the decline in net acquisition of financial assets. The net financial inflows were mainly in the form of Portfolio investments, direct investments, financial derivatives and other investments.

Exchange Rate Developments

78. The Kenya Shilling remained relatively stable against the US Dollar, averaging KSh 129.4 per US dollar in July 2026 compared to KSh 129.2 per US dollar in July 2025 and showing a marked appreciation from a peak of KSh 160.8 in January 2024. The Shilling strengthened against the Sterling Pound, averaging KSh 173.0 per Pound in July 2026, down from KSh 174.6 per Pound in July 2025. Against the Euro, the Shilling also strengthened and averaged KSh 147.7 per Euro in July 2026 compared to KSh 151.0 per Euro in July 2025. The stability was supported by strong foreign exchange reserves, steady remittance and export inflows, and improved market confidence, which helped cushion the Shilling against excessive volatility.

Capital Markets Developments

79. Activities at the Nairobi Securities Exchange (NSE) improved significantly over the past year, reflecting strengthened investor confidence and improved macroeconomic conditions. The NSE 20 Share Index rose by 58.8 percent to 4,063 points in July 2026 from 2,559 points in July 2025, crossing the 4,000-point mark for the first time in nearly a decade. Market capitalization increased by 57.4 percent to KSh 3,972 billion from KSh 2,524 billion over the same period. The strong performance was supported by lower domestic interest rates, a relatively stable exchange rate, improved corporate earnings, and increased participation by domestic and foreign investor.

C. Implication of Macroeconomic Indicators on County Performance

80. The County performance remains susceptible to developments in both the global and domestic macroeconomic environment. External shocks, including prolonged geopolitical tensions and disruptions in global energy and commodity markets, may result in higher domestic fuel, transport, and input costs, thereby increasing the cost of delivering public services and putting pressure on the County's expenditure framework. Such shocks could also widen the import bill and exert upward pressure on inflation and the current account with potential spillover effects on economic activity, household incomes and revenue collection.
81. A stable and supportive macroeconomic environment presents opportunities for sustained economic growth, investment, employment creation and improved revenue performance. The County will therefore continue to monitor key macroeconomic developments and strengthen fiscal planning, expenditure management and resource mobilization measures to mitigate emerging risks while leveraging opportunities to support effective service delivery and the implementation of its development priorities.
82. Agriculture remains a key driver of economic activity and employment at both the County and national levels, providing livelihoods to a significant proportion of the population. Consequently, developments in the agricultural sector have a direct bearing on household incomes, food security and economic activity. Adverse weather conditions including droughts, floods and erratic rainfall, may adversely affect agricultural production, disrupt food supply chains and contribute to higher food prices and inflationary pressures. This may reduce household purchasing power, weaken economic activity and negatively affect demand for goods and services within the County.
83. Climate-related shocks may also result in damage to critical infrastructure including roads, bridges, water systems and other public facilities thereby increasing the County's expenditure requirements for emergency response, rehabilitation and reconstruction. Such unplanned expenditure pressures could constrain resources available for development programmes and other priority

investments. The County will therefore continue to strengthen climate-resilient planning, disaster preparedness and resource allocation to mitigate the effects of climate-related shocks and safeguard sustainable economic growth, service delivery and fiscal performance.

IV. IMPLEMENTATION OF THE FY 2026/2027 BUDGET

84. The County's approved budget for FY 2026/2027 stands at KShs. 25.16 billion, comprising KShs. 16.59 billion (65.9 percent) allocated for recurrent expenses and KShs. 8.57 billion (34.1 percent) earmarked for development projects. To fund this budget, the County anticipates receiving KShs. 13.51 billion (53.7 percent) as an equitable share of nationally raised revenue, KShs. 3.07 billion (12.2 percent) in conditional grants from development partners and raising KShs. 8.59 billion (34.1 percent) from its own revenue sources.

85. Total Revenue available to the County as of 16th September 2026 was KShs. 3.83 billion which comprised; of 0.67 billion,1.08 billion and 1.28 billion for July, August and September exchequer release respectively and Own Source of revenue of KShs 0.79 billion.

86. To ensure that the county continues to achieve and surpass its own source revenue target for the period, the County Government has put in place the following measures:

    a. Operationalization of the Kiambu County Revenue Authority as an independent corporate body responsible for the efficient collection and management of Own Source Revenue.
    b. Completion and enhancement of the Enterprise Resource Planning (ERP) system across all revenue modules, including integration with the eCitizen platform and the Building Plans, Physical Planning, and Land Rates modules, to automate revenue collection, minimize leakages, improve accountability, and maximize revenue from key streams.
    c. Implementation of Rapid Results Initiatives (RRI) and a structured revenue performance monitoring framework involving CECMs, Chief Officers, Directors, Municipal Managers, Sub-County Administrators, Finance Officers, Revenue Officers, Trade Officers, and Heads of Department through regular review meetings to track performance, address bottlenecks, and ensure timely achievement of revenue targets.

d. Completion and implementation of the County Revenue Mapping Report to identify untapped revenue sources and improve revenue mobilization.
e. Strengthening departmental accountability by requiring departments to closely monitor and regularly review the achievement of their respective revenue targets.
f. Capacity building for revenue collection staff and equipping Sub-County offices with the necessary tools, facilities, and technology to enhance efficiency and professionalism in revenue collection.
g. Strengthening compliance through public sensitization, civic education, and digital communication, including SMS payment reminders, to encourage timely payment of County revenues.
h. Strengthening audit and compliance mechanisms to enhance transparency, accountability, and revenue assurance.
i. Deployment of mobile revenue collection offices and Huduma Mashinani initiatives to bring County services and payment points closer to residents, particularly in underserved areas and during peak revenue collection periods.
j. Maximizing health sector revenue through full implementation of the Hospital Information Management System (HIMS) in all Level 4 and Level 5 hospitals, increased Social Health Authority (SHA) registration, timely submission and follow-up of SHA claims, and improved hospital infrastructure, medical supplies, and equipment to enhance service delivery and increase reimbursements.

   Further, the ongoing deployment of the **TIBERBU Health Management Information System (HMIS)** to Level 2 and Level 3 hospitals is expected to strengthen the management and reporting of health services and enhance the hospitals' ability to maximize **Primary Health Care (PHC) capitation**. The improved capture, management, and reporting of health service data will support increased revenue from PHC capitation and other eligible health-related revenue streams.

k. Improving service delivery across County departments to enhance public confidence, promote voluntary compliance, and encourage timely payment of County revenues.

