



COUNTY GOVERNMENT OF NAKURU

PUBLIC ADMINISTRATION, NATIONAL INTERNATIONAL RELATIONS SECTOR

COUNTY TREASURY

SUB SECTOR REPORT

MTEF 2023/2024 – 2025/2026

JANUARY 2023

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ABBREVIATIONS

ADP	Annual Development Plan
AGPO	Access to Government Procurement Opportunities
AIA	Appropriation in Aid
ASB	Accounting Standards Board
CBEF	County Budget Economic Forum
CBOs	Community Based Organisations
CBROP	County Budget Review and Outlook Paper
CIDP	County Integrated Development Plan
COB	Controller of Budget
COMEC	County Monitoring and Evaluation Committee
COVID	Corona Virus Disease
CRA	Commission of Revenue Allocation
CSFP	County Fiscal Outlook Paper
FBOs	Faith based Organisations
FY	Financial Year
ICT	Information Communication Technology
IFMIS	Integrated Financial Information System
KDSP	Kenya Devolution Support Programme
KPI	Key Performance Indicator
M&E	Monitoring and Evaluation
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTR	Medium Term Review
NGO	Non – Governmental Organization
OCOB	Office of the Controller of Budget
PBB	Programme Based Budget
PFM	Public Financial Management
PGH	Provincial General Hospital

PPADA	Public Procurement and Disposal Act
PPP	Public Private Partnerships
PPRA	Public Procurement Regulatory Authority
PWD	Persons with Disabilities
SCOMECS	Sub-County County Monitoring and Evaluation Committee
SRC	Salaries and Remuneration Commission

EXECUTIVE SUMMARY

This is a report of the County Treasury, a subsector within the Public Administration and Internal Relations sector whose mandates are prescribed in the Public Finance Management Act 2012. Chapter One highlights the subsector's background information, the mandates, programmes and the objectives.

Chapter two of this document gives a highlight of the subsector's achievements and financial expenditure for the MTEF period 2019/20 to FY 2021/22. The subsector was able to promote capacity development for its staff, adhered to the legal framework governing budget formulation with Budget Circular, CBROP, CFSP, Finance Bill and MTEF being prepared and submitted within the stipulated timelines, and coordinated preparation of the County Statistical Abstract 2022. The Sub sector reconstituted and operationalized the Monitoring and Evaluation Committee among other achievements as further detailed in the chapter. Cumulatively the County mobilised Ksh 8.52 billion as Own Source Revenues against a target of 9.41 billion representing an achievement rate of 90% in the period between FY 2019/20 to FY 2021/22. The mixed results in underperformance across the functional areas was significantly affected by the effects of COVID19 pandemic to the economy.

Chapter three details the subsector's planned programme outputs and financial plans for the MTEF period 2023/2024-2025/26 with the aim of sustaining gains from its previous performance. The County Treasury continues prioritising the completion of the County Treasury office block which is expected to accommodate all its Directorates bringing a "one stop shop" for all County Treasury Services. The Sub- Sector also aims at strengthening management and usage of funds to ensure prudence in financial management and reporting. Further the Sub- Sector seeks to empower its' staff by according them opportunities to attend long and short-term courses to enhance their skills and empower them in performance of their duties. Going forward, and in the view of

prioritizing on the next Medium Term Expenditure Framework (MTEF), the County Treasury Sub- Sector intends to establish and operationalize a statistical unit, prepare and adopt a County Investment Plan (CIP), prepare the County Indicator Handbook, operationalize the debt management unit, complete the automation of the revenue system as well as carrying on with revenue mapping so as to increase the amount of revenue collected.

The Subsector resource requirement during the FY 2023/24 is Ksh 1.362 billion compared to the allocation of Ksh 1.01 billion. This translates to a resource shortfall of Ksh 360 million of the requirements for the Financial Year 2023/24.

The subsector faces a number of challenges that include but are not limited to; delays in exchequer release, inadequate infrastructure, system challenges, ballooning wage bill, ageing workforce effects of COVID 19 pandemic, the Russia-Ukraine war that began in 2022 sparked disruptions in global supply chains and higher rates of inflation. The economic impacts associated with the war have been dire. These challenges hamper effective implementation towards the subsector's execution of its mandates. To address these challenges, the subsector intends to further institutionalize planning and continue to encourage linkage between planning and implementation of programmes/projects in the county entities, through the COMEC, and shall continue carrying out regular monitoring and evaluation activities throughout the County. The subsector will aim to foster partnerships with development partners to boost the County's resource shortfall which included but are not limited to capital and human resource requirements. Overall, the County Treasury will continue to adhere to fiscal responsibility principles as set out in section 107 of the PFM Act 2012. Focus will also be made to leverage on increasing the Own Source Revenues.

CHAPTER ONE

1.0 Introduction

This is a report of the County Treasury, a subsector within the Public Administration and International Relations sector. In Nakuru County, the sector comprises of seven other subsectors including; Office of the Governor and Deputy Governor, County Assembly, County Public Service Board, Public Service Training and Devolution, Nakuru city, Naivasha Municipal and the Office of the County Attorney.

The report highlights the County Treasury's performance for the MTEF period 2019/20 – 2021/22 and presents the sub-sector's priority plans for the MTEF period 2023/24 – 2025/26. Further, it presents the challenges faced during the review period, emerging issues and recommendations for the incoming MTEF period.

The Sub-Sector Report, however, has various limitations, which include: presentation of provisional expenditure figures for the period FY 2021/2022 since they are not drawn from audited financial statements.

1.1 Background

The establishment, composition, roles and responsibilities are espoused by the PFM Act 2012 which also lists the main function that the County Treasury is expected to carry out as to monitor, evaluate and oversee the management of public finances and economic affairs of the County Government. The County Treasury is further mandated to coordinate the preparation of the annual budgets; guide and control implementation of the same. Other obligations include; management of County public debt; mobilization of County financial resources for budget needs both locally and externally; preparation of financial statements as well as being the custodian of government assets; developing and implementing financial & economic policies in the County; providing leadership in County in the acquisition and disposal of public assets.

The County Treasury Subsector is comprised of three departments headed by three Chief officers namely:

- Finance
- Economic Planning
- External Resource Mobilisation

1.2 Sector Vision and Mission

Vision

Excellence in public policy and human resource management, resource mobilization, governance and national relations

Mission

To provide overall policy, leadership and oversight in economic and, public service delivery and resource mobilization.

1.3 Strategic Goals/Objectives of the Sector

- i. Provide overall policy and leadership direction for county prosperity;
- ii. Promote prudent economic, financial and fiscal management for growth and economic stability;
- iii. Promote good governance and accountability in the management of public affairs at the County;
- iv. Provide quality, efficient, effective, results based and ethical public services;
- v. Promote a competitive business environment and public private partnership
- vi. Promote public policy formulation, planning, coordination, implementation, monitoring and evaluation of public projects for economic development;
- vii. Attract, retain and develop competent human resource and deepen Public Service reforms for national competitiveness and transformation;

- viii. Strengthen legislation and oversight over public agencies and promote good governance;
- ix. Promote harmony, equity and fair remuneration for attraction and retention of skilled staff in the public service;
- x. To foster economic, socio and environmental well-being of the Municipality residents in a cost-effective manner, while promoting cultural diversity.

1.4 County Treasury Mandates

The County Treasury draws its mandate from Section 104 of the Public Finance Management Act 2012. In accordance to the Act, the County Treasury shall monitor, evaluate and oversee the management of public finances and economic affairs of the county government including;

- a. Developing and implementing financial and economic policies in the County;
- b. Coordinating the preparation of estimates of revenue and expenditure of the County Government;
- c. Preparation and coordinating the implementation of the County budget;
- d. Mobilizing resources for funding the budgetary requirements of the County Government and putting in place mechanisms to raise revenue and resources;
- e. Managing the County Government's public debt and other obligations and developing a framework of debt control for the County;
- f. Consolidating the annual appropriation accounts and other financial statements of the County Government in a format determined by the Accounting Standards Board;
- g. Custodian of the inventory of the County Government's assets except where provided otherwise by other legislation or the Constitution;

- h. Ensuring compliance with accounting standards prescribed and published by the Accounting Standards Board from time to time;
- i. Ensuring proper management and control of, and accounting for the finances of the county government and its entities in order to promote efficient and effective use of the county's budgetary resources;
- j. Maintaining proper accounts and other records in respect of the County Revenue Fund, the County Emergencies Fund and other public funds administered by the County Government;
- k. Monitoring the County Government's entities to ensure compliance with the PFM Act and effective management of their funds, efficiency and transparency and, in particular, proper accountability for the expenditure of those funds;
- l. Assisting County Government entities in developing their capacity for efficient, effective and transparent financial management, upon request
- m. Providing the National Treasury with information which it may require to carry out its responsibilities under the Constitution and the PFM Act;
- n. Issuing circulars with respect to financial matters relating to county government entities;
- o. Advising the county government entities, the County Executive Committee and the County Assembly on financial matters;
- p. Strengthening financial and fiscal relations between the National Government and County Governments in performing their functions;
- q. Reporting regularly to the County Assembly on the implementation of the annual County budget; and
- r. Taking any other action to further the implementation of the PFM Act in relation to the County.

1.5 Role of Sector Stakeholders

To achieve its mandate, the County Treasury works with various stakeholders who have an interest or are affected by the implementation of sub-sector programmes. These stakeholders are from the national government and County levels of government, the private sector, members of the public and development partners. The following matrix maps out the sub-sector's stakeholders their role, relevant interests within the sub sector and the expected outcomes.

STAKEHOLDER	ROLE OF THE STAKEHOLDER	INTEREST IN THE SUB-SECTOR	EXPECTED OUTCOME
General Public	<ul style="list-style-type: none"> ▪ Public Participation ▪ Fulfilment of obligation/ requirements to access services ▪ Participate in budget preparation process. ▪ Highlight the project to be undertaken at ward level. ▪ Pinpoint areas where they believe there is wastage of public funds. 	<ul style="list-style-type: none"> ▪ Policy and leadership direction ▪ Improved service delivery ▪ Equitable resource distribution ▪ Transparency and accountability 	<ul style="list-style-type: none"> ▪ Good governance ▪ Inclusive and equitable socio-economic growth and development
Line County Departments	<ul style="list-style-type: none"> ▪ Ensure prudent use of financial resources ▪ Timely reporting ▪ Create an enabling environment for improved service delivery ▪ Proper documentation and maintenance of assets 	<ul style="list-style-type: none"> ▪ Prudent use of resources ▪ Transparency and accountability ▪ Provision of services efficiently, fairly and objectively ▪ Sharing of information on policy and legal frameworks for review 	<ul style="list-style-type: none"> ▪ Efficient and effective Public service delivery ▪ Socioeconomic growth ▪ Good governance
State Department and agencies (National treasury, CRA, Intergovernmental Committee, SRC, COB, Office of Auditor General,	<ul style="list-style-type: none"> ▪ Disbursement of funds in time to ensure smooth running of County programmes ▪ Drafting of financial policies and guarantee county borrowing. 	<ul style="list-style-type: none"> ▪ Policy, legal, and regulatory framework ▪ Clear policy guidelines ▪ Cordial relations ▪ Sharing of information on policy and legal frameworks for review 	<ul style="list-style-type: none"> ▪ Efficient and effective public service delivery ▪ Socioeconomic growth ▪ Good governance

STAKEHOLDER	ROLE OF THE STAKEHOLDER	INTEREST IN THE SUB-SECTOR	EXPECTED OUTCOME
Central Bank, ASB, State Department for Planning)	<ul style="list-style-type: none"> ▪ Roll out of the County budget in the IFMIS system. ▪ The OCOB approves the budget in time and guides the budget implementation process ▪ CRA develops effective revenue sharing formulas that guarantee equitable sharing of revenue ▪ Salary and Remuneration Commission implements policies that helps to reduce wage bill at the County ▪ Office of the Auditor General audits County expenditure ▪ ASB provides guidelines on the preparation of final financial statements ▪ The State Department for Planning provides policy guidelines in planning and M&E. 		
County Assembly	<ul style="list-style-type: none"> ▪ Timely approval of legislative bills including the Appropriation Bill and Finance Bill ▪ Budget implementation oversight ▪ Consultation, cooperation and collaboration 	<ul style="list-style-type: none"> ▪ Policy direction and guidance ▪ Equitable allocation and timely disbursement of resources ▪ Cordial relations 	<ul style="list-style-type: none"> ▪ Equitable growth and development ▪ Good governance
Private sector	<ul style="list-style-type: none"> ▪ Public Private Partnership ▪ Provision of funds for financing the budgetary deficit ▪ Increase public awareness 	<ul style="list-style-type: none"> ▪ Collaboration with the County under Public Private Partnership (PPP) 	<ul style="list-style-type: none"> ▪ Increased investment opportunities ▪ Sustainable economic growth and development

