COUNTY GOVERNMENT OF NAKURU

COUNTY TREASURY

COUNTY FISCAL STRATEGY PAPER 2025

MARCH 2025

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LIST OF ABBREVIATIONS AND ACRONYMS

ABMT	Alternative Building Materials Technologies
ADP	Annual Development Plan
AGPO	Access to Government Procurement Opportunities (AGPO).
AHP	Affordable Housing Programme
AMREF	African Medical and Research Foundation
ASDSP	Agricultural Sector Development Support Programme
ATC	Agricultural Training Centre
BETA	Bottom-Up Economic Transformation Agenda
BIRR	Budget Implementation Review Report
BPS	Budget Policy Statement
CAIPS	County Aggregated Industrial Parks
CARA	County Allocation Revenue Act
CBROP	County Budget Review Outlook Paper
CCRIG	County Climate Resilience Investment Grant
CGAA	County Governments Additional Allocations Act
CHMTs	County Health Management Teams
CHPs	Community Health Promoters
CIDP	County Integrated Development Plan
CIFOMS	County integrated financial Management Systems
COB	Controller of Budget
COG	Council of Governors
COMEC	County Monitoring and Evaluation Committee
CRA	Commission on Revenue Allocation
CWC	Child Welfare Clinic
DANIDA	Danish International Development Agency
DORA	Division of Revenue Act
ECDE	Early Childhood Development Education

e-DAMS	electronic Development Application Management System
FIF	Facility Improvement Fund
FLLOCA	Finance Locally-Led Climate Action Program
FSRP	Food Systems Resilience Project
GBV	Gender Based Violence
GCP	Gross County Product
GDC	Geothermal Development Company
GDP	Gross Domestic Product
GIS	Geographic Information System
HRIMS	Human Resource Information Management System
HMT	Health Management Teams
HPTCU	Health Products & Technology Unit
HRH	Human Resource for Health
IBEC	Intergovernmental Budget and Economic Council
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IHRIS	Integrated Human Resources Information System
IGRTC	Intergovernmental Relations Technical Committee
JICA	Japan International Cooperation Agency
KDSP	Kenya Devolution Support Program
KELCoP	Kenya Livestock Commercialization Agency
KEMSA	Kenya Medical Supplies Agency
KENGEN	Kenya Electricity Generating Company
KISIP	Kenya Informal Settlement Improvement Programme
KNBS	Kenya National Bureau of statistics
KNCCI	Kenya National Chamber of Commerce and Industry
KUSP	Kenya Urban Support Programme
MEDS	Mission for Essential Drugs & Supplies

M&E	Monitoring and Evaluation
MSMEs	Micro, Small, and Medium-Sized Enterprises
MTEF	Medium-Term Expenditure Framework
MTP	Medium-Term Plan
NARIG-P	National Agricultural and Rural Inclusive Growth project
NAVCDP	National Agricultural Value Chain Development Project
NCTRH	Nakuru County Teaching & Referral Hospital
NSSF	National Social Security Fund
NTD	Neglected Tropical Diseases
OAG	Office of the Auditor General
OSR	Own Source Revenue
OVC	Orphans Vulnerable Children
PCN	Primary Care Networks
PFMA	Public Finance Management Act
PGH	Provincial General Hospital
PHC	Primary Health Care
PPADA	Public Procurement and Asset Disposal Act
PPP	Public-private partnerships
PPRA	Public Procurement Regulatory Authority
PSASB	Public Sector Accounting Standards Board
PWDs	Persons with Disabilities
RMLF	Roads Maintenance Levy Fund
RMNCAH	Reproductive Maternal Neonatal Child and Adolescent Health
SCHMT	Sub County Health Management Team
SDGs	Sustainable Development Goals
SEZ	Special Economic Zone
SIDA	Swedish International Development Cooperation Agency
SHIF	Social Health Insurance Fund

SRC	Salaries and Remuneration Commission
TVETA	Technical and Vocational Education and Training Authority
UHC	Universal Health Coverage
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VLR	Voluntary Local Reporting
VTCs	Vocational Training Centres
WASH	Water and Sanitation Hygiene
WHO	World Health Organization

FOREWORD

The County Fiscal Strategy Paper (CFSP) has been prepared in accordance with Section 117 of the Public Finance Management Act (PFMA), 2012. The CFSP 2025 outlines the County's fiscal policies, provide a framework for planning and resource allocation for the FY 2025/2026 – 2027/2028 Medium-Term Expenditure Framework (MTEF) period. More importantly, the CFSP will provide final budget ceilings for each sector, taking into consideration individual departmental mandates, priorities identified in the third County integrated development plan (CIDP) 2023-2027 and the Annual Development Plan, ADP FY 2025/2026. It will also consider the County's Non-discretionary commitments and the prevailing macro and micro economic situation in the global, regional and domestic environment.

The CFSP has further been influenced by the relatively stable global economic growth of 3.3 percent; a positive economic outlook in developed economies, emerging and developing economies in sub-Saharan Africa and a 0.7 percent growth in the domestic economy. Macroeconomic indicators have also remained favourable with reported inflation of 3.0 percent by December 2024; base CBK lending rates at 13 percent; exchange rate at Ksh129.4 against the US dollar; and average commercial bank lending rates averaging 16.9 percent. The favourable economic outlook is likely to spur economic growth, address market failures and manage the cost of living over the medium term.

Going forward and over the medium term, the County Government will consolidate the gains realized in the first half of the current plan period with special focus on the following six strategies: Leveraging on the Growth of Productive Sectors in the Economy; Promotion of Access to Quality and Affordable Healthcare Services; Completion, Operationalization and Expansion of County Infrastructure; Creating an enabling environment and transformation of MSMES & the private sectors; County Public Service Reforms, Enhancing Governance, Transparency and Accountability; and Social Development and Inclusivity.

In the fiscal year 2025/2026, Nakuru County's total targeted revenue is projected to be Ksh. 20.707 billion, reflecting a 4.0 percent increase from the 2024 CFSP revenue estimates. This revenue comprises equitable share of Ksh. 14.3 billion, conditional grants amounting to Ksh. 1.815 billion, and Facility Improvement Fund (FIF) projected at Ksh. 2.175 billion. The overall expenditure and net external funding for FY 2025/2026 are projected at Ksh. 20.707 billion, with recurrent expenditures accounting for Ksh. 14.367 billion (69.4 percent of total expenditure) and development expenditures amounting to Ksh. 6.340 billion, including Ksh. 1.65 billion for Ward Allocation based on the Nakuru County Revenue Administration Act, 2018. This is in conformance with the balanced budget principle.

The preparation of this CFSP 2025 has been a collaborative effort, incorporating inputs from County Departments, Agencies, and Entities. In addition, public hearings held in January 2025 provided an opportunity to gather and integrate critical insights and proposals from Nakuru residents and stakeholders from civil society groups and private sector players, ensuring that the county's priorities align with the needs of the public.

The County Government remains committed to prudent financial management by addressing key fiscal risks. These include establishment of mechanisms to identify, assess, and manage potential threats that could impact service delivery; active measure to manage pending bills within the prescribed thresholds; and driving timely project delivery and operationalization.

Upon consideration and adoption of this Fiscal Strategy Paper by the County Executive Committee and the County Assembly all County Departments and Agencies must adhere to the set budget ceilings while finalizing their FY 2025/2026 – 2027/2028 Original MTEF Budget Estimates. Adherence to fiscal responsibility principles will be key to achieving sustainable growth, maintaining service delivery, and advancing the county's long-term development agenda as espoused.

S. Iribe Njogu

CECM, Finance and Economic Planning

NAKURU COUNTY

ACKNOWLEDGEMENT

The CFSP 2025 has been developed within the framework of the CIDP 2023–2027 and in accordance with the Public Finance Management Act, 2012. This statutory document outlines the macroeconomic fiscal framework and economic outlook for the medium term, highlighting its implications on the County Government's fiscal assumptions and forecasts. It also sets out the spending plans and final budget ceilings for FY 2025/2026 and beyond, based on sector priorities and stakeholder inputs.

The successful completion of CFSP 2025 was made possible through a participatory and inclusive process involving all stakeholders. I extend my gratitude to H.E. the Governor for her leadership and guidance in county policy formulation, review, and implementation. I also appreciate the CECM Finance & Economic Planning for his technical support and leadership in fiscal policy matters.

I acknowledge my fellow Chief Officers and Accounting Officers for their coordination of the Sector Working Groups (SWGs) and for finalizing sector reports, which served as key reference materials in the preparation of this CFSP. Additionally, I sincerely thank our external stakeholders, the general public, and interest groups for their active participation in public meetings and submission of memoranda in January 2025. Your contributions are invaluable in shaping fiscal policies and decision-making processes.

Special appreciation goes to the dedicated members of the SWGs, whose tireless efforts resulted in high-quality sector reports and materials critical to the MTEF budget process for 2024/2025–2026/2027. The formal drafting and harmonization of this document were made possible by a committed County Treasury core team, under the leadership of the CECM Finance & Economic Planning.

I particularly recognize the dedication and technical expertise of the Department of Economic Planning staff, led by Acting Director Economic Planning and Budget, Ms. Ashinah Wanga; Budget Officers, Mr. Sam Mwawasi and CPA Rono Dennis; and Economists/Statisticians, Ms. Emma Angwenyi, Ms. Margaret Mukundi, Ms. Fiona Wambui, Ms. Mercy Rono, Mr. Joseph Kago, Mr. Simon Wekesa, Mr. Paul Mwalenga and Mr. Denis Onchomba. Their commitment was instrumental in finalizing this policy document.

While it may not be possible to mention everyone individually, I extend my heartfelt appreciation to all who contributed to the successful completion of this assignment.

CPA Everlyne B. Kakai
Chief Officer – Economic Planning
NAKURU COUNTY

LEGAL BASIS FOR THE PUBLICATION OF THE COUNTY FISCAL STRATEGY PAPER

The County fiscal strategy paper is prepared in accordance with Section 117 of the Public Financial Management Act, 2012. The law states that:

(1) The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval, and submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year.

(2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.

(3) In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.

(4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.

(5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of;

(a) The Commission on Revenue Allocation;

(b) The public;

(c) Any interested persons or groups; and

(d) Any other forum that is established by legislation.

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the County Assembly shall consider and may adopt it with or without amendments.

RESPONSIBILITY PRINCIPLES IN THE PUBLIC FINANCIAL MANAGEMENT LAW

In line with the Constitution, the Public Financial Management (PFM) Act 2012, sets out the fiscal responsibility principles to ensure prudency and transparency in the management of public resources. Section 107(2) of the PFM Act states that:

1. The County Government's recurrent expenditure shall not exceed the county government's total revenue
2. Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure
3. The County Government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the county government's total revenue
4. Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
5. Public debt and obligations shall be maintained at a sustainable level as approved by the County Assembly
6. Fiscal risks shall be managed prudently
7. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future

I. RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK

1.1 Overview

1. Global economic growth is projected at 3.2% in 2024, down slightly from 3.3% in 2023, with stable growth of 3.3% in 2025 (Table 1.1). The growth is supported by easing global inflation and supply chain constraints, with stronger-than-expected performances in the USA, India, and the UK. Risks to this outlook include disruptions in the disinflation process potentially triggered by commodity price spikes, geopolitical tensions, a slowdown in China and a possible resurgence of financial market volatility with adverse effects on sovereign debt markets.

Table 1.1: Global Economic Growth Projections, Percent

Economy	Growth (%)			
	Actual		Projections	
	2022	2023	2024	2025
World	3.5	3.3	3.2	3.3
Advanced Economies	2.6	1.7	1.7	1.9
Of which: USA	1.9	2.9	2.8	2.7
Euro Area	3.4	0.4	0.8	1.0
Japan	1.0	1.5	(0.2)	1.1
Emerging and Developing Economies	4.1	4.4	4.2	4.2
Of which: China	3.0	5.2	4.8	4.6
India	7.0	8.2	6.5	6.5
Sub-Saharan Africa	4.0	3.6	3.8	4.2
Of which: South Africa	1.9	0.7	0.8	1.5
Nigeria	3.3	2.9	3.1	3.2
*Kenya**	4.9	5.6	4.6	5.3

Source: *IMF World Economic Outlook Update, January 2025. *National Treasury Projection*

1.2 Recent Economic Developments and Outlook Global and Regional Economic Developments

2. The IMF World Economic Outlook, January 2025 report projects a global growth of 3.2 percent in 2024 and 3.3 percent in 2025 attributable to the easing of global inflation and supply chain constraints. As for the advanced economies

stable growth is expected with the US seeing growth of 2.8 percent in 2024 and 2.7 percent in 2025. This is indicative of strong wealth effects, a looser monetary policy, supportive financial conditions, and increased consumption, investment, and labour market demand. The Euro Area is projected to show gradual growth from 0.4 percent in 2023 1.0 percent in 2025 with geopolitical tensions still weighing on sentiment, while Japan is expected to face contraction of 0.2 percent in 2024 due to temporary disruptions and fading factors boosting 2023 activity.

3. Emerging and developing economies are expected to experience stable growth of 4.2 percent in both 2024 and 2025, with divergence across major economies. Regionally, the sub-Saharan Africa region economic growth is projected to rise to 4.2 percent in 2025 from 3.8 percent in 2024 and 3.6 in 2023, picking up across the Sub-Saharan economies. This reflects improved economic activities as adverse impacts of prior weather shocks subside and supply constraints gradually ease.

1.2.1 Kenya's Economic Developments and Macro-Economic Indicators

4. The Kenyan economy has remained resilient with an average growth of 4.7 percent per year for the period 2011 and 2019. This growth is well above the world average growth of 3.5 percent and 3.8 percent for the Sub-Saharan African region, over the same period. This performance reflects sound and deliberate policies implemented during the period. The economy has thus been able to withstand severe impacts of domestic and external shocks.
5. The Kenyan economy remained strong and resilient in the first three quarters of 2024 despite its growth being relatively slower than the corresponding period in 2023. In the first three quarters of 2024, the economic growth averaged 4.5 percent (5.0 percent Q1, 4.6 percent Q2 and 4.0 in Q3) compared to an average growth of 5.6 percent (5.5 percent Q1, 5.6 percent Q2 and 6.0 percent in Q3) in 2023. The growth in the first three quarters of 2024

was primarily underpinned by strong performance in the agriculture sector, a slight recovery of the manufacturing sector, and the resilience of services sector. All the economic sub-sectors except mining and construction recorded positive growth in the first three quarters of 2024, though the magnitudes varied across the economic activities (Table 1.2: Sectoral GDP Performance).

Table 1.2: Sectoral GDP Performance

Sectors	Quartely Growth Rates					
	2023 Q1	2023 Q2	2023 Q3	2024 Q1	2024 Q2	2024 Q3
1. Primary Industry	**5.3**	**6.9**	**4.8**	**5.0**	**4.4**	**3.2**
1.1. Agriculture, Forestry and Fishing	6.4	7.8	5.1	6.1	4.8	4.2
1.2 Mining and Quarrying	(11.0)	(8.3)	0.8	(14.8)	(2.7)	(11.1)
2. Secondary Sector (Industry)	**2.5**	**2.1**	**3.3**	**1.0**	**0.8**	**0.6**
2.1. Manufacturing	1.7	1.5	2.8	1.2	3.3	2.3
2.2. Electricity and Water supply	3.7	2.8	3.3	2.4	1.0	0.9
2.3. Construction	3.0	2.7	4.0	0.1	(2.9)	(2.0)
3. Tertiary sector (Services)	**6.5**	**6.7**	**7.6**	**6.2**	**5.3**	**5.3**
3.1. Wholesale and Retail trade	2.9	2.1	3.1	4.9	4.4	4.8
3.2. Accomodation and Restaurant	47.1	42.7	34.5	28.0	26.6	13.7
3.3. Transport and Storage	6.6	4.6	5.1	3.9	3.6	5.2
3.4. Information and Communication	9.5	7.6	8.8	7.8	7.2	6.1
3.5. Financial and Insurance	5.9	13.2	15.5	7.0	5.1	4.7
3.6. Public Administration	7.6	3.2	4.6	5.8	5.1	5.4
3.7. Others	5.7	5.9	6.6	5.9	5.1	5.1
of which: Professional, Admin & Support Services	8.6	6.6	9.7	9.9	6.8	7.8
Real Estate	7.3	8.1	7.7	6.6	6.0	5.5
Education	2.0	3.1	3.5	4.0	3.1	3.8
Health	5.1	4.7	5.0	5.5	5.5	4.4
Taxes less subsidies	3.0	1.8	1.9	4.5	5.8	3.4
Real GDP	**5.5**	**5.6**	**6.0**	**5.0**	**4.6**	**4.0**

Source: *Kenya National Bureau of Statistics.*

6. During the first three quarters of 2024, the Primary Industry showed notable growth, with a 5.0 percent, 4.4 percent and 3.2 percent increase in the first, second and third quarters respectively. The performance was supported by agricultural sector which remained robust, growing by 6.1 percent in first quarter, 4.8 percent in second quarter and 4.2 percent in the third quarter. This growth was supported by favourable weather conditions and the impact of Government interventions to lower cost of production. However, the sector's

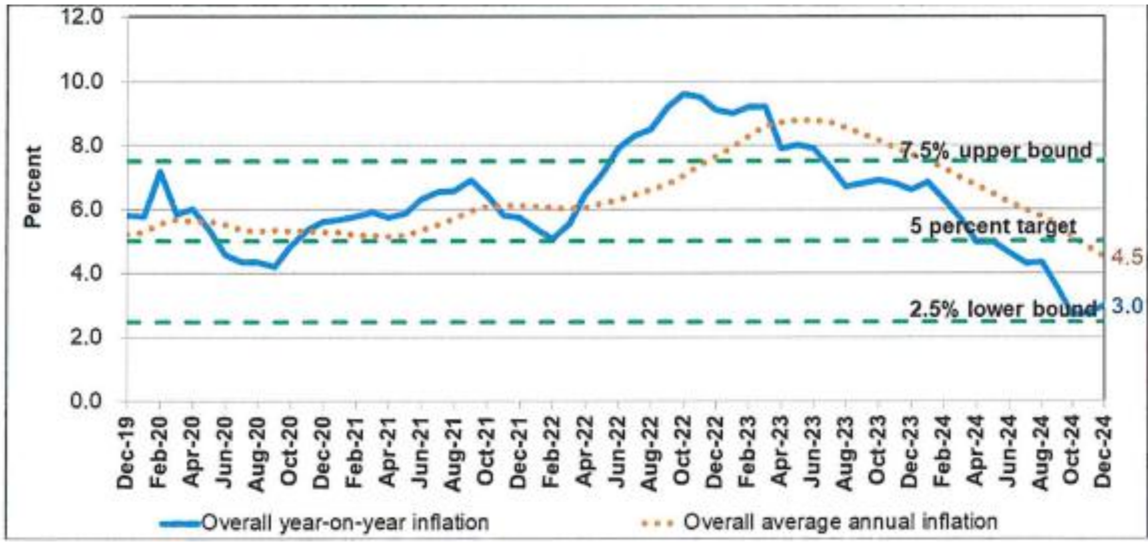
performance was somewhat curtailed by heavy rains and floods, between March and June 2024, that led to loss of livestock and damage to croplands.

7. There was a contraction in mining and quarrying in the first three quarters of 2024 due to a decline in production of most minerals such as titanium, soda ash and gemstone. This resulted to the formal closure of Kwale miner Base Titanium in December 2024 due to depletion of commercially viable ore.
8. The Industry Sector's growth rates slowed to 1.0 percent in Q1, 0.8 percent in Q2, and 0.6 percent in Q3, compared to 2.5 percent, 2.1 percent, and 3.3 percent in the same quarters of 2023. This slowdown was due to reduced activities in electricity and water supply, and a contraction in construction. Declines in geothermal, wind, and solar electricity generation contributed to slower growth, while the construction sector was affected by fewer public infrastructure projects. Manufacturing, making up half the sector's output, saw strong growth in food production, while non-food manufacturing had mixed results.
9. The services sector saw strong growth with 6.2 percent in Q1, 5.3 percent in Q2, and 5.3 percent in Q3. Significant growth was noted in accommodation and food service, financial and insurance, information and communication, real estate, and wholesale and retail trade. The accommodation and restaurant sub-sector benefited from high-profile international conferences in Nairobi between April and June 2024. Growth in the Information and Communication sub-sector was driven by increased voice traffic, internet use, and mobile money, despite a drop in domestic SMS usage.
10. Due to slower real GDP growth in the first three quarters and reduced private sector lending, the 2024 GDP estimate has been revised from 5.2 percent to 4.6 percent in the 2024 Budget Review and Outlook Paper. GDP Growth is projected to rise to 5.3 percent in 2025 and 2026, driven by a resilient services sector, ongoing priorities under the Bottom-Up Economic Transformation Agenda (BETA), and prudent fiscal and monetary policies.

1.2.2 Inflation Rate

11. Overall inflation has remained below the Government's target range of 5±2.5 percent (Figure 1.1) since June 2024, due to significant declines in energy prices and a continued decrease in food prices. Inflation decreased to 3.0 percent in December 2024 compared to 6.6 percent in December 2023. The reduction in inflation was supported by an abundant food supply due to favourable weather, lower fuel prices resulting from the appreciation of the exchange rate and lower international prices, and declining non-fuel inflation as a result of previous monetary policy tightening.
12. Food inflation declined to 4.8 percent in December 2024 from 7.7 percent in December 2023. The easing of food prices was enhanced by increased food supply arising from favourable weather conditions, continued Government interventions particularly through subsidized fertilizer, and the general easing of international food prices. Prices of most vegetable food items increased in the month of December 2024 compared to the same period in 2023 while those of non-vegetable food items declined significantly during the same period.
13. Fuel inflation declined to -1.0 percent in December 2024 from 13.7 percent in December 2023 as a result of easing global oil prices and appreciation of the Kenya Shilling. This resulted in a downward adjustment of pump prices; and lower electricity prices.
14. Core (non-food non-fuel) inflation has remained low and stable, reflecting the impact of tight monetary policy and muted demand pressures.

Figure 1.1: Inflation Rate

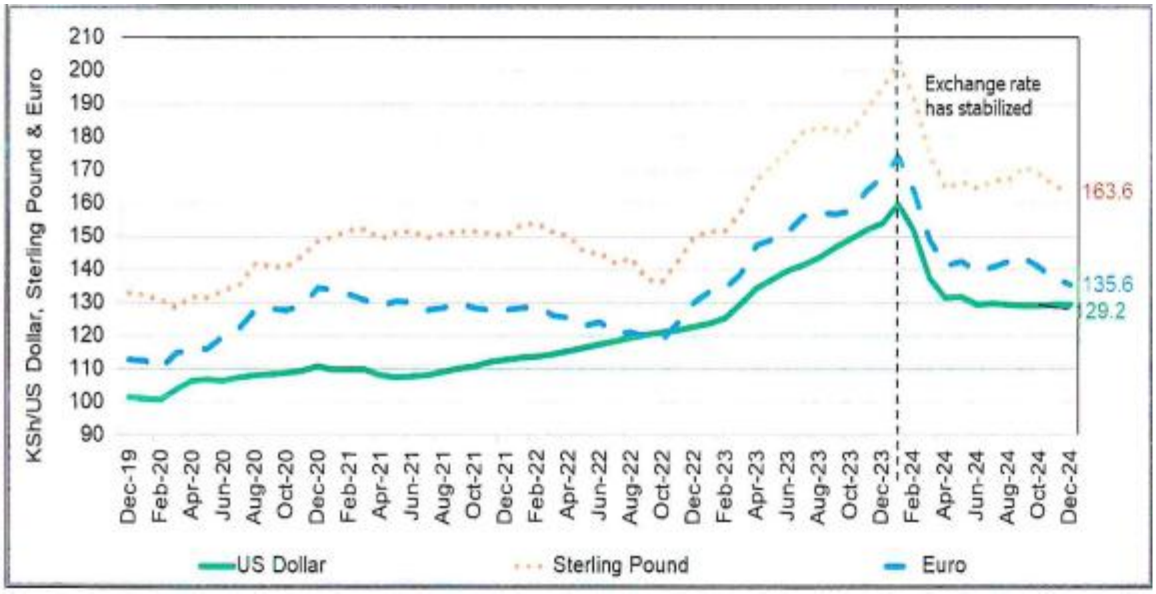


Source: Kenya National Bureau of Statistics.

1.2.3 Kenya Shilling Exchange Rate and Money Supply

15. Despite global uncertainties, a stronger U.S. Dollar, and geopolitical tensions, the foreign exchange market remained stable in 2024. The Kenya Shilling, weaker at the start of the year, strengthened against the U.S. Dollar from mid-February and stabilized. In December 2024, the Shilling averaged Ksh 129.4 per U.S. Dollar, improving from Ksh 160.8 in January (19 percent appreciation). Against the Euro, it increased by 22.2 percent to Ksh 135.6 from Ksh 174.3, and against the Sterling Pound, it rose by 19.3 percent to Ksh 163.6 from Ksh 202.9 (Figure 1.2).
16. The foreign exchange market was boosted by agricultural exports, remittances, and portfolio investments, while demand came from increased economic activity in manufacturing, wholesale, and retail. The stable exchange rate has attracted foreign direct investment and investors to the Nairobi Securities Exchange, reducing debt service costs, improving domestic borrowing performance, and stabilizing interest rates.

Figure 1.2: Kenya Shilling Exchange Rate



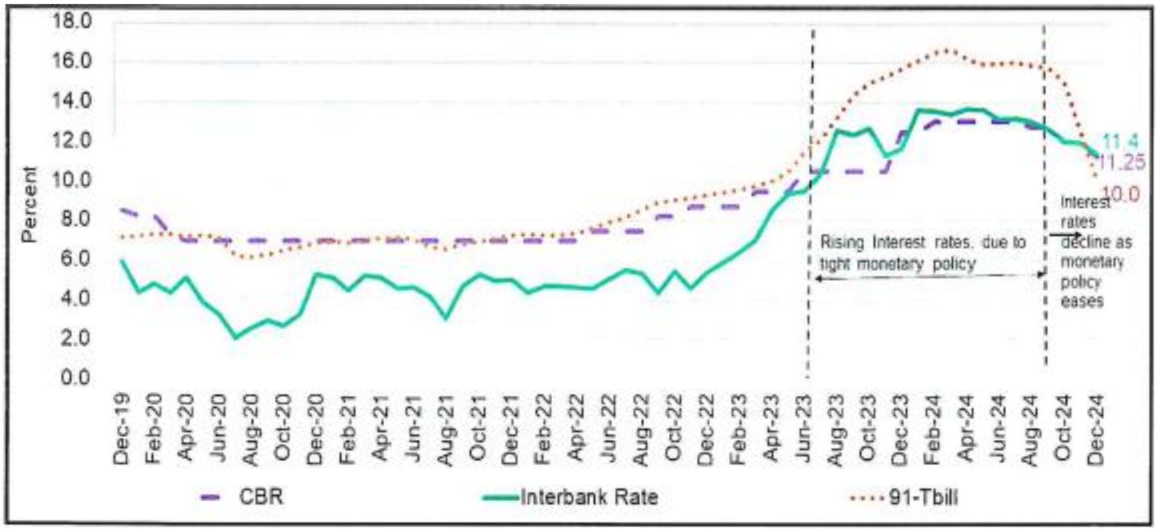
Source: Central Bank of Kenya

Interest Rates

17. Interest rates have fallen with the easing of monetary policy. The interbank rate fell to 11.5 percent in December 2024 from 11.7 percent in December 2023, remaining within the CBR corridor (CBR ± 150 basis points). Similarly, the 91-day Treasury Bills rate decreased to 10.0 percent in December 2024 from 15.7 percent in December 2013 (Figure 1.3).

18. In 2024, the average lending and deposit rates of commercial banks increased due to a prevailing tight monetary policy stance, indicating a higher cost of investment funds. The average lending rate rose to 16.9 percent in December 2024 from 14.6 percent in December 2023, while the average deposit rate increased to 10.5 percent from 10.1 percent over the same period. As a result, the average interest rate spread widened to 6.4 percent in December 2024 from 4.5 percent in December 2023.

Figure 1.3: Short Term Interest Rate, Percent



Source: Central Bank of Kenya

1.3 Fiscal Performance

19. The County's budget execution rate for the first half of FY 2024/2025 was 31 percent. This low absorption rate can be attributed to withdrawal of National Government Finance Bill 2024 which had a negative impact on County's revenue allocation for the financial year thus hindered timely disbursement of funds from the National Treasury. It's worth to note that disbursement for the months in the first half was done towards the tail end of the second quarter when both levels of government had agreed on the underlying issues therein.
20. Total County receipts in the first half amounted to Ksh 8.0 billion against an annual target of Ksh. 21.0 billion (including the fiscal balance of Ksh.1.0 billion) resulting in 38 percent of achievement rate. The receipts include county's OSR totalling KSh1.3 billion and equitable share transfers from National Government amounting to Ksh. 5.6 billion indicating 33 percent, and 40 percent achievement respectively.
21. Owing to the delay in enactment of County Governments Additional Allocation Act 2024 as at the end of December 2024 the County had not received any allocation for the grants contain in the approved budget FY

2024/2025. Table 1.3 illustrates the analysis on County receipts for the first half of FY 2020/2021 – 2024/2025.

Table 1.3: First Half County Receipts FY 2020/2021-2024/2025

Revenue Source	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	First Half 2023/2024	First Half 2024/2025	Annual Target FY 2024/2025	% of Achievement FY 2024/25
Exchequer Releases/ Equitable Share	1,728,564,750	4,298,618,386	4,298,618,387	4,485,830,148	**5,671,804,376**	14,133,795,185	40%
Proceeds from Domestic and Foreign Grants	212,535,514	305,228,810	104,144,759	500,000		1,826,301,984	0%
County own Generated Receipts	1,154,292,159	1,345,402,655	1,004,833,508	1,188,113,228	**1,350,499,758**	4,107,158,048	33%
Fiscal Balance	6,525,352,739	5,695,548,026	3,915,012,915	4,094,808,358	**1,005,000,000**	1,005,000,000	100%
Total Receipts	**9,620,745,162**	**11,644,797,877**	**9,322,609,569**	**9,769,251,734**	**8,027,304,134**	**21,072,255,217**	**38%**

Source: CFSP 2024, First Half BPRR FY 2024/2025

1.3.1 Own Source Revenue Performance

22. Own Source Revenue Performance (OSR) for the First Half FY 2024/25 amounted to Ksh. 1.3 billion against an annual target of Ksh. 4.1 billion representing a 33 percent performance. This represented Ksh. 162 million (14 percent) growth compared to similar period last year. The collections included Facility Improvement Fund (FIF) totalling Ksh. 840 million and local source revenue of Ksh. 509 million during the first half of FY 2024/25. An analysis of the last three years own source revenue performance for the first half of the financial year shows a collection of Ksh. 1.34 billion in FY 2021/2022, Ksh. 1.0 billion in FY 2022/2023 and Ksh. 1.18 billion in FY 2023/2024.
23. The improvement of first half collection for the current year and the past two financial years is attributed several factors including: change in the new administration policies which introduced dedicated teams of revenue champions and inspectorate that focused on revenue enhancement,

introduction of Unified Business Permit replacing Single business permit and compliance through targeted outreach and enforcement efforts; Clearly defined targets for departments' revenue related streams and sub-counties were set and thus created accountability and encouraged focused efforts towards achieving revenue goals.

Table 1.4: First Half Own Source Revenue Performance by Department

Department/Revenue Source	First Half 2020/2021 (a) KSH.	First Half 2021/2022 (b) KSH.	First Half 2022/2023 (c) KSH.	First Half 2023/2024 (d) KSH.	First Half 2024/2025 (e) KSH.	% Growth/ Decline f= (d & e)
Finance & Economic Planning	587,516	582,950	477,683	1,598,481	**605,674**	-62%
Environment, Water & Natural Resources	123,692,489	134,050,198	85,050,299	123,332,264	**143,339,572**	16%
Agriculture, Livestock & Fisheries	14,897,625	18,883,086	16,480,167	20,058,137	**52,027,301**	159%
Infrastructure	130,602,576	131,293,228	110,362,517	138,956,547	**128,315,129**	-8%
Health & Medical Services	21,070,336	21,700,305	18,302,300	18,140,678	**13,740,789**	-24%
Education, Culture & Youth	111,400	39,250	49,550	517,293	**697,359**	35%
Trade, Co-operatives & Tourism	100,794,836	104,200,533	61,744,696	108,087,298	**64,308,505**	-41%
Lands, Physical Planning & Housing	137,388,283	151,890,442	101,689,992	94,325,955	**106,745,489**	13%
Public Service & Devolution	200,100	201,830	20,500	119,700	**115,000**	-4%
Sub Total	**529,345,161**	**562,841,822**	**394,177,704**	**505,136,353**	**509,894,818**	**1%**
Facility Improvement Fund	624,947,486	782,560,834	610,655,806	682,976,876	**840,604,940**	23%
Total	**1,154,292,647**	**1,345,402,656**	**1,004,833,510**	**1,188,113,228**	**1,350,499,758**	**14%**

Source: *CFSP 2024, Revenue Statements Q2 FY 2024/2025.*

24. A comparison of first half FY 2024/25 and similar period last financial year showed that the Department of Agriculture, Livestock, Fisheries and Veterinary Services recorded the highest growth of 159 percent which can be attributed to remittance of tea cess by KTDA; Education, Culture &Youth came second with 35 percent followed by Environment, Water & Natural Resources 16 percent and Lands, Physical Planning & Housing 13 percent. Finance & Economic Planning 62 percent, and Trade, Co-operatives & Tourism 41 percent recorded the highest decline. Table 3 provides detailed analysis of

revenue by county department for the last three financial years-first half. Table 1.4 provides detailed analysis of revenue collections by county department for the last four financial years-first half.

