REPUBLIC OF KENYA

HOMA BAY
COUNTY GOVERNMENT

THE COUNTY TREASURY

COUNTY FISCAL STRATEGY PAPER

2025/2026

Consolidating the Gains Under the Genowa Economic Transformation for Inclusive Green Growth

February 2025

FOREWORD

The County Fiscal Strategy Paper 2025 is the third to be prepared under the Genowa Economic blueprint in line with section 117 of the PFM Act 2012 read together with the provisions of the County Government Act 2012 on planning. It outlines the progress made in the implementation of the County Government's development agenda which seeks to maximize the social, economic and political opportunities for the benefit of the citizens. The interventions planned in the Fiscal Year 2025 will be anchored on the theme: ***Consolidating the Gains Under the Genowa Economic Transformation for Inclusive Green Growth.*** It is a commitment to steadily invest in and consolidate gains made in the following areas: The 'Ondoa Kaunda' initiative under the Education Department which aims at modernizing the Early Year Education facilities across the County, improvement of the road network through acquisition of new plant and machinery, promoting use of clean energy through installation of solar lights in major urban centers and sensitization of the community on green energy sources uptake to reduce overreliance on conventional fuel, the improvement of blue economy through the development of the lakefront which will result to safe fish landing sites and better water transport. To promote access to safe water, the county will continue with the expansion of water supply to informal settlements in major urban areas and enhance efforts in garbage collection and disposal through acquisition of more garbage trucks and enhanced waste recycling. Additionally, several interventions are currently being undertaken in the health sector to enhance quality healthcare to the citizens; specifically, the ongoing construction of the Accident and Emergency Unit center and the 112-capacity Funeral parlor will enhance the county's response to emergencies and associated eventualities. To further improve livelihoods, the county will continue to extend support to the Small Medium and Micro Enterprises through issuance of grants and affordable credit as well as improvement of the business environment in Markets and other public facilities. The ongoing collaboration with the national government to develop the County Aggregation and Investment Promotion Centre in Riwa Special Economic Zone will spur innovation and attract more investments in the county.

During the formulation of this policy the County Treasury considered views from the public, stakeholders, various interest persons/groups, other forums established by legislation, County Sector Working Group reports, the Commission on Revenue Allocation and the County Executive as envisioned in the law. Further the document is anchored on the Kenya Vision 20230, the Medium-Term Plan 2023–2027, the Bottom-Up Economic Transformation Agenda (BETA), the United Nations Sustainable Development Goals (SDGs), the Homa Bay County Integrated Development Plan 2023–2027, the Genowa Agenda among other relevant planning documents guiding our fiscal framework.

To equitably allocate the limited resources to effectively meet the various needs of the county, the preparation of the document has taken into consideration the social, economic, demographic, political and environmental diversities that exist in the county as well as the prevailing Macro and Micro factors determining the behavior of our economy. All county spending entities are urged to continuously ensure prudent resource utilization and strict adherence to the Fiscal Responsibility Principles that always guide public expenditure.

We are sincerely grateful to Her Excellency the Governor, Hon. Gladys Nyasuna Wanga, EGH, and H.E. the Deputy Governor, Hon. Joseph Oyugi Magwanga, for the continuous support they have accorded us directly and through the County Executive Committee in ensuring timely processing of planning documents. We look forward to a very enriching input from the County Assembly as they finally approve the document.

HON. SOLOMON OBIERO,
COUNTY EXECUTIVE COMMITTEE MEMBER,
COUNTY DEPARTMENT OF FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF HOMA BAY

ACKNOWLEDGEMENT

The preparation of the Homa Bay County Fiscal Strategy Paper is a testament to the concerted efforts by Her Excellency the Governor and the Deputy Governor and the County Executive Committee in ensuring that resource allocation is anchored on an approved fiscal framework. The steadfast leadership and commitment of Hon Solomon Obiero, the County Executive Member for Finance and Economic Planning is particularly acknowledged.

Further, we extend our gratitude to the Members of County Assembly, particularly the Budget and Appropriations Committee whose insightful support contributed a great deal in finalizing the document.

The critical role played by the public and diverse interest groups during a series of engagements in Sector Working Groups and Public Participation meetings was pivotal. Special mention is necessary for the input provided by the Commission on Revenue Allocation which greatly informed our fiscal priorities for the Fiscal Year 2025 -2026 and the medium term.

The County Government of Homa Bay will continue to uphold the fiscal responsibility principles as outlined in the PFM Act 2012 to ensure efficient, effective and sustainable use of resources over the entire medium term.

I wish to also extend sincere appreciation to my fellow chief officers for their unwavering cooperation in shaping this document. I am particularly grateful to the directors and technical officers whose expertise proved invaluable in the entire process of preparing this important planning document.

Finally, I wish to extend my heartfelt gratitude to the dedicated team of technical staff in the Finance, Economic Planning and Budget office whose unwavering commitment was indispensable in delivering the CFSP 2025.

LAWRENCE SMITH GWORO
AG. CHIEF OFFICER - ECONOMIC PLANNING AND BUDGET
<u>COUNTY GOVERNMENT OF HOMA BAY</u>

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

CADP	County Annual Development Plan
CECM	County Executive Committee Member
CBEF	County Budget and Economic Forum
CBR	Central Bank Rate
CBROP	County Budget Review and Outlook Paper
CIDP	County Integrated Development Plan
CIMES	County Monitoring and Evaluation System
CFSP	County Fiscal Strategy Paper
CRA	Commission on Revenue Allocation
COB	Controller of Budget
DAP	Differently Abled Persons
EAC	East Africa Community
ECD	Early Childhood Development
EIA	Environmental Impact Assessment
EYE	Early Years Education
FY	Financial Year
FDI	Foreign Direct Investment
GCP	Gross County Product
GDP	Gross Domestic Product
HIV	Human Immuno-Deficiency Virus
ICT	Information and Communication Technology
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
IPD	In-Patient Department
KMRC	Kenya Mortgage Refinance Corporation
KNBS	Kenya National Bureau of Statistics
MCH	Maternal and Child Health
MSEs	Micro and Small Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium-Term Plan
NBPS	National Budget Policy Statement
NDA	Net Domestic Assets
NEMA	National Environmental Management Authority
NFA	Net Foreign Assets
NIMES	National Integrated Management Information Systems
PBB	Programme Based Budget
PERs	Public Expenditure Review
PFM	Public Financial Management
PFMA	Public Finance Management Act
PPP	Public Private Partnership
SSA	Sub-Saharan Africa
SDG	Sustainable Development Goals
SMEs	Small and Medium Enterprises

LEGAL BASIS FOR THE PREPARATION OF THE HOMA BAY COUNTY FISCAL STRATEGY PAPER (CFSP) 2025

The Homa Bay County Fiscal Strategy Paper is prepared in accordance with Section 117 (1) of the Public Financial Management Act, 2012 which states that:

(1) The County, Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall 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.

(7) The County Treasury shall consider any recommendations made by the county assembly when finalizing the budget proposal for the financial year concerned.

(8) The County Treasury shall publish and publicize the County Fiscal Strategy

FISCAL RESPONSIBILITY PRINCIPLES IN THE PUBLIC FINANCIAL MANAGEMENT LAW

In line with the Constitution, the Public Finance Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. Section 107 of the PFM Act 2012 states that:
(1) A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2) and shall not exceed the limits stated in the regulations.
(2) In managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles:

a) The county government's recurrent expenditure shall not exceed the county government's total revenue;

b) Over the medium term a minimum of thirty percent (30%) of the county government's budget shall be allocated to the development expenditure;

c) the county government's expenditure on wages and benefits for its public officers shall not exceed a percentage (35%) of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;

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

e) The county debt shall be maintained at a sustainable level as approved by county assembly;

f) The fiscal risks shall be managed prudently; and g) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

(3) For the purposes of subsection (2) (d), short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited county government revenue.
(4) Every county government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the county assembly.
(5) The regulations may add to the list of fiscal responsibility principles set out in subsection (2). Specifically, the PFM Regulations 2015 provides further that:

(a) the County Executive Committee member with the approval of the County Assembly shall set a limit on the County Government's expenditure on wages and benefits for its public officers pursuant to Section 107(2) of the PFM Act;

(b) the limit set under paragraph (a) above, shall not exceed thirty-five (35) percent of the County Government's total revenue at any one time;

(c) for the avoidance of doubt, the revenue referred to in paragraph (b) shall not include revenue that accrue from extractive natural resources including oil and coal;

(d) the county public debt shall never exceed twenty (20%) percent of the county government total revenue at any one time;

(e) the county annual fiscal primary balance shall be consistent with the debt target in paragraph (d);

(f) the approved expenditures of a county assembly shall not exceed seven percent (7%) of the total revenue of the county government or twice the personnel emoluments of that county assembly, whichever is lower;

(g) pursuant to section 107(5) of the PFM Act 2012, the county government actual expenditure on development shall be at least thirty (30) percent in conformity with the requirement under section 107(2)(a) of the Act;

(h) If the county government does not achieve, the requirement of regulations 25(1)(f) above at the end of the financial year, the County Executive Committee member for finance shall submit a responsibility statement to the County Assembly explaining the reasons for the deviation and provide a plan on how to ensure annual actual expenditure outturns as wells as the medium-term allocation comply with the provisions of section 107(2)(a) of the Act and these regulations in the subsequent year; and

(i) The compliance plan above shall be binding and the County Executive Committee member for finance shall ensure implementation.

CHAPTER ONE: OVERVIEW OF THE COUNTY FISCAL STRATEGY PAPER 2024

1.1 INTRODUCTION

1. The County Fiscal Strategy Paper (CFSP 2025) is the 12th to be prepared under the devolved system of government and the third, under the current administration of H.E. the Governor, Gladys Nyasuna Wanga (EGH) and the Deputy Governor, H.E, Joseph Oyugi Magwanga. It outlines schemes for ***Consolidating the Gains Under the Genowa Economic Transformation for Inclusive Green Growth***. The CFSP serves as a foundational document that outlines the financial roadmap for the upcoming financial year 2025/26.

2. The Homa Bay County Fiscal Strategy Paper (CFSP) for the Financial Year 2025/26 is anchored on the National economic frameworks set out in the 2025 Budget Policy Statement (BPS) and aligns as well with the county economic planning frameworks; Vision 2030, the Medium-Term Plan 2023-2027, the Bottom-up Economic Transformation Agenda (BETA), Sustainable Development Goals (SDGs), Homa Bay County Integrated Development Plan (CIDP)2023-2027, the GENOWA agenda, and the approved County Annual Development Plan 2025/26.

3. The CFSP 2025 contains; An overview of the county's overall economic situation, including growth projections, inflation rates, and other macroeconomic factors that could affect fiscal planning, as well as expected revenue projections for the fiscal year, including both on-source revenue and transfers from the national government or other sources. Additionally, the expenditure priorities outline the key areas where the county intends to allocate resources, such as infrastructure, education, healthcare, and other public services.

4. The CFSP 2025 strategic priorities aimed at stimulating local economies through fostering economic transformation, sustainable development, and inclusive growth for shared prosperity. The economic transformation will be driven by the sectors of water, agriculture, social protection, health, education, infrastructure and trade, to stimulate local livelihoods tailored to each ward's specific needs. The government will adopt prudent financial management strategies, including zero-based budgeting, improved cash management and digital solutions to enhance transparency, accountability, and efficient service delivery.

1.2 Core Thematic areas for the FY 2025/26

5. The CFSP 2025 is premised on positioning Homa Bay County as the preferred environment to reside, work, and invest. This has remained an open invitation and an inspiration for the people to support the Genowa Government in creating ideas and events that would foster potential and unleash everyone's creativity, vitality and ingenuity required to positively identify and tap into county sectors that have tremendous potential to create jobs, boost inclusive economic and reduce poverty. It is because of the need to deliver on economic empowerment by creating employment opportunities, ensuring equitable distribution of resources, and social security while also growing our revenues.

6. The county fiscal policy objectives over the medium term include: Entrenching good governance, prudent financial management and service delivery; providing modern health facilities, an innovative and effective medication supply system, and sufficient, well- trained and equipped health workforce to improve the healthcare system; promoting success in today's labour market and investing in early years education (EYE) and skills development; enhancing food security by investing in transformational agri-food systems for resilient livelihoods; reversing the shortages and high-water costs and ensuring universal access to clean water.

7. The county's fiscal effort will also be focused on revitalizing the county economy through expanding manufacturing and trade as well as the blue, creative and digital economies to optimize the county's full economic potential. The county will continue investing in quality, sustainable and resilient infrastructure to promote access for agriculture, trade, tourism, and development in general. Importantly, the county will leverage on its diverse plethora of natural resources and raw materials to potentially grow the economy while ensuring inclusion of all genders, people abled differently, youths, and other marginalized populations within the county.

8. Besides, the County Government of Homa Bay intends to leverage on the National Government's BETA strategies and development initiatives to further economically transform the county. Hence, special attention will be drawn on (i) Agricultural transformation and inclusive growth; (ii) Micro, Small and Medium Enterprise (MSME) Economy; (iii) Housing and Settlement; (iv) Healthcare; and (v) Digital Superhighway and Creative Industry, which are the five sectors envisaged to have the largest impact and linkages to the economy for improving households' welfare.

1.2.1 Continuing to Build Back Better

9. As indicated, the CFSP 2025 aims at devising mechanisms for sustaining and expanding the gains made by county government of Homa Bay under the GENOWA agenda. These include: Expanding investments in "green" infrastructure for expanded access; Mitigating the climate change and protection; Expanding our manufacturing and industrial capacities; Mechanization of agriculture through value addition management; Overcoming all health emergencies occasioned by communicable diseases while improving the quality of health care with emphasis on universal healthcare coverage and vaccination, reduction of mortality rates, broadening prevention, treatment and combating HIV/AIDS, malaria, tuberculosis and non- communicable diseases; Improved access to affordable and quality EYE and vocational training centers; Promoting the development of sports, tourism talent and the blue economy; Espousing science, innovation and technology particularly in areas of data generation and management; clean energy, nutrition and dietetics, artificial intelligence, telemedicine; Improving climate change preparedness, adaptation and resilience; Strengthening public finance management systems; Supporting good governance and establishing structures that enhance transparency, accountability and other national values and principles as defined by the Constitution of Kenya, 2010.

1.2.2 Improving Revenue Collection

10. As part of the county's economic revitalization plan, the government will enhance its revenue mobilization and management to optimize and realize a targeted OSR of **KSh. 1,631,087,323** (including A-In-A of **KSh. 1,064,906,565** and Ordinary OSR of **KSh. 566,180,758**) in FY 2025/26. In order to achieve this, the county government has undertaken administrative, functional, and policy reforms, which include but not limited to reviewing the tax rates; mapping and introducing new revenue streams; periodic auditing of the cashless revenue collection and management systems; adequate staffing and provision of the necessary tools to collectors; fully operationalizing the County Revenue Board; continuous public awareness and sensitization (civic engagements) on their tax obligations through quarterly revenue days; ensuring the tax payers get value for money by providing quality services; maximum accountability to the public on the use of public resources; and plugging all revenue leakages. Overall, these proposals will be implemented by reviewing and revising the County Finance Act in accordance with the underpinning legislations and laws.

11. With the establishment and operationalization of five municipalities (namely Homa Bay, Mbita, Ndhiwa, Kendu Bay and Oyugis Municipalities), an upward trajectory is expected on land and property values. Additionally, the urbanization of these areas and the surrounding populations are anticipated to grow, resulting in increased development and subsequent revenue for the county. In preparation for the same, the county government, through the department of Lands and Urban Development is not only in the process of reviewing property and land rates but also developing valuation rolls as part of the on-going reforms.

12. In Homa Bay County, many of the private sector players are small and micro enterprises that operate outside the purview of government regulations. These businesses are in the subsistence economy where they contravene – or are not subject to – some of a variety of rules and regulations, including labour laws, environmental laws, registration, and taxation. To reach out to them, the County Government will shift focus to the businesses themselves and their owners (including the self-employed) so that they are supported to pay up revenue in more structured ways. Where possible, the County Government will pursue their formalization to increase access to various opportunities available to formal firms, including better access to credit, increased opportunities to engage with large firms and government contracts, reduced harassment by police and municipal officials, and access to broader training and support programmes.

1.2.3 Reducing Revenue Leakages

13. The County Government of Homa Bay will take a data-driven approach to mapping and tracking all revenue payable. While data-driven capabilities at scale will only be deployed systematically, revenue officers will consistently be exposed to building experience with the latest innovations. Only well-meaning revenue officers who are ready to prove their mettle will be elevated. With digitization, the county will be able to create a massive trail of data that supports more- effective revenue and payment programs.

14. On revenue policy, the County Government of Homa Bay will strive to implement various revenue policy measures to further boost revenue collection. First, the County Government will review and operationalize the various County Revenue Policies and the Medium-Term Revenue Strategy. The County Revenue Policy Framework will enhance administrative efficiency, provide consistency and entrench predictability in revenue legislation and management of revenue spent at source. More important, the Medium-Term Revenue Strategy will provide a comprehensive approach to undertaking effective revenue reforms for boosting collection and improving revenue generation over the medium term.

1.2.4 Improving the Medium-Term Expenditure Process

15. The County Government of Homa Bay has prioritized improving efficiency in public spending to ensure value for money by eliminating non-priority expenditures; retiring expensive and unsustainable consumption subsidies; removing unnecessary exemptions; scaling up the use of Public Private Partnerships financing for commercially viable projects; rolling out an end-to-end e-procurement system; and streamlining the initiation, execution, delivery and sustainability of public investment projects.

16. In light of the change in priorities under the new administration, expenditure ceilings in the CFSP 2025 have been revised to reflect the emerging realities. All proposed County Entity Budget for the FY 2025/26 has been scrutinized to ensure efficiency and effectiveness in line with the GENOWA Agenda as aptly captured in the Third CIDP (2013-2017) and other strategic interventions critical to building an accountable, equitable, people-centered, inclusive and transparent county, which transforms the general welfare of its residents.

17. Budgeting for the county priority programmes will be developed through a value-chain approach under four clusters: i) Productive Sectors, including Trade, Agriculture, Blue, Creative and Digital Economy; ii) Infrastructure and Technology sectors; iii) Social Sectors; and iv) Governance and Public Administration sectors. This process will ensure linkage in the value chain cycle in the resource allocations. The process will also ensure efficient resources get allocated to all the components along the value chain while eliminating elements of duplication.

18. Besides improving the MTEF process, the County Government of Homa Bay will remain focused on the full adoption of results-based management through program-based budgeting (PBB), strengthening of budget execution, reporting, and monitoring mechanisms. Entrenching a performance-based system is a major priority for the GENOWA administration. Therefore, budgetary allocations for the financial year 2025/26 shall be based on efficacy of the sectoral proposed programmes and projects as defined in the various sector working group reports for 2024. As guided by the PBB, only those priority programmes with SMART objectives and outcomes/targets shall be funded in FY 2025/26.

1.3 Linkage with BPS

19. The CFSP 2025 is aligned with the National Government's Budget Policy Statement (BPS 2025), which is focused on economic rebound and inclusive growth. Similarly, the County Government of Homa Bay will emphasize employment creation, equitable distribution of resources, social security protection, food security, promotion of investment, trade, and tourism, environmental protection, and infrastructural, health, and education access across the county. However, achieving these calls for expanded revenue growth in FY 2025/26 and the medium- term period.

20. Both the National and County Government are focused on increasing investments in sectors envisaged to have the biggest impact on the economy as well as on household welfare. While the National Government of Kenya will be implementing its priorities under five core pillars of the Bottom-up Economic Transformation Agenda (BETA) including Agricultural Transformation; Micro, Small and Medium Enterprise (MSME) Economy; Housing and Settlement; Healthcare; and Digital Superhighway and Creative Industry, the County Government will pursue a six pillar GENOWA Agenda focused on: Good Governance and Service Delivery Excellence; Enhanced food security and development of agri-food value chains; Nurturing environments for children and other disadvantaged groups; Optimum development of the blue, creative, digital and enterprise economies; World-class infrastructure and tooling for enhanced economic competitiveness; and Access to quality and affordable healthcare services.

CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS & MEDIUM-TERM OUTLOOK

2.1 Introduction

21. The global economy has stabilized with global growth projected at 3.2 percent in 2024 and 2025 from 3.3 percent in 2023 supported by easing of global inflation and supply chain constraints.

22. The outlook reflects stronger than expected growth in the USA, some large emerging market economies such as India, and improved growth prospects in the UK

23. The main risks to the global growth outlook relate to disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, a possible resurgence of financial market volatility with adverse effects on sovereign debt markets, a deeper growth slowdown in China and an intensification of protectionist policies which would exacerbate trade tensions, reduce market efficiency, and further disrupt supply chains.

2.2 Recent Economic Developments

24. The global economy has shown signs of stabilization, with growth anticipated to reach 3.2 percent in both 2024 and 2025, a slight decrease from 3.3 percent in 2023. This outlook is bolstered by alleviating global inflation and easing supply chain issues (**Table 2.1**). Notably, stronger than expected growth in the USA, as well as improvements in major emerging markets like India and an optimistic forecast for the UK, are contributing to this positive trend.

