



COUNTY GOVERNMENT OF NAKURU

AGRICULTURE, RURAL AND URBAN DEVELOPMENT SECTOR

NAIVASHA MUNICIPALITY

SUB SECTOR REPORT

MTEF 2025/2026 – 2027/2028

JANUARY 2025

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ABBREVIATIONS

ADP	Annual Development Plan
BoQ	Bill of Quantities
CGN	County Government of Nakuru
CIDP	County Integrated Development Plan
FY	Financial Year
IDeP	Integrated Development Plan
ISUDP	Integrated Strategic Urban Development Plan
ISUDP	Integrated Strategic Urban Development Plan
KeNHA	Kenya National Highways Authority
KURA	Kenya Urban Roads Authority
KUSP	Kenya Urban Support Framework
MTEF	Medium Term Expenditure Framework
MTEF	Medium Term Expenditure Framework
NEMA	National Environment Management Authority
NMB	Naivasha Municipal Board
UACA	Urban Areas and Cities Act
UDD	Urban Development Department
UDG	Urban Development Grant
UNESCO	United Nations Educational, Scientific and Cultural Organization

EXECUTIVE SUMMARY

This report has been prepared in line with the County Treasury budget Circular No. 1 of 2024 On Guidelines for Preparation of Medium-Term Budget for Period 2025/26- 2027/28 and in accordance with the provisions of the Public Financial Management Act, 2012. It contains the Municipality's planned outputs for the next MTEF period. The sub sector of Naivasha Municipality is composed of nine board members, a Municipal Manager and a Secretariat. Four of the Board members were appointed through a competitive process and approved by the County Assembly. The Charter further provides that the remaining five members of the Board be nominated from Professional associations, Civil Society and Private Sector. The term of the members of the Board of the Municipality is five years on part time basis whereas the Municipal Manager is appointed for a six-year period which is renewable.

The report is organized into seven chapters. Chapter one comprises of introduction, providing the background, sub-sector vision and mission, strategic objectives, sub-sector mandates, stakeholders and their roles. Chapter Two reviews the performance of the previous MTEF Period 2021/22-2023/24, analyzing their expenditures and pending bills too.

Chapter Three gives the Medium-Term priorities and financial plan for the MTEF Period 2025/26- 2027/28.

Chapter four of this report deals with cross-sector linkages. Chapter five contains the emerging issues and challenges being faced by the Board. Some of them being delayed transfer of delegated functions to the municipality leading to duplication of roles, shortage of Human Resource and key service delivery assets, inadequate office space leading to a less productive atmosphere, inadequate and limited resource allocation especially in carrying out development activities. Chapter six provides the conclusion In conclusion, the sub sector of Naivasha Municipality is committed to pursuing development opportunities available, provide high standards of social services and foster economic, social and

environmental wellbeing. The County Treasury when setting the expenditure ceilings should consider the critical Programs for the sub sector and the priorities of the Municipality so as to avail enough funds. The Sub Sector endeavors to work closely with other sub sectors and external partners in resource mobilization towards bridging the gaps.

Chapter seven provides recommendations or the future actions that need to be taken in order to solve some of the emerging issues and challenges facing the board. These recommendations will improve the implementation of the Programmes and Sub-Programmes in terms of efficiency, effectiveness, timeliness and target to better service delivery.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background

The sub sector of Naivasha Municipality falls under the Agriculture Rural and Urban Development Sector (ARUD). The Sub Sector is composed of nine board members, a Municipal Manager and secretariat. Four members of the Board of the Municipality were appointed through a competitive process and approved by the County Assembly. The subsector operates under the two listed Programmes

- Administration, planning and support services.
- Naivasha Municipal services

1.2 Sector Vision and Mission

Vision

A prosperous and hospitable green Municipality.

Mission

Provide affordable, high quality municipal services, as well as responsive, accessible, inclusive and participatory local governance.

CORE VALUES

- i. Service excellence
- ii. Integrity
- iii. Accountability
- iv. Customer focused service
- v. Innovation
- vi Stewardship

1.3 Strategic Goals/Objectives of the Sector

The objective of the Municipality of Naivasha is to:

- ✓ Provide for efficient and accountable management of the affairs of the Municipality;
- ✓ Provide for a governance mechanism that will enable the inhabitants of the Municipality to:
 - Participate in determining the social services and regulatory framework which will best satisfy their needs and expectations,
 - Verify whether public resources and authority are utilized or exercised, as the case may be, to their satisfaction,
 - Enjoy efficiency in service delivery.
- ✓ Vigorously pursue the developmental opportunities which are available in the Municipality and to institute such measures as are necessary for achieving public order and the provisions of civic amenities, so as to enhance the quality of life of the inhabitants of the Municipality;
- ✓ Provide a high standard of social services in a cost-effective manner to the inhabitants of the Municipality;
- ✓ Promote social cohesiveness and a sense of civic duty and responsibility among the inhabitants and stakeholders in the Municipality in order to facilitate collective action and commitment towards achieving the goal of a harmonious and stable community;
- ✓ Provide for services, by laws recommendation and other matters for Municipality's benefit;
- ✓ Foster the economic, social and environmental well-being of its community.

1.4 Sub Sector and their Mandates

As outlined in Section 20 of the Urban Areas and Cities Act, the Municipality of Naivasha is mandated and stipulated with the following functions: -

- To oversee the affairs of the Municipality.

- To develop and adopt policies, plans, strategies and Programs.
- To formulate and Implement an Integrated Development Plan.
- To control Land use, Land subdivision, Land development and zoning by public and private sector for any purpose within the framework of the spatial and master plans for the municipality and as may be delegated by the County Government.
- To promote and undertake infrastructural development and services within the Municipality
- To develop and manage schemes, including site development in collaboration with the relevant national and county agencies.
- To maintain a comprehensive data base and information system of the administration and provide public access there to upon payment of a nominal fee to be determined by the board.
- To administer and regulate its internal affairs.
- Implement applicable national and county legislation;
- To enter into such contracts, partnership or joint ventures as it may consider necessary for the discharge of its functions under this Act or other written laws.

Subject to these provisions, upon application for delegation of functions, NMB was delegated the following functions:

i. Development control

- ✓ Development surveillance and compliance
- ✓ Outdoor advertisement control

ii. Solid waste management

- ✓ Cleansing functions
- ✓ Oversight and enforcement of service providers on Municipal solid waste collection
- ✓ Management of public open spaces including parks, gardens and playground within the Municipal boundary

iii. On-street parking

Delineation of parking spaces and improving infrastructure of the parking spaces

Strategic Goals/Objectives of the Sub-Sector

- The objectives of Naivasha Municipality are
- To pursue developmental opportunities which are available in the municipality?
- To guide the spatial development of the municipality in line with the approved integrated sustainable urban development plan.
- To provide a high standard of social services in a cost-effective manner to the inhabitants of the Municipality.
- To promote social cohesiveness and a sense of civic duty and responsibility among the inhabitants and stake holders in the municipality.
- To provide for services, By-laws and other matters for the Municipality benefit
- Monitor and where appropriate regulate the Municipal services where those services are provided by service providers other than the Board of the Municipality.
- Prepare and submit its annual budget estimates to the County Treasury for the submission to the County assembly for approval as part of the annual County appropriation bill.
- Collect rates, taxes levies, duties, fees and surcharges on fees.
- The Municipality also derives its mandate from the Naivasha municipality Charter and may execute other mandates that may be delegated by the County executive.