25. Geographically, Naivasha Sub County (33 percent), Njoro Sub County (32 percent), Rongai (25 percent) and Kuresoi North (24 percent) had the highest achievement rate while Nakuru West (11 percent), Molo (16 percent) and Kuresoi South (20 percent) sub counties had the lowest achievement rate. However, all sub counties except Kuresoi South and Nakuru West recorded a decline in the current financial year's first half collection compared to the same period in the previous financial year (see Table 1.5).

Table 1.5: First Half Local Source Revenues Performance by Sub-County

Sub-County	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	First Half 2023/2024	First Half 2024/2025	Annual Target FY 2024/2025	% of Achievement FY 2024/25
Naivasha	141,296,971	141,363,773	98,345,221	141,765,369	**138,324,903**	**425,000,000**	33%
Njoro	25,780,576	22,939,160	13,252,823	26,865,262	**17,516,386**	**83,000,000**	32%
Rongai	29,753,476	28,541,079	21,658,668	28,964,462	**28,328,132**	**118,000,000**	25%
Kuresoi North	4,725,307	4,147,642	3,448,675	6,050,419	**4,909,218**	**25,000,000**	24%
Nakuru East	170,957,783	192,150,933	146,372,210	164,779,859	**163,285,141**	**720,000,000**	23%
Bahati	33,700,131	43,941,814	23,932,882	31,634,379	**25,635,890**	**142,000,000**	22%
Gilgil	34,993,773	34,544,990	23,652,587	35,288,067	**31,635,600**	**168,000,000**	21%
Subukia	4,834,994	5,484,483	4,161,010	5,149,871	**3,237,996**	**25,000,000**	21%
Kuresoi South	6,140,664	5,124,359	2,668,576	4,379,798	**37,027,851**	**21,948,048**	20%
Molo	20,702,823	17,371,830	9,578,390	13,787,434	**11,204,212**	**85,000,000**	16%
Nakuru West	56,458,663	67,231,759	47,106,661	46,471,433	**48,789,489**	**414,000,000**	11%
Total	**529,345,161**	**562,841,822**	**394,177,703**	**505,136,353**	**509,894,818**	**2,226,948,048**	**23%**

Source: *CFSP 2024, Revenue Statements Q2 FY 2024/2025.*

26. During the first half of financial year 2024/2025 local source revenue collections from Cess surpassed the planned annual target by Ksh. 26 million for the stream indicating. This was followed by Royalties (50 percent), Markets (44 percent), Vehicle Parking Fees (43 percent). House rent registered the lowest achievement of 2 percent followed by Trade license (7 percent), Property tax

(Plot &Land rates) (11 percent), and Miscellaneous Income (12 percent).

27. A comparison between the current year's first half performance and similar period in the last financial year 2023/24 shows mixed performance with regard to growth and decline per stream. Cess Revenue, Advertisements and Property tax (Plot &Land rates) grew by 209 percent, 47 percent and 27 percent respectively. Whereas Alcoholics Drinks/Liquor, House rent and Trade Licenses recorded a decline of 69 percent, 65 percent and 35 percent respectively.

Table 1.6: First Half Local Source Revenue Performance by Stream

REVENUE STREAMS		First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	First Half 2023/2024	First Half 2024/2025	Annual Target FY 2024/2025	% of Achievement FY 2024/25
1	Cess Revenue	10,231,754	10,477,777	8,276,779	16,727,457	**51,021,198**	**24,386,779**	209%
2	Royalties	113,132,968	127,366,110	79,107,114	112,780,850	**128,613,918**	**257,322,056**	50%
3	Markets	22,742,270	22,923,202	16,402,490	18,163,178	**21,083,591**	**48,445,765**	44%
4	Vehicle Parking Fees	108,404,596	114,981,757	102,150,027	124,154,382	**120,835,658**	**279,066,141**	43%
5	Approval for Building Plans	31,481,516	30,322,045	20,939,051	36,113,974	**33,666,783**	**127,150,350**	26%
6	Slaughter House Fees	4,351,357	5,314,569	4,907,308	5,485,540	**5,608,933**	**25,884,461**	22%
7	Health Fees	21,070,336	21,700,305	18,302,300	18,140,678	**13,740,789**	**89,894,811**	15%
8	Advertisements	25,607,562	40,958,674	23,391,861	15,661,493	**23,046,092**	**158,245,614**	15%
9	Alcoholics Drinks/Liquor	18,410,640	26,738,430	14,329,007	41,811,270	**12,880,000**	**93,201,015**	14%
10	Miscellaneous Income*	38,749,941	31,476,770	21,459,173	29,390,943	**20,744,127**	**167,435,616**	12%
11	Property tax (Plot &Land rates)	70,539,831	71,223,775	51,698,323	37,907,738	**48,274,409**	**442,481,857**	11%
12	Trade Licenses	57,776,780	52,589,210	29,290,214	44,844,800	**28,993,115**	**456,917,293**	6%
13	House rent	6,845,610	6,769,198	3,924,057	3,954,050	**1,386,205**	**56,516,290**	2%
	Total	**529,345,161**	**562,841,822**	**394,177,704**	**505,136,353**	**509,894,818**	**2,226,948,048**	**23%**

Source: CFSP 2024, Revenue Statements Q2 FY 2024/2025.

*****Miscellaneous Income includes Bed occupancy fees, cooperative audit fees, mineral water-commercial charges fish trader licences, fire inspection certificates, garbage/waste disposal fees, park fees, environmental certificates, impounding fees

* Cess Revenue collections include the KTDA Tea Cess Revenue of Ksh. 33,432,039 remittances

28. FIF collections continues to contribute a bigger percentage to total own source revenues with first half of FY 2024/2025 indicating a contribution of 62 percent. 57 percent of the total own source revenue collection during the first

half of FY 2023/2024. Trend analysis over the past five years shows the current first half performance as the highest.

29. The total July-December FY 2024/25 County Health Facilities collection amounted to Ksh. 840 million against an annual target of KShs 1.8 billion depicting 45 percent achievement rate. This is a growth of 22 percent (153 million) from similar period last financial year 2023/24.

30. The facilities that registered the highest achievement rate include; Rift Valley P.G.H Annex Ksh. 57 million (60 percent); Molo Dist. Hospital Ksh. 38 million (55 percent); Olenguruone Subcounty Hospital Ksh. 9 million (54 percent) and Mirugi Kariuki Subcounty Hospital Ksh. 2million (54 percent) while Naivasha Dist. Hospital Ksh. 127 (28 percent); Bondeni Maternity Ksh. 4 million (36 percent); Subukia Subcounty Hospital Ksh. 7 million (37 percent) and Bahati Hospital Ksh. 22 million (37 percent) registered the lowest achievement based on their annual targets. Table 1.7 illustrates the FIF collection per facility in the FY 2024/2025.

Table 1.7: First Half Facility Improvement Fund Performance

S.No	FACILITIES	First Half 2020/2021	First Half 2021/2022	First Half 2022/2023	First Half 2023/2024	First Half 2024/2025	Annual Target FY 2024/2025	% of Achievement FY 2024/25
1	P.G.H Annex	29,848,768	31,735,568	35,241,235	38,290,207	**57,093,003**	95,945,806	60%
2	Molo Dist Hospital	27,033,391	34,238,994	32,190,900	29,025,054	**38,874,296**	70,319,020	55%
3	Olenguruone Subcounty Hospital	6,219,201	11,077,810	5,727,257	8,044,241	**9,634,093**	17,727,718	54%
4	Mirugi Kariuki Subcounty Hospital	1,364,501	2,961,773	1,056,827	1,728,001	**2,998,717**	5,579,278	54%
5	P.G.H Nakuru	372,922,659	418,832,187	355,583,701	378,032,220	**500,475,859**	990,593,242	51%
6	Elburgon Dist Hospital	3,698,885	4,554,332	5,347,174	7,991,524	**10,025,095**	19,847,540	51%
7	Soin Subcounty	2,267,235	4,561,565	1,737,313	1,415,825	**2,156,453**	4,338,249	50%
8	Keringet Subcounty Hospital	2,367,820	4,384,277	1,434,277	866,982	**3,603,454**	7,523,750	48%
9	Kabazi Subcounty Hospital	1,024,135	2,567,250	1,098,974	1,349,110	**2,053,298**	4,301,670	48%
10	Langalanga Hospital	2,162,647	5,141,628	3,390,195	3,024,924	**5,066,282**	10,911,498	46%
11	Gilgil Hospital	22,601,555	34,917,972	29,305,167	31,342,159	**35,425,129**	77,879,013	45%
12	Njoro Subcounty Hospital	8,352,910	14,916,760	9,398,003	9,499,062	**11,800,011**	28,318,304	42%
13	Subukia Subcounty Hospital	3,281,626	7,433,802	4,514,290	5,013,670	**7,662,769**	20,521,350	37%
14	Bahati Hospital	15,703,125	28,114,043	19,611,625	13,025,517	**22,060,942**	60,121,903	37%
15	Bondeni Maternity	4,507,669	10,864,583	3,238,937	2,758,517	**4,435,299**	12,241,904	36%
16	Naivasha Dist Hospital	121,591,359	166,258,290	101,779,931	151,569,865	**127,240,240**	454,039,755	28%
TOTAL		**624,947,486**	**782,560,834**	**610,655,806**	**682,976,876**	**840,604,940**	**1,880,210,000**	**45%**

Source: CFSP 2024, Revenue Statements Q2 FY 2024/2025.

1.3.2 Expenditure Performance

31. The County Budget Review and Outlook Paper 2024 indicates that the County expenditure for FY 2023/2024 stood at Ksh. 16.4 billion against a revised target of Ksh. 23.3 billion depicting an underspending of Ksh. 6.8 billion translating to 70 percent absorption rate. Out of the expended amount, Ksh. 15.2 billion was spent by the County executive while Ksh. 1.1 billion was spent by the County Assembly. The recurrent expenditure amounted to Ksh. 11.6 billion against a target of Ksh. 13.6 billion depicting an underspending of Ksh. 2.0 billion and represents 85 percent budget absorption rate. The development expenditure stood at Ksh. 4.8 billion against a target of Ksh. 9.6 billion depicting an underspending of Ksh. 4.8 billion and representing 50 percent absorption.
32. During the 1st half period for the current financial year 2024/25, the County expenditure stood at Ksh. 5.5 billion against an annual target of Ksh. 21.0 billion which represented a 26 percent budget absorption rate. The recurrent expenditure amounted to Ksh. 5.1 billion against an annual target of Ksh. 14.0 billion depicting 37 percent budget absorption rate. Development expenditure amounted to Ksh. 367 million against an annual target of Ksh. 6.9 billion translating to 5 percent of the total development expenditure. This low absorption rate is attributed to withdrawal of National Government Finance Bill 2024 which had a negative impact on County's revenue allocations and exchequer disbursements for the financial year. The anticipated budget cuts also slowed down the implementation of the approved budget.

Table 1.8: First Half FY 2024/2025 Expenditure Performance by Economic Classification

Economic Classification	FY 2022/2023			FY 2023/2024			FY 2024/2025		
	Target	Actual (July - Dec)	BER %	Target	Actual (July - Dec)	BER %	Target	Actual (July - Dec)	BER %
Compensation to Employees	7,429,135,327	3,291,598,450	44%	7,256,931,226	3,633,777,831	50%	8,138,366,126	3,516,916,500	43%
Operations and Maintenance	5,441,471,124	1,528,607,425	28%	5,780,611,290	1,952,432,152	34%	5,941,913,207	1,637,034,745	28%
Total Recurrent	**12,870,606,451**	**4,820,205,875**	**37%**	**13,037,542,515**	**5,586,209,984**	**43%**	**14,080,279,333**	**5,153,951,245**	**37%**
Development	**8,339,092,465**	**447,205,637**	**5%**	**10,046,777,912**	**1,462,888,213**	**15%**	**6,991,975,883**	**367,797,296**	**5%**
Total	**21,209,698,916**	**5,267,411,512**	**25%**	**23,084,320,428**	**7,049,098,196**	**31%**	**21,072,255,216**	**5,521,748,541**	**26%**

Source: CFSP 2024 & First Half BPRR FY 2024/2025

33. Departmental expenditure analysis shows that absorption rate was highest in the Department of Health Services (35 percent); County Treasury (34 percent); County Assembly (34 percent); Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance (33 percent) and Education, ICT, e-Government and Public Communication (30 percent). The least absorption rate was in Molo Municipality (0 percent); Gilgil Municipality (1 percent); Lands, Physical Planning, Housing and Urban Development (4 percent); Naivasha Municipality (8 percent). The Departmental expenditure analysis is outlined Table 1.9.

Table 1.9: Expenditure Performance (July-Dec) FY2024/2025 Per Department

Vote Title	Compensation to Employees			Operations and Maintenance			Development			Total		
	Target	Actual	BER*	Target	Actual	BER*	Target	Actual	BER*	Target	Actual	BER*
Office of the Governor and Deputy Governor	136,718,549	57,865,322	42%	243,205,498	20,515,124	8%	48,965,736	5,460,350	11%	428,889,783	83,840,795	20%
County Treasury	520,461,030	246,341,291	47%	1,035,211,273	386,166,524	37%	788,147,181	164,451,673	21%	2,343,819,484	796,959,487	34%
County Public Service Board	39,642,825	17,753,256	45%	45,750,000	7,465,264	16%	5,000,000	-	0%	90,392,825	25,218,520	28%
Health Services	4,555,353,714	2,010,504,012	44%	2,357,900,889	681,013,537	29%	895,961,347	37,131,394	4%	7,809,215,951	2,728,648,943	35%
Infrastructure	115,827,421	56,443,475	49%	169,350,334	33,994,772	20%	1,529,255,308	79,028,466	5%	1,814,433,063	169,466,712	9%
Naivasha Municipality	13,421,090	2,756,054	21%	31,806,223	275,920	1%	63,000,000	5,810,716	9%	108,227,313	8,842,690	8%
Office of the County Attorney	27,161,503	9,342,824	34%	35,349,210	859,185	2%	3,000,000	-	0%	65,510,713	10,202,009	16%
Nakuru City	37,374,131	11,773,658	32%	47,510,002	3,115,950	7%	59,500,000	-	0%	144,384,133	14,889,608	10%
Trade, Cooperatives, Tourism and Culture	107,858,876	37,124,899	34%	132,885,286	8,790,586	7%	198,105,111	-	0%	438,849,273	45,915,485	10%
Agriculture, Livestock, Fisheries and Veterinary Services	374,804,651	146,770,497	39%	109,788,979	8,692,910	8%	698,124,148	3,995,900	1%	1,182,717,778	159,459,307	13%
Lands, Physical Planning, Housing and Urban Development	106,634,498	32,040,596	30%	81,177,182	8,499,692	10%	736,282,807	-	0%	924,094,487	40,540,288	4%
Water, Energy, Environment, Natural Resources and Climate Change	239,735,572	99,146,635	41%	71,857,615	2,143,249	3%	834,027,325	-	0%	1,145,620,511	101,289,884	9%
Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance	641,413,454	283,028,891	44%	159,244,169	6,122,051	4%	84,577,486	-	0%	885,235,109	289,150,942	33%
Education, ICT, e-Government and Public Communication	604,291,891	245,466,073	41%	512,248,733	190,300,966	37%	569,552,803	67,726,597	12%	1,686,093,427	503,493,636	30%
Youth, Sports, Gender, Social Services and Inclusivity	120,930,458	45,841,149	38%	121,113,707	14,339,038	12%	218,476,631	-	0%	460,520,796	60,180,187	13%
Gilgil Municipality	3,200,000	-	0%	22,055,214	402,200	2%	40,000,000	-		65,255,214	402,200	1%
Molo Municipality	3,314,400	-	0%	20,459,198	-	0%	35,000,000	-		58,773,598	-	0%
County Executive	**7,648,144,063**	**3,302,198,631**	**43%**	**5,196,913,513**	**1,372,696,966**	**26%**	**6,806,975,883**	**363,605,096**	**5%**	**19,652,033,459**	**5,038,500,693**	**26%**
County Assembly	490,222,063	214,717,869	44%	744,999,695	264,337,779	35%	185,000,000	4,192,200	2%	1,420,221,758	483,247,848	34%
TOTAL	**8,138,366,126**	**3,516,916,500**	**43%**	**5,941,913,208**	**1,637,034,745**	**28%**	**6,991,975,883**	**367,797,296**	**5%**	**21,072,255,217**	**5,521,748,541**	**26%**

Source: First Half BPRR FY 2024/2025

1.4 Fiscal Policy

34. The County Government's fiscal policy for the 2025/2026 – 2027/2028 Medium-Term Expenditure Framework (MTEF) period will adhere to the approved County Integrated Development Plan (CIDP 2023-2027) and the Governor's Manifesto programme/projects, aiming to achieve result-oriented outcomes for prioritised development interventions. The plan focuses on enhancing governance, transparency, and accountability in public service delivery, while promoting sustainable development and economic growth through sectoral integration and infrastructure expansion. Aligned with the Budget Policy Statement 2025, the fiscal policy aims to decelerate the annual growth of public debt and implement effective liability management strategies without compromising service delivery. Fiscal consolidation will be supported by continuous efforts to enhance revenue mobilisation, reprioritisation and rationalisation of expenditure, while safeguarding priority government programmes.

Zero-based Budgeting Approach

35. The County Government plans to implement the Zero-Based Budgeting approach using a Budget Costing Tool developed by the National Treasury within the IFMIS Budget Module in the medium term. The national government has trained county government teams to prepare for this tool's adoption. This tool uses standardized costing methods to facilitate budget baseline calculations and prioritization, providing a reliable basis for preparing budget estimates.

Accrual Accounting

36. To improve the management of public resources, the County Government is transitioning from a cash basis to an accrual basis of accounting. This change aims to enhance cash management and financial reporting by accounting

for all assets and liabilities, including county government assets. The transition process follows accounting standards (IPSAS 33) and a Road Map approved by the Implementation Steering Committee. The transition period is three years, during which all government assets and liabilities will be recognized in the balance sheet. Financial assets, such as bank accounts, will be recognized in the first year, while other assets, including natural resources, will be recognized in the second and third years.

Public Investment Management

37. To ensure value for money in County development expenditure, the County Government will implement the Public Investment Management (PIM) Regulations. These regulations aim to streamline the initiation, implementation, execution, and delivery of public investment projects. County Government entities will be required to complete ongoing projects before starting new ones to minimize exposure to stalled initiatives and reduce fiscal risks. Additionally, all ongoing and new projects approved under the PIM framework must assess environmental and climate-related risks.
38. Over the medium term, the National Government plans to extend the PIM Regulations to County Governments and enhance the capacity of the Public Investment Management Information System (PIMIS) to improve the management of development projects across all sectors. The PIMIS system will be introduced to County entities, which will be required to submit all project proposals through this system. Furthermore, the County will catalogue all its projects and present them in a publicly accessible interactive dashboard with a citizen feedback mechanism to enhance transparency.

County Assets and Liabilities Management

39. To improve the management of assets and liabilities in the County, the County Government will continue efforts to automate & standardise assets and

inventory management. The National Treasury has implemented the Assets and Inventory Management Modules in the IFMIS. The County Government will participate in the rollout by uploading the County registers for the six asset categories. This will provide Accounting Officers with visibility of all assets & inventory under their control and facilitate optimal asset utilization.

40. To enhance the management and use of public assets, the County Government will ensure completeness of the asset registers and support the transition to accrual accounting. Additionally, the County Government will conduct physical verification to confirm the existence of assets reported in the County entity's registers and implement the County asset tagging framework to identify public sector assets.

Expenditure reforms

41. Maintaining a sustainable county fiscal framework remains one of the county's fundamental responsibilities. Over the medium term, the county will uphold a balanced budget by ensuring that projected expenditures align with revenue targets. Moreover, the county commits to allocating a minimum of 30 percent of the budget to developmental expenditures and managing the county wage bill at a maximum of 35 percent, despite new national policies and tax laws impacting employee compensation budgets. Additionally, the county will continue to engage its stakeholders in the formulation and implementation of fiscal policies to enhance the efficacy of public finance management.
42. The County government will continue sustaining measures that strengthen expenditure control and improve efficiency & effectiveness in budget execution with the aim of improving budget credibility and value for money. This will also ensure reduction of fiscal balances being rolled over each financial year thus enabling realisation of value for money and timely service delivery.

43. The County Government continues to orient its expenditure towards priority programmes and mainstreaming cross cutting issues in each sector including settlement of pending bills which has since been a risk as they continue to accumulate thus reducing the County's ability to meet its financial obligations. The County ad hoc committee will over the medium term ensure that the eligible pending bills are allocated resources to clear them.
44. The County government will sustain measures to strengthen expenditure control and improve efficiency & effectiveness in public spending. These measures will include: implementation of measures aimed at reducing Government recurrent expenditure; roll out an end-to-end e-procurement system to maximise value for money and increase transparency in procurement; scale up use of Public Private Partnerships (PPPs) framework for commercially viable projects to crowd-in the private in the provision of public services; and expediting governance reforms targeting state corporations.

Own Source Revenue Mobilization

45. Effective mobilization of Own Source Revenue (OSR) is critical for enhancing the fiscal autonomy and service delivery capacity of the County government. In alignment with the National Government's policy as articulated in the Budget Policy Statement 2025, the County Government will adopt a comprehensive approach to strengthen OSR collection and administration. To enhance revenue administration and compliance, the County will: map and expand the revenue base through identifying and registering all potential revenue sources. Additionally, compliance audits will be conducted regularly, loopholes in revenue collection processes will be sealed to minimize leakages and technology will be a key component in this effort, with digitization of revenue collection systems to reduce human interface, enhance transparency, and promote efficiency.

46. To create a predictable and robust revenue environment, the County Government will prioritize the development and review of revenue policies and legislation. These efforts will align with the National Policy to Support Enhancement of County Governments OSR. In particular, the County Government will implement Nakuru County Valuation and Rating Act. The County Government will also prepare to implement the County Governments Revenue Raising Process Bill in the medium-term, once enacted, to ensure the rationalization and harmonization of taxes, fees, and charges, eliminating duplication and fostering predictability.
47. Recognizing the importance of human resource capacity, the County Government will invest in continuous training and professional development for revenue administration staff. Strengthening internal controls, improving financial reporting, and enhancing audit mechanisms will reinforce accountability and transparency within revenue processes. The County Government will collaborate with the National Treasury to implement the Integrated County Revenue Management System (ICRMS), to ensure automation and integration of revenue systems to facilitate real-time revenue collection and monitoring. This will ensure all revenue streams are digitized, and payment platforms integrated to improve ease of payment. Advanced data management systems will be established to ensure accurate revenue reporting and enable data-driven decision-making.
48. Improving revenue forecasting is essential for accurate OSR projections, the County will therefore adopt the novel revenue forecasting tool developed by the National Treasury. Historical data and economic indicators will be incorporated into revenue estimates, while revenue officers will undergo capacity-building to enhance their forecasting competencies. Monitoring, evaluation, and reporting mechanisms will be strengthened to ensure accountability and measure progress. Quarterly revenue performance reviews will be conducted to identify gaps and assess the effectiveness of

revenue mobilization strategies. The County Government will submit periodic reports to the relevant institutions in line with the PFM requirements and engage stakeholders, including the public, to foster transparency and accountability in revenue collection processes.

1.5 Economic Outlook

49. Kenya's economic performance is projected to remain stable over the medium term. Economic growth is expected to slow down to 4.6 percent in 2024 from a growth of 5.6 percent in 2023, reflecting a deceleration of economic activities in the first three quarters of 2024 and the slowdown in private sector credit growth to key sectors of the economy. Growth is expected to pick up to 5.3 percent in 2025 and retain the same momentum over the medium term.
50. The economy is projected to grow driven by enhanced agricultural productivity and a resilient services sector. Agricultural productivity is expected to benefit from favourable weather conditions and productivity-enhancing government interventions, though the sector's growth is expected to average around 3.0 percent in line with historical trends. The services sector is anticipated to grow at an average of 6.6 percent over the medium term, supported by ICT reforms which will stimulate growth in financial services, health, and public administration. Additionally, the accommodation and restaurant subsectors will benefit from the government's promotion of high-profile international conferences, cultural festivals, and wildlife safaris.
51. The industrial sector is projected to grow from 0.9 percent in 2024 to 2.2 percent in 2025, with growth exceeding 3.0 percent over the medium term. This will be supported by a reduction in production costs, easing of exchange rate pressures, and government initiatives aimed at value addition.
52. On the demand side, aggregate domestic demand is expected to remain resilient despite fiscal consolidation, with the private sector playing an

increasingly prominent role. Strong export growth and resilient remittances will also support the external account. Household consumption is projected to average around 87.4 percent of GDP in 2025 and beyond, supported by easing inflationary pressures and stable disposable incomes. Remittance inflows are expected to remain robust, further enhancing household incomes and consumption.

53. Aggregate investment is projected to rise from 16.2 percent of GDP in 2025 to 16.8 percent over the medium term, driven by increased government and private sector investments. Public-Private Partnerships (PPPs) will complement public investments, addressing financing gaps as fiscal consolidation efforts reduce government borrowing. The improvement in macroeconomic stability and business confidence will support private sector investments, particularly in Micro, Small, and Medium Enterprises (MSMEs).

54. Development spending is expected to increase progressively to sustain the momentum of the Bottom-Up Economic Transformation Agenda. Key investments will target the nine priority value chains (Leather, Cotton, Dairy, Edible Oils, Tea, Rice, Blue Economy, Natural Resources, and Building Materials). Government interventions in climate change adaptation, such as wetland rehabilitation and reforestation, will also contribute to sustainable growth.

55. Monetary policy will aim to maintain inflation within the target range of 5±2.5 percent, supported by stable food prices, easing international oil prices, and a stable exchange rate. Reforms to modernize the monetary policy framework, such as the narrowing of the interest rate corridor and adjustments to the Discount Window, have improved policy transmission and interbank market efficiency. The Central Bank of Kenya (CBK) has also introduced measures to enhance foreign exchange market operations, including electronic matching systems and a more transparent exchange rate publication mechanism.

1.6 Risks to Economic Outlook

56. While the country's economic outlook remains stable over the medium term, several downside risks could potentially derail this trajectory. External risks include the escalation of geopolitical tensions, potential worsening of global supply chain disruptions, and volatility in international oil prices, all of which could increase import and production costs. Internally, extreme weather events such as droughts or floods could adversely affect agricultural output, damage infrastructure, and exacerbate food insecurity.
57. Additionally, fiscal challenges at the county level present notable risks. The County Budget Review and Outlook Paper (CBROP) 2024 highlights that over the past three fiscal years, Own Source Revenue (OSR) in the county has consistently underperformed by approximately 18 percent. Should this trend persist into the next Medium-Term Expenditure Framework (MTEF) period, it would necessitate budget revisions and adversely impact overall fiscal performance.
58. Weak execution of development expenditure remains a concern. The county has recorded suboptimal performance in this area in previous MTEF periods, partly due to delays in project conceptualization, planning, and implementation. This could hinder the realization of development outcomes and reduce the credibility of the county's budget.
59. Erratic disbursement of national transfers poses another risk. Equitable share allocations and conditional grants account for approximately 80 percent of the county's budget funding. Delays in these transfers could disrupt cash flow projections and hinder effective financial planning.
60. Furthermore, the accumulation of pending bills continues to constrain the county's fiscal operations. The inability to meet financial obligations in a timely manner could reduce budget execution efficiency and dampen the local business climate by undermining supplier confidence.

II. POLICIES TO ACHIEVE MEDIUM TERM OUTLOOK

2.0 Introduction

61. The CFSP 2025 aims to support the objectives of the CIDP 2023-2027 and MTP IV while leveraging the Bottom-Up Economic Transformation Agenda (BETA). The County has adopted six fiscal policy initiatives for the medium-term period including:
    i. Leveraging on the Growth of Productive Sectors in the Economy
    ii. Promotion of Access to Quality and Affordable Healthcare Services
    iii. Completion, Operationalization and Expansion of County Infrastructure
    iv. Creating an Enabling Environment and transformation of medium and small enterprise and private Sector.
    v. County Public Service Reforms, Enhancing Governance, Transparency and Accountability
    vi. Social Development and Inclusivity

2.1 Leveraging on the Growth of Productive Sectors in the Economy

62. Nakuru plays a significant role in the Country economic growth, contributing a gross value addition of 5.2 percent to national the Gross Domestic Product (GCP report 2024). The productive sectors of the County's economy include among other: agriculture, forestry and fishing, wholesale and retail trade, manufacturing, energy, and construction. The County's fiscal strategy shall focus on these sectors due to their strong contributions to Nakuru County's economic performance. Their sustained growth is essential over the medium term as the County government aims to stimulate economic growth, create employment, and spur innovation.

Agricultural Transformation for Inclusive Green Growth

63. The agriculture sector is a vital contributor to the economic performance of the country. Between 2019 and 2023, the sector's contribution to the national Gross Domestic Product (GDP) accounted for an average of 21.6 percent

(GCP, 2024). Beyond driving economic growth, the sector is a source of livelihood for millions of Kenyans, both directly and indirectly supporting over 80 percent of the population. In Nakuru County, the agriculture sector played a significant role, contributing 1.82 percent to the national GDP and 32.2 percent to the county's Gross County Product (GCP) in 2023. The county was ranked among the top counties in agricultural productivity.

64. In the first three quarters of 2024, the sector recorded an average growth of 5.0 percent, with 6.1 percent in the first quarter, 4.8 percent in the second quarter and 4.2 percent in the third quarter. The growth was driven by government interventions that aimed at lowering the cost of production and favourable weather conditions. However, the agricultural productivity was slowed by heavy rains and flooding that occurred between March and June 2024resulting in widespread loss of millions of livestock heads and damage to thousands of hectares of croplands.
65. Given the critical role the sector plays in providing livelihoods and a food basket for citizens, the County government has prioritized policies and programmes aimed at enhancing food security, promoting sustainable land management and utilization, improved productivity across various agricultural value chains, boosting farmer incomes, and creating employment opportunities.
66. The County government has undertaken deliberate efforts to improve agricultural production and food security by improving farmers' access to inputs. In collaboration with the National government, the County government distributed subsidised fertilizers to 15,513 farmers between February and June 2024, reducing crop production costs and boosting crop yields. To further increase farm income and productivity, the County government, in the previous MTEF period, distributed over 29 million pyrethrum seedlings, 355,000 avocado seedlings, and 9,000 bags of certified potato seeds. Additionally, to enhance livestock productivity and promote sustainable livelihoods, the

County distributed over 220,000 one month old improved Kienyeji chicks and 1,300 dairy goats were distributed. Efforts to manage and control pests and diseases were strengthened through disease surveillance, targeting notifiable and zoonotic diseases. The County also facilitated plant clinics, offering farmers expert guidance on crop health management, and vaccinated over 799,000 livestock to curb the spread of major livestock diseases like Foot and Mouth and Rabies.

67. To further improve livestock productivity and improve livelihood of the citizens, the County government will continue supporting farmers with dairy goats and chicks. In the next MTEF period, the County targets to distribute 150,000 one month old improved kienyeji chicks and 300 dairy goats. To minimize losses due to pests and diseases, the County will launch new plant clinics, strengthen surveillance of crop and livestock diseases, construct cattle dips, and conduct vaccination drives. In the next MTEF period, farmers will also benefit from access to high-quality avocado seedlings and pyrethrum seedlings promote agribusiness. The County plans to distribute 150,000 avocado seedlings and 36 million pyrethrum seedlings. In addition, the County will provide certified potato seeds, orange fleshed sweet potato vines, and bean seeds. To further support farmers, the County will expand the Fertiliser Subsidy Programme (FSP) and support farmer groups with drip kits, sprinklers and water pumps. In collaboration with the National Government, the County will establish and equipe a feed centre in every ward. These initiatives will contribute to increased productivity, improved incomes, and enhanced food security in the County.

68. The County government recognizes the crucial role of market access in supporting farmers and enhancing agricultural productivity. The County Government has been keen on ensuring farmers have access to markets for both intermediate inputs and their produce as a way to boost profitability and incomes. To achieve this, the County has established 16 last mile satellite

distribution centres, making it easier and affordable for farmers to access to fertilizers and other agricultural inputs. Beyond input accessibility, the county has invested significantly in infrastructure development to improve market access for farm produce. This includes the construction of markets, expansion of road networks, and rehabilitation of existing road infrastructure, allowing farmers to efficiently transport their produce to various markets.

69. Additionally, the government is actively promoting cooperative societies, reviving old cooperatives, and encouraging farmers to join them. The cooperatives enhance the bargaining power of farmers, reduces costs, increases access to financing, and expands markets enabling farmers to sell their produce at fair prices. For example, the Nakuru County Potato Union (NCPU) has been pivotal in streamlining the potato value.

70. To reduce post-harvest losses, the County is collaborating with the national government and development partners to construct cold stores and value addition factories. In collaboration with National Agricultural Value Chain Development Project (NAVCDP) and KENTEGRA, farmers enjoy increased market participation and value addition in poultry, pyrethrum, dairy, apiculture, and potato value chains. To provide local markets for farmers, the County has also completed 28 tea buying centres (FY 2023/24) and operationalized milk coolers through electrification and backup generators. The county has also carried out farmer registration exercises to gather important data on agricultural activities and better understand the needs and challenges faced by farmers. The Mass Farmer Profiling and Mapping Initiative will help the government to tailor agricultural interventions to meet specific needs and maximize resource utilization. The County will also sensitize MSMEs on opportunities in agriculture, including value addition, access to financing, modern farming techniques, and market linkages to enhance their productivity and profitability

71. Over the medium term, the County will strive to improve market linkages and reduce post-harvest losses by constructing value-addition factories for tea, pyrethrum and fresh horticultural produce. In the dairy products value chain, the County government will leverage National Government efforts including installation of dairy mechanization equipment (feeds equipment, lab equipment, silage wrapping machines, forage choppers, hay baling, tractors, milk parlours and bulk coolers); establishment of dairy cottage industries for animal feeds. The County also plans to operationalize15 milk coolers and to continue supporting local milk producers. These initiatives are designed to improve milk aggregation, value addition, and market access, thereby increasing the competitiveness of the dairy value chain. They will also significantly reduce post-harvest milk losses and boost the volume of milk collected and processed. The County will also supply 15 solar driers to pyrethrum farmers and construct three cereal stores. To increase information on farming practices, the county will conduct trainings on post-harvest management, value addition and agri-nutrition.