25. However, several risks could impact the global growth outlook. These include potential disruptions to the disinflation process, which could arise from renewed spikes in commodity prices due to ongoing geopolitical tensions. Additionally, there are concerns about a resurgence of volatility in financial markets that might adversely affect sovereign debt markets, a deeper slowdown in China's economy, and a rise in protectionist measures that could escalate trade tensions, hinder market efficiency, and further disrupt global supply chains.

Table 2.1: Global Economic Performance

	Growth (%)			
	Actual	Estimate	Projections	
Economy	2022	2023	2024	2025
World	3.5	3.3	3.2	3.2
Advanced Economies	2.6	1.7	1.8	1.8
Of which: USA	*1.9*	*2.9*	*2.8*	*2.2*
Euro Area	*3.4*	*0.4*	*0.8*	*1.2*
Japan	*1.0*	*1.7*	*0.3*	*1.1*
Emerging and Developing Economies	4.1	4.4	4.2	4.2
Of which: China	*3.0*	*5.2*	*4.8*	*4.5*
India	*7.0*	*8.2*	*7.0*	*6.5*
Sub-Saharan Africa	4.0	3.6	3.6	4.2
Of which: South Africa	1.9	0.7	1.1	1.5
Nigeria	3.3	2.9	2.9	3.2
Kenya*	4.9	5.6	5.2	5.4

*Source: IMF World Economic Outlook, October 2024. *National Treasury Projection*

26. Economic growth in advanced economies is forecasted to hold steady at 1.8 percent in 2024 and 2025, slightly up from 1.7 percent in 2023. In the United States, growth is anticipated to rise to 2.8 percent in 2024, driven by robust consumer spending, increased non-residential investment, and supportive labor market conditions. However, a decline to 2.2 percent is expected in 2025 as fiscal tightening takes effect and a cooling labor market dampens consumption. Meanwhile, the euro area is projected to experience a rebound due to improved export performance particularly in goods stronger domestic demand, rising real wages boosting consumer spending, and a gradual easing of monetary policy that should enhance investment. Conversely, Japan's growth is expected to decelerate, impacted by temporary supply constraints and the waning of one-off factors that had previously spurred activity in 2023, including a surge in tourism.

27. The growth trajectory for emerging markets and developing economies is anticipated to remain steady, with a projected rate of 4.2 percent for both 2024 and 2025. Notably, the Sub-Saharan African region is forecast to experience a resurgence in growth, accelerating to 4.2 percent by 2025, following a period of subdued growth at 3.6 percent in 2023 and 2024. This upswing is attributable to the mitigation of adverse weather-related impacts and the gradual alleviation of supply-side bottlenecks.2.3

2.3 Domestic Economic Development

28. 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 percent 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 in the manufacturing sector, and the resilience of the services sector. All the economic sub-sectors except mining and construction recorded positive growth rates in the first quarters of 2024, though the magnitudes varied across the economic activities (**Table 2.2).** The diversified structure of the Kenyan economy remains a key source of resilience to domestic and external shocks favorable impact of Government interventions to lower the cost of production. However, the sectors' performance was somewhat curtailed by heavy rains and floods, between March and June 2024, that led to loss of livestock and damage to croplands.

Table 2.2: Sectoral GDP Performance

Sectors	Annual Growth Rates		Quartely Growth Rates					
	2022	2023	2023 Q1	2023 Q2	2023 Q4	2024 Q1	2024 Q2	2024 Q3
1. Primary Industry	**(0.8)**	**5.6**	**5.3**	**6.9**	**5.3**	**5.0**	**4.4**	**3.2**
1.1. Agriculture, Forestry and Fishing	(1.5)	6.5	6.4	7.8	6.2	6.1	4.8	4.2
1.2 Mining and Quarrying	9.3	(6.5)	(11.0)	(8.3)	(6.9)	(14.8)	(2.7)	(11.1)
2. Secondary Sector (Industry)	**3.5**	**2.5**	**2.5**	**2.1**	**2.0**	**1.0**	**0.8**	**0.6**
2.1. Manufacturing	2.6	2.0	1.7	1.5	2.0	1.2	3.3	2.3
2.2. Electricity and Water supply	5.5	2.8	3.7	2.8	1.3	2.4	1.0	0.9
2.3. Construction	4.1	3.0	3.0	2.7	2.2	0.1	(2.9)	(2.0)
3. Tertiary sector (Services)	**6.6**	**6.8**	**6.5**	**6.7**	**6.3**	**6.2**	**5.3**	**5.3**
3.1. Wholesale and Retail trade	3.5	2.7	2.9	2.1	2.8	4.9	4.4	4.8
3.2. Accomodation and Restaurant	26.8	33.6	47.1	42.7	18.1	28.0	26.6	13.7
3.3. Transport and Storage	5.8	6.2	6.6	4.6	8.5	3.9	3.6	5.2
3.4. Information and Communication	9.0	9.3	9.5	7.6	11.0	7.8	7.2	6.1
3.5. Financial and Insurance	12.0	10.1	5.9	13.2	6.3	7.0	5.1	4.7
3.6. Public Administration	5.1	4.6	7.6	3.2	3.4	5.8	5.1	5.4
3.7. Others	5.3	6.1	5.7	5.9	6.1	5.9	5.1	5.1
of which: Professional, Admin & Support Services	9.4	9.4	8.6	6.6	12.8	9.9	6.8	7.8
Real Estate	4.5	7.3	7.3	8.1	6.2	6.6	6.0	5.5
Education	5.2	3.1	2.0	3.1	3.9	4.0	3.1	3.8
Health	3.4	4.9	5.1	4.7	4.8	5.5	5.5	4.4
Taxes less subsidies	6.7	2.2	3.0	1.8	2.0	4.5	5.8	3.4
Real GDP	**4.9**	**5.6**	**5.5**	**5.6**	**5.1**	**5.0**	**4.6**	**4.0**

*Source: IMF World Economic Outlook, October 2024. *National Treasury Projection*

30. Activities in **Mining and Quarrying** contracted in the first three quarters of 2024 mainly due to a decline in production of most minerals such as titanium, soda ash and gemstone. This was because of the closure of Kwale miner Base Titanium which formally shut down its mining activity in Kenya in December 2024 due to depletion of commercially viable ore

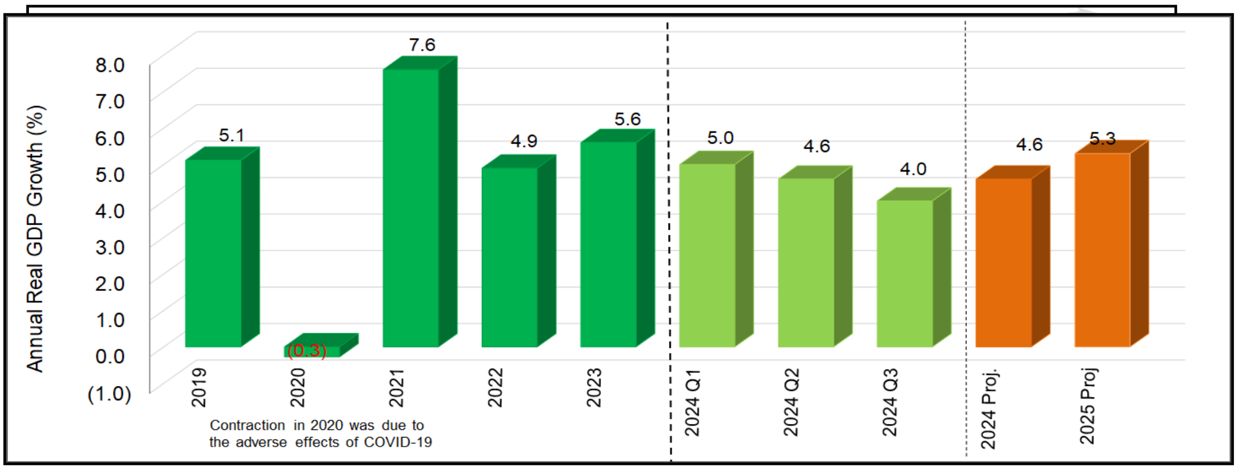
31. **Industrial sector** performance remained subdued, with growth of the sector slowing down to an average of 0.8 percent in the first three quarters of 2024 (1.0 percent Q1, 0.8 percent Q2 and 0.6 percent Q3). This was mainly on account of a slowdown in activities from electricity& water supply and contraction of the construction sub-sectors. The slowed growth in electricity& water supply was due to a decline in generation of electricity from geothermal, wind and solar while the contraction in construction sector is due to a slowdown in public sector infrastructure projects. Activities in the manufacturing sector, which accounts for nearly half of the industrial sector output, were supported by significant growths in the manufacture of food while the non-food manufacturing activities recorded varied performance.

32.The activities in the **services sector** continued to sustain strong growth momentum in the first three quarters of 2024 averaging 5.6 percent (6.2 percent Q1, 5.3 percent Q2 and 5.3 percent Q3). The performance was largely characterized by significant growths in accommodation and food service, financial and insurance, information and communication, real estate, and wholesale and retail trade sub-sectors. Accommodation and restaurant service sub-sector benefited from several high-profile international conferences held in Nairobi between April and June 2024 that attracted significant international participation. Growth in the information and communication sub-sector was supported by increased voice traffic, internet use and mobile money despite a decline in the use of domestic Short Messaging Services (SMSs).

33. Considering the performance of the economy in the first three quarters of 2024 and the slowdown in private sector credit growth to key sectors of the economy growth is estimated to expand overall by 4.6 percent in 2024 and 5.3 percent in 2025. These projections are mainly supported by: a robust services sector and recovery of manufacturing sector; robust agricultural productivity and improvement in exports.

The outlook will be reinforced by implementation of policies and reforms under the priority sectors of the Bottom-Up Economic Transformation Agenda (BETA) and improvement in aggregate demand. Additionally, implementation of prudent fiscal and monetary policies will continue to support economic activity **(Figure 2.1)**

Figure 2.1: Annual Real GDP Growth Rates, percent

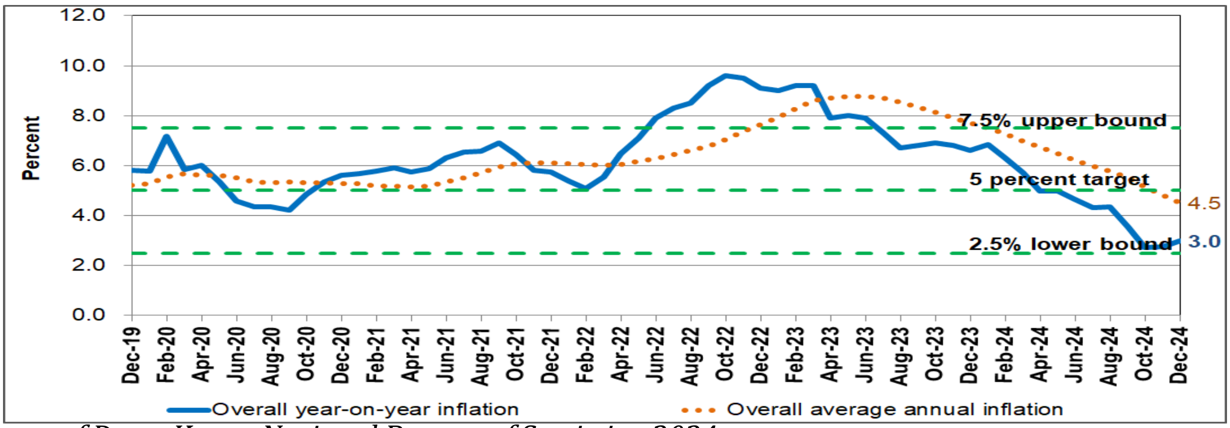


Source of Data: Kenya National Bureau of Statistics, 2024

Inflation Development

34. Overall inflation declined and has remained below the mid-point of the target band of 5.0 percent since June 2024, mainly reflecting significant declines in energy prices and continued easing of food prices. Inflation declined to 3.0 percent in December 2024 from 6.6 percent in December 2024 and a peak of 9.6 percent in October 2022 (Figure 2.2). Easing inflation has been supported by abundant supply of food arising from favorable weather conditions, lower fuel inflation attributed to appreciation of the exchange rate and lower international oil prices, and the decline in non-food non-fuel (NFNF) inflation reflecting impact of previous monetary policy tightening.

Figure 2.2: Inflation Rate, Percent



Source of Data: Kenya National Bureau of Statistics, 2024

35. Food inflation remained a key driver of overall year-on-year inflation though it declined to 4.8 percent in December 2024 from 7.7 percent in December 2023. The easing of food prices was supported by increased food supply arising from favorable 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.

36. Fuel inflation declined to -1.0 percent in December 2024 from 13.7 percent in December 2023. The decline largely reflected the easing global oil prices and appreciation of the Kenya Shilling's which resulted in a downward adjustment of pump prices, and lower electricity prices. Core (non-food non-fuel) inflation has remained low and stable reflecting the impact of tight monetary policy and muted demand pressures

37. Given that inflation is below the mid-point of the target range and the exchange rate has stabilized, the Central Bank of Kenya through the Monetary Policy Committee (MPC) has gradually eased monetary policy by lowering the Central Bank Rate (CBR), initially to 12.75 percent from 13 percent in August 2024 to 12.0 percent in October 2024 and further to 11.25 percent in December 2024. The easing of the monetary policy stance is aimed at improving credit to the private sector thereby supporting economic activities.

Monetary and Credit Developments

38. Broad money supply, M3, grew by 1.6 percent in the year to November 2024 compared to a growth of 21.1 percent in the year to November 2023 **(Table 2.3).** The slowdown in growth of M3 was due to a decline in the growth of Net Domestic Assets (NDA), particularly the domestic credit. The primary source of the growth in M3 was the resilience in the Net Foreign Assets (NFA) of the banking system, mainly reflected in the stability of commercial banks' Foreign Assets.

39.Net Domestic Assets (NDA) contracted by 2.2 percent in the year to September 2024, compared to a growth of 10.9 percent over a similar period in 2023. The slowdown in growth of the NDA was due to a decline in growth of the domestic credit to the private sector. The domestic credit extended by the banking system to the Government increased to grow by 16.6 percent in the year to November 2024 compared to a growth of 14.4 percent in the year to November 2023.

Table 2.3: Money and Credit Developments (12 Months to November 2024, Ksh billion)

				Change		Percent Change	
	2022 November	2023 November	2024 November	2022-2023 November	2023-2024 November	2022-2023 November	2023-2024 November
COMPONENTS OF M3							
1. Money supply, M1 (1.1+1.2+1.3)	1,902.0	2,012.5	2,057.9	110.5	45.4	5.8	2.3
1.1 currency outside banks (M0)	252.2	272.7	291.1	20.5	18.4	8.1	6.7
1.2 Demand deposits	1,560.6	1,656.0	1,608.8	95.4	(47.2)	6.1	(2.9)
1.3 Other deposits at CBK	89.2	83.8	158.0	(5.4)	74.2	(6.0)	88.6
2. Money supply, M2 (1+2.1)	3,537.3	3,906.3	4,179.9	369.0	273.6	10.4	7.0
2.1 Time and savings deposits	1,635.3	1,893.8	2,121.9	258.5	228.2	15.8	12.0
Money supply, M3 (2+3.1)	**4,460.2**	**5,402.6**	**5,490.3**	**942.4**	**87.7**	**21.1**	**1.6**
3.1 Foreign currency deposits	922.9	1,496.3	1,310.5	573.4	(185.9)	62.1	(12.4)
SOURCES OF M3							
1. Net foreign assets (1.1+1.2)	**276.0**	**771.8**	**854.1**	**495.8**	**82.4**	**179.6**	**10.7**
1.1 Central Bank	531.7	497.1	557.9	(34.5)	60.8	(6.5)	12.2
1.2 Banking Institutions	(255.7)	274.6	296.2	530.3	21.6	207.4	7.9
2. Net domestic assets (2.1+2.2)	**4,184.2**	**4,630.8**	**4,636.2**	**446.6**	**5.4**	**10.7**	**0.1**
2.1 Domestic credit (2.1.1+2.1.2+2.1.3)	5,425.2	6,186.8	6,472.1	761.6	285.3	14.0	4.6
2.1.1 Government (net)	1,940.4	2,220.7	2,589.7	280.4	369.0	14.4	16.6
2.1.2 Other public sector	79.3	111.6	69.1	32.3	(42.6)	40.7	(38.1)
2.1.3 Private sector	**3,405.5**	**3,854.5**	**3,813.3**	**448.9**	**(41.1)**	**13.2**	**(1.1)**
2.2 Other assets net	(1,241.1)	(1,556.0)	(1,836.0)	(315.0)	(279.9)	(25.4)	(18.0)

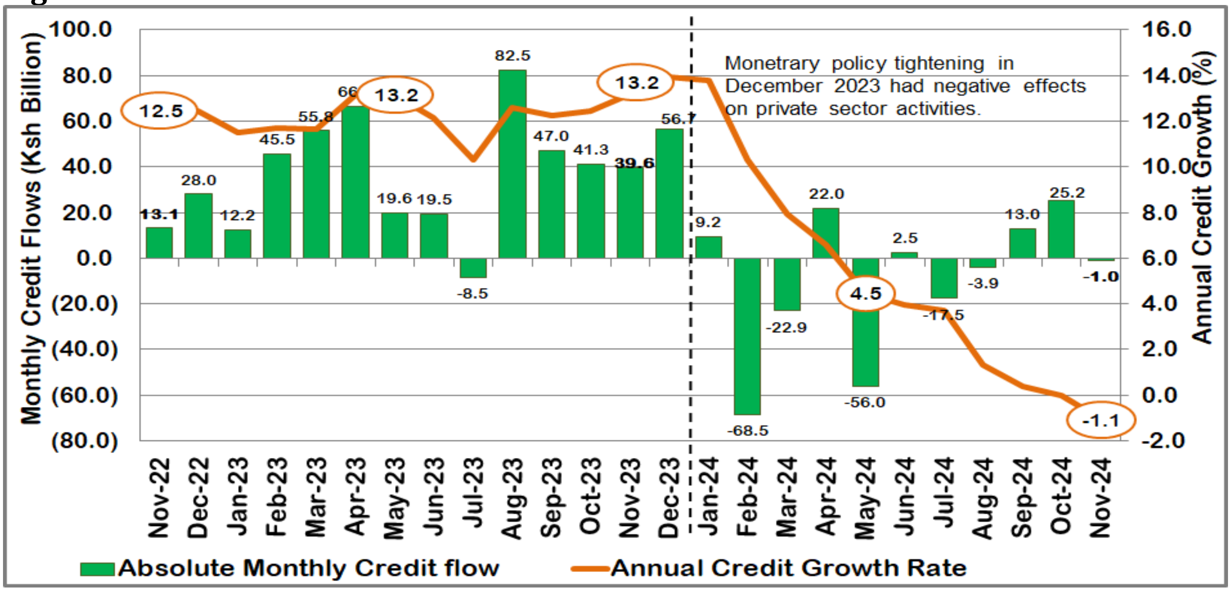
Source of Data: Central Bank of Kenya, 2024

40. Growth in private sector credit from the banking system declined by 1.1 percent in the year to November 2024 compared to a growth of 13.2 percent in the year to

November 2023, due to the impact of exchange rate appreciation on foreign currency denominated loans and the lagged effects of monetary policy tightening. Reduced credit growth was observed in manufacturing, finance and insurance, trade (exports) and building and construction sub-sectors. These are some of the sub-sectors with significant foreign currency denominated loans.

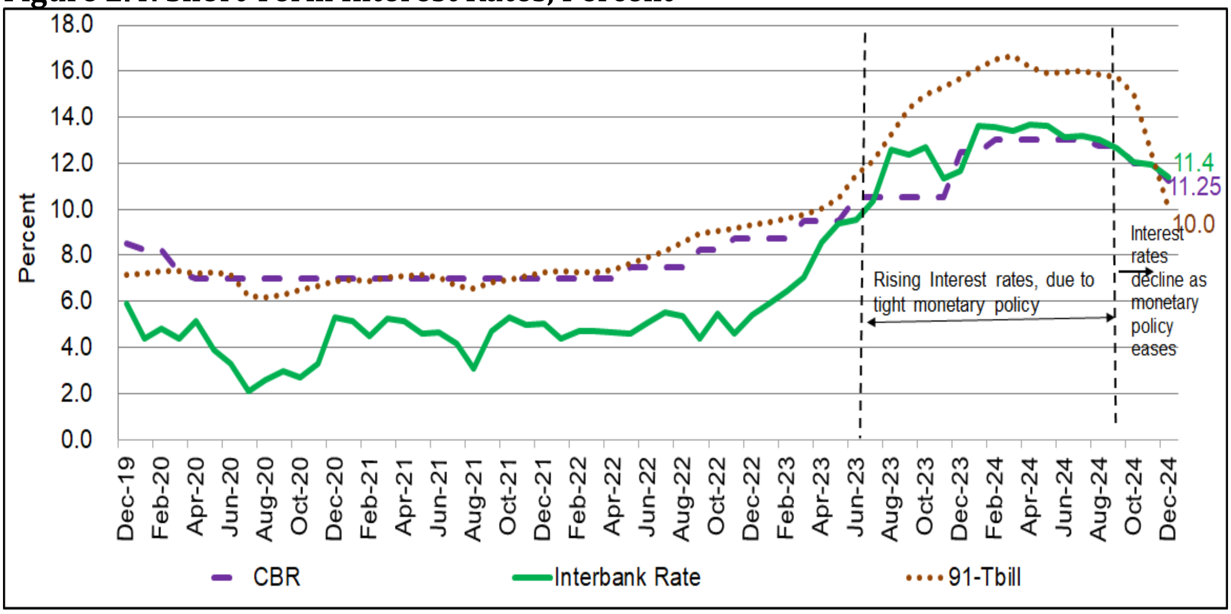
41.The Monthly (month on month) credit flows to the private sector have slowed down since December 2023 following the monetary policy action of increasing the central bank rate to manage inflation expectation which resulted in the increased cost of credit **(Figure 2.3).** With the strong easing of monetary policy stance, credit in the private sector is expected to recover as lending rates decline. Sustained demand particularly for working capital due to resilient economic activity and the implementation of the Credit Guarantee Scheme for the vulnerable MSMEs will continue to support private sector credit uptake.