87. As of September 16th, 2026, the total expenditure amounted to KShs. 1.82billion. This expenditure is divided into KShs. 1.65 billion for recurrent expenses and 170million for development projects. Any delays in fund disbursement or revenue flows adversely affect development expenditures.

88. The County continues to prioritize the strengthening of public financial management systems across all levels of government. These measures are aimed at promoting prudent and efficient use of public resources, enhancing the quality-of-service delivery, mitigating financial leakages and improving institutional performance and productivity.

Adjustments to the FY 2026/2027 Budget

89. Unspent balances from the Financial Year 2025/2026 together with the closing balances in the County Revenue Fund (CRF) account will necessitate the preparation of a Supplementary Budget. The Supplementary Budget will also incorporate revenue adjustments from the National Government in accordance with the County Allocation of Revenue Act (CARA), 2026 and the County Governments Additional Allocations Act, 2026, as well as other emerging budgetary priorities.

90. There was a deviation from the expenditure ceilings set out in the approved County Fiscal Strategy Paper (CFSP) for FY 2026. The deviation arose from the alignment of the County's revenue projections with the provisions of the County Allocation of Revenue Act (CARA), 2026, the County Governments Additional Allocations Act, 2026, and the revised projections for Own Source Revenue (OSR).

RISKS TO THE 2026/2027 BUDGET IMPLEMENTATION

Section 107 (2) (f) of the PFM Act, 2012 requires County Treasuries to manage their fiscal risks prudently. During the review period, a number of fiscal risks were identified in revenue and expenditure performance. These risks include:

I. **Unmet Own Source Revenue Targets:** Falling short of our targets for Own Source Revenue (OSR) collection is another fiscal risk we anticipate. Addressing this risk necessitates progressive mitigation measures to align with our county's development objectives.

II. **National Government Fund Transfers:** The unpredictability and timeliness of fund transfers from the National Government pose a challenge to our budget's proper execution. The County Government through the Council of Governors and the Intergovernmental Budget and Economic Council will continuously engage the National Treasury to release funds as per the approved disbursement schedule.

III. **Pending Bills Challenge:** The issue of unpaid pending bills remains a significant fiscal hurdle for our County Government. The impact of these outstanding bills on our ability to deliver efficient services cannot be overstated. In compliance with the above, the County Government has accorded top priority to settling all eligible bills within our departmental budgets. Further, the County has come up with a monthly payment plan for the outstanding pending bills which aim at settling the pending bills. Additionally, The County Government has taken measures to mitigate the problem of pending bills which include strict adherence to approved budget spending limits and the establishment of realistic revenue targets.

IV. **Wage Bill Overrun**: The County Government continues to grapple with a wage bill that surpasses the recommended threshold of 35 percent, constituting an ongoing risk to our budget framework. The review of salaries by the Salaries and Remuneration Commission (SRC), staff promotions, and the growing demand for technical and critical staff have

necessitated the hiring of additional personnel, which is a key contributor to the burgeoning wage bill. To keep wage bill within the target, new recruitments must be suspended unless approved by the County Executive Committee and confirmed by the County Treasury for funding. This approach aims to balance the need for efficient public service delivery with prudent management of personnel costs, ensuring that resources are allocated effectively without compromising the quality of services provided.

V. **Financing of Urban Areas and Cities**: The County Government has established boards for its twelve municipalities and is in the process of creating Thika Smart City in accordance with the Urban Areas and Cities Act, 2011. Historically, funding for these municipalities has primarily come from the Kenya Urban Support Programme (KUSP), which is supported by development partners. A key challenge facing the municipality boards is underfunding, as there are no established criteria for revenue sharing between the County and the municipalities, as required by the Urban Areas and Cities Act, 2011. To resolve this issue, the County Government must develop a clear and equitable framework for revenue allocation between the County, the municipalities as provided for by section 173 of the PFMA of 2012.

V. RESOURCE ALLOCATION FRAMEWORK 2027/2028-2029/2030

A. Implementation of the FY 2026/2027 Budget

91. The implementation of the FY 2026/2027 Budget remains on track. In order to maintain fiscal balance consistent with the fiscal consolidation strategy, revenue projections and expenditure estimates for FY 2026/2027 remain largely aligned with those set out in the approved 2026 County Fiscal Strategy Paper (CFSP). Total revenue and expenditure for FY 2026/2027 are each projected at KShs. 25.17 billion.

92. The FY 2025/2026 fiscal outturn, however, continues to underscore the constrained fiscal environment within which the County Government is operating. The revenue performance and expenditure pressures experienced during the year reinforce the need to sustain fiscal consolidation, strengthen revenue mobilization, improve expenditure efficiency, manage fiscal risks, and safeguard the delivery of essential public services.

B. Fiscal Policy for FY 2027/2028 and the Medium-Term Budget

93. The fiscal policy approach for FY 2027/2028 and the Medium Term is designed to support the County Government's key development initiatives under the County Integrated Development Plan (CIDP) through a growth-oriented fiscal consolidation strategy. The strategy seeks to create fiscal space, support economic recovery, and achieve the County's transformative development objectives while maintaining the quality, accessibility, and sustainability of public service delivery.

94. The County Government will continue to pursue fiscal consolidation measures aimed at creating fiscal space, moderating the annual accumulation of pending bills, strengthening fiscal and debt sustainability, and improving the overall management of public resources. The consolidation strategy will focus on enhancing own-source revenue collection, optimizing and reprioritizing expenditure, strengthening expenditure controls, and safeguarding critical County Government programmes and social spending.

95. On the revenue side, particular emphasis will be placed on strengthening revenue mobilization and administration through improvements in revenue collection

systems, enforcement, compliance, revenue administration, and appropriate revenue policy reforms. These measures are intended to broaden the revenue base, minimize revenue leakages, improve collection efficiency, and enhance the County Government's capacity to finance priority programmes within the available resource envelope.

96. On expenditure reforms, the County Government will continue implementing measures aimed at strengthening expenditure controls and enhancing the efficiency, effectiveness, transparency, and value for money of public spending. Key measures will include:

    i. Continued transition from cash-based accounting to full accrual-basis accounting to improve the transparency, completeness, and accuracy of County Government financial reporting in line with applicable IPSAS standards; and
    ii. Entrenching Zero-Based Budgeting (ZBB) to reorient the budgeting and expenditure framework towards current priorities, results, efficiency, and value for money.
    iii. Full implementation and utilization of the e-Government Procurement System;

97. In implementing the fiscal policy framework, the County Government will prioritize initiatives that protect livelihoods, create employment opportunities, support businesses, and stimulate economic activity. Particular attention will be given to the provision of essential services, promotion of equity, reduction of costs through the elimination of duplication and inefficiencies, environmental protection, and climate change mitigation and adaptation.