Secondary Sector Economic Activities

72. Nakuru County contributed 7.8 percent of Country Share of Secondary Sector Activities between 2019 and 2023 (GCP 2024). The activities include among other mining, electricity generation and construction.

Housing, Building and Construction

73. The County government has consistently supported the building and construction value chains to promote job creation and increase foreign exchange earnings. Notably, attention has been directed towards enhancing the production capabilities of 'juakali' MSMEs and attracting investments in affordable construction materials. This emphasis includes the development

and promotion of green construction materials and products, catering to both local and international markets within the construction industry.

74. Growth in this sector has been propelled by increased investments in infrastructure and the commencement of new housing and commercial projects, including BETA's Affordable Housing Programme (AHP). The recent chartering of Nakuru City continues to attract investments in housing and infrastructure, both within the city and its surrounding areas.

75. To support the industry, the County government will continue to streamline the building approval process through implementing the Electronic Development Application Management System (e-DAMS). The County government has operationalized the County GIS laboratory, which will, among other functions, facilitate effective spatial planning and mapping of all infrastructural projects in the county, including real-time monitoring of construction sites to ensure compliance with the national building regulations, codes and by-laws.

76. In the MTEF period, the County government will continue to promote the use of Alternative Building Materials Technologies (ABMT) through the sub-county ABMT Centres, promoting the development of affordable housing options to address the housing needs. Furthermore, the government shall continue facilitating the construction of 660 affordable housing units in Naivasha (220), Molo (220), Bahati (220), and Gilgil (160); adding to the 605 units in Bondeni, Nakuru. Additionally, the County shall continue seeking additional support to expand the AHP project, including raising the number of units in Naivasha to 2,000.

77. The county will also implement the Nakuru County Housing Policy to ensure sustainable urban development and improve living conditions for residents. The policy, currently in draft, focuses on inclusive planning, equitable resource distribution, and enhancing community participation in housing projects.

78. The national government plans to support efforts by creating industrial parks for construction materials; boosting local production of items like cement,

cabros, prefabs, and electrical products; and reserving parts of the low-cost housing project for MSMEs. Other goals include stimulating domestic investment in housing and construction, promoting alternative building technologies, fostering cottage industries, setting up waste material recovery facilities, and developing cooperative social housing schemes.

Mining and Electricity

79. Nakuru County is a significant hub for the extraction of various minerals and natural resources from the earth including pozzolana, gypsum, sand, and diatomite, which serve as critical inputs in the construction sector. The County Government generates substantial revenue through royalties imposed on mining and quarrying activities, particularly sand harvesting. This revenue base remains a strategic pillar for financing other development programs within the County.
80. The County is also home to a considerable geothermal energy resource, contributing over 50 percent of the nation's electricity supply. This renewable energy potential positions Nakuru as a leading centre for clean energy development, offering opportunities for industrial growth, lower energy costs, and climate resilience.
81. To maximize the benefits from the mining and energy sectors, the County Government will pursue a multi-faceted approach involving: Streamlining licensing processes to minimize bureaucratic hurdles and create a more predictable investment environment; Implementing a fair and competitive royalty regime that balances revenue generation with investment incentives; Developing and maintaining road infrastructure to ease mineral transportation and reduce logistical costs for investors; Strengthening enforcement of environmental regulations to mitigate land degradation and ensure sustainable mining practices; promoting the development of geothermal industrial parks, where businesses can leverage affordable steam energy and

electricity; and conducting Mineral Resource Mapping to document the location, quantity, and quality of mineral deposits that will drive investment decision and policy development around mining.

Manufacturing

82. The manufacturing sector in Nakuru contributes 3.9 percent to Kenya's GDP, making it one of the core sectors accelerating inclusive green growth and development, creating jobs, and enhancing the country's competitiveness in export markets. Manufacturing is also a key pillar of Kenya Vision 2030 and is regarded as a catalyst for fast-tracking national economic growth. Nakuru County's economy presents significant opportunities for industrial expansion, especially in agro-processing, textiles, and construction materials.
83. Under the Bottom-Up Economic Transformation Agenda (BETA), the Government has intensified efforts to revamp and enhance the competitiveness of local industries by focusing on value chain development. This approach emphasizes improving productivity, promoting value addition, addressing input constraints, strengthening extension services, and expanding market access for locally manufactured products.
84. Key priority value chains include agro-processing, leather and leather products, building and construction materials, textiles and apparel, dairy products, edible and crop oils, tea, and coffee. Agro-processing, in particular, remains a cornerstone of the County's industrialization strategy, supporting value addition across the agricultural value chain to stimulate job creation and improve rural livelihoods.
85. However, post-harvest losses due to inadequate storage and handling facilities pose a major challenge. To address this, both the national and county governments have initiated the construction of integrated fresh produce markets to support farmers and traders. Additionally, the ongoing development of the County Aggregation and Industrial Park (CAIP) in Njoro is

expected to provide value addition centres, aggregation hubs, and storage facilities for agricultural products, thereby enhancing the efficiency of supply chains and reducing post-harvest losses.

86. To foster Leather Industry Development, the national and county governments have undertaken measures such as training flayers, equipping slaughter points, developing and enforcing regulatory frameworks, and mapping MSMEs involved in the leather value chain. These interventions aim to enhance the quality of raw hides and skins, improve production processes, and expand market access for finished leather products.

87. Over the medium term, the County Government will prioritize operationalizing the County Aggregation and Industrial Park (CAIP) as a processing and storage hub. It will support the establishment of cottage industries and incubate startups in agro-processing and manufacturing. Capacity-building programs for MSMEs will be enhanced to improve production efficiency and product quality. The County will also strengthen public-private partnerships (PPPs) to attract investment in processing plants and light manufacturing industries. Additionally, a County Industrial Development Policy will be developed from the National Industrialization Policy 2012 to guide industrialization efforts and promote sustainable manufacturing. To support manufacturing enterprises, the County will facilitate access to financing through linkages with development finance institutions and other private sector institutions.

Trade and Markets

88. The County government continues to foster a conducive environment for businesses to thrive by implementing transformative programs, projects, and initiatives aimed at improving the ease of doing business. A notable intervention is the unification of business permits, which aims to reduce the turnaround time for business registration and operationalization. This initiative is

expected to enhance revenue collection, bolster investor confidence, and increase the number of formal businesses.

89. Infrastructure development has remained a priority to improve market accessibility. The County has undertaken the construction of modern markets, rehabilitated existing markets, and collaborated with the National Government under the Economic Stimulus Programme (ESP) to establish markets in each sub-county.

90. To address financing constraints faced by small enterprises, the County has operationalized SME and Cooperative Revolving Funds to facilitate access to affordable credit and promote individual business growth. In partnership with the National Government and development partners, the County will leverage the potential of over 500 registered cooperative societies to stimulate trade sector growth. This will be achieved by supporting existing cooperatives, reviving dormant ones, and encouraging the formation of new cooperatives, particularly in areas where small businesses and farmers can pool resources for collective market access and improved capital.

91. Key interventions planned for the upcoming financial year include: rehabilitating eight markets and constructing five new markets to enhance trading infrastructure; mapping the revenue generation potential of markets to optimize revenue collection and inform future investments; strengthening consumer protection measures through routine inspections of business premises and verification of weighing and measuring instruments; conducting 12 MSME capacity-building training sessions aimed at improving business management and financial literacy; establishing eight market linkages for business producer groups to improve access to regional and national markets; organizing six trade exhibitions to promote local products and foster business networking; supporting nine marketing cooperatives with value addition equipment to enhance production capacity and product quality; promoting the inclusion of women, youth, and persons with disabilities (PWDs) in

cooperative leadership positions to foster equitable representation; and facilitating the development; and strengthening of housing and investment cooperatives to support pooled investments in real estate and other sectors.

Service and Tourism Sector

92. Nakuru County is a renowned tourist destination endowed with diverse natural and cultural attractions. As part of the South Rift tourism cluster in the national tourism circuit, the County is home to a variety of tourist sites, including three game parks, two museums, eight conservancies, six waterfalls, and several other scenic landmarks. Recognizing the sector's potential, the County Government aims to position Nakuru as a competitive tourist hub. Key interventions will include hosting three flagship tourism events annually and activating three previously underdeveloped tourism sites to diversify the tourism portfolio and enhance visitor experiences. These events and site activations will serve as catalysts for domestic and international tourism growth.
93. The County will prioritize the systematic mapping of additional tourism sites to identify untapped attractions. It will also diversify tourism markets beyond traditional international visitors to target domestic, regional, African, and emerging global markets. The County will promote niche tourism products, including eco-tourism, sports tourism, conferencing tourism, agri-tourism, and medical tourism.
94. To strengthen the service and hospitality sector, the County will work towards improving the supporting infrastructure vital to tourism. This includes upgrading road networks to enhance accessibility to tourist destinations and collaborating with stakeholders to modernize the accommodation and hospitality sector. Additionally, the County will leverage the ongoing expansion of digital marketing to boost the tourism and service sectors.

95. Furthermore, the County will integrate cultural heritage into the tourism product offering by promoting cultural festivals and working with local communities to preserve and showcase cultural practices and artifacts. Partnerships with private investors will be encouraged to develop tourism-supporting infrastructure such as lodges, resorts, and recreational facilities.
96. Over the medium term, the County Government will prioritize public-private partnerships (PPPs) to attract investment in hospitality and tourism infrastructure. It will strengthen capacity-building programs for local tourism service providers to enhance visitor satisfaction. Collaboration with regional and national tourism bodies will be fostered to promote Nakuru as a key destination within the South Rift cluster. Additionally, the County will support community-based tourism initiatives to empower local communities and ensure the equitable distribution of tourism benefits.

2.2 Promotion of Access to Integrated Quality and Affordable Healthcare Services

97. Nakuru County continues to serve as the Regional Health Referral Hub for the South Rift Region and beyond having been the Provincial Headquarters before devolution. Currently, the County has one Level V facility, 15 Level IV facilities, 39 Level III facilities, 154 Level II facilities, and 317 Level I facilities (CHUs). In FY 2023/24, Health facilities recorded a total of 6,004,353 visits and 122,989 admissions resulting to a 3 percent increase in OPD visits while the admissions decreased by 9 percent which can be attributed strengthened PHC services. The County Government continues to prioritize initiatives to improve access to quality healthcare while integrating healthcare systems to enhance service delivery. The cost of medical care, coupled with the low uptake of medical insurance, has led to increased out-of-pocket expenses, forcing some patients to seek alternative treatments. This challenge has been exacerbated by the transition from NHIF to SHIF in October 2024, hence requiring adjustments to ensure the continuity of affordable healthcare

services for residents. Provision of affordable healthcare services will therefore be achieved by allocating adequate resources for development and operational expenses.

98. The Health Services Sector has been taking the lion share of revenue with approximately one-third of the county's total annal budgetary allocation since devolution. These budgetary allocations have gradually increased over the years with the current year being Ksh. 7.8 billion (37 percent of total budget) excluding the development fiscal balances. However, despite the huge allocations, additional resources are still required to enable the County adopt a patient-centred approach to healthcare services; strengthening PHC facilities by equipping dispensaries and health centres and operationalizing the 16 established Primary Care Networks (PCN) to enable a functional referral system.

99. The County Government has taken steps to improve human resource productivity and strengthen leadership & governance in the health sector. These efforts have included the recent recruitment of 50 health workers in FY 2023/24 and the conversion of 186 contractual healthcare to Permanent and Pensionable terms. The current FY also has some allocations for recruitment, promotion and placement the health workers in favourable terms. The County continues to implement measures such as developing annual and strategic plans, strengthening leadership at all levels, and aligning health initiatives with existing policies.

100. To enhance workforce planning, the Department of Health has initiated adoption of the Workload Indicator of Staffing Needs (WISN), a tool developed by the WHO to assess staffing needs against workload. This system is being implemented to ensure better distribution of healthcare workers, particularly at Primary Health Care (PHC) facilities. Additionally, the County has embraced the Integrated Human Resources Information System (IHRIS) to improve health records management by providing real-time data on staff

deployment, specialist availability, and workforce gaps in collaboration with the National Government. However, despite these efforts, the health sector faces an annual staffing deficit of 815 healthcare workers, increasing the workload on the existing workforce. Budget constraints remain a key challenge, limiting recruitment, promotions, and capacity-building efforts. The new national policies and statutory deductions that impacts compensation to employees has further strained resources, delaying critical HR actions. Addressing these challenges will require sustained investment, resource mobilization, and policy interventions to ensure an adequate and well-distributed workforce capable of delivering quality healthcare services across all levels.

101. Facility Improvement Fund (FIF) collections continue to contribute significantly to the County's OSR collections. FIF collections stood at Ksh. 1.5 billion in FY 2021/22, Ksh. 1.5 billion in FY 2022/23 and Ksh. 1.4 billion in FY 2023/24. The delays in NHIF and SHA reimbursements have negatively impacted revenue collection hence the decline, thus compounding financial pressures in the sector. The County Government will maintain its focus on enhancing financial efficiency through facility-based budgeting ensuring that FIF resources in Level IV and Level V hospitals are allocated appropriately and managed prudently. A key concern within the facilities is the surge in pending bills, which can be attributed by the high share of personal emoluments in health facility budgets, which reduces available funds for essential medical supplies, equipment, and service improvements. The Department is in the process of reviewing the existing Nakuru County FIF Regulations,2014 to align with the enacted national FIF Act, 2023. The County Government will also continue forming strategic partnerships with health sector stakeholders to support healthcare financing through both on- and off-balance sheet initiatives

102. The County Government is committed to facilitating the implementation of the Social Health Insurance Fund (SHIF) in partnership with the National Government as a pre-requisite of Universal Health Coverage. This initiative aims to provide equitable healthcare access based on citizens' needs, employing a uniform payment system for all, irrespective of income levels. Through intensified public education and mobilization efforts, the County anticipates increased health insurance enrolment during the MTEF period. As of January 2025, the County has achieved a 23 percent registration rate for SHIF, ranking 21st out of 47 counties. To improve this standing, the County is collaborating with the National Government Administrative Officers (NGAO) to boost registration uptake through Sub-County teams. However, challenges persist due to limited resources for sensitization, exacerbated by the withdrawal of support from USAID. To address these challenges, the County plans to work with the National Government to increase the number of registration tablets to meet the required 218 devices for all the facilities. Additionally, the County will allocate adequate resources and engage in resource mobilization to enhance registration uptake and provide training for facility staff on claims processing.

103. The allocation and expenditure on Health Products and Technologies (HPTs) have been increasing over time, though they have not yet reached the forecasted and quantified amount of Ksh. 2.04 billion. The County Government remains committed to strengthening its relationship with the Kenya Medical Supplies Authority (KEMSA) by ensuring timely payments for all procured HPTs. This approach is aimed at maintaining a steady supply of essential medical commodities to support both curative and primary healthcare services. To enhance efficiency in HPT management, the County will focus on reducing stockouts through continuous monitoring, proper inventory management, rational use of medical supplies, and strengthened pharmacovigilance.

104. The County Government, in its efforts to reduce the impact of Non-Communicable Diseases (NCDs), has significantly expanded disease screening efforts and public education programs, including health promotion through barazas and dialogue days within the community. The establishment of specialized diagnostic and treatment centers such as oncology, renal, and imaging units in various health facilities has increased the uptake of health services.

105. To promote Universal Health Coverage (UHC) at the community level, the County will establish additional Community Health Units (CHUs). The County also plans to increase the number of CHPs to further strengthen community health service delivery. In collaboration with the National Government, 3,309 CHPs with continue to receive stipends on a 50:50 matching basis to support their work in delivering primary healthcare services. The monitoring and capturing of health data have improved through the introduction of the electronic Community Health Information System (e-CHIS), which is installed on smartphones used by CHPs, ensuring real-time reporting and better decision-making. Additionally, the County Government remains committed to ensuring that CHP kits are replenished, allowing them to effectively carry out their duties in providing essential healthcare services at the community level.

106. To improve and achieve healthcare access, the Kenya Health Policy 2014-2030 stipulates a minimum radius distance of 5km, which the County Government is addressing through the construction, completion, and operationalization of health facilities. The County has prioritized and now fast-tracking the construction of Rongai and Kuresoi North Level IV hospitals to expand access to specialized care. Over the medium-term plan, the County will focus on completing Molo OPD, Subukia OPD, Njoro OPD, Maai Mahiu OPD, Elburgon OPD, Olenguruone OPD, Naivasha OPD, and Gilgil Maternity

to enhance service delivery. Additionally, the County has prioritized the full operationalization of Githioro Health Centre and 48 dispensaries.

107. The County Government has put emphasize on promoting public health initiatives to reduce preventable conditions and lifestyle diseases. The last two years, showed a steady increase in the number of food handlers examined and certified, rising to 18,074 in 2022/23 and 20,775 in 2023/24, marking a 30 percent increase. Correspondingly, revenue from these activities grew by 34 percent, reaching Ksh. 12 million by 2023/24. Similarly, inspections and licensing of food-related businesses generated Ksh. 23 million in 2021/22 FY. During FY 2023/24, this revenue increased by 36 percent to Ksh. 32 million, highlighting the growing emphasis on compliance and safety standards in food establishments. The establishment of a food laboratory has further advanced health and safety standards within the community. To reduce the impact of non-communicable diseases (NCDs), the County will continue to partner with the National Government, private sector players, and other partners to design and implement programs focused on lifestyle changes. These include initiatives related to HIV/AIDS, nutrition, tuberculosis, child immunization, mental health, reproductive health, anti-malaria efforts, as well as research and development. Over the medium term, the County will also focus on Water, Sanitation, and Hygiene (WASH) initiatives to adequately handle sanitation-related diseases such as the Sanitation Roadmap Campaign and Urban Led Total Sanitation programs. Adequate resources for public health and the formation of support groups for chronic will reverse the high disease burden.

108. Maternal and child mortality rates has decrease owing to the Margaret Kenyatta Wing (known as the mother and Baby Unit) at the PGH that has improved access to quality maternal and neonatal health services in the County. The completion and operationalization of facilities within the county will further improve access to maternal and neonatal care. The County will

continue to ensure there is an increase in the percentage of women receiving four prenatal check-ups and deliveries with the help of skilled attendants. This will further reduce transmission of HIV/AIDS from mother to child through the Prevention of Mother to Child Transmission program.

109. The County Government has actively mobilized resources from various health stakeholders to bridge funding gaps in health programs and projects. In the FY 2023/24, the County received Ksh. 44 million from USAID Subaward. However, the recent suspension of U.S. foreign aid has raised concerns about the sustainability of programs, particularly in HIV care, which has heavily relied on donor support. To mitigate these challenges, the County is lobbying for support from existing partners and exploring strategies to enhance revenue collection. Efforts include improving internal revenue generation mechanisms and seeking alternative funding sources to ensure the continuity of essential health services. The County is also committed to strengthening partnerships with organizations such as UNICEF, AMREF, GAIN, and Equity Foundation to achieve efficiency and accountability in service delivery.

2.3 Completion, Operationalization And Expansion Of County Infrastructure

110. The Infrastructure Pillar is one of the core foundational pillars of Kenya's Vision 2030 that aims to provide a high-quality, reliable, and efficient infrastructure network to support economic growth and social development. Schedule IV of the Constitution of Kenya, 2010 delineates the various functional mandates under which both levels of government conceptualize and implement various infrastructural projects in the County.

111. Pursuant to section 107 of the Public Finance Management Act (PFMA) 2012, the county government has consistently allocated a minimum of 30 percent of the county revenue towards development initiatives largely being the development of social and physical infrastructural across the 11 sub counties.

112. The County government is currently implementing a development budget worth Ksh. 9.3 billion as per the approve FY 2024/25 supplementary budget. To address the historical low absorption rates in development spending, the County government has introduced several reforms to enhance project management and ensure effective budget utilization. These reforms include: constitution of Project Management Committee (PMC); establishment and operationalization of efficiency monitoring unit; and implementation of second Kenya Devolution Support Programme (KDSP II) under Key Result Area (KRA 3) initiatives focused on oversight, participation and accountability. Additionally, KDSP II aims to improve transparency, accountability and efficiency in project management through citizen participation and feedback.

113. Agriculture continues being the leading economic activity in the County contributing 6.5 percent to national Gross Domestic Product (GDP) and 32.2 percent to the Gross County Product (GCP). To boost agricultural productivity and promote improved farmer incomes and livelihood the county continues to invest in key agricultural infrastructure i.e., FY 2023/24, the sector undertook construction and completion of 45 Tea buying Centre and installation of 128 pyrethrum driers to boost production in tea and pyrethrum value chains.

114. At the Macro level, the National government will over the medium term establish aggregation centres, rural transformation centres and cold storages; establish and operationalize Integrated Agro-Industrial Park; and establish food processing hubs in Nakuru among other counties. Further, the national government has earmarked initiatives to strengthen agricultural mechanization. The project involves the establishment of five pilot mechanization hubs focused on increasing the production and productivity of maize, potatoes, livestock feeds, pulses, and nuts value chains in Uasin Gishu, Nakuru, Kajiado, Kitui and Kilifi counties, respectively. It also involves

the identification of viable farmers' cooperatives involved in the value chains, provision of agricultural machinery and equipment, and capacity building of cooperatives' operations.

115. In addition, the National government will over the medium term develop agriculture technology innovation centres: The project is implemented at the 10 regional Agricultural Technology Development Centres (ATDCs) including Nakuru. It entails the construction and equipping of five (5) incubation facilities at ATDCs and acquisition, fabrication, testing and on-farm trials of agricultural mechanization technologies. The facilities will enable incubation of 500 SMEs in various agro-processing and value addition technologies.

116. The County has seen rapid urbanization over the past decade leading to the establishment of two new municipalities Molo and Gilgil. According to KNBS 2025 projections Nakuru County is likely to have over 53 percent of its population living in urban areas particularly the city and municipality. This has mainly been occasioned by pull factors such as employment opportunities, quality education, and better access to social amenities as well as push factors such as poor youth participation in agriculture and associated low incomes in rural areas. Population pressure in the urban areas has necessitated the need to develop urban infrastructure.

117. The County department of Housing and Urban development, as well as the Nakuru City, Naivasha, Molo and Gilgil Municipalities have been engaged in comprehensive urban development infrastructural projects in collaboration with the national government and development partners Kenya Urban Support Programme & Kenya Informal Settlements Improvement Project (KUSP and KISIP); tarmacking of 13.1Km of road in the city and Naivasha municipality to improve access, construction of six km of drainage and sewer line in Naivasha to ease historical challenges associated with flooding. The Directorate of Housing and Physical planning has been engaged in surveying and zoning of urban areas to promote organized growth while enforcing

development control measures to prevent unplanned settlements. The County government completed the construction of Non-Motorized Transports (NMTs), Bitumen roads, cabro footpaths Storm water drains, High mast flood lights and sewer extensions in Lakeview, Kwa Morogi and London informal settlements through KISIP Project.

118. To improve living Conditions in county estates, the directorate of Housing has rehabilitated 886 housing units, constructed seven Alternative Building Materials and Technology (ABMT) centres, upgraded 3km sewer lines, and constructed five sanitary blocks. Additionally, in collaboration with the national government ministry of Housing, and other private developers 605 affordable housing units were completed in Bondeni. Additionally, Construction of 220 affordable housing units in Bahati and 220 units in Molo is currently ongoing. Plans are underway to establish 160 affordable housing units in Gilgil, and 220 units & 1300 units in Naivasha subcounty.

119. To build on the gains made by the urban institutions the County department of Infrastructure has been engaged in various road improvement projects including grading and gravelling of over 4,555 Km of road network, construction of 47 Motorable bridges, and construction of 145 km of new drainage networks. The department has been instrumental in supporting business growth and incomes and general security within the County through the installation of 1,243 floodlights. The department will continue implementing these initiatives in the next medium- erm period through Tarmacking of 21 Km of new road networks, grading 1,300 Km and gravel 940 Km of road network across the county; Construction of 21 footbridges, and 55 Km of new drainage extension while also maintaining 42 Km of existing drainages; and rehabilitation seven bus parks; construct six new bus parks.

120. Additionally, the county will benefit from national interventions such as rehabilitation modernization and equipping of Nakuru Railway Depot and Phase 2A of Standard Gauge Railway (SGR)/Metre Gauge Railway (MGR)

trans-shipment line extension which aims at increasing rail transport capacity to enhance freight cargo and commuter transport. On the Decongestion of highways project, the county will benefit from the capacity enhancement of the 145 KM long Rironi– Naivasha–Nakuru–Mau Summit–Malaba highway in collaboration with development partners.

121. To promote Investment attraction, retention, facilitation, and enablement, the department of Trade, Industrialization and Business Support has been engaged in major infrastructural upgrade projects in collaboration with development partners, the private sector and the national government. These include: construction of 56 markets and rehabilitation of 58 markets; implementation of the County Aggregation and Industrial Parks (CAIPs) project in Njoro Subcounty at a cost of Ksh.500million.

122. Other critical interventions for trade promotion, attracting and retaining local and foreign private investments include; Construction of 11 ESP markets in the County; construction of one Metropolitan market in Biashara Ward; completion and operationalization of Special Economic Zones in Naivasha; development and completion of a new flagship Export Processing Zone in the County; and refurbishing and modernizing Kenya National Trading Corporation (KNTC) warehouses in Nakuru.

123. The health department continues to invest in development and operationalization of key health infrastructure to improve access to quality healthcare services. These include the full operationalization of ultra-modern outpatient department (OPD) blocks at Nakuru County Referral and Teaching Hospital (NCRTH) and Naivasha Sub-County Hospital; completion of Maai Mahiu Phase I & II, Gilgil Maternity Phase, Njoro OPD/IPD, Molo OPD/IPD, Olenguruone Level 4 Hospital Phase II, Subukia Level IV hospital, and Bahati level IV mother-baby wing.

124. The county has invested significant resources towards the improvement of ECDE infrastructure through: construction of 299 classrooms and two centres

of excellence in Naivasha & Nakuru West Sub counties; equipping of 739 classrooms and construction of 77 toilet blocks. Further, on Vocational Training Infrastructure, significant capital achievements include: construction of six Vocational training workshops, three administration blocks & a storey building at Njoro VTC; procurement of tools & equipment benefiting 29 VTC.

125. To improve access to quality portable water, the County has implemented 533 water and sanitation projects over the lapsed MTEF period. These included drilling of 73 boreholes, solarization of 69 boreholes, desilting of one dam, purchase and distribution of 158 tanks, rehabilitation of 364 water projects and construction of 4km sewerage extensions. Implementation of the stated water projects resulted in increased water production by 9708m3 /day and increased coverage by five percent equating to 35,912 households. Sewerage extensions constructed saw 246 new households connected to the sewer network.

126. Through collaboration with Development partners and the National government, the County government will seek to implement and complete high yield bulk water projects such as Malewa dam, Itare Dam, Turasha Water Project, Njoro Bulk water project, Lake Nakuru Biodiversity Conservation Project - Nakuru City, Naivasha and Ngosur water projects that will cumulatively yield 276,420 Cubic meters of water daily and supply approximately 696,890 household to portable water and a further 18,000 household to the sewer.

127. To sustainably improve waste management, the county government managed to: rehabilitated Gioto, Naivasha, Molo and Tipis waste disposal sites through fencing; construction of site office and sanitary facilities within the disposal sites. Additionally, the County has put in place plans to construct and operationalize the Gilgil material recovery facility.

128. To improve participation in elite sports and sports development, the county government will continue to invest in the completion and operationalization

of the Keringet high altitude training centre and the Upgraded Afraha Stadium. Additionally, the County intends to invest in the construction of Naivasha Multipurpose stadium, establishment of a Gender Based Violence (GBV) rescue Centre, rehabilitation of the elderly alms house and completion of Njoro Orphans & Vulnerable Children (OVC) drop-in centre.

2.4 Creating an Enabling Environment and Transformation of Medium and Small Enterprise and Private Sector.

129. According to the Gross County Product (GCP) Report 2024, the County contribution to the National Gross Domestic Product (GDP) stood at 5.7 percent in 2023. This has positioned the County as a key economic hub in Kenya ranking second, which valued the County economy at Ksh. 785,747 million. The County has implemented policies aimed at fostering economic growth by enhancing infrastructure, providing access to capital and supporting business-friendly regulations.
130. In efforts to promote access to credit for the Micro Small Enterprises, the County has allocated Ksh. 25 million towards the County enterprise fund with the aim to facilitate inclusion for MSEs. The fund provides subsidized loans at an interest rate of 8 percent per annum reducing balance thus cushioning businesses against high lending rates which has continued to rise over the period. The County has provided for affordable credit through the enterprise fund and the operationalization of the Nakuru County enterprise Fund Act 2020.
131. The County Government acknowledges the vital role of cooperative societies in driving high-impact, strategic interventions that benefit various sectors. These societies serve as key linkages for low-income individuals, community-based organizations, women, and youth groups. To support their growth, the Nakuru County Cooperative Revolving Development Fund providing subsidized loans at an interest rate of 6 percent per annum

reducing balance has been operationalized with an allocation of Ksh. 25 million. This fund will facilitate the revival of marketing cooperatives, foster marketing collaborations and partnerships, support enterprise development planning, and provide targeted training for cooperative society members.

132. The County will continue to provide support for business growth and access to market through various initiatives that will boost market access for traders. The county will ensure operationalization of the Nakuru Modern market at Bondeni, Nakuru East which has been developed in partnership with the national government. Further, the County will prioritize the completion and operationalization of Karai fish market in Naivasha.
133. The County will continue to leverage on partnerships with the private sector and development agencies to enhance industrialization and attract investments. The County Aggregation and Industrial Parks (CAIPs) project in Njoro worth Ksh. 500 million is aimed at promoting manufacturing and value addition. Additionally, the Naivasha Industrial Park is set to attract investors under PPPs arrangement. The Launch of the car auction in Naivasha Special Economic Zone (SEZ) will continue to be a pacesetter to showcase a conducive environment for businesses.
134. The County has introduced a unified licensing system to reduce the administrative burden on businesses. Further, the 'Lipa Mdogo Mdogo' tax incentive waivers business license fees for new enterprises and waivers for the PWDs with the aim to reduce administrative burdens to traders, improving compliance and revenue collection. The County will continue to enhance revenue administration & management through mapping and automation of revenue sources. Additionally, to enhance access to Government procurement opportunities, the county has allocated up to 40 percent of its procurement budget to promotion of local content and reserved 30 percent for youth, women and 2 percent of the 30 percent for PWDs in line with Public Procurement and Asset disposal Act (PPADA), 2015.

135. A well-developed infrastructure is crucial for the growth and transformation of MSES and the private sector. The County has invested in the construction and maintenance of County roads and bus parks through the Imarisha Barabara programme and other contracted works. This initiative will improve access to market, reduce transportation costs and enhance economic connectivity.

136. To facilitate transformation and growth of business & enterprise depends majorly on a secure business environment. The County has invested in installation of streetlights in major town centres to promote a 24hour economy. This has been mostly along the Nakuru-Nairobi highway from the Njoro by-pass through to Barnabas and within Nakuru City CBD & its environs and also in Naivasha Municipality.

137. Infrastructure projects play a critical complimentary role in stimulating economic growth, creating jobs and development of physical infrastructure such as water and sewer connectivity within the County. The County government will continue to collaborate with the National Government to leverage on various infrastructure projects. These projects include the Naivasha Special Economic Zone which has been allocated for local investors, completion of the Nakuru International Airport Project (Phase 1) in Lanet and ongoing CAIPS project in Njoro. The implementation of these projects will foster a conducive environment for MSE growth and private sector investors.

138. In order to enhance the delivery of services to the County urban population in line with the Governors Manifesto 2023-2027, the County Government has fully operationalized Gilgil and Molo Municipalities evidenced by the appointment of respective Municipal Boards members and creation of department level budget vote heads. The County government will also continue implementing the World Bank funded Kenya Informal Settlement Improvement Programme (KISIP) II programme towards improving

infrastructure in four informal settlements namely; London in Nakuru West Subcounty, Lakeview and Kiamurogi in Nakuru East subcounty and Karagita in Naivasha Subcounty. The County Government has also complied with the minimum conditions for KUSP II programme and nominated officers for the County Programme Coordinating Team (CPCT) in readiness for implementation of development projects.

139. To promote the growth of agribusiness, the County will continue to provide financial and technical support to venerable groups. The Agricultural sector Development Support Programme (ASDSP) will continue to supply milk coolers, solar dyers and pyrethrum, tissue culture seedlings to various youth and women Groups. Under the National Agricultural Value Chain Development Project (NAVCDP), the County will continue funding micro-projects and farmer cooperatives, including SACCOs, to enhance productivity and profitability. These initiatives aim to encourage investment in agribusiness, value addition and improve the ease of doing business.

140. Taking cognizance of the vast potential of Information and Communication Technology (ICT) and the digital economy, the County Government is committed to implementing a comprehensive plan to leverage ICT for economic growth. The County has invested in online fleet management system and store management systems to enhance efficiency, improve decision-making and ensure service delivery.

141. Creative economy plays a critical role in the growth and transformation of MSEs and private sector through fostering innovation, generating employment, and opening new markets. Nakuru City having been selected as a pilot for creative economy mapped out existing cultural heritage sites and creative industries in collaboration with KNBS. The aim was to access the sector's contribution to the local economy. Additionally, the County invested in the operationalization of the recording studio and revamp the Nakuru Players theatre with the aim to nurture the County diverse creative

talents. These initiatives will promote the creative economy thus fostering innovation, creating employment opportunities and further stimulating economic growth within the MSE and private sectors.