Figure 2.3: Private Sector Credit



Source: CBK, 2024

Figure 2.4: Short Term Interest Rates, Percent



Source of Data: Central Bank of Kenya, 2024

External Sector Developments

43. The current account deficit was at US$. 4,537.9 million (3.6 percent of GDP) in November 2024 compared to US$ 4,354.5 million (4.4 percent of GDP) in November 2023, reflecting strong performance of export of goods as well as increased remittances **(Table 2.4).** Goods imports increased by 7.5 percent in the 12 months to November 2024, reflecting increases in intermediate and capital goods. On the other hand, in the year to November 2024, goods exports increased by 12.9 percent in the 12 months to November 2024, reflecting increased exports of agricultural commodities and re-exports. The balance in the merchandise account deteriorated by US$. 372.3 million to a deficit of US$. 10,539.7 million in November 2024 mainly because the increase in import bill more than offset the increase in exports.

Table 2.4: Balance of Payments (USD Million)

				Year to November 2024		Actuals as a Percent of GDP	
	Nov-22	Nov-23	Nov-24	Change	Percent Change	Nov-23	Nov-24
Overall Balance	**2,149.9**	**979.9**	**(1,500.7)**	**(2,480.6)**	**(253.2)**	**1.0**	**(1.2)**
A) Current Account	**(6,134.4)**	**(4,354.5)**	**(4,537.9)**	**(183.4)**	**(4.2)**	**(4.4)**	**(3.6)**
Merchandise Account (a-b)	(12,231.8)	(10,167.5)	(10,539.7)	(372.3)	(3.7)	(10.3)	(8.3)
a) Goods: exports	7,472.9	7,234.9	8,171.6	936.7	12.9	7.3	6.4
b) Goods: imports	19,704.7	17,402.4	18,711.4	1,309.0	7.5	17.6	14.7
Net Services (c-d)	1,381.9	688.9	675.7	(13.1)	(1.9)	0.7	0.5
c) Services: credit	6,539.7	5,685.8	5,513.7	(172.1)	(3.0)	5.8	4.3
d) Services: debit	5,157.9	4,996.9	4,838.0	(159.0)	(3.2)	5.1	3.8
Net Primary Income (e-f)	(1,741.5)	(1,923.3)	(2,190.2)	(266.9)	(13.9)	(1.9)	(1.7)
e) Primary income: credit	143.3	196.9	292.4	95.5	48.5	0.2	0.2
f) Primary income: debit	1,884.8	2,120.1	2,482.6	362.4	17.1	2.1	1.9
Net Secondary Income	6,457.0	7,047.4	7,516.3	469.0	6.7	7.1	5.9
g) Secondary income: credit	6,519.5	7,135.4	7,623.8	488.3	6.8	7.2	6.0
h) Secondary income: debit	62.5	88.1	107.4	19.3	22.0	0.1	0.1
B) Capital Account	**165.0**	**131.1**	**152.5**	**21.4**	**16.3**	**0.1**	**0.1**
C) Financial Account	**(4,089.0)**	**(2,539.6)**	**(5,420.6)**	**(2,881.0)**	**(113.4)**	**(2.6)**	**(4.2)**

Source of Data: Central Bank of Kenya, 2024

44.Net receipts on the services account declined by US$. 13.1 million to US$. 675.7 million in November 2024 compared to a similar period in 2023. This was mainly on account of a decline in receipts due to transport despite an increase in receipts from tourism as international travel continued to improve. Remittances increased by 15.3 percent to USD 4,804 million in the 12 months to October 2024 compared to USD 4,165 million in a similar period in 2023

45. The capital account balance increased by US$. 21.4 million to register a surplus of US$ 152.5 million in November 2024 compared to a surplus of US$. 131.1 million in the same period in 2023. Net financial inflows improved to US$. 5,420.6 million in November 2024 compared to US$. 2,539.6 million in November 2023 reflecting a slowdown in inflows to the government and other sectors. The net financial inflows were mainly in the form of other investments and direct investments. However, portfolio investments and financial derivatives registered a net outflow during the period partly due to Kenya's limited access to international financial markets owing to elevated borrowing costs.

46. The overall balance of payments position slowed down to a deficit of US$. 1,500.7 million (1.2 percent of GDP) in November 2024 from a surplus of US$. 979.9 million (1.0 percent of GDP) in November 2023

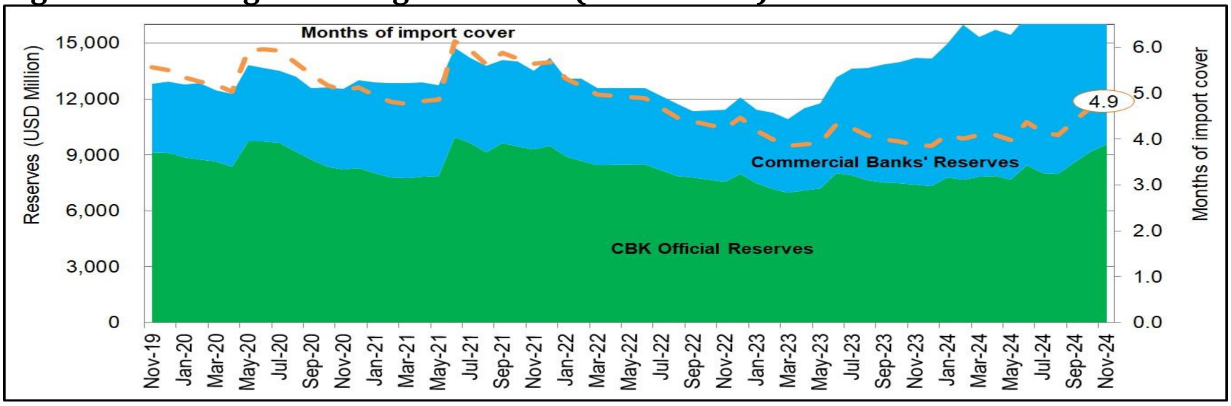
Foreign Exchange Reserves

47.The banking system's foreign exchange holdings remained strong at US$. 16,312.1 million in November 2024, an improvement from US$. 14,211.1 million in November

2023. The official foreign exchange reserves held by the Central Bank stood at US$ 9,578.0 million compared to US$ 7,397.6 million over the same period in 2023 **(Figure 2.5).** Commercial banks' foreign exchange holdings decreased to US$. 6,734.1 million in November 2024 from US$. 6,813.5 million in November 2023.

48.The official reserves held by the Central Bank in November 2024 represented 4.9 months of import cover as compared to the 3.9 months of import cover in November 2023. These reserves continue to provide adequate cover and buffer against any short-term shocks in the foreign exchange market.

Figure 2.5: Foreign Exchange Reserves (USD Million)



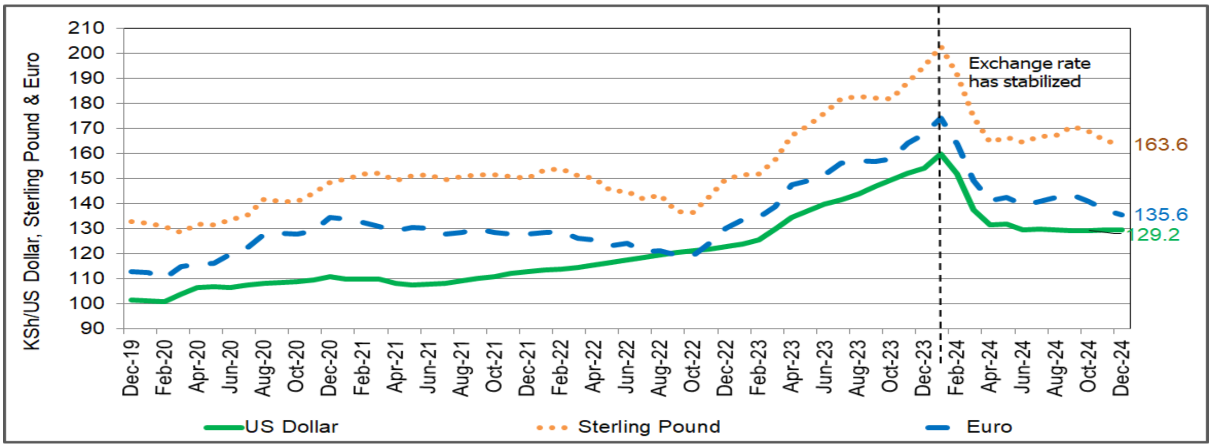
Source of Data: Central Bank of Kenya, 2024

Exchange Rate Developments

49.The foreign exchange market remained stable in 2024 despite increased global uncertainties, effects of a stronger U.S. Dollar and geopolitical tensions in the Middle East. The Kenya Shilling exchange rate was weaker at the turn of the year but strengthened against the U.S. Dollar from mid-February 2024 and has now stabilized against major international currencies. In December 2024, the exchange rate against the US dollar averaged at KSh 129.4 compared to an average of KSh 159.7 in January 2024, an appreciation of 19.0 percent. Against the Euro, the Kenya shilling strengthened by 22.2 percent to exchange at an average of KSh 135.6 in December 2024 compared to an average of KSh 174.3 in January 2024 while against the Sterling Pound the Kenyan Shilling strengthened by 19.3 percent to exchange at an average of KSh 163.6 compared to an average KSh 202.9, over the same period **(Figure 2.6).**

50.The foreign exchange market was mainly supported by inflows from agricultural exports, remittances and portfolio investors while demand was driven by expansion in economic activities specifically in the manufacturing, wholesale, and retail sub-sectors. The appreciation and stability of the exchange rate has created confidence and triggered inflows of foreign direct investment and attracted investors to the Nairobi Securities Exchange. This appreciation has helped to reduce debt service costs, improve the performance of domestic borrowing and stabilize interest rates.

Figure 2.6: Kenya Shillings Exchange Rate

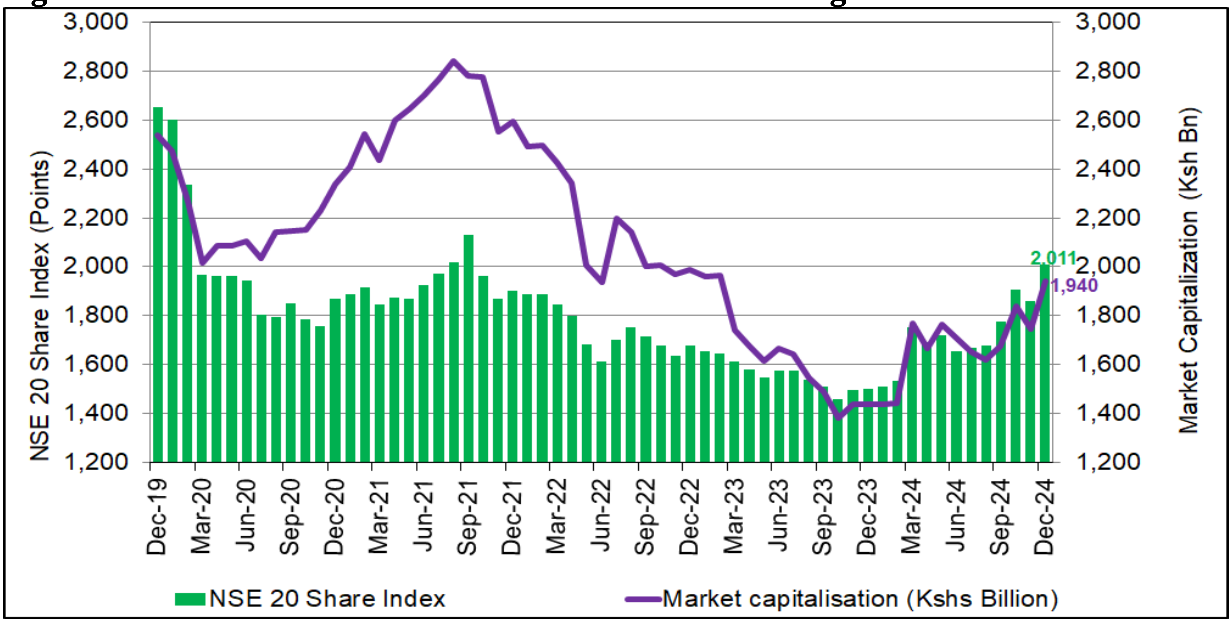


Source of Data: Central Bank of Kenya, 2024

2.4 Capital Markets Developments

51. Economic recovery, appreciation of the Kenya Shilling against major international currencies and macroeconomic stability have created confidence and triggered inflows of foreign direct investment and attracted investors to the Nairobi Securities Exchange. The NSE 20 Share Index improved to 2,011 points in December 2024 compared to 1,501 points in December 2023 while market capitalization also improved to KSh 1,940 billion from KSh 1,439 billion over the same period **(Figure 2.7)**

Figure 2.7: Performance of the Nairobi Securities Exchange



Source of Data: Nairobi Securities Exchange, 2024

2.5 County Fiscal Performance for 2024

52. The budget implementation in the first half of the FY 2024/2025 registered a slowed growth in own-source revenues largely due to low economic performance and the impact of the Gen-Z protests on businesses as well the challenges experienced with the shift from NHIF to SHA/SHIF with respect to health revenue. The approved total county revenue basket is **KSh. 11,698,088,814.** This figure is expected to change during the first supplementary budget preparation for FY 2024/25 which will be prepared during the third quarter of FY 2024/25.

Table 2.5.1 below provides the details by source.

Table 2.5.1: County Fiscal Framework for FY 2024/25

Revenue/Expenditure Category	**Approved Estimates FY 2024/25**
Total Revenue	**11,876,978,601**
Equitable Share	8,436,080,677
Conditional Grants	1,829,487,963
Own Source Revenue (Ordinary)	501,737,917
Appropriations–In-Aid (Health Sector)	981,068,740
Share of equalization fund	128,603,304
Other Sources - June 2024 Capitation	0
Unspent balances - CRF and Grants	0
Total Expenditure	**11,876,978,601**
Recurrent Expenditure	**7,670,902,585**
Personnel Emoluments	*5,660,464,493*
Operations and Maintenance	*2,010,438,092*
Development Expenditure	**4,206,076,016**

Data Source: HB County Treasury, 2024

Recurrent and Development Expenditure in 2024/2025

53.The recurrent expenditure is expected to be KSh. 7,670,902,585 (64.6%) while development is expected to stand at KSh. 4,206,076,016 (35.4%), hence complying with the Sec.107 of the PFM Act 2012 which requires county government to allocate at least 30% of its expected revenue towards development programs.

Departmental ceilings for the FY 2024/25 as per the approved budget estimate is summarized in table 2.3.1 below:

COUNTY ASSEMBLIES FORUM (CAF)
P. O. Box 73552 - 00200,
NAIROBI, KENYA

Table 2.3.1 County Entities Approved Ceilings for FY 2024/25

VOTES	County Government Entity/ Department	Revised Estimates II for the FY 2023/2024			Approved Estimates for the FY 2024/2025		
		Recurrent	Development	Total (R+D)	Recurrent	Development	Total (R+D)
5120	Finance and Economic Planning	690,607,338	36,349,250	726,956,588	707,575,155	238,935,539	946,510,694
5122	County Public Service Board	73,503,515	3,140,000	76,643,515	69,457,403	0	69,457,403
5123	County Assembly Service Board	1,053,468,687	151,549,218	1,205,017,905	1,027,160,105	142,564,789	1,169,724,894
5124	Homa Bay Municipal Board	26,756,691	17,243,538	44,000,229	29,756,691	48,861,088	78,617,779
5125	Agriculture and Livestock	216,283,168	451,267,512	667,550,680	210,480,293	262,538,880	473,019,173
5126	Gender Equality and Inclusivity, Youth, Sports, Talent Development, Cultural Heritage and Social Services	135,719,567	63,032,848	198,752,415	153,719,567	95,000,000	248,719,567
5127	Roads, Public Works, Transport and Infrastructure	157,385,190	716,293,051	873,678,241	157,385,190	889,974,496	1,047,359,686
5128	Blue Economy, Fisheries, Mining and Digital Economy	93,286,892	68,570,646	161,857,538	90,898,817	93,691,161	184,589,978
5129	Education, Human Capital Development and Vocational Training	1,153,301,659	266,918,150	1,420,219,809	1,246,301,659	85,000,000	1,331,301,659
5130	Public Health and Medical Services	2,502,832,931	257,145,592	2,759,978,523	2,594,718,389	320,000,000	2,914,718,389
5131	Lands, Physical Planning, Housing and Urban Development	49,313,342	485,008,472	534,321,814	82,313,342	1,072,020,992	1,154,334,334
5132	Trade, Industry, Tourism, Cooperative Development and Marketing	160,259,292	486,220,222	646,479,514	165,259,292	205,204,927	370,464,219
5133	Water, Sanitation, Irrigation, Environment, Energy and Climate Change	237,828,320	387,462,091	625,290,411	251,284,923	450,484,144	701,769,067
5134	Governance, Administration, Communication and Devolution	442,603,860	15,000,000	457,603,860	440,000,546	23,000,000	463,000,546
5135	Executive Office of the Governor	634,330,618	70,000,000	704,330,618	402,146,771	230,000,000	632,146,771
5136	Kendu Bay Municipal Board	7,870,274	7,850,000	15,720,274	9,870,274	8,000,000	17,870,274
5137	Mbita Municipal Board	7,870,274	7, 850,000	15,720,274	9,870,274	8,000,000	17,870,274
5138	Ndhiwa Municipal Board	7,870,274	8,550,198	16,420,472	9,870,274	8,000,000	17,870,274

5139	Oyugis Municipal Board	8,833,620	7,850,000	16,683,620	12,833,620	24,800,000	37,633,620
	Total Estimates	**7,659,925,512**	**3,507,300,788**	**11,167,226,300**	**7,670,902,585**	**4,206,076,016**	**11,876,978,601**

*Source: HB County Treasury 2024 *Approved Budget Estimate FY 2024/25*

2.6 Fiscal Priorities

54. The County Government of Homa Bay has six key areas of focus for its budget and financial management that reflect adjustments in resource allocation to align with shifting economic, social, and developmental needs. The priorities underscore the government's commitment to ensuring that available funds are directed towards addressing the most pressing challenges and opportunities. They include:

Maintaining Fiscal Stability:

55. Maintaining fiscal stability remains a top priority for the County Government of Homa Bay. This will mean that expenditures do not exceed revenues, debt is controlled, and a healthy reserve fund is maintained. Consequently, the County Government undertakes:

a) Observe fiscal sustainability by ensuring budgetary decisions are financially responsible and do not create long-term fiscal challenges.
b) Prioritize reducing debt and liability levels, refinancing debt to lower interest rates, and avoiding excessive debt accumulation through the recently established Debt Management Unit.
c) Enhance revenue generation by implementing revenue policies that promote growth, diversification of revenue sources, and pursuit of new revenue streams as spearheaded by the new Revenue Board.
d) Implement cost containment by identifying and eliminating wasteful expenditures, promoting efficiency, and reducing administrative costs as spearheaded by the County Treasury.

Providing Quality Public Services:

56. Providing quality public services, such as education, healthcare, social, cultural, and environmental services remain a top fiscal priority for the County Government of Homa Bay. This involves ensuring that public services are adequately funded and that they meet the needs of citizens. That explains why 43.2% of the total county government resources have been channeled to the social sector, including health, education, and social services. To improve the quality of public services being offered, the county government undertakes to:

a) Conduct a thorough review of existing services to identify areas where the quality-of-service delivery falls short of expectations.
b) Develop a service improvement plan based on the feedback received, including timelines, budgets, and performance indicators to measure progress and identify areas that need further attention.
c) Provide training and development opportunities for staff to enhance both technical and soft skills training, including customer service and communication skills.
d) Invest in upgrading and maintaining infrastructure and equipment necessary for delivering high-quality services including vehicles, communication technology, and other resources needed to support service delivery.
e) Develop systems and processes that promote transparency and accountability in service delivery, including tracking and reporting on service delivery

performance, establishing a grievance mechanism for service users, and creating a culture of continuous improvement.

f) Engage with service users and other stakeholders to get feedback on service quality and incorporate their views into service improvement efforts.