98. The County Government will also continue to address policy, legal, regulatory, institutional, and governance issues that affect the effective and efficient utilization of public resources. The implementation of the FY 2027/2028 and Medium-Term Budget will therefore be guided by the principles of fiscal responsibility, prudent resource management, accountability, efficiency, and value for money.

C. FY 2027/2028 AND MEDIUM-TERM BUDGET FRAMEWORK

99. The FY 2027/2028 and Medium-Term Budget will be anchored on the County Integrated Development Plan (CIDP) 2023–2027 which has been aligned, where applicable, with the national development priorities under the Fourth Medium-Term Plan (MTP IV) of Vision 2030 and the identified Bottom-Up Economic Transformation Agenda (BETA) priorities.

100. The Medium-Term Budget will also be guided by the Governor's Manifesto, which is structured around five core pillars: Governance, People, Resources, Competitiveness, and Harmony. These pillars will inform the development and implementation of programmes and projects.

101. Within the available resource envelope, the County Government will focus resources on high-impact sectors and programmes with the greatest potential to improve household welfare, promote inclusive economic growth, create employment, and enhance service delivery. Particular emphasis will be placed on Agricultural Transformation; Trade Promotion; Healthcare; early childhood Education; Micro, Small and Medium Enterprises (MSMEs); Housing and Settlement; among other key sectors. Departments will be required to prioritize programmes and projects within the ceilings.

102. The Medium-Term Budget will build on progress made in previous financial years and will seek to stimulate and sustain economic activity while positioning the County on a sustainable and inclusive growth path. This will be achieved through the effective implementation of programmes and projects identified in the CIDP and other approved County development and policy frameworks.

D. FISCAL AND MTEF PROJECTIONS

a) Revenue Projections

103. The FY 2027/2028 resource envelope is projected at KShs. 24.82 billion, comprising KShs. 13.91 billion from the equitable share from the National Government, KShs. 2.22 billion from additional allocations from the National

Government and loans and grants from development partners, and KShs. 8.68 billion from Own-Source Revenue (OSR) ***(Annex I).***

104. The projected resource envelope reflects the prevailing fiscal environment and is underpinned by ongoing reforms in revenue policy, mobilization, collection, and administration. The County Government will continue strengthening revenue administration, compliance, enforcement, and collection systems to enhance revenue performance and create additional fiscal space.

105. The resource envelope is projected to increase moderately to KShs. 25.19 billion in FY 2028/2029 and further to KShs. 25.37 billion in FY 2029/2030. The projected growth will be supported by improved own-source revenue performance and anticipated growth in transfers and other revenue sources, subject to prevailing national and economic conditions.

b) Expenditure Projections

106. The overall projected expenditure for FY 2027/2028 is KShs. 24.82 billion. This is projected to increase to KShs. 25.19 billion in FY 2028/2029 and further to KShs. 25.37 billion in FY 2029/2030 ***(Annex II).***

107. Recurrent expenditure is projected at KShs. 16.53 billion in FY 2027/2028, increasing to KShs. 16.69 billion in FY 2028/2029 and KShs. 16.76 billion in FY 2029/2030. The growth in recurrent expenditure will be managed prudently to ensure that it does not unduly constrain resources available for development and priority service delivery.

108. Development expenditure is projected at KShs. 8.29 billion in FY 2027/2028, increasing to KShs. 8.49 billion in FY 2028/2029 and KShs. 8.61 billion in FY 2029/2030. Greater emphasis will be placed on protecting development expenditure and directing resources towards high-priority, high-impact projects, including the completion of ongoing projects and other interventions with significant economic and social benefits.

E. CRITERIA FOR PRIORITIZATION AND ALLOCATION OF RESOURCES

109. To align budget preparation and resource allocation with the County Government's fiscal and development objectives, the following criteria will guide the prioritization and final allocation of resources for FY 2027/2028 and the Medium Term:

i. Programmes that enhance value chains and linkages to national and County development priorities;
ii. Alignment of programmes and projects with the priorities of the CIDP and other approved County development plans and policy frameworks;
iii. Implementation of the Governor's directives and decisions of the County Executive Committee;
iv. Completion of ongoing and stalled projects, as well as settlement of verified pending bills and other legally binding obligations;
v. The extent to which a programme contributes to job creation, poverty reduction, and improvement of livelihoods;
vi. The extent to which a programme addresses the core mandate and functions of the respective Department;
vii. Programmes that support climate change mitigation and adaptation, environmental sustainability, and resilience;
viii. Cost-effectiveness, efficiency, sustainability, and value for money of the proposed programme or project;
ix. Requirements for the furtherance and implementation of the Constitution and other applicable laws;
x. Programmes that promote gender equality, equity, inclusion, and protection of children's rights; and
xi. Programmes that demonstrate clear and measurable outputs, outcomes, and socio-economic benefits relative to the resources required.

F. REVIEW AND OPTIMIZATION OF DEPARTMENTAL BUDGET PROPOSALS

110. In order to create fiscal space and ensure appropriate phasing of expenditure programmes, Departments and Sector Working Groups (SWGs) will be required to undertake a thorough review of their proposed budgets for FY 2027/2028 and the Medium Term. Resources should be directed towards programmes and projects with the greatest potential to improve productivity, deliver measurable results, strengthen service delivery, and contribute to the achievement of CIDP objectives.

111. The review of departmental budget proposals will involve:

i. Prioritizing County Government programmes and projects within sector budget proposals;
ii. Determining the resources required for each programme and project and the level of provision possible within the approved resource ceilings; and
iii. Justifying proposed funding for each programme and project with appropriate supporting documentation and evidence of expected outputs, outcomes, and results.

112. Sector Working Groups and Departments will therefore be required to optimally allocate available resources to programmes and projects with the greatest potential impact on economic growth, service delivery, employment creation, poverty reduction, and the achievement of the County's development objectives.