2.5 County Public Service Reforms, Enhancing Governance, Transparency and Accountability

142. The public sector plays a vital role in achieving sustainable development, making it essential to enhance its capacity for effective policy-making and service delivery. The County's governance and public service reforms are anchored in the Constitution of Kenya, 2010, the County Government Act, 2015 and other legal frameworks, ensuring services are delivered efficiently, effectively, and with accountability.
143. Undertaking key reforms in the County public sector and the entire governance ecosystem is fundamental in attaining the goals of the political pillar of Kenya's Vision 2030 that aims at creating a democratic political system that is issue based, people-centric, result-oriented and accountable to the public. Some of the Push factors for reforms in the public service include inefficiencies in the administrative and institutional structures of the public service, weaknesses in public policy formulation and implementation, inadequate accountability, fiscal indiscipline and a volatile political environment.
144. The County government under the current administration has rolled out a number of reforms and implemented various policies that are geared to strengthen the County public service and ensure there is enhanced accountability and efficiency while offering services to the public. This will be achieved through a number of key reforms and strategic initiatives/programmes that have been planned for, initiated and (or) are currently under implementation.

145. The Second Kenya Devolution Support Program (KDSP II), is one of the key programmes currently under implementation that is poised to help the County realize positive results in the speres of public service, open governance, social accountability, inclusivity, public finance and human resource management. The Programme seeks to strengthen county performance in the financial, management, coordination, and accountability for resources under three Key Results Areas (KRAs).

146. The First KRA on Sustainable Financing and Expenditure Management seeks to strengthen revenue mobilization, expenditure management, and fiscal transparency in the County. This will bring about improved financial planning, enhanced accuracy in fiscal forecasting, and increased own-source revenue collection. The County will implement structured frameworks for revenue enhancement, streamline the management of conditional grants as well as any other funds, and automate exchequer requests to minimize inefficiencies and delays. Additionally, measures will be put in place to clear pending bills or have the pending bills kept at the minimum level, ensuring that public funds are efficiently utilized and service providers are paid on time.

147. The Second KRA on Intergovernmental Coordination, Institutional Performance, and Human Resource Management which seeks to strengthen collaboration between two levels of government, enhance institutional efficiency, and improve Human Resource management practices in the County. The county will develop and implement policies for intergovernmental engagement, conduct HR and skills audits, and establish model organizational structures to streamline departmental functions. Additionally, aligning staff competencies with service delivery needs will enhance productivity and accountability in the public sector.

148. This will bring about better coordination in service delivery, and partly address the myriad of challenges facing public sector employees including

inadequate training and staff development, weak succession management practices, skill-to-job mismatches, political interference, employee burnout, widespread demoralization, workforce turnover, and limited productivity. The Donor Funds will finance activities such as HR, skills, and payroll audits; the alignment of county staffing with departmental functions in select sectors; and improving credibility and integrity of the payroll.

149. The Third KRA on Oversight, Participation, and Accountability seeks to strengthen public participation, project oversight, and transparency in county operations. This will bring about improved citizen engagement, enhanced accountability in project management, and increased responsiveness to public concerns. The county will implement project stocktaking mechanisms, establish community-led project management committees, and roll out a Public Investment Management (PIM) framework. Furthermore, the development of an investment dashboard with a citizen feedback interface will provide real-time insights into project implementation, fostering trust and accountability in public investments.

150. Schedule 2 Section IV.2 of the Grant's Financing Agreement, underscores the importance of establishing and operationalization of a grievance redress mechanism in order to ensure accountability, transparency and effective resolution of grievances related to the program and other county projects. Towards this end, the County in collaboration with the state department for devolution have set up several grievances reporting channels. i.e., toll free line, WhatsApp platform, SMS platform, and a dedicated email address. The County is in the process of establishing and operationalizing GRM and complaints desk to ensure accessibility and inclusivity in addressing concerns raised by the public and stakeholders. Successful implementation of the four-year grant is expected to generate positive reforms and bring about outcomes such as Increased OSR collection; Improved and reliable Transfers to and within the county; Reduced stock of pending bills; Coordinated and

coherent Intergovernmental Relations; productivity in the public service through HR Management; Integrated performance management; Improved County public investment management (PIM) and Robust citizen participation.

151. To further support the gains under KDSP II, specific programmes implemented by units in the PAIR sector have and will continue to be implemented in the next fiscal dispensation. These include; mandatory public participation in the Development of all public policy and legislative documents. These include; County budgets, county plans, all bills, and sessional papers.

152. The County Government has successfully operationalized the Results-Based Management (RBM) framework, through a number of strategies. The vetting and roll out of FY 2024/25 performance contracts and sighing of individual performance appraisals has been the key achievement under RBM approach. Finalization of the mid-year review of implementation of PCs will help inform bottlenecks to overall performance and put in place corrective measures to address the emerging issues and challenges going forward into the final half of the Fiscal dispensation.

153. Additionally, the establishment and operationalization of the Efficiency Monitoring Unit (EMU) including induction of officers has been a major milestone in enhancing governance and operational efficiency of the county government for enhanced service delivery. The EMU has been tasked with tracking the implementation of county projects and programs, assessing the efficiency of resource utilization, identifying constraints in service delivery, and providing recommendations for corrective action. It also ensures adherence to performance targets, promotes accountability in project execution, and strengthens coordination among departments to enhance service delivery.

154. The EMU recently concluded the first cycle of Rapid Results Initiatives (RRIs), a key component of the RBM approach, aimed at fast-tracking the

completion and operationalization of development projects while also improving the budget absorption rate. Additionally, the EMU has been actively monitoring project implementation at the ward level, through the ward efficiency monitoring teams identifying inconsistencies, and providing timely reports for necessary action to enhance efficiency and reinforces accountability. The department of Economic planning has put in place measures to support efforts of the County Performance Management Committee and the EMU. These include Operationalizing departmental M&E units, proposed establishment of ward M&E committees, ongoing development of Public Investment Management information system, and promotion of data-driven decision making through development of a county statistical abstract and county profile and preservation of best practices in the revamped county documentation and information centre.

155. The Office of the Governor, in collaboration with the Office of the Speaker of the County Assembly, will continue to deliver the annual State of the County Address. This address serves as a critical platform for engaging with County residents, providing them with a comprehensive appraisal of key developments, ongoing programs, and strategic priorities. These include major achievements, policy decisions, and planned interventions across various sectors, including infrastructure, healthcare, education, and governance.

156. Beyond offering transparency and accountability, the State of the County Address will also foster public participation by allowing residents to engage with county leadership, voice their concerns. This strengthens citizen trust, and ensures that governance remains responsive to the needs and aspirations of the people.

2.6 Social Development and Inclusivity

157. Social development & inclusivity is fundamental for thriving economies and societies. The Sustainable Development Goals (SDGs) emphasize ‘leaving no one behind’ and ‘reaching the furthest behind first’. Empowering marginalised & minority groups, fosters diversity & promotes equal access to resources & opportunities and catalyses progress across all 17 goals. The Social pillar of Kenya’s Vision 2030 aims to build a just & cohesive society with social equity in a clean and secure environment. This strategy includes comprehensive interventions to improve the quality of life for all Kenyans. MTP IV aligned with the Bottom-up Economic Transformation Agenda (BETA) focuses on education and training, women's agenda, social protection, sports, culture and arts, and youth empowerment as enablers to economic transformation

158. The Constitution of Kenya, 2010 recognizes education as a fundamental human right, providing for free and compulsory basic education. The County Government of Nakuru recognizes the provision of meaningful & adequate education and training as fundamental to Kenya’s overall development strategy. The county government has made significant progress towards access, enrolment, retention and transition through implementation of school feeding program and provision of bursaries & scholarships to needy students of Nakuru County. The County Gross and Net enrolment rates stand at 102 percent and 87 percent respectively whereas transition rate stands at 95 percent. The school feeding program benefits 65,342 pupils across 1,063 public ECDE centres while bursaries worth Kshs 812,841,240 supported 202,987 needy students. For FY 2024/25, Kshs 201,975,000 has been allocated to sustain the school feeding program and Kshs 453,743,981 for bursaries.

159. Over the medium term, the county government will prioritise continuous sustainability of the school feeding program in all public ECDE centres, enhance bursaries & scholarships allocation, recruitment of ECDE teachers in

efforts to meet policy recommended teacher pupil ratio of 1:30 and distribute learning materials to improve textbook to pupil ratio. Moreover, integration of ICT in the curriculum, capacity building of teachers on CBC implementation, and emphasize holistic development of pupils through co-curricular activities among other programmes.

160. The demand for vocational education & training remains high especially considering 50.08 percent of candidates in the KCSE 2024 attained D+ and below. Rising education costs has increased the need for vocational training. The county government will prioritise industry-aligned courses, implementation of CBET, provide apprenticeship and internship opportunities, vocational training grants, and recruit instructors to meet the Ministry of Education and Technical Vocational Education Training Authority (TVETA) of 1:20 instructor-trainee ratio. The Count government shall also continue capacity building for instructors, BOG members, and training officers. To raise awareness and boost enrolment in vocational institutions, career fairs will be revamped and Vocational partners linked to institutions which can support their mentorship & entrepreneurial training.

161. According to the 2019 KNBS Population and Housing Census data, women constitute 50.2 percent (1,084,835) of Nakuru County's population. Gender equality is pivotal to unlocking economic potential and enhancing governance. Where women are excluded, productivity declines, and decision-making lacks diversity. The County will enhance efforts to spearhead women empowerment and advancing participation of both sectors in socio-economic development and leadership. Additionally, the County Executive Committee (CEC) will fast-track the approval and assentation of the Nakuru County Gender Policy.

162. Gender-Based Violence (GBV) prevention and response efforts will be strengthened by leveraging existing gender desks in police stations, health facilities, and 20 private GBV rescue centers. Collaboration with the National

Government to implement the Protection Against Domestic Violence (PADV) Rules shall be pursued alongside partnerships with other stakeholders in the development of a centralized ICT system to streamline data collection and reporting on GBV cases from individuals, CHPs, chiefs, police stations etc. A toll-free reporting line, supported by Safaricom, will be established alongside sensitization campaigns against the triple-threat and referral systems for counseling. Construction of the Gilgil GBV Rescue Centre will be expedited.

163. Nakuru enjoys a robust youthful demographic profile (18-35 years age) and a working age population (15-64 years of age) of 687,442 and 1,273,239 respectively based on the Nakuru County Statistical Abstract (CSA), 2022. This high population presents unique challenges to the county related to employment and education. With a higher proportion of the two populations being found in the rural areas with limited employment opportunities, an upsurge in rural-urban migration has been witnessed due to the availability of opportunities in the urban areas.

164. The County government continues implementing policies and investments targeting the creation of employment opportunities and investments in learning institutions. The county government recognizes the central role of sports in talent development and income generation throughout the sports and talent value chain for the youth. To reap these benefits the government will implement the Sports Act by establishing committees at all levels, increase the sports disciplines taking part in the Kenya Youth Inter-County Sports Association (KYISA) games, County marathons and sports tournaments. The County will organize 18 PWDs sporting tournaments, distribute sporting equipment, host the annual city marathon, form new sports disciplines, register clubs/teams and train coaches, referees & technical staff. The County government will empower youth through the development of the youth policy, offer mentorship & entrepreneurial

programs for the youth, host the 'soko ya vijana' events, support individual youths & youth groups with tools & equipment as income generation sources.

165. Article 56 of the Constitution of Kenya, 2010 mandates the government to put in place affirmative action programmes to ensure minorities and marginalized groups participation and representation. Nakuru being a cosmopolitan county, has a representation from different kinds of persons thus requiring inclusion in the county governance and administrative structures. Based on data provided by the 2019 KNBS Population and Housing Census, 47,086 people are registered as persons with disability in Nakuru County. The County government during the medium-term aims to promote inclusive societies and employment opportunities for minorities and persons with disability.

166. To ensure a more inclusive society and address social issues the county will; fast track approval by County Assembly on the amended clauses in the PWD fund regulations to conform with PFM Act, 2015 as advised by COB; form partnership to distribute wheelchairs and PWD machinery; reserve five percent of the county bursaries allocation to students with disability; develop a database of PWDs; allocate at least 5 percent of the AGPO budget to PWDs on AGPO; raining on Access to Government Procurement Opportunities (AGPO) will enhance PWD economic inclusion.

167. To accord the elderly dignity the county will complete the beaconing of Alms House plot to secure the land against encroachment. The County government will capacity build the community on homebased care for the elderly; The National Policy on Rehabilitation of Street Children (2023) will be domesticated, with data collection and personnel recruitment supporting rescue efforts.

168. As a core pillar of BETA, the affordable housing programme provides an avenue for development of quality and affordable houses for Kenyans. The national government and County government will deliver 820 house units i.e.,

220 in Naivasha, 160 in Gilgil, 220 in Molo and 220 in Bahati. The project in Molo and Bahati is at 70% completion rate while its yet to start in Naivasha and Gilgil. This will create jobs and offer decent & affordable housing.

169. Harmonization of Nakuru County Housing tenancy records completed in Nakuru and Naivasha. This is set to increase county OSR (rent) which in turn will improve service delivery through renovations, improvement of sewerage network etc. contributing to a healthy populace. Further the county will implement the 10km radius-controlled developments around the Naivasha inland container depot and the expansive 1000-acre Naivasha Special Economic Zone (SEZ) to prevent development of shanty structures. Additionally, finalize the ongoing planning and regularization (planning, surveying & titling) in Kamere Olkaria ward, Kongoni Maiella ward and Lower lakeview Naivasha to ensure controlled developments.

170. The County government will also continue implementing the World Bank funded Kenya Informal Settlement Improvement Programme (KISIP) II programme towards improving infrastructure in four informal settlements namely; London in Nakuru West Subcounty, Lakeview and Kiamurogi in Nakuru East subcounty and Karagita in Naivasha Subcounty. This programme will lead to creation of jobs, improving sanitation, accessibility & water supply in informal settlements.

171. Regarding the environment, the impacts of climate change have been witnessed in various sectors through floods, prolonged droughts, torrential rains etc. which have a knock-on effect on food security, water availability & community well-being. The county will improve access to clean water and sanitation services through drilling & solarization of boreholes, piping & reticulation, expand water network coverage in partnership Water Service Providers, and expand & connect households to the sewerage network. The county will control pollution on all lentic-lotic ecosystems, air, land, noise and excessive vibrations and other public nuisances. Further, the county plans to

increase tree coverage to 875 hectares through the national tree growing and restoration campaigns to reduce the carbon footprint as committed in the performance contracts. The county will implement the World Bank funded 'Financing Locally Led Climate Action (FLLoCA) project' which empowers communities directly & most affected by climate change to participate in adaptation initiatives and solutions.

III. INTERGOVERNMENTAL FISCAL RELATIONS AND DIVISION OF REVENUE

3.0 Introduction

172. This section provides the intergovernmental fiscal relations and division of revenue. The County Government will continue foster harmonious fiscal relations both horizontally and vertically with other government agencies with the aim of promoting harmony in County Social economic development. The FY 2024/2025 budget and the Medium-term framework builds on the County Government effort to support the Five-point development agenda that lay a basis on the implementation of the third CIDP 2023-2027 which integrates the Governor's manifesto and the national government's administration's Bottom-up Economic transformation Agenda.

3.1 Intergovernmental Relations

173. This section outlines the Intergovernmental Fiscal Relations and the Division of Revenue. The County Government will continue to strengthen fiscal relationships both horizontally and vertically with other government entities to foster harmony in social and economic development. The FY 2025/2026 budget and the Medium-Term Framework will further support the implementation of the third CIDP (2023-2027), which integrates the Governor's Manifesto and the National Government's Bottom-up Economic Transformation Agenda.

3.1.1 Public Financial Management (PFM) Institutions

174. The County Government of Nakuru has received continued support from the National Treasury aimed at enhancing the skills of its officers in public financial management (PFM) areas such as accounting, budgeting, revenue management, and intergovernmental fiscal relations. This support includes training on financial reporting, the use of the IFMIS system, internal audit

functions, and budgeting. The result has been an improvement in the quality of financial reports produced by the county over time.

Office of the Controller of Budget (COB)

175. The COB, as per Article 228 of the Kenyan Constitution, oversees budget implementation for both National and County Governments by approving withdrawals from public funds. COB has been sensitizing counties on the withdrawal procedures and necessary requirements to ensure timely release of funds from the County Revenue Fund, thereby promoting fiscal discipline, equitable resource allocation, and transparency. The office also collaborates with counties to address pending bills and provides quarterly budget implementation updates to the National Assembly and Senate.

The Commission on Revenue Allocation (CRA)

176. Established under Article 215 of the Constitution, has been mandated to recommend the equitable sharing of revenue between the National and County Governments. The CRA also supports counties by providing recommendations on financing and financial management, as outlined by the Constitution and National Legislation. The Commission is tasked with expanding revenue sources and promoting fiscal responsibility in counties. Additionally, the CRA has been involved in capacity building and system development, helping counties improve their revenue potential. Furthermore, the CRA sets, publishes, and reviews the policy criteria for identifying marginalized areas eligible for the Equalization Fund, as per Article 204 of the Constitution. Through these initiatives, the CRA continues to support fiscal governance and the development of counties across Kenya.

Intergovernmental Budget and Economic Council (IBEC)

177. IBEC, chaired by the Deputy President, plays a pivotal role in addressing economic and budgetary issues affecting both levels of government. IBEC supports the enhancement of counties' public financial management systems to improve service delivery and development. The County will continue to collaborate with IBEC to recommend fair revenue distribution between government levels, as outlined in Section 190 of the PFM Act 2012.

Office of the Auditor General

178. OAG is responsible for auditing and reporting on the accounts of all government levels, the Office of the Auditor General ensures accountability across Government entities and constitutional commissions. The office also provides training to internal audit departments in counties to address audit queries effectively and prevent future recurrence. Other key PFM institutions working closely with Nakuru County include the Salaries and Remuneration Commission (SRC), Public Procurement Regulatory Authority (PPRA), and the Central Bank of Kenya (CBK).

Intergovernmental Relations Technical Committee (IGRTC)

179. Established under the Intergovernmental Relations Act of 2012 and Public Finance Management Act of 2012, the IGRTC, chaired by the Deputy President, has developed a framework for finalizing the transfer of devolved functions not completed by the Transition Authority. The committee also supports counties in reviewing their County Integrated Development Plans (CIDP) for the 2023-2027 period.

3.1.2 Other Institutions

180. **State Department of Devolution** through the Kenya Devolution Support Programme (KDSP): Following the completion of KDSP I, the County is in the process of implementing KDSP II with the aim to strengthen County performance in the financing, management, coordination and accountability. The programme focuses on: enhancing financial sustainability and expenditure management; enhance intergovernmental coordination, strengthen institutional performance and human resource management; and enhance oversight, participation and accountability**.**

181. **State Department of Urban Development** through Kenya Urban Support Programme (KUSP): Nakuru County benefits from the World Bank-funded KUSP, which aims to strengthen urban institutions and systems to improve infrastructure and services. Through this program, Nakuru City and Naivasha Municipal Boards were established, and implementation of several projects, including the rehabilitation of Afraha Stadium, construction of Non-Motorized Transport (NMT) infrastructure, installation of street lighting, and security cameras. The County Government is set to benefit from the second phase of KUSP with performance-based grants. Further, the county benefited from two major infrastructure projects, including the construction of a modern bus terminus and a multi-storey market at the Old Nakuru Fire Station Grounds, with an allocation of Ksh. 700 million. The County's Department of Lands, Housing, and Physical Planning has secured funding for Phase II of KISIP, which focuses on upgrading informal settlements within municipalities.

182. **Technical and Vocational Education and Training Authority (TVETA):** Nakuru County is implementing the Akira-ILO Project in collaboration with TVETA to align vocational training programs with industry needs. As part of this initiative, the county and TVETA have developed a curriculum focused on equipping youth with marketable skills in the energy sector, particularly geothermal development in Nakuru and Narok Counties. The project

involves equipping vocational training centres with modern tools, training instructors, and facilitating internships and job placements. To support hands-on learning, the county has partnered with government agencies, NGOs, and private companies such as KenGen, Bendi, and Menengai Company to provide industry attachments for trainees.

3.1.3 Inter-County Relations

183. To advance devolution, County Governments have joined Regional Economic Blocs. Nakuru County is a member of the Central Region Economic Bloc (CEREB), which includes 10 counties: Embu, Kiambu, Kirinyaga, Laikipia, Nakuru, Nyandarua, Nyeri, Meru, Murang'a, and Tharaka Nithi. CEREB works towards creating shared prosperity by leveraging regional economic opportunities. Achievements include the revitalization of railway lines, such as the Nairobi-Nanyuki and Nairobi-Kisumu lines, and plans for the second phase, including the Gilgil-Nyahururu line, which is expected to boost economic activities in Nakuru. CEREB also focuses on improving agricultural productivity through agro-processing and value addition.

3.2 Cash Disbursement and Expenditure in FY2023/2024 by Nakuru County Government

184. During FY 2023/24, the total county exchequer receipts excluding fiscal balances amounted to Ksh. 14.7 billion which comprised of Ksh. 13.5 billion as equitable share and Ksh. 1.1 billion as conditional grants. The fiscal balances amounted to Ksh. 4.09 billion.
185. The County OSR during the period under review amounted to Ksh. 3.2 billion against a target of Ksh. 4.1 billion depicting 80 percent achievement. This comprised of Ksh. 1.82 billion local revenue and Facility Improvement Fund amounted to Ksh. 1.46 billion.

186. The County total expenditure stood at Ksh. 16.4 billion against a revised target of Ksh. 23.3 billion indicating an underspending of Ksh. 6.8 billion which translates to 70 percent budget absorption rate. The recurrent expenditure amounted to Ksh. 11.6 billion against a target of Ksh 13.6 billion depicting an underspending of Ksh. 2 billion and representing 85 percent budget absorption rate. The development expenditure stood at Ksh. 4.8 billion against a target of Ksh. 9.6 billion translating to 50 percent of the total development expenditure depicting an underspending of Ksh.4.8 billion. (CBROP 2024).

3.3 Revenue Allocation to the County Governments for FY 2025/2026

187. Article 203 (2) of the CoK, 2010 requires that the equitable share allocation to Counties should not be less than fifteen (15) per cent of the last audited revenue raised nationally, as approved by the National Assembly. In line with this, the Division of Revenue Bill, 2025 also proposes to allocate County Governments Ksh 405.07 billion for the financial year 2025/26 as equitable share of revenue raised nationally reflecting an increase of Ksh 17.67 billion from a base of Ksh 387.4 billion allocated the FY 2024/25.

188. The above proposed equitable share for FY 2025/26 of Ksh 405.07 billion is equivalent to 25.79 percent of the audited and approved actual revenues raised nationally of Ksh 1,570.56 billion for FY 2020/21. According to the Budget Policy Statement (BPS) 2025, the equitable share allocation is informed by the following prevailing circumstance:

    a) Trends in the performance of revenue (this was taken into consideration in determining the Ksh 17.64 billion increases in equitable share of revenue in FY2025/26);
    b) The Government commitment to implement a fiscal consolidation plan targeting to reduce the fiscal deficit to 3.9 percent of GDP in FY 2025/26.

This is designed to slow down accumulation of public debt, improve primary surplus thereby achieve fiscal sustainability;

c) Financing constraints due to limited access to finance in the domestic and international financial markets; and

d) The National Government continues to bear shortfalls in revenue in any given financial year whereas the County Governments continue to receive their full allocation despite the budget cuts and austerity measures affecting the national government.

189. Equitable allocation of nationally raised revenues will be firmed up by the Division of Revenue Act (DORA), 2025; the County Governments Additional Allocations Act (CGAA), 2025 and the County Allocation Revenue Act (CARA), 2025 upon approval by National Assembly and Senate.

190. The proposed allocations to county governments FY 2025/2026 have been computed based on the Third Basis Formula for revenue sharing approved by both Parliamentary houses in September 2020. However, pursuant to Article 217 (1), the senate, under the advisement of the CRA, shall have to approve a Fourth basis Formula observing that the 5 -year time limit will lapse by September of 2025.

3.3.1 Third Basis Formula for revenue division

191. The approved Third Basis formula is informed by the Fourth Schedule of the Constitution that distributes Government functions between the two levels of Government, and complies with the requirements of Article 203(1) of the Constitution. The formula takes into account weighted parameters for health, road, agriculture and population among others as considered and approved by Parliament in September, 2020 and outlined in the table 3.3.1;

Table 3.3.1: Third Basis Revenue Allocation Index

No	Indicator of Expenditure Need	Assigned Weight (Percent)
1	Health index	**17**
2	Agricultural index	**10**
3	Population index	**18**
4	Urban services index	**5**
5	Basic share index	**20**
6	Land area index	**8**
7	Road Index	**8**
8	Poverty head count index	**14**
Total		**100**

Source: BPS 2025

3.3.2 Allocation for Equitable Share

192. According to the BPS, 2025, the County government will receive a projected equitable share of Ksh. 14.3 billion in FY 2025/26, reflecting an increment of Ksh. 650 million from Ksh. 13.666 billion in FY 2024/25 depicting an 4,7 percent growth. County government equitable share allocation for the FY 2025/2026 has been highlighted in table 3.3.2.

Table 3.3.2: County Government Equitable share allocation for FY 2025/2026

S/No	County Name	FY 2024/25	FY 2025/26				
		Total Equitable Share	0.5 (Allocation Ratio*)		(Equitable Share**-0.5 Allocation Ratio) (Formula***)		Total Equitable Share***"
			Allocation Ratio	Equitable Share	Allocation Ratio	Equitable Share	
		Column E = B+D	column A	column B	column C	column D	Column E = B+D
1.	Baringo	**6,683,872,230**	1.61	2,547,825,000	1.80	4.454.485.782	**7,002,310,782**
2.	Bomet	**7,015,120,960**	1.74	2,753,550,000	1.86	4.589.673.714	**7,343,223,714**
3.	Bungoma	**11,170,672,761**	2.81	4,446,825,000	2.93	7,241,523.752	**11,688,348,752**
4.	Busia	**7,514,936,175**	1.9	3,006,750,000	1.97	4,855,276,089	**7,862,026,089**
5.	Elgeyo Marakwet	**4,826,732,154**	1.22	1,930,650,000	1.26	3,119,054,514	**5,049,704,514**
6.	Embu	**5,369,897,179**	1.36	2,152,200,000	1.40	3,465,431,012	**5,617,631,012**
7.	Garissa	**8,290,447,207**	2.22	3,513,150,000	2.08	5.145.106,259	**8,658,256,259**
8.	Homa bay	**8,170,279,683**	2.13	3,370,725,000	2.09	5.169.077.361	**8,539,802,361**
9.	Isiolo	**4,923,506,894**	1.34	2,120,550,000	1.22	3.018,759.443	**5,139,309,443**
10.	Kajiado	**8,345,014,080**	2.03	3,212.475,000	2.24	5.527.698.570	**8,740,173,570**
11.	Kakamega	**12,980,503,856**	3.29	5,206,425,000	3.39	8.372.613.225	**13,579,038,225**
12.	Kericho	**6,738,465,912**	1.7	2,690.250,000	1.77	4,359,892,241	**7,050,142,241**
13.	Kiambu	**12,293,695,472**	2.98	4,715,850,000	3.31	8,161,271,630	**12,877,121,630**
14.	Kilifi	**12,169,843,603**	3.3	5,222,250,000	3.03	7,482,496,017	**12,704,746,017**
15.	Kirinyaga	**5,449,273,298**	1.34	2,120,550,000	1.45	3,585,005,147	**5,705,555,147**
16.	Kisii	**9,305,836,563**	2.46	3,892,950,000	2.36	5,829,630,296	**9,722,580,296**
17.	Kisumu	**8,405,327,544**	2.16	3.418,200,000	2.18	5,371,091.649	**8,789,291,649**
18.	Kitui	**10,885,967,728**	2.79	4.415,175,000	2.82	6,968,985.751	**11,384,160,751**
19.	Kwak	**8,625,411,411**	2.46	3,892.950,000	2.06	5.096.818.508	**8,989,768,508**
20.	Laikipia	**5,387,035,312**	1.32	2,088,900,000	1.44	3.552.062.159	**5,640,962,159**
21.	Lamu	**3,254,430,925**	0.82	1,297,650,000	0.85	2.107.435512	**3,405,085,512**
22.	Machakos	**9,597,222,939**	2.45	3,877,125,000	2.50	6.1(10.494.193	**10,037,619,193**
23.	Makueni	**8,497,308,449**	2.34	3,703,050,000	2.09	5,163,373,364	**8,866,423,364**
24.	Mandera	**11,690,619,375**	3.23	5,111,475,000	2.87	7,085,679,503	**12,197,154,503**
25.	Marsabit	**7,597,150,148**	2.14	3,386,550,000	1.84	4,534,778,607	**7,921,328,607**
26.	Meru	**9,944,340,172**	2.54	4,019,550,000	2.59	6,380,945,893	**10,400,495,893**
27.	Migori	**8,385,076,708**	2.14	3,386,550,000	2.18	5,383,368,447	**8,769,918,447**
28.	Mombasa	**7,899,674,510**	2.23	3,528,975,000	1.91	4,707,204,184	**8,236,179,184**
29.	Murang'a	**7,511,867,136**	1.99	3,149,175,000	1.90	4,698,580,314	**7,847,755,314**
30.	Nairobi	**20,178,712,721**	5.03	7,959,975,000	5.33	13,159,470,971	**21,119,445,971**
31.	Nakuru	**13,666,998,494**	3.31	5,238,075,000	3.68	9,077,875,029	**14,315,950,029**
32.	Nandi	**7,346,070,242**	1.69	2,674,425,000	2.04	5,031,320,039	**7,705,745,039**
33.	Narok	**9,241,861,510**	2.54	4,019,550,000	2.28	5,624,382,672	**9,643,932,672**
34.	Nyamira	**5,359,988,239**	1.52	2,405,400,000	1.29	3,182,065,043	**5,587,465,043**
35.	Nyandarua	**5,936,522,422**	1.54	2,437,050,000	1.53	3,768,900,422	**6,205,950,422**
36.	Nyeri	**6,518,609,636**	1.71	2,706,075,000	1.66	4,106,065,620	**6,812,140,620**
37.	Samburu	**5,623,229,594**	1.46	2,310,450,000	1.45	3,567,833,920	**5,878,283,920**
38.	Siaya	**7,301,472,442**	1.83	2,895,975,000	1.92	4,744,681,245	**7,640,656,245**
39.	Taita Taveta	**5,066,138,537**	1.34	2,120,550,000	1.29	3,172,372,444	**5,292,922,444**
40.	Tana River	**6,824,718,335**	1.85	2,927,625,000	1.70	4,197,134,580	**7,124,759,580**
41.	Tharaka Nithi	**4,399,507,348**	1.24	1,962,300,000	1.06	2,624,850,462	**4,587,150,462**
42.	Trans Nzoia	**7,540,501,498**	1.82	2,880,150,000	2.03	5,019,156,778	**7,899,306,778**
43.	Turkana	**13,213,283,350**		5,269,725,000	3.47	8,555,141,120	**13,824,866,120**
44.	Uasin Gishu	**8,472,399,603**	2	3,165,000,000	2.32	5,716,021,786	**8,881,021,786**

S/No	County Name	FY 2024/25	FY 2025/26				
		Total Equitable Share	0.5 (Allocation Ratio*)		(Equitable Share**-0.5 Allocation Ratio) (Formula***)		Total Equitable Share***"
			Allocation Ratio	Equitable Share	Allocation Ratio	Equitable Share	
		Column E = B+D	column A	column B	column C	column D	Column E = B+D
45.	Vihiga	**5,292,922,428**	1.47	2,326,275,000	1.29	3,195,052,681	**5,521,327,681**
46.	Wajir	**9,902,798,207**	2.7	4,272,750,000	2.46	6,063,511,439	**10,336,261,439**
47.	West Pokot	**6,609,735,011**	1.58	2,500,350,000	1.79	4,425,770,811	**6,926,120,811**
	TOTAL	**387,425,000,000**	**100**	**158,250,000,000**	**100.00**	**246,819,420,197**	**405,069,420,197**

3.3.3 Additional Allocations FY 2025/2026

193. Pursuant to Article 202 (2) of the Constitution, the National Government out of its own share of revenue provides for additional allocations to County Governments in the form of Conditional and unconditional grants and transfers meant to accelerate achievement of policy priorities of both levels of Government.

194. According to BPS 2025, County Governments will receive an additional allocation of Ksh. 69.8 billion out of which Ksh. 2.95 billion is unconditional allocations, 9.95 billion is conditional allocations, and 56.9 billion will be allocations from proceeds of loans and grants.

195. The County is likely to benefit from conditional and unconditional GoK allocations to counties amounting to Ksh 4.5 billion allocated to the CAIPs programme; Ksh. 454 million allocated as supplement for construction of County Headquarters; Ksh 3.2 billion allocated to counter fund stipends for Community health promoters across various county governments and Ksh 1.75 billion for payments of outstanding arrears for health workers; as well as Ksh 2.93 billion as sharable revenue from county mineral royalties and Ksh. 11.5 million from Court fines.

196. The county will further receive Conditional allocations Financed from loans and grants from development partners to the Agriculture, Health, Trade, Urban Development and the Environment sector. These include DANIDA - Primary Healthcare in devolved Context, World Bank – Second Kenya Devolution Support Programme KDSP II LEVEL 1 and 2), World Bank's Finance

Locally-Led Climate Action Program, (FLLoCA) for County Climate Institution Support (CCIS) and County Climate Resilience Investment Grant (CCRIG), Food Systems Resilience Project (FSRP), Kenya Livestock Commercialisation Project (KeLCoP), World Bank National Agricultural Value Chain Development Project (NAVCDP) and Kenya Urban Support Project (KUSP) - Urban Institutional Grant among others.