***Investing in Infrastructure**:*

57. One of the other main fiscal priorities for the County Government of Homa Bay is to invest in infrastructure such as roads and bridges. These are considered essential to promoting economic growth and improving the quality of life for citizens. That is why the roads and water departments have been allocated 15.5% of the county resources despite the huge investments by development partners in the water sector. To accelerate investment in infrastructure, the County Government undertakes to:

a) Develop a comprehensive plan that outlines the infrastructure needs of the county and sets out a roadmap for investment in them over the long term.
b) Engage with the private sector to leverage their expertise, resources, and innovation to accelerate infrastructure development through partnerships to design, finance, and deliver infrastructure projects, as well as through leveraging public-private partnerships (PPPs) to share risks and costs.
c) Streamline regulatory processes and approvals to reduce delays and facilitate investment in infrastructure, including simplifying regulatory processes, reducing bureaucratic hurdles, and improving coordination with national government.
d) Develop innovative financing mechanisms to mobilize additional funding for infrastructure development through municipal bonds, green bonds, and other innovative financing tools to raise capital for infrastructure projects.
e) Prioritize sustainability in infrastructure development by incorporating climate resilience, energy efficiency, and green infrastructure into project design and construction.
f) Use data and analytics such as GIS mapping to inform infrastructure investment decisions and ensure that investments are targeted to areas of greatest need.

***Promoting Economic Development and Empowerment**:*

58. Another key priority for the County Government of Homa Bay is promoting local economic development, which involves attracting new businesses, creating jobs, and fostering innovation. Other than maintaining fiscal stability, improving the quality of public services, and investing in infrastructure, the county government undertakes to:

a) Create a supportive business environment by streamlining regulatory processes, reducing bureaucracy, and providing access to financing and technical assistance for entrepreneurs and small businesses.
b) Invest in workforce development programs that provide training and support to workers to help them gain the skills and knowledge needed to succeed in both the local and international job market.
c) Attract investment by creating a pro-business climate that offers incentives for businesses to locate and invest in the county such as holding the forthcoming Homa Bay County Investment conference slated for the 29th of February 2024, tax

incentives, infrastructure improvements, and other benefits to attract investment and support economic growth.

d) Support entrepreneurship by providing resources through the SME Fund to help start-ups and small businesses grow and succeed, including offering access to capital, mentorship, and other support services to help entrepreneurs start and grow businesses.

e) Promote tourism by investing in attractions sites and marketing efforts to attract visitors to the county through initiatives such as the annual Roan Antelope Half Marathon, improvement of Simbi Nyaima Lakefront, Takawiri Island, Mfangano Sand Beaches, Homa Hills, Tom Mboya Museum, Abasuba Community Peace Museum, Kanjira Archaeological Site, Bala Hot Springs, Ojijo Oteko Shrine, and Nyamgondho Wuod Ombare

2.7 Fiscal Policies

59. The County Government of Homa Bay has had to make critical adjustments to its financial strategies and guidelines to match expenditure with expected revenue while ensuring service provision to its residents. These changes reflect the government's proactive response to evolving economic conditions and priorities, aiming to maintain fiscal responsibility while effectively addressing the financial needs of the community. The adjustments include:

Revenue Mobilization Policies*:*

60. The County Government of Homa Bay will continue to implement favorable taxation policies, especially for property and entertainment taxes. Tax rates will be kept competitive with neighboring counties; tax codes will be simplified to make them more user-friendly, and tax collection will be streamlined to make it easier for taxpayers to comply with tax requirements. Tax revenue will be used to fund impactful projects and tax stakeholders will be engaged to come up with more effective and responsive tax policies.

61. The County Government will explore and promote revenue diversification through measures such as expanding the tax base, encouraging economic development, and seeking grants and other funding sources. Ultimately, the County Government has established a Cashless Revenue Collection System and set up a Revenue Management Board to oversee the entire revenue mobilization process.

Expenditure Policies*:*

62. The County Government of Homa Bay will continue to implement impactful expenditure policies. This means the county government will be conducting needs assessments to identify areas where public expenditures can have the most impact, such as infrastructure, education, healthcare, and social services. Once identified, more resources will be directed toward higher-priority areas.

63. To ensure public expenditures are aligned with measurable outcomes, the County Government will continue to implement performance-based budgeting. This will help the county government identify areas where improvements can be made and ensure that public expenditures are being used effectively.

64. To leverage resources and increase the impact of public expenditures, the County Government will foster partnerships with private sector organizations and non-profit organizations. Such partnerships could unlock funding and enable the implementation of essential infrastructure projects, social programs, and other initiatives.

65. To unlock climate change funds and escalate the protection of the environment, the County Government will focus on long-term sustainability by investing in projects and programs that will have lasting benefits for residents including green infrastructure, education, and workforce development programs.

Public Debt Management Policies:

66. The County Government of Homa Bay through the newly established Debt Management Unit will continue to manage its debt levels strategically using multifaceted approaches to minimize any negative impact of debt on fiscal stability.

67. The County Government will revamp debt management functions including technical expertise to focus on key debt generation bases. This will institute a priority focus on debt to follow through on strategy and plan for effective debt management.

68. The County Government will negotiate debt terms in a move to restructure debt obligations.

69. Budget implementation will be a critical process in the management of debt to ensure that the County only borrows for viable projects with well-appraised returns. This will involve among other activities effective management of cash flows, implementing cost reduction strategies, strong internal controls and sealing resource leakages, and allocating resources towards debt servicing.

70. The County will emphasize seeking partnerships with the private sector to finance critical development priorities under the Public Private Partnership framework such as Build Own Operate (BOO) and Build Own Transfer (BOT) to ensure timely implementation of its priorities.

71. Additionally, the County Government will consider alternative revenue sources, such as selling unused assets or leasing unused space to generate additional income.

72. Finally, the County Government will put in place effective debt management systems that will regularly monitor debt levels to ensure that it maintains sustainable debt levels. This will help to identify potential issues early and take corrective action before the debt becomes unmanageable. Ultimately, the County Government will avoid excessive borrowing and prioritize debt reduction to ensure fiscal stability in the long term. This will be achieved by setting realistic revenue and expenditure targets, monitoring fiscal performance regularly, and avoiding unnecessary expenses. The County Government will also maintain adequate reserves to provide and cushion against unexpected revenue shortfalls or expenditures. These reserves will also help to improve the county's credit rating and lower borrowing costs.

Fiscal Decentralization Policies:

73. As part of measures to transfer financial resources and decision-making authority to lower levels, the County Government of Homa Bay will continue to support county government entities to have more control over their public finances, including revenue generation and expenditure management. Some of the policies will include:

a) Devolving financial powers to municipalities to collect taxes, float infrastructure bonds, and spend on impactful programmes. This can help municipalities to manage their finances independently and cater to local needs more effectively.
b) Enhancing the capacity of municipalities to mobilize external funding and explore new sources of revenue, such as property taxes, user fees, and local taxes. This will help municipalities develop the requisite technical skills and knowledge to

manage finances more effectively as well as fund local services and infrastructure projects.

c) Strengthening budgeting processes by involving citizens and other stakeholders in the budgeting process, publishing budget information, and developing multi-year budget plans. This can help ensure transparency and accountability in the budgeting process.

Fiscal Equalization Policies:

74. The County Government of Homa Bay will continue to support all devolved units so that they have sufficient resources to provide basic public services and promote social welfare. This will be done by:

a) Increasing transfers to devolved units to help equalize their fiscal capacity through grants, subsidies, or revenue-sharing arrangements.
b) Entering into revenue-sharing agreements to ensure that all devolved units have adequate resources to provide services.
c) Implementing property tax reform to ensure that tax revenue is generated equitably through regular property assessments, adjustments to tax rates, or expanding the tax base.
d) Building capacity of devolved units through training and technical assistance to ensure that they are equipped to manage their finances effectively.

2.8 FISCAL RESPONSIBILITY

75. The Constitution and the Public Financial Management (PFM) Act, 2012, set out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. In MTEF Estimates for the FY 2024/25, the County Government of Homa Bay has complied as follows:

a) Compliance with Requirements for Development Spending

76. The County Government of Homa Bay has ensured adherence to the required ratio of development to recurrent expenditures of at least 30:70 over the medium term, as set out in the PFM Act. Out of county resource envelop of KSh. **11,876,978,601,** development expenditure will be KSh. **4,206,076,016** representing 35.4% of the total county revenue for the financial year 2024/25. Recurrent expenditure, on the other hand, will be KSh. **7,670,902,585,** which represents 64.6% of the budget.

b) Compliance with Requirements for Wage Expenditure

77. The County Government will strive to implement the PFM regulation 25(1) (a) (under the provisions of Section 107(2) (a) of the PFM Act of 2012) which requires that the County government's expenditure on wages and benefits of public officers shall not exceed 35 percent of the County Government's total revenue. At **KSh. 5,660,464,493**, the allocation for personnel emoluments constitutes **47.6%** of the county's total revenue estimates for FY 2024/25; this represents a significant improvement from the **50%** reported in FY 2023/24. Whereas this figure is above the 35% stipulated in PFM regulations 25(1) (b) (County Regulations), appropriate measures are being instituted to comply with this requirement within the next three financial years.

2.9 Economic Outlook in 2024/2025

78. The economy is projected to remain strong and resilient in 2025 and over the medium term supported by the continued robust growth of the services sectors, the rebound in agriculture, and the ongoing implementation of measures to boost economic activity in priority sectors by the Government. As such, the economy is expected to remain strong and expand by 5.5 percent in 2025.

On the supply side, this growth will be driven by a strong recovery in the agriculture sector supported by the anticipated adequate rainfall in most parts of the country and a decline in global commodity prices that will reduce the cost of production. Additionally, Government intervention measures aimed at lowering the cost of production such as the ongoing fertilizer and seed subsidy program and provision of adequate affordable working capital to farmers will support the growth of the sector.

79. The industry sector will be driven mainly by increased activities in manufacturing and construction subsectors. The manufacturing subsector will be supported by improved availability of raw materials following the recovery in agriculture production and a decline in global commodity prices which will support food processing. The construction subsector will be driven by sustained investment in the Affordable Housing programme, PPP infrastructure projects, and the ongoing work on building and maintaining public infrastructure. The electricity and water supply subsectors are expected to remain vibrant due to the anticipated increase in demand as industrial and residential consumption grows.

80. The services sector will be supported by resilient activities in accommodation and restaurant, financial and insurance, information and communication, wholesale and retail trade, and transport and storage, among others. The accommodation and restaurant subsector will be supported by the continued increase in tourist arrivals as international travel recovers following the global economic slowdown and the Government's effort to revamp the sector, through the promotion of international conferences, cultural festivals, and promoting wildlife safaris. The transport and Storage subsector will be supported by the improvement of critical national and regional trunk roads that have the highest economic impact and the adoption of electric vehicles which signals a new era of mobility. Activities in the information and communication subsector will be supported by the laying of an additional National Fiber Optic network which will enable the Country to achieve the required national bandwidth to expedite the deployment and development of rural telecommunication services.

On the demand side, growth will be driven by an improvement in aggregate demand. Aggregate demand will be supported by household private consumption and robust private sector investments coupled with Government investments as the

Risks to the Economic Outlook

81. There are downside risks emanating from domestic as well as external sources. On the domestic front, risks relate to unpredictable weather conditions due to the impact of climate change which could adversely affect agricultural production and result in domestic inflationary pressures and food insecurity. Additionally, tight fiscal space due to the impact of the multiple shocks that have affected the global and domestic economy might lead to tight liquidity conditions for financing the budget.

82. On the external front, uncertainties in the global economic outlook stemming from the escalating geopolitical fragmentations could result in higher commodity prices which poses a risk to domestic inflation outcomes leading to further tightening of financial conditions. Additionally, weaker global demand due to the slowdown of the global economic recovery could adversely affect Kenya's exports, foreign direct investments, and remittances. Continued strengthening of the US dollar against other global currencies arising from aggressive monetary policy tightening presents significant risks to financial flows and puts pressure on the exchange rate with implications for growth and inflation.

83. The upside risk to the domestic economy relates to the early easing of global financing conditions and lower international fuel and food prices, which would strengthen Kenya's external balances. Faster than projected rebound in economic activities that would result in higher Government revenues providing fiscal space that would support fiscal consolidation.

84. The Kenyan Government continues to monitor the domestic and external environment and will take appropriate policy measures to safeguard the economy against the adverse effects of the risks if they were to materialize.

CHAPTER THREE: STRATEGIES FOR ACHIEVING THE GENOWA ECONOMIC TRANSFORMATION FOR INCLUSIVE GREEN GROWTH

3.1 Overview

85. The 2025 County Fiscal Strategy continues to chart a course towards accelerated, inclusive, and sustainable development of Homa Bay County, building upon the aspirations of GENOWA Administration. As the County Government embarks on crafting this strategy, it is imperative to recognize the inter-connectedness of economic growth, social equity, and environmental stewardship. The strategy prioritizes initiatives that not only spur rapid progress but also ensure that the benefits of development are shared equitably among all segments of society, leaving no one behind.

86. The County Government is committed to fostering an environment where innovation thrives, enabling the county to address long standing challenges while embracing emerging opportunities. Sustainability lies at the core of this strategy, with a focus on preserving the county's natural resources and fostering resilience in the face of evolving global challenges. Through collaboration, transparency, and sound fiscal management, the county aims to uphold the principles of good governance and accountability, laying the groundwork for a prosperous and resilient future for all residents of Homa Bay County.

3.2 Priority Policy Measures

87. Central to sustaining the GENOWA, the County Government seeks to forge strong partnerships with the National Government and other stakeholders. This collaborative ethos is pivotal in nurturing an environment conducive to fostering economic prosperity, advancing social welfare, and promoting environmental stewardship. The 2025 CFSP serves as a blueprint, outlining priority policies and expenditure programs that will be implemented within the MTEF period 2025/26–2027/28.

88. The measures identified in this strategy are designed to create the necessary conditions for driving forward accelerated, inclusive, and sustainable development across Homa Bay County. They include:

a) Harnessing the implementation of the "Bottom-Up Economic Transformation Agenda" of the Government of Kenya for reducing the cost of living and improving livelihoods, while at the same time fostering sustainable inclusive economic transformation.

b) Enhancing the business environment by maintaining macroeconomic stability, enhancing security, improving business regulations and providing support.

c) Fast tracking development of critical infrastructure in the county such as roads, energy and water, among others, to reduce the cost of doing business as well as promote competitiveness of local products.

d) Transforming the county's economic sectors for broad-based sustainable economic growth.

e) Improving access to education, health services, and social welfare programs are essential to improve human development indicators and uplift vulnerable populations.

f) Supporting youth, women and persons with disability to enable them actively to contribute to the economic recovery agenda; and

g) Implementing various structural reforms to enhance the efficiency of public service delivery while at the same time ensuring accountability for better macroeconomic and fiscal stability, sustained credit ratings, improved fiscal discipline and minimized corruption.

3.3 Alignment with National Priorities and the 2025 Budget Policy Statement

89. The Kenya Vision 2030 is the national long-term development policy aimed at transforming Kenya into a modern, industrialized, and globally competitive middle-income country with a high quality of life for all citizens by 2030. Developed through a highly participatory, consultative, and inclusive process involving stakeholders across all sectors of the economy, Vision is anchored on three key pillars: economic, social, and political.

90. The Constitution of Kenya, 2010 and the County Government Act, 2012, calls for county plans to be aligned to the National Vision and Development plans. In this regard, efforts have been made to link the Homa Bay CIDP (2023-2027) to the Kenya Vision 2030 and its five-year Medium-Term Plan IV. The BETA agenda is geared towards economic turnaround and inclusive growth and aims to increase investments in at least five sectors envisaged to have the largest impact and linkages to the economy as well as on household welfare. These include Agriculture; Micro, Small and Medium Enterprise (MSME); Housing and Settlement; Healthcare; Digital Superhighway and Creative Industry.

91. The County Government of Homa Bay will continue working closely with the National Government and other development partners to lay down a solid foundation for the County's economic recovery, through industrialization, improving ease of doing business, wealth creating and improving health indicators as envisaged in the County's Vision Statement.

3.4 Core Pillars

3.4.1 Inclusive Governance, Prudent Financial Management and Service Delivery

3.4.1.1 Inclusive Governance

92. Inclusive governance stands as a cornerstone in the developmental framework of Homa Bay County, encompassing a myriad of factors and mechanisms aimed at fostering representation, participation, and accountability within the community.

93. Firstly, representation and diversity shall be prioritized, ensuring that decision-making bodies reflect the rich tapestry of demographics within the county. That way, governance structures shall better resonate with the voices and experiences of all constituents.

94. Secondly, active citizen participation shall be facilitated through policies that promote engagement via consultations, forums, and robust feedback mechanisms. This ensures that the community's perspectives are integrated into the decision-making process, fostering a sense of ownership and collective responsibility.

95. Access to information will continue to serve as a foundational pillar of inclusive governance in Homa Bay, with transparent and accessible data disseminated through platforms such as the county website. Empowering residents with knowledge enables informed participation and enhances accountability.

96. Upholding the rule of law and establishing robust accountability mechanisms are imperative for fostering trust and integrity within the county governance framework. By adhering to principles of fairness and justice, the county Government will ensure confidence in its actions and decisions.

97. Social and economic inclusion shall be championed through policies that address disparities and promote equal opportunities for all residents. By breaking down barriers and fostering a level playing field, inclusive governance ensures that no one is left behind.

98. Empowering marginalized groups will remain a fundamental aspect of inclusive governance in the county, with targeted policies and programs designed to uplift communities facing systemic challenges. By amplifying their voices and addressing their unique needs, the county Government will be working towards creating a more equitable society.

99. Capacity building will remain essential for equipping Government officials and stakeholders with the skills and knowledge needed to address diverse needs effectively. By investing in continuous learning and development, the county's inclusive governance ensures that governance structures remain adaptive and responsive.

100. The county Government will continue to leverage technology and innovative solutions to enhance accessibility and participation, making governance processes more inclusive and responsive to the needs of the community. Enacting policies and legislation that explicitly promote inclusivity and prohibit discrimination will also be crucial for creating an enabling environment for inclusive governance to thrive.

101. Fostering collaboration and partnerships between Government, civil society, and other stakeholders in a manner that leverages collective expertise and resources will be prioritized, driving sustainable development initiatives forward. Mechanisms for conflict resolution and mediation shall also be established to ensure that disputes are addressed promptly and fairly, allowing all voices to be heard and contributing to social cohesion.

3.4.1.2 Fiscal Prudence

102. Fiscal prudence stands as a linchpin in Homa Bay County's quest to sustain its upward trajectory. It embodies the county Government's commitment to judiciously managing financial resources, ensuring they're allocated efficiently to propel development initiatives forward. Upholding principles of transparency, accountability, and sustainability, the County Government of Homa Bay prioritizes sound fiscal practices.

103. Transparency and accountability are paramount, with the Government maintaining an open book on financial transactions and decisions. Timely and accurate financial reports shall be continuously provided, granting citizens and stakeholders insight into the utilization of public funds. Mechanisms like budget hearings and audits will be employed to further bolster accountability, holding officials responsible for fiscal choices.

104. Efficient resource allocation shall be another hallmark of our fiscal prudence. The County Government shall prioritize investments that yield the greatest impact on economic growth, social development, and service delivery. Through rigorous budget planning and performance monitoring, the County Government shall ensure funds are channeled into critical areas such as healthcare, education, infrastructure, and public safety.

105. Debt management shall be carefully navigated, with the county Government adopting prudent borrowing practices to maintain stability. Borrowed funds shall be invested in projects yielding long-term benefits, steering clear of excessive debt accumulation and ensuring favourable refinancing terms. This approach safeguards the county's financial health and minimizes risks.

106. Revenue enhancement efforts shall be ramped up, seeking to boost county revenue through efficient revenue collection and innovative revenue streams. Fair and equitable tax policies shall be upheld, broadening the tax base while reducing revenue leakages. This maximizes financial resources for development projects and public services.

23. Contingency planning will continue to be integral, with emergency reserves set aside to address unforeseen events like natural disasters or economic downturns. Adequate reserves shall enable effective response to emergencies without jeopardizing long-term financial stability.

107. Investment in capacity building shall be maintained to ensure the county's financial management personnel are equipped with the requisite skills and expertise. Training programs and professional development opportunities shall help with empowering PFM staff to manage public finances effectively, enhancing fiscal discipline and achieving development objectives.

108. Public-private partnerships (PPPs) shall be leveraged to finance infrastructure projects and service delivery initiatives without burdening the budget. By tapping into private investment and expertise, the county shares risks and responsibilities, negotiating PPPs that benefit the community.

3.4.1.3 Enhancing Public Service Delivery

Entrenching Fiscal Reforms

109. The County Government remains steadfast in its commitment to combat corruption, recognizing its detrimental impact on economic development through the unwarranted loss of funds. To this end, the Government has intensified its anti-corruption efforts by implementing a comprehensive set of measures aimed at bolstering accountability throughout the public finance management cycle.

110. To enhance the effective and efficient management of public resources, the National Government has been working on an initiative to reform the Public Procurement and

Disposal System. This means transparency will be prioritized by making all Government tenders publicly accessible, thus mitigating opportunities for corruption. Additionally, stringent expenditure controls will be implemented alongside prudent financial management reforms.