STAKEHOLDER	ROLE OF THE STAKEHOLDER	INTEREST IN THE SUB-SECTOR	EXPECTED OUTCOME
	<ul style="list-style-type: none"> ▪ Participate/guidance in drafting policies ▪ Participate in budget making process 		
Civil Society Organizations (NGOs/CBOs/FBOs)	<ul style="list-style-type: none"> ▪ Compliment and supplement the government in service delivery 	<ul style="list-style-type: none"> ▪ Prudent use of resources ▪ Improved service delivery ▪ Public participation in policy formulation and execution. ▪ Transparency and accountability 	Inclusive socio-economic growth and development.
Development Partners	<ul style="list-style-type: none"> ▪ Provision of financial and technical assistance 	<ul style="list-style-type: none"> ▪ Public service delivery ▪ Prudent use of resources ▪ Transparency and accountability 	<ul style="list-style-type: none"> ▪ Sustainable economic growth and development ▪ Good governance
CBEF	<ul style="list-style-type: none"> ▪ Coordination and collection of views from the public during the budgeting process. 	<ul style="list-style-type: none"> ▪ Public participation in policy formulation and execution. ▪ Transparency and accountability 	<ul style="list-style-type: none"> ▪ Inclusive socio-economic growth and development.
Professional Bodies	<ul style="list-style-type: none"> ▪ Promotion of code of ethics and professional standards 	<ul style="list-style-type: none"> ▪ Ethical and professional public service delivery 	<ul style="list-style-type: none"> ▪ Effective and efficient public service delivery
Suppliers	<ul style="list-style-type: none"> ▪ Supply goods and services 	<ul style="list-style-type: none"> ▪ Sufficient funds for payment of goods and services 	<ul style="list-style-type: none"> ▪ Excellent working relations; ▪ Timely payment for goods and services ▪ Transparency and accountability ▪ Prequalification of suppliers and contractors and tendering ▪ No pending bills

CHAPTER TWO

2.0 PROGRAMME PERFORMANCE REVIEW FOR THE MTEF PERIOD 2019/20-2021/22

Administration Planning and Support Programme

The main objective of this programme is to provide efficient and effective support services.

The programme involves formulation of policies, human resource, finance, the provision of information and ICT services related to IFMIS administration.

During the MTEF 2019/20 – 2021/22 the County Treasury under this programme completed 34 percent of the County Treasury building to increase office space for the County Treasury staff; provided capacity building opportunities for its' staff including training in budget preparation, financial reporting, Planning, Promotional courses such as Senior Management Course, Strategic Leadership Management Programme, Supervisory among others; Acquired a new revenue system CIFOMS to improve efficiency in revenue collection; and had all County departments using automated financial systems.

Further, under the programme the County Treasury recruited 91 staff consisting of economists, accountants and finance officers and recommended staff due for promotion so as to improve its Human resource productivity. The sub-sector also published all the County Treasury documents on the County's website in compliance with the requisite laws requiring publication and publicization of the documents.

Public Finance Management Programme

The County Treasury under this programme seeks to promote prudent financial management and internal controls to improve public finance management. This is done through providing internal controls, value for money in procurement, accounting for public finance spending, mobilization of own source revenue

and transparent allocation of funds through budgeting for effective and efficient service delivery by all County government entities.

During the MTEF period of 2019/20 – 2021/22 the sub-sector under this programme adhered to the legal framework and guidelines governing budget formulation with Budget Circular, CBROP, CFSP, Sector reports and Budget estimate; procurement with the annual procurement plan and quarterly procurement reports; public finance with the annual statement and quarterly financial reports;

Own source revenue collected by the subsector during the period under review including FIF was Ksh.2.44 and Ksh 2.82 billion and 3.23 billion for FY 2019/20, FY 2020/21, FY 2021/22 respectively translating to an average of 84.3 percent of targeted collection. The revenue collection for the financial period 2019/20 and 2020/21 was greatly affected by the containment measures put in place to reduce the spread of COVID 19. This included; restriction of movement, imposing dawn to dusk curfew, relocation of matatu stages and relocation of markets, closure of restaurants and bars. The Directorate of Internal Audit undertook and prepared risk based and value for money audit reports which are credited for strengthening internal control systems. The Directorate of Finance prepared annual financial statements in compliance with the PFM Act 2012, during the period. The County Treasury prepared annual budget estimates and submitted them County Assembly within the stipulated time. Other budget documents prepared and submitted included the CBROP & CFSP 2019, 2020 and 2021 respectively. The Directorate of Supply Chain Management prepared procurement plans. However, delays were experienced due to delay in budget approval.

Economic and Financial Policy Formulation and Management programme

The subsector under this programme provides a framework for the formulation, analysis and management of fiscal and monetary policies for the maintenance

of macroeconomic stability and accelerated growth. Three Annual Development Plans, Annual Progress reports and County debt management papers were prepared and submitted to the County Assembly and published with the aim of increasing access to information. The Economic Planning Directorate uploaded various statutory documents on the County's official website. During the FY 2020/21 the Mid Term Review of the CIDP 2018-2022 was conducted as per the guidelines provided by the State department of Planning. Further, monitoring and evaluation were carried out with the annual project report and quarterly M&E reports were prepared and submitted within the stipulated timeline.

The subsector under this programme also institutionalised planning by deploying planning officers in all the county departments. This is expected to greatly improve planning, budgeting and monitoring and evaluation activities in the county.

2.1 Review of Sector Programmes/Sub-Programmes/projects-Delivery of Outputs/ KPI/ targets

Table 1: Sector Programme Performance Reviews

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
Programme: Administration Planning and Support services									
Outcome: Effective and efficient support services									
S.P 1.1 Administration, planning and support services	Improved service delivery	No. of offices refurbished / renovated	4	2	1	-	2	1	Revenue offices at Old townhall renovated, Renovation works at county chambers ongoing
		Completion rate of county treasury office block	40	80	75	-	11	34	2 basements and ground floor done.
		No. of new sub county treasury offices constructed	2	2	1	-	-	-	There was no budgetary allocation.
	Improved Planning	Research and feasibility study reports	1	1	1	-	-	-	Studies not done
		Upload of planning, budgeting and policy documents to the County website	Continuous	Continuous	Continuous	Continuous	Continuous	Continuous	Done
S.P 1.2 Personnel Services	Improved human resource productivity	Compensation to employee	486	469	694	-	-	522	All employees compensated
		No of staff trained on short course programs.	300	300	250	-	122	115	COVID 19 restriction measures affected the achievement in 2019/20
		No of staff trained on long term course programs	20	20	20	-	1	4	COVID 19 restriction measures affected the achievement in 2019/20
S.P 1.3 financial services	Improved financial reporting	Percentage of departments using automated financial systems	50	75	100	100	100	100	All departments have onboarded IFMIS

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
	Increased revenue mobilization	Revenue automated system acquired	1	1	-	-	1	-	Revenue automated system already in place
		Percentage of sub counties using automated revenue system	-	85	90	75	85	85	The non-automation of some revenue systems such as in the collection of fishing related revenue hampered this. However, strategies are in place to automate all sources
PROGRAMME 2: PUBLIC FINANCE MANAGEMENT									
Outcome: Improved public finance management									
SP 2.1: Budget Formulation, Coordination and Management	Improved Programme Based Budgeting (PBB)	Number of officers trained in MTEF and PBB	190	190	-	56	50	77	Support from CEDGG in training ward and subcounty administrators
	Improved Public Participation	Number of stakeholders involved in budget preparation	2300	2300	-	1200	750	2239	Ward budget fora
		Number of public participation forums held	5	3	3	3	2	2	Ward budget fora and CFSP public participation meetings conducted
	Increased budgetary resources allocated towards development	Percentage of development expenditure to total budget	37	47	-	49.4	30	45	
	Legal and regulatory frameworks governing	Budget circular released	30 th Aug 2020	30 th Aug 2021	30 th Aug 2022	30 th Aug 2020	28 th Aug 2021	29 th Aug 2022	All documents submitted by the deadline
Budget Review and Outlook Paper submitted		30 th Sept 2020	30 th Sept 2021	30 th Sept 2022	30 th Sept 2020	30 th Sept 2021	30 th Sept 2022		

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
	formulation, preparation and implementation of budget adhered to	County Fiscal Strategy Paper submitted	28 th Feb 2020	28 th Feb 2021	28 th Feb 2022	27 th Feb 2020	25 th Feb 2021	24 th Feb 2022	
		Draft budget estimates and Sector Reports prepared and submitted	31 st Jan 2020	31 st Jan 2021	31 st Jan 2022	-	31 st Jan 2021	-	
		Budget estimates submitted to the County Assembly	30 th April 2020	30 th April 2021	30 th April 2022	30 th April 2020	30 th April 2021	12 th April 2022	
		Appropriation Bill submitted	30 th June 2020	30 th June 2021	-	30 th June 2020	30 th June 2021	-	
		Annual Cashflow submitted to Controller of Budget	15 th June 2020	15 th June 2021	-	15 th June 2020	15 th June 2021	-	
		Finance Bill submitted to County Assembly	30 th Sept	30 th Sept	30 th Sept	30 th Sept	30 th Sept	30 th Sept	
SP 2.2: Resource Mobilisation	Improved County Own Source Revenue	Amount of Revenue collected (Billions Ksh)	2.8	3.2	3.11	2.4	2.8	3.23	Licenses, Advertisement, and royalties overperformed
		Percentage of Revenue sources mapped	80	70	90	-	-	10	Mapping conducted only for businesses in Nakuru East and parts of Nakuru West
		Percentage of revenue sources automated	80	40	80	65	65	65	Building plans, reconciliation and monitoring & reporting modules still being done
		Number of Revenue Bills passed	6	2	5	-	3	-	Finance bill pending at County Assembly.
	Improved efficiency in revenue collection	No of offices furnished	10	10	-	-	-	-	Insufficient budgetary allocation
		No. of staff trained	50	50	50	-	-	2	Inadequate budget
		No of desktop computers	10	10	-	-	10	-	
		System Server backup	1	1	-	-	1	-	
		No. of Standby Generators	2	5	-	-	-	-	

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
		No. of vehicles acquired	2	4	5	-	-	-	
		No. of motorbikes acquired	6	6	11	-	-	-	
SP 2.3 Internal Audit	Improved internal audit controls	Audit automation system acquired	1	1	1	0	-	-	Hardware component acquired in 2020, software component in procurement.
		No. of licenses acquired (for Audit Management software)	31	31	31	2	2	2	Software acquisition in progress
		No. of audit reports developed and submitted to County Audit Committee and Chief Officer	4	4	4	4	4	4	Audit reports for Q4 FY 2020/21, Q1 FY 2021/22, Q2 FY 2021/22 and Q3 FY 2021/22 submitted.
		No of audit staff trained	30	30	30	-	26	25	
		Quarterly Audit committee meetings	4	4	4	4	4	2	More than 4 meetings held though last 2 quarterly meetings not held due to budgetary constraints
	Improved Staff working environment	Number of laptops/ desktops acquired	17	17	-	31	-	-	Not acquired due to budgetary constraints
		Number of furniture acquired	10	10	10	-	1	-	
		Number of vehicles acquired	2	1	1	1	-	-	
	SP 2.4 Procurement	Improved service delivery	No. of supply chain staff trained	30	30	-	30	45	30
No. of public sensitization fora on procurement held			4	4	-	2	2	1	Supplier sensitisation held in conjunction with National Govt
No of vehicles acquired			-	1	-	-	-	-	-