1.5 Role of Sector Stakeholders

STAKEHOLDER	ROLE
Development Partners/Donors	<ul style="list-style-type: none"> - Providing funding. - Guidance on Expenditure. - Participate in Public/Private Partnership.
Line Ministries	<ul style="list-style-type: none"> - Provide technical advice - Cooperation
General Public	<ul style="list-style-type: none"> - Participate in budget preparation process. - Highlight the projects to be undertaken. - Carry out social intelligence audit.
State Agencies and Departments	<ul style="list-style-type: none"> - Policy guidelines. - Technical advice. - Partnership.
Private Sector/media /civil society	<ul style="list-style-type: none"> - Participate in public private partnership. - Increase public awareness. - Participate/guidance in drafting policies.
County Assembly	<ul style="list-style-type: none"> - Enactment of Bills. - Approval of Budget.
Community Based Organization	<ul style="list-style-type: none"> -Public Participation in the budget making process -Highlight the projects to be undertaken. - Carry out social intelligence audit.
Government Agencies	<ul style="list-style-type: none"> - Policy guidelines. - Technical advice. - Partnership.

CHAPTER TWO

2.0 PROGRAMME PERFORMANCE REVIEW FOR THE MTEF PERIOD 2021/22-2023/24

2.1 Review of Sector Programmes and Sub Programme

This Chapter outlines planned targets, objectives and targets achieved during the above-named period.

The development undertaken by Naivasha Municipal Board is largely funded by the World Bank under Kenya Urban Support Programme – Urban Development Grant (UDG). Other funding is through equitable share. Below, is the performance of the infrastructure projects under the **FY 2021-2022/2023-2024**.

- 3.7 km of road were tarmacked in Kabati and Industry areas site and service.
- 2.1km Lakeview Road were tarmacked.
- 3500 m² Cabro were installed.
- 208 m² Parking lots were constructed.
- A solid waste management plan was developed and adopted.
- 100 tree seedlings were planted.
- Naivasha Wholesale market was constructed.
- Naivasha Municipal Park was rehabilitated.
- 4.7km of drainage alongside the roads that have been constructed.
- 0.6km of sewer line is currently ongoing.
- Grading and gravelling of roads in Kayole estate and Kinungi centre.
- 3No. staff members were taken to KSG for training on Supervisory skills.
- 9No. board Members were also trained.
- The process of developing an IDEP has already been initiated. The Idep is 95% complete.
- 5No.staff members have been deployed i.e.2No.technical officers and 3No.of casuals to work in the park.
- 12No. financial and monitoring and Evaluation reports were prepared.
- 60 No. parking lots were constructed.

- 1 No. integrated solid waste management plan was reviewed.
- 3000 tree seedlings planted.
- 4 No. environmental events held.
- 0.5km Construction of NMT in Mama Ngina Street.
- Hosted soko huru la Vijana; a market activation strategy spear headed by H.E Susan Kihika the governor Nakuru County where the youths, vulnerable women and PWDs exhibited their craft outside the Municipal Park.
- Partnered with key stakeholders to create an empowerment center in the Naivasha Modern Market

Table 1: Sector Programme Performance Reviews

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2021/22	2022/23	2023/24	2021/22	2022/23	2023/24	
Programme Name: Administration planning and support services									
Objective: To provide effective and efficient service delivery									
Outcome: Effective and efficient service delivery to clients and stakeholders									
S,P 1.1 Administration and Planning	Improved service delivery	No. of assorted office equipment purchased	-	-	1	-	-	12	The budget used is from both the municipality and finance
		No. of IDEP developed and adopted	-	-	-	-	-	1	95% COMPLETE
		No. of Staff Uniforms and tools/equipment purchased	--		30	-	-	141	Achieved
		No. of draft By-laws developed	-	-	1	-	-	2	Achieved
		No. of Municipality policy documents reviewed and developed	-	-	4	-	-	3	Limited budget allocation
		No. of Board and committee meetings held	20	20	20	16	16	16	Limited budget allocation
S.P 1.2: Personnel Services	Human Resource Productivity enhanced	No. of staff Recruited	-	-	0	-	-	5	Two technical officers recruited and 3 Casual recruited in the Park
		No. of staff and board members trained	18	15	30	1	12	18	Limited budget allocation

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2021/22	2022/23	2023/24	2021/22	2022/23	2023/24	
		No. of Performance contract and performance appraisal signed annually	-	-	4	-	-	1	2024/25 Pc prepared
S.P 1.3: Financial services	Improved Financial Management and Services	No. of financial reports generated	4	4	4	4	4	4	Achieved
Programme Name: Naivasha municipal services									
Objective: To provide access to efficient and effective Municipal services									
Outcome: Safe, inclusive, resilient and sustainable Municipality									
S.P 2.1 Planning and Infrastructure	Improved service delivery	No of parking lots	30	80	40	30	100	60	Achieved
		Length in KM of drainage improved	-	-	0	-	-	4.2	Achieved
		Length in KM of roads improved to bitumen standards and NMT constructed	2.7	5	0	1.5	0.7	2.5	Improvement of Lakeview roads
S.P 2.3 Naivasha Social Services		No. of events and Celebrations marked	-	-	5	-	-	2	Limited budget allocation
		No. of Annual Municipality Cycling Marathons held	-	-	1	-	-	0	Limited budget allocation
		No. of public participation held		-	4	-	-	4	Achieved

2.2 Expenditure Analysis

The below gives a summary of the subsector's approved budget versus the actual expenditure. In the **FY 2021/22**, the subsector was allocated a budget of **Kshs.511,674,414.00** whereas they spent **Ksh211,125,652.00** representing an absorption rate of **41%**. In the **FY 2022/2023**, the municipality had an allocation of **Kshs.341,523,839.00** and reported an expenditure of **Ksh. 226,197,159.89** representing an absorption rate of **66%**. For **FY 2023/24** the subsector had an approved budget of **Ksh.175,637,869.00** and recorded an expenditure of **Ksh.114,837,903.00**. This represents an absorption rate of **65%**. The details of allocations and expenditure are shown in Table 2 and 3.