111. To ensure optimal value for money, the County Government will focus on the timely implementation and completion of priority projects outlined in the County Annual Development Plan 2026. Adherence to strict project timelines and budgets will be enforced through on-site project inspections and robust public engagements. Moreover, the Government will continue to adhere to the Public Investment Management (PIM) Guidelines Circular No. 16/2019, providing a standardized framework for the management of public investments across all stages.

112. Amidst the risks posed by the potential global economic downturns, the County Government will reevaluate and rationalize stalled projects while ensuring compliance with PIM Guidelines for appraising new projects. A comprehensive baseline assessment will be conducted to centralize data on all public investments, facilitating a thorough analysis to identify projects eligible for re-evaluation, reprioritization, and rationalization, thereby guiding fiscal consolidation efforts.

113. To establish a standardized mechanism for the regular monitoring, flagging, and declaration of project statuses across all entities, manuals for Economic Project Appraisal and Monitoring and Evaluation of Projects are being developed. The County Government is committed to implementing these manuals systematically to ensure effective project management and accountability.

114. Recognizing the pivotal role of Own Source Revenue (OSR) in augmenting financial resources and enhancing service delivery, the County Government is committed to optimizing revenue collection. To address challenges associated with revenue collection and administration, the Government will expedite the implementation of the National Policy to Support Enhancement of County Governments' OSR. Moreover, efforts will be intensified to bolster internal capacity in public financial management, alongside finalizing the development of additional revenue bills necessary for the operationalization of the Finance Bill 2026.

Community Engagement

115. Community engagement emerges as a pivotal component in sustaining the growth and prosperity of Homa Bay County. It entails collaborative efforts with individuals and groups to address pertinent issues, make informed decisions, and effectively implement initiatives that resonate with the community's needs and aspirations.

116. The county Government will maintain transparent and accessible communication channels using various methods to disseminate information and provide updates on ongoing projects and developments. The Government will continue engaging in active listening to understand and address community concerns, ideas, and feedback, thereby fostering an environment of mutual understanding and respect.

117. By ensuring the active participation of diverse community members, including marginalized groups, the county Government will be able to ensure that engagement processes are inclusive and representative of the entire community. Community members will be involved in decision-making processes to promote ownership, accountability, and collective contribution towards shared goals and objectives. Again, the county Government will continue forming strategic partnerships with local organizations, community leaders, and stakeholders to leverage collective expertise, resources, and networks in enhancing community engagement efforts.

118. For the County Government of Homa Bay, respecting and honoring diverse cultural practices, traditions, and values within the community will be paramount, hereby promoting inclusivity and understanding among community members. Engagement strategies shall be flexible and adaptable to accommodate the evolving needs, priorities, and dynamics of the community over time.

119. Maintaining transparency county about goals, processes, and outcomes of engagement initiatives shall be observed, thereby building trust, credibility, and accountability within the community. Long-term engagement initiatives that foster enduring relationships, trust, and collaboration within the community shall be adopted, leading to lasting positive outcomes and impact. Fair and transparent mechanisms for addressing conflicts and disagreements within the community shall also be established, thereby fostering harmony, unity, and cohesion among community members.

120. Unlocking and unleashing the endless potential of Homa Bay County necessitates a holistic approach integrating infrastructure development, human capital investment, natural resource utilization, and business environment enhancement. By implementing these pillars and enablers cohesively, the county can transcend its status as an economic backwater and emerge as a dynamic engine of growth and prosperity in the East African region, leveraging the transformative power of Lake Victoria and its strategic location bordering Uganda and Tanzania. Guided by a vision of a healthy and wealthy county living in harmony with its environment, effective fiscal management, strategic investments, and inclusive governance will sustain the rise and shine of Homa Bay County, fostering determination, resilience, and innovation to build a brighter future for generations to come.

3.4.2 Health care

121. The County Government has established the Health Facility Improvement Financing Act, 2023 and elevated the county hospital to a Level 5 facility. Key health initiatives include the mass distribution of long-lasting insecticide-treated nets and the operationalization of a mobile clinic for outreach services. The county has also refurbished the newborn unit at HBCTRH and procured essential medical supplies, including linen and an anesthetic machine. Construction has commenced on an Accident and Emergency Unit Centre and a 112-body funeral parlour at Homa Bay County Teaching and Referral Hospital. Additionally, medical equipment has been supplied and delivered to various health centers, while the construction of new health centers at the ward level is underway to further improve healthcare access and services.

122. Over the medium term, the County will continue addressing both communicable and non-communicable health challenges. Efforts will focus on reducing the burden of communicable diseases to levels that are no longer a significant public health concern. Simultaneously, the sector will implement targeted strategies to halt and reverse the rising prevalence of non-communicable diseases and mental disorders. To further improve health outcomes, measures will be adopted to reduce violence and injuries through tailored interventions that account for factors such as gender, age, and geographic distribution. Additionally, the sector aims to provide affordable, equitable, and accessible essential healthcare services, promote healthy behaviours by minimizing exposure to risk factors, and strengthen partnerships across various sectors through a "Health in All Policies" approach.

3.4.3 Education

123. The County Government of Homa Bay recognizes the pivotal role of investing in human capital to foster inclusive economic growth and competitiveness in the digital era. In alignment with this vision, the Government has significantly increased its allocation of resources to the education sector, aiming to enhance the country's human capital index. Notably, investments have been directed towards revitalizing both vocational training and early years' education sectors, reflecting the Government's commitment to providing quality and relevant education.

124. The enrolment of learners in public EYE centers increased from 78,657 pupils in FY 2022/23 to 82,049 in FY 2023/24, while enrolment of learners with special needs grew from 637 to 942 during the same period. Similarly, the number of trainees enrolled in vocational centers rose from 2,118 to 2,394. Education reforms progressed with the continued implementation of the Competency-Based Curriculum (CBC) and Competency-Based Education and Training (CBET). The number of public and private VET institutions increased from 34 to 35. To address staffing gaps in public schools, 1,961 teachers were recruited, reducing the teacher-pupil ratio to 1:39 against the required 1:30, while 151 instructors were hired, maintaining the instructor-trainee ratio at 1:20 against the required 1:10. Moving forward, the Sector aims to enhance teacher and instructor management by recruiting additional personnel, confirming appointments, building capacity, conducting quality assurance checks, and routinely assessing performance. In terms of infrastructure for education, the County Government of Homa Bay, under the “Ondoa Kaunda Initiative” has so far constructed more than 243 modern EYE centers across the 40 wards, from FY 2022/23 to FY 2023/24. The county has also issued bursaries and scholarships which have so far benefited over 39,000 learners from Homa Bay.

125. Looking ahead, the County Government remains steadfast in its commitment to expanding access to quality early years' education and improving learning outcomes in vocational training centers. Key priorities include infrastructure expansion, teacher development initiatives, and the introduction of a comprehensive school feeding program in underserved areas, supported by partnerships with NGOs. Additionally, efforts will be intensified to ensure a seamless transition from early childhood development through secondary education, coupled with the expansion of scholarship opportunities for deserving students from disadvantaged backgrounds.

3.4.4 Agriculture and Food Security

126. The county has modernized farming techniques and technologies, strengthened animal health and disease control measures, and enhanced access to markets and value chains for smallholder farmers, resulting in improved livestock productivity and agricultural output. To enhance the resilience and competitiveness of the agriculture and livestock sub-sectors, the county supported research and development initiatives. Additionally, 140,000 farmers were registered for the Government-subsidized fertilizer program, and 183 tons of seeds were distributed to 75,000 beneficiaries. Through the NARIGP, 20 SACCOs in each ward were registered and equipped with computers and printers to automate services. The sub-sector also provided support to 2,634 sorghum value chain actors under the ASDSP program through input distribution, including organic fertilizers, digital weighing machines, and fish transport equipment.
127. Collaborating with partners, the county achieved significant progress in the fisheries sub-sector. Pond fish production increased from 11.66 tons in FY 2022/23 to 79.82 tons in FY 2023/24. Constructed 11 latrines and 8 fish bandas at 11 fish landing sites and stocked 14 community dams with 220,000 tilapia fingerlings. To further enhance fish production, provided 100 farmers with predator kits to reduce pre-harvest losses. In partnership with Beach Management Units (BMUs), the county removed and destroyed illegal fishing gear from Lake Victoria. Additionally, the Fisheries and Aquaculture Management Act of 2023 was enacted, and the construction of the Homa Bay pier, in collaboration with the National Government, is ongoing. The county also trained 440 value chain actors (VCAs) in pest and disease management for indigenous chicken, provided fish hatchery management training for 10 VCAs and offered solar-powered egg incubator training to 120 VCAs, ensuring the continued growth and sustainability of fisheries and aquaculture operations.
128. Going forward, the county will enhance food and nutrition security by creating an enabling environment for the development of the agricultural sector. Focus on increasing agricultural productivity and outputs through targeted investments and improved practices. Also, the county will promote investment in fisheries and aquaculture to strengthen the blue economy. To boost economic growth, value addition, manufacturing, market access, and trade will be prioritized. At the same time, institutional capacity will further be strengthened to ensure efficient and effective service delivery across the sector.
129. Further, the county remains committed to increasing the participation of youth, women, and vulnerable groups in agricultural value chains, while also promoting, regulating, and facilitating agricultural research. Furthermore, sustainable land management is being emphasized to guarantee equitable, productive, and effective administration of land resources for long-term development.

3.4.5 Water and Sanitation

130. The county Government has continued implementing 35 ward-based projects while at the same time completing all ward-based projects for FY 2022/23; designed Magare, Left Bank, and Nyalkinyi community water projects; undertaken a baseline assessment of 25 rural water enterprises. Further, three water resource user associations were trained, and eight sub-catchment management plans were analyzed and reviewed. The county also designed Mbita and Homa Bay water supply projects and supported HOMAWASCO in developing a strategic plan. Currently, works are ongoing for eight water rehabilitation projects and four urban water projects.

49. The county is committed to sustainable water resource management through the implementation of various policies and standards. These include the Water Resources Management Policy to guide efficient water use and conservation efforts and the Water Catchment Area Conservation, Control, and Protection Policy to safeguard critical catchment areas. The Water and Sewerage Services Management Policy ensures effective delivery and maintenance of water and sewerage services, while the Wastewater Treatment and Disposal Policy addresses the safe and environmentally friendly handling of wastewater. The county is also focused on maintaining water quality and controlling pollution, improving sanitation management, and overseeing the operations of public water schemes and community water projects. To enhance water availability, strategies for water harvesting and storage for both domestic and industrial use are also being implemented.

3.4.6 Economic Growth

131. The County Government successfully conducted the Second Homa Bay International Investment Conference (HOBIIC), which resulted in the signing of nine Memorandums of Understanding (MOUs) worth approximately Kshs 17.3 billion. In line with investment promotion efforts, the county also achieved the gazettement of Riwa as a Special Economic Zone (SEZ) under the Special Economic Zones Authority Act of 2015. Additionally, the county hosted the Miss Tourism beauty pageant and initiated phase one development of Lake Simbi Nyaima, which included fencing, office construction, and gate installation. Strengthened the cooperative sector saw the formulation of a Co-operatives Bill and Policy, registered 106 new cooperative societies, and revived eight dormant ones. Sensitized boda boda operators, oil palm farmers, and Beach Management Units (BMUs) leading to the creation and registration of 72 cooperative societies.

132. Further, to support these cooperative initiatives, the County issued grant funding of Ksh 1 million each to the first 20 cooperative societies and provided training and capacity building to 60 others with the assistance of development partners. Infrastructure development progressed with the construction of the County Aggregation and Industrial Park (CIAP) at Riwa, a project being implemented in collaboration with the National Government.

133. To continue supporting business development in the county, efforts will be directed towards facilitating access to credit facilities for entrepreneurs, enhancing economic growth, promoting sustainable industrial development through value addition. Strengthening the cooperative movement is also a priority, with plans to establish a robust legal and policy framework to support cooperative growth and service delivery.

3.4.7 Infrastructure

134. The County Government acknowledges the need of supporting other sectors/subsectors and the public at large in matters access to energy related services and products, development of sound and well-built environment that guarantees public safety, having reliable and motorable road network and efficient transport system. To this end, The county has installed solar lights in 74 markets across the 40 wards; installed solar lighting systems in the islands of Ngodhe and Takawiri in partnership with GIZ; trained 1000 youths, women and PWDs on renewable energy technologies through DACCA support programme; constructed briquette manufacturing plants in Ligodho, Sinoka, Kobodo, and Ober in Ndhiwa sub county; installed 10 low-cost energy cook stoves at the Homa Bay municipal market; supported 1000 No. Households across the county to access clean cooking stoves; connected majority of the rural households to power in partnership with REREC.

135. The county also constructed 245km of new roads across the 40 wards; constructed 23km of access roads connecting to schools, health facilities and markets across the County; maintained 267km of other County roads; maintained 2 no. tippers and 2 no. utility vehicles; acquired 1 No. crawler Excavator with heavy duty bucket; maintained 1 no. motor grader, 1 no. excavator and 1 no. roller; acquired 3 No. motorcycles 250cc and 1 No. motor grader with variable horsepower 170-196HP. provided Infrastructure to support paperless cabinet proceedings; acquired various communication & ICT equipment to different department; established Digital Hubs In Oyugis, Sikri, Kasewe, Kachieng South, Ndhiwa, Ratanga, Pala Kabuoch, Suba And Kosele, established county email; establish digital community centre At Nyabera (American Tower Corp); installed WIFI Hotspots at the Governors Offices and departmental Offices; upgraded County Website, acquired and Installed Digital Revenue Collection System.

136. Finally, the county acquired a 2.3Acre land for future development, prepared a valuation roll for Homa Bay Municipality, purchased a survey equipment (RTK), conducted top surveys for fixed boundary of Riwa Special Economic Zone, new Government offices and the acquired land, renovated of the deputy governor's residence, improved informal settlement through land tenure in Ndhiwa and Kijijini Kendu Bay and infrastructural works (High Mast Security Light) in Nyandiwa, 1000 streets Oyugis, Rusinga Old Town, Makongeni and Shauri Yako. Finally, the county completed Homabay Municipality modern market; restructured the town for non-motorized transport works, organized citizen forums, established a 54-member diaspora committee dedicated for resource mobilization, organized CBD clean up campaigns and developed municipal conceptual town layout.

137. The county remains focused on improving service delivery and the coordination of department-wide functions, programs, and activities to enhance efficiency and effectiveness. Efforts are being made to improve access, mobility, and connectivity across the county through the development and modernization of transport infrastructure. Additionally, the county is committed to ensuring compliance with quality and standard control measures for all infrastructural development projects, both public and private. To further boost economic empowerment and service delivery, the county is prioritizing the provision of a robust ICT and digital infrastructure, enabling faster communication, improved governance, and support for business growth.

3.4.8 Environment, Natural resources and climate change

138. Environmental conservation and ensuring access to clean water are foundational pillars for achieving inclusive and resilient socio-economic development, as recognized by the County Government of Homa Bay. Consequently, the county has placed high priority on the implementation of comprehensive environmental conservation programs, with a particular focus on safeguarding water catchment areas and advancing ongoing water supply initiatives.

139. The county has developed a dumpsite in Homa Bay Town and acquired 15 waste skips to improve waste management, conducted the eight best environmental practices sensitization and awareness sessions in educational institutions and held two environmental stakeholder forums. Reforestation activities were carried out in a degraded forest area, while a county-wide waste survey and greening exercises in 30 institutions were completed. Climate change initiatives included 40 consultations, participatory monitoring sessions, formulation and implementation of 42 climate resilience projects across the wards and carrying out 24 capacity-building activities on climate change. Meanwhile, the rehabilitation of the Tende Water Scheme and Sindo Water Project is ongoing, along with the construction of the Homa Bay Town Arboretum. Through the Financing Locally Led Climate Action (FLLoCA) program, 41 projects have been financed countywide. Finally, the county also developed the Homa Bay County Sand Harvesting, Conservation, and Mining Policy/Bill 2025.

140. Looking ahead, the County Government of Homa Bay will sustain its commitment to prioritize sustainable exploitation, utilization, management, and conservation of the environment, along with the protection of vital water catchment areas. This entails a multifaceted approach, including ongoing public awareness campaigns on environmental justice, the expansion of the adopt-a-tree program to encompass all educational institutions, and the promotion of conservation-focused business models. By fostering a culture of environmental stewardship and adopting proactive conservation measures, Homa Bay aims to ensure the long-term vitality of its natural resources while promoting sustainable socio-economic growth for its residents.

3.4.9 Cultural heritage and tourism

141. The county has initiated efforts to document and preserve cultural heritage sites and indigenous knowledge, including organizing exhibitions and representing the county at inter-county, national, and international events such as UNESCO, PINY LUO, and KICOSCA. Tangible and intangible cultural heritage products, such as the Gor Mahia shrine and traditional troupes, have been identified and preserved. Additionally, the county has established museums and heritage promotion centers to safeguard and promote its cultural legacy. Partnerships have also been formed with cultural communities, such as the Suba and Luo, to preserve and promote important cultural events and traditions. Successfully held "Run with the Roan" Half Marathon on 5th and 6th May 2023 as part of efforts to conserve the rare Roan Antelope in Ruma National Park. This event not only aimed to protect the endangered species but also positioned Homa Bay County as a prominent destination within the Western Tourism Circuit. These initiatives demonstrate the County's commitment to enhancing investment, economic growth, and environmental conservation.

141. Going forward, the County will continue positioning Homa Bay as a leading tourism destination within the Western Kenya Circuit by developing, promoting, and marketing its tourism and hospitality sector. Efforts will also focus on conserving tourist attraction sites to ensure their long-term sustainability. By stimulating the tourism and industrial sectors, the County seeks to generate revenue and create employment opportunities, thereby improving livelihoods.

3.4.10 Youth, gender, arts and sports and inclusivity

142. The county is dedicated to harnessing, managing, and developing the sports industry by building adequate capacity and promoting regulation. Efforts are also underway to preserve and promote the county's rich cultural heritage, creative arts, and access to information. To enhance socio-economic development, the county is focused on promoting decent work, skills development, and sustainable employment opportunities for the youth, women, and persons with disabilities (PWDs). Additionally, programs aimed at empowering and protecting children, the elderly, PWDs, and other vulnerable groups are being prioritized. The county is further committed to advancing gender equality, inclusivity, and the empowerment of women and youth. These goals are supported by the development and implementation of enabling policies, legal frameworks, and institutional structures.

143. To this end, the county has mapped of 1,160 women group in all 9 sub-counties, identified 18 males for championing in SGBV meeting, established one Safe space for victims of abuse, formulated Social Protection Policies, established Integrated Elder Care Centers, observed Celebratory Days, sensitized 200 women on G7 Strategy, distributed assorted assistive devices and tools of trade, formulated and disseminated a disability policy included PWDs in climate change programs, provided essential social services to vulnerable populations including the elderly persons with disabilities and marginalized groups.

144. The county is committed to developing sports infrastructure and facilities while identifying and nurturing sports talent. Gender, disability, and youth issues will be fully integrated into planning, budgeting, and project implementation to promote inclusivity. Efforts to enhance childcare and child protection services are progressing alongside initiatives to develop and promote the cultural and creative arts industry. Safe spaces will be established for vulnerable persons and victims of abuse, while programs to enhance and diversify livelihoods for key populations will be implemented. Additionally, integrated community empowerment initiatives, including the promotion of cross-cohort male empowerment, will be prioritized to support holistic socio-economic development

CHAPTER FOUR: BUDGET FRAMEWORK FOR THE FY 2025/2026 AND THE MEDIUM TERM

4.1 Fiscal Framework

145. The County Government of Homa Bay in pursuit of its broad policy goal, development agenda envisaged in the 3rd generation CIDP 2023-2027 will ensure County development plans, priority programmes and fiscal policies/strategies are linked and aligned to the National Budget Policy documents, the Bottom-Up Economic Transformation Agenda (BETA) being the National Government's transformation agenda geared towards economic turnaround through value chain development.

146. The County's broad objectives/goals and programmes will also be informed by priority interventions in the Fourth Medium Term Plan 2023-2027, Vision 2030 and the Sustainable Development Goals/targets and indicators as part of the County's commitment to support in the implementation of the global development instruments.

147. For the County to address pressing development challenges affecting the majority of the vulnerable and marginalized community groups. The County will ensure fiscal discipline across all the departments by implementing the following strategies:

- Development and implementation of accurate expenditure plans linked to work plans and performance management plans.
- Adherence to the budget lines to avoid expenditures outside the budget framework.
- Prudent and optimal utilization of scarce financial resources in order to achieve the desired outputs and outcomes in the medium term.
- sustainability in the delivery of essential services and implementation of development projects that meet the needs of citizens.
- Enhance Fiscal transparency and accountability by communicating the government's medium-term fiscal goals, policies, and priorities.
- Strengthening the PFM institutions within the department to ensure proper planning for prioritization of programmes, reporting, and effective management of fiscal aggregates – revenue, expenditure, balance, and debt.
- Ensure adherence to the Fiscal principles while executing the budget within the medium term.

4.1.1 Revenue Projections

148. During FY 2025/26, the projected revenue (from all sources) that Homa Bay County is planning to implement the desired programmes, projects, activities and deliver quality services to the people of Homa Bay is estimated at **KShs. 11,941,429,350.** This comprises of **KSh. 8,539,802,361** from Equitable Share as per the National Treasury's recommendation contained in the CARB 2025**; KSh. 1,646,539,167** from conditional grants**; KSh. 1,631,087,323** from Own source revenues and **KSh. 124,000,500** from share of the Equalization Fund.