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
	AGPO implemented	No. of sensitization fora for special groups held	3	3	2		1	1	Conducted with the help of the national govt
		Rate of compliance to AGPO (30%)	100	100	100	100	100	100	Certificates are given by the National government.
	Enhanced compliance with PPADA (2015)	Annual procurement plans prepared	30 th Sept 2018	30 th Sept 2020	30 th Sept 2021	30 th Sept 2019	30 th Sept 2020	30 th Sept 2021	Done on time
		Number of procurements professional opinions prepared	100	100	-	100	100	900	Done on all procurements
		Quarterly reports to PPRA	4	4	-	4	4	4	-
	Improved record management	Supply chain management system acquired	-	-	-	-	-	-	National Govt system is the one in use
		Fire-proof filing cabinet acquired	2	2	-	-	-	-	Budgetary constraints
		Stock control register in place	1	1	-	-	-	-	
		Annual asset disposal undertaken	1	1	-	-	-	-	Lack of documentation of some assets in some cases
	SP 2.5: Public Finance & Accounting	Improved expenditure control and financial reporting	Quarterly financial reports prepared and submitted	4	4	4	4	4	4
Annual financial statements prepared			30 th Sept	30 th Sept	30 th Sept	30 th Sept	30 th Sept	30 th Sept	Annual Financial statements for FY 2020/21 prepared and submitted
No. of accounting staff trained			30	50	50	30	30	30	
No. of financial advisories on expenditure control issued to line departments			4	4	4	4	4	4	This is done continuously throughout the FY
Improved asset management		Preparation and updating of County Asset register	Continuous	Continuous	Continuous	Continuous	Continuous	Continuous	

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
		No of asset policies formulated	1	1	-	-	1	-	
		Valuation and insurance of assets reports	Annually	Annually	Annually	Annually	Annually	Annually	
		No of computers purchased	2	-	-	2	-	-	-
SP 2.6 Debt Management	Improved debt management	County Medium Term Debt Strategy Paper prepared and presented to County Assembly	28th Feb 2019	28th Feb 2021	28th Feb 2021	28th Feb 2020	28th Feb 2021	28th Feb 2022	-
		Debt resolution amount (Millions Ksh)	150	-	400		122.96	37.67	Some Departments didn't avail documents for processing
SP 2.7 External Resource Mobilisation	Enhanced Partnerships and donor financing	Operationalisation of the directorate	-	-	-	-	Jan 2020	-	Still operationalising
		Amount mobilized from donors (Ksh)	-	-	-	-	1,527,750	-	
		No of officers trained on external resource mobilization	-	-	7	-	-	3	Investment promotion Training in collaboration with USAID
PROGRAMME 3: COUNTY ECONOMIC PLANNING AND COORDINATION OF POLICY FORMULATION									
Outcome: Improved coordination in Economic Policy, Planning and implementation									
SP 3.1 Fiscal Planning	Improved coordination of policy planning and implementation	Annual Development Plans prepared	30th Aug 2020	30th Aug 2021	30th Aug 2022	30th Aug 2020	30th Aug 2021	30th Aug 2022	Annual Development Plan 2022/23 prepared and submitted
		Annual progress review reports	30th Sept 2020	30th Sept 2021	30th Sept 2022	30th Sept 2020	30th Sept 2021	30th Sept 2022	Annual Progress Review Report prepared and shared with the departments
		CIDP mid-term review report	-	1	-	-	1	-	Done in FY 20/21

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2019/20	2020/2021	2021/22	2019/20	2020/21	2021/22	
SP 3.2 Monitoring and Evaluation/ Statistical Data Management	Improved reporting	M&E Committee established	SCOMECS	SCOMECS	-	-	-		Operationalisation of the Draft M&E policy will help achieve that
		M&E Unit work plan	1	1	1	1	1	1	Attained
		Quarterly M&E reports	4	4	4	4	4	4	Attained
		Number of vehicles acquired	1	1	1	-	-	1	Isuzu Double cab acquired
		No. of staff trained on M&E	50	50	-	45	45	-45	Training on RBME carried out in Feb
		County Statistical Abstract prepared	Updated	Updated	1	-	-	1	Updated awaiting publishing
SP 3.3 KDSP Programme	KDSP Capacity Building Plan	No. of Capacity Building Plan prepared	30 th June 2019	-	-	30 th June 2019	-	-	Done in 2019
		Implementation rate	70%	-	-	-	-	-	Construction of Bahati SCH not completed

2.2 Expenditure Analysis

This section analyses the Sub-sector's expenditure by programme and economic classification. The analysis provides trends of both the allocations and actual expenditures for the MTEF period 2019/20 to 2021/22

The analysis of the sub-sector's expenditure indicates marginal increase in the allocations to the subsector from Ksh. 1.7 billion in FY 2019/20 to Ksh. 1.71 billion in FY 2021/22. The actual expenditure for the period was Ksh. 1.459 billion, Ksh 1.26 billion and Ksh. 1.49 billion, translating to 86 percent, 79 percent and 87 percent budget absorption rate in financial years 2019/20, 2020/21 and 2021/22 respectively. Table 2 below outlines the subsector's analysis of programme expenditure by programme and sub programme.

2.2.1. Analysis of Programme expenditures

During the period under review the sub-sector was implementing three (3) main programmes and thirteen (13) sub-programmes. Table 2 demonstrates the allocations and actual expenditure by programme and sub-programme:

Table 2: Programme/Sub-Programme Expenditure Analysis

ANALYSIS OF PROGRAMME EXPENDITURE BY PROGRAMME AND SUB PROGRAMME						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Programme/Sub Programme	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
PROGRAMME 1: Administration, Planning and Support Services						
S.P 1.1 Administration Services	624,843,289	379,145,177	401,194,096	581,340,741	373,525,805	386,797,200
S.P 1.2 Personnel Services	477,970,679	479,160,505	552,772,189	428,441,159	474,659,424	511,654,148
S.P 1.3 Financial Services	1,000,000	500,000		-	-	
TOTAL PROGRAMME 1	1,103,813,968	858,805,682	953,966,285	1,009,781,900	848,185,229	898,451,348
PROGRAMME 2: Public Finance Management						
SP 2.1: Budget Formulation, Coordination and Management	51,775,016	58,337,350	68,407,062	51,407,929	57,002,225	67,437,481
SP 2.2: Resource Mobilization	77,349,267	78,479,717	83,630,120	77,072,013	77,288,191	79,009,672
SP 2.3 Internal Audit	60,456,334	36,189,521	34,644,521	50,134,781	35,496,520	32,546,554
SP 2.4 Procurement	13,125,475	14,110,498	18,120,293	12,704,160	13,828,309	17,175,127
SP 2.5: Public Finance & Accounting	15,432,554	17,669,301	26,536,381	15,063,790	17,143,413	24,562,317
SP 2.6 Debt Management	183,961,083	331,302,823	246,236,208	183,889,828	132,800,424	216,550,694
SP 2.7: External Resource Mobilization	-	-	11,923,988	-	-	11,732,692
TOTAL PROGRAMME 2	402,099,729	536,089,210	489,498,573	390,272,501	333,559,082	449,014,537
PROGRAMME 3: County Economic Planning and Coordination of Policy Formulation						
SP 3.1 Fiscal Planning	52,235,254	27,372,955	29,960,301	51,056,862	27,099,313	27,310,033
SP 3.2 Monitoring and Evaluation / Statistical Data Management	7,024,963	7,455,356	9,626,747	6,419,826	7,140,689	8,571,196
SP 3.3 KDSP Programme	134,827,523	177,983,523	232,715,207	1,644,000	51,505,067	111,558,895
TOTAL PROGRAMME 3	194,087,740	212,811,834	272,302,255	59,120,688	85,745,069	147,440,124
TOTAL VOTE 4562	1,700,001,437	1,607,706,726	1,715,767,113	1,459,175,089	1,267,489,380	1,494,906,009

2.2.2 Analysis of Programme expenditures by economic classification

Table 3 shows the Programme Expenditure Analysis by Economic Classification.

Table 3: Programme Expenditure Analysis by Economic Classification

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
PROGRAMME 1: Administration, Planning and support services						
Current Expenditure:	956,148,102	639,412,290	728,916,335	905,156,250	632,969,744	684,467,465
Compensation Of Employees	477,970,679	479,160,505	552,772,189	428,441,159	474,659,424	511,654,148
Use Of Goods and Services	187,177,423	160,251,785	169,852,337	185,715,091	158,310,320	166,578,459
Grants And Other Transfers	291,000,000	-	-	291,000,000	-	-
Other Recurrent	-	-	6,291,809	-	-	6,234,858
Capital Expenditure	148,665,864	219,393,392	225,049,950	104,625,650	215,215,485	213,983,883
Acquisition Of Non-Financial Assets	148,665,864	219,393,392	225,049,950	104,625,650	215,215,485	213,983,883
Capital Grants to Governmental Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 1	1,104,813,966	858,805,682	953,966,285	1,009,781,900	848,185,229	898,451,348
SP 1.1: Administration Services						
Current Expenditure:	477,177,423	159,751,785	176,144,146	476,715,091	158,310,320	172,813,317
Compensation Of Employees						
Use Of Goods and Services	186,177,423	159,751,785	169,852,337	185,715,091	158,310,320	166,578,459
Grants And Other Transfers	291,000,000			291,000,000		
Other Recurrent			6,291,809			6,234,858
Capital Expenditure	148,665,864	219,393,392	225,049,950	104,625,650	215,215,485	213,983,883
Acquisition Of Non-Financial Assets	148,665,864	219,393,392	225,049,950	104,625,650	215,215,485	213,983,883
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 1.1	625,843,287	379,145,177	401,194,096	581,340,741	373,525,805	386,797,200

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
SP 1.2: Personnel services						
Current Expenditure:	477,970,679	479,160,505	552,772,189	428,441,159	474,659,424	511,654,148
Compensation Of Employees	477,970,679	479,160,505	552,772,189	428,441,159	474,659,424	511,654,148
Use Of Goods and Services						
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 1.2	477,970,679	479,160,505	552,772,189	428,441,159	474,659,424	511,654,148
SP 1.3: Financial services						
Current Expenditure	1,000,000	500,000	-	-	-	-
Compensation Of Employees						
Use of goods and services	1,000,000	500,000			-	-
Current Transfers Govt Agencies						
Other Recurrent						
Capital Expenditure	-	-	-	-	-	-
Acquisition of Non-financial assets						
Capital transfers to Govt Agencies						
Other Development						
TOTAL SP 1.3	1,000,000	500,000	-	-	-	-
TOTAL PROGRAMME 1	1,104,813,966	858,805,682	953,966,285	1,009,781,900	848,185,229	898,451,348
PROGRAMME 2: Public Finance Management						
Current Expenditure:	212,307,812	209,406,513	382,859,552	209,723,688	205,065,191	364,935,419
Compensation Of Employees	-	-	-	-	-	-
Use Of Goods and Services	211,930,932	201,947,262	371,750,301	209,723,688	198,131,935	355,760,390
Grants And Other Transfers	-	-	-	-	-	-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Other Recurrent	376,880	7,459,251	11,109,251	-	6,933,256	9,175,029
Capital Expenditure	190,168,797	326,682,697	106,639,019	180,548,813	128,493,891	84,079,118
Acquisition Of Non-Financial Assets	10,274,287	-	-	-	-	-
Capital Grants to Governmental Agencies	179,894,510	326,682,697	106,639,019	180,548,813	128,493,891	84,079,118
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 2	402,476,609	536,089,210	489,498,571	390,272,501	333,559,082	449,014,537
SP 2.1: Budget Formulation, Coordination and Management						
Current Expenditure:	51,775,016	58,337,350	68,407,062	51,407,929	57,002,225	67,437,481
Compensation Of Employees						
Use Of Goods and Services	51,775,016	58,337,350	68,207,062	51,407,929	57,002,225	67,437,481
Grants And Other Transfers						
Other Recurrent	-		200,000			-
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.1	51,775,016	58,337,350	68,407,062	51,407,929	57,002,225	67,437,481
SP 2.2: Resource Mobilization						
Current Expenditure:	77,349,267	78,479,717	83,630,120	77,072,013	77,288,191	79,009,672
Compensation Of Employees						
Use Of Goods and Services	77,349,267	73,771,717	78,072,120	77,072,013	73,050,341	74,012,453
Grants And Other Transfers						
Other Recurrent		4,708,000	5,558,000		4,237,850	4,997,219
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.2	77,349,267	78,479,717	83,630,120	77,072,013	77,288,191	79,009,672