IV. 2025/2026 BUDGET FRAMEWORK AND THE MEDIUM TERM

4.1 Fiscal Framework Summary

197. The FY 2025/26 budget framework will be anchored on priorities set out in the 3rd CIDP (2023-2027), the Fourth Medium term Plans, and the political manifesto of the national and County administration. The County Government will continue to enhance revenue mobilization and rationalize expenditure without affecting service delivery despite the prevailing domestic and external environment.

4.2 Revenue Projections

198. In the FY 2025/26, revenue collection from local Sources including FIF and national transfers is projected to increase to Ksh 20.707 billion, up from the 2024 CFSP revenue projection of Ksh. 19.896 billion. Equitable share will form the largest part of revenue at Ksh. 14.3 billion while OSR revenue is projected to at Ksh. 4.575 billion. Performance will be supported by ongoing reforms in revenue administration measures through automation of revenue sources, and enforcement in non-performing sources. The County Government continues to strengthen external resource mobilization efforts and projects raising Ksh. 1.611 billion from development partners. The County also projects to receive Ksh 1.815 billion as conditional and unconditional grants from the National Government.

4.3 Expenditure Projections

199. The County Government Implements a balanced budget where total revenue will equal total expenditure. Therefore, in FY2025/26, total expenditure is projected at Ksh. 20.707 billion where Ksh. 14.367 billion (69.4 percent) will comprise recurrent expenditure and Ksh. 6.340 billion (30.6 percent) will be used for development expenditure. This is in line with Section

107 (1b) of the PFM Act 2012 that requires County governments to allocate a minimum of 30 percent of the budget to development Budget.

200. Compensation to employees is projected at Ksh 8.197 billion (39.6 percent) which exceeds the recommended threshold of 35 percent under Section 25 of the PFM (County Governments) Regulations, 2015. This represents a marginal 1 percent growth from the 2024 CFSP's allocation of Ksh. 8.144 billion.

201. The County government will further allocate Ksh. 1.65 billion (45.1 percent) of the equitable Development to the Ward development kitty in line with the Nakuru County Revenue Allocation Act, 2018 which prescribes an allocation of not less than 45 percent of the equitable development budget to Ward development projects.

4.4 Deficit Financing

202. Observing that the County is implementing a balanced budget, the projected budget deficit is nil. Although section 140-142 of the PFM Act 2012 allows for borrowing to undertake development projects, the County Government does not envisage borrowing in FY 2025/26. The projected expenditures are expected to be funded by the County OSR from local sources and A-in-As, transfers from the National Government and grants from the Gok and development partners.

4.5 Fiscal and Structural Reforms

203. To enhance revenue generation, the County government is implementing fiscal reforms such as revenue mapping, updating the revenue database, and enhancing the County Integrated Financial Operations Management System (CIFOMS). Additionally, Streamlining the licensing process through a single business permit is also aimed at reducing barriers to starting a business and encouraging entrepreneurship, which could spur to job creation.

204. The County is committed to strengthening its planning framework by enhancing data availability, improving reporting mechanisms, and optimizing project implementation and budget execution. The key initiatives included operationalization of the monitoring and evaluation structures, updating of the County Statistical Abstract, refining the County reporting framework, and adopting best practices in project management. These efforts aim to enhance efficiency and effectiveness in development projects, ensuring optimal resources are allocation for maximum impact on the local community.

205. In the execution of the development budget, the county has recognized the various challenges which include: delayed disbursement of fund from the National treasury; weakness in procurement process and weak contract management. The County looks forward in addressing these challenges through strengthening contract management systems to track contract performance, milestones and deliverables; enhancing staff capacity through targeted training programs across the project management cycle; leveraging on technology for improved project oversight, monitoring and evaluation; and standardizing procurement documentation.

4.6 FY 2025/2026 and Medium-Term Budget Priorities

206. The County will continue to prioritize fiscal responsibility by ensuring transparent and accountable resource allocation. It is committed to minimize cost, eliminate redundancies and enhancing efficiency while promoting equitable distribution of resources.

207. Recognizing the importance of fiscal responsibility, the County Government is committed to transparent and accountable resource allocation. It aims to minimize costs, eliminate duplications and inefficiencies, and promote equity by prioritizing critical objectives and programs. Through these efforts, the

government seeks to create employment opportunities, enhance services, and improve the overall welfare of its citizens.

208. Further, the County Government will remain dedicated in formulating citizen-centered policies and fostering sustainable socio-economic and technological advancement. To ensure that it achieves this, the County will aim at implementing programmes, flagship projects, and other development initiatives as outlines in the CIDP 2023-2027, ADP 2025/2026, and other County policies.

209. The policy strategies guiding resource allocation into FY 2025/26 and the medium term include:

   i. Leveraging on growth in productive sectors;
   ii. Promotion of access to quality and affordable healthcare services;
   iii. Completion, operationalization and expansion of County infrastructure;
   iv. Creating enabling environment and transformation of MSE and private sector growth;
   v. County public service reforms, enhancing governance, transparency and accountability; and
   vi. Social development and inclusivity

4.7 Criteria for Resource Allocation

210. Articles 201, 202 and 203 of the Constitution of Kenya 2010, guides resource allocation between the National Government and County Governments, which requires that at least 15 percent of national revenue shared equitably with the County Government. The National treasury proposed to allocate Ksh 405.1 billion to County Governments be shared using the third basis formula.

211. The PFM Act stipulates that a minimum of 30 percent of County revenue be allocated towards development. The Nakuru County Revenue Act also requires that at least 45 percent of development allocation less conditional

grants and AiA be set towards Ward development budget. This CFSP has complied with these provisions for the MTEF period.

212. Allocations from the equitable share according to the BPS 2025 amounts to Ksh 14.3 billion. Projected grants from development partners and National Government are projected at Ksh 1.815 billion and collections from own source revenue are projected to total Ksh 4.575 billion, of which Ksh 2.175 billion is projected FIF collections and Kshs. 2.4 billion from other local sources.

213. The criteria guiding the allocation of resources for the MTEF 2025/26-2027/2028 includes:

i. Programmes supporting economic recovery and sustainability
ii. Linkage of the programmes with the priorities of the CIDP 2023-2027, Annual Development Plan 2024/2025 and other county plans.
iii. Programmes addressing the core mandates of the respective Sectors and Sub Sectors.
iv. Ward project allocations in compliance with Section 4 of the Nakuru County Revenue Allocation Act 2018 to support community-initiated projects for equitable development.
v. Completion of on-going and multi-year projects and operationalization of completed projects/programmes.
vi. Payment of outstanding pending bills/debts.
vii. Provision of social safety nets to County residents and staff including bursary, enhanced medical scheme for staff, allocation of funds for people living with disabilities fund.

4.8 Details of Sector Priorities

214. The Sector ceilings for the MTEF period 2025/2026-2027/2028 are based on the above discussed resource allocation criteria and the highlighted key strategic policies in Chapter two. Detailed sector and sub sector priorities, including programmes and their expected outputs are discussed below.

Agriculture, Rural and Urban Development Sector

215. The Agriculture Rural and Urban Development Sector is made up of six subsectors namely; Agriculture, Livestock, Fisheries & Veterinary Services, Lands, Physical Planning, Housing & Urban Development, Nakuru City, Naivasha Municipality, Gilgil Municipality and Molo Municipality.

Agriculture, Livestock, Fisheries & Veterinary Services

216. The Agriculture, Livestock, Fisheries & Veterinary Services Sub Sector is comprised of Crop production, Livestock production, Veterinary Services and Fisheries development Directorates. The Sub sector is a key driver of the County's economic growth through enhancing food security, income generation, employment, wealth creation and foreign exchange earnings. The sub sector is expected to contribute 10 percent economic growth rate under Vision 2030 and about 25 percent to the county's economy (Economic Survey, 2023).

217. During the MTEF period 2021/22-2023/24, the sub sector implemented four programs namely; Administrative, Planning and Support Services; Livestock Resources Management and Development; Fisheries Development and Crop Production & Management which are in line with the Bottom-up economic transformation agenda (BETA), CIDP (2023-2027) and Governor's Manifesto 2023-2027.

218. The subsector through the Directorate of Agriculture: Procured and distributed a total of 30,347,609 pyrethrum seedlings to over 3,463 beneficiaries: procured 356,890 avocado seedlings and distributed to over 11,679 beneficiaries; distributed 9,130 bags of certified potato seeds & 70,589 packets of Bio-fertilizer; trained 27 plant doctors to operate plant clinics in collaboration with Centre for Agriculture and Biosciences International (CABI); distributed 100 Personal Protection Equipment (PPEs), 100 Knapsack sprayers, 42 Motorized sprayers and 2,245 litres of assorted pesticides; installed 128 pyrethrum solar dryers; constructed & completed 28 and

renovated 20 tea buying centres in Amalo, Kiptagich & Kiptororo wards, completed the construction of ATC kitchen & dining hall and rehabilitated Wanyororo B dam in Bahati Subcounty. Through the NARIG project, the subsector funded 934 micro-project proposals and farmer producer organizations such as Elburgon Progressive Dairy Cooperative and Hifadhi beekeepers' cooperative society Limited. NAVCDP project profiled 261,121 (131,681 females and 121,440 males) farmers and mobilized community using Participatory Integrated Community Development (PICD) process.

219. The subsector through the Directorate of Livestock production: Supported 288 farmer groups with 1,323 dairy goats for improvement of dairy goat productivity; supported 2,170 farmer groups with 221,633 one month old improved kienyeji chicks; constructed six milk bulking and chilling facilities in Rongai, Naivasha, Molo, Kuresoi South and Bahati sub counties; and procured nine milk coolers & its accessories for Central and Maiella in Naivasha subcounty, Dundori in Bahati subcounty, Menengai West and Visoi in Rongai subcounty and Keringet in Kuresoi South Sub-County.

220. The Subsector through the Veterinary services directorate; Prevented and controlled major livestock diseases like Foot and Mouth, Rabies, Lumpy skin disease, Anthrax, among others; sustained free county-wide vaccinations for 799,980 animals; conducted disease surveillance and reporting of both notifiable and zoonotic diseases through real time digital platform- Kenya Animal Bio surveillance system (KABS); reduced incidences of vector borne diseases like East Coast Fever (ECF), Anaplasmosis and Tick Fever; constructed five new dips & one renovated each in Solai and Soin Wards, Rongai Sub County; produced an aggregate of 144,161 hides and 169,295 skins with a total valuation of Kshs. 18 million which average prices range between Kshs. 30-50 for hides & skins; and carried out continuous meat inspection and market surveillance to enhance food safety.

221. The directorate fisheries: Promoted recreational fisheries; developed a county inventory of all fish farmers, dams, water pans & rivers, in partnership with other stakeholders; conducted 173 Monitoring Control & Surveillance (MCS) patrols and co-management through BMU in Lake Naivasha & Oloiden reducing illegal fishing and use of improper gears; conducted fish inspection quality assurance & marketing, and restocked L. Naivasha & small dams; Karagita Beach Management Unit (BMU) members diversified their source of income through Eco tourism activities supported by the county's two eco-tourism boats; and improved water safety through issuing life saver jackets to fishing crews.

222. In the MTEF period 2025/26-2027/28, the subsector has prioritized programmes intended to facilitate attainment of food security, sustainable management and utilization of land and development of fisheries in the county. The subsector plans to: Create an enabling environment for development; provide efficient and effective services to county divisions/units, organizations and the public through recruitment of staff, furnishing of offices, data collection and management, and purchase of uniforms and PPE for field officers. In efforts to increase livestock production, productivity, animal health and improve livestock products and by- products to enhance food security in the County, the subsector will: Prioritize operationalization of milk coolers, AI services; support farmers with breeding stock; market livestock products, animal vaccinations; and create market linkages. In increasing fish production for enhanced food security the subsector intends to: Continue restocking farm ponds & dams with fingerlings; train fishing groups & BMUs; and procure assorted fish handling equipment. Additionally, the subsector will increase crop production and productivity through: Prioritization of promotion of traditional & emerging cash crops; promotion of smart agriculture; support to farmers with farm inputs; procurement of agricultural value addition equipment & technologies; and

creation of market linkages & various Agri nutrition initiatives. In order to achieve these interventions, the subsector has been allocated a budget of Ksh. 676,327,788, Ksh. 743,960,566 and Ksh. 818,356,623 in the medium term 2025/26-2027/28.

Lands, Physical Planning, Housing and Urban Development

223. The subsector plays an important role in the socio-economic development of Nakuru County given that its operations revolve around land, a key factor of production. It is organized into two directorates namely; the Directorate of Land & Physical Planning and the Directorate of Housing & Urban Development. The subsector is a key enabler of the Affordable housing dream as well as the sustainable development goal number eleven that seeks to make cities and human settlements inclusive safe, resilient and sustainable.

224. During the MTEF period 2021/22-2023/24, the Subsector achieved the following milestones: Finalized report on elevation of Nakuru Municipality to city status, which was adopted by the Senate of Kenya with City status being achieved on 1st December, 2021; reports on elevation of Gilgil and Molo Towns to municipal status were approved by the County Assembly and municipal charters issued; recruited 17 staff, promoted 57 staff and trained 75 officers; and developed two policies i.e., Nakuru County Urban Institutional Development Strategy (CUIDS) and Nakuru County Valuation and Rating Act, 2023.

225. Under the Directorate of Lands and Physical Planning:The County spatial plan 2019-2029 was approved and launched by H.E President William Ruto in June 2023; processed 5,746 development applications; collaboration with Environmental Systems Research Institute (ESRI) East Africa on the development of the Nakuru County GIS Laboratory was completed; and procured Global Navigation Satellite System Real-Time Kinematic (GNSS RTK)

for county survey operations; and issued 65,000 title deeds in collaboration with the Ministry of Lands and Physical Planning.

226. Under Urban Development directorate: Successfully hosted the first Kenya Urban Forum (KUF) in June 2023; operationalized Gilgil and Molo Municipalities; infrastructural projects in Kia Murogi, Karagita, London and Lakeview informal settlements under Kenya Informal Settlements Improvement Programmes (KISIP) II are ongoing; complied to KISIP II world bank minimum conditions for infrastructural projects; and prepared and completed integrated development plans for Gilgil and Molo Towns.

227. The Housing directorate: Renovated 886 housing units in various estates which include; Flamingo, Naivasha, Kimathi, Paul Machanga, Moi, Baharini, Nakuru Press and Kaloleni A; upgraded sewer lines & rehabilitated toilets in Naivasha; established six Alternative Building Materials Technology centres in Njoro, Rongai, Gilgil, Subukia, Kuresoi North & South sub counties; initiated County tenancy records updating; procured 2 stabilized soil block machines; and trained 360 housing stakeholders on Appropriate Building Materials & Technology(ABMT); constructed five sanitation blocks in Kivumbini I & II estates in Nakuru East subcounty; developed legal frameworks i.e., the Nakuru County Housing Estates Tenancy and Management Bill and the Nakuru County Housing policy at 80% rate of completion.

228. In the MTEF period 2025/26-2027/28 the subsector under land use planning programme has prioritized the following: Implementation of the County spatial plan (2019-2029); finalization of the valuation roll in conjunction with the department of Finance and Economic Planning; operationalization of the Land information Management system; planning and surveying all urban centers & county estates; procurement of survey equipment; updating of the county cadastre; entrenching alternative dispute resolution mechanisms (ADR) in the resolution of land disputes; digitization of land records through the Electronic Development Application Management System (EDAMS); and

operationalization of the County GIS laboratory for effective geospatial management of county resources.

229. The subsector through the Urban Development Programme plans to: Finalize the chartering of new municipalities & towns eligible for elevation; capacity build all urban area management boards; transfer functions to the new urban management units; implement the World Bank funded Kenya Urban Support Programme (KUSP II) and Kenya Informal Settlement Improvement Programme (KISIP II); and preparation of urban area regeneration & mobility master plans.

230. Under the Housing and Estates Development Programme, the subsector intends to: Continue rehabilitating various county estates with key focus on upgrading sewer connections, house renovations, construction of ablution blocks and fencing of the estates; cut down building costs; continue construction of Appropriate Building Materials & Technology centers while also operationalizing all ABMT centers within the county and conduct continuous training to relevant stakeholders; ensure every sub county has an ABMT centre and prepare the County ABMT policy; and work with State department of Housing and Urban Development in implementing the Constituency Affordable Housing Programme. To achieve these interventions, the subsector will ensure optimal staffing, career progression, capacity building and performance management within the budgetary allocations of Ksh. 257,246,694 in FY 2025/26, Ksh. 282,971,363 in FY 2026/27 and Ksh. 311,268,499 in FY 2027/28.

Nakuru City

231. Nakuru City was chartered on 1st December, 2021 as per the requirements of the Urban Areas and Cities Act, 2011 (Amended 2019). It covers the 11 wards of Nakuru East and West Sub Counties namely: Flamingo, Kivumbini, Shaabab, Kapkures, Nakuru East, Menengai, Rhonda, Biashara, London, Barut and Kaptembwo Wards. Nakuru City Board has been delegated the

following functions: development control, solid waste management and on-street parking. During the MTEF period 2021/22-2023/24, the subsector: Completed rehabilitation of Afraha stadium phase I; constructed drainage & access drains at Mbugua Mbugua road (ongoing); completed construction of storm water drain at Lower Mburu Gichua road, Flamingo & Kivumbini; installed 120 solid waste litter bins within the CB; maintained streetlights & road signages; completed development of strategic plan, IDEP(80 percent) and data governance policy(ongoing); installed a temporary sanitation facility at Menengai Arboretum; procured & planted 10,100 saplings in partnership with Nakuru Main prison & Tumaini House schools; conducted two city clean-up exercises at London & Waivers market; and tarmacked 7.3Km of roads.

232. The subsector intends to: Tarmack 5.8kms of new roads & 6kms of NMT; install two traffic lights, 200 streetlights & CCTV systems in six sites; construct 8.2kms storm water drainage; install 60 solid waste litter bins; purchase one skip loader truck & solid waste refuse truck; purchase four skip bins; develop one arboretum; host six trade exhibitions; organize four annual Nakuru city marathon events; develop two spatial action plans; upgrade the Nakuru City mini-portal on the county website with updated content and as a platform to conduct various citizen engagement fora within the MTEF period 2025/26-2027/28. The subsector has been allocated Ksh. 419,630,369 in FY 2025/26, Ksh. 461,593,406 in FY 2026/27 and Ksh. 507,752,747 in FY 2027/28.

Naivasha Municipality

233. Naivasha Municipality was created as per the requirements of the Urban Areas and Cities Act, 2011 which provides the criteria for a Town to be upgraded to a Municipality. Naivasha Municipality Board has been delegated the following functions: development control, solid waste management and on-street parking. During the MTEF period 2021/22-2023/24, the municipality: Tarmacked 4.7 kms Lakeview roads; installed 3,500

m^2 Cabro; designated & constructed 190 parking lots; developed & adopted a solid waste management plan; planted 3,000 saplings; completed the construction of Naivasha wholesale market; rehabilitated Naivasha Municipal Park; constructed 0.5kms of NMT at Mama Ngina street; constructed 4.2 km of drainage network and graded & gravelled roads in Kayole Estate & Kinungi Centre; constructed 0.6Kms sewer line(ongoing), developing of IDEP(95%); and hosted 'soko huru la vijana' at Naivasha Municipal Park, a market activation strategy for youth, vulnerable women & PWD.

234. In the MTEF period 2025/26-2027/28, the subsector will prioritise: Construction of 300 new parking slots; development of two infrastructure master plans, instalment of 15 solar streetlights; construction of 15.6 Kms sewer reticulation; improvement of 14.2 Kms drainage; improvement of 12.5 Kms roads to Bitumen standards & NMT; construction of three bus parks; procurement of two fire engines; procurement of five skip bins & 30 litter bins; rehabilitation of two green parks; construction of one public toilet; undertaking seven cleanup exercises; construction and equipping one social hall; and holding three annual municipality cycling and marathon events. In order to achieve these interventions, the subsector has a budgetary allocation of Ksh 344,008,992 in FY 2025/26, Ksh. 378,409,891 in FY 2026/27 and Ksh 416,250,880 in FY 2027/28.

Molo Municipality

235. Molo Municipality is situated in the western part of Nakuru County approximately 50 Kilometres from Nakuru City. It covers five wards namely; Molo, Turi & Sirikwa in Molo Subcounty and Sirikwa & Kamara wards in Kuresoi North Subcounty. The municipality received its charter on 7th July, 2022 and has a fully constituted municipality board and essential board committees appointed. In the review period 2021/22-2023/24, the municipality achieved the following trivial milestones: Renovated municipality offices; procured

office furniture & ICT equipment; conducted three board meetings & four municipality committees' meetings; carried out two environmental clean-ups in Molo town; and carried out public participation forum for identification of development projects for FY 2024/25.

236. In the medium term, the municipality has a budgetary allocation of Ksh 73,042,251 in FY 2025/26, Ksh 80,346,476 in FY 2026/27 and Ksh 88,381,124 in FY 2027/28. The municipality will allocate resources towards: Rehabilitating & equipping municipality offices; recruiting 24 members of staff; cabro paving 300 parking slots; developing municipality infrastructure master plan; installing 15 solar street lights; installing 30 litter bins; rehabilitating three green spaces/parks; constructing six Juakali shades, constructing three markets; rehabilitating three social halls; and conducting 16 public engagement fora.

Gilgil Municipality

237. Gilgil town officially became a municipality on 7th July, 2022. Gilgil Municipality serves as a key security town for both Nakuru County and Kenya as a whole. It accommodates various security installations such as 5KR barracks, Kenyatta barracks, Kenya Anti Stock Theft Unit (ASTU) and the National Youth Service (NYS). It transcends the wards of Gilgil and Murindat with boundaries of Gilgil, Kikopey and Langalanga sublocations. During the MTEF period 2021/22-2023/24, the municipality: Rehabilitated municipality offices (60% completion); equipped one municipal office; and held six board meetings.

238. In the MTEF period 2025/26-2027/28, the municipality intends to: Construct 300 new parking slots; tarmac 9km new road network; construct 10km new drainage system; install 30 new solar street lights; develop a municipal infrastructure development master plan; install 40 litter bins within the municipality; rehabilitate two green spaces/parks; construct six juakali sheds; construct one markets; rehabilitate one social hall; and conduct 12 public participation fora. Towards achieving these objectives, the County treasury

has allocated the municipality Ksh 192,137,552, Ksh 211,351,307, and Ksh 232,486,438 in financial years 2025/26, 2026/27 and 2027/28 respectively.

Energy, Infrastructure and Information, Communication and Technology Sector

239. The Sector is comprised of two subsectors namely; Infrastructure sub sector and ICT & E-Government sub sector.
240. The Infrastructure subsector is responsible for the planning, development, and maintenance of infrastructure within the county including roads, drainages, bridges, transport facilities, streetlights and public buildings. Over the MTEF period of 2021/22-2023/24, significant progress was achieved: Graded and gravelled over 2,656.95km of roads; under Imarisha Barabara programme graded 1,675.84km & gravelled 224.33km of roads; constructed new drainage networks spanning 32.13km & maintained 145.77km of existing drainage network; established 47 motorable footbridges & 102 boda-boda sheds; and installed 1,243 new floodlights & maintained 70% existing floodlights across the county.
241. In the next MTEF period, 2025/26 – 2027/28 the subsector plans to: Tarmac 21kms of new road networks; grade 1300kms and gravel 940kms of roads; construct 21 new footbridges; construct 55kms of new drainage network & maintain 42kms of existing drainage systems; rehabilitate seven existing bus parks while constructing six new ones; establish 60 additional boda-boda sheds; purchase seven vehicles & seven graders; and increase the installation of solar streetlights by 25%.
242. The Nakuru County Government recognizes ICT as a key enabler for economic development and social transformation in the county. The subsector aims at providing efficient, affordable and reliable ICT infrastructure and services as outlined in the Fourth Medium Term Plan (MTP IV) of the Kenya Vision 2030, Bottom-up Economic Transformation Agenda

(BETA), Nakuru County Integrated Development Plan 2023-2027 and the Governor's Manifesto.

243. During the previous MTEF period, the key achievements for the subsector included: Established three digital centres (Molo, Kagoto and Njoro); recruited 10 ICT officers; developed the ICT, e-Government and public communication service charter; developed the ICT policy; promoted five ICT officers; trained of 13 ICT officers; installed internet in 15 sites, LAN in three sites and Wi-Fi at Kabazi market; trained 3,520 youths at Shabab and Menengai digital centres; installed a firewall at the HQ data centre (70% complete); produced three documentaries; branded three projects; and developed technical specifications for HRMIS, stores management system and asset management system.

244. In the MTEF period 2025/26-2027/28, the Sub-sector has prioritized: Establishment of a production studio at the county headquarters to facilitate multimedia content creation and dissemination; procuring communication equipment to strengthen communication channels and network capabilities; upgrading the county website to ensure an improved and user-friendly online platform for information sharing; establish digital and media centers to provide access to digital resources and media services to the public; install and configure LAN, WAN, Wi-Fi and internet services; deploy data security measures; and install CCTV systems & power back-up systems. Over the medium term, the Sector has been allocated Ksh 394,718,959, Ksh 434,190,855, and Ksh 477,609,941 in financial years 2025/26, 2026/27 and 2027/28 respectively.

Health Sector

245. Nakuru County's Health Sector is in alignment with Kenya's commitment to Universal Health Coverage (UHC), Kenya's Vision 2030, the Presidential BETA Plan, and the Governor's Manifesto in ensuring all citizens access quality and affordable healthcare services. The county health sector comprises of three

directorates; administration & planning directorate which oversees the overall operations in ensuring effective coordination and functionality; the public health and sanitation directorate which focuses on preventive and promotive health services in prioritising public wellbeing; and medical services directorate responsible for curative and rehabilitative services, addressing health needs & facilitating recovery. The health sector has a total of 222 healthcare facilities i.e., one Level V, 16 Level IV, 32 Level III and 173 Level II.

246. In the MTEF period under review the health sector achieved the following: Human Resource for Health (HRH) increased from 3,082 to 3,446 (11.8 percent growth); increased internship opportunities from 400 to over 600 youths; promoted 891 staff; recruited 146 healthcare workers and absorbed 186 healthcare workers on permanent & pensionable terms of service; and 30 County Health Management Team (CHMT), 30 Subcounty Health Management Team (SCHMT) & 69 Health Management Team (HMT) participated in induction programs.

247. Significant health infrastructural development was achieved: Upgrading of seven health facilities (Lare health center, Githioro Health center, Mangu Dispensary maternity, Sumeek dispensary maternity, Kipsyenan dispensary outpatient block, Ngecha dispensary outpatient block, Mwiciringiri dispensary outpatient block and Majani Mingi dispensary outpatient block); and completion of ultra-modern outpatient department (OPD) blocks at Nakuru County Referral and Teaching Hospital(NCRTH) and Naivasha Sub-County Hospital. Under public health services: Increased health facilities with medical waste incinerators to two; increased households with functional toilets from 92% to 96% through certification of open defecation-free (ODF) villages; ensured all schools have access to functional handwashing stations; established a Public Health Food Laboratory; conducted medical examinations for 16,000 food handlers(30% growth rate), generating revenue

up to Kshs 12,464,935(34% increase); generated a revenue up to Ksh 32,185,650(36% increase) through inspections and licensing of food-related businesses; treated 90 cases of Cutaneous Leishmaniasis; sprayed 685 households to control bedbug infestations; dewormed 1,053,282 school going children; and improved disease surveillance from 4,329 to 5,523 signals(4% growth). Under Reproductive, Maternal, Newborn, Child, and Adolescent Health (RMNCAH): The percentage of women of reproductive age (WRA) receiving family planning services increased from 55% to 74%; Skilled Birth Attendant (SBA) delivery rates decreased from 88% to 79%; Cervical cancer screening coverage increased from 30% to 36%; improved uptake of contraceptive services to 125,492; and teenage pregnancy rate remained at 12.5%. The immunization: Reported immunization coverage at 91% through interventions such as supply & installation of 60 new cold chain equipment, solar-powered units; established a walk-in cold room; recorded a reduction in HIV prevalence from 3.5% to 3.3%; Mother-to-child transmission (MTCT) rates declined slightly from 11% to 10.7%; and Antiretroviral Therapy (ART) coverage gradually increased from 81% to 83%.

248. In the next MTEF period (FY 2025/26 to 2027/28), the health sector will prioritise: Implementing a comprehensive health staff establishment; expanding health infrastructure; strengthening management systems; enhancing primary care networks, maternal and child health, disease surveillance, sanitation, reproductive health, HIV & TB prevention, mental health awareness, and chronic disease management; and improving drug supply chain management and diagnostic services. The Sector has been allocated Ksh. 8,546,506,329, Ksh. 9,401,156,962, and Ksh. 10,341,272,658 in financial years 2025/26, 2026/27 and 2027/28 respectively.

Education Sector

249. The constitution of Kenya, 2010 recognizes education as a fundamental human right. The fourth schedule, Part 2 outlines specific responsibilities devolved to the County Governments on pre-primary education, village polytechnics and childcare facilities. The sector is made up of two directorates i.e., Early Childhood Education and vocational training. The sector's mandate includes the provision of infrastructure, recruitment & capacity building of ECDE teachers & instructors, equipment & instructional materials, scholarships, among other responsibilities.

250. During the MTEF period 2021/22-2023/24 the department: Developed the departmental service charter; equipped four offices; trained 17 staff and promoted 83 staff under administration, planning and support services. The directorate of education: Constructed two ECDE centres of excellence in Naivasha & Nakuru West sub counties; constructed 299 new ECDE classrooms; procured & distributed language, mathematical, environmental activity, instructional materials for CRE and psychomotor/creative activities and ECDE teachers handbook to all public ECDE centres; equipped 739 classrooms with age-appropriate furniture; recruited 306 ECDE teachers; rolled out school feeding program (uji) to 1,063 public ECDE centres benefitting 65,342 learners; issued bursaries worth Kshs. 812,841,240 benefitting 202,987 needy students. Under integration of ICT in ECDE: EIDU trained 10,641 ECDE teachers (both public & private school teachers) on CBC implementation; and distributed ICT devices/gadgets to all public ECDE classrooms. These interventions increased enrolment by 12.5% from 117,090 in FY 2021/22 to 131,738 in FY 2023/24 with teacher pupil ratio in public schools at 1:97 and textbook to pupil ratio at 1:6.

251. The directorate of vocational training: Recruited 42 instructors; constructed six training rooms, three administration blocks & a storey building in Njoro VTC; procured tools & equipment for 29 VTCs; held 13 sensitization forums; trained

97 VTC instructors, 91 BOG members & 11 sub county VT officers and graduated 3,500 learners; and disbursed Kshs 364,428,666 to 13,257 trainees as Subsidized Vocational Training Centres Support Grant & Dan Church Aid paid exam fees for 165 needy students amounting to Kshs 820,500.

252. The sector will prioritize: Improvement of ECDE and VT infrastructure; provision of instructional materials and fixed play equipment; capacity building of personnel; provision of bursaries and scholarships; sustainability of the school feeding program; recruitment of optimal staff; and partnering with various complementary stakeholders to bridge the resource gap. Over the medium term, the Sector has been allocated Ksh 1,270,268,463, Ksh 1,397,295,310, and Ksh 1,537,024,841 for FY 2025/26, 2026/27 and 2027/28 respectively.

General Economic and Commercial Affairs Sector

253. The General Economic and Commercial Affairs Sector plays a critical role in poverty eradication, employment creation, and regional development. It is also a key sector in revenue generation for the Government. The Sector's key areas of focus include Trade promotion, Enterprise Development, physical markets development, Alcoholic Drinks Control, County Bus Terminus Management, promotion of Industrialization, fair trade practices, betting, gaming & lotteries control, Co-operative Development and Tourism promotion.

254. During the MTEF period 2021/22-2023/24, under Administration, Planning, and Support Services: Developed a strategic plan; promoted 15 members of staff;and renovated weights and measures offices. Under Cooperative Management: revived nine marketing cooperatives & five marketing cooperatives were supported with value addition equipment. Under Commerce and Enterprise programme: Conducted 12 Small and Medium-sized Enterprises (SMEs) trainings; registered nine Producer Business Groups (PBG) & market linkages done; organised 11 Trade Exhibitions & verified

17,704 of weighing and measuring instruments; and inspected 179 business premises.

255. Under the market rehabilitation and development Programme: Constructed and rehabilitated 56 markets; held 58 market committee meetings; activated five tourism sites; held 13 tourism events; conducted five Public Service Vehicle (PSV) drivers' and conductors' sensitization forums and 25 Savings; and trained Credit Cooperative Organizations (SACCOs) and Sixteen (16) Sub County liquor regulation committees.

256. In the MTEF period 2025/26-2027/28 under administration, the department intends to: Recruit 20 staff and promote 20 staff; rehabilitate eight markets & construct five new markets; map the revenue generation potential of markets; and undertake consumer protection through inspection of business premises & verification of Weighing & Measuring instruments. Under Alcoholic drinks control: Conduct stakeholders' sensitization forums on alcoholic drinks control and train sub county liquor & review committees. Under commerce and enterprise: Conduct 12 MSMEs trainings; create eight marketing linkages for BPGs; and conduct six trade exhibitions.

257. Fostering cultural diversity and economically empowering artists, the sector through the Development of Socio-Cultural Diversity and Promotion of Responsible Gaming Programme intends to: Develop a County Culture & Heritage Policy; establish three cultural centres; provide support to art groups; establish an artist database; offer training to artists; develop regulations to operationalize the Nakuru betting, Gaming and lottery Act, 2014 ; and enforce betting & gaming control regulations.