G. BUDGET PROCESS AND KEY POLICY DOCUMENTS

113. The County budget process involves the preparation, approval, and implementation of key policy documents and legislative instruments in accordance with the timelines prescribed under the **Public Finance Management Act, 2012**, and the **Public Finance Management Regulations, 2015**. The following key documents will be prepared and processed during the budget cycle:

- Annual Development Plan;

- County Budget Review and Outlook Paper (CBROP);
- Departmental/Sector Budget Proposals;
- County Fiscal Strategy Paper (CFSP);
- County Debt Management Strategy Paper;
- Programme-Based Budget and supporting details;
- Estimates of Revenue;
- Appropriation Bill; and
- Finance Bill.

114. To ensure the timely preparation, finalization, approval, and implementation of these policy documents and legislative instruments, Accounting Officers and all other responsible officers will be required to adhere strictly to the activities and timelines set out in the **Budget Calendar** *(Annex IV)*.

VI.CONLUSION AND NEXT STEPS

115. Kenya's economy has demonstrated resilience despite a challenging domestic and global economic environment. Nevertheless, the County Government continues to operate within a constrained fiscal environment characterized by competing expenditure demands and limited fiscal space. This situation necessitates continued fiscal discipline, prudent resource allocation, and strengthened financial management.

116. The fiscal framework for FY 2027/2028 and the Medium Term has therefore been formulated within the available resource envelope and informed by the FY 2025/2026 fiscal outturn, the implementation of the FY 2026/2027 Budget, and the policy direction set out in the approved County Fiscal Strategy Paper. The framework seeks to balance fiscal consolidation with the need to sustain economic recovery, protect essential public services, and finance priority development programmes.

117. The County Government will continue to strengthen Own-Source Revenue mobilization through improved revenue administration, enforcement, compliance, collection systems, and appropriate policy reforms. At the same time, expenditure controls will be strengthened to reduce non-core expenditure, eliminate duplication and inefficiencies, improve value for money, and ensure that available resources are directed towards high-impact programmes and projects.

118. Within the constrained resource envelope, priority will be given to programmes that support economic growth, employment creation, poverty reduction, improved livelihoods, and quality service delivery. Particular emphasis will be placed on key sectors including roads and infrastructure, agriculture, health, trade and enterprise development, education, water, housing, and other high-impact programmes aligned to the County's development priorities.

119. The 2026 County Budget Review and Outlook Paper (CBROP) will provide the basis for preparation of the 2027 County Fiscal Strategy Paper and the FY

2027/2028 and Medium-Term Budget. The next phase of the budget process will focus on translating the projected resource envelope into credible and prioritized sector ceilings and budget proposals, informed by Sector Working Group recommendations, departmental submissions, public participation, and the priorities of the CIDP.

120. Overall, the FY 2027/2028 and Medium-Term Budget will seek to achieve a prudent balance between fiscal consolidation, economic growth, service delivery, and development investment. Departments and Sector Working Groups will therefore be required to exercise strong prioritization and ensure that scarce public resources are allocated to programmes and projects that deliver the greatest measurable economic and social benefits to the residents of the County.

Annex 1: Revenue Projections for the FY 2027/28-2029/30 MTEF Period

	REVENUE ESTIMATES FY 2027/2028-2029/2030 (KShs)							
		FY 2025-2026		FY 2026-2027		FY 2027-2028	FY 2028-2029	FY 2029-2030
	Source of Revenue	Approved Supplementary 2	Actual Receipts	Adopted 2026 CFSP	Approved Estimates	2026 CBROP	Projections	Projections
	TOTAL REVENUE FROM NATIONAL GOVERNMENT	**16,052,790,717.0**	**15,474,173,516**	**15,783,540,865**	**16,577,595,223**	**16,139,498,647**	**16,414,645,852**	**16,555,184,529**
A	Equitable Share Allocation	13,071,817,986.0	13,071,817,986	13,240,133,217	13,509,437,586	13,914,720,481	14,053,867,686	14,194,406,363
B	**TOTAL COUNTY GOVERNMENT ADDITIONAL ALLOCATIONS**	**2,980,972,731.0**	**2,402,355,530**	**2,543,407,648**	**3,068,157,637**	**2,224,778,166**	**2,360,778,166**	**2,360,778,166**
	Schedule I. Allocations Additional Financed from National Governments Share of Revenue	**14,244,964.0**	**10,139,863.0**	**14,244,964**	**26,350,385**	**26,350,385**	**26,350,385**	**26,350,385**
1	Unconditional Additional allocations from Court Fines	4,105,101.0	-	4,105,101	2,444,183	2,444,183	2,444,183	2,444,183
2	Unconditional Additional allocations from Mineral Royalties	10,139,863.0	10,139,863	10,139,863	23,906,202	23,906,202	23,906,202	23,906,202
	Schedule II. Allocation Additional Financed from National Government's Share of Revenue	**348,005,624.0**	**133,368,422**	**94,680,000**	**697,346,528**	**102,467,057**	**102,467,057**	**102,467,057**
3	Conditional Grant for Road Maintenance Fuel Levy Fund	-		-	418,101,234	-	-	-
4	Conditional Grant for Industrial Park & Aggregation Centers Grant	133,368,422.0	133,368,422	-	-		-	-
5	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees		-	-	7,787,057	7,787,057	7,787,057	7,787,057
6	Conditional Grant for Community Health Promoters (CHPs)	94,680,000.0	-	94,680,000	94,680,000	94,680,000	94,680,000	94,680,000
7	Basic Salary Arrears for County Government Health workers	119,957,202.0		-	-		-	-
	Transition of Universal Health Coverage (UHC) Workers' Salary to Permanent and Pensionable Terms				176,778,237	-		
	Schedule III. Conditional Additional Allocations from Proceeds of Loans or Grants from Development partners	**2,618,722,143.0**	**2,258,847,245.0**	**2,434,482,684**	**2,344,460,724**	**2,095,960,724**	**2,231,960,724**	**2,231,960,724**
8	IDA (World Bank) Credit/Grant Building Resilient & Response Health Systems (BREHS)				52,110,399	52,110,399	52,110,399	52,110,399
9	IFAD- Aquaculture business development project ABDP	-	-	-	-	-	-	-
10	IDA (World bank) Financing Locally-Led Climate Action Program-County climate institutional support (FLLoCA-CCIS) Grant	11,000,000.0	11,000,000	11,000,000	11,000,000	-	11,000,000	11,000,000
11	IDA (World bank) Financing Locally-Led Climate Action Program-County climate Resilient Investment (FLLoCA-CCRI) Grant	125,000,000.0	-	125,000,000	125,000,000	-	125,000,000	125,000,000
12	IDA (World Bank) Second Kenya Devolution Support Program-Institutional Grant (Level 1 Grant) (KDSP)	37,500,000.0	70,503,589	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000
13	IDA (World Bank) Second Kenya Devolution Support Program-Service Delivery & Investment grant (Level 2 Grant) (KDSP)	352,500,000.0	124,354,121	352,500,000	352,500,000	240,000,000	240,000,000	240,000,000
14	IDA (World Bank) credit - Kenya Urban Support Project (KUSP)-Urban institutional Grant (UIG)	35,000,000.0	26,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
15	IDA (World Bank) Second Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)	1,605,239,643.0	1,605,239,643	1,611,152,325	1,611,152,325	1,611,152,325	1,611,152,325	1,611,152,325