2.2.1 Analysis of Programme Expenditures

Table 2 Programme/Sub-Programme Expenditure Analysis

ANALYSIS OF PROGRAMME EXPENDITURE BY PROGRAMME AND SUB PROGRAMME						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
PROGRAMME 1: PROGRAMME 1: Administration, Planning and Support Services						
S.P 1.1 Administration and Planning	25,711,622.00	18,349,280.00	19,724,400.00	14,338,898.00	10,717,978.90	7,836,013.72
S.P 1.2 Personnel Services	8,447,760.00	9,388,787.00	11,042,628.00	8,462,160.00	7,202,203.00	5,601,847.23
S.P 1.3 Financial Services	600,000.00	600,000.00	-	600,000.00	350,000.00	-
TOTAL PROGRAMME 1	34,759,382.00	28,338,067.00	30,767,028.00	23,401,058.00	18,270,181.90	13,437,860.95
PROGRAMME 2: Naivasha Municipal Services						
SP 2.1: Planning and Infrastructure	474,615,032.00	310,585,772.00	142,870,841.00	185,624,594.00	206,626,977.99	101,400,042.05
SP 2.2: Environmental Management and Sanitation	900,000.00	900,000.00	-	900,000.00	600,000.00	-
SP 2.3 Naivasha Social Services	400,000.00	900,000.00	1,000,000.00	400,000.00	700,000.00	-
S.P 2.4 Tourism, Investment and Trade	1,000,000.00	800,000.00	1,000,000.00	800,000.00	-	-
TOTAL PROGRAMME 2	476,915,032.00	313,185,772.00	144,870,841.00	187,724,594.00	207,926,977.99	101,400,042.05
TOTAL VOTE.....4578.....	511,674,414.00	341,523,839.00	175,637,869.00	211,125,652.00	226,197,159.89	114,837,903.00

2.2.2 Analysis of Programme expenditures by Economic Classification

Table 3: Programme Expenditure Analysis by Economic Classification

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
PROGRAMME 1: Administration Planning and Support Services						
Current Expenditure:						
2100000 Compensation to Employees	8,433,360.00	8,944,169.00	10,522,365	8,447,760.00	6,927,829.00	5,534,887.23
2200000 Use of Goods and Services	17,211,622.00	16,749,280.00	19,199,400	7,853,898.00	10,837,978.90	7,615,613.72
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	-	-	-
2700000 Social Benefits	14,400.00	444,618.00	520,264	14,400.00	274,374.00	66,960.00
3100000 Acquisition of Non-Financial Assets	-	2,200,000.00	525,000	-	230,000.00	220,400.00
4100000 Acquisition of Financial Assets	9,100,000.00	-	-	7,085,000.00	-	-
4500000 Disposal of Financial Assets	-	-	-	-	-	-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
Capital Expenditure						-
Non-Financial Assets	-			-		-
Capital Transfers to Govt. Agencies	-			-		-
Other Development	-			-		-
TOTAL PROGRAMME 1	34,759,382.00	28,338,067.00	30,767,028.00	23,401,058.00	18,270,181.90	13,437,860.95
SUB PROGRAMME 1.1: Administration and Planning						-
Current Expenditure:						-
2100000 Compensation to Employees						-
2200000 Use of Goods and Services	16,611,622.00	16,149,280.00	19,199,400	7,253,898.00	10,487,978.90	7,615,613.72
2400000 Interest Payments						-
2600000 Current Grants and Other Transfers						-
2700000 Social Benefits						-
3100000 Acquisition of Non-Financial Assets		2,200,000.00	525,000		230,000.00	220,400.00
4100000 Acquisition of Financial Assets	9,100,000.00			7,085,000.00		-
4500000 Disposal of Financial Assets						-
Capital Expenditure						-
Non-Financial Assets						-
Capital Transfers to Govt. Agencies						-
Other Development						-
TOTAL SP 1.1	25,711,622.00	18,349,280.00	19,724,400.00	14,338,898.00	10,717,978.90	7,836,013.72
SUB PROGRAMME 1.2: Personnel Services						-
Current Expenditure:						-
2100000 Compensation to Employees	8,433,360.00	8,944,169.00	10,522,365	8,447,760.00	6,927,829.00	5,534,887.23
2200000 Use of Goods and Services						-
2400000 Interest Payments						-
2600000 Current Grants and Other Transfers						-
2700000 Social Benefits	14,400.00	444,618.00	520,264	14,400.00	274,374.00	66,960.00
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						-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
TOTAL SP 1.2	8,447,760.00	9,388,787.00	11,042,628.00	8,462,160.00	7,202,203.00	5,601,847.23
SUB PROGRAMME 1.3: Financial Services						-
Current Expenditure:						-
2100000 Compensation to Employees						-
2200000 Use of Goods and Services	600,000.00	600,000.00	-	-	350,000.00	-
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						-
TOTAL SP 1.3	600,000.00	600,000.00	-	-	350,000.00	-
PROGRAMME 2: Naivasha Municipal Services						
Current Expenditure:						
2100000 Compensation to Employees	-			-		-
2200000 Use of Goods and Services	2,706,504.00	5,877,500.00	6,300,000	2,500,000.00	1,300,000.00	887,300.00
2400000 Interest Payments	-			-		-
2600000 Current Grants and Other Transfers	-			198,000.00		-
2700000 Social Benefits	-			-		-
3100000 Acquisition of Non-Financial Assets	1,000,000.00	775,000.00	1,000,000	-		-
4100000 Acquisition of Financial Assets	-			-		-
4500000 Disposal of Financial Assets	-			-		-
Capital Expenditure						
Non-Financial Assets	40,000,000.00	23,000,000.00	36,757,450	-	-	18,765,750.05
Capital Transfers to Govt. Agencies	433,208,528.00	283,533,272.00	100,813,391	185,026,594.00	206,626,977.99	81,746,992.00
Other Development	-			-		-
TOTAL PROGRAMME 2	476,915,032.00	313,185,772.00	144,870,841.00	187,724,594.00	207,926,977.99	101,400,042.05
SUB PROGRAMME 2.1: Planning and Infrastructure						
Current Expenditure:						
2100000 Compensation to Employees						-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
2200000 Use of Goods and Services	406,504.00	3,277,500.00	5,300,000	400,000.00	-	887,300.00
2400000 Interest Payments						-
2600000 Current Grants and Other Transfers				198,000.00		-
2700000 Social Benefits						-
3100000 Acquisition of Non-Financial Assets	1,000,000.00	775,000.00			-	-
4100000 Acquisition of Financial Assets						-
4500000 Disposal of Financial Assets						-
Capital Expenditure						-
Non-Financial Assets	40,000,000.00	23,000,000.00	36,757,450		-	18,765,750.05
Capital Transfers to Govt. Agencies	433,208,528.00	283,533,272.00	100,813,391	185,026,594.00	206,626,977.99	81,746,992.00
Other Development						-
TOTAL SP 2.1	474,615,032.00	310,585,772.00	142,870,841.00	185,624,594.00	206,626,977.99	101,400,042.05
SUB PROGRAMME 2.2: Environmental Management and Sanitation						
Current Expenditure:						
2100000 Compensation to Employees						
2200000 Use of Goods and Services	900,000.00	900,000.00		900,000.00	600,000.00	
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						
TOTAL SP 2.2	900,000.00	900,000.00	-	900,000.00	600,000.00	
SUB PROGRAMME 2.3: Naivasha Social Services						
Current Expenditure:						
2100000 Compensation to Employees						
2200000 Use of Goods and Services	400,000.00	900,000.00	1,000,000	400,000.00	700,000.00	
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
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						
TOTAL SP 2.3	400,000.00	900,000.00	1,000,000.00	400,000.00	700,000.00	-
SUB PROGRAMME 2.4: Trade, tourism and investment						
Current Expenditure:						
2100000 Compensation to Employees						
2200000 Use of Goods and Services	1,000,000.00	800,000.00		800,000.00	-	
2400000 Interest Payments						
2600000 Current Grants and Other Transfers						
2700000 Social Benefits						
3100000 Acquisition of Non-Financial Assets			1,000,000			
4100000 Acquisition of Financial Assets						
4500000 Disposal of Financial Assets						
Capital Expenditure						
Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
TOTAL SP 2.4	1,000,000.00	800,000.00	1,000,000.00	800,000.00	-	-
TOTAL VOTE 4578	511,674,414.00	341,523,839.00	175,637,869.00	211,125,652.00	226,197,159.89	114,837,903.00