258. The Cooperative Directorate will: Revive six marketing cooperatives; improve access to credit through the CRDF; support nine market cooperatives with value addition equipment; promote women, youth & PWDs in cooperative leadership positions; and promote housing & investment co-operative. The Tourism Directorate will: Hold three Tourism

events; and activating three tourism sites thereby marketing Nakuru County as a tourism hub. The Medium-Term Budgetary allocation for the sector amounts to Ksh. 406,971,496, Ksh. 447,668,646 and Ksh. 492,435,510 for the fiscal period 2025/26, 2026/27 and 2027/28 respectively.

Social Protection and Recreation Sector

259. The Social Protection and Recreation sector has two sub-sectors namely: Youth, Sports, Gender, Social Services & inclusivity sub-sector and Culture sub-sector. The sub-sector operates under four programmes to fulfil its mandate. The programmes include: Administration, Planning and support services which focuses on the overall management and support functions of the department to ensure efficient service delivery; Gender Empowerment & Social Inclusivity that aims to promote socio-economic empowerment and ensure gender equality; Management and development of sports recreation & sports facilities is responsible for the development of sports infrastructure, promotion and coordination of sporting activities within the county; and Youth empowerment & participation programme focuses on engaging and empowering youth in county development and coordinating youth-related issues.

260. During the MTEF period 2021/22-2023/24, the subsector through the directorate of social services: Issued 1,762 assistive/mobility devices; mobilized 812 self-help groups across the 11 sub-counties; sensitized PWDs on AGPO; admitted 11 elderly persons at Alms house; conducted five sensitization workshops on drugs and substance abuse control; constructed four new units at Alms House; constructed three social halls (Kianjoya, Mau-Narok and Kabazi social halls); renovated and operationalized Menengai textile hub; constructed two pavilions with a capacity 600 persons and levelled playing field at Kamukunji grounds; revamped changing rooms at Kimathi grounds; constructed two metallic pavilions; constructed perimeter

wall at Rongai stadium and upgraded seven sports grounds (i.e. Jewathu, Kamukunji, Kirathimo, Mwariki, Kariandusi, Afraha annex & Rhonda playing fields); completed St Teresa sports centre; and established Keringet High Altitude sports centre phase I(95% complete).

261. To further support the development of sports, the sector: Purchased assorted sports equipment; trained 640 referees & coaches; organised & supported 17 tournaments, a PWD sports event & nurtured 112 sports talents; and participated in KICOSCA, KYISA and EALASCA games.

262. The directorate of Gender: Conducted 16 community sensitization forums on women's engagement in support of gender equality in decision making and leadership; conducted 37 sensitization meetings on Gender Based Violence (GBV); observed international women day, international day for girl child & 16 days of activism against GBV; and activated & capacity built GBV clusters in all sub counties.

263. The directorate of Youth Affairs: Developed a draft Youth policy which has been approved by the Cabinet; drafted Youth engagement bill; conducted capacity building for 10 Youth focal persons in county departments; engaged 24 stakeholders through forums; celebrated international Youth weeks/days; acquired & distributed assorted youth empowerment items; and organised youth market exhibition 'soko la vijana'.

264. In the MTEF period 2025/26-2027/28 the sector will: Promote gender equality and empowerment through robust participation of women in leadership; conduct empowerment programs and implementation of Nakuru County Gender & Development Policy; create awareness on sexual gender-based violence; construct a GBV rescue Centre; operationalize OVC-Njoro homecraft; construct multi-purpose hall & renovate old rooms at Alms House; and construct & equip new social halls.

265. The sector through the Management and Development of Sports & Recreation Programme will: Develop, rehabilitate and upgrade sports

infrastructure; organize tournaments/competitions and support various teams/clubs and federations; utilize sports allocation in supporting various teams throughout the county; and finalize the sports policy and regulations. Under the Youth Empowerment Programme the sector will: Establish production hubs; enact & operationalize Nakuru County Youth Engagement Service; issue start-ups empowerment equipment to the youth; and equip & operationalize the existing youth resource centres.

266. The sector's budgetary allocations for prioritized programmes and projects stands Ksh 188,976,627, Ksh 207,874,290 and Ksh 228,661,719 for the 2025/26-2027/28 MTEF period.

Environmental Protection, Water and Natural Resources Sector

267. The sector of Environmental Protection, Water and Natural Resources comprises of two Directorates namely: Environment, Energy, climate Change and Natural Resources; and Water & Sanitation. It is responsible for: Enforcement of environmental management laws, waste management, refuse removal, refuse dumps and solid waste disposal; pollution control on lentic-lotic ecosystems, air, land, noise & excessive vibrations; and identification & development of renewable sites & green energy opportunities for development.

268. During the MTEF period 2021/22-2023/24, the sector: Adopted the Integrated Solid Waste Management (ISWM) model and the circular economy through promotion of waste recovery approaches; rehabilitated & secured four disposal sites; constructed site office & sanitary facilities within the disposal sites; purchased one skip loader, 17 waste skip bins, 38 waste trolleys & installed 386 litter bins; trained various staff towards enhancing enforcement, compliance, monitoring, proper management of disposal sites; conducted environmental education awareness; ensured compliance with noise pollution regulations; undertook continuous desilting of storm water retention

ponds ; and established an enforcement and compliance unit to prevent water, air and land pollution.

269. Under the Directorate of Environment, Energy, Climate Change and Natural Resources: Completed the Participatory Climate Risk Assessment across all 55 wards of Nakuru County; developed the Nakuru County Climate Change Action Plan 2023; trained 55 ward Climate Change Planning Committees; and trained 278 people in 10 awareness creation workshops on climate change and adoption of clean energy solutions. These efforts culminated into Nakuru County being awarded as best in clean energy advocacy in 2023.

270. The sector managed to: Grow 1,156,284 trees (1,478.68 ha) of various species; rehabilitate and maintain open spaces & county parks such as Lions Garden in Nakuru City; partner with various partners in beautifying urban areas (roundabouts, open spaces, road medians, and open spaces); rehabilitate County recreation sites and open spaces; and ensured gazettement of Nakuru County Waste Management Act 2021, Nakuru County Climate Change Act 2021, Nakuru County water and sanitation act 2021 and Nakuru County Climate Change Fund Regulations. In efforts to enhance water supply: Drilled 73 boreholes; solarized 69 boreholes; de-silted one dam; secured seven springs; purchased & supplied 158 water tanks; rehabilitated 364 water projects; and handed over 25 community water projects to WSPs. This resulted into increased water production at 9,708m3/day and an increase in overall coverage by approximately 5 percent.

271. During the next Medium Term Expenditure Framework 2025/26-2027/28, the sector has prioritized four programmes namely: Administration & Support services; Water and Sewerage management; Environmental management; and Climate change Resilience and Energy Development. The sector will ensure: Provision of water and sanitation services through drilling & solarization of boreholes; rehabilitation of water projects and extension of

sewer network coverage; control of pollution on lentic-lotic ecosystems, air, land, noise, excessive vibrations as well as other public nuisances; strict environmental management through environment management laws; and enhancement of climate change resilience, adaptation, mitigation & development of green energy. The sectors' budgetary allocation for the implementation of the earmarked programmes/projects stands at Ksh. 526,379,868, Ksh. 579,017,855 and Ksh. 636,919,641 in the financial years 2025/26, 2026/27 and 2027/28.

Public Administration and National/International Relations Sector

272. This sector comprises of six sub sectors namely; Office of the Governor & Deputy Governor, Finance and Economic Planning, Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance, County Public Service Board, Office of the County Attorney and County Assembly of Nakuru.

Office of the Governor and Deputy Governor

273. The office of the governor plays a pivotal role in the implementation of a Nakuru county government's development agenda. It is responsible for resource organization, management, and accountability to improve quality service delivery. During the MTEF period 2021/22-2023/24, the subsector: Appointed all 10 County Executive Committee members to head the various Departments; appointed and inducted to office 23 Chief Officers; organized 45 Cabinet meetings which discussed matters affecting the County; the governor delivered three annual state of the County Addresses and assented three bills into law(Nakuru County Valuation and Rating Act,2024, Nakuru County Finance Act, 2023 and Nakuru County Alcoholic drinks control regulations); constituted County Budget and Economic Forum (CBEF); utilized 60% of Emergency Fund to address emerging disasters as well as Purchase of food and non-food items for affected victims of disasters; and

prepared & published performance contracts for subsequent signing between H.E the Governor and CECMs and further cascaded to chief officers & directors. Priority capital project i.e., the Milimani Office (Non-residential) complex is at 98% completion.

274. During the 2025/26-2027/28 MTEF period, the subsector will be implementing a budget of Ksh 397,075,358, Ksh 436,782,894 and Ksh 480,461,183 focusing on its projects and programmes in light of past accomplishments. The Sub-sector will: Complete & equip Milimani Office (Non-residential) complex; fully utilize Emergency Fund; hold 24 cabinet meetings & issue state of the county addresses annually; assent seven bills annually; and hold annual county peace & security meetings among other priorities.

The County Treasury

275. The County Treasury is comprised of five directorates namely; Internal audit, Supply Chain Management, Economic Planning, Finance and External Resource Mobilization. The PFM Act, 2012 stipulates the County Treasury's chief mandate as ensuring oversight, monitoring and evaluation of the public finances and managing the economic affairs of the County Government. Other mandates include; management of County public debt, strategic mobilization of financial resources, preparation of financial statements, safeguarding integrity of government assets and provision of leadership in acquisition and disposal of public assets.

276. During the MTEF period 2021/22-2023/24 the County Treasury made progress in administration and planning, personnel services, budget formulation coordination and management including; developed two county policies (county transport policy & Asset management policy), 65 percent county treasury office block completed i.e. finalised the construction of the super structure, constructed and equipped two sub county offices in Naivasha and Njoro; and renovated four offices (Accounts, Admin’s, Cash Management and C.O Economic Planning. Under personnel services: 41 staffs were

recruited (nine contracted and 32 casual staffs); trained 122 staff on short course programs through partners support; implemented 97 percent of performance contract and performance Appraisal System; and adhered to legal frameworks and guidelines governing various aspects including budget formulation, procurement, and public finance. This commitment resulted in the timely preparation and submission of essential documents such as Budget Circular, County Budget Review and Outlook Paper (CBROP), County Fiscal Strategy Paper (CFSP), Sector reports, and Budget estimates. The subsector also achieved notable performance in Own Source Revenue collection of with Ksh. 3.23 billion, Ksh. 3.1 billion and Ksh. 3.36 billion against a target of Ksh. 3.38 billion, Ksh. 3.58 billion and Ksh. 4.1 billion for the FY 2021/22, FY 2022/23, FY 2023/24 respectively. This indicates 82 percent revenue collection efficiency, a commendable achievement.

277. The subsector also prioritized risk-based and value-for-money audits to strengthen internal control systems and ensure transparency. During this period, annual financial statements were prepared in compliance with the PFM Act 2012. Particularly, the County Treasury successfully settled pending bills worth Ksh 300.3 million thus demonstrating a commitment to debt management and financial credibility. Furthermore, the subsector engaged widely with stakeholders during budget preparation, involving a total of 1185 participants. 100 percent compliance with the AGPO program and the issuance of financial advisories on expenditure control highlighted a robust commitment to regulatory adherence and transparency.

278. Under the Economic and Financial Policy Formulation and Management Programme, the County Treasury provided a comprehensive framework for the formulation, analysis, and management of fiscal and monetary policies. Over the MTEF period, several critical planning documents were prepared and submitted to the County Assembly and published to increase public access to information. The documents included; Annual Development Plans,

Annual Progress reports, and County debt management papers. The completion of the third-generation CIDP 2023-2027, County Statistical Abstract (CSA) 2022 and the preparation of key statutory planning documents aligned with the PFM Act (ADP 2021/22-2023/24, APR 2020/21 – 2021/22, Quarterly progress & Monitoring and Evaluation Reports) further demonstrate the subsector's commitment to effective planning and management.

279. During the MTEF Period 2025/26-2027/28 the County Treasury under the Administration, Planning, and Support Services will prioritize the completion and equipping of the County Treasury office block, strengthening financial management and reporting, undertake implementation for performance contracts (PCs) and Performance Appraisal System (PAS). Staff empowerment will also remain a key focus, aiming to train 250 staff annually on short-term courses. Additionally, the County Treasury will closely monitor project and programme implementations to ensure they meet their timelines. Compliance with statutory document submissions and the operationalization of critical acts and policies are also high-priority tasks.

280. Under the Public Finance Management Programme, the subsector targets to comply with statutory budget documents submission requirements to the County Assembly and other relevant entities as per the PFM Act, holding of public participation forums across all sub counties to ensure inclusivity in the budget making process. The County Treasury will issue guidelines and do follow-ups to ensure realizing of projects and planned activities within the set timelines. The subsector shall also prioritise revenue mapping with the goal of mapping 80 percent of revenue sources in FY 2025/26 and 90 percent by 2026/27 to enable the capturing of new tax payers within its database. The sub-sector shall also pursue full automation and integration of payment channels of revenue collection to reduce the aspect of human intervention and enable for remote payment of fees and taxes to the County. The sub-

sector aims to collect Ksh. 4.3 billion of Own Source Revenue (OSR) during FY 2025/26. The Sub- Sector also aims at strengthening management and usage of public funds to ensure prudence in financial management and reporting.

281. Additionally, the subsector targets continued implementation of the Affirmative Action requirements for procurement of county projects, as required by law which will enable SMEs owned by special interest groups to access at least 30 percent of government tender opportunities. It will provide external resource mobilization guidelines alongside actively guiding the line departments in the formulation of concept notes, papers, and proposals for seeking funds with external partners. The subsector shall continue to seek funding opportunities that may arise due to PPPs and other off balance-sheet arrangements with other organisations to bridge funding gaps.

282. Further, under the County Economic Planning and Coordination, the sub-sector aims to: provide technical backstopping on County economic planning, Prioritizing the preparation and submission of the Annual Development Plan by 1st September 2025, adopting the County Investment Plan (CIP) for strategic investment decisions, Enhance usage of the County Information and Documentation Centre (CIDC) in knowledge management through equipping and digitization, improve monitoring and reporting of County projects through the preparation of the Annual and quarterly Progress Review Report, Establishing operational Sub-County Monitoring and Evaluation (M&E) committee, Develop and implement a County M&E plan, enhance data quality and availability through the strengthening of the County statistical unit.

283. Under the County Economic Planning directorate, The County Treasury aims to: provide technical backstopping on County economic planning, Prioritize the preparation and submission of the Annual Development Plan by 1st September, adopt the County Investment Plan (CIP) for strategic investment decisions, enhance usage of the County Information and Documentation

Centre (CIDC) in knowledge management through equipping and digitization, improve monitoring and reporting of County projects through the preparation of the Annual and quarterly Progress Review Report, establishing operational Sub-County Monitoring and Evaluation (M&E) committee, develop and implement a County Monitoring and evaluation plan and enhance data quality & availability through the strengthening of the County statistical unit. To achieve these objectives, the County treasury has been allocated Ksh. 3,409,941,736, Ksh. 3,750,935,910 and Ksh. 4,126,029,501 for FY 2025/26, FY 2026/27 and FY 2027/28 respectively.

Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance.

284. The Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance subsector executes its mandate through five Directorates, namely; Human Resource Management, Administration, Enforcement, Civic education & public participation and Disaster management & Humanitarian Assistance. The department coordinates decentralized units in service delivery and facilitates payroll administration, human resource and performance management, public participation and civic education, insurance cover, enforcement/compliance and disaster mitigation & humanitarian assistance.

285. During the MTEF period 2021/22-2023/24, the subsector: Constructed & completed Dundori and Rongai sub county offices; constructed Mauche & Kiptororo ward offices (70% and 60% completion rates respectively); constructed ablution blocks in Solai & Elburgon wards; provided NHIF comprehensive medical cover to all county employees; promoted 498 staff; recruited 210 enforcement officers & tooled with 457 uniforms; conducted 286 public participation fora; development of HRMIS(50% complete); spearheaded the biometric registration of 97 percent of Staff; responded to 2,273 disasters which included house fire incidents, rescue missions, road

Accidents, and flooding incidents; prepared and validated two schemes of service; spearheaded the preparation of County Government Organizational Framework and departmental structures; facilitated the preparation of performance contracts and performance appraisal for the FY 2023/24; coordinated the signing of the Code of Conduct by all staff to foster accountability and enhanced service delivery; and developed citizen engagement strategies, a disaster management framework, and a County Disaster Management Bill.

286. In the MTEF period 2025/26-2027/28, the subsector will; construct & equip one sub county office & five ward offices; and rehabilitate five offices & equip eight existing offices. Under the County Civic education and public participation programme will: Develop county civic education policy, stakeholders database & civic education curriculum; train ward & sub county administrators on Civic Education and Public Participation (CE&PP) policy; conduct annual public service weeks; train departmental CE champions & youth Trainer of Trainers(TOTs); hold CE&PP forums and generate public participation reports; recruit 200 enforcement officers; purchase uniforms; and implement compliance & enforcement survey through the County enforcement services Programme. Concerning human resource and performance management, the subsector will: Conduct employee satisfaction survey reports; carry out training needs assessment; establish guidance & counselling units; develop human resource policies; operationalize the Human resource information management system (HRMIS); sensitize staff on alcohol and drug abuse & offer psychosocial support; implement performance contracting and staff appraisal system; establish new disaster management centres; recruit staff; procure protective gear and purchase new fire engines; construct new fire station in Maai Mahiu ward; equip existing fire stations and capacity build firefighters; formulate a disaster risk reduction & humanitarian policy; and recruit two divers, 15

firefighters to enhance fire prevention & management and humanitarian assistance efforts. The subsector will utilize the budgetary allocation of Ksh. 1,841,282,199, Ksh. 2,025,410,419 and Ksh. 2,227,951,461 in the MTEF period 2025/26, 2026/27 and 2027/28 respectively to realize the planned development interventions.

County Public Service Board

287. Established under Section 57 of the County Government Act, 2012, the Nakuru County Public Service Board is charged with the responsibility of promoting high standards of professional ethics and affording adequate and equal opportunities to all cadres of the County Public Service. During the MTEF period 2021/22-2023/24, the subsector: Submitted six reports on the execution of its mandate and promotion of values & principles to the county assembly; conducted 19 stakeholders' forums with various county government entities; trained 26 members of staff and seven board members; handled and finalized 29 disciplinary cases as submitted by County departments; recruited 1,575; promoted 1,727, re-designated six members of staff in various cadres; carried out a skills assessment survey for Nakuru County; and established a skills database that will be a point of reference for short-term recruitment.
288. In the MTEF period 2025/26-2027/28 the subsector will: Enhance service delivery by providing adequate office space for its members and the secretariat; develop an online application system that will enhance ease of receiving of Job applications; long list, shortlist candidates and conduct interviews within a specified period of time; purchase motor vehicle(s) for ease of movement; improve Human Resource productivity through staff and Board members' trainings; conduct recruitments, promote & re-designate as per departmental requests; entrench national values and principles of governance among the county staff through interdepartmental forums; induct new employees; and develop its five years strategic plan. The

subsector will utilize a budgetary allocation of Ksh 94,164,412, Ksh 103,580,853 and Ksh 113,938,938 in financial years 2025/26, 2026/27 and 2027/28 respectively to achieve its development interventions.

Office of the County Attorney

289. The Office of the County Attorney serves as the principal legal advisor of the County government with three (3) distinct directorates namely; Lands and Conveyancing Services, Litigation Services and Administration Services. During the MTEF period 2021/22-2023/24, the subsector; litigated and successfully concluded 567 cases representing 66.7% of all caseloads; spearheaded the drafting, review, submission & implementation of the Nakuru County Valuation and Rating Act, 2024; completed digitization of legal records; established a legal resource centre(50% complete); signed an MOU with Kenya Law Report (KLR) to oversee establishment of the county resource centre; and appointed the county solicitor to be the administrative head & assist in reducing the county huge case backlog.

290. In the MTEF period 2025/26-2027/28, the subsector will utilize a budgetary allocation of Ksh 59,677,592, Ksh 65,645,351 and Ksh 72,209,886 to: Equip the legal resource centre; engage & train legal pupils; ensure optimal recruitment and capacity building of advocates & support staff; automate legal records; finalize cases pending in court; and promote ADR/AJS mechanisms in handling of county cases.

The County Assembly

291. The County Assembly of Nakuru is established under Article 176 (1) of the Constitution and pursuant to the provisions of Article 185 of the Constitution read together with Section 8 and 9 of the County Governments Act No.17 of 2012. The County Assembly has been mandated to: Legislate laws that are necessary for the effective performance of the functions and exercise of the powers of the County Government under the Fourth Schedule; oversee implementation of the County Executive Committee and any other county

executive organs; and maintain close contact with the electorate and consult them on the issues before or under discussion in the County Assembly.

292. During the MTEF period 2021/22-2022/23 the County assembly: Passed and publicized more than 15 Acts of the county assembly; produced Hansard Reports; refurbished Chambers; adopted Charters towards establishment of Molo and Gilgil Municipality; trained & capacity built assembly members, board and staff; successfully benchmarked locally & internationally; established, equipped and staffed wards offices for the assembly members; provided adequate office space for both MCAs and staff; enhanced Public Participation; passed relevant legislations through Motions, Petitions and Statements to enhance service delivery; amended standing orders; refurbished old building (members offices); completed water purification transplant; completed speakers residence; completed new office block (Ugatuzi Plaza); and constructed perimeter wall / security gate at the rear.

293. In the MTEF period 2025/26-2027/28, the assembly has prioritized: Making legislative laws that are necessary for the effective performance of the functions and exercise of the powers of the County Government under the Fourth Schedule; overseeing implementation of the County Executive Committee and any other county executive organs; maintaining close contact with the electorate and consult them on the issues before or under discussion in the County Assembly; approving the budget and expenditure of the County government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution; and fostering collaboration with other government arms, agencies and government organizations.

294. The subsector has been allocated Ksh. 1,609,227,580 Ksh. 1,770,150,338 and Ksh. 1,947,165,372 in the financial years 2025/26, 2026/27 and 2027/28 respectively to implement the prioritized interventions.

4.9 Public Participation/Sector Hearings and Involvement of Stakeholders

295. Article 1 of the Constitution of Kenya, 2010 states that the sovereign power belongs to the people of Kenya, and the people ought to exercise their sovereignty directly by being involved in the democratic and governance processes. In addition, The Public Finance Management Act, 2012, the County Government Act, 2012 and Article 201 of the Constitution of Kenya provide that County governments should carry out public participation in the county planning processes to enhance openness and accountability. In fulfilling this legal requirement, the County government conducted public hearing on the preparation of the CFSP 2025 for the MTEF period 2025/26-2027/28.

296. The public participation was advertised in local newspaper on 21st January, 2025 and a noticed placed in the County website. The physical public participation sessions took place for five days from 27th January to 31st January, 2025 at Old Town Hall, Nakuru. Public participation was also carried out at the municipality levels with the hearings being held on 31st January at Molo Social Hall for Molo Municipality and Gilgil Forestry Grounds for Gilgil Municipality. Naivasha Municipality undertook theirs on 29th January, 2025 at Naivasha Sub County Chambers. The attendance composition is illustrated below

Date	Male	Female		PLWDS	Youth	36+	Total
27th January 2025	59	54		8	45	68	113
28th January 2025	69	65		11	46	88	134
29th January 2025	102	54		13	44	112	156
30th January 2025	61	59		12	34	86	120
31st January 2025	210	161		14	121	250	371
Totals	**501**	**393**		**58**	**290**	**604**	**894**
Percentage of Total	56%	44%		6%	32%	68%	

The County in the next medium term will put in measures and strategies to ensure more people undertook their sacrosanct duty of participating in county planning processes.

297. The public hearings allowed members of the public, Civil Society Organizations and PWDs to assess the County Sectoral performance over the previous MTEF period (2021/22-2023/24) and provide input for the next MTEF period (2025/26-2027/28). All the eight sectors that comprised of nineteen sub-sectors were represented, providing an opportunity for stakeholders to reflect on achievements over the past three years and outline plans for the future. The comments and proposals were taken into account in finalizing the document.

298. The proposals that require budgetary intervention will be considered in the programme-based budget which those that needs administrative actions such policy directive implementations will be done. Some of the issues raised touching the PWD's included surge in alien PWDs who are not registered and lack of access to the PWD fund. The feedback given was that the social sector to collaboration with registration of persons to identify aliens PWDs and will fast track approval by County Assembly on the amended clauses in the PWD fund regulations to conform with PFM Act, 2015 as advised by COB. A detailed report on the public participation exercise will be documented. Annex IX provides a summary of the issues raised and the feedback or responses by the different sector/subsectors given during the public hearings.

299. Pursuant to Section 117 of the PFM Act, 2012, the County Treasury will share the draft Nakuru CFSP 2025 with the National Treasury and the Commission on Revenue Allocation (CRA) for their feedback, comments, and recommendations.

V. CONCLUSION AND NEXT STEP

300. The CFSP 2025 has been prepared as part of the County budget process pursuant to Section 117 of the PFM Act, 2012. The CFSP 2025 aims to provide guidance on the County fiscal framework for the next MTEF period (MTEF 2025/26-2027/28). The fiscal policies outlined in the document provides a roadmap for the implementation of the Governor's manifesto and the Medium-Term Plan (MTP IV) priorities that are aligned to the Bottom-Up Economic Transformation Agenda. In the next MTEF period, the County government will prioritize the following fiscal policies: leveraging on the growth of productive sectors in the economy; promotion of access to quality and affordable healthcare services; completion, operationalization and expansion of County infrastructure; transforming the Micro, Small and Medium Enterprise economy; county public service reforms, enhancing governance, transparency and accountability; Social Development and Inclusivity.

301. Recognizing the constrained fiscal space occasioned by external shocks arising from revenue cuts, erratic disbursement of transfers, geo-political tensions, and macroeconomic instability, the County government will continue to enhance revenue mobilization and rationalize expenditure without affecting service delivery. The County will prioritize programmes and projects within the available resources to ensure that utilization of public funds is in line with the set-out priorities. In addition, the County will continue to implement reforms for revenue enhancement including revenue mapping, enhancing the County Integrated Financial Operations Management System (CIFOMS), and streamlining the licensing process through a single business permit.

302. Achieving sustainable growth requires concerted effort from all stakeholders, including County Government departments and entities, development partners, the general public, the private sector, civil society organizations, and other professional and organized groups. This necessitates ongoing consultation and collaboration to develop solutions that foster a resilient and sustainable County.

ANNEXTURES

Annex I: County Government of Nakuru Operations FY 2025/2026 - 2027/2028

IFMIS CODE	REVENUE SOURCE	ACTUAL COLLECTION	ACTUAL COLLECTION	APPROVED ESTIMATES	CFSP PROJECTIONS	PROJECTIONS		ANNUAL GROWTH	% GROWTH
		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028		2025/26
1520101	Property tax (Plot rent and Land rates	299,846,895	265,935,172	442,481,857	326,593,517	359,252,869	395,178,156	(115,888,340)	-26.2%
1520201	Trade License	368,530,455	432,030,600	456,917,293	523,203,060	575,523,366	633,075,703	66,285,767	14.5%
1550101	Market Fees	36,953,827	39,694,395	48,445,765	54,415,204	59,856,724	65,842,397	5,969,439	12.3%
1590112	Building Approval	59,338,984	70,759,337	127,150,350	127,075,934	139,783,527	153,761,880	(74,417)	-0.1%
1520325	Cess	17,667,491	35,293,228	24,386,779	73,529,323	80,882,255	88,970,481	49,142,544	201.5%
1530301	Royalties	181,247,525	212,010,117	257,322,056	291,201,012	320,321,113	352,353,224	33,878,956	13.2%
1580401	Stock/Slaughter fees	9,651,794	11,099,135	25,884,461	26,994,375	29,693,812	32,663,193	1,109,914	4.3%
1560101	House Rent	8,400,082	6,008,560	56,516,290	30,600,856	33,660,942	37,027,036	(25,915,434)	-45.9%
1590132	Advertising	133,598,036	159,616,862	158,245,614	205,961,686	226,557,855	249,213,640	47,716,072	30.2%
1550221	Parking fees	244,301,240	269,481,939	279,066,141	316,948,194	348,643,013	383,507,315	37,882,053	13.6%
1420223	Liquor Licensing	55,491,224	138,327,082	93,201,015	163,832,708	180,215,979	198,237,577	70,631,694	75.8%
1530331	County Park Fees	-	179,000	-	196,900	216,590	238,249	196,900	100.0%
1580211	Health fees and charges	62,852,524	58,575,132	89,894,811	95,752,325	105,327,557	115,860,313	5,857,513	6.5%
1540105	Other Fees and Charges	133,182,606	130,811,574	167,435,616	163,694,907	180,064,398	198,070,837	(3,740,709)	-2.2%
	Sub Total Local Sources	**1,611,062,682**	**1,829,822,133**	**2,226,948,048**	**2,400,000,000**	**2,640,000,000**	**2,904,000,000**	**173,051,952**	**7.8%**
1580211	Bahati Hospital	43,988,358	37,021,127	60,121,903	66,721,411	73,393,552	80,732,907	6,599,508	11.0%
1580211	Bondeni Maternity	10,061,795	9,903,607	12,241,904	16,477,784	18,125,562	19,938,119	4,235,880	34.6%
1580211	Elburgon District Hospital	14,335,435	18,322,889	19,847,540	22,057,190	24,262,909	26,689,200	2,209,650	11.1%
1580211	Gilgil Hospital	69,791,023	64,927,862	77,879,013	82,041,250	90,245,375	99,269,913	4,162,237	5.3%
1580211	Kabazi Sub County Hospital	2,768,126	3,535,357	4,301,670	5,244,442	5,768,886	6,345,775	942,772	21.9%
1580211	Keringet Sub County Hospital	4,424,094	5,559,203	7,523,750	8,985,550	9,884,105	10,872,516	1,461,800	19.4%
1580211	Langalanga Hospital	8,705,576	9,391,929	10,911,498	11,500,000	12,650,000	13,915,000	588,502	5.4%
1580211	Mirugi Kariuki Sub County Hospital	4,434,895	4,647,146	5,579,278	6,967,320	7,664,052	8,430,457	1,388,042	24.9%
1580211	Molo District Hospital	61,751,693	54,286,118	70,319,020	95,902,290	105,492,519	116,041,771	25,583,270	36.4%
1580211	Naivasha District Hospital	250,591,081	289,794,223	454,039,755	454,039,755	499,443,731	549,388,104	-	0.0%
1580211	Njoro Sub County Hospital	24,944,657	21,310,814	28,318,304	29,500,304	32,450,334	35,695,368	1,182,000	4.2%
1580211	Olenguruone Sub County Hospital	15,610,943	22,226,914	17,727,718	26,000,000	28,600,000	31,460,000	8,272,282	46.7%
1580211	P.G.H Annex	80,815,677	83,577,400	95,945,806	125,000,000	137,500,000	151,250,000	29,054,194	30.3%
1580211	P.G.H Nakuru	911,926,851	828,170,209	990,593,242	1,199,132,308	1,319,045,539	1,450,950,093	208,539,066	21.1%
1580211	Soin Sub County	3,990,945	3,802,934	4,338,249	4,848,632	5,333,495	5,866,845	510,383	11.8%
1580211	Subukia Sub County Hospital	11,219,894	12,020,486	20,521,350	21,485,677	23,634,245	25,997,669	964,327	4.7%
	Sub Total FIF (AiA)	**1,519,361,043**	**1,468,498,216**	**1,880,210,000**	**2,175,903,913**	**2,393,494,304**	**2,632,843,735**	**295,693,913**	**15.7%**
	SUB TOTAL (AIA & Local Sources)	**3,130,423,725**	**3,298,320,350**	**4,107,158,048**	**4,575,903,913**	**5,033,494,304**	**5,536,843,735**	**468,745,865**	**11.4%**

IFMIS CODE	REVENUE SOURCE	ACTUAL COLLECTION	ACTUAL COLLECTION	APPROVED ESTIMATES	CFSP PROJECTIONS	PROJECTIONS		ANNUAL GROWTH	% GROWTH
		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028		2025/26
9910201	Balance in County Revenue Fund	3,915,012,915	4,094,808,358	1,005,000,000	-				0.0%
1310102	Donor Grants (DANIDA)	33,772,347	19,115,250	16,136,250	4,468,500	4,915,350	5,406,885	(11,667,750)	-72.3%
1310102	Loans and Grants CRA				-	-	-	-	0.0%
1310101	Kenya Devolution Support Program (KDSP) II Level I			37,500,000	37,500,000	41,250,000	45,375,000	-	0.0%
1310102	Kenya Devolution Support Program (KDSP) II Level II			-	352,500,000	387,750,000	426,525,000	352,500,000	100.0%
1310102	World Bank National Agricultural Value Chain Development Project (NAVCDP)	67,192,729	198,946,385	151,515,152	151,515,152	166,666,667	183,333,334	-	0.0%
1310102	World Bank National Agricultural and Rural inclusive growth Projects (NARIGP)	151,586,967	4,261,826	-	-	-	-	-	0.0%
1330203	Conditional Grant for the provision of fertilizer subsidy programme		234,883,209	234,883,209	-	-	-	(234,883,209)	-100.0%
1310102	Agricultural Sector Development Support Projects (ASDSP II)	5,252,658	1,083,629	-	-	-	-	-	0.0%
1310102	IFAD Conditional grant Kenya Livestock Commercialization Project (KELCOP)		31,903,688	38,280,000	38,280,000	42,108,000	46,318,800	-	0.0%
1330203	Conditional Grant - Kenya Livestock Value Chain Support Project			-	-	-	-	-	0.0%
1330203	Conditional Grant - Kenya Agricultural Business Development Project (KABDP)			-	10,918,919	12,010,811	13,211,892	10,918,919	0.0%
1310102	Conditional Fund -Kenya Urban Support Project (KUSP) - Urban Development Grant	3,534,474		-	671,683,509	738,851,860	812,737,046	671,683,509	100.0%
1310101	Conditional Fund -Kenya Urban Support Project (KUSP) - Urban Institutional Grant			35,000,000	35,000,000	38,500,000	42,350,000	-	0.0%
1310102	Interest Earned in Nakuru City KUSP UDG Grant Account	40,533,136	3,200,000	-	-	-	-	-	0.0%
1310101	World Bank Grant Finance Locally-Led Climate Action Program, (FLLoCA) - County Climate Institution Support (CCIS) Level I	22,000,000	11,000,000	11,000,000	11,000,000	12,100,000	13,310,000	-	0.0%
1310102	World Bank Grant Financing Locally-Led Climate Action (FLLoCA) Program – County Climate Resilience Investment Grant		188,211,086	125,000,000	188,211,085	207,032,194	227,735,413	63,211,085	50.6%
1310102	Conditional Fund - World Bank - Kenya Informal Settlement Improvement Project II (KISIP II)	200,000,000	250,000,000	550,000,000	100,000,000	110,000,000	121,000,000	(450,000,000)	-81.8%
1330203	County Allocation for Court fines			-	-	-	-	-	0.0%
1330203	County Allocation for 20% share of mineral Royalties			1,562	-	-	-	(1,562)	-100.0%
1310102	Nutrition International Grant	12,498,800	5,000,000	-	10,000,000	11,000,000	12,100,000	10,000,000	100.0%
1330104	Conditional Fund -Leasing of Medical Equipment	110,638,298	124,723,404	-	-	-	-	-	0.0%
1330203	Conditional Allocation for Community Health Promoters (CHPs)			99,390,000	99,390,000	109,329,000	120,261,900	-	100.0%
1330203	Conditional grant from GoK for Aggregated Industrial Parks Programme (CAIPs)		64,000,000	-	105,263,158	115,789,474	127,368,421	105,263,158	0.0%