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
SP 2.3 Internal Audit						
Current Expenditure:	50,182,047.00	36,189,521.00	34,644,520.00	50,134,781.00	35,496,520.00	32,546,554.00
Compensation Of Employees						
Use Of Goods and Services	50,182,047.00	35,286,252.00	33,341,251.00	50,134,781.00	34,611,870.00	31,700,934.00
Grants And Other Transfers						
Other Recurrent		903,269.00	1,303,269.00		884,650.00	845,620.00
Capital Expenditure	10,274,287.00	-	-	-	-	-
Acquisition Of Non-Financial Assets	10,274,287.00				-	
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.3	60,456,334.00	36,189,521.00	34,644,520.00	50,134,781.00	35,496,520.00	32,546,554.00
SP 2.4 Procurement						
Current Expenditure:	13,125,475	14,110,498	18,120,293	12,704,160	13,828,309	17,175,127
Compensation Of Employees						
Use Of Goods and Services	13,125,475	13,639,396	17,049,191	12,704,160	13,364,493	16,124,077
Grants And Other Transfers						
Other Recurrent		471,102	1,071,102		463,816	1,051,050
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.4	13,125,475	14,110,498	18,120,293	12,704,160	13,828,309	17,175,127
SP 2.5: Public Finance & Accounting						
Current Expenditure:	15,809,434	17,669,301	26,536,381	15,063,790	17,143,413	24,562,317
Compensation Of Employees						
Use Of Goods and Services	15,432,554	16,292,421	23,709,501	15,063,790	15,796,473	22,431,177
Grants And Other Transfers						
Other Recurrent	376,880	1,376,880	2,826,880		1,346,940	2,131,140

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.5	15,809,434	17,669,301	26,536,381	15,063,790	17,143,413	24,562,317
SP 2.6: Debt Management						
Current Expenditure:	4,066,573	4,620,126	139,597,188	3,341,015	4,306,533	132,471,576
Compensation Of Employees						
Use Of Goods and Services	4,066,573	4,620,126	139,597,188	3,341,015	4,306,533	132,471,576
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure	179,894,510	326,682,697	106,639,019	180,548,813	128,493,891	84,079,118
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies	179,894,510	326,682,697	106,639,019	180,548,813	128,493,891	84,079,118
Other Development						
TOTAL SP 2.6	183,961,083	331,302,823	246,236,207	183,889,828	132,800,424	216,550,694
SP 2.7: External Resource Mobilization						
Current Expenditure:	-	-	11,923,988	-	-	11,732,692
Compensation Of Employees						
Use Of Goods and Services			11,773,988			11,582,692
Grants And Other Transfers						
Other Recurrent			150,000			150,000
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 2.7	-	-	11,923,988	-	-	11,732,692
TOTAL PROGRAMME 2	402,476,609	536,089,210	489,498,571	390,272,501	333,559,082	449,014,537

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
PROGRAMME 3: Economic and Financial Policy Formulation and Management						
Current Expenditure:	93,113,346	111,837,438	84,589,048	59,120,688	52,109,691	78,536,107
Compensation Of Employees	-	-	-	-	-	-
Use Of Goods and Services	93,113,346	110,938,063	83,439,673	59,120,688	51,287,746	77,673,507
Grants And Other Transfers	-	-	-	-	-	-
Other Recurrent	-	899,375	1,149,375	-	821,945	862,600
Capital Expenditure	100,974,396	100,974,396	187,713,207	-	33,635,378	68,904,017
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Governmental Agencies	100,974,396	100,974,396	187,713,207	-	33,635,378	68,904,017
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 3	194,087,742	212,811,834	272,302,255	59,120,688	85,745,069	147,440,124
SP 3.1: Fiscal Planning						
Current Expenditure:	52,235,256	27,372,955	29,960,301	51,056,862	27,099,313	27,310,033
Compensation Of Employees						
Use Of Goods and Services	52,235,256	26,944,681	29,132,027	51,056,862	26,693,231	26,603,333
Grants And Other Transfers						
Other Recurrent		428,274	828,274		406,082	706,700
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 3.1	52,235,256	27,372,955	29,960,301	51,056,862	27,099,313	27,310,033
SP 3.2: Monitoring & Evaluation / Statistical Data Management						
Current Expenditure:	7,024,963	7,455,356	9,626,747	6,419,826	7,140,689	8,571,196
Compensation Of Employees						
Use Of Goods and Services	7,024,963	6,984,255	9,305,646	6,419,826	6,724,826	8,415,296
Grants And Other Transfers						
Other Recurrent		471,101	321,101		415,863	155,900

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
	APPROVED BUDGET			ACTUAL EXPENDITURE		
Economic Classification	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies						
Other Development						
TOTAL SP 3.2	7,024,963	7,455,356	9,626,747	6,419,826	7,140,689	8,571,196
SP 3.3: KDSP Programme						
Current Expenditure:	33,853,127	77,009,127	45,002,000	1,644,000	17,869,689	42,654,878
Compensation Of Employees						
Use Of Goods and Services	33,853,127	77,009,127	45,002,000	1,644,000	17,869,689	42,654,878
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure	100,974,396	100,974,396	187,713,207	-	33,635,378	68,904,017
Acquisition Of Non-Financial Assets						
Capital Grants to Governmental Agencies	100,974,396	100,974,396	187,713,207		33,635,378	68,904,017
Other Development						
TOTAL SP 3.3	134,827,523	177,983,523	232,715,207	1,644,000	51,505,067	111,558,895
TOTAL PROGRAMME 3	194,087,742	212,811,834	272,302,255	59,120,688	85,745,069	147,440,124
TOTAL VOTE	1,701,378,317	1,607,706,726	1,715,767,111	1,459,175,089	1,267,489,380	1,494,906,009

2.2.3 Analysis of Capital Projects

During FY 2021/22 the county treasury implemented 10 capital projects of which by the close of the year four were complete. The Construction of the treasury office block is ongoing, the asset management system was under procurement, the purchase of solar power system was stalled due to low budgetary allocation while the debt/pending bills are continuously updated. By the close of the FY 2021/22 some bills were not offset due to incomplete documentation. Appendix 1 presents the analysis of capital projects FY 2021/22

2.3 Review of Pending Bills

By the close of FY 2021/22 the subsector had cumulated pending bills amounting to Ksh. 105,267,276. Of this amount, **development pending bills** totalled Ksh. 83,276,564 while **Recurrent Pending Bills** totalled Ksh. 21,990,811. Appendix 2 presents the analysis and information on the pending bills,

CHAPTER THREE

3.0 MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2023/24 – 2025/26

This Chapter provides the Medium-Term priorities to be implemented by the Sector in the period covering the Financial Years 2023/24-2025/26.

3.1 Prioritization of Programmes and Sub-Programmes

The County Treasury continues prioritising the completion of the County Treasury office block which is expected to accommodate all its Directorates bringing a “one stop shop” for all County Treasury Services. The Sub- Sector also aims at strengthening management and usage of funds to ensure prudence in financial management and reporting. Further the Sub- Sector seeks to empower its’ staff by according them opportunities to attend long and short-term courses to enhance their skills and empower them in performance of their duties. In budget implementation, the County Treasury will issue guidelines and do follow-ups to ensure projects and planned activities are realized within the set timelines. The Sub- Sector will also ensure that all statutory documents are submitted to the County Assembly and other Entities as per the requisite directives/legislations.

The County Treasury plans to operationalize the already passed acts and policies, and formulate relevant policies and acts to enable optimal performance of its mandate. The County Treasury will advise other departments on funding opportunities that may arise due to PPPs external funding opportunities. The Sub- Sector shall also guide the line departments in the formulation of concept notes, papers and proposals for seeking funds with external partners. Going forward, and in the view of prioritizing on the next Medium Term Expenditure Framework (MTEF), the County Treasury Sub- Sector intends to establish and operationalize a statistical unit, prepare and adopt a County Investment Plan (CIP), prepare the County Indicator Handbook, operationalize the debt management unit, complete the automation of the

revenue system as well as carrying on with revenue mapping so as to increase the amount of revenue collected.

To further institutionalize planning and continue to encourage linkage between planning and implementation of programmes/projects in the county entities, the department through the COMEC shall continue carrying out regular monitoring and evaluation activities throughout the County.

3.1.1 Programmes and their Objectives

During the 2023/24 – 2025/26 MTEF Budget period, the Sub-sector will implement three (3) programmes and twelve (12) sub-programmes,

The programmes and the corresponding sub-programmes and objectives are as shown in the table below:

Programme Name	Sub programmes	Objectives
Administration, Planning and Support Services	S.P 1.1 Administration and planning	To provide efficient and effective support services
	S.P 1.2 Personnel Services	
	S.P 1.3 Financial Services	
Public Finance Management	S.P 2.1 Budget Formulation Coordination and Management	To promote prudent financial management and internal controls
	S.P 2.2 Resource Mobilization	
	S.P 2.3. Internal Audit	
	S.P 2.4 Procurement	
	S.P 2.5. Public Finance and Accounting	
	S.P 2.6. Debt Management	
	S.P 2.7. External Resource Mobilization	
Economic and Financial Policy Formulation and Management	S.P 3.1. Fiscal Planning	Improved coordination in Economic Policy, Planning and implementation
	SP 3.2. Monitoring & Evaluation / Statistical Data Management	

3.1.2 Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector

The key expected programme outcomes, outputs, key performance indicators and targets for the Financial Year 2023/24 and the medium term are shown in table 4.

The Programme outputs, indicators and targets are drawn from the ADP 2023/24. The programmes have been prioritized in accordance to the budget ceiling from CBROP 2022.

Table 4: Programmes, Sub-Programmes, Expected Outcomes, Outputs and Key Performance Indicators for the Sector.

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	
Programme 1: Administration, Planning and Support Services										
Outcome: Effective and efficient support services										
SP 1.1 Administration and Planning	CECM	Improved service delivery	No of policies developed.	-	-	-	3	3	3	
			Number of bills formulated and submitted	-	-	-	8			
			No of civic education forums on revenue held	-	-	-	4	4	4	
	Chief Officers			Completion rate of the County Treasury Office Block	75	34	50	100	equipping	equipping
				Number of subcounty offices constructed and equipped	1	-	-	2	2	2
				Number of offices rehabilitated	1	1	2	2	-	-
				Solar power system installation at County Headquarters building	-	-	-	1	-	-
				LAN installation at County Headquarters building and Old town hall block(rate)	-	-	-	100	-	-
				Completion rate of the Service Charter	-	-	-	100	-	-
				Number of vehicles acquired	1	1	1	2	-	-
SP 1.2 Personnel Services	HR	Improved Staff capacity and service delivery	Compensation to employees (Millions Kshs)	694	522	-	609.9	670.9	738.0	
			Number of new officers recruited	-	-	-	100	50	50	
			Number of staff promoted	-	-	-	300	100	100	
			Number of staff trained on short course programs	300	115	250	250	250	250	
			Number of staff trained on long term course programs	20	-	10	10	10	10	

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	
			Training Needs Analysis conducted	-	-	-	1	1	1	
			Skill inventory database in place	-	-	-	1	1	1	
			No of team building activities conducted	-	-	-	4	4	4	
		Performance management	PC cascading (rate)	CECM to Cos	-	-	100	100	100	100
				COs to Directors	-	-	100	100	100	100
			Proportion of staff under PAS	-	-	100	100	100	100	
			Number of quarterly reports	-	-	-	4	4	4	
Number of evaluations carried out	-	-	-	2	2	2				
SP 1.3 Financial Services	Chief Officer Finance		Allocation to car loan account	-	-	-	30,000,000	30,000,000	30,000,000	
			Allocation to mortgage loan account	-	-	-	70,000,000	70,000,000	70,000,000	
Programme 2: Public Finance Management										
Outcome: Improved public finance management										
SP 2.1 Budget Formulation, Coordination and Management	Budget Office	Improved quality of key budget documents and compliance to legal budget timelines	Number of trainings conducted on budgetary process	-	-	100	2	2	2	
			No. of budget public participation fora held	3	2	2	2	2	2	
			No. of public participation reports prepared	-	-	-	2	2	2	
			Budget circular released by 30 th August	30 th August 2022	29 th August 2022	31 st August 2022	1	1	1	
			Budget Review and outlook paper submitted 30 th September	30 th Sept 2022	30 th Sept 2022	30 th Sept 2022	1	1	1	
			County Fiscal Strategy Paper submitted by 28 th February	28Feb 2022	24 Feb2022	28 th Feb 2023	1	1	1	