2.2.3 Analysis of Capital Projects

See Appendix 1 and Appendix 2 on presentation of the information

2.3 Review of Pending Bills

The subsector has a stock total of **Ksh.2,941,355 .00** on the pending bills. This amount is only generated on the recurrent expenditure.

2.3.1 Recurrent Pending Bills

The department records **Ksh. 1,541,500.00** for FY 2021/22 and **Ksh. 1,399,855.00** for FY 2023/2024 on the recurrent pending bills.

2.3.2 Development Pending Bills

The subsector does not have any development pending bill.

CHAPTER THREE

3.0 MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2025/26– 2027/28

This chapter outlines the subsector's medium-term priorities, strategies, targets and financial plan for the next MTEF period.

Sector Priorities	Strategies
Improve service delivery	<ul style="list-style-type: none"> • Building institutional capacity • Recruitment of key staff • Capacity building of staff • Digitization of City services and collection of revenue • Delegation of functions to the City and Municipal Board. • Strengthening collaborations with other agencies, partners, County Departments, other Counties and National Entities • Improve monitoring and evaluation <p>Development of strategic plan, policies and by laws.</p>
Enhance environmental protection	<ul style="list-style-type: none"> • Rehabilitation of parks and gardens • Greening and beautification • Enhancement of integrated solid waste management • Sensitization and awareness campaigns on environmental issues • Promotion of climate change adaptation and mitigation measures
Improve infrastructure	<ul style="list-style-type: none"> • Upgrading/rehabilitation of roads within the Municipal • Rehabilitation of storm water drains • Construction of Non-motorized transport facilities • Installation of road complementary facilities e.g., streetlights, CCTV, Street benches, traffic lights, road signage's • Rehabilitation of open spaces • Improve monitoring and evaluation • Expansion of social infrastructure facilities (Schools, Social Halls, Safe houses) • Promoting affordable housing. • Adoption of research and innovation to inform infrastructure development

3.1 Prioritization of Programmes and Sub-Programmes

Programme	Sub Program
Programme 1: Administration, Planning and Support Services	SP 1.1 Administration and Planning
	SP 1.2 Personnel Services
	SP 1.3 Financial Services
Programme 2: Naivasha Municipal Services	SP 2.1 Planning and Infrastructure SP 2.2 Environmental Management & Sanitation SP 2.3 Naivasha Social Services SP 2.4 Tourism, Investment and Trade

3.1.1 Programmes and their Objectives

Projects/ Programs	Objectives
Administration, Planning and Support Services	To provide effective and efficient service delivery
Naivasha Municipal Services	To provide access to efficient and effective municipal services.

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

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

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2023/24	Actual Achievement 2023/24	Baseline 2024/25	Target 2025/26	Target 2026/27	Target 2027/28
Programme Name: Administration planning and support services									
Objective: To provide effective and efficient service delivery									
Outcome: Effective and efficient service delivery to clients and stakeholders									
1.1 Administration, planning and support services			Number of assorted tools/equipment purchased	30	12	12	4	30	-
			Draft by-laws developed	-	-	-	3	3	3
			Number of municipality policy documents reviewed/developed	4	3	3	4	4	4
			Number of board and committee meetings held	20	16	16	20	20	20
			Quarterly M&E reports	4	4	4	4	4	4
1.2 Personnel Services	Naivasha Municipality	Improved human resource productivity	Number of staff and board members trained	14	18	18	89	124	124
			Implementation rate for performance contracts (PC) and Performance Appraisal System (PAS)	100	-	-	100	100	100
			Number of staff recruited/promoted	40	5	5	35	40	40
			Compensation to employees(millions)	-	5.6	5.6	14.8	16.3	17.9
1.3 Financial services	Naivasha Municipality	Improved financial management and services	Quarterly financial reports generated	4	4	4	4	4	4
Programme Name: Naivasha municipal services									
Objective: To provide access to efficient and effective municipal services									
Outcome: Safe, inclusive, resilient and sustainable Municipality									
2.1 Planning and infrastructure	Naivasha Municipality		Number of parking lots constructed	100	60	50	150	150	50

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2023/24	Actual Achievement 2023/24	Baseline 2024/25	Target 2025/26	Target 2026/27	Target 2027/28
		Improved infrastructural development	Number of master plans developed & reviewed	-	-	-	1	1	-
			Number of solar street lights installed and maintained	-	-	-	5	5	5
			Length of sewer reticulation developed (Km)	5	0.6	0.6	5	5	5
			Length of drainage improved (Km)	2	-	4.2	4	3	3
			Length of roads improved to bitumen standards and NMT constructed (Km)	-	-	2.5	3	4	3
			Number of fire engines purchased	--	-	-	-	1	1
			Bus Park constructed	-	-	-	1	-	-
			Number of bus parks rehabilitated	-	-	-	1	1	1
			GIS/ data management system developed	--	-	-	1	-	-
			Number of skip bins procured	-	-	-	-	5	-
			Number of litter bins purchased and installed	30	-	-	-	30	-
			Number of parks/ green spaces rehabilitated	1	-	-	1	1	-
			Number cemeteries rehabilitated	-	-	-	-	1	--
			Number of public toilets constructed	-	-	-	-	1	-
			Number of clean ups undertaken	2	1	1	2	2	2
2.3 Social Services	Naivasha Municipality	Improved social services	Number of social halls constructed and equipped	-	-	-	1	-	-
			Number of public events and celebrations marked	-	-	-	5	5	5
			Annual Municipality Cycling & Marathons held	-	-	-	1	1	1