	REVENUE ESTIMATES FY 2027/2028-2029/2030 (KShs)							
		FY 2025-2026		FY 2026-2027		FY 2027-2028	FY 2028-2029	FY 2029-2030
	Source of Revenue	Approved Supplementary 2	Actual Receipts	Adopted 2026 CFSP	Approved Estimates	2026 CBROP	Projections	Projections
16	IDA (World bank) National Agricultural Value Chain Development Project (NAVCDP)	231,250,000.0	230,289,401	231,250,000	105,000,000	105,000,000	105,000,000	105,000,000
17	DANIDA - Primary Health Care in Devolved Context (PHDC)	21,232,500.0	15,198,000	15,198,000	15,198,000	15,198,000	15,198,000	15,198,000
18	World Bank credit: Kenya Informal Settlement Improvement Project (KISIP II)	200,000,000.0	176,262,491	-	-			
19	Sweden- Kenya Agricultural Business Development Project (KABDP)	-	-	15,882,359	-			
C	**Other County Revenue**	**1,213,739,096.0**	**1,213,739,096.0**	**-**	**-**	**-**	**-**	**-**
20	Adjustment to cash Basis (CRF Closing balances)	83,401.0	83,401	-	-		-	-
21	FLLoCA- SPA Closing Bal.	158,632,515.0	158,632,515	-	-			
22	SPAs closing Balances	521,551,862.0	521,551,862	-	-			
23	Nutrition International SPA Closing Bal.	1,824,150.0	1,824,150	-	-		-	-
24	FIF Closing Balances b/f	531,647,168.0	531,647,168					
D	**Own Source Revenue**	**9,934,222,680**	**6,000,097,668**	**8,348,791,626**	**8,590,114,950**	**8,684,763,849**	**8,771,611,488**	**8,815,469,545**
25	Physical Planning Management Unit	2,071,820,188.0	1,066,812,041	1,630,504,740	1,713,278,362	1,743,654,631	1,761,091,177	1,769,896,633
26	Business Permit Management Unit	923,084,637.0	483,639,798	471,795,120	540,802,698	540,802,698	546,210,725	548,941,779
27	Cess Management Unit	211,171,166.0	133,650,038	164,256,623	172,959,539	172,959,539	174,689,134	175,562,580
28	Education Culture ICT & Social Services Unit	14,471,232.0	2,071,655	9,786,507	14,471,232	14,471,232	14,615,944	14,689,024
29	Housing Management Unit	46,163,565.0	19,389,571	37,104,867	66,163,565	66,163,565	66,825,201	67,159,327
30	Land Rates Management Unit	1,683,797,097.0	838,399,516	1,745,948,518	1,676,550,506	1,676,550,506	1,693,316,011	1,701,782,591
31	Administration	35,089,122.0	11,924,523	36,704,360	35,089,122	35,089,122	35,440,013	35,617,213
32	Roads Transport Public Works Management Unit	332,770,011.0	173,700,045	188,608,102	210,652,187	210,652,187	212,758,709	213,822,502
33	Slaughterhouse Management Unit	92,549,997.0	51,547,532	96,802,991	-	51,547,532	52,063,008	52,323,323
34	Agriculture Livestock & Fisheries Management Unit	87,938,163.0	36,480,942	12,337,891	180,488,160	180,488,160	182,293,042	183,204,507
35	Trade, Tourism and Market Management	49,930,316.0	8,878,140	20,939,701	55,529,430	55,529,430	56,084,724	56,365,148
36	Cooperatives Unit	9,272,850.0	684,350	9,698,549	9,272,850	9,272,850	9,365,579	9,412,406
37	Market Management Unit	105,599,114.0	12,725,098	110,446,610	-	12,725,098	12,852,349	12,916,611
38	Youth and Sports	5,827,445.0	936,000	6,094,728	5,827,445	5,827,445	5,885,719	5,915,148
39	Vehicle Parking Management Unit	714,464,837.0	351,185,151	629,748,332	645,760,741	645,760,741	652,218,348	655,479,440
40	Water Environment & Natural Resources Mgt Unit	373,957,976.0	177,339,206	212,063,117	270,404,411	270,404,411	273,108,455	274,473,997
41	Liquor management unit	464,465,146.0	297,901,779	365,950,870	381,014,884	381,014,884	384,825,033	386,749,158

	REVENUE ESTIMATES FY 2027/2028-2029/2030 (KShs)							
		FY 2025-2026		FY 2026-2027		FY 2027-2028	FY 2028-2029	FY 2029-2030
	Source of Revenue	**Approved Supplementary 2**	**Actual Receipts**	**Adopted 2026 CFSP**	**Approved Estimates**	**2026 CBROP**	**Projections**	**Projections**
	Health Services Management Unit	**2,711,849,818**	**2,332,832,282**	**2,600,000,000**	**2,611,849,818**	**2,611,849,818**	**2,637,968,316**	**2,651,158,158**
42	Public Health	511,849,818.0	318,537,750	500,000,000	511,849,818	511,849,818	516,968,316	519,553,158
43	Hospital Collections (FIF)	800,000,000.0	689,940,208	1,300,000,000	800,000,000	800,000,000	808,000,000	812,040,000
44	NHIF/SHA Rebates	1,400,000,000.0	1,324,354,324	800,000,000	1,300,000,000	1,300,000,000	1,313,000,000	1,319,565,000
	TOTAL REVENUE	**27,200,752,493**	**22,688,010,280**	**24,132,332,491**	**25,167,710,173**	**24,824,262,496**	**25,186,257,340**	**25,370,654,074**