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26
			Budget Estimates submitted by 30 th April	30 th April 2022	12 th April 2022	30 th April 2023	1	1	1
			Annual Cashflow Projection Statement submitted by 15 th June	-	-	15 th June 2023	1	1	1
			Quarterly Budget Implementation reports	-	-	-	4	4	4
			Number of CBEF (Non-State Actors) Members appointed	-	-	-	10	-	-
			Number of CBEF (Non-State Actors) members Trained	-	-	-	10	10	10
			Number of CBEF meetings held	-	-	-	5	5	5
2.2 Resource Mobilisation	Revenue Office	Increased revenue	Percentage of revenue sources mapped	90	10	50	100	100	100
			Amount of Own Source Revenue collected (Ksh billions)	3.11	3.23	3.28	3.7	3.7	3.8
			Percentage of automated revenue sources	80	65	70	80	85	90
			Finance bill prepared and submitted	30 th Sept 2022	30 th Sept 2022	-	1	1	1
			Number of reports submitted	-	-	-	4	4	4
			County Annual Taxpayer Day held	-	-	-	1	1	1
			Number of revenue staff trained (TADAT)	-	-	-	50	350	350
			Number of revenue staff trained	50	2	100	100	200	200
			Number of Vehicles bought	5	-	-	5	10	12
			Clean-up of Revenue database (%)	-	-	-	100	100	100
SP 2.3 Internal	Internal	Improved	No of vehicles acquired	1	-	-	1	1	-

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26
Audit	Audit Directorate	internal audit controls	No. of audit reports submitted	4	4	4	4	4	4
			No of audit staff trained	30	25	27	27	27	27
			Quarterly Audit committee meetings	4	2	4	4	4	4
			No. of audit committee members trained	-	-	-	6	6	6
			No of Licences issued	31	2	27	26	-	-
SP 2.4 Procurement	Supply Chain Management Directorate	Improved service delivery	No. of supply chain staff trained	-	30	55	56	56	56
			No of vehicles acquired	-	-	-	1	-	-
			No of Storage containers acquired	-	-	-	2	1	-
			No of bulk filers acquired	-	-	-	2	2	-
		Enhanced compliance with PPADA (2015)	Rate of compliance to AGPO	-	100	100	100	100	100
			Annual procurement plans submitted by 30 th Sept	-	30 th Sept 2021	30 th Sept 2022	1	1	1
			Proportion of procurement professional opinions prepared	-	900	100	100	100	100
			Quarterly reports to PPRA	-	4	4	4	4	4
			Annual Asset disposal Plan	-	-	-	1	1	1
			Asset disposal undertaken	-	-	1	1	-	-
SP 2.5: Public Finance & Accounting	Finance Directorate	Improved expenditure control and financial reporting	Quarterly financial reports prepared and submitted	4	4	4	4	4	4
			Annual financial statements prepared and submitted by 30 th September	1	1	1	1	1	1
			No. of accounting staff trained	50	30	50	70	70	70
			No. of financial advisories on expenditure control issued to line departments	4	4	4	4	4	4
		Enhance the County Asset	Proportion of County Assets Valued	-	-	20	60	90	100

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26
		management framework	Asset Management system in place	1	-	-	1	-	-
			Proportion of assets captured in the Asset management system	-	-	-	20	100	100
			No of officers trained on the asset management processes	-	-	40	115	60	-
			Number of staff seconded/recruited	-	-	-	6	-	-
			Proportion of assets tagged	-	-	80	100	100	100
			Proportion of land ownership documents processed	-	-	-	30	60	80
			Motor vehicle acquired	-	-	-	1	-	-
			Formulation of Asset management bill	-	-	-	1	-	-
			Asset policy implementation (%)	-	-	-	50	100	100
SP 2.6 Debt Management		Operational Debt management Unit (DMU)	Debt management Unit	-	-	-	1	-	-
			Number of officers seconded to the DMU	-	-	-	5	-	-
			Number of DMU officers trained	-	-	-	5	-	-
			No. of County debt status reports	-	-	-	4	4	4
			County Medium Term Debt Strategy by 28 th February	28 th Feb 2021	28 th Feb 2022	28 th Feb 2022	1	1	1
			Pending Bills resolution amount (Ksh Millions)	400	36.3	75	300	330	363
2.7 External Resource Mobilization (ERM)	External Resource Directorate	External Resource Mobilization Department Operationalized	Number of technical staff recruited/ seconded to the ERM department	-	-	-	5	-	-
			Number of new staff trained	-	-	-	5	-	-
			Number of departmental (other) officers trained	7	3	-	16		

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26
			Number of motor vehicles procured	-	-	-	1	-	-
			County ERM policy	-	-	-	1	-	-
			External Resource Mobilization Action Plan	-	-	-	1	-	-
		Enhanced Donor research, partnership creation, and donor Financing County participation in Market Based Borrowing	Number of donors Identified/mapped and engaged	-	-	-	5	5	5
			Number of Benchmarking Visits Conducted	-	-	-	5	3	3
			Number of concept notes/proposals developed and submitted to donors	-	-	-	10	12	15
			Number of donor agreements negotiated and signed	-	-	-	5	6	8
			Amount mobilized (Ksh Billion)	-	-	-	0.5	1.0	1.5
			External Borrowing management committee established	-	-	-	1	-	-
			Implementation of CCI self-assessment report (%)	-	-	-	50	100	100
			County Credit Rating Report	-	-	-	1	-	-
Economic and Financial Policy Formulation and Management									
Outcome: Improved coordination in Economic Policy, Planning and implementation									
SP 3.1 Fiscal Planning	Economic Planning Directorate	Improved coordination of policy planning and implementation	Annual Development Plans prepared by 1 st September	1	1	1	1	1	1
			Annual progress review reports by 30 th September	1	1	1	1	1	1
			Economic Planning Department Annual workplan	-	-	1	1	1	1
	County Investment	County Investment Plan Prepared	-	-	-	1	-	-	

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2021/22	Actual Achievement 2021/22	Baseline 2022/23	Target 2023/24	Target 2024/25	Target 2025/26
SP 3.2 Monitoring & Evaluation/ Statistical data management		Plan	Number of officers trained on CIP	-	-	-	40	40	40
		Enhanced Staff Capacity	Number of Officers trained	-	-	25	30	30	30
	Number of Contracts renewed		-	-	-	15	-	-	
	Improved reporting	M&E Unit work plan	1	1	1	1	1	1	
		Quarterly M&E reports	4	4	4	4	4	4	
		CIDP Indicator Handbook Prepared	1	-	-	1	-	-	
		County Sectoral Investment Impact Surveys conducted	-	-	-	1	1	1	
		Number of vehicles acquired	1	-	-	1	-	-	
		Improved availability of quality statistics.	Updated Nakuru County Statistical Abstract	1	1	1	1	1	1
	Operationalisation of Statistics Unit		-	-	-	100	-	-	
	Number of personnel sensitized on statistics		-	-	-	40	40	40	
	Number of quarterly statistical reports		-	-	-	4	4	4	
	Participation in National annual Surveys		-	-	-	2	2	2	

3.1.3 Programmes by Order of Ranking

The sub sector's programmes are thus ordered as follows;

Programme 1: Administration, Planning and Support Services

Programme 2: Public Finance Management

Programme 3: County Economic planning and coordination of policy formulation

3.2 Analysis of Resource Requirement versus allocation by Sector/Sub Sector:

The Subsector resource requirement during the FY 2023/24 is Ksh 1.362 billion compared to the allocation of Ksh 1.01 billion. This translates to a resource shortfall of Ksh 360 million of the requirements for the Financial Year 2023/24.

3.2.1 Analysis of Resource Requirement by Sector/Sub Sector - Recurrent

The Subsector recurrent resource requirement during the FY 2023/24 is Ksh 1.17 billion compared to the allocation of Ksh 877 million. This translates to a resource shortfall of Ksh 294 million of the requirements for the Financial Year 2023/24.

Table 5a indicates the analysis of the recurrent resource requirement versus allocation.

Table 5a: Analysis of Resource Requirement versus Allocation – Recurrent

ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION								
Sector Name	Economic Classification	Approved	REQUIREMENT			ALLOCATION		
		2022/23	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
4562	Current Expenditure	857,732,690	1,172,129,562	1,289,342,517	1,418,276,770	877,194,347	964,913,782	1,061,405,159
	2100000 Compensation to Employees	555,366,462	609,962,905	670,959,195	738,055,115	556,747,554	612,422,309	673,664,540
	2200000 Use of Goods and Services	296,985,136	554,666,657	610,133,322	671,146,655	314,743,928	346,218,321	380,840,153
	2400000 Interest Payments			-	-			
	2600000 Current Grants and Other Transfers	1,000,000	2,000,000	2,200,000	2,420,000	1,059,797	1,165,777	1,282,354
	2700000 Social Benefits	4,381,092	5,500,000	6,050,000	6,655,000	4,643,068	5,107,375	5,618,112
	2900000 Other Expenses			-	-			
	Capital Expenditure	125,769,544	190,605,479	209,666,027	230,632,630	134,702,359	148,172,595	162,989,855
	3100000 Acquisition of Non-Financial Assets	65,769,544	90,605,479	99,666,027	109,632,630	69,702,359	76,672,595	84,339,855
	4100000 Acquisition of Financial Assets	60,000,000	100,000,000	110,000,000	121,000,000	65,000,000	71,500,000	78,650,000
	4500000 Disposal of Financial Assets							
TOTAL		983,502,234	1,362,735,041	1,499,008,545	1,648,909,400	1,011,896,706	1,113,086,377	1,224,395,014

3.2.2 Analysis of Resource Requirement by Sector/Sub Sector Development

The Subsector development resource requirements for the FY 2023/24 is Ksh. 900 million compared to the allocation of Ksh 680 million. This represents a resource shortfall of Ksh 220 million. Table 5b shows the analysis of the development resource requirements versus the allocation.

Table 5b: Analysis of Resource Requirement versus Allocation – Development

ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION								
		Approved	REQUIREMENT			ALLOCATION		
Sector Name		2022/23	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Vote and Vote Details	Description							
4562	Non-Financial Assets	296,140,000	500,000,000	900,000,000	400,000,000	380,140,000	418,154,000	459,969,400
	Capital Transfers Govt. Agencies	75,000,000	400,000,000	440,000,000	484,000,000	300,000,000	330,000,000	363,000,000
	Other development							
TOTAL		371,140,000	900,000,000	1,340,000,000	884,000,000	680,140,000	748,154,000	822,969,400

3.2.3 Programmes and sub-programmes Resource Requirement (2023/24 – 2025/26)

The County Treasury requires Ksh 1.362 billion for recurrent expenditures and Ksh 900 million for development expenditure in FY 2023/24. This is expected to rise to Ksh 1.49 billion & Ksh 1.68 billion for recurrent expenditure for FY 2024/25 and FY 2025/26 respectively while development expenditure is projected to rise to Ksh 1.34 billion and fall to Ksh 884 in million FY 2024/25 and FY 2025/26 respectively due the completion of the Treasury Office Block. Table 6a below shows an analysis of resource requirements for the subsector by Programmes and Sub-Programmes for FY 2023/24, FY 2024/25 and FY 2025/26 respectively.