The table below illustrates the estimated county revenues by different revenue categories within the MTEF period.

Table 4.1.1.1 Revenue Projections per Source for MTEF Period FY 2025/26-2027/28

County Revenue Growth Projections FY 2025/25 – 2027/28						
Revenue Source/ Category	**Approved Estimates FY 2022/23**	**Approved Estimates FY 2023/24**	**Approved Estimates FY 2024/25**	**Projected Estimates FY 2025/26**	**Projected Estimates FY 2026/27**	**Projected Estimates FY 2027/28**
Total Revenue	**10,079,114,198**	**11,167,226,300**	**11,876,978,601**	**11,941,429,351**	**12,221,216,898**	**12,452,291,998**
Equitable Share	7,805,353,300	8,128,387,250	8,170,279,683	8,539,802,361	8,753,297,420	8,972,129,856
Conditional Grants	690,323,994	1,372,154 607	1,829,487,963	1,646,539,167	1,578,931,947	1,446,132,887
Own Source Revenue	818,315,812	1,392,206,351	1,482,806,657	1,631,087,323	1,765,887,018	1,912,751,230
Share of Equalization Fund	0	131,603,304	128,603,304	124,000,500	123,100,513	121,278,025
Unspent balances - CRF and Grants	765,121,092	142,874,788		-	- -	-

Source: HB County Treasury, 2025

Table 4.1.1.2: OSR Projections for MTEF Period FY 2025/26-2027/28

REVENUE STREAMS		ACTUAL REVENUE FY 2022/23 (JULY 2022 - JUNE 2023)	ACTUAL REVENUE FY 2023/24 (JULY 2023 - JUNE 2024)	APPROVED ESTIMATES FY 2024/2025	PROJECTED ESTIMATES FY 2025/2026	PROJECTED ESTIMATES FY 2026/2027	PROJECTED ESTIMATES FY 2027/2028
A. Department of Land, Physical Planning, Housing & Urban Development:							
1	Land Rates	5,996,073	8,347,826	35,182,680	36,560,500	38,388,525	40,307,951
2	Land Transfers/Sales/Change of Use	138,530	1,456,500	1,602,150	1,780,400	1,869,420	1,962,891
3	Lease Charges/Consent/Transfers	1,598,552	2,305,925	2,536,510	2,690,500	2,825,025	2,966,276
4	Land/Ground rents	2,444,825	2,246,590	2,471,249	2,595,500	2,725,275	2,861,539
5	Approval plans/Transfers/Certificates	2,449,634	7,279,879	15,007,800	16,568,000	17,396,400	18,266,220
6	Housing Fees (Rents)	1,582,609	1,122,700	1,234,970	1,324,970	1,391,219	1,460,779
7	House/Kiosk Rents	4,614,290	10,532,780	11,586,050	12,090,700	12,695,235	13,329,997
8	Site Value Rates	4,090	35,200	-			0
9	Search and clearance certificates	23,600	131,000	144,100	161,789	169,878	178,372
10	Survey/Subdivision Fees	359,620	521,000	573,100	601,490	631,565	663,143
SUB-TOTAL		**19,211,823**	**33,979,400**	**70,338,609**	**74,373,849**	**78,092,541**	**81,997,169**
B. Department of Trade, Industry, Tourism, Co-operative Development & Marketing:							
1	Single Business Permit	61,770,496	99,333,166	109,266,480	117,560,340	123,438,357	129,610,275
2	Market Dues	24,955,898	40,648,114	48,800,070	54,670,340	57,403,857	60,274,050
3	Weight and Measures Fees	501,310	593,020	652,322	709,600	745,080	782,334
4	Advertising /Billboard	9,313,233	10,543,053	20,597,350	32,450,290	34,072,805	35,776,445

5	Liquor Licensing	350,500	11,146,336	16,349,790	20,678,230	21,712,142	22,797,749
SUB-TOTAL		**96,891,437**	**162,263,689**	**195,666,012**	**226,068,800**	**237,372,240**	**249,240,852**
C. Department of Agriculture, Livestock, Cooperative Development and Irrigation							
1	Slaughterhouse Fees	1,686,094	1,755,505	1,931,050	2,531,300	2,657,865	2,790,758
2	Stock Auction Fees(Cattle/Goat/sheep)	4,063,130	6,328,220	6,961,042	7,289,400	7,653,870	8,036,564
3	Stock Movement Fees	379,910	61,485	1,044,250	1,100,560	1,155,588	1,213,367
4	Other Agric. Cess Income	24,331,008	12,146,048	23,041,580	27,400,560	28,770,588	30,209,117
5	Tractor Hire Services	121,250	971,810	2,068,990	2,560,780	2,688,819	2,823,260
6	Veterinary Charges	263,725	1,333,117	1,520,940	1,670,110	1,753,616	1,841,296
SUB-TOTAL		**30,845,117**	**22,596,185**	**36,567,852**	**42,552,710**	**44,680,346**	**46,914,363**
D. Department of Roads, Public Works, Transport & Infrastructure:							
1	Bus Park Fees	29,359,416	46,784,631	55,463,090	60,679,625	63,713,606	66,899,287
2	Taxi /Motorbike Fees	1,838,575	7,121,839	42,153,080	46,789,369	49,128,837	51,585,279
3	Hire of Machineries, Equip & Wayleave charges	186,000	237,000	260,700	3,280,450	3,444,473	3,616,696
SUB-TOTAL		**31,383,991**	**54,143,470**	**97,876,870**	**110,749,444**	**116,286,916**	**122,101,262**
E. Department of Blue Economy, Fisheries, Mining & Digital Economy:							
1	Landing Fees	53,285	111,050	1,022,150	1,180,900	1,239,945	1,301,942
2	Bricks/Sand/Murram/Stones	31,579,853	56,105,447	67,302,616	69,400,300	72,870,315	76,513,831
3	Fish Cess	7,004,275	9,122,382	15,034,620	18,580,790	19,509,830	20,485,321
SUB-TOTAL		**38,637,413**	**65,338,879**	**83,359,386**	**89,161,990**	**93,620,090**	**98,301,094**
F. Department of water, Sanitation, Environment, Energy, Forestry & Climate Change							
1	Water Charges	20,885	592,684	651,950	701,495	736,570	773,398

2	Noise Pollution Fees	193,490	413,320	1,454,650	1,550,690	1,628,225	1,709,636
3	Conservancy Fees/Wildlife Grants	144,060	87,480	-	-	-	-
SUB-TOTAL		**358,435**	**1,093,484**	**2,106,600**	**2,252,185**	**2,364,794**	**2,483,034**
G. Department of Governance & Administration:							
1	Fines & Penalties	2,974,124	2,324,577	2,620,500	3,860,780	4,053,819	4,256,510
2	Fire Inspection Fees	361,060	801,811	4,818,520	5,200,000	5,460,000	5,733,000
SUB-TOTAL		**3,335,184**	**3,126,388**	**7,439,020**	**9,060,780**	**9,513,819**	**9,989,510**
H. Department of Youths, Sports, Gender & Talent Dev.:							
1	Hire of Stadium, park & open spaces	0	1,723,716	2,550,270	3,560,600	3,738,630	3,925,562
SUB-TOTAL			**1,723,716**	**2,550,270**	**3,560,600**	**3,738,630**	**3,925,562**
I. Department of Finance & Economic Planning:							
1	Miscellaneous Incomes	12,143,630	14,997,967	5,833,298	8,400,400	8,820,420	9,261,441
SUB-TOTAL		**12,143,630**	**14,997,967**	**5,833,298**	**8,400,400**	**8,820,420**	**9,261,441**
	ORDINARY OSR TOTALS	**232,807,030**	**359,263,178**	**501,737,917**	**566,180,758**	**594,489,796**	**624,214,286**
J. Department of Public Health & Medical Services (A-I-A)							
1	FIF & Billed NHIF/SHA	626,646,993	841,232,651	981,068,740	1,064,906,565	1,171,397,222	1,288,536,944
SUB-TOTAL		**626,646,993**	**841,232,651**	**981,068,740**	**1,064,906,565**	**1,171,397,222**	**1,288,536,944**
	GRAND TOTAL (KSH)	**859,454,023**	**1,200,495,829**	**1,482,806,657**	**1,631,087,323**	**1,765,887,018**	**1,912,751,230**

SOURCE: COUNTY TREASURY, COUNTY REVENUE BOARD, 2025

149. From the table above, it is important to note that increase in county revenue during the MTEF period FY 2022/23-2024/25 resulted from the unspent balances from previous financial periods and additional allocations to counties in form of grants which are appropriated through supplementary budget processes in the subsequent FY.
150. In the MTEF period 2025/26-2027/28, Homa Bay County foresee an increase in the overall revenue across the period, ***cateris peribus***. The projected revenue trajectory in the MTEF will support the County to sustain gains realized so far and continue with the delivery priority projects that seek to address the underlying development challenges bedeviling the residents of Homa Bay County.
151. However, assessing individual revenue projections in the FY 2025/26 allocations for the conditional grants and equalization funds are likely to reduce. The County will ensure that within the fiscal space some of the affected donor funded programmes and projects are sustained in the medium-term.

4.1.2 Expenditure Projections

152. The total expenditure for the FY 2025/26 is estimated at **KSh. 11,941,429,351** compared to **KSh 11,876,978,601** for the **FY 2024/25** indicating an increase of **KSh. 64,450,750** representing **0. 539%** of the overall county expenditure**.** Recurrent expenditure that comprises of personnel emoluments, operation and maintenance is estimated at **KSh. 7,712,532,573,** representing 64 percent. Out of which, personnel emolument is estimated at **KSh. 5,782,993,034,** accounting for 48 percent, operation and maintenance is estimated at **KSh. 1,929,539,540,** representing 16 percent of the county revenues while development expenditure is estimated at **KSh. 4,228,896,778,** representing 35 percent of the overall county revenues.

Table 4.1.2.1 Expenditure Projections in the Medium Term

County Expenditure Projections FY 2022/24 - 2027/28						
	FY 2022/23	**FY 2023/24**	**FY 2024/25**	**FY 2025/26**	**FY 2026/27**	**FY 2027/28**
Total Expenditure	**10,079,114,198**	**11,167,226,300**	**11,876,978,601**	**11,941,429,351**	**12,221,216,898**	**12,452,291,998**
Recurrent Expenditure	6,983,692,013	7,659,925,512	7,670,902,585	7,712,532,573	7,893,237,212	8,042,478,872
Personnel Emolument	4,593,085,754	5,857,575,427	5,660,464,493	5,782,993,034	5,918,488,561	6,030,395,342
Operation and maintenance	2,390,606,259	1,802,350,085	2,010,438,092	1,929,539,540	1,974,748,651	2,012,083,530
Development	**3,095,422,185**	**3,507,300,788**	**4,206,076,016**	**4,228,896,778**	**4,327,979,686**	**4,409,813,126**
Percentage Ratio of County Expenditure Per Economic Classification						
Recurrent Expenditure	69.29%	69%	64.59%	64.59%	65%	65%
Personnel Emolument	47%	52.00%	47.66%	48.43%	48%	48%
Operation and maintenance	22.29%	16.00%	16.93%	16.16%	16%	16%
Development Expenditure	**30.71%**	**31%**	**35.41%**	**35.41%**	**35%**	**35%**

Data Source: Homa Bay County Treasury, 2025

153. Recurrent expenditures take the highest share of the County revenues as a result of the share of revenues that goes towards payment of staff salaries and benefits that is estimated at **48%** in the medium term, share of operation and maintenance expenses across all the county spending entities is estimated at **16%** in the medium term while development expenditure is estimated at **35%** as highlighted in the table above.

154. It's on this backdrop that priorities for funding in FY 2025/26 will be channeled to projects/programmes that focus on county strategic interventions. These programmes are geared towards promotion of service delivery that supports social development, economic growth and transformation of the County. They are also in line with the third generation County Integrated Development Plan (CIDP 2023-2027), fourth Medium Term Plan of the vision 2030, and the Bottom-Up Economic Transformation Agenda (BETA). Recurrent expenditure has been structured to decrease over time as capital expenditure increases in relative terms.

155. Further, the county government shall ensure compliance to the Fiscal principles in the management of public finance by implementing measures and strategies that will ensure recurrent expenditure does not exceed 70 percent of county government's total revenue and endeavor allocating more than 30 percent of county government's total revenue. The county government shall also observe a reasonable degree of revenue predictability informed by previous performance trends.

4.2 Budget Priorities

156. The county through the MTEF will implement priority programmes derived from the 3rd generation CIDP 2023-2027, the approved development proposals in the CADP2025 proposals, BETA programmes being implemented in the County and the affirmed up sectorial priority programmes in the CFSP 2025 to accelerate economic recovery and enhance service delivery. This will be achieved through strong linkages between policy, budgeting, implementation and monitoring and evaluating of planned outcomes. The county will strive to ensure that public spending remains affordable within a sustainable framework.

157. In this regard, public spending will be directed towards the most critical needs of the county with the aim of achieving quality outputs and outcomes with optimum utilization of resources. Further, the county will ensure CDAs' requests for resources take into account the resource constraints in light of the fiscal consolidation policy taking into account: responsible management of public resources; building a resilient, more productive and competitive county economy; delivering better public services within a tight fiscal environment, and the need to deepen governance, anti-corruption and public financial managementreforms to guarantee transparency, accountability and efficiency in public spending. The need to allocate resources based on needs and the impact will also be considered.

4.2.1 Revenue Enhancement

158. The County Government of Homa Bay is mandated to provide quality services to the people of Homa Bay. To make this possible, it must mobilize its revenue mainly from the equitable share, conditional and unconditional grants, Own Source Revenues (OSR) and borrowing.

4.2.1.1 Enhancing Collection of Own – Source Revenue

159. Resource mobilization within the county has been of low potential and therefore there is a need to make relevant adjustment to enhance more revenue collection within the county. The causes of low revenue collection have been analyzed to be existence of large informal sector, a largely peasant agriculture, insignificant manufacturing and modern service sectors. These factors are undermining an effective revenue base despite the impressive growth of profile of the county. The County Government of Homa Bay has reviewed these practices in order to ensure maximum revenue collection in FY 2025/26.

160. Enhancing revenue collections requires choosing carefully what items or activities are to be taxed. It also requires properly determining the appropriate rates to be charged on each item/activity and how to get as many items/activities as possible to be captured for purposes of taxation. Maximizing the activities to be charged for tax will in turn result to more revenue collected within the county, hence enhancing more own source revenue.

161. With respect to making all revenue collection activities legal, the County Government is taking steps to ensure there exists clear and unambiguous legal authority for collecting every category of revenue. This implies specific and sufficiently detailed county legislation for every revenue stream. Such legislation will only be considered complete if they have clear, well-defined methodology for all revenue processes ranging from the definition of the revenue base to collection, to enforcement, to reporting. To ensure maximum compliance with constitutional provisions and national policy, model laws developed jointly by CRA, COG and KLRC shall be adapted to the largest extent possible.

162. The County Government will ensure there exists a clear linkage between the County Finance Act and other county revenue laws. Whereas the various county revenue legislations will provide the legal authority to impose taxes and set the initial rate, it is the County Finance Act that will set out the framework for all revenue that is collectable each year. Any variation to the taxes for any particular year will thus be set out in the County Finance Act for that year while the county revenue legislation will remain unchanged.

163. Revenue enhancement efforts will be focused on measures that will bring the greatest revenue gains. Effort will be concentrated on areas with there is more revenue potential, having understood the pattern of revenue collection. The major areas of potential revenue collection realized by the County Government include Single Business Permits, Cess, Market fees, Parking fees, Rents, Land-based revenue, Property taxes, Liquor licensing, Tourism charges, Transit charges, Construction minerals charges, Advertising and Royalties among others.

164. The County Government will be focusing on the policy objective of every revenue steam so that charges are priced and administered accordingly. This will help reduce distortion behaviors of the taxpayers. The taxation will be done progressively in accordance with the nature of the entity and the profits that they are making. Where possible, some services will be priced to recover full cost unless other factors such as the ability to pay, overall general benefit to society or marginal cost pricing can come into play. In that regard, services with mainly private good characteristics will be charged while those with user and non-user benefit will be financed using public money. Where possible, some services will be charged in a manner that mimics private sector (e.g. water, parking, renting out a county-owned venue) while others such as garbage collection, street cleaning, public parks and other public goods will be financed by taxes.

165. County Government will ensure adequate funding of revenue-producing assets at the same time allocating sufficient funds for maintenance of these revenue producing assets. This will ensure continuous flow of revenue, thus enhancing our own source revenue.

166. The County Government will also strive to minimize the transaction cost of collecting revenue. Options for annual or monthly billing shall be considered so that costs are saved for both the County Government and the citizens. User accounts shall be opened for payments like market and parking fees and, advance payments shall be incentivized through discounting. These activities when undertaken will greatly help cut the costs involved in collecting revenue hence more revenue will be channeled into the County account.

167. Adaptation of new technology in managing revenue collection will also help greatly in minimizing costs associated with revenue collection. In property valuation, use will be made of mass valuation methods that maximize computer technology. In business registration, payments will be automated to the extent possible, and all the enforcement will do is to follow up. Ultimately, all tax, license payments and charges will be harmonized even across the various areas formerly served by different local authorities within the same county.

4.2.1.2 Maximizing Receipts from Equitable Share

168. For the past financial years, the County Government of Homa Bay has not been ranked at the top of other counties in terms of equitable share. The Department of Health has been charged with failure of the county to receive more equitable shares because it has not been operating to optimality despite being allocated more funds compared to other departments.

169. The department of tourism has also been victimized in terms of collection of low revenue despite having many sites acting as tourist sites. Therefore, it has been recommended that all the fees charged at the tourist attraction sites should be channeled to the county's revenue account. Enhancing more revenue within the county will result into more equitable shares issued to the County Government of Homabay.

170. As part of measures to enhance the revenue effort in health facilities, the Department of Health has proposed many dispensaries that should be upgraded to the level of Health Centers so that some services they offer can be charged what with more citizens being enrolled into the Universal Health Coverage. This will enhance more revenue collection in the department of health which will result in a significant adjustment in the number of equitable shares.

171. On the matter of fiscal prudence, the County Government of Homa Bay has embarked on a mission to improve the audit opinion through addressing public finance management gaps that have undermined that favorability of the audit opinion. On the one side, the County Treasury has embarked on ensuring compliance with existing laws and fiscal responsibility principles so that budget execution leads to intended fiscal outcomes. On the other hand, it has embarked on improving the credibility of the budget formulation process so that all goals of public expenditure are achieved.

4.2.1.3 Strengthening Mobilization of External Resources

172. There is need for the County treasury to establish a fully functional external resources unit to coordinate and drive the resource mobilization initiatives. By enhancing this, the desired results will be achieved with a high level of impact. Selection of employees with specific competencies to provide appropriate input (e.g. strategic, technical, monitoring) shall be seconded to be part of the unit and, sufficient time and budget shall be dedicated to resource mobilization initiatives. Periodically, the progress of the unit shall be reviewed, and corrective measures shall be instituted whenever necessary.

173. For the county to be able to secure both conditional and unconditional grants, it should be able to have a base for securing these grants. The base amounts will be determined by the lenders who will be willing to lend to the County Government of Homabay. These grants will enable the county to undertake projects that will be of more benefits to the residents within the county

174. As part of measures to support sustainable flow of external resources into the county, the County Government of Homa Bay will have partnership with a number of pillars which includes:

a) Fostering a shared vision of priorities and result areas with the broadest possible range of resource partners as a basis for strong, sustained, flexible, and predictable resourcing of the County's Development Programs and Projects:

b) Pursuing partnerships and resources that help to connect shared, regional economic and trade blocs, international and global development goals in concurrence with the Sustainable Development Goals (SDGs) and their corresponding targets to the specific indicators and priorities of the National and County Government and the challenges the emerging democracies face in their quest to mainstream equitable and sustainable development:

c) Working with United Nations Agencies, World Bank Programs, Bilateral Development Partners, Multi-Lateral Agencies, International Financing Institutions (IFIs), Local Banks and Cooperatives, Local and International Investors and Global Program Funding Agencies and other partners to align programmes and prevailing funding, technical assistance and capacity development support arrangements.

d) Accelerating a scaled-up response to humanitarian crisis by engaging at local, national, regional, and global levels with public and private, traditional and emerging partners and exploring innovative financing and programme support opportunities.

e) Broadening the base of resource partners to promote the universality and impartiality of the public service delivery anchored on the protection and promotion of inherent fundamental human rights and freedoms, as well as in the best interest of fulfilling the mandates of the County Governments as envisaged in the County Governments Act, Laws of Kenya.

f) Capitalizing on the long-standing engagement with citizens and the private sector in high income countries, principally through strategic networking and collaboration, fundraising and advocacy to mobilize public resources and secure goodwill of the public towards effective implementation of the County's development programmes and projects.

g) Investing the resources mobilized in a prudent, cost-effective manner that guarantees value for money while promoting optimal benefits and long-term impacts to the citizens of Homa Bay County; and

h) Undertaking more robust results-based programming, programme implementation and management and budgeting while strengthening quality monitoring, evaluation, reporting and knowledge management, and recognizing our partners more systematically for their contributions to the realization of our development aspirations and goals.