IFMIS CODE	REVENUE SOURCE	ACTUAL COLLECTION	ACTUAL COLLECTION	APPROVED ESTIMATES	CFSP PROJECTIONS	PROJECTIONS		ANNUAL GROWTH	% GROWTH
		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028		2025/26
1330202	Conditional Grant - Road Maintenance Levy Fund			527,595,811	-	-	-	(527,595,811)	-100.0%
1330203	Equalization Fund Allocation			-	-	-	-	-	0.0%
1330203	Transfers for Library Services function			-	-	-	-	-	0.0%
9999999	C.R.A Equitable Share	13,026,116,323	13,593,424,693	14,133,795,185	14,315,950,029	15,747,545,032	17,322,299,535	182,154,844	1.3%
	SUB TOTAL	**17,588,138,647**	**18,824,561,527**	**16,965,097,169**	**16,131,680,352**	**17,744,848,387**	**19,519,333,226**	**171,583,183**	**1.0%**
	GRAND TOTAL	**20,718,562,372**	**22,122,881,877**	**21,072,255,217**	**20,707,584,265**	**22,778,342,691**	**25,056,176,961**	**(364,670,952)**	**-1.73%**
	Allocation For Ward Projects								
	Total Development Budget			**6,991,975,883**	**6,340,351,122**	**6,974,386,234**	**7,671,824,858**	**(651,624,761)**	**-9.3%**
	Less Development Grants			2,167,904,166	2,257,717,955	2,483,489,751	2,731,838,726	89,813,789	4.1%
	Debt Resolution			280,000,000	300,000,000	330,000,000	363,000,000	20,000,000	7.1%
	Ongoing Projects			1,005,000,000		-	-	(1,005,000,000)	0.0%
	Nakuru City, Naivasha, Gilgil & Molo Municipalities			197,500,000	121,000,000	133,100,000	146,410,000	(76,500,000)	-38.7%
	Equitable Allocation			**3,341,571,717**	**3,661,633,167**	**4,027,796,484**	**4,430,576,132**	**320,061,450**	**9.6%**
	County Assembly HQ Development			150,000,000	420,000,000	462,000,000	508,200,000	270,000,000	180.0%
	Flagship HQ development			1,541,571,717	1,591,633,167	1,750,796,484	1,925,876,132	50,061,450	3.2%
	45% of Equitable Allocation for Ward Projects			**1,650,000,000**	**1,650,000,000**	**1,815,000,000**	**1,996,500,000**	**-**	**0.0%**
					45.06%				
	Expenditure:								
	Current Expenditure:								
	Compensation to Employees			8,038,976,126	8,197,100,317	9,016,810,348	9,918,491,383	158,124,190	2.0%
	Operations and Maintenance			4,444,711,063	3,879,795,554	4,267,775,110	4,694,552,621	(564,915,509)	-12.7%
	Current Grants And Other Transfers			1,596,592,144	2,290,337,272	2,519,370,999	2,771,308,099	693,745,127	43.5%
	Sub Total:			**14,080,279,334**	**14,367,233,143**	**15,803,956,457**	**17,384,352,103**	**286,953,809**	**2.0%**
	Capital Expenditure:					-	-		
	Acquisition Of Non-Financial Assets			4,453,619,051	2,132,633,167	2,345,896,484	2,580,486,132	(2,320,985,884)	-52.1%
	Capital Grants To Governmental Agencies			2,538,356,832	2,557,717,955	2,813,489,751	3,094,838,726	19,361,123	0.8%
	Other Development (Ward Allocation)			-	1,650,000,000	1,815,000,000	1,996,500,000	1,650,000,000	100.0%
	Sub Total:			**6,991,975,883**	**6,340,351,122**	**6,974,386,234**	**7,671,824,858**	**(651,624,761)**	**-9.3%**
	Grand Total:			**21,072,255,217**	**20,707,584,265**	**22,778,342,691**	**25,056,176,961**	**(364,670,952)**	**-1.7%**
	DEFICIT/ SURPLUS				-				
	PERCENT OF TOTAL BUDGET								
	Current Expenditure:			66.8%	69.4%	69.4%	69.4%		
	Capital Expenditure:			33.2%	30.6%	30.6%	30.6%		

Annex II: Trend in Growth of Equitable Share of Revenue

EXCHEQUER RECEIPTS TRENDS	ALLOCATION	GROWTH	% GROWTH
2013/2014 (Base Year)	5,936,875,619	5,936,875,619	100%
2014/2015	7,082,152,961	1,145,277,342	19%
2015/2016	8,116,330,943	1,034,177,982	15%
2016/2017	8,757,624,645	641,293,702	8%
2017/2018	9,271,400,000	513,775,355	6%
2018/2019	9,451,400,000	180,000,000	2%
2019/2020	10,476,150,000	1,024,750,000	11%
2020/2021	10,476,150,000	-	0%
2021/2022	13,026,116,323	2,549,966,323	24%
2022/2023	13,026,116,323	-	0%
2023/2024	13,593,424,693	567,308,370	4%
2024/2025	13,666,997,646	73,572,953	1%
2025/2026 (BPS 2025 Projected)	14,315,950,029	648,952,383	5%

Annex III: Total Expenditure Sector Ceilings for the Period 2025/2026 - 2027/2028

	SECTOR	SUB SECTOR	PRELIMINARY ACTUAL EXPENDITURE FY2023/2024	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS	
						2026/2027	2027/2028
1	**Agriculture Rural and Urban Development**						
1.1		**Agriculture, Livestock, Fisheries and Veterinary Services**					
		Compensation to Employees	310,765,088	374,804,651	324,715,337	357,186,870	392,905,557
		Operations & Maintenance	88,144,187	109,788,979	107,398,380	118,138,218	129,952,040
		Development Gross	645,565,871	698,124,148	244,214,071	268,635,478	295,499,026
		Sub Total	**1,044,475,147**	**1,182,717,778**	**676,327,788**	**743,960,566**	**818,356,623**
1.2		**Lands, Physical Planning, Housing and Urban Development**					
		Compensation to Employees	80,744,142	106,634,498	50,050,456	55,055,502	60,561,052
		Operations & Maintenance	63,786,336	81,177,182	56,781,272	62,459,399	68,705,339
		Development Gross	214,615,764	736,282,807	150,414,966	165,456,462	182,002,108
		Sub Total	**359,146,241**	**924,094,487**	**257,246,694**	**282,971,363**	**311,268,499**
1.3		**Nakuru City**					
		Compensation to Employees	21,357,005	37,374,131	64,224,459	70,646,905	77,711,595
		Operations & Maintenance	20,442,177	47,510,002	45,829,669	50,412,636	55,453,900
		Development Gross	347,354,309	59,500,000	309,576,241	340,533,865	374,587,251
		Sub Total	**389,153,490**	**144,384,133**	**419,630,369**	**461,593,406**	**507,752,747**
1.4		**Naivasha Municipality**					
		Compensation to Employees	5,534,887	13,421,090	13,456,868	14,802,554	16,282,810
		Operations & Maintenance	8,790,274	31,806,223	34,754,576	38,230,033	42,053,037
		Development Gross	100,512,742	63,000,000	295,797,548	325,377,303	357,915,034
		Sub Total	**114,837,903**	**108,227,313**	**344,008,992**	**378,409,891**	**416,250,880**
1.5		**Gilgil Municipality**					
		Compensation to Employees	-	3,200,000	14,510,817	15,961,899	17,558,089
		Operations & Maintenance	1,855,888	22,055,214	29,317,015	32,248,716	35,473,588
		Development Gross	-	40,000,000	148,309,720	163,140,692	179,454,761
		Sub Total	**1,855,888**	**65,255,214**	**192,137,552**	**211,351,307**	**232,486,438**

	SECTOR	SUB SECTOR	PRELIMINARY ACTUAL EXPENDITURE FY2023/2024	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS 2026/2027	PROJECTIONS 2027/2028
1.6		**Molo Municipality**					
		Compensation to Employees	-	3,314,400	7,000,000	7,700,000	8,470,000
		Operations & Maintenance	-	20,459,198	27,042,251	29,746,476	32,721,124
		Development Gross	-	35,000,000	39,000,000	42,900,000	47,190,000
		Sub Total	**-**	**58,773,598**	**73,042,251**	**80,346,476**	**88,381,124**
	SUB TOTAL (SECTOR)		**1,909,468,670**	**2,483,452,523**	**1,962,393,645**	**2,158,633,010**	**2,374,496,311**
2	**Education**						
2.1		**Education**					
		Compensation to Employees	476,147,347	604,291,891	601,726,666	661,899,333	728,089,266
		Operations & Maintenance	468,746,470	354,154,359	457,885,550	503,674,105	554,041,516
		Development Gross	176,753,665	375,559,745	7,418,018	8,159,820	8,975,802
		Sub Total	**1,121,647,483**	**1,334,005,994**	**1,067,030,234**	**1,173,733,258**	**1,291,106,584**
2.2		**Vocational Training**					
		Compensation to Employees	-	-	-	-	-
		Operations & Maintenance	29,486,534	115,974,252	116,756,433	128,432,076	141,275,284
		Development Gross	115,914,137	185,993,059	86,481,796	95,129,976	104,642,973
		Sub Total	**145,400,671**	**301,967,311**	**203,238,229**	**223,562,052**	**245,918,257**
	SUB TOTAL (SECTOR)		**1,267,048,153**	**1,635,973,305**	**1,270,268,463**	**1,397,295,310**	**1,537,024,841**
3	**Social Protection, Culture and Recreation**						
3.1		**Youth, Sports, Gender, Social Services and Inclusivity**					
		Compensation to Employees	91,589,440	120,930,458	51,461,012	56,607,113	62,267,824
		Operations & Maintenance	111,752,164	121,113,707	111,934,838	123,128,322	135,441,154
		Development Gross	96,474,984	218,476,631	15,580,777	17,138,854	18,852,740
		Sub Total	**299,816,588**	**460,520,796**	**178,976,627**	**196,874,290**	**216,561,719**
3.2		**Culture**					
		Compensation to Employees	-	-	-	-	-
		Operations & Maintenance	4,591,816	7,040,000	10,000,000	11,000,000	12,100,000
		Development Gross	-	-	-	-	-
		Sub Total	**4,591,816**	**7,040,000**	**10,000,000**	**11,000,000**	**12,100,000**
	SUB TOTAL (SECTOR)		**304,408,403**	**467,560,796**	**188,976,627**	**207,874,290**	**228,661,719**

	SECTOR	SUB SECTOR	PRELIMINARY ACTUAL EXPENDITURE FY2023/2024	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS	
						2026/2027	2027/2028
4	Energy, Infrastructure and ICT						
4.1		**Infrastructure**					
		Compensation to Employees	117,297,661	115,827,421	90,295,138	99,324,651	109,257,116
		Operations & Maintenance	191,791,400	169,350,334	179,085,800	196,994,380	216,693,818
		Development Gross	860,772,049	1,529,255,308	91,500,000	100,650,000	110,715,000
		Sub Total	**1,169,861,110**	**1,814,433,063**	**360,880,937**	**396,969,031**	**436,665,934**
4.2		**ICT, e-Government and Public Communication**					
		Compensation to Employees	-		-	-	-
		Operations & Maintenance	11,931,950	42,120,122	33,838,022	37,221,825	40,944,007
		Development Gross	1,897,400	8,000,000	-	-	-
		Sub Total	**13,829,350**	**50,120,122**	**33,838,022**	**37,221,825**	**40,944,007**
	SUB TOTAL (SECTOR)		**1,183,690,460**	**1,864,553,185**	**394,718,959**	**434,190,855**	**477,609,941**
5	Environment Protection, Water and Natural Resources						
5.1		**Water, Energy, Environment, Natural Resources and Climate Change**					
		Compensation to Employees	221,794,291	239,735,572	167,926,819	184,719,501	203,191,451
		Operations & Maintenance	24,674,616	71,857,615	51,521,649	56,673,814	62,341,195
		Development Gross	598,081,201	834,027,325	306,931,400	337,624,541	371,386,995
		Sub Total	**844,550,108**	**1,145,620,511**	**526,379,868**	**579,017,855**	**636,919,641**
	SUB TOTAL (SECTOR)		**844,550,108**	**1,145,620,511**	**526,379,868**	**579,017,855**	**636,919,641**
6	General Economics and Commercial Affairs						
6.1		**Trade, Cooperatives, Tourism**					
		Compensation to Employees	67,679,837	107,858,876	67,417,891	74,159,680	81,575,648
		Operations & Maintenance	103,498,111	125,845,286	124,290,447	136,719,492	150,391,441
		Development Gross	326,001,051	198,105,111	215,263,158	236,789,474	260,468,421
		Sub Total	**497,178,999**	**431,809,273**	**406,971,496**	**447,668,646**	**492,435,510**
	SUB TOTAL (SECTOR)		**497,178,999**	**431,809,273**	**406,971,496**	**447,668,646**	**492,435,510**
7	Health						
7.1		**Health Services**					
		Compensation to Employees	4,126,809,853	4,555,353,714	4,574,626,993	5,032,089,692	5,535,298,662
		Operations & Maintenance	1,388,344,955	2,357,900,889	2,619,038,066	2,880,941,872	3,169,036,059
		Development Gross	460,347,778	895,961,347	1,352,841,270	1,488,125,397	1,636,937,937
		Sub Total	**5,975,502,586**	**7,809,215,951**	**8,546,506,329**	**9,401,156,962**	**10,341,272,658**
	SUB TOTAL (SECTOR)		**5,975,502,586**	**7,809,215,951**	**8,546,506,329**	**9,401,156,962**	**10,341,272,658**

	SECTOR	SUB SECTOR	PRELIMINARY ACTUAL EXPENDITURE FY2023/2024	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS	
						2026/2027	2027/2028
8	Public Administration and National/ International Relations						
8.1		**Office of the Governor and Deputy Governor**					
		Compensation to Employees	92,331,661	136,718,549	105,369,861	115,906,847	127,497,532
		Operations & Maintenance	180,108,800	243,205,498	251,705,497	276,876,047	304,563,651
		Development Gross	139,764,341	48,965,736	40,000,000	44,000,000	48,400,000
		Sub Total	**412,204,802**	**428,889,783**	**397,075,358**	**436,782,894**	**480,461,183**
8.2		**County Treasury**					
		Compensation to Employees	488,793,022	520,461,030	279,769,692	307,746,662	338,521,328
		Operations & Maintenance	992,296,873	1,035,211,273	889,149,886	978,064,875	1,075,871,363
		Development Gross	678,897,119	788,147,181	2,241,022,157	2,465,124,373	2,711,636,810
		Sub Total	**2,159,987,014**	**2,343,819,484**	**3,409,941,736**	**3,750,935,910**	**4,126,029,501**
8.3		**Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance**					
		Compensation to Employees	538,790,727	641,413,454	1,228,484,036	1,351,332,440	1,486,465,684
		Operations & Maintenance	50,042,729	159,244,169	244,798,162	269,277,979	296,205,776
		Development Gross	17,781,670	84,577,486	368,000,000	404,800,000	445,280,000
		Sub Total	**606,615,126**	**885,235,109**	**1,841,282,199**	**2,025,410,419**	**2,227,951,461**
8.4		**County Public Service Board**					
		Compensation to Employees	34,161,115	39,642,825	45,114,412	49,625,853	54,588,438
		Operations & Maintenance	31,269,869	45,750,000	44,050,000	48,455,000	53,300,500
		Development Gross	2,939,632	5,000,000	5,000,000	5,500,000	6,050,000
		Sub Total	**68,370,616**	**90,392,825**	**94,164,412**	**103,580,853**	**113,938,938**
8.5		**Office of the County Attorney**					
		Compensation to Employees	7,249,607	27,161,503	20,727,797	22,800,577	25,080,634
		Operations & Maintenance	22,600,440	35,349,210	35,949,795	39,544,775	43,499,252
		Development Gross	3,757,950	3,000,000	3,000,000	3,300,000	3,630,000
		Sub Total	**33,607,997**	**65,510,713**	**59,677,592**	**65,645,351**	**72,209,886**

	SECTOR	SUB SECTOR	PRELIMINARY ACTUAL EXPENDITURE FY2023/2024	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS	
						2026/2027	2027/2028
8.6		**County Assembly**					
		Compensation to Employees	422,593,577	490,222,063	490,222,063	539,244,269	593,168,696
		Operations & Maintenance	659,527,159	744,999,695	699,005,517	768,906,069	845,796,676
		Development Gross	81,852,997	185,000,000	420,000,000	462,000,000	508,200,000
		Sub Total	**1,163,973,733**	**1,420,221,758**	**1,609,227,580**	**1,770,150,338**	**1,947,165,372**
	SUB TOTAL (SECTOR)		**4,444,759,287**	**5,234,069,673**	**7,411,368,877**	**8,152,505,764**	**8,967,756,341**
	TOTAL	**Total Compensation to Employees**	**7,103,639,259**	**8,138,366,126**	**8,197,100,317**	**9,016,810,348**	**9,918,491,383**
		Total Operations & Maintenance	**4,453,682,748**	**5,941,913,208**	**6,170,132,826**	**6,787,146,109**	**7,465,860,720**
		Total Development Gross	**4,869,284,659**	**6,991,975,883**	**6,340,351,122**	**6,974,386,234**	**7,671,824,858**
		GRAND TOTAL	**16,426,606,666**	**21,072,255,217**	**20,707,584,265**	**22,778,342,691**	**25,056,176,961**

Annex IV: Total Recurrent Expenditure Ceilings for the Period 2025/2026 - 2027/2028

RECURRENT EXPENDITURE CEILINGS FY2025/2026 - 2027/2028					
VOTE	SOURCE OF FUNDING	APPROVED ESTIMATES FY2024/2025	CFSP CEILINGS 2025/2026	PROJECTIONS	
				2026/2027	2027/2028
Office of the Governor and Deputy Governor	**Gross Allocation**	**379,924,047**	**357,075,358**	**392,782,894**	**432,061,183**
	Local Revenue	34,091,645	34,449,043	37,893,947	41,683,342
	Emergency Fund	70,000,000	70,000,000	77,000,000	84,700,000
	CRA Equitable Share	275,832,402	252,626,315	277,888,947	305,677,841
County Treasury	**Gross Allocation**	**1,555,672,303**	**1,168,919,579**	**1,285,811,537**	**1,414,392,690**
	Local Revenue	101,958,337	69,527,864	76,480,651	84,128,716
	Medical & Motor vehicle Insurance	349,275,925	340,000,000	374,000,000	411,400,000
	Common Use Items Consolidated	234,502,408	179,520,709	197,472,780	217,220,058
	Mortgage & Car loan	45,000,000	70,000,000	77,000,000	84,700,000
	CRA Equitable Share	824,935,633	509,871,005	560,858,106	616,943,917
County Public Service Board	**Gross Allocation**	**85,392,825**	**89,164,412**	**98,080,853**	**107,888,938**
	Local Revenue	9,393,211	10,699,729	11,769,702	12,946,673
	CRA Equitable Share	75,999,614	78,464,682	86,311,151	94,942,266
Health	**Gross Allocation**	**6,913,254,604**	**7,193,665,059**	**7,913,031,565**	**8,704,334,721**
	Local Revenue	558,718,859	606,374,122	667,011,534	733,712,687
	AIA	1,504,168,000	1,740,723,130	1,914,795,443	2,106,274,988
	User Foregone Fees	38,723,265	38,723,265	42,595,592	46,855,151
	Level 5 Grant	191,710,982	261,710,982	287,882,081	316,670,289
	CHP's Grant from GoK	99,390,000	99,390,000	109,329,000	120,261,900
	CRA Equitable Share	4,520,543,498	4,446,743,559	4,891,417,915	5,380,559,707
Infrastructure	**Gross Allocation**	**285,177,754**	**269,380,937**	**296,319,031**	**325,950,934**
	Local Revenue	31,369,553	32,325,712	35,558,284	39,114,112
	CRA Equitable Share	253,808,201	237,055,225	260,760,747	286,836,822
Naivasha Municipality	**Gross Allocation**	**45,227,313**	**48,211,443**	**53,032,588**	**58,335,846**
	Local Revenue	4,205,004	4,945,373	5,439,911	5,983,902
	KUSP UIG Grant	7,000,000	7,000,000	7,700,000	8,470,000
	CRA Equitable Share	34,022,309	36,266,070	39,892,677	43,881,945
Office of the County Attorney	**Gross Allocation**	**62,510,713**	**56,677,592**	**62,345,351**	**68,579,886**
	Local Revenue	6,876,178	6,801,311	7,481,442	8,229,586
	CRA Equitable Share	55,634,535	49,876,281	54,863,909	60,350,300
Nakuru City	**Gross Allocation**	**84,884,133**	**110,054,128**	**121,059,541**	**133,165,495**
	Local Revenue	8,567,255	12,366,495	13,603,145	14,963,459
	KUSP UIG Grant	7,000,000	7,000,000	7,700,000	8,470,000
	CRA Equitable Share	69,316,879	90,687,633	99,756,396	109,732,036
Trade, Cooperatives, Tourism and Culture	**Gross Allocation**	**240,744,162**	**201,708,338**	**221,879,172**	**244,067,089**
	Local Revenue	20,981,858	18,205,001	20,025,501	22,028,051
	Enterprise & Cooperative Funds	50,000,000	50,000,000	55,000,000	60,500,000
	CRA Equitable Share	169,762,304	133,503,337	146,853,671	161,539,038

RECURRENT EXPENDITURE CEILINGS FY2025/2026 - 2027/2028					
VOTE	**SOURCE OF FUNDING**	**APPROVED ESTIMATES FY2024/2025**	**CFSP CEILINGS 2025/2026**	**PROJECTIONS**	
				2026/2027	**2027/2028**
Agriculture, Livestock, Fisheries and Veterinary Services	**Gross Allocation**	**484,593,630**	**432,113,717**	**475,325,088**	**522,857,597**
	Local Revenue	53,305,299	51,853,646	57,039,011	62,742,912
	CRA Equitable Share	431,288,331	380,260,071	418,286,078	460,114,685
Lands, Physical Planning, Housing and Urban Development	**Gross Allocation**	**187,811,680**	**106,831,728**	**117,514,901**	**129,266,391**
	Local Revenue	19,889,285	11,979,807	13,177,788	14,495,567
	KUSP UIG Grant	7,000,000	7,000,000	7,700,000	8,470,000
	CRA Equitable Share	160,922,395	87,851,921	96,637,113	106,300,824
Water, Energy, Environment, Natural Resources and Climate Change	**Gross Allocation**	**311,593,187**	**219,448,468**	**241,393,315**	**265,532,646**
	Local Revenue	33,065,251	25,013,816	27,515,198	30,266,718
	FLLoCA CCIS	11,000,000	11,000,000	12,100,000	13,310,000
	CRA Equitable Share	267,527,936	183,434,652	201,778,117	221,955,929
Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance	**Gross Allocation**	**800,657,623**	**1,473,282,199**	**1,620,610,419**	**1,782,671,461**
	Local Revenue	82,297,339	170,493,864	187,543,250	206,297,575
	KDSP II Grant + Counterpart	52,500,000	52,500,000	57,750,000	63,525,000
	CRA Equitable Share	665,860,284	1,250,288,335	1,375,317,168	1,512,848,885
Education, ICT, e-Government and Public Communication	**Gross Allocation**	**1,116,540,624**	**1,210,206,672**	**1,331,227,339**	**1,464,350,073**
	Local Revenue	82,197,580	90,110,013	99,121,015	109,033,116
	Bursary, Scholarship, Counterpart Funding & School Feeding Programme	369,289,894	459,289,894	505,218,883	555,740,772
	CRA Equitable Share	665,053,150	660,806,764	726,887,441	799,576,185
Youth, Sports, Gender, Social Services and Inclusivity	**Gross Allocation**	**242,044,165**	**163,395,850**	**179,735,435**	**197,708,979**
	Local Revenue	20,574,858	13,007,502	14,308,252	15,739,077
	Sports & Disability Allocation	55,000,000	55,000,000	60,500,000	66,550,000
	CRA Equitable Share	166,469,307	95,388,348	104,927,183	115,419,901
Gilgil Municipality	**Gross Allocation**	**25,255,214**	**43,827,832**	**48,210,615**	**53,031,677**
	Local Revenue	2,008,074	4,419,340	4,861,274	5,347,401
	KUSP UIG Grant	7,000,000	7,000,000	7,700,000	8,470,000
	CRA Equitable Share	16,247,140	32,408,492	35,649,342	39,214,276
Molo Municipality	**Gross Allocation**	**23,773,598**	**34,042,251**	**37,446,476**	**41,191,124**
	Local Revenue	1,845,096	3,245,070	3,569,577	3,926,535
	KUSP UIG Grant	7,000,000	7,000,000	7,700,000	8,470,000
	CRA Equitable Share	14,928,502	23,797,181	26,176,899	28,794,589
County Assembly	**Gross Allocation**	**1,235,221,758**	**1,189,227,580**	**1,308,150,338**	**1,438,965,372**
	Local Revenue	135,874,393	142,707,310	156,978,041	172,675,845
	CRA Equitable Share	1,099,347,365	1,046,520,270	1,151,172,297	1,266,289,527
TOTAL		**14,080,279,334**	**14,367,233,143**	**15,803,956,457**	**17,384,352,103**

Annex V: Total Development Expenditure Ceilings for the Period 2025/2026 - 2027/2028

DEVELOPMENT EXPENDITURE CEILINGS FY2025/2026 - 2027/2028					
VOTE	**SOURCE OF FUNDING**	**APPROVED ESTIMATES FY2024/2025**	**CFSP CEILINGS 2025/2026**	**PROJECTIONS**	
				2026/2027	**2027/2028**
Office of the Governor and Deputy Governor	**Gross Allocation**	**48,965,736**	**40,000,000**	**44,000,000**	**48,400,000**
	Local Revenue	5,386,231	4,800,000	5,280,000	5,808,000
	CRA Equitable Share	43,579,505	35,200,000	38,720,000	42,592,000
County Treasury	**Gross Allocation**	**788,147,181**	**2,241,022,157**	**2,465,124,373**	**2,711,636,810**
	Local Revenue	52,154,260	34,922,659	38,414,925	42,256,417
	Debt Resolution	280,000,000	300,000,000	330,000,000	363,000,000
	Ward Allocation	-	1,650,000,000	1,815,000,000	1,996,500,000
	Conditional Grant	34,017,547	-	-	-
	CRA Equitable Share	421,975,374	256,099,498	281,709,448	309,880,393
County Public Service Board	**Gross Allocation**	**5,000,000**	**5,000,000**	5,500,000	6,050,000
	Local Revenue	550,000	600,000	660,000	726,000
	CRA Equitable Share	4,450,000	4,400,000	4,840,000	5,324,000
Health	**Gross Allocation**	**895,961,347**	**1,352,841,270**	**1,488,125,397**	**1,636,937,937**
	Local Revenue	46,378,337	97,068,497	106,775,346	117,452,881
	AIA	376,042,000	435,180,783	478,698,861	526,568,747
	DANIDA	16,136,250	4,468,500	4,915,350	5,406,885
	Nutrition Int. Grant	-	10,000,000	11,000,000	12,100,000
	Leasing of Med Equip.	-	-	-	-
	Level 5 Grant	82,161,850	94,287,850	103,716,635	114,088,298
	CRA Equitable Share	375,242,910	711,835,641	783,019,206	861,321,126
Infrastructure	**Gross Allocation**	**1,529,255,308**	**91,500,000**	**100,650,000**	**110,715,000**
	Local Revenue	110,182,545	10,980,000	12,078,000	13,285,800
	RMLF Grant	527,595,811	-	-	-
	CRA Equitable Share	891,476,953	80,520,000	88,572,000	97,429,200
Naivasha Municipality	**Gross Allocation**	**63,000,000**	**295,797,548**	**325,377,303**	**357,915,034**
	Local Revenue	6,930,000	4,800,000	5,280,000	5,808,000
	KUSP UDG	-	255,797,548	281,377,303	309,515,034
	CRA Equitable Share	56,070,000	35,200,000	38,720,000	42,592,000
Office of the County Attorney	**Gross Allocation**	**3,000,000**	**3,000,000**	**3,300,000**	**3,630,000**
	Local Revenue	330,000	360,000	396,000	435,600
	CRA Equitable Share	2,670,000	2,640,000	2,904,000	3,194,400
Nakuru City	**Gross Allocation**	**59,500,000**	**309,576,241**	**340,533,865**	**374,587,251**
	Local Revenue	6,545,000	3,240,000	3,564,000	3,920,400
	KUSP UDG	-	282,576,241	310,833,865	341,917,251
	CRA Equitable Share	52,955,000	23,760,000	26,136,000	28,749,600
Trade, Cooperatives, Tourism and Culture	**Gross Allocation**	**198,105,111**	**215,263,158**	**236,789,474**	**260,468,421**
	Local Revenue	21,791,562	13,200,000	14,520,000	15,972,000
	CAIPs Grant	-	105,263,158	115,789,474	127,368,421
	CRA Equitable Share	176,313,549	96,800,000	106,480,000	117,128,000

DEVELOPMENT EXPENDITURE CEILINGS FY2025/2026 - 2027/2028					
VOTE	**SOURCE OF FUNDING**	**APPROVED ESTIMATES FY2024/2025**	**CFSP CEILINGS 2025/2026**	**PROJECTIONS**	
				2026/2027	**2027/2028**
Agriculture, Livestock, Fisheries and Veterinary Services	**Gross Allocation**	**698,124,148**	**244,214,071**	**268,635,478**	**295,499,026**
	Local Revenue	30,079,037	5,220,000	5,742,000	6,316,200
	NAVCDP	151,515,152	151,515,152	166,666,667	183,333,334
	Fertilizer Subsidy	234,883,209	-	-	-
	KELCOP	38,280,000	38,280,000	42,108,000	46,318,800
	KABDP	-	10,918,919	12,010,811	13,211,892
	CRA Equitable Share	243,366,750	38,280,000	42,108,000	46,318,800
Lands, Physical Planning, Housing and Urban Development	**Gross Allocation**	**736,282,807**	**150,414,966**	**165,456,462**	**182,002,108**
	Local Revenue	20,491,109	6,049,796	6,654,775	7,320,253
	KISIP II	550,000,000	100,000,000	110,000,000	121,000,000
	CRA Equitable Share	165,791,698	44,365,170	48,801,687	53,681,855
Water, Energy, Environment, Natural Resources and Climate Change	**Gross Allocation**	**834,027,325**	**306,931,400**	**337,624,541**	**371,386,995**
	Local Revenue	66,207,353	4,448,118	4,892,930	5,382,223
	Climate Change Mitigation Prog	100,707,177	81,652,663	89,817,930	98,799,723
	FLLoCA CCRI	125,000,000	188,211,085	207,032,194	227,735,413
	Equalization Fund	6,435,119	-	-	-
	CRA Equitable Share	535,677,675	32,619,534	35,881,487	39,469,636
Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance	**Gross Allocation**	**84,577,486**	**368,000,000**	**404,800,000**	**445,280,000**
	Local Revenue	9,303,523	1,860,000	2,046,000	2,250,600
	KDSP II (Level II)	-	352,500,000	387,750,000	426,525,000
	CRA Equitable Share	75,273,963	13,640,000	15,004,000	16,504,400
Education, ICT, e-Government and Public Communication	**Gross Allocation**	**569,552,803**	**93,899,814**	**103,289,795**	**113,618,775**
	Local Revenue	55,358,920	1,963,778	2,160,155	2,376,171
	Vocational Inst. Grant	66,289,894	77,535,000	85,288,500	93,817,350
	CRA Equitable Share	447,903,989	14,401,036	15,841,140	17,425,254
Youth, Sports, Gender, Social Services and Inclusivity	**Gross Allocation**	**218,476,631**	**15,580,777**	**17,138,854**	**18,852,740**
	Local Revenue	24,032,429	1,869,693	2,056,663	2,262,329
	CRA Equitable Share	194,444,202	13,711,084	15,082,192	16,590,411
Gilgil Municipality	**Gross Allocation**	**40,000,000**	**148,309,720**	**163,140,692**	**179,454,761**
	Local Revenue	4,400,000	1,800,000	1,980,000	2,178,000
	KUSP UDG	-	133,309,720	146,640,692	161,304,761
	CRA Equitable Share	35,600,000	13,200,000	14,520,000	15,972,000
Molo Municipality	**Gross Allocation**	**35,000,000**	**39,000,000**	**42,900,000**	**47,190,000**
	Local Revenue	3,850,000	4,680,000	5,148,000	5,662,800
	KUSP UDG	-	-	-	-
	CRA Equitable Share	31,150,000	34,320,000	37,752,000	41,527,200
County Assembly	**Gross Allocation**	**185,000,000**	**420,000,000**	**462,000,000**	**508,200,000**
	Local Revenue	20,350,000	50,400,000	55,440,000	60,984,000
	CRA Equitable Share	164,650,000	369,600,000	406,560,000	447,216,000
TOTAL		**6,991,975,883**	**6,340,351,122**	**6,974,386,234**	**7,671,824,858**

Annex VI: Adherence to Fiscal Responsibility Principles

In line with Article 201 of the Constitution of Kenya 2010, Section 107 of the Public Finance Management Act (PFMA) 2012, the County Government has adhered to the fiscal responsibility as envisaged in the aforementioned statutes as follows;

I **The County Government's recurrent expenditure shall not exceed the County Government's total revenue -** The County Government has ensured that allocation and expenditure on recurrent has not exceeded the County's total revenue. Actual recurrent expenditure in the FY 2023/2024 stood at 71 percent of the County's total expenditure. In the current FY 2024/2025, recurrent expenditure is projected at 61 percent while over the medium term 2025/2026 – 2027/2028 it is projected at 69.4 percent.