Table 6a: Analysis of Resource Requirement by Programmes and Sub-Programmes

ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE REQUIREMENT (AMOUNT KSH)									
	2023/24			2024/25			2025/26		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
PROGRAMME 1: Administration, Planning and Support Services									
S.P 1.1 Administration Services	155,587,904	500,000,000	655,587,904	171,146,695	900,000,000	1,071,146,695	188,261,364	400,000,000	588,261,364
S.P 1.2 Personal Services	606,068,384	-	606,068,384	666,675,222	-	666,675,222	733,342,745	-	733,342,745
S.P 1.3 Financial Services	100,500,000	-	100,500,000	110,550,000	-	110,550,000	121,605,000	-	121,605,000
TOTAL PROGRAMME 1	862,156,288	500,000,000	1,362,156,288	948,371,917	900,000,000	1,848,371,917	1,043,209,109	400,000,000	1,443,209,109
Programme 2: Public Finance Management									
SP 2.1: Budget Formulation, Coordination and Management	65,567,105	-	65,567,105	72,123,815	-	72,123,815	79,336,197	-	79,336,197
SP 2.2: Resource Mobilization	133,013,439	-	133,013,439	146,314,783	-	146,314,783	160,946,261	-	160,946,261
SP 2.3 Internal Audit	60,400,000	-	60,400,000	66,440,000	-	66,440,000	73,084,000	-	73,084,000
SP 2.4 Procurement	37,066,513	-	37,066,513	40,773,164	-	40,773,164	44,850,481	-	44,850,481
SP 2.5: Public Finance & Accounting	86,580,502	-	86,580,502	95,238,552	-	95,238,552	104,762,407	-	104,762,407
SP 2.6 Debt Management	9,935,237	400,000,000	409,935,237	10,928,761	440,000,000	450,928,761	12,021,637	484,000,000	496,021,637
SP 2.7: External Resource Mobilization	23,300,000	-	23,300,000	25,630,000	-	25,630,000	28,193,000	-	28,193,000
TOTAL PROGRAMME 2	415,862,796	400,000,000	815,862,796	457,449,075	440,000,000	897,449,075	503,193,983	484,000,000	987,193,983
PROGRAMME 3: County Economic Planning and Coordination of Policy Formulation									
SP 3.1 Fiscal Planning	49,225,070	-	49,225,070	54,147,577	-	54,147,577	59,562,335	-	59,562,335
SP 3.2 Monitoring and Evaluation / Statistical Data Management	35,490,887	-	35,490,887	39,039,976	-	39,039,976	42,943,973	-	42,943,973
SP 3.3: KDSP Programme	-	-	-	-	-	-	-	-	-
TOTAL PROGRAMME 3	84,715,957	-	84,715,957	93,187,553	-	93,187,553	102,506,308	-	102,506,308
TOTAL	1,362,735,041	900,000,000	2,262,735,041	1,499,008,545	1,340,000,000	2,839,008,545	1,648,909,400	884,000,000	2,532,909,400

3.2.4 Programmes and sub-programmes Resource Allocation (2023/24 – 2025/26)

The County Treasury Subsector CBROP allocations amount to Ksh 1.01 billion for recurrent expenditures and Ksh 680 million for development expenditure in FY 2023/24. This is anticipated to rise to Ksh 1.11 billion & Ksh 1.37 billion for recurrent expenditure for FY 2024/25 and FY 2025/26 respectively while development expenditure is projected to rise to Ksh 748 million and Ksh 822 in million FY 2024/25 and FY 2025/26 respectively.

Table 6b below shows an analysis of resource allocations for the subsector by Programmes and Sub-Programmes for FY 2023/24, FY 2024/25 and FY 2025/26 respectively.

Table 6b: Analysis of Resource Allocation by Programmes and Sub-Programmes

ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE ALLOCATION (AMOUNT KSH)									
	2023/24			2024/25			2025/26		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
PROGRAMME 1: Administration, Planning and Support Services									
S.P 1.1 Administration Services	79,551,662	380,140,000	459,691,662	87,506,828	418,154,000	505,660,828	96,257,511	459,969,400	556,226,911
S.P 1.2 Personal Services	550,884,588	-	550,884,588	605,973,047	-	605,973,047	666,570,351	-	666,570,351
S.P 1.3 Financial Services	65,300,000	-	65,300,000	71,830,000	-	71,830,000	79,013,000	-	79,013,000
TOTAL PROGRAMME 1	695,736,250	380,140,000	1,075,876,250	765,309,875	418,154,000	1,183,463,875	841,840,862	459,969,400	1,301,810,262
Programme 2: Public Finance Management									
SP 2.1: Budget Formulation, Coordination and Management	59,567,105	-	59,567,105	65,523,815	-	65,523,815	218,421,146	-	218,421,146
SP 2.2: Resource Mobilization	84,903,114	-	84,903,114	93,393,425	-	93,393,425	102,732,768	-	102,732,768
SP 2.3 Internal Audit	45,442,038	-	45,442,038	49,986,242	-	49,986,242	54,984,866	-	54,984,866
SP 2.4 Procurement	20,114,048	-	20,114,048	22,125,453	-	22,125,453	24,337,998	-	24,337,998
SP 2.5: Public Finance & Accounting	32,173,940	-	32,173,940	35,391,334	-	35,391,334	38,930,467	-	38,930,467
SP 2.6 Debt Management	8,736,145	300,000,000	308,736,145	9,609,759	330,000,000	339,609,759	10,570,735	363,000,000	373,570,735
SP 2.7: External Resource Mobilization	13,042,869	-	13,042,869	14,347,156	-	14,347,156	15,781,872	-	15,781,872
TOTAL PROGRAMME 2	263,979,258	300,000,000	563,979,258	290,377,184	330,000,000	620,377,184	465,759,851	363,000,000	828,759,851
PROGRAMME 3: County Economic Planning and Coordination of Policy Formulation									
SP 3.1 Fiscal Planning	41,190,970	-	41,190,970	45,310,067	-	45,310,067	49,841,074	-	49,841,074
SP 3.2 Monitoring and Evaluation / Statistical Data Management	10,990,228	-	10,990,228	12,089,250	-	12,089,250	13,298,175	-	13,298,175
SP 3.3: KDSP Programme	-	-	-	-	-	-	-	-	-
TOTAL PROGRAMME 3	52,181,198	-	52,181,198	57,399,318	-	57,399,318	63,139,250	-	63,139,250
TOTAL	1,011,896,706	680,140,000	1,692,036,706	1,113,086,377	748,154,000	1,861,240,377	1,370,739,963	822,969,400	2,193,709,363

3.2.5 Programmes and sub-programmes Economic classification.

Table 7 below presents a breakdown on the requirements and allocations for programmes and sub-programmes discussed in section 3.2.3 and 3.2.4 by economic classification for the FY 2023/24, FY 2024/25 and FY 2025/26 respectively

Table 7: Programme and Sub-Programmes Allocation by Economic Classification

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
PROGRAMME 1: Administration, Planning and Support Services						
Current Expenditure:	862,156,288	948,371,917	1,043,209,109	695,736,250	765,309,875	841,840,862
2100000 Compensation to Employees	600,568,384	660,625,222	726,687,745	546,241,520	600,865,672	660,952,239
2200000 Use of Goods and Services	136,500,000	150,150,000	165,165,000	65,263,758	71,790,134	78,969,147
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	1,059,797	1,165,777	1,282,354	1,059,797	1,165,777	1,282,354
2700000 Social Benefits	5,500,000	6,050,000	6,655,000	4,643,068	5,107,375	5,618,112
3100000 Acquisition of Non-Financial Assets	18,528,107	20,380,918	22,419,010	13,528,107	14,880,918	16,369,010
4100000 Acquisition of Financial Assets	100,000,000	110,000,000	121,000,000	65,000,000	71,500,000	78,650,000
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure	500,000,000	900,000,000	400,000,000	380,140,000	418,154,000	459,969,400
Non-Financial Assets	500,000,000	900,000,000	400,000,000	380,140,000	418,154,000	459,969,400
Capital Transfers to Govt. Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 1	1,362,156,288	1,848,371,917	1,443,209,109	1,075,876,250	1,183,463,875	1,301,810,262
SP 1.1: Administration Services						
Current Expenditure:	155,587,904	171,146,695	188,261,364	79,551,662	87,506,828	96,257,511
2100000 Compensation to Employees						
2200000 Use of Goods and Services	136,000,000	149,600,000	164,560,000	64,963,758	71,460,134	78,606,147
2400000 Interest Payments						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
2600000 Current Grants and Other Transfers	1,059,797	1,165,777	1,282,354	1,059,797	1,165,777	1,282,354
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	18,528,107	20,380,918	22,419,010	13,528,107	14,880,918	16,369,010
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	500,000,000	900,000,000	400,000,000	380,140,000	418,154,000	459,969,400
Non-Financial Assets	500,000,000	900,000,000	400,000,000	380,140,000	418,154,000	459,969,400
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 1.1	655,587,904	1,071,146,695	588,261,364	459,691,662	505,660,828	556,226,911
SP 1.2: Personnel Services						
Current Expenditure:	606,068,384	666,675,222	733,342,745	550,884,588	605,973,047	666,570,351
2100000 Compensation to Employees	600,568,384	660,625,222	726,687,745	546,241,520	600,865,672	660,952,239
2200000 Use of Goods and Services						
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits	5,500,000	6,050,000	6,655,000	4,643,068	5,107,375	5,618,112
3100000 Acquisition of Non-Financial Assets						
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 1.2	606,068,384	666,675,222	733,342,745	550,884,588	605,973,047	666,570,351
SP 1.3: Financial Services						
Current Expenditure:	100,500,000	110,550,000	121,605,000	65,300,000	71,830,000	79,013,000
2100000 Compensation to Employees						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
2200000 Use of Goods and Services	500,000	550,000	605,000	300,000	330,000	363,000
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets						
4100000 Acquisition of Financial Assets	100,000,000	110,000,000	121,000,000	65,000,000	71,500,000	78,650,000
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 1.3	100,500,000	110,550,000	121,605,000	65,300,000	71,830,000	79,013,000
PROGRAMME 2: Public Finance Management						
Current Expenditure:	415,862,796	457,449,075	503,193,983	263,979,258	290,377,184	465,759,851
2100000 Compensation to Employees	9,090,136	9,999,150	10,999,065	9,090,136	9,999,150	10,999,065
2200000 Use of Goods and Services	359,666,657	395,633,322	435,196,655	220,686,239	242,754,863	267,030,349
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	47,106,003	51,816,603	56,998,264	34,202,883	37,623,171	187,730,438
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	400,000,000	440,000,000	484,000,000	300,000,000	330,000,000	363,000,000
Non-Financial Assets						
Capital Transfers to Govt. Agencies	400,000,000	440,000,000	484,000,000	300,000,000	330,000,000	363,000,000
Other Development						
TOTAL PROGRAMME 2	815,862,796	897,449,075	987,193,983	563,979,258	620,377,184	828,759,851