175. As part of measures to ensure all important aspects of resource mobilization necessary for success are covered, the County Government of Homa Bay shall be developing and implementing an effective blueprint for resource mobilization. A resource partnership template will be developed and employed to analyze the resource mobilization situation so that resource mobilization efforts match the priorities of potential resource partners.

176. With respect to finding appropriate funding sources, the County Government of Homa Bay recognizes that there are many different types of potential resource partners that it can engage with. However, it will work from the beginning to match mutual interests in areas where support is required and where a potential partner will also benefit. Use will be made of web searches, subscription to fora where members include potential partners, networking platforms and engagement of governments who have been successful in their resource mobilization efforts to learn from them.

177. The County Government is already working on a data base of all potential partner including their interests, their mode of funding or support and the terms which may accompany any partnership agreement. Ultimately, the County will spare no effort to meet their different requirements and modalities.

178. Apart from traditional financing, the County Government will pursue other kinds of support that may be beneficial such as human resources (e.g. consultants, experts, interns, and volunteers), hosting meetings (e.g. venue, administrative support and logistics) or provision of goods (e.g. printing of materials) or services (e.g. translation of documents).

179. On the matter of engaging partners, the County Government of Homa Bay is focused on promoting its territory and the projects for which it will be seeking resources. Potential partners will be approached on a regular basis, honestly and transparently, to build a good partnership foundation. Effort will be made to communicate the right information in the most appropriate and appealing way.

180. The County Government of Homa Bay will strive to have the right people available on its team to undertake negotiations. Whereas every partnership will have a set of standard conditions to be met, including rules, procedures and requirements for using resources, the County team will strive to keep the partnership and the resulting agreement as flexible (e.g. less-earmarked funds) as possible. Only this will allow for adaptability when small changes occur. And once a partnership has been negotiated and conditions and the agreement are drafted, effort will be made to ensure all the necessary clearances are obtained before proceeding with the finalization. But when the partnership is finalized, the County Press Unit will record the signing of the agreement by taking photos, writing press releases or having other types of media coverage.

181. Project work plan and timeline, which is often in the form of a Logical framework (Log Frame), will be followed effectively and, the frequency and method of reporting will be included in any agreement. Ideally, inception, mid-term and terminal report, or are at project milestones or some other frequency requested by the partner will be adopted.

182. As part of communicating results, the County Government of Homa Bay will have a communication strategy for all its projects. Communication will be done both internally and by an external professional who will be expected to ensure project messages are appropriate for intended audiences. Project results will be used to advocate what has been achieved and the value of the work being done, in conjunction with the resource partner. Use will be made of brochures and factsheets as well as presentations at conferences and relevant committee meetings.

183. In all communications, the partner, key results, lessons learned and opportunities for future work will be acknowledged. Therefore, successful projects will be promoted to demonstrate to present partners and other potential partners that the Homa Bay County is worth investing in and can add value to their reputation through association. This way, the County Government will have a strong base to advocate for further support to continue existing partnerships. Equally, the County Government will publicize the completion of its projects such as through press releases.

4.2.2 Expenditure Prioritization

184. The demand for public services is high and the County Government has to find a way to apportion the limited resources to cater for all the required services by the residents of Homa Bay at optimality. This means the government's priorities have had to be clear so that the County Treasury can sequence requests by County Government Entities (CGEs) in a manner that guarantees the best possible results for Homa Bay County.

185. On the one hand, the County Government recognizes that spending on areas such as research and development, education, and infrastructure may facilitate the achievement of economic growth in the long term but at the same time it is not prudent to ignore those who want the fruits of growth in the short term. On the other hand, spending on health and cash transfers to the poor will meet the immediate needs of the poor but may neglect productive investments. Hence, a balance must be struck between current and capital spending.

186. The first step in the prioritization process was to determine the resource envelop and update the fiscal framework accordingly. Thereafter, the budget directorate would have the budget strategy determined at the County Executive Committee level. Here, CEC members can determine (1) the affordable total, (2) new policies to be accommodated, and (3) any changes (often reductions) in existing policy provision.

187. The next step would involve the County Government Entity and the budget directorate meeting to discuss each entity's estimates and the resulting fiscal space for each programme. In each programme, care would first be taken of non-discretionary expenditure such as salaries, statutory deductions, conditional grants, transfers and pending bills. To accommodate new policies, the budget directorate would require each spending ministry to prioritize those requests after taking care of non-discretionary expenses and on-going programmes.

4.3 Budgetary Allocation

188. The budgetary allocation to each MTEF sector and County Government Entity largely reflected their on-going commitments and budget priorities for FY 2025-26. Views of the public and key stakeholders were considered, and amendments were made where necessary. The allocations were captured in the form of ceilings for entities and programmes per sector.

4.3.1 Departmental Ceilings for the FY 2025-26

189. The Departmental ceiling for the FY 2025-26 is informed by the baseline ceilings for the current FY 2024-25 reflecting on the current spending levels across the Departments and programmes. In the recurrent setting, non-discretionary expenditures have taken first charge. Development expenditures have been allocated based on the on-going flagship projects, Ward Projects and CADP 2025 priorities.

Table 4.3.1 County Entity Budgetary Allocation for FY 2025/26 – 2027/28

Vote Code	DEPARTMENTAL BUDGET ALLOCATION FOR FY 2024/25 - 2027/28				
	Department	Approved Ceilings	CFSP Ceilings	Projected Ceilings	
		FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
5120	Finance and Economic Planning	**946,510,694**	**951,647,408**	**973,944,506**	**992,359,849**
	Development	238,935,539	240,232,242	245,860,884	250,509,621
	Recurrent	707,575,155	711,415,165	728,083,623	741,850,228
5122	County Public Service Board	**69,457,403**	74,834,348	**76,587,717**	**78,035,838**
	Development	0	5,000,000	5,117,150	5,213,905
	Recurrent	69,457,403	69,834,348	71,470,567	72,821,933
5123	County Assembly Service Board	**1,169,724,894**	**1,176,072,991**	**1,203,628,381**	**1,226,386,587**
	Development	142,564,789	143,338,488	146,696,909	149,470,654
	Recurrent	1,027,160,105	1,032,734,503	1,056,931,472	1,076,915,933
5124	Homa Bay Municipal Board	**78,617,779**	**79,044,438**	**80,896,449**	**82,426,039**
	Development	48,861,088	49,126,257	50,277,285	51,227,928
	Recurrent	29,756,691	29,918,181	30,619,164	31,198,111
5125	Office of the Deputy Governor, Agriculture and Livestock	**473,019,173**	**475,586,248**	**486,729,234**	**495,932,310**
	Development	262,538,880	263,963,679	270,148,347	275,256,312
	Recurrent	210,480,293	211,622,570	216,580,886	220,675,998
5126	Gender Equality and Inclusivity, Youth, Sports, Talent Development, Cultural Heritage And Social Services	**248,719,567**	**250,069,368**	**255,928,493**	**260,767,589**
	Development	95,000,000	95,515,565	97,753,495	99,601,818
	Recurrent	153,719,567	154,553,803	158,174,999	161,165,772
5127	Roads, Public Works, Infrastructure and Transport	**1,047,359,686**	**1,053,043,707**	**1,077,716,521**	**1,098,093,985**
	Development	889,974,496	894,804,388	915,769,654	933,085,027
	Recurrent	157,385,190	158,239,319	161,946,867	165,008,958
5128	Blue Economy, Fisheries, Mining and Digital Economy	**184,589,978**	**185,591,748**	**189,940,162**	**193,531,551**
	Development	93,691,161	94,199,623	96,406,720	98,229,578
	Recurrent	90,898,817	91,392,125	93,533,442	95,301,973
5129	Education, Human Capital Development and Vocational Training	**1,331,301,659**	**1,338,526,633**	**1,369,888,312**	**1,395,790,160**
	Development	85,000,000	85,461,295	87,463,653	89,117,416
	Recurrent	1,246,301,659	1,253,065,338	1,282,424,659	1,306,672,744
5130	Public Health and Medical Services	**2,914,718,389**	**2,930,536,566**	**2,999,199,037**	**3,055,907,893**
	Development	320,000,000	321,736,640	329,274,929	335,500,860
	Recurrent	2,594,718,389	2,608,799,926	2,669,924,108	2,720,407,033
5131	Lands, Housing, Urban Development and Physical Planning	**1,154,334,334**	**803,098,906**	**821,915,514**	**837,456,292**
	Development	1,072,020,992	720,338,850	737,216,389	751,155,677
	Recurrent	82,313,342	82,760,057	84,699,125	86,300,616

5132	Trade, Industry, Tourism, Cooperative Development and Marketing	**370,464,219**	**372,474,728**	**381,201,811**	**388,409,575**
	Development	205,204,927	206,318,574	211,152,618	215,145,092
	Recurrent	165,259,292	166,156,154	170,049,193	173,264,483
5133	Water, Sanitation, Irrigation, Environment, Energy and Climate Change	**701,769,067**	**705,577,568**	**722,109,250**	**735,762,892**
	Development	450,484,144	452,928,921	463,541,046	472,305,680
	Recurrent	251,284,923	252,648,646	258,568,204	263,457,212
5134	Governance, Administration, Communication and Devolution	**463,000,546**	**818,013,250**	**837,179,300**	**853,008,687**
	Development	23,000,000	375,624,821	384,425,711	391,694,432
	Recurrent	440,000,546	442,388,429	452,753,590	461,314,255
5135	Executive Office of The Governor	**632,146,771**	**635,577,432**	**650,469,011**	**662,768,079**
	Development	230,000,000	231,248,210	236,666,356	241,141,243
	Recurrent	402,146,771	404,329,222	413,802,655	421,626,836
5136	Kendu Bay Municipal Board	**17,870,274**	**17,967,256**	**18,388,229**	**18,735,913**
	Development	8,000,000	8,043,416	8,231,873	8,387,521
	Recurrent	9,870,274	9,923,840	10,156,356	10,348,392
5137	Mbita Municipal Board	**17,870,274**	**17,967,256**	**18,388,229**	**18,732,244**
	Development	8,000,000	8,043,416	8,231,873	8,387,521
	Recurrent	9,870,274	9,923,840	10,156,356	10,344,723
5138	Ndhiwa Municipal Board	**17,870,274**	**17,967,256**	**18,388,086**	**18,735,768**
	Development	8,000,000	8,043,416	8,231,730	8,387,376
	Recurrent	9,870,274	9,923,840	10,156,356	10,348,392
5139	Oyugis Municipal Board	**37,633,620**	**37,832,245**	**38,718,654**	**39,450,746**
	Development	24,800,000	24,928,977	25,513,063	25,995,464
	Recurrent	12,833,620	12,903,268	13,205,592	13,455,283
TOTAL EXPENDITURE ESTIMATES		**11,876,978,601**	**11,941,429,351**	**12,221,216,898**	**12,452,291,998**

Source: HB County Treasury, 2025

4.3.2 Criteria for Resource Allocation

189. In allocation its revenue across all the nineteen spending entities, the County Government of Homa Bay takes into consideration departmental priorities, key functionalities, prudent use of resources, overriding mandates, and national government development agenda, to ensure value for money and efficiency in service delivery. Other factors considered include:

a) **Needs Assessment**: A comprehensive needs assessment will be conducted to identify the most pressing needs and priorities of the county. This assessment will consider factors such as assets and deficits in each unit and their implication on the county's development agenda.

b) **Strategic Objectives**: Budget allocations will be aligned to the county's strategic objectives and long-term development plans and ensure resources are allocated only for activities that contribute to the achievement of these goals.

c) **Equity and Fairness**: The County government will prioritize equity in resource allocation to address internal disparities and promote fairness. Factors like the economic conditions of different areas within the county will be taken into consideration to ensure that underserved areas receive their fair share of resources.

d) **Service Delivery**: Capacity and performance assessment of each spending entity will be done to understand how departments can be able to deliver essential services. That way, entities that have a track record of efficient service delivery and the ability to use funds effectively will receive more resources.

e) **Cost of Service Delivery**: The County government will evaluate the cost of delivering services in different sectors and locations. Some services, such as healthcare and education will be funded at a level that reflects their cost differences.

f) **Revenue Generation**: The County government will consider the revenue generation capacity of each spending entity. Entities that can generate more revenue may require less funding from the county budget, but their fiscal effort will be incentivized.

g) **Infrastructure and Capital Projects**: The County government will allocate resources for critical infrastructure projects and capital investments that have a long-term impact on the county's development and economic growth. Hosts of such projects will receive greater budgetary allocations.

h) **Emergency Preparedness**: The County government will set aside a portion of the budget for emergency funds to address unforeseen events or crises, ensuring that the county can respond effectively to emergencies.

i) **Public Participation**: The County government will involve the public in the budget allocation process through consultations, town hall meetings, and feedback mechanisms. Through such processes, some entities will receive greater budgetary allocation due to popular demands.

j) **Legal and Regulatory Requirements:** The County government will ensure compliance with legal and regulatory requirements for budget allocation, including any mandated allocations to specific sectors or programs.

190. Overall, the County's policy of expenditure prioritization will be aimed at achieving the GENOWA agenda. In allocating resources among the competing budgetary users, the following factors will be given prominence:

i. Linkage of programmes with the priority pillars of the GENOWA Agenda
ii. Linkage of the programme with the priorities captured in the County Integrated Development Plan 2023-2027
iii. Linkage of programmes that support mitigation and adaptation of climate change.
iv. Completion of ongoing projects, viable stalled projects and payment of verified pending bills.
v. Degree to which a programme addresses challenges of job creation and poverty reduction in the county.
vi. Degree to which a programme addresses the core mandate of the spending entity in question
vii. Cost effectiveness, efficiency and sustainability of the programme; and
viii. Requirements for furtherance and implementation of the Constitution.

4.4 County Priorities for the FY 2025/26

191. The proposed departmental priorities to be implemented in the FY 2025/26 speaks to high impact programmes and projects derived from the year 3 targets of the CIDP 2023-2027 which are further affirmed the CADP 2025/26 and CFSP 2025 taking into account stakeholders views and inputs on the critical areas that all the spending entities needs to take into account while allocating financial resources to realize desires result areas.

192. The priorities are also aligned to the GENOWA development agenda anchored around 10 key socio-economic and governance development pillars, Bottom-up Economic Transformation Agenda (BETA) which emphasizes on Agriculture, the Micro, Small, and Medium Enterprise Economy, Housing and Settlement, Healthcare, Creative Economy and MTP V 2023-2027 and the SGDs 20230.

193. It is assumed that departments will put in place measures and strategies that will help them deliver on their proposed priorities using the little resources at their disposal. Above all innovative approaches will be deployed to ensure that the department raises more monies and attract investors to help implement the underfunded programmes/projects.

Summary Tables of Departmental Priorities

Vote 5120: Department of Finance and Economic Planning

Programme; Planning, budgeting and development coordination services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Economic planning and development coordination services	• Develop the CFSP • Develop the CDMSP • Develop the County Statistical Abstract 2025	• CFSP, CDMSP developed and submitted to the assembly. • CSA published and launched.
Resource Allocation Services	• Formulate the CBROP • Formulate the Budget estimates	• CBROP developed and submitted to the assembly. • Budget Estimates formulated and submitted to the assembly.
Public Participation Facilitation Services	• Facilitate CBEF forums. • Facilitate ADP public participation. • Facilitate CFSP public participation. • Facilitate CDMSP public participation • Facilitate Budget Estimate hearings.	• Public participation reports and budget and planning documents that have the public views taken into consideration.
Programme: Resource Mobilization Services.		
External Resources Mobilization Services	• Facilitate mobilization of the donor and partnership funds.	• Mobilized donor and partnership for the underfunded priorities in the spending entities.
Internal Revenue Generation Services	• Facilitate own source revenue collection and administration to generate KSh. 1.631B	• Own source revenue collected and government priorities budgeted for are funded.
Programme: Financial Management Services.		
Accounting and Financial Reporting Services	• Develop the quarterly budget implementation reports. • Develop the Financial statements. • Prepare monthly bank reconciliations and submit to the relevant authorities when required	• Budget quarterly reports developed and submitted to the controller of budget and the county assembly.
Supply Chain Management Services	• Develop and execute the procurement plan for FY 2025/26 • Manage the assets and dispose the unusable assets.	• Timeliness of service delivery.
Audit and Advisory Services	• Undertake quarterly Audit reports in County Departments and Agencies. • Spearhead the development of Risk Registers in all County Departments and Agencies. • Undertake Countywide Risk Assessment and prepare report	• Risk registers of all the county departments and Agency developed • Quarterly Audit reports for the county departments developed.
Emergency Management Services	• Cushion the departments from any unplanned adverse financial events.	▪ Enhanced preparedness for emergencies and unforeseen adversities
Programme General Administration and support services.		

Staff Remuneration and Welfare Support Services	• Processing and timely payment of staff salaries and benefits	• A highly motivated and productive workforce
General Logistics, Coordination and Asset Management Services	• Routine support in the operations by various divisions to deliver on the mandate of the department.	• Prompt and Effective service delivery

Vote 5124: Homa Bay Municipal Board

Programme; Planning, Finance and Administrative Support Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Policy and planning services	Appropriate Policies and Plans developed	Annual investment plan developed Municipal by-laws revised Strategic plans developed
Personnel remuneration and development services	Municipal administration undertaken effectively	staff paid salary on time
	Public Forum reached with necessary services	public fora held
	Field visits conducted	backstopping missions conducted
Financial management services	Periodic review of the existing policies and plans	Municipal administration fulfilled
Programme: Public Works and Infrastructure Improvement Services		
Transport infrastructure improvement services Public facilities improvement services	KUSP-UDG	Urban area improved Streetlighting with non-motorized walkways setup
Environmental improvement services	Beautification of the Municipality Construction of bus park	Civil works concluded with planting of trees, flowers and landscaping Improved management and flow of public vehicles in and out of the designated bus stations
	Contractors compensated	Improved service delivery
Programme Housing and Urban Development Services		
Neighborhood planning and development services Purchase of land for cemetery	Purchase of land for cemetery	Cemetery relocated

Vote 5122: County Public Service Board

Programme: General Policy, Planning and Administration Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Administration and Support Services	Provision of necessary operational capacity to carry out activities and deliver quality service to the county	Favorable working environment created, improved and strengthened public service delivery by provision of timely information on the county's
	government and public in general	workforce for effective decision making
Policy Development Services	Development of Policies	Appropriate public service policies developed (Human Resource Manual, Board Charter, Strategic Plan, Recruitment Policy, Succession Planning Policy, Training Policy,

		Transfer Policy, Public Service Board Act)
Programme; Personnel Sourcing, Management and Development Services		
Human Resource Management and Development	Development of Integrated Human Resource Information System software	Appropriate advisories issued about recruitment, workplace safety, employee relations, remuneration, training and compliance with laws
	Provision of various advisories on recruitment, workplace safety, employee relations, remuneration, training and compliance with the law.	
Capacity Development Services	Capacity Development of County Staff with various skills	Staff with appropriate skills
Implementation and Monitoring of the National Performance Management Systems in the County	Implementation and Monitoring of the National Performance Management Systems in the County	Performance implementation reports prepared and disseminated
Recruitment and Selection	Recruitment and selection of staff in various cadres	Competent staff recruited
	Establishment and staffing of various offices	Offices fully kitted and furnished and increased productivity

Vote 5125: Office of the Deputy Governor, Agriculture and Livestock

Programme: Crop, Land Agribusiness Developments Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Land Development Services	Construction of Kendu Bay Show Ground	Established showground to support agricultural exhibitions and land development initiatives
Programme: Food Security Enhancement Programme		
Farm Input Access Services	Purchase and distribution of certified seeds	Increased agricultural productivity and food security
Agriculture Business Development programme	KABDP Grant to farmers	Enhanced agribusiness development and farmer support
National Value Chain Support	NAVCDP	Improved market access and value addition for agricultural products
Programme: Livestock Development Services		
Livestock Improvement and Development	Vaccination	Improved livestock health and productivity
Livestock Infrastructure Development Services	Construction of Slaughter Houses	Enhanced meat processing and hygiene standards
	Construction of Cattle Ring	Improved livestock trade and management

Vote 5126: Gender Equality and Inclusivity, Youth, Sports, Talent Development, Cultural Heritage and Social Services

Programme: General Administration, Planning and Support Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Remuneration and Staff Welfare Support Services	Processing and timely payment of staff salaries and benefits	Improve coordination and facilitation of department wide functions, programmes and activities
Administration Support and Staff Capacity Development Services	Routine support in the operations by various divisions to deliver on the mandate of the department	
Policy Planning and Services	Periodic review of the existing policies and plans	
Programme: Socio-Cultural Development And Empowerment Services		

Social Protection and Development Services	Establish Integrated Elder Care Centres	Availability of Spaces for positive social interaction among community members
	Construct Integrated Community Empowerment Centres	Availability of Spaces for positive social interaction among community members
Gender and Women Empowerment	Establish Baby Care Centres	Enhanced lively- hoods for women through integrated women Empowerment Projects
	Enroll Adolescent girls and boys on advocacy and mentorship programmes	Improved school completion rate
	Capacity building of healthcare workers volunteers and local administrations	Implementation of SGBV Policy
Youth Empowerment	Increase the % of government positions and tenders going to youth	Enhanced livelihoods for young people through an Integrated Youth Opportunities Projects
	Increase the no. of youth accessing financial support	
	Increase the % of identified youth accessing career training and job placement	
Disability Mainstreaming	Map and assess PWDs	Enhanced livelihoods for PWDs through an Integrated Disability Support Projects
	Increase the % of government positions/tenders going to PWDs	
Programme: Culture And Creative Sector Development Services		
Cultural Infrastructure Development services	Improve sites for cultural heritage and arts activities	Growth of cultural sites and facilities
Creative Cultural Heritage Promotion Services	Showcase, recognize and appreciate the rich cultural diversity through County music and cultural festivals	Enhance professionalization and development of local culture and creativity
	Partner with Cultural communities to preserve cultural events e.g. Suba and Luo communities	Enhance professionalization and development of local culture and creativity
	Establish Museums and Heritage promotion centres	Enhance professionalization and development of local culture and creativity
	Identify & preserve tangible and intangible cultural heritage products e.g. Gor Mahia shrine and Traditional troupes	Enhance professionalization and development of local culture and creativity
	Organize representations of the county at Inter-counties, National and International events e.g. UNESCO, PINY LUO, KICOSA	Enhance professionalization and development of local culture and creativity
Programme: Development And Management of Sports And Sports Facilities		
Sports Infrastructure Development Services	Upgrade stadium	Improve facilities for sports development
	Complete planned works at Nyaburi Special Sports Centre, at Nyandiwa Aqua Sports Centre.	
	Improve playgrounds	
	Complete Sub County Regional Sportsground	
	Develop Regional Sports Academies	
Identification and nurturing of talents	Support teams during county leagues for tournaments scouting	Improve sport services and nurturing of talents for improved earnings
	Procure and distribute sports uniforms and equipment	
	Organize County sports tournaments e.g. Governor's Cup	

	Ensure representations of the County at Intercounty, National and international sports events e.g. KICOSCA, KYISA	
	Establish County Sports Lottery	
	Train technical sports personnel e.g. Referees, umpires, coaches etc.	