II **Over the medium term, a minimum of 30 percent of the County budget shall be allocated to development expenditure –** In the current FY 2024/2025, allocation for development expenditure stands at 38 percent. The projected development expenditure for the next MTEF period FY2025/2026 – 2027/2028 will amount to Ksh. 6.340 billion (30.6 percent), Ksh. 6.974 billion and Ksh. 7.671 billion respectively.

III **The County Government's expenditure on wages and benefits for its employees not to exceed 35 percent of the County Government's revenue as prescribed by the Regulations -** Section 25(1) (b) of the PFM (County Governments) Regulations, 2015 requires that County Governments' wage bill shall not exceed 35 percent of their total revenue. The wage bill for the current FY 2024/25 is 34 percent (Ksh. 8.2 billion) of the total revenue. For the year 2025/26 the wage bill is projected at 39.6 percent of the County budget which is higher than the prescribed 35 percent. The high wage bill is as a result of the implementation of the phase III of salary review by SRC, increment to NSSF contribution and worker's collective bargaining agreements.

IV **Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure -** The County Government has continued to ensure that it maintains a rationalized and balanced budget. In compliance with the requirements of this principle, any borrowing will only be used for development expenditure. However, the County government does not plan to borrow in the medium term.

V **Public debt and obligations shall be maintained at a sustainable level as Approved by County Government (CG) -** Pursuant to Section 107(2) and 107 (4) of the PFM Act, County debt should be maintained at sustainable levels and does not exceed a percentage of the annual revenue in respect of each financial year by resolution of the County Assembly. The current stock of pending bills amounts to Ksh1.9 billion (KShs 1.45 billion eligible and KShs 450 million ineligible that is under review) which is 8 percent of the total county revenues. Over the medium term the County has ensured that pending bills don't increase and at the same time, payment of outstanding pending bills ongoing. Prudent financial management and improved credibility of the budget associated with realistic revenue estimates is expected to ensure that the County continues to maintain a balanced budget ensuring realistic revenue estimates which equals total expenditure with the aim of reducing pending bills.

VI **Fiscal risks shall be managed prudently -** The County Government has improved its macroeconomic forecasts and regularly reviewed the impact of macroeconomic projections and its implications to the budget. Further, the national government has developed revenue forecasting model to be adopted by the counties. This will go a long way to ensure revenue is not over projected. The County Government will continue to put measures in place to enhance revenue collection, through automation, enforcement and regular inspection, operationalization of the valuation roll, revenue mapping and widening of revenue bases. County will ensure that only critical expenditure areas are given priority.

VII **A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future -** The County Government coordinates the collection of Own Source Revenue to provide for revenue raising measures relating to County taxes, licenses, fees and charges through the preparation of the annual Finance Act. In the medium term the County will adopt the revenue forecasting tools being piloted by the National government to enhance revenue predictability. The County's realistic own source revenue targets have generally registered improvements over the medium term. The County has a comprehensive revenue strategy include: review and approval of relevant revenue laws; ensure Finance Act is approved on time; revenue mapping, recruitment and replacement of staffs to the Revenue Directorate and further automation of more services.

Annex VII: Statement of Specific Fiscal Risks

There are potential risks that are likely to affect the County fiscal outlook emanating from global, regional, domestic (country-level) and County level environments.

For prudent management of risks, the PFM Act, 2012 requires the preparation of a 'Statement of Fiscal Risks'. Thus, this section provides a comprehensive assessment of fiscal risks that the County outlook is exposed to that may hinder or affect the achievement of the targets and objectives detailed in this CFSP 2025. The fiscal risks arise from uncertainties in the global economy and budget execution. This section also details the measures that the Government is implementing to mitigate such risks.

Risks related to Uncertainties in the global and national economy

Global and regional geo-political tensions pose significant risks to both national and county fiscal stability. Ongoing conflicts—including those between Ukraine and Russia, Israel and Palestine, Sudan and South Sudan, and the Democratic Republic of Congo—could lead to volatility in oil and commodity prices, disruptions in trade flows, and increased inflationary pressures worldwide. In addition, the proposed tariff increments by the USA could affect the performance of Kenya shilling against the US dollar and other major world currencies.

Any economic underperformance at the national level would negatively affect the shareable revenues, leading to low or no growth and delay to disbursement of the equitable share to the County Government.

Budget Execution

The PFM Act 2012, requires the County Governments to manage public finances prudently and adhere to fiscal responsibility principles. In the medium term, there are a number of risks related to the budget implementation that may arise. These include:

High personnel emoluments: The Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 caps expenditure on wages and benefits at 35 percent of the total revenues. Compensation to employees is projected at 39.6 percent of the total County budget, in the medium term. Despite efforts to curb wage growth, several external factors have contributed to the increase, including implementation of Phase III of SRC salary review, doubling of employer contributions to NSSF from February 2025, and the mandatory employer contribution of 1.5 percent to the Housing Levy. Additionally, the County faces staffing gaps, particularly in technical areas.

The recent withdrawal of USAID funding has affected approximately 481 County health workers, creating a shortfall that will need to be addressed in the medium term, further increasing the wage bill. In addition, the County is undertaking a gradual review of the terms of service of staff in the health sector transitioning the health workers from contractual terms to permanent and pensionable terms. Two groups of the healthcare workers have already been confirmed and two more groups set for confirmation in the medium term.

To mitigate these risks, the County Government will progressively implement recommendations from the Human Resource Taskforce report and the Wage bill conference.

Huge stock of pending bills: The County is still facing huge outstanding pending bills stock. The pending bill stock is inclusive of the pending bills that have been accumulated since the beginning of devolution and those that were inherited from the defunct local authorities. The pending bill stock threatens the financial credibility of the County and its ability to attract reliable suppliers. In the current fiscal year, Ksh. 278 million has been allocated for debt resolution. To mitigate further accumulation of pending bills, the County is strengthening expenditure management and ensuring timely supplier payments.

Low budget execution: In the FY 2023/24, the County achieved a budget execution rate of 70 percent, falling short of the planned target of 100 percent. The low budget execution rate has been attributed to the low absorption of the development budget across departments. This has resulted in a rollover of projects, with the current fiscal year carrying forward Kshs 3.9 billion worth of incomplete projects. The continued project rollovers lead to delayed achievement of development outcomes, increased cost of projects due to rising costs of materials, and extended timelines for project completion. To improve budget execution, the County will adhere to the Project Implementation Management (PIM) guidelines issued by the National Treasury and conduct prefeasibility studies before allocation of resources. In the medium term, the County will continue to have realistic own source revenue targets using revenue forecasting models piloted by the National Treasury, automate all revenue streams, and implement continuous revenue mapping.

Delays in approval of DoRA, CARA, Conditional grants, Additional Allocation Bill: There are frequent delays in approval of the Acts related to appropriation of funds at the County level. The approval process often require mediation before consensus is reached, leading to delays in finalization of the budget process at the county level and in some cases, counties having to use vote on account. This has derailed budget implementation as exchequer releases account for 90 percent of the County budget, affected budget credibility as the net effect is reduction of already planned projects that had undergone public participation thus undermining public trust.

Litigations and Court Decrees - The County has experienced a rise in the number of legal cases, resulting in high legal fees and unfavorable court rulings issued after budget approvals. The unfavorable court rulings often require budget reallocations during supplementary budgets, diverting funds from critical areas. To mitigate this risk, the County is seeking for Alternative Dispute Resolution (ADR) mechanisms to reduce the cases in courts and the associated costs. The County will also recruit more legal officers, in the medium term, minimizing reliance on external legal services.

Abrupt withdrawal of development partners - The County Integrated Development Plan 2023-27 (CIDP 2023-27) included funding projections from development partners. However, recent pronouncement by the US government to halting USAID funding, a major development partners in the department of Health, will significantly affect the healthcare sector. The County will continuously monitor the situation and make adjustments to the CIDP during the mid-term review to account for funding shortfalls.

Annex VIII: Sector Composition and Sector Working Groups for MTEF Budget 2025/2026 – 2027/2028

CLASSIFICATION OF FUNCTIONS OF GOVERNMENT (COFOG)	SECTOR	SECTOR COMPOSITION(S)
General Public Services	Public Administration and National/International Relations	Office of The Governor and Deputy Governor
		County Public Service Board
		Finance and Economic Planning
		Public Service, Devolution, Citizen Engagement, Disaster Management and Humanitarian Assistance
		Office of the County Attorney
		County Assembly
Recreation, Culture and Social Protection	Social Protection, Culture and Recreations	Youth, Sports, Gender, Social Services and Inclusivity
		Culture
Education	Education	Early Childhood Education and Vocational Training
Economic Affairs	Agriculture Rural and Urban Development	Agriculture, Livestock Development, Fisheries and Veterinary Services
		Lands, Physical Planning, Housing and Urban Development
		Nakuru City
		Naivasha Municipality
		Gilgil Municipality
		Molo Municipality
	General Economics and Commercial Affairs	Trade, Cooperatives and Tourism
	Energy, Infrastructure and ICT	Infrastructure
		ICT, e-Government & Public Communication
Environment Protection	Environment Protection Water and Natural Resources	Water, Energy, Environment, Natural Resources and Climate Change
Health	Health	County Health Services
Macro Working Group	Macro Working Group	Finance and Economic Planning

Annex IX: CFSP 2025 Public Hearings Highlights

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
Agriculture, Rural and Urban Development (ARUD)	Agriculture, Livestock, Fisheries and Veterinary Services	• Inadequate tea buying centers in tea growing areas	• The department to allocate funds for construction and operationalization of tea buying centers progressively
		• Value chain and sustainability of sunflower seedlings distributed to farmers	• Follow-up with beneficiary farmers to ascertain value for money will be undertaken
		• Illegal fishing of fish not fit for human consumption activities in Lake Nakuru as a health hazard to the population	• Collaborate with enforcement officers, KWS, coast guards etc. to curb illegal fishing. • Creation of public awareness on the health hazard of consuming fish from Lake Nakuru.
		• Distribution of unvaccinated one day old chicks with low survival to maturity rates	• The department currently distributes one month old vaccinated chicks.
		• Inadequate landing sites along Lake Naivasha.	• The public were encouraged to bring memorandums for their views to be incorporated during budget allocation.
		• Post harvest losses due to lack of milk coolers	• The public were encouraged to attend PP forums and allocate resources towards milk coolers installations during ward budget allocation.
		• Potato packaging is not homogenous in different counties.	• Nakuru county standard packaging for potatoes is 50kgs.
		• Encroachment of riparian land.	• Mapping of riparian lands, awareness creation through Beach Management Unit will help gapped
		• Lack of awareness on Artificial Insemination (AI) to farmers.	• AI is part of Governors manifesto strategic initiatives and done in partnership with cooperative societies.
		• Lack of livestock feeds manufacturing industries leading importation from other counties.	• Private sector investment in livestock feeds manufacturing in the county to supplement government investments.
	Lands, Physical planning, Housing and Urban Development	• A building in Pipeline area about to collapse	• The physical planner to visit the building the following day to inspect the said buidling
		• There is a backlog of land dispute cases	• The department is using Alternative Dispute Resolution (ADR) to help reduce the backlog of land disputes
		• Challenges in land ownership	• Title deeds are issued by the national government • Department is working on public land inventory
	Nakuru City	• Delayed completion of Afraha stadium and dilapidated state of other city stadiums. • Land grabbing and encroachment of playing fields land area. • Closed Afraha stadium road without an alternative link route.	• Full delegation of functions of city stadiums development. • Public participation forum engagement at Nakuru Oldtown hall on status, way forward and issues pertaining to Afraha stadium completion were held prior • Afraha stadium is implemented in phases i.e., I and II. Phase I is complete and paid as per BQs requirement.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
			• Ongoing constructions and fencing of playing fields to support main stadiums.
		• PWD areas of concern: sporting activities, parking slots etc.	• The city management will revive PWD teams, budget allocation for PDW sports, mapping of PWD parking/tricycle slots especially at Huduma Centre & Kenyatta Avenue.
		• Street lighting along Mirugi Kariuki hospital,	• Limited budget allocated for streetlighting in the city.
		• City boundaries E.g. teachers' area • City development allocation only focuses in Nakuru CBD and should stretch across all 11 wards.	• Covers Nakuru East and Nakuru West sub counties and the 11 wards within the two sub counties. • Inadequate budget allocation to cover all wards.
		• Use of social media platforms to engage the public and promote tourism through marketing campaigns as an OSR.	• The city will revamp social media presence which was limited to county website. • Make use of social platforms to advertise tenders and engagement with stakeholders.
		• Lack of city legal frameworks development and implementation e.g., City resilient Act, 2023, city transport strategic action plan, policy/framework for utilization of city funds,	• The integrated urban strategic plan approved by PP forums and delineates city boundaries but awaiting engagement with the national government.
		• Absences of City board members and all city staff during PP forums	• Apology on behalf of city board members by the city manager and promised to mobilize them to attend public participation forums slated for 28th February 2025 on City budget proposals.
		• Why Nakuru city is not a 24hour economy.	• Lack of street lights and insecurity as among reasons for lack of robust economic activities through the night. The county is currently installing and maintaining streetlights
		• City administration and management bottlenecks such as political mandate of City board, duplication of functions, etc.	• Awaiting approval of executive order by the Governor to delineate functions fully to the city board.
		• Lack of public participation & Citizen Engagement forums organized by the city	• Forums already ongoing in Kaptembwo and Barut wards, one carried out to resolve the Afraha stadium stalemate and budget ceilings allocation planned on 28th February 2025.
		• Lack of beautification and green spaces in Nakuru city.	• The city lacks environmental officers except for director environment seconded from department of WEENR. • The city will create green spaces through tree planting campaigns. • Development of environmental development action plan for Nakuru as the pioneer green model city.
		• Animals roaming around the city	• City Director Environment will handle animals roaming the city through implementation relevant laws

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• Population density growth in the city stretching the city infrastructure such as drainage systems, sanitation facilities, market spaces. • Poor drainage systems at Bargain Road, Mutoro road etc.	• Population of Nakuru city is estimated at 500,000. • World bank funded projects to prioritize Mutoro road. • Budget allocation for sanitation facilities at Old Town Hall, mapping of temporary sanitation facilities across the city,
		• Status of construction of Lanet international airport.	• It's a national government project and it's at planning stage
		• City traffic during rush hours.	• Prospect of construction of the southern bypass which is a 27km stretch as an alternative route outside the CBD.
		• Slow response time on fire disasters.	• It's a function under PSM and will be solved through decentralization of services to city board.
	Naivasha Municipality	• Asbestos pipes causing health hazard to the public.	• The department will partner with the County assembly in removal and replacement of the pipes.
		• Inadequate mechanism for waste management	• Sewage and water master plan will be put in place.
		• Inadequate engagement among the stake holders in town beautification.	• Livestock in town is an issue in town greening, effort are in place to have an amicable solution
	Gilgil Municipality	• There was a change in the venue for the public participation causing confusion	• The change in the venue for public participation led to confusion due to difficulties in reserving the CDF grounds.
		• The existing sewer system is about to block	• Plans are under way to change the piping of the sewer system
		• Local youths should be employed in infrastructure development projects	• Contractors will employ unskilled labour from the community and youths are encouraged to apply for tenders.
		• Several roads should be rehabilitated or tarmacked including Posta-Police Road, PCEA road, and roads in the hospital	• The proposed roads will be considered
		• Construct a public toilet at Highway	• The public toilet proposal will be taken into consideration
		• ECDE centre at DEB primary	• The municipality will collaborate with the department of Education
		• Engage KenHa, KURA and KERA to avoid double allocation by the county.	• The allocations are still proposals but will be finalized with all stakeholders' involvement.
		• Storm water from Ngomongo does not connect to the main drainage that is along the main-road • There is no proper drainage in Ngomongo	• Storm water management is a delegated function but the issue will be taken into consideration.
		• The road behind East mark is not a priority	• Public participation will be conducted for projects identification.
	Molo Municipality	• Lack of youth engagement on Municipal projects	• During project implementation in the municipality youth are encouraged to apply

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• Poor drainage system within the municipality	• The municipality had initiated the construction of the drainages and as most of them were ongoing
		• Expansion of Molo Bus Terminus	• Expansion of bus terminus, the management of the municipality to lobby for the leasing space for the bus terminus by the Kenya Railways
		• Uneven distribution of municipality projects across the wards (Turi, Molo & Sirikwa)	• The initiated project such as drainages, cabros be evenly distributed within the municipality catchment
		• Inadequate skills both formal and informal for youth employment	• The government had set a side 30M to VTC sponsorship youth were encouraged to cease the opportunity to learn and get certificate
		• Poor sanitation near Keep Left Centre	• Resources will be allocated towards construction of the toilets
		• Lack of dumping waste disposal site for the municipality to avoid spread of diseases	• The municipality was in the process of procuring land for waste disposal.
		• Harmonization of revenue system within the municipality (Molo & Sirikwa wards)	• The county had a revenue collection system and there was no cause of alarm in the disparity in payment of levies between Sirikwa & Molo wards
		• Litigation of County (Molo Library) vs SDA case to allow the implementation of the project	• The county legal team to fast track the ligation of the case to pave way for the implementation of the project
Energy, Infrastructure and ICT	ICT, e-Government & Public Communication	• Installation of CCTV cameras in Nakuru City should be a requirement.	• The department is working with Nakuru city board in the installation & maintenance of CCTV systems.
		• Job advertisements on Nakuru County Government website are short-lived.	• There is no deletion of documents on website, unless otherwise advised. • There are protocols on the longevity of documents in the county website.
		• The department is understaffed.	• There is a budget for recruitment of ICT officers. • Plans for recruitment of ICT staff are underway.
		• There is need for a county ICT Policy.	• National ICT Policy is in place for now. • The county has a draft ICT and Communication policy which is awaiting approval for implementation.
		• Frequent system downtime.	• The department is seeking internet improvement with providers such as liquid telcom, safaricom etc.
		• Social media platforms, particularly county official Facebook page, are biased.	• Social media platforms posts are dependent on activities.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• Lack of ICT infrastructure in sub county offices.	• Inclusion of ICT structured cabling in the BQs for all county construction projects.
	Infrastructure	• Maintenance of Manyani Road.	• The department is working with partners to maintain Manyani road.
		• Recruitment of attaches and interns in the department.	• The department accommodates approximately 200 attaches each financial year.
		• Improve on solarization.	• So far there is progress in solarization. It is a step-by-step process, dependent on the budget.
		• Low rates of budget absorption.	• Low budget absorption rates are attributable to slow contractor processes and therefore late payments.
		• Sub-standard projects, for instance, road in Bahati and drainage systems.	• Sub-standard projects should always be reported to the department and PMCs for immediate action.
		• Accident cases caused by boda boda riders on wrong side of the road.	• The department is working with Enforcement officers to ensure compliance.
		• Site for construction of boda boda sheds	• There is a detailed report on the county website that has got the specifics of projects to be implemented.
		• There is no value for money, particularly with boda boda sheds.	• Contractors are tasked with cost quotation but the public can provide recommendations on how to get value for money.
Health	Health	• Poor sanitation of cemetery facilities.	• Construction of septic tank in cemetery facilities and provision of temporary mobile toilets.
		• Inspection of medical supplies by public representatives to ensure correct delivery & supply.	• The public are able to verify availability of medical supplies in facilities.
		• Alternative source of funding following the transition and shake-ups with the withdrawal of USAID funding of ARVs.	• Public encouraged to register for SHA/SHIF which will increase resources in facilities through claims.
		• Low budget absorption rates and poor performance of FIF.	• NHIF transition to SHIF/SHA and doctors strike as reasons for FIF and budget absorption downturn. • Public encouraged to attend public participation forums at the ward level to increase allocation budget on health projects. • Health Information e-system already in place to manage FIF revenue. • Ringfencing of FIF funds.
		• Poor administration & management of Level IV and V hospitals.	• There's a County Health Management Act which guides composition & appointment of facilities boards/committees. • Call on public to have an oversight role on facilities management & administration.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
			• AIE/budget approved by facilities committees/board.
		• Inadequate skills/professional ethics by CHPs. • Delayed disbursement of stipends to CHPs.	• Proper vetting CHPs qualifications. • Continuous capacity building of CHPs. • Timely disbursement of stipends to CHPs.
		• Lack of Nakuru county legal frameworks leading overreliance on national government policies	• Policies developed/domesticated but awaiting approval by cabinet and county assembly.
		• Increased accidents along the Nakuru-Naivasha-Nairobi highway	• Allocation for increased ICU bed capacity for facilities along the highway.
		• Increased cost of deliveries in hospitals.	• Increase coverage of Linda Mama initiative to cover all public hospitals.
		• Inadequate Human Resource for Health (HRH) (i.e., 20 doctors per 100,000 population in Nakuru county against WHO recommendation of 1 doctor per 1,000 population) and increased litigations. • Poor terms of service (remuneration, lunch provision, uniforms etc.) for facilities support staff e.g., security officers	• Recruitment of optimal staffing and legal officers for facilities. • PGH upgraded to a learning & teaching of medical students' facility thereby reducing staff inadequacy. • Engagement with SRC to develop better terms of service, schemes of service and remuneration for facilities support staff.
		• Prospect of medical tourism in Nakuru County.	• Incumbent to infrastructural development (hostels) of hospitals.
Education	Education	• Increase specialized courses in VTCs that are fit for certain areas.	• The department is endeavoring to operationalize various VTCs that offer an array of courses.
		• Lack of hostels in VTCs.	• Construction of hostels is at BQ stages. • Public encouraged to attend PP forums for allocation of ward budget to construction of hostels in VTCs.
		• The county has a stock of Non-operational VTCs and ECDEs	• The construction is done in phases and equipping is done as the next phase.
		• There is rampant brain drain. Most instructors are migrating to the Teachers Service Commission (TSC) & National Vocational Training Institutes and polytechnics due to better remuneration & terms of service. • High turnover rates for VTC instructors and ECDE teachers. • Low teacher-pupil ration and comparison to school capacity size. • High enrolment in ECDEs for children above entry age.	• Competitive recruitment of VT instructors and ECDE teachers. • Job evaluation is being done to ensure proper placement. • Gradual construction of classrooms across the county to meet the rising needs. • ECDEs accommodate gross and net enrolments which cater for all ages of children.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• Mushrooming of unregistered ECDE centers.	• Initially the department had no control over mushrooming of ECDE centers but now it has and it will ensure compliance..
		• Free & compulsory ECDE is not entirely free.	• Parents are required to purchase uniforms and input for school meals.
		• Organize sensitization fora for VTCs recruitment.	• The department is working with secondary schools in encouraging students to join VTCs. Social media platforms are also being utilized to make advertisements.
		• Lack of awareness of county VTCs and ECDE institutions. • Lack of social media presence on achievements of the department of education.	• The department will carry out robust campaigns through radio, newspapers, social media and education & career fairs. Partner with secondary schools for transition to county VTCs. • Partner with secondary schools for transition to county VTCs.
		• Complete but non-operational administration blocks, e.g, Kariba Road, St. Paul's and Ngala School for the Deaf as they lack electricity connection, lack equipment etc.	• Reallocation of funds to construction of ECDE classrooms since administration blocks constructed in primary schools do not serve ECDE administration.
General Economics, Commercial and Labour Affairs	Trade, Cooperatives and Tourism	• Inadequate implementation of regulation of liquor licensing in the County.	• Enforcement of liquor licensing by the directorate of alcoholic drinks
		• Gaps on resource requirement expenditure versus budgetary allocation	• The department to source funds from partners to bridge the gap
		• State of county markets E.g., mismanagement of markets, dilapidated state of infrastructure for existing markets, inadequate markets in the county, cleanliness of markets etc.	• Additional markets are being constructed in Bondeni, Mzee Wanyama etc. • Working with the department of WEENR on waste management, sanitation etc. •
		• Regulate the licensing of betting and lottery firms since there's a rise in conmanship through 'kamari'	• Citizens were encouraged to engage in betting responsibly and engage in betting venues that are licensed and regulated premises.
		• Weights and measures to survey on weighing scales in butcheries, shops etc.	• The public should enquire on what is sold per kg, total sale, weights and confirm the same on the weighing scales. • The county will kickstart a robust survey exercise to check on weighing scales. • The county offers services on the calibration of weighing scales.
		• Staffs not promoted and staff turnover in the department	• The staffs to promoted since it necessary for career progression and increase in productivity

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• Reallocate training expenses to recruitment of optimal staff.	• Staff require constant training and capacity building to improve productivity.
		• Underutilized Nakuru County MSME Fund. • Review requirements for MSMEs fund to reach more citizens and groups.	• The public were encouraged to be ingroup and register to benefit from the fund • The citizens were taken through the minimum requirements for qualification for MSME funding.
		• Suspected sub substandard products sold in the markets • Carry out sensitization forums for the public on substandard/counterfeit products.	• The directorate to collaborate with Anti-Counterfeit authority to check on the quality of products sold.
		• Activation of tourism sites in all sub counties.	• The sites to be evenly distributed across the 11 sub counties. • Tourism is not fully devolved but a shared function with the National Government.
		• Inadequate capacity building for Staffs and MSMES	• The department to conduct capacity building for both staff and MSMES on; record keeping, credit management and business entrepreneurship training
		• Lack of access to Cooperative Revolving Fund	• The public were encouraged to register cooperative societies to benefit from the fund • Citizens were taken through minimum requirements to access the fund.
		• Difficult to separate wholesale and retail traders	• Demand and supply in the market and therefore allowing traders to sell their products at will
		• Construction of markets & distribution of market stalls PWDs not considered.	• PWDs to be given priority on ground floor stalls during allocation of market stall, and the infrastructural projects be friendly with people with Disability. • Trade licenses for PWD are waivered and markets are fitted with specialized ramps for PWDs access.
Environment Protection, Water and Natural Resources	Water, Energy, Environment, Natural Resources & Climate Change	• In Langalanga, the water is salty.	• NAWASSCO is blending the water to control the fluoride.
		• There are undesignated dumping sites.	• The public should report whenever undesignated dumping sites come up.
		• What is the department doing to avoid environmental degradation?	• To avoid degradation, the department is setting up tree nursery beds. And the trees will be sold at affordable prices.
		• The member of the public suggested doing away with the climate change committees	• The climate change committee are constituted by the Climate Change Act therefore, cannot be done away with.
		• Air pollution should be monitored.	• The department has partnered with Egerton university to ensure that the air pollution is monitored.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
		• The department should work on water rationing within the county.	• The water from Itare dam will help reduce rationing
		• The department should replace the rusted waterpipes.	• The department is working on replacing the rusted metallic pipes
		• The treasury should honor its obligation to offer 1.15 percent of its revenue to the environment department.	• The county treasury allocates 1.15% of revenue in order to receive the FFLOCA funds.
Public Administration and International/National Relations (PAIR)	Office of the Governor and Deputy Governor	• How many foreign travels should the office of the governor has? And how are they helpful to the county?	• The foreign travels were 3 in the last financial year.
		• Why does the governor take long to ascend to laws?	• The issue was noted and will be raised to the governor.
		• 5% of the annual budget to be allocated to the emergency fund.	• The issue noted and will be passed to the governor.
		• Why is the absorption rate so low?	• It is because of the delays in the exchequer releases.
		• The deputy governor`s planned official residence construction should be stopped. Only the governor`s residence should be constructed.	• The law requires the county to ensure that there is official residences for the deputy governor
	County Treasury	• The Auditor's report indicates there are several bank accounts in the county	• County Revenue Fund (CRF) account is in the Central Bank • The other bank account are revenue collection bank accounts for hospitals
		• Public participation should be advertised weeks before for proper planning • Public participation should be carried out before coming up with a Finance Bill and revenue collection laws	• There will be earlier communication of public participation forums • Public participation will be carried out during the preparation of Finance Bill and revenue collection laws
		• Lack of an audit committee • Outsource audit services	• Audit committee is being operationalized
		• Asset disposal should be hastened to avoid depreciation	• Lack of ownership documents hinders asset disposal
		• Tap into carbon credit and foreign direct investment (FDI) to enhance OSR • Proportion of resources from National Parks and power generating companies should be remitted to county	• The revenue sources will be considered
		• What is the effect of the new formula on equitable share	• The formula will reduce the equitable share • The department will work on enhancing external revenue
		• Lack of office space	• Budgetary allocation for the construction of the office space.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
	Public Service, Training, Devolution, Citizen Engagement, Disaster Management and Humanitarian assistance	• How many fire engines do we have?	• We have four fire engines; two in Nakuru city and one in molo municipality and another one in Naivasha municipality.
		• We need divers in every ward.	• As a county we have one diver and we collaborate with Red Cross when needed
	County Public Service Board	• Why is the budget absorption rate low?	• Low absorption rate is caused by delays in the exchequer releases.
		• There are a lot of employees serving in an acting capacity that need to be confirmed.	• An employee can only remain in an acting role for up to six months before being confirmed, and the department is responsible for notifying the Board about such cases.
		• Why are there delays in recruitment services?	• Recruitment processes may experience delays due to resource constraints and the complex dynamics involved in hiring.
		• There is need for a paperless filing system of employees	• The department will consider the paperless system
		• The Board should have an independent office space	• The public can propose independent office space for the Board through public participation forums
	County Assembly	• Speaker's official residence location is not appropriate.	• This will be taken into consideration.
		• Enacting laws which generate more revenues should be done	• The county assembly has been enacting laws and was in the process of enacting more laws geared for more revenue generation.
		• Construction of an underground parking without public participation.	• The County Assembly will engage further with the public on the said project
		• Performance of Members of County Assembly is low. They are busy planning for 2027 elections.	• Most of the MCAs are really working, and this is evidenced by the tracker.
	Office of the County Attorney	• Pro bono services to county employees and the public.	• The department does not offer pro bono services. The department only offers advisory services to county employees.
		• Outsourcing of external advocates to litigate county cases	• There are some cases that needs to be outsourced because of inadequate staffs in the department
		• What is being done to settle backlog of cases?	• The department is utilizing Alternative Justice System and Alternative Dispute Resolution to settle backlog of cases.
		• What happens when County employees do not follow laws and regulations? Can they be sensitized to reduce court case which strain the budget.	• The County Attorney has the power to sermon staff when there is gross violation of the law. The department will work on staff sensitization.

SECTOR	SUB SECTOR	ISSUES RAISED	FEEDBACK
Social Protection, Culture and Recreation	Youth, Sports, Gender, Social Services & Inclusivity	• Surge in alien PWDs who are not registered.	• The department to collaboration with registration of persons to identify aliens PWDs
		• Lack of access to the PWD fund.	• The county will fast track approval by County Assembly on the amended clauses in the PWD fund regulations to conform with PFM Act, 2015 as advised by COB.
		• Lack of affirmative action on boychild.	• The county observes the day of the boychild annually. • The department carries out mentorship and entrepreneurial programs for the youth.
		• Stiff regulation on access to youth fund on age, groups etc.	• The county doesn't issue any youth fund which is a function of the National Government. • Youth groups are registered by the National Government.
		• Incomplete Afraha Stadium despite allocation of funds and upgrading of other county stadiums.	• The Construction of the Afraha Stadium is under Nakuru City but the management was done by the department of Youth • Levelling ongoing in Naivasha, Maai Mahiu etc.
		• Increase in gender-based violence cases in the county (femicides) • Lack of a centralized database for GBV cases in the county.	• The department to create a system where GBV data can be obtained and appropriate action be taken against perpetrators. • The county will work with stakeholders such as police stations, hospitals, partners etc. on consolidation of the segregated data. • The county is working to have a toll-free line to report GBV cases. • Extend sensitization forums against triple threat and referrals for counselling services of victims, GBV rescue centers etc.
		• Identifying and nurturing of youth talents through training, issuance of sports equipment and uniforms.	• The department will nurture youth talents by organizing tournaments and providing sporting equipment, training of coaches, referees, other technical staff etc. • The department will hold a comprehensive meeting with all sporting disciplines on way forward. • Sports Act is already in implementation with the formation of ward, sub county and county committees.
		• Decrease in the admission of the elderly to Alms house. • Land encroachment of Alms house plot.	• The department to renovate ALMS house to accommodate more elderly persons. • Capacity building of the community on homebased care for the elderly • Allocation on fencing of Alms House for security.