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2023/24	Actual Achievement 2023/24	Baseline 2024/25	Target 2025/26	Target 2026/27	Target 2027/28
			Number of Municipality water sport event held	-	-	-	1	1	1
			Number of urban forums held	4	-	-	4	4	4
2.4 Trade, tourism and Investment	Naivasha Municipality	Improved platforms for private sector investment	Number of markets constructed	-	-	1	1	1	1
			Number of Jua Kali sheds constructed	-	-	-	-	-	12
			Number of trade exhibitions held	1	-	-	1	1	1
			Number of tourism conventions held	1	-	-	1	1	1

3.1.3 Programmes by Order of Ranking

Programme 1: Administration, Planning and Support

Programme 2: Naivasha Municipal Services

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

The subsector has a resource requirement of **Ksh.950,532,500.00**, **Ksh.1,015,885,750.00** and **Ksh.1,117,474,325.00** in FY 2025/26, 2026/27 and 2027/28 respectively. The resource allocations are **Ksh.241,681,081.00** for FY2025/26, **Ksh.265,849,189.00** for FY 2026/27 and **Ksh.292,434,108.00** for FY 2027/28

3.2.1 Sector/Sub Sector Recurrent

The subsector has a resource requirement of **Ksh 76,532,500.00**, **Ksh 84,185,750.00** and **Ksh.92,604,325.00** in FY 2025/26, 2026/27 and 2027/28 respectively. The resource allocations are **Ksh 67,581,081.00** for FY 2025/26, **Ksh.74,339,189.00** in FY 2026/27 and **Ksh.81,773,108.00** in FY 2027/28 on the recurrent slot.

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

ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION									
		Approved	REQUIREMENT				ALLOCATION		
		2024/25	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28	
4578 - Naivasha municipality	Economic Classification								
	Current Expenditure								
	2100000 Compensation to Employees	13,421,090.00	13,915,000.00	15,306,500.00	16,837,150.00	14,594,962.00	16,054,458.00	17,659,904.00	
	2200000 Use of Goods and Services	22,054,651.00	49,005,000.00	53,905,500.00	59,296,050.00	42,959,389.80	47,255,328.88	51,980,861.67	
	2400000 Interest Payments	-	-	-	-	-	-	-	
	2600000 Current Grants and Other Transfers	7,000,000.00	-	-	-	7,000,000.00	7,700,000.00	8,470,000.00	
	2700000 Social Benefits	651,572.00	907,500.00	998,250.00	1,098,075.00	716,729.20	788,402.12	867,242.33	
	3100000 Acquisition of Non-Financial Assets	2,100,000.00	12,705,000.00	13,975,500.00	15,373,050.00	2,310,000.00	2,541,000.00	2,795,100.00	
	4100000 Acquisition of Financial Assets	-	-	-	-	-	-	-	
4500000 Disposal of Financial Assets	-	-	-	-	-	-	-		
TOTAL		45,227,313.00	76,532,500.00	84,185,750.00	92,604,325.00	67,581,081.00	74,339,189.00	81,773,108.00	

3.2.2 Analysis of Resource Requirement versus Allocation – Development

The subsector has a resource requirement of **Ksh.847,000,000.00**, **Ksh.931,700,000.00** and **Ksh.1,024,870,000.00** in FY 2025/26, 2026/27 and 2027/28 respectively. The resource allocations are **Ksh.174,100,000** for FY 2025/26, **Ksh.191,510,000.00** for FY 2026/27 and **Ksh.210,661,000.00** for FY 2026/27 on the development slot.

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

ANALYSIS OF DEVELOPMENT RESOURCE REQUIREMENT VS ALLOCATION									
		Approved	REQUIREMENT				ALLOCATION		
		2024/25	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28	
	Description								
xxx1	Non-Financial Assets	63,000,000.00	242,000,000.00	266,200,000.00	292,820,000.00	60,000,000.00	66,000,000.00	72,600,000.00	
	Capital Transfers Govt. Agencies	-	605,000,000.00	665,500,000.00	732,050,000.00	114,100,000.00	125,510,000.00	138,061,000.00	
	Other development	-	-	-	-	-	-	-	
TOTAL		63,000,000.00	847,000,000.00	931,700,000.00	1,024,870,000.00	174,100,000.00	191,510,000.00	210,661,000.00	

3.2.3 Programmes and sub-programmes Resource Requirement (2025/26 – 2027/28)

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

ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE REQUIREMENT (AMOUNT KSH MILLIONS)									
	2025/26			2026/27			2027/28		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1: ADMINISTRATION PLANNING AND SUPPORT SERVICES									
Sub-Programme 1.1: Administration And Planning	38,357,000		38,357,000	42,192,700		42,192,700	46,411,970		46,411,970
Sub-Programme 1.2: Personnel Services	14,822,500		14,822,500	16,304,750		16,304,750	17,935,225		17,935,225
Sub-Programme 1.3: Financial Services	786,500		786,500	865,150		865,150	951,665		951,665
TOTAL PROGRAMME 1	53,966,000		53,966,000	59,362,600		59,362,600	65,298,860		65,298,860
PROGRAM 2: NAIVASHA MUNICIPAL SERVICES									
Programme 2.1: Planning And Infrastructure	9,075,000	847,000,000	856,075,000	9,982,500	931,700,000	941,682,500	10,980,750	1,024,870,000	1,035,850,750
Programme 2.2: Environmental Management And Sanitation	6,050,000		6,050,000	6,655,000		6,655,000	7,320,500		7,320,500
Programme 2.3: Naivasha Social Services	4,114,000		4,114,000	4,525,400		4,525,400	4,977,940		4,977,940
Programme 2.4: Tourism Trade And Investment	3,327,500		3,327,500	3,660,250		3,660,250	4,026,275		4,026,275
TOTAL PROGRAMME 2	22,566,500		869,566,500	24,823,150	931,700,000	956,523,150	27,305,465	1,024,870,000	1,052,175,465
TOTAL VOTE	76,532,500	847,000,000	923,532,500	84,185,750	931,700,000	1,015,885,750	92,604,325	1,024,870,000	1,117,474,325

3.2.4 Programmes and sub-programmes Resource Allocation (2025/26 – 2027/28)

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

ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE ALLOCATION (AMOUNT KSH MILLIONS)									
	2025/26			2026/27			2027/28		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1: ADMINISTRATION PLANNING AND SUPPORT SERVICES									
Sub-Programme 1.1: Administration And Planning	40,386,119		40,386,119	44,484,731		44,484,731	48,933,204		48,933,204
Sub-Programme 1.2: Personel services	14,594,962		14,594,962	16,054,458		16,054,458	17,659,904		17,659,904
Sub-Programme 1.3: Financial Services	600,000		600,000	600,000		600,000	660,000		660,000
TOTAL PROGRAMME 1	55,581,081	-	55,581,081	61,139,189	-	61,139,189	67,253,108	-	67,253,108