Annex II: Expenditure Projections for the FY 2027/28-2029/30 MTEF Period –

SUMMARY OF EXPENDITURE BUDGET ESTIMATES FY 2026/2027-2028/2029							
		FY 2025-2026	FY 2026-2027		FY 2027-2028	FY 2028/2029	FY 2029/2030
Vote No.	Department/Vote Title	Approved Supplementary 2 Estimates	Adopted 2026 CFSP Ceiling	Approved Estimates	CBROP, 2026	Projections	
	Recurrent Expenditure						
4061	County Assembly	1,507,967,268	1,283,843,597	1,375,843,597.0	1,325,843,597.0	1,325,843,597.0	1,325,843,597.0
4062	County Executive	565,333,038	530,000,000	530,000,000.0	595,809,074.0	601,767,164.7	604,776,000.6
4063	County Public Service Board	86,111,896	90,000,000	90,000,000.0	93,000,000.0	93,930,000.0	94,399,650.0
4064	Finance, Economic Planning & ICT	1,795,781,897	1,600,000,000	1,600,000,000.0	1,619,000,000.0	1,635,190,000.0	1,643,365,950.0
4067	Water, Environment, Energy & Natural Resources	657,890,423	565,800,000	565,800,000.0	585,000,000.0	590,850,000.0	593,804,250.0
4068	Health Services	7,797,344,710	7,209,878,000	7,438,766,636.0	7,400,000,000.0	7,474,000,000.0	7,511,370,000.0
4073	Roads, Transport & Public Works	802,101,615	745,000,000	745,000,000.0	750,000,000.0	757,500,000.0	761,287,500.0
4075	Administration & Public Service	1,045,402,375	1,183,051,710	1,183,051,710.0	1,055,000,000.0	1,065,550,000.0	1,070,877,750.0
4077	Agriculture, Livestock & Cooperatives	585,038,917	488,806,691	688,806,691.0	710,000,000.0	717,100,000.0	720,685,500.0
4078	Education, Gender, Culture & Social Services	1,454,599,029	1,500,050,168	1,586,050,168.0	1,590,000,000.0	1,605,900,000.0	1,613,929,500.0
4079	Youth Affairs, Sports & Communication	186,959,034	195,000,000	195,000,000.0	200,000,000.0	202,000,000.0	203,010,000.0
4080	Lands, Housing, Physical Planning- MAUD	439,534,243	400,000,000	407,787,057.0	415,000,000.0	419,150,000.0	421,245,750.0
4081	Trade, Tourism, Industry & Investment	209,289,209	190,000,000	190,000,000.0	195,770,000.0	197,727,700.0	198,716,338.5
	Total Recurrent	**17,133,353,654**	**15,981,430,166.0**	**16,596,105,859.0**	**16,534,422,671.0**	**16,686,508,461.7**	**16,763,311,786.1**
	Development Expenditure						
4061	County Assembly	131,208,201	100,000,000	100,000,000.0	-	-	-
4062	County Executive	-	-	-	-	-	-
4063	County Public Service Board	-	-	-	-	-	-
4064	Finance, Economic Planning & ICT	42,745,000	200,000,000	200,000,000.0	200,000,000.0	219,258,436.0	244,046,941.4
4067	Water, Environment, Energy & Natural Resources	815,589,672	497,500,000	497,500,000.0	500,000,000.0	515,000,000.0	520,150,000.0
4068	Health Services	1,496,205,603	700,000,000	750,000,000.0	1,000,000,000.0	1,030,000,000.0	1,040,300,000.0
4073	Roads, Transport & Public Works	2,232,745,980	2,394,500,000	2,812,601,234.0	2,340,000,000.0	2,410,200,000.0	2,434,302,000.0
4075	Administration & Public Service	410,770,767	422,500,000	422,500,000.0	322,000,000.0	331,660,000.0	334,976,600.0

SUMMARY OF EXPENDITURE BUDGET ESTIMATES FY 2026/2027-2028/2029							
		FY 2025-2026	FY 2026-2027		FY 2027-2028	FY 2028/2029	FY 2029/2030
Vote No.	Department/Vote Title	Approved Supplementary 2 Estimates	Adopted 2026 CFSP Ceiling	Approved Estimates	CBROP, 2026	Projections	
4077	Agriculture, Livestock & Cooperatives	705,419,109	681,250,000	618,852,489.0	701,687,500.0	722,738,125.0	729,965,506.3
4078	Education, Gender, Culture & Social Services	1,081,122,860	667,000,000	667,000,000.0	600,000,000.0	618,000,000.0	624,180,000.0
4079	Youth Affairs, Sports & Communication	169,500,000	200,000,000	214,998,266.0	330,000,000.0	339,900,000.0	343,299,000.0
4080	Lands, Housing, Physical Planning- MAUD	2,147,526,244	1,746,152,325	1,746,152,325.0	1,696,152,325.0	1,687,885,632.8	1,704,764,489.1
4081	Trade, Tourism, Industry & Investment	836,553,025	542,000,000	542,000,000.0	600,000,000.0	625,106,684.0	631,357,750.8
	Total Development	**10,069,386,461**	**8,150,902,325.0**	**8,571,604,314.0**	**8,289,839,825.0**	**8,499,748,877.8**	**8,607,342,287.5**
	Total Recurrent Development	**27,202,740,115**	**24,132,332,491.0**	**25,167,710,173.0**	**24,824,262,496.0**	**25,186,257,339.5**	**25,370,654,073.6**