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
SP 2.1: Budget Formulation, Coordination and Management						
Current Expenditure:	65,567,105	72,123,815	79,336,197	59,567,105	65,523,815	218,421,146
2100000 Compensation to Employees	1,410,018	1,551,020	1,706,122	1,410,018	1,551,020	1,706,122
2200000 Use of Goods and Services	50,718,616	55,790,477	61,369,525	44,718,616	49,190,477	54,109,525
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	13,438,471	14,782,318	16,260,550	13,438,471	14,782,318	162,605,499
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 2.1	65,567,105	72,123,815	79,336,197	59,567,105	65,523,815	218,421,146
SP 2.2 Resource Mobilisation						
Current Expenditure:	133,013,439	146,314,783	160,946,261	84,903,114	93,393,425	102,732,768
2100000 Compensation to Employees	4,380,000	4,818,000	5,299,800	4,380,000	4,818,000	5,299,800
2200000 Use of Goods and Services	120,000,000	132,000,000	145,200,000	74,889,675	82,378,642	90,616,507
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	8,633,439	9,496,783	10,446,461	5,633,439	6,196,783	6,816,461
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Other Development						
SUB TOTAL SP 2.3	133,013,439	146,314,783	160,946,261	84,903,114	93,393,425	102,732,768
SP 2.3 Internal Audit						
Current Expenditure:	60,400,000	66,440,000	73,084,000	45,442,038	49,986,242	54,984,866
2100000 Compensation to Employees	500,000	550,000	605,000	500,000	550,000	605,000
2200000 Use of Goods and Services	53,000,000	58,300,000	64,130,000	39,042,038	42,946,242	47,240,866
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	6,900,000	7,590,000	8,349,000	5,900,000	6,490,000	7,139,000
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 2.3	60,400,000	66,440,000	73,084,000	45,442,038	49,986,242	54,984,866
SP 2.4 Procurement						
Current Expenditure:	37,066,513	40,773,164	44,850,481	20,114,048	22,125,453	24,337,998
2100000 Compensation to Employees	1,352,909	1,488,200	1,637,020	1,352,909	1,488,200	1,637,020
2200000 Use of Goods and Services	31,480,000	34,628,000	38,090,800	16,527,535	18,180,288	19,998,317
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	4,233,604	4,656,964	5,122,661	2,233,604	2,456,964	2,702,661
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 2.4	37,066,513	40,773,164	44,850,481	20,114,048	22,125,453	24,337,998
SP 2.5: Public Finance & Accounting						
Current Expenditure:	86,580,502	95,238,552	104,762,407	32,173,940	35,391,334	38,930,467
2100000 Compensation to Employees	1,361,554	1,497,709	1,647,480	1,361,554	1,497,709	1,647,480
2200000 Use of Goods and Services	76,318,041	83,949,845	92,344,830	26,814,599	29,496,058	32,445,664
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	8,900,907	9,790,998	10,770,097	3,997,787	4,397,566	4,837,322
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure						
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 2.5	86,580,502	95,238,552	104,762,407	32,173,940	35,391,334	38,930,467
SP 2.6 Debt Management						
Current Expenditure:	9,935,237	10,928,761	12,021,637	8,736,145	9,609,759	10,570,735
2100000 Compensation to Employees	85,655	94,221	103,643	85,655	94,221	103,643
2200000 Use of Goods and Services	7,350,000	8,085,000	8,893,500	7,150,908	7,865,998	8,652,598
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	2,499,582	2,749,540	3,024,494	1,499,582	1,649,540	1,814,494
4100000 Acquisition of Financial Assets						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
4500000 Disposal of Financial Assets						
Capital Expenditure	400,000,000	440,000,000	484,000,000	300,000,000	330,000,000	363,000,000
Non-Financial Assets						
Capital Transfers to Govt. Agencies	400,000,000	440,000,000	484,000,000	300,000,000	330,000,000	363,000,000
Other Development						
SUB TOTAL SP 2.6	409,935,237	450,928,761	496,021,637	308,736,145	339,609,759	373,570,735
SP 2.7: External Resource Mobilization						
Current Expenditure:	23,300,000	25,630,000	28,193,000	13,042,869	14,347,156	15,781,872
2100000 Compensation to Employees						
2200000 Use of Goods and Services	20,800,000	22,880,000	25,168,000	11,542,869	12,697,156	13,966,872
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	2,500,000	2,750,000	3,025,000	1,500,000	1,650,000	1,815,000
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure						
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 2.7	23,300,000	25,630,000	28,193,000	13,042,869	14,347,156	15,781,872
Programme 3: Economic and Financial Policy Formulation and Management						
Current Expenditure:	84,715,957	93,187,553	102,506,308	52,181,198	57,399,318	63,139,250
2100000 Compensation to Employees	1,244,588	1,369,047	1,505,951	1,415,898	1,557,488	1,713,237
2200000 Use of Goods and Services	58,500,000	64,350,000	70,785,000	28,793,931	31,673,324	34,840,656
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
3100000 Acquisition of Non-Financial Assets	24,971,369	27,468,506	30,215,356	21,971,369	24,168,506	26,585,356
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure						
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
TOTAL PROGRAMME 3	84,715,957	93,187,553	102,506,308	52,181,198	57,399,318	63,139,250
SP 3.1: Fiscal Planning						
Current Expenditure:	49,225,070	54,147,577	59,562,335	41,190,970	45,310,067	49,841,074
2100000 Compensation to Employees	1,244,588	1,369,047	1,505,951	1,244,588	1,369,047	1,505,951
2200000 Use of Goods and Services	27,000,000	29,700,000	32,670,000	20,965,900	23,062,490	25,368,739
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	20,980,482	23,078,530	25,386,383	18,980,482	20,878,530	22,966,383
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 3.1	49,225,070	54,147,577	59,562,335	41,190,970	45,310,067	49,841,074
SP 3.2: Monitoring & Evaluation / Statistical Data Management						
Current Expenditure:	35,490,887	39,039,976	42,943,973	10,990,228	12,089,250	13,298,175
2100000 Compensation to Employees				171,310	188,441	207,285
2200000 Use of Goods and Services	31,500,000	34,650,000	38,115,000	7,828,031	8,610,834	9,471,917
2400000 Interest Payments						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets	3,990,887	4,389,976	4,828,973	2,990,887	3,289,976	3,618,973
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 3.2	35,490,887	39,039,976	42,943,973	10,990,228	12,089,250	13,298,175
SP 3.3: KDSP Programme						
Current Expenditure:	-	-	-	-	-	-
2100000 Compensation to Employees						
2200000 Use of Goods and Services						
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets						
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure	-	-	-	-	-	-
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
SUB TOTAL SP 3.3	-	-	-	-	-	-
TOTAL	2,262,735,041	2,839,008,545	2,532,909,400	1,692,036,706	1,861,240,377	2,193,709,363

3.3 Resource Allocation Criteria.

Allocations to programmes in the subsector were based on their conformity to among other the factors;

- Completion of ongoing programmes
- Degree to which a programme addresses the core mandate of the Sub-Sector;
- Expected outputs and outcomes from a programme;
- Extent to which the programme seeks to address the viable stalled projects and verified pending bills; and
- Requirements for furtherance and the implementation of the Constitution.

CHAPTER FOUR

4.0 CROSS-SECTOR LINKAGES

This Section provides the cross functional linkages necessary for effective and efficient delivery of services in the county. The County Treasury Sub-sector linkage to other sectors starts with the carrying out of its mandate to provide overall leadership in the areas of policy direction and management of the County's finances. Further linkage emanates from its role in facilitating other sectors/subsectors through resource mobilization and provisions against the backdrop of County plans and budgets.

With the role of leading the county in planning, other cross-sector linkages are found through County Treasury leading other sectors and subsectors in the adherence to the County budget and planning frameworks in the implementation of their various programmes/ projects. Additional linkages are highlighted by the subsector's role as a custodian of the County's assets. As enablers, all the subsectors within the PAIR sector have a pivotal role in complementing the roles of the County Treasury subsector to make the sector attain its laid goals. Generally, the cross-sectoral linkages are maintained through:

1. Coordination of preparation and implementation of the County Budget;
2. Mobilization and allocation of resources;
3. Provision of oversight to ensure compliance, accountability and transparency in the management of resources;
4. Leading in and Promotion of prudent financial management;
5. Monitoring and Evaluation of policies and systems for tracking and reporting of results;
6. Management of financial, project systems and technical support in the implementation of Public Private Partnerships (PPP);
7. Coordination of planning and provision of official statistics to support public policy research for informed decision making;

8. Coordination of County, Urban (City and Municipalities) and sectoral planning so as to link policies, plans and budgets;

The summary for the cross sectoral linkages is highlighted in the table below.

SECTOR	LINKAGE TO COUNTY TREASURY SUB SECTOR
Agriculture Rural and Urban Development	<p>County lands Policy and Management, Physical Planning for land use, Land Transactions, Survey and Mapping, Land Registration, County Spatial data Infrastructure, and Land and Property Valuation Services.</p> <p>Provide agriculture and cooperatives related research data for planning purposes.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p>
Energy Infrastructure and ICT	<p>Evaluation, approval and follow up on implementation of construction projects being undertaken by the County Treasury.</p> <p>Provision of ICT standards.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p>
General Economics and Commercial Affairs	<p>Provision of research data relating to industrial development, tourism and other General economics for planning purposes.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p>
Health	<p>Provide health services to improve the well-being of the citizens.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p>
Education	<p>Facilitation of well-educated populace in the economy</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p>

SECTOR	LINKAGE TO COUNTY TREASURY SUB SECTOR
	Timely reporting
Social Protection, Culture and Recreation	<p>Development of County gender mainstreaming policy.</p> <p>Provision of County Youth Policy and liaison implementing youth empowerment and social protection programmes.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p>
Environment Protection Water and Natural Resources	<p>Carry out Environmental impact assessment the subsector's projects.</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Timely reporting</p> <p>Providing policy direction on management of environment and natural resources.</p>
Pair Sector	<p>Assist in prosecution and enforcement of laws</p> <p>Timely reporting</p> <p>Participating in budget making process.</p> <p>Adherence to Treasury circulars</p> <p>Provide leadership and oversight to the County Treasury</p> <p>Indulge the County Treasury in planning activities for the Municipalities</p>

CHAPTER FIVE

5.0 EMERGING ISSUES AND CHALLENGES

Emerging Issues

- Creation of new entities e.g., Molo and Gilgil municipalities require funds for operationalisation stretching the already limited resources.
- Policy changes with new administration may impact on the existing fiscal space of the county

Challenges

- Demoralized staff due to delayed promotions for all staff cadres.
- Inadequate staff due to high attrition rates and slow replacements in the revenue section.
- Lack of adequate office space, working equipment, furniture and other working tools in the headquarter and the Sub Counties hence affecting the departmental operations.
- Inadequate budgetary allocations to support departmental activities
- Lack of adequate mobility
- Unavailability /Unreliable internet connectivity
- The revenue system is not fully utilized leading to low revenue collection. Partial automation due to delayed integration of payment channels in the revenue system
- Power disconnection in Sub Counties resulting in delayed processing of revenue collections and tax payers' apathy.
- System downtime affecting day to day operations.
- Poor facilitation of staff working in the sub counties.
- Poor maintenance of county government assets including county housing estates, motor vehicles, furniture and ICT equipment which affects their value and consequently leads to low revenue collection.

- Below par performance in county own source revenues in major streams such as land rates and county estate rents due to multifaceted reasons such as contentious house ownership, validity of property records for parastatals such as KWS, Kenya railway, and other large parcel land owners and lack of an updated valuation roll.
- Covid-19 pandemic affected service delivery across all departments during the period under review
- Political interference in management and collection of revenue
- High reliance on donor funding especially by the new urban entities.
- Investments in county social and physical infrastructure that are not self-sustaining.
- Lack of departmental synergies in programme formulation and implementation.
- Increasing number of litigations against the County government has adversely affected the County's risk portfolio.
- Delays in the project initiation and implementation process leading to rollover of projects year on year.
- Lack of feasibility and prefeasibility studies before budgeting for projects thus delaying the intended interventions. E.g., allocating for construction of classrooms before land is available.
- Delayed submission of project and item specifications/BQs to procurement.
- Weaknesses in project implementation, supervision and monitoring.
- Prolonged electioneering affected service delivery.

CHAPTER SIX

6.0 CONCLUSION

The County Treasury sub-sector plays a big role in the County as it promotes prudent public finance management and accountability of public funds; coordinates county and sectoral development planning; management of county statistics, development of a sound legislative and regulatory framework as well as access to information on county funds.

During the MTEF 2019/20 – 2021/22, the Subsector recorded notable achievements in its key areas. The County Treasury under the administration programme completed 34 percent of the County Treasury building to increase office space for the County Treasury staff; provided capacity building opportunities for its' staff including training in budget preparation, financial reporting, Planning and Promotional courses at the KSG. Under the Public Finance management programme, the sub-sector adhered to the legal framework and guidelines governing budget formulation by preparing the Budget Circular, CBROP, CFSP, Sector reports and Budget estimates; procurement with the annual procurement plan and quarterly procurement reports; public finance with the annual statement and quarterly financial reports on time; Further the County Treasury acquired a new revenue system CIFOMS to enhance efficiency in revenue collection. Own source revenue collected by the subsector during the period under review including FIF was Ksh.2.44 and Ksh 2.82 billion and 3.23 billion for FY 2019/20, FY 2020/21, FY 2021/22 respectively translating to an average of 84.3 percent of targeted collection. The revenue collection for the financial period 2019/20 and 2020/21 was greatly affected by the containment measures put in place to reduce the spread of COVID 19. The analysis of the sub-sector's expenditure indicates marginal increase in the allocations to the subsector from Ksh. 1.607 billion in FY 2020/21 to 1.71 billion in FY 2021/22. The actual expenditure for the period was Ksh. 1.459 billion, Ksh 1.26 billion and Ksh. 1.49 billion, translating to 86 percent, 80 percent and 87 percent

budget absorption rate in financial years 2019/20, 2020/21 and 2021/22 respectively. However, while implementing subsector programmes, there were various emerging issues and challenges that impacted negatively on the Sub-sector's overall performance.