ANALYSIS OF PROGRAMME EXPENDITURE RESOURCE ALLOCATION (AMOUNT KSH MILLIONS)									
	2025/26			2026/27			2027/28		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
PROGRAMME 2: NAIVASHA MUNICIPAL SERVICES									
Programme 2.1: Planning And Infrastructure	6,000,000	150,000,000	156,000,000	6,600,000	170,000,000	176,600,000	7,260,000	180,000,000	187,260,000
Programme 2.2: Environmental Management And Sanitation	4,000,000	24,100,000	28,100,000	4,400,000	21,510,000	25,910,000	4,840,000	30,661,000	35,501,000
Programme 2.3: Naivasha Social Services	1,000,000		1,000,000	1,100,000		1,100,000	1,210,000		1,210,000
Programme 2.4: Tourism Trade And Investment	1,000,000		1,000,000	1,100,000		1,100,000	1,210,000		1,210,000
TOTAL PROGRAMME 2	12,000,000	174,100,000	186,100,000	13,200,000	191,510,000	204,710,000	14,520,000	210,661,000	225,181,000
TOTAL VOTE	67,581,081	174,100,000	241,681,081	74,339,189	191,510,000	265,849,189	81,773,108	210,661,000	292,434,108

3.2.5 Programmes and sub-programmes Economic classification.

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

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
PROGRAMME 1: Administration Planning and Support Services						
Current Expenditure:						
2100000 Compensation to Employees	14,284,512.00	15,766,762.00	17,343,438.20	13,878,232.80	15,266,055.88	16,792,661.47
2200000 Use of Goods and Services	36,143,500.00	38,965,913.20	42,856,586.65	31,676,119.00	34,843,731.00	38,328,104.10
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	7,000,000.00	7,700,000.00	8,470,000.00
2700000 Social Benefits	537,988.00	591,786.80	656,883.35	716,729.20	788,402.12	867,242.33
3100000 Acquisition of Non-Financial Assets	3,000,000.00	3,500,000.00	3,850,000.00	2,310,000.00	2,541,000.00	2,795,100.00
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		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 1	53,966,000.00	59,362,600.00	64,706,908.20	55,581,081.00	61,139,189.00	67,253,107.90
SUB PROGRAMME 1.1: Administration and Planning						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	35,357,000.00	38,692,700.00	42,561,970.00	31,076,119.00	34,243,731.00	37,668,104.10
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	7,000,000.00	7,700,000.00	8,470,000.00
2700000 Social Benefits	-	-	-	-	-	-
3100000 Acquisition of Non-Financial Assets	3,000,000.00	3,500,000.00	3,850,000.00	2,310,000.00	2,541,000.00	2,795,100.00
4100000 Acquisition of Financial Assets	-	-	-	-	-	-
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure						
Non-Financial Assets	-	-	-	-	-	-
Capital Transfers to Govt. Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
TOTAL SP 1.1	38,357,000.00	42,192,700.00	46,411,970.00	40,386,119.00	44,484,731.00	48,933,204.10
SUB PROGRAMME 1.2: Personnel Services						
Current Expenditure:						
2100000 Compensation to Employees	14,284,512.00	15,766,762.00	17,343,438.20	13,878,232.80	15,266,055.88	16,792,661.47
2200000 Use of Goods and Services	-	-	-	-	-	-
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	-	-	-
2700000 Social Benefits	537,988.00	537,988.00	591,786.80	716,729.20	788,402.12	867,242.33
3100000 Acquisition of Non-Financial Assets	-	-	-	-	-	-
4100000 Acquisition of Financial Assets	-	-	-	-	-	-
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure						

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
Non-Financial Assets	-	-	-	-	-	-
Capital Transfers to Govt. Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
TOTAL SP 1.2	14,822,500.00	16,304,750.00	17,935,225.00	14,594,962.00	16,054,458.00	17,659,903.80
SUB PROGRAMME 1.3: Financial Services						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	786,500.00	865,000.00	951,500.00	600,000.00	600,000.00	660,000.00
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	-	-	-	-	-	-
TOTAL SP 1.3	786,500.00	865,150.00	951,500.00	600,000.00	600,000.00	660,000.00
PROGRAMME 2: Naivasha Municipal Services						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	17,853,852.50	19,639,237.75	21,603,161.53	12,000,000.00	13,200,000.00	14,520,000.00
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	-	-	-
2700000 Social Benefits	-	-	-	-	-	-
3100000 Acquisition of Non-Financial Assets	1,045,000.00	1,149,500.00	1,264,450.00	-	-	-
4100000 Acquisition of Financial Assets	-	-	-	-	-	-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure						
Non-Financial Assets	71,500,000.00	78,650,000.00	86,515,000.00	60,000,000.00	66,000,000.00	72,600,000.00
Capital Transfers to Govt. Agencies	779,167,647.50	857,084,412.25	942,792,853.48	114,100,000.00	125,510,000.00	138,061,000.00
Other Development	-	-	-	-	-	-
TOTAL PROGRAMME 2	869,566,500.00	956,523,150.00	1,052,175,465.00	186,100,000.00	204,710,000.00	225,181,000.00
SUB PROGRAMME 2.1: Planning and Infrastructure						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	4,362,352.50	4,798,587.75	5,278,446.53	6,000,000.00	6,600,000.00	7,260,000.00
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	-	-	-
2700000 Social Benefits	-	-	-	-	-	-
3100000 Acquisition of Non-Financial Assets	1,045,000.00	1,149,500.00	1,264,450.00	-	-	-
4100000 Acquisition of Financial Assets	-	-	-	-	-	-
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure						
Non-Financial Assets	71,500,000.00	78,650,000.00	86,515,000.00	35,900,000.00	44,490,000.00	41,939,000.00
Capital Transfers to Govt. Agencies	779,167,647.50	857,084,412.25	942,792,853.48	114,100,000.00	125,510,000.00	138,061,000.00
Other Development	-	-	-	-	-	-
TOTAL SP 2.1	856,075,000.00	941,682,500.00	1,035,850,750.00	156,000,000.00	176,600,000.00	187,260,000.00
SUB PROGRAMME 2.2: Environmental Management and Sanitation						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	6,050,000.00	6,655,000.00	7,320,500.00	4,000,000.00	4,400,000.00	4,840,000.00
2400000 Interest Payments	-	-	-	-	-	-
2600000 Current Grants and Other Transfers	-	-	-	-	-	-
2700000 Social Benefits	-	-	-	-	-	-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
3100000 Acquisition of Non-Financial Assets	-	-	-	-	-	-
4100000 Acquisition of Financial Assets	-	-	-	-	-	-
4500000 Disposal of Financial Assets	-	-	-	-	-	-
Capital Expenditure						
Non-Financial Assets	-	-	-	24,100,000.00	21,510,000.00	30,661,000.00
Capital Transfers to Govt. Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
TOTAL SP 2.2	6,050,000.00	6,655,000.00	7,320,500.00	28,100,000.00	25,910,000.00	35,501,000.00
SUB PROGRAMME 2.3: Naivasha Social Services						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	4,114,000.00	4,525,400.00	4,977,940.00	1,000,000.00	1,100,000.00	1,210,000.00
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	-	-	-	-	-	-
TOTAL SP 2.3	4,114,000.00	4,525,400.00	4,977,940.00	1,000,000.00	1,100,000.00	1,210,000.00
SUB PROGRAMME 2.4: Trade, tourism and investment						
Current Expenditure:						
2100000 Compensation to Employees	-	-	-	-	-	-
2200000 Use of Goods and Services	3,327,500.00	3,660,250.00	4,026,275.00	1,000,000.00	1,100,000.00	1,210,000.00
2400000 Interest Payments	-	-	-	-	-	-