Annex III: Medium Term Expenditure Framework by Programme FY 2027/2028-2029/2030

Department Ceilings by Programmes for the FY 2027/28-2029/30 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	FY 2026-2027		FY 2027/2028		FY 2028/2029		FY 2028/2029	
							Projections			
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
4061		**County Assembly**	**1,375,843,597**	**100,000,000**	**1,325,843,597**	**-**	**1,325,843,597**	**-**	**1,325,843,597**	**-**
	0706004060	General Administration, Planning and Support Services	584,343,597	100,000,000	534,343,597	-	534,343,597	-	534,343,597	-
	0701004060	Legislation, oversight of county Government	651,000,000	-	651,000,000	-	651,000,000	-	651,000,000	-
	0707004060	Representation Services	140,500,000	-	140,500,000	-	140,500,000	-	140,500,000	-
4062		**County Executive**	**530,000,000**	**-**	**595,809,074**	**-**	**601,767,165**	**-**	**604,776,001**	**-**
	0706004060	General Administration, Planning and Support Services	470,000,000	-	525,809,074	-	531,067,165	-	533,722,501	-
	0711004060	Government Advisory Services	60,000,000	-	70,000,000	-	70,700,000	-	71,053,500	-
4063		**County Public Service Board**	**90,000,000**	**-**	**93,000,000**	**-**	**93,930,000**	**-**	**94,399,650**	**-**
	0715004060	Human Resource Management and Development Services	90,000,000	-	93,000,000	-	93,930,000	-	94,399,650	-
4064		**Finance, Economic Planning & ICT**	**1,600,000,000**	**200,000,000**	**1,619,000,000**	**200,000,000**	**1,635,190,000**	**219,258,436**	**1,643,365,950**	**244,046,941**
	0706004060	General Administration, Planning and Support Services	1,040,000,000	-	1,050,000,000	-	1,060,500,000	-	1,065,802,500	-
	0712004060	Public Finance Management Services	490,000,000	40,000,000	419,000,000	30,000,000	423,190,000	44,158,436	425,305,950	51,162,945
	0713004060	ICT Services	70,000,000	160,000,000	150,000,000	170,000,000	151,500,000	175,100,000	152,257,500	192,883,996
4067		**Water, Environment Energy & Natural Resources**	**565,800,000**	**497,500,000**	**585,000,000**	**500,000,000**	**590,850,000**	**515,000,000**	**593,804,250**	**520,150,000**
	1002004060	Administration, Planning and support services	548,500,000	-	578,500,000	-	584,285,000	-	587,206,425	-
	0109004060	Water Resources Management and Sanitation services	-	200,000,000	-	250,000,000	-	257,500,000	-	260,075,000
	0110004060	Natural Resources, Forest Conservation and Management	1,300,000	10,000,000	1,500,000	15,000,000	1,515,000	15,450,000	1,522,575	15,604,500
	0111004060	Environmental Management and compliance	-	50,000,000	-	135,000,000	-	139,050,000	-	140,440,500
		WARD PROJECTS	-	14,500,000	-	-	-	-	-	-
	011204060	Climate Change Mitigation and Adaptation	16,000,000	223,000,000	5,000,000	100,000,000	5,050,000	103,000,000	5,075,250	104,030,000
4068		**Health Services**	**7,438,766,636**	**750,000,000**	**7,400,000,000**	**1,000,000,000**	**7,474,000,000**	**1,030,000,000**	**7,511,370,000**	**1,040,300,000**
	0402004060	Administration, Planning and Support Services	5,038,355,054	-	5,000,000,000	-	5,050,000,000	-	5,075,250,000	-
	0401004060	Curative and Preventive health care services	300,411,582	-	300,000,000	-	303,000,000	-	304,515,000	-
	0404004060	Curative and rehabilitative Health Services	2,100,000,000	750,000,000	2,100,000,000	1,000,000,000	2,121,000,000	1,030,000,000	2,131,605,000	1,040,300,000
	0405004060	County Pharmaceutical Services	-	-	-	-	-	-	-	-
4073		**Roads, Transport Public Works & Utilities**	**745,000,000**	**2,812,601,234**	**750,000,000**	**2,340,000,000**	**757,500,000**	**2,410,200,000**	**761,287,500**	**2,434,302,000**
	0202004060	Administration, Planning and Support Services	745,000,000	300,000,000	750,000,000	300,000,000	757,500,000	309,000,000	761,287,500	312,090,000
	0203004060	Infrastructure Development and Maintenance	-	2,482,601,234	-	2,000,000,000	-	2,060,000,000	-	2,080,600,000

Department Ceilings by Programmes for the FY 2027/28-2029/30 MTEF Period (KShs)										
Vote No.	Programme Code	Sector/Department Name & Programmes	FY 2026-2027		FY 2027/2028		FY 2028/2029		FY 2028/2029	
							Projections			
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
	0204004060	Energy, Disaster Management, Fire, Safety and Rescue	-	30,000,000	-	40,000,000	-	41,200,000	-	41,612,000
4075		**Administration & Public Service**	**1,183,051,710**	**422,500,000**	**1,055,000,000**	**322,000,000**	**1,065,550,000**	**331,660,000**	**1,070,877,750**	**334,976,600**
	0706004060	General Administration, Planning and Support Services	1,123,051,710	392,500,000	995,000,000	292,000,000	1,004,950,000	300,760,000	1,009,974,750	303,767,600
	0714004060	Alcoholic Drinks Control and Rehabilitation	30,000,000	30,000,000	30,000,000	30,000,000	30,300,000	30,900,000	30,451,500	31,209,000
	0715004060	Human Resource Management and Development Services	30,000,000	-	30,000,000	-	30,300,000	-	30,451,500	-
4077		**Agriculture, Livestock & Cooperative Development**	**688,806,691**	**618,852,489**	**710,000,000**	**701,687,500**	**717,100,000**	**722,738,125**	**720,685,500**	**729,965,506**
	0113004060	Administration, Planning and Support Services	418,806,691	-	380,000,000	-	383,800,000	-	385,719,000	-
	0106004060	Crop Development, Irrigation and Marketing services	-	388,852,489	50,000,000	464,787,500	50,500,000	478,731,125	50,752,500	483,518,436
	0107004060	Livestock and Fisheries Development and Management	30,000,000	200,000,000	40,000,000	206,000,000	40,400,000	212,180,000	40,602,000	214,301,800
	0108004060	Co-operative Development and Management	240,000,000	30,000,000	240,000,000	30,900,000	242,400,000	31,827,000	243,612,000	32,145,270
4078		**Education, Gender, Culture & Social Services**	**1,586,050,168**	**667,000,000**	**1,590,000,000**	**600,000,000**	**1,605,900,000**	**618,000,000**	**1,613,929,500**	**624,180,000**
	0502004060	General Administration, Planning and Support Services	1,040,050,168	-	1,043,050,168	-	1,053,480,670	-	1,058,748,073	-
	0503004060	Pre-Primary education, Vocational Education and Training	306,000,000	612,000,000	306,949,832	540,000,000	310,019,330	556,200,000	311,569,427	561,762,000
	0504004060	Culture, Gender and Social Services Development	240,000,000	55,000,000	240,000,000	60,000,000	242,400,000	61,800,000	243,612,000	62,418,000
4079		**Youth Affairs, Sports & Communication**	**195,000,000**	**214,998,266**	**200,000,000**	**330,000,000**	**202,000,000**	**339,900,000**	**203,010,000**	**343,299,000**
	0903004060	General Administration, Planning and Support Services	90,000,000	-	92,000,000	-	92,920,000	-	93,384,600	-
	0904004060	Youth Empowerment	25,000,000	-	25,600,000	50,000,000	25,856,000	51,500,000	25,985,280	52,015,000
	0905004060	Sports	55,000,000	214,998,266	56,650,000	280,000,000	57,216,500	288,400,000	57,502,583	291,284,000
	0906004060	Communication	25,000,000	-	25,750,000	-	26,007,500	-	26,137,538	-
4080		**Lands, Housing Physical Planning Municipal Administration & Urban Development**	**407,787,057**	**1,746,152,325**	**415,000,000**	**1,696,152,325**	**419,150,000**	**1,687,885,633**	**421,245,750**	**1,704,764,489**
	0104004060	General Administration & support services	265,000,000	-	268,162,943	-	270,844,572	-	272,198,795	-
	0116004060	Land Use Management, Valuation & Rating and Physical Planning	15,000,000	35,000,000	15,450,000	35,000,000	15,604,500	36,050,000	15,682,523	36,410,500
	0114004060	Housing and Community Development	7,787,057	50,000,000	7,787,057	30,000,000	7,864,928	30,900,000	7,904,252	31,209,000
	0115004060	Urban Areas Development and Administration	120,000,000	1,661,152,325	123,600,000	1,631,152,325	124,836,000	1,620,935,633	125,460,180	1,637,144,989