The Sub-sector will however, continue to address these challenges and adapt appropriately to emerging issues to effectively deliver the mandates. During the 2023/24 – 2025/26 MTEF Budget period, the Sub-sector will implement three (3) programmes and thirteen (13) sub-programmes and among the priorities is the completion of the County Treasury office block which is expected to accommodate all its Directorates. The Department also aims at strengthening management and usage of funds to ensure prudence in financial management and reporting. Further the department seeks to empower its' staff by according them opportunities to attend long and short-term programmes to enhance their skills and empower them in performance of their duties. In budget implementation, the County Treasury will issue guidelines and do follow-ups to ensure projects and planned activities are realized within the set timelines. The subsector will also ensure that all statutory documents are submitted to the County Assembly and other Entities as per the requisite directives/legislations. The subsector is also prioritizing institutionalizing planning in the county entities and also regularizing and strengthening monitoring and evaluation within the activities in the County entities. To effectively execute the Sub-sector priorities, the Sub-sector will require Ksh 1.36 billion, Ksh 1.49 billion and 1.64 billion under the Recurrent vote in 2022/23, 2023/24 and 2024/25 Financial Years respectively. On the hand the Subsector will require Ksh 900 million, Ksh 1.34 billion and Ksh 884 million in FY 2023/24, FY 2024/25 and FY 2025/26 respectively under Development vote. This translates to a gross budgetary requirement of Ksh 2.26 billion, Ksh 2.83 billion and Ksh 2.53 billion in FY 2023/24, FY 2024/25 and FY 2025/26 respectively. Going forward the subsector will apply austerity measures to cope with the resource shortfalls. To bridge the resource gap, the subsector

will partner with private sector to undertake various project through public private partnership. The county treasury will continue to adhere to fiscal responsibility principles as set out in section 107 of the PFM Act 2012.

CHAPTER SEVEN

7.0 RECOMMENDATIONS

- County Government should adhere to recommended HRM best practices including among other effective succession planning and management, timely promotions and recruitment, training, and provision of a friendly work environment.
- The department should come up with an updated departmental organogram and staff establishment to facilitate proper succession management and planning.
- The department should create an enabling environment for revenue officers collecting revenue especially in the field offices.
- There should be fast-tracking of the transfer of ownership documents for both defunct local authorities and devolved functions assets. This should be spearheaded by the County Secretary's Office, County Attorney, the County Treasury and other relevant departments. Further, county departments and entities should secure county land by erecting perimeter fences to prevent encroachment.
- The construction of offices blocks in the subcounty and wards done by PSTD should be done in conjunction with the Finance department so as to accommodate County Treasury officers.
- Future construction of county offices should consider storeyed design to accommodate more officers.
- A County Debt Management Unit should be fully operationalized to ensure effective management of the county's fiscal risks arising from pending bills
- The County departments should set aside sufficient funds for timely acquisition and maintenance of motor vehicles and other assets.
- The department should work towards mapping and automation of all revenue streams to reduce revenue leakages.

- The County government should encourage alternative dispute resolution in settlement of cases to reduce the cost implications.
- Interdepartmental collaboration is encouraged for off-balance sheet resource mobilization, asset management, project implementation, M&E and mainstreaming of crosscutting issues.
- The County government should consider imposing project preapproval conditions before budget allocations that may include but not limited to proof of land availability, project feasibility studies, project site surveys, design and plans, and environmental impact assessments.
- The County government should ensure that all projects should have project management/implementation committees to oversee their execution.
- County departments should liaise with the Asset Management unit in tagging of assets after inspection and acceptance and be recording the assets in the asset register before issuance to users and before disposing assets.

REFERENCES

- ADP 2023/24
- CIDP 2018 - 2022
- Constitution of Kenya, 2010
- County Budget Review and Outlook Paper 2020, 2021 & 2022
- County Fiscal Strategy Paper 2021 & 2022
- County Government Act, 2010
- Draft CIDP III County Treasury Priorities and Strategies
- Medium Term Review (MTR 2020) of the CIDP (2018-2022)
- MTEF Approved Budget FY 2019/2020 – FY2022/2023
- Nakuru County Integrated Development Plan 2018 – 2022
- PFM Regulations, 2015
- PPADA (2015)
- Public Finance Management Act, 2012

APPENDICES

Appendix 1: Analysis of Performance of Capital Projects (FY2021/2022)

PROJECT DESCRIPTION	LOCATION	CONTRACT DATE	COMPLETION DATE	ESTIMATED COST TO COMPLETION	CUMULATIVE BUDGET ALLOCATION	COMPLETION STAGE (%)	SPECIFIC NEEDS TO BE ADDRESSED BY THE PROJECT
Programme: Administration, Planning and Support Services							
Sub Programme: Administration and Planning							
Renovation of Revenue Office at County Headquarters	HQ	2021/22	2021/22	3,800,750	3,800,750	100	Enhance service delivery
Construction of County Treasury	HQ	2021/22	2021/22	886,000,000	301,000,000	34	Host County staff offices
Development and Implementation of Revenue System (Phase II)	HQ	2021/22	2021/22	25,000,000	25,000,000	100	Enhance revenue collection
4.3 % Administrative cost of revenue management system	HQ	2021/22	2021/22	75,000,000	75,000,000	100	
Maintenance of Project Implementation Management System	HQ	2021/22	2021/22	1,200,000	1,200,000	100	Monitoring of development projects
Purchase of Alternative Power Supply (Solar Panels) for Powering of Revenue Server	HQ	2021/22	2021/22	1,000,000	-	0	Provide reliable sustainable power /back up
Development of Asset Management System	HQ	2021/22	2021/22	5,000,000	-	0	Management of county assets
Programme: Public Finance Management							
Sub Programme: Debt Management							
County Debt Management (as per the County Medium Term Debt Management Strategy Paper)	HQ	2021/22	2021/22	29,465,460	29,465,460	67	Management of county debt portfolio
Court Decrees	HQ	2021/22	2021/22	40,168,416	40,168,416	99	
County Debt Management (as per the County Medium Term Debt Management Strategy Paper)	HQ	2021/22	2021/22	17,005,144	Continuous		
TOTAL				1,083,639,770	475,634,626		

Appendix 2: Report on Pending Bills as at 30th June 2022

S/No.	Supplier/Contractor Name	LPO/LSO Contract No.	Date of the LPO/LSO Contract No.	Details of Work Performed	Outstanding Pending Bill Amount as of 30th June, 2021	Amount Paid (Kshs.)	Outstanding Pending Bill Amount as of 31st December, 2021
1	Alphamy Construction Limited			Payment of construction of one block of pit toilet at chandela primary school	50,895	0	50,895
2	Wilma Duet Limited			Construction of one classroom at sulgwita sec school	85,250	0	85,250
3	Royal Wakulima Ltd			Construction of one classroom at st.brendan sec school	91,395	0	91,395
4	Danmark Enterprises			Construction of one classroom at mona sec school	129,644	0	129,644
5	Royal Wakulima Ltd			Completion of chiefs office at sirikwa farm	183,300	0	183,300
6	Remta Company Limited			Construction of one classroom at tayari primary school(phase i)	198,647	0	198,647
7	Remta Company Ltd			Construction of modern toilets at molo market	394,000	0	394,000
8	Stasha Construction Co.Ltd			Repairing and concreting floors at lakeview primary school	488,880	0	488,880
9	Trivet Construction And General Supplies Limited			Construction of classrooms at tarakwet primary school	649,960	0	649,960
10	Royal Wakulima Limited			Rehabilitation of slaughter house	691,142	0	691,142
11	Alphamy Construction Ltd			Construction of one classroom at chandera sec school	747,218	0	747,218
12	Royal Wakulima Ltd			Construction of one classroom at sachagwan sec school	761,133	0	761,133
13	Remta Company Limited			Construction of classroom at tayari primary school(phase ii)	787,400	0	787,400
14	Royal Wakulima Ltd			Construction of one classroom at sulgwita sec school	793,295	0	793,295
15	Trivet Construction And General Supplies Limited			Construction of classrooms at elburgon p.c.e.a secondary school elburgon ward molo sub-county	1,116,486	0	1,116,486
16	Mak Performance System			Payment of drain and culvert cleaning along nakuru teachers primary and wamagata roads	486,000	0	486,000
17	Danmark Enterprises			Grading and gravel patching of access roads(ndimu estate)	496,480	0	496,480
18	S.K Nakuru Electrical Sales And Supplies			Completion of equipping borehole(solai ward)	986,390	0	986,390
19	Remta Company Limited			Payment for renovation of social hall	1,584,927	0	1,584,927
20	Margaret Wanjiku Macharia			Supply of tree seedlings(ndundori ward)	27,500	0	27,500
21	John Maina Mwangi			Supply of tree seedlings(ngata ward)	27,500	0	27,500
22	Kahuti Self Help Group(Joseph N Kariuki)			Supply of tree seedlings(subukia ward)	27,500	0	27,500
23	Kahuti Self Help Group			Supply of tree seedlings(ndungiri kirima ward)	27,500	0	27,500
24	Albert Ochieng			Supply of tree seedlings (gilgil ward)	27,500	0	27,500
25	Lucid International			Supply of cleaning materials	197,078	0	197,078
26	Lucid International			Supply of cleaning materials	245,054	0	245,054
27	Lucid International			Supply of cleaning materials	444,360	0	444,360

S/No.	Supplier/Contractor Name	LPO/LSO Contract No.	Date of the LPO/LSO Contract No.	Details of Work Performed	Outstanding Pending Bill Amount as of 30th June, 2021	Amount Paid (Kshs.)	Outstanding Pending Bill Amount as of 31st December, 2021
28	Landspring Enterprices			Supply of bin cards	450,000	0	450,000
29	Nicholas Otieno Okoth C/O Prime Line Survey			Survey of market plots at ewat,kanyotu,polepole and ngecha	1,443,300	0	1,443,300
30	Riverbank Solutions Ltd			Q3 2020 4.5% admin cost	11,432,408	0	11,432,408
31	Riverbank Solutions Ltd			Q4 2020 4.5% admin cost	6,427,755	0	6,427,755
32	Alswaff Tours And Travel	6373	20/06/2022	Return ticket for joyce ndegwa from nairobi -dubai-nairobi	203,110		203,110
33	Nation Media Group	12484	10/04/2019	1/8 page advert for vacant position of audit committee	91,640		91,640
34	Print Options	45670	08/02/2022	Honorary sticker books and receipt & payment cash book	169,340		169,340
35	Print Options	45671	08/02/2022	Receipt sticker,caution book and s13	1,276,000		1,276,000
36	Lake Naivasha Panorama Resort	13885	05/11/2021	Full board conference for 40pax for 5 days	1,600,000		1,600,000
37	Jagir Singh Contractors Ltd			Proposed construction of treasury hq certificate no.8	33,501,742		33,501,742
38	Dfit			Maintenance, support and upgrading of integrated revenue collection management system for period 01-feb-31st march 2022	18,192,242		18,192,242
39	Kalee Limited	12496	13/05/2019	Advert on land rates for one week	162,400		162,400
40	Ryamwa	41629	10/05/2022	Branded rain coats	1,598,400		1,598,400
41	Toner Store	47733	05/05/2022	Supply of toners and antivirus internet security	1,700,000.00		1,700,000.00
42	Etham Consolidated Limited	6318	19/08/2021	Renovation of old town hall offices revenue section	2,999,976		2,999,976
43	Great Rift General Merchant	47726	30/03/2022	Supply of desktop,mobile phone,laptops,printer ,hard disk,ups &power extension cables	1,300,000		1,300,000
44	Naris Construction Limited	46586	17/06/2022	Supply and delivery of furniture	1,021,000		1,021,000
45	Collection Africa Limited			Revenue debt collection services for the month of july 2021	5,283,909.47		5,283,909
46	Kenya Institute Of Supplies Management			Procurement and disposal planning training for 11 pax in mombasa from 21st - 25th february 2022	800,400.00		800,400
47	Centre For Advanced Procurement Studies	06358	09/05/2022	Procurement of frameworks contracts and agreements training for 5 days 16th - 20th may 2022	1,360,000.00		1,360,000
48	Nation Media Group	06316	23/05/2022	Advert placement for waiver 1/2 page coloured	379,320.00		379,320
49	Nation Media Group	06317	24/05/2022	Spot advert for publicity of waiver notice for 1 week tv	580,000.00		580,000
50	Stanadr Group	06319	24/05/2022	Advert on notice of waiver	348,000.00		348,000
51	The Nest Boutique	03395	05/01/2022	County asset committee members meeting from 10th - 28th Jan 2022 - 20pax	900,000.00		900,000
52	The Nest Boutique	04385	08/09/2021	Full day conference facility for 10 pax 10days while preparing 2020/2021 financial reports	300,000.00		300,000
Total					105,267,375.57	-	105,267,375.57