ANALYSIS OF PROGRAMME EXPENDITURE BY ECONOMIC CLASSIFICATION						
Economic Classification	REQUIREMENT			ALLOCATION		
	2025/26	2026/27	2027/28	2025/26	2026/27	2027/28
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	-	-	-	-	-	-
TOTAL SP 2.4	3,327,500.00	3,660,250.00	4,026,275.00	1,000,000.00	1,100,000.00	1,210,000.00
TOTAL VOTE 4578	923,532,500.00	1,015,885,750.00	1,116,882,373.20	241,681,081.00	265,849,189.00	292,434,107.90

3.3 Resource Allocation Criteria

The sub sector endeavours to allocate resources to priority programs that have the potential to improve the lives of the municipal residents. To actualize this, the following general principles guide this process:

1. Conformity to Kenya Vision 2030.
2. Conformity to National Government development priorities.
3. PFM (County Government Regulations 2015).
4. Expected outcomes and outputs from the Programme.

CHAPTER FOUR

4.0 CROSS-SECTOR LINKAGES

Achievement of the goals and objectives of the Municipality of Naivasha as outlined in the municipal charter is dependent on collaboration and liaison between the municipality and other sectors of the county. The growing importance of Naivasha town and its environs demands suitable public governance in order to achieve a quality level of life for the inhabitants and a coherent engagement with other sectors will be crucial to this end. Some of the cross-sector linkages are outlined below:

	Department	Linkages
PAIR	Office of the Governor and Deputy Governor	<ul style="list-style-type: none"> • Coordination of sector engagements with linked departments. • Engagement of external stakeholders on behalf of the municipality • Preparation of bills to be enacted in the County Assembly • Providing the framework on resource utilization.
	County Public Service Board	<ul style="list-style-type: none"> • Recruitment and appraisal of municipal staff • Approval of municipal organogram
	Finance and Economic Planning	<ul style="list-style-type: none"> • Provide direction on budgetary provisions and ceilings. • Disbursement of funds • Guidance on Financial and budgetary policies
	Public Service, Training & Devolution	<ul style="list-style-type: none"> • Provision of training opportunities for municipal staff • Providing policy guidance on staff engagement.
	County Assembly	<ul style="list-style-type: none"> • Enactment of municipal bills and by-laws. • Approval of budgets • Oversight of the municipal administration
Agriculture Rural and Urban Development	Agriculture, Livestock and Fisheries	<ul style="list-style-type: none"> • Guidance on Proper usage of land for urban agricultural activities.

	Department	Linkages
General Economic and Commercial Affairs	Trade, Industry, Marketing and Tourism	<ul style="list-style-type: none"> Propose areas of investment in economic and commercial activities within the municipality
Energy, Infrastructure and ICT	Roads, Public Works and Transport	<ul style="list-style-type: none"> Providing way leaves and road crossing for water and sanitation services to cater for the urbanization and increased housing. Consultancy service in documentation of projects
	ICT and E-Government	<ul style="list-style-type: none"> Provision of technical support for the municipality.
Environment Protection, Water and Natural Resources	Water, Environment, Energy and Natural Resources	<ul style="list-style-type: none"> Ensure clean environment that facilitates quality natural recreation areas/sites
Health	Health Services	<ul style="list-style-type: none"> Enforcing public health and safety regulations Advice on sanitation matters within the municipality
Education	Education	<ul style="list-style-type: none"> Providing bursaries for students in the Municipality jurisdiction Dissemination of information and sensitization of residents in the municipality Training and capacity development.
Social Protection, Culture and Recreation	Youth and Sports Culture Gender and Social Services	<ul style="list-style-type: none"> Provision of recreational and protection of cultural facilities Mainstreaming social impact assessment measures for vulnerable groups in municipal programs/projects.

CHAPTER FIVE

5.0 EMERGING ISSUES AND CHALLENGES

5.1 Emerging Issues

- **Changing social Economic Environment**

International and local social economic changes has led to suppressed economic activities and uncertainty about the future which led to delayed implementation of development projects in the municipality

- **Sustained inflation compounded with the weak currency.**

The general macroeconomic environment presents a challenge to project implementation due to variations in the cost of imported inputs relating to particular projects. (Steel, Aluminium, Mineral oil)

- **Delegation of roles:** the delegated and gazetted roles include development control, solid waste management and on-street parking.

- **End of Kenya Urban Support Program I (KUSP I).**

KUSP I came an end in July 2023 hence this necessitates increased equitable shares budgetary allocations to ensure continued project implementation and sustainability causing a strain.

5.2 Challenges

- **Operationalization of functions**

While the municipal charter gives mandate to the municipality to exercise particular functions within the municipality, existing county structures and departmental mandates conflict with that of the municipal administration. This has hampered the full operationalisation of the municipal functions.

- **Shortage of Human Resource and key service delivery assets.**

The municipality lacks adequate staff and assets/equipment and this has hampered the operationalisation of mandates and implementation of projects

- **Inadequate office space**

The Municipal administration occupies a limited space and there is no adequate working area for staff, leading to a sub-optimal working

environment and thus affecting performance of duties and execution of tasks.

- **Inadequate and Limited Resource Allocation**

In stark contrast with the Municipal charter, the funding availed to the Municipality by the County Government falls far short of the sort of resources that would be required to execute the mandate to the satisfaction of the promulgators of the municipality.

- **Lengthy Procurement Processes and Procedures**

The County administration in its wisdom has deemed it important to centralise procurement processes for all its departments. While this regulation enables the administration to have enhanced oversight of the process, it leads to delays in the progress of development projects due to liaison schedules and increased bureaucracy.