Department Ceilings by Programmes for the FY 2027/28-2029/30 MTEF Period (KShs)											
Vote No.	Programme Code	Sector/Department Name & Programmes	FY 2026-2027		FY 2027/2028		FY 2028/2029		FY 2028/2029	
							Projections			
			Recurrent	Development	Recurrent	Development	Recurrent	Development	Recurrent	Development
4081		**Trade, Industrialization Tourism & Investment**	**190,000,000**	**542,000,000**	**195,770,000**	**600,000,000**	**197,727,700**	**625,106,684**	**198,716,339**	**631,357,751**
	0306004060	Administration, Planning and Support Services	190,000,000	-	195,770,000	-	197,727,700	-	198,716,339	-
	0302004060	Trade Development and Promotion	-	400,000,000	-	455,000,000	-	475,756,684	-	480,514,251
	0303004060	Industrial and Entrepreneurship Development	-	104,000,000	-	100,000,000	-	103,000,000	-	104,030,000
	0304004060	Tourism Development and Promotion	-	25,000,000	-	30,000,000	-	30,900,000	-	31,209,000
	0305004060	Investment Development and Promotion	-	13,000,000	-	15,000,000	-	15,450,000	-	15,604,500
		Totals	**16,596,105,859**	**8,571,604,314**	**16,534,422,671**	**8,289,839,825**	**16,686,508,462**	**8,499,748,878**	**16,763,311,786**	**8,607,342,288**
		Recurrent to Development Ratio	**65.9**	**34.1**	**66.6**	**33.4**	**66.3**	**33.7**	**66.1**	**33.9**

Annex IV: Kiambu County Budget Calendar FY 2026-2027

	Activity	Responsibility	Timeline
1.	**Develop and Issue FY 2027/2028 Budget Preparation Guidelines**	County Treasury	By 30th August, 2026
2.	**Launch of the FY 2027-2028 & Medium-Term Budget Process**	County Treasury	By 31st August, 2026
3.	**Consolidation and Submission of ADP 2027/2028 to County Assembly**	County Treasury	By 1st September, 2026
4.	**Undertake Strategic Plans and Programme Expenditure Reviews (PPR)**	Departments/SWGs/ Accounting officers	2nd September, 2026
	3.1 Review and update of strategic plans		"
	3.2 Review of programme outputs and outcomes		"
	3.3 Review of expenditure for the period 2023/24-2025/26		"
	3.4 Review and approval of projects for FY 2027/28		"
5.	**Development of Medium-Term Budget Framework**		
	5.1 Estimation of Resource Envelope	County Treasury	8th September, 2026
	5.2 Determination of policy priorities	County Treasury	"
	5.3 Preliminary Resource Allocation to sectors/Departments	County Treasury	"
	5.4 Draft County Budget Review and Outlook Paper (2026 CBROP)	County Treasury	"
	5.5 Submission of County Budget Review and Outlook Paper the County Executive Committee	County Treasury	30th September, 2026
	5.6 Approval of CBROP by County Executive Committee	County Treasury	14th October, 2026
	5.7 Submission of Approved CBROP to the County Assembly	County Treasury	By 21st October, 2026
6.	**Preparation of Sector Budget Proposals**		
	6.1 Draft of Sector Budget proposals	Departments/SWGs / Accounting officers	19th October, 2026
	6.2 Hold Public sector Hearing		"
	6.3 Review & Incorporation of stakeholder inputs in the sector budget proposal		"
	6.4 Submission of Sector Budget Proposals to County Treasury		2nd November, 2026
	6.5 Review and consultation on submitted sector Budget Proposals with CECMs & COs	County Treasury	9th – 13th November, 2026
7.	**Draft of County Fiscal Strategy Paper (CFSP)**		
	7.1 Draft 2027 CFSP	County Treasury	16th November, 2026
	7.2 Consultative meeting with County Executive committee on sector proposals & Draft CFSP		11th January 2027
	7.3 Public participation on 2027 CFSP & MTEF budget		3rd February 2027
	7.4 Presentation of County Fiscal Strategy Paper to County Budget and Economic Forum (CBEF)		8th February 2027
	7.5 Submission of 2027 CFSP to County Executive Committee for approval		12th February 2027
	7.6 Submission of 2027 CFSP to County Assembly		28th February, 2027
8.	**Preparation and approval of Final Budgets FY 2027/2028**		
	8.1 Develop & Issue Final Guidelines on Preparation of 2027/2028 MTEF Budget	County Treasury	5th March, 2027
	8.2 Submission of Budget Proposals to County Treasury	All Departments	15th March, 2027
	8.3 Consolidation of Draft Budget Estimates	County Treasury	30th March, 2027
	8.4 Submission of Draft Budget Estimates to County Executive committee for approval		10th April, 2027
	8.5 Submission of Draft Budget Estimates to County Assembly		30th April, 2027
	8.6 Submission of 2027 Finance Bill		"
	8.7 Consolidation of Final Budget Estimates		"
	8.8 Submission of Appropriation Bill to Assembly		20th June, 2027
9.	Appropriation Bill Passed	County Assembly	30th June, 2027
10.	Finance Bill Passed	County Assembly	30th June, 2027