Vote 5127 Department of Roads, Public Works, Infrastructure and Transport

Programme: General Administration, Planning and Support Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Remuneration and Staff Welfare Support Services	Processing and timely payment of staff salaries and benefits	Motivated and productive workforce
Administration Support and Staff Capacity Development Services	Routine support in the operations by various divisions to deliver on the mandate of the department	Government functions properly performed
Policy Planning and Field Support Services	Periodic review of the existing policies and plans	Necessary policies enacted to support service delivery
Monitoring, Evaluation, Learning and Report Development Services	Routine project site visits to assess the implementation of infrastructure projects	Improved implementation of projects and performance in the delivery of the mandate of the department
	Assessing and reporting on the implementation of performance management	
Programme: Public Works and Infrastructure Development Services		
Infrastructure Development Services	Construction of 2No foot bridges in worse of and affected areas in the County	Enhanced connectivity among communities affected by damaged roads as a result of heavy rains
	Construction of 1 No modern bus park	Improved management and flow of public vehicles in and out of the designated bus stations
	Routine inspection and supervision in in the construction sites in the county	Enhanced safety in the building industry and compliance by contractors in the County
Plants, equipment and vehicle support services	Purchase of equipment's to be identified by the department	Improved delivery of Infrastructure related projects
	Maintenance of 10 assorted equipment's and plants	
Programme: Road Development and Rehabilitation Services		
Road Development Services	Opening of 650kms of new roads across the county	Increased road network in the county that supports in
	Rehabilitation of 350km of access roads to schools, hospitals and beaches across the county	accelerating economic growth and access to essential services
Road Maintenance Services	Maintenance of 720kms of other county roads	Improved status of the already developed county road network
Programme: Transport Development and Rehabilitation Services		
Bus Park, Motorbike and Taxi Infrastructure Services	Capacity of 150 boda boda riders on Road Safety Measures	Reduced incidences of accidents and deaths within our transport system

Vote 5128: Blue Economy, Fisheries, Mining and Digital Economy

Programme: General Administration, Planning and Support Services Programme

Sub-programme	Proposed Priority Interventions	Expected Results
Policy and Planning.	Development of Blue Economy Policy Documents	Blue Economy policies Development.
Programme: Blue Economy and Fisheries Resources Development Services		
Blue Economy Development Services	Implementation of Lakefront development projects	Lakefront Promenade Developed
	Organizing of Blue Economy conferences held	Enhanced publicity of investment opportunities
Capture Fisheries Development Services	Construction of fish landing Bandas with cold storage facility	Improved hygiene and production of fish landing sites
	Construction of Pit latrine	Improved hygiene at fish landing sites
	Purchase and distribution of fish cooler boxes	Reduced post-harvest loss of fish and fishery product
	Procurement of fish weighing machines	Enhanced value-addition for fish
	Training of fish farmers on sustainable fisheries resource utilization	Improved sustainability of fisheries resource utilization
	Conducting Monitoring, Control and Surveillance activities	Improved sustainability of fisheries resource utilization
	Demarcation and protection of fish breeding sites	Improved conservation of fisheries resources
	Establishment of Omena fish dryer	Improved omena production and reduced post-harvest loss
Aquaculture Development Services	Construct and stock fishponds	Increased farmed fish production
	Establishment of model fish cage farms (aqua park)	Enhanced technology transfer in cage fish farming
	Train of Smallholder Fish Farmers	Increased aquaculture productivity
	Distribution of predator kits to farmers	Reduced pre-harvest losses
Programme: ICT and Digital Economy Development Services		
ICT, infrastructure Development services	Construction and equipping of Digital hubs	Operational Digital Hubs
	No of Internet connection to county departments	increased internet connectivity
	Installation of LED display screen	Increased awareness of government programmes and activities
Digital Literacy and Skills Development services	Training of citizens on digital literacy	Citizens trained on Digital Literacy
	Supporting VTCs with ICT related equipment and materials	Vocational Training Centers equipped with ICT gadgets
	Creation of WI-FI Hotspot	WIFI hotspot programme

Vote 5129: Education, Human Capital Development and Vocational Training

Sub-programme	Proposed Priority Interventions	Expected Results
Programme 1: General Administration and Quality Assurance Services		
General Administration Services	Development of legal frameworks and policies	Enhanced services delivery
Human Resources Management Services	Timely enumeration of staff	Motivated staff
Quality Assurance Services	Carry out routine quality and standards assessments in all learning centers	Assessment reports
Stakeholder Management Services	Engage in more collaborations and partnerships to enhance development in learning centers	Enhanced collaborations and partnerships
Special Needs Education Services	Capacity building on SNEs for both EYE teachers and VTC trainers	Quality special needs education

Programme 2: Early Years Education Services		
EYE teaching and Learning Materials Services	Supply teaching and learning material to the 886 EYE centers	Enhanced quality education in EYE learning centers
EYE Infrastructure Development Services	Construction of 160No. classrooms at KShs. 1,500,000	Modern classrooms and toilets constructed
Programme 3: Human Capital Development and Vocational Training Services		
VTC Training and Learning Material Services	Supply learning materials, tools and equipment to the 35 VTCs	Learning tools, equipment and machinery supplied
Bursary and Scholarship Services	Disburse scholarship and bursary funds to at least 39,000 beneficiaries	Enhanced access and retention in school
Skills Development and Exhibition Shows Services	Hold shows and exhibition to demonstrate skills acquired	Enhanced skills development and reduced dependency
VTC Infrastructure Development Services	Construction of 4No twin-workshops, 15No toilets, 5No classrooms and refurbishment of 5No. VTCs	Workshops, classrooms, toilets or hostels constructed

Vote 5130: Public Health and Medical Services

Programme: Policy, Planning, General Administration and Support Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Policy, Planning and Monitoring Services	1.Policies and guidelines implementation & review and strategic planning 2Performance management, capacity building and operations 3.To ensure that all facilities submit reports on timely as required. 4.To support the facilities on the scale up of EMR 5.To conduct data quality audit ensuring data quality for use in decision making.	Staff motivation Improved quality reporting
Administrative Support Services	1.Title deed issued to health facilities 2. Electricity connectivity to hospitals. 3. Routine maintenance of ambulances and Utility vehicles 4. Remuneration, infrastructure and equipment	Improved service delivery Recruitment
Programme; Preventive And Promotive Health Services		
Community Health Services	1. Leadership and governance 2. Capacity building of CHPs and CHAs 3. Strengthening supervision across board 4. Community health financing	Improved uptake of community health services
	Nutrition Nutrition equipment Capacity development on PD Hearth; Healthy Lifestyles Diets and physical activities; Nutrition supplements	Improved nutrition outcomes for the community
	Reproductive health Capacity building Equipping of facilities Support supervision	Improved reproductive health services

	Primary Health Care (PHC) 1.Training of Homa Bay sub county 2.Operationalization of Primary Care Networks (PNCs) - formation of all administrative committees, allocating of resources to the PCNs, support supervision, outreach, in reaches 3.Digitization of facilities- hubs and spokes 4.Intensify SHA registration	Improved quality of health care for in reach services to lower-level health facilities
Disease Control Services	**WASH** 1. Domestication of National MHM & EHS and hygiene policy to Homa Bay County Act 2. Declaration of Homa Bay County to ODF Zone 3. Transition from Wash Real time information monitoring system (RTIMS) to Rural sanitation and hygiene monitoring protocol (RUSH protocol) 4. Up scaling the implementation of Market based Sanitation/ to accelerate improved Sanitation facilities.	Improved sanitation and hygiene
	HIV 1. HIV Exposed Infants (HEI) screening and diagnosis at first contact. 2. Viral Load (VL) uptake and treatment optimization. Post Natal Care (PNC) HIV testing	Improved HIV treatment outcomes
	GBV 1) Establishment of at least 1 Gender Based Violence Recovery Centers (Hope Centers) in Rachuonyo south, 2) Capacity building of healthcare workers, about 200. 3)Dissemination of GBV Policy framework to the communities 4) Completion of GBV bill.	Improved treatment outcomes for GBV victims
	Infection prevention and control 1. Leadership and Governance- Establishment and functionality of IPC committees 2. Planning- Integrated IPC work plan for facilities 3. Sanitation- Availing functional hand washing stations with soap and water in all service delivery points.	Improved safety of health care workers and patients
	Immunization Procurement of cold chain equipment Procurement of soloshots Capacity building	Improved immunization services outcome
	Malaria 1. Intermittent Preventive Treatment uptake 2. Long Lasting Insecticide Treated Net Coverage (Both Under 1 and Pregnant women) 3. Testing rates 4. Treatment rates	Decreased malaria cases in the community Reduced malaria deaths

	TB 1. Access to quality TB screening and diagnostic services -Roll out of CAD AI x-ray for TB screening -Sample referral for Gene xpert testing 2. TB prevention interventions -TB IPC work plans and implementation in all treatment facilities -TB preventive therapy for all vulnerable populations 3. Quality of TB treatment and integration with other programs -Integration of TB services in the face shrinking donor support -Mentorship of HCWs on management of TB/HIV, NCDs, Lung Cancer and other commodities	Decreased new TB cases Improved treatment outcomes
	Disease surveillance Active Case Search	Detection of Acute Flaccid Paralysis (AFP), Measles and Neonatal Natal Tetanus (NNT) missed opportunities
	HPTU 1. Conduct a needs assessment for HPTs across all health facilities (F and Q) 2. Conduct mentorship and supervisory visits to health facilities to address gaps in handling HPTs 3. Develop a monitoring framework to assess the availability of HPTs in facilities	Improved availability of health products in the health facilities
	Health promotion 1. Establishing 5 Sub County Health Promotion Advisory Committees 2- Training at least 180 CHPs on Social Behavior change - 20 per Sub County. 3- Carrying out media campaigns on NCDs and top ten morbidities	Improved uptake of health services Improved uptake of healthy lifestyles
	Public Health Food quality control Hospital sanitation School health	Improved food quality improved hospital sanitation Improved school health uptake
	Mental health 1. Increase screening of Mental illness. 2. Increase integration of mental wellness in HIV care 3. Provision of mental wellness in healthcare providers.	Improved access to mental health services

	NCDs 1. Conduct screening for Non-Communicable Diseases (NCDs) for early detection and intervention 2. Sensitization of HCPs on NCDs prevention, control and management 3. Commemorate world cancer day 4. Operationalize oncology and gastroenterology units 5. Establish mental health and alcohol, drugs and substance abuse centre 6. Establish comprehensive SCD Unit Operationalize wellness centre.	Improved screening for NCDs in the county Improved treatment for NCDs
Facility infrastructure improvement services	Payment of Various Pending bills	Increased access to quality health care
Programme; Curative and Rehabilitative Health Services		
Routine medical health services	Purchase of Health Commodities (medical drugs, non-pharms, vaccines, medical supplies, and laboratory consumables) Internal quality control/external quality control performances and accreditation of laboratories Availability of adequate blood and blood products Availability and maintenance/servicing of basic lab equipment Coverage of laboratory testing of ANC profile	Improved disease prevention and treatment, reduced morbidity and mortality rates, better health outcomes for populations, and enhanced healthcare service delivery
Medical emergency response services	1. Establishment and operationalization of County Referral and Emergency call center to support timely locating, and emergency dispatch, of ambulances. 2. Maintenance and equipment of ambulance locomotives for emergency life support (BLS-8, and ALS-2) for quality and safe referral. 3. Establishment and operationalization of at least 1 Accident and Emergency Department in Homa Bay County to support in emergency care and management of mass casualty incidents.	Improved referral services
Facility infrastructure improvement services	1.Completion and equipping of Accident and Emergency Unit 2.Completion and equipping of Funeral Parlour 3.Purchase of Assorted Medical Equipment's 4.Construction, completion and renovation of maternity wings, wards, staff houses and laboratories in various health centers across different wards 5.Equipping and upgrading different health centers across the wards	Increased access to quality health care
Programme Research and Development Services		
	1. Implement targeted quality improvement (QI) projects 2. CQI mentorship programs to build capacity among healthcare providers 3. Expand the use of the Kenya Quality Model for Health (KQMH) to level three 4. Active stakeholder engagement on CQI initiatives	Improved quality of health services

Vote 5131: Lands, Housing, Urban Development and Physical Planning

Programme: Lands and Physical Planning		
Sub-Programme	**Proposed Priority Intervention**	**Expected Results**
County Development Planning Services	County Spatial Plan	Development of a county spatial plan for planning purposes
	Local Physical and land use development plan	Plan for small towns areas for efficient and balanced land use
	Survey and demarcation of markets/trading centres	Trading/Market centres surveyed and demarcated
Land valuation and registration support services	Land Information management system	Digitalization of land records for other towns
	Valuation roll	Other municipalities valuation roll prepared
County Land Acquisition and management services	Land banking	Land acquired for future development
Programme: Housing and Urban Development		
Housing Infrastructure Development Services	Renovation of government houses	Improved decent and safe housing for staff
Settlements Upgrading Services	Kenya Informal Settlement Improvement Project	Improvement of living standards within the informal settlements
	Training of persons on ABMT	Persons trained on research and use of locally available building materials

Vote 5132: Trade, Industry, Tourism, Cooperative Development and Marketing

Programme: Trade, Cooperatives and Entrepreneurship Development Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Enterprise Development and Promotion Services	Construction and equipment of 2No. Business Incubation Centers.	Provide mentorship and advisory services to startups, helping them grow and develop into successful businesses.
	Conduction of 1No. Trade fairs/ exhibition	Connecting with potential partners, clients, and investors by providing opportunities for networking, establishing new relationships, and creating business collaborations.
	Capacity building for 1000No. of SMEs	Development of more robust, sustainable, and competitive businesses. I.e. gaining better management skills, improved operational efficiency, access to markets and funding, and enhanced innovation.
	Conduction of 2No. market campaigns on value chains	Improved visibility, competitiveness, and sustainability of the businesses involved in the chains. Additionally, the campaigns would foster long-term benefits such as capacity building, investment attraction, and enhanced industry knowledge.
Cooperative Development Services	Training of 800No co-operative leaders	Enhanced effectiveness of cooperative organizations, improved governance, better financial management, and stronger community impact.

	Facilitation of 4No. collaborative platforms	Creation of a stronger, more connected network of stakeholders, driving knowledge-sharing, innovation, and resource mobilization.
	Holding of 4No.promotional campaigns	Increased brand awareness, larger customer base, boosted sales or revenue, and improved market presence.
	Reviving 2No. dormant co- operatives	Restored active, functional cooperatives that provide valuable services to their members and the broader community.
	Developing of 1No. co-operative policies and programs	Creation of structured, sustainable framework that guides the cooperative's operations, ensures financial sustainability, and strengthens member engagement
	30No. of boda boda cooperatives receiving financial support	Improved financial sustainability, better service delivery, capacity building, and economic empowerment.
	8No of other cooperative societies receiving funding	Strengthened operations, leading to financial sustainability, expanded services, and improved governance.
Trade Infrastructure Development Services	Construction of 1No. modern market	Modernize the region's economy, attract investment, and support social and cultural interactions.
	Upgrading of 23No. ward markets	Improved vendor and customer experiences, higher sales and revenue, job creation, and increased economic activity in the local community
	Construction of 3No. new ward markets	Enhanced Local Economy, improving accessibility and Revenue generation
Programme: Tourism, Industrialization and Investment Promotion Services		
Value chain development services	Construction of EPZ/ County Industrial Park at Riwa	Fostered economic growth, industrialization, and job creation within the region
	Construction and Equipping of Industrial Development Centres	Establishment of a dynamic, diversified, and thriving industrial ecosystem that drives economic growth, improves living standards, creates jobs, and attracts investment, while also promoting innovation and sustainability.
Investment promotion and facilitation	Holding of 1No. investment conference	Attracting new investments, fostering business partnerships, promoting economic growth, and improving the visibility and reputation of the region
	Conduction of 1No. investment campaign	Attract investments, boosting the local economy, increased awareness of opportunities, build strategic partnerships, and enhanced reputation of the sector.

Programme: Policy, Planning and Administrative Services		
Policy and plans development services	No of policies, regulations, laws and procedures enacted	
Remuneration and welfare support services	Processing and timely payment of staff salaries and benefits	Staff adequately remunerated/covered under welfare
Administrative support services	Routine support in the operations by various divisions to deliver on the mandate of the department	

Vote 5133: Water, Sanitation, Irrigation, Environment, Energy and Climate Change

Programme: General Administration, Planning and Support Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Remuneration and Staff Welfare Support Services	Processing and timely payment of staff salaries and benefits	Motivation and morale boost
Administration Support Services	Routine support in the operations by various divisions to deliver on the mandate of the department	Smooth departmental operations
Policy Planning and Field Support Services	Periodic review of the existing policies and plans	Improved effectiveness and efficiency of policies
Programme: water supply and sanitation services		
Rural Water Supply	Ward based water projects	Increase access to clean and safe water
Maintenance of water supply	Rehabilitation and maintenance of existing Boreholes	Increase access to clean and safe water
Urban Water Supply	Extending water connectivity to households in urban areas	Increase number of households with access to piped water
Programme: Environment and Forestry Development Services		
Waste Management services	Purchase of 1 NO waste skip loader	Increase collection of waste and improving waste management
	Purchase of 200NO Coded litter bins	Increase collection and improve management of waste
	Improving Arunda dumpsite to a Material recovery facility	Improve waste management and ensure better environmental protection
Forestry Development Services	Development of Mbita green space	Improved environmental conditions as well as climate change mitigation
	Establishment and management of tree nurseries	Increased afforestation as well as tree panting
Programme climate change management services		
Climate change management services	Financing locally led climate change action projects (donor funding)	Increased climate change action projects
	Financing locally led climate change action projects (county counterpart funding)	Increased climate change action projects
Programme: Energy services		
Solar Power Services	Installing of new solar across all wards	Increased supply of solar light hence increased security
	Repair of existing solar lights	More solar lights working and value for money improved
Electric power services	Connection of households and public institutions through last mile connectivity	More citizens have access to electricity
Renewable Energy Services	Capacity building and sensitization of citizens on transition to clean cooking solutions	More citizens trained hence increased use of renewable energy sources

Vote 5134: Governance, Administration, Communication and Devolution

Programme: Governance And Coordination Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Governance, Administration and Devolution Services.	• Facilitating the operation of the GACD department. • Payment of salaries and remunerations to the staff supporting the GACD department.	• Improved service delivery to the staff and the public.
Field Coordination	• Facilitating the day-to-day operations of the sub county admins and the ward administrators	• Enhanced field coordination services.
Compliance and Enforcement	• Facilitating the operations of the enforcement unit. • Training of the enforcement staff • Kitting with the uniform the enforcement staff. • Equip the enforcement officers with relevant tools.	• Enhanced service delivery in matters compliance and enforcement.
Devolution Support Services	• Implementing the KDSP II program as per the approved work plan and budget.	• Approval to obtain the capital grant under KDSP II
Programme: Communication And Public Engagement.		
County Press Services	• Implement the developed communication strategy and prepare monthly reports. • Prepare regularly e-publications • Develop high quality print, visual and multimedia.	• Improved county press services
Media Relations	• Monitor media coverage and track mentions of the county and its leadership. • Develop and distribute press releases and media kits every fortnight.	• Enhanced media relations.
County