- **Insufficient disaggregated municipal data**

The municipality has not yet conducted an audit of the entire resources under its jurisdiction. This hampers proper development planning and utilisation of said resources.

- Lack of a transitional framework on delegated functions.
- Inadequate key staffs such as registered engineer, planner, quantity surveyor, environmentalist and architect.

CHAPTER SIX

6.0 CONCLUSION

In conclusion, the sub sector of Naivasha Municipality is committed to pursuing development opportunities available, provide high standards of social services and foster economic, social and environmental wellbeing. The County Treasury when setting the expenditure ceilings should consider the critical Programs for the sub sector and the priorities of the Municipality so as to avail enough funds. The Sub Sector endeavours to work closely with other sub sectors and external partners in resource mobilization towards bridging the gaps.

CHAPTER SEVEN

7.0 RECOMMENDATIONS

In light of the challenges that have been identified by the municipality, there are some recommendations that are proposed to mitigate them. They are as follows:

- **Operationalization of functions**

The municipal administration should petition the county government for transfer of functions and further pursue an amendment of the County Revenue Bill to facilitate sharing of revenue collected within the municipality.

- **Human Resource and key service delivery assets.**

The mandate for the recruitment of staff lies with the public service board. The municipal administration should petition the county government for deployment of more staff and the accompanying resources to the municipality in line with the municipality organogram.

- **Resource Allocation**

The county government should allocate the municipal administration with more resources and proceed with the revenue sharing arrangement as proposed in the County Revenue Bill.

- **Procurement Processes and Procedures**

The County administration should delegate the procurement function to the municipality as envisioned in the municipal charter to speed up the implementation of development programmes.

- **Aggregation of Municipal Data**

The municipality should proceed with a comprehensive audit of all the resources under its jurisdiction so as to facilitate proper planning of development priorities.

- **Increase funding Allocation**

Advocate for an upward revision of funding ceilings to ensure adequate resources for all programs.

- Issuance of an executive order for transition functions to the department.

REFERENCES

- Approved Budget FY 2023/2024
- CIDP 2023-2027
- Governor's manifesto and Gazettement.
- Naivasha Integrated Development Plan 2019-2023
- Naivasha Municipality Annual Development Plan 2022/2023
- Nakuru County Budget Review Outlook Paper 2023
- Nakuru County Integrated Development Plan 2023-2027
- Nakuru County Supplementary budget FY 2022/2023
- Nakuru Integrated Spatial Urban Development Plan 2015-2045
- Public Financial Management Act, 2012
- Urban Areas and Cities Act, 2011, amendment 2019

APPENDICES

Annex I: Analysis Of Performance Of Capital Projects (2022/2023)

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: NAIVASHA MUNICIPAL SERVICES							
Improvement of 3km roads in Lakeview ward to bitumen standards and construction of related infrastructure	HQ	23/04/2019	December 2019	83,224,000.00	83,224,000.00	100	Improve road safety and accessibility
Rehabilitation of Naivasha Municipal Park	HQ	3/03/2022	31/12/2022	68,514,980.00	68,514,980.00	100	Social services
Construction of Naivasha Market Phase 2	HQ	1/09/2021	31/12/2022	263,880,466.40	263,880,466.40	100	Improve platforms for private sector investment
Consultancy services for Construction of Naivasha Market Phase 2	HQ	1/09/2021	31/12/2022	13,000,000.00	13,000,000.00	-	Providing for project oversight.
Rehabilitation of Sewerage system	HQ	27.05.2024	27.01.2025	16,000,000.00	16,000,000.00	30	Expansion of the sewer
Construction of NMT and paved parking along Kenyatta Avenue and Mama Ngina Street in Lakeview and Viwandani Wards	HQ	3/03/2022	31/12/2022	15,000,000.00	15,000,000.00	100	Improve road safety and accessibility
Construction of roads in Naivasha Municipality	HQ	16.03.2022	December 2023	8,000,000.00	8,000,000.00	100	Improve road safety and accessibility
TOTAL					467,619,446.40		

Annex II: Summary of Human Resource Requirements

DIRECTORATE	DESIGNATION/ POSITION TITLE	JOB GROUP	AUTHORIZED ESTABLISHMENT	IN POST AS AT 30 TH JUNE 2024	FUNDED POSITIONS	POSITIONS TO BE FUNDED			REMARKS
						2024/25	2025/26	2026/27 PROJECTION	
Municipality Of Naivasha	Municipal Manager	Q	1	1	1	-	-	-	-
	Land Surveyor	L	1	1	1	-	-	-	-
	Office Messenger	C	1	1	1	1	-	-	The officer redesignated to the position of driver
	Clerical Officer	E	1	1	1	-	-	-	
	Economist II	K	1	1	-	-	1	-	The officer is deployed to the Municipality
	Urban Planner	K	3	1	-	1	1	1	The officer is seconded to the Municipality
	Building Inspector	K	1	-	-	-	1	-	-
	Architect	L	1	-	-	-	-	1	-
	GIS Expert	K	1	-	-	-	1	-	-
	Office Manager	H	1	-	-	1	-	-	-
	Quantity Surveyor	K	1	-	-	-	-	1	-
	Administrative Officer	K	1	1	-	1			The officer is in acting position as Municipal Manager Molo
Total Funded Positions			14	7	4	4	4	3	

Annex III: Proposed Projects FY2025/2026

Project Code (IFMIS)	Project Description	Sub County	Ward	Est cost of Project or Contract Value (a)(millions)	Timeline		Allocation for 2025/26 Budget	
					Start Date	Expected Completion Date	Equitable	Conditional Grant
1	Construction of Southlake bus park. 20m	HQ	Hellsgate	20 M	JULY 2025	JUNE 2026	20,000,000.00	-
2	Installation of Streetlights and High Mast Flood Lights	HQ	Hellgate, Biashara, Naivasha East, Viwandani, Lake view and Olkaria	13 M	JULY 2025	JUNE 2026	13,000,000.00	-
3.	Improvement of roads to bitumen standards	HQ	Hell Gate & Lakeview	121 M	JULY 2025	JUNE 2026	121,000,000.00	
4.	Paved parking, Drainage improvement and NMT	HQ	Viwandani & Lakeview	20M	JULY 2025	JUNE 2026	20,000,000.00	-
5.	Construction of a fire Station and an office Block	HQ	Lakeview	100M	JULY 2025	JUNE 2026	-	100,000,000.00
6.	Karagita - Naivasha CBD NMT	HQ	Lakeview & Hells Gate	40M	JULY 2025	JUNE 2026	-	40,000,000.00
7.	Purchase of a garbage truck and 2 Skip bin	HQ	Hellgate, Biashara, Naivasha East, Viwandani, Lake view and Olkaria	20M	JULY 2025	JUNE 2026		20,000,000.00
SUB TOTAL							174,000,000.00	160,000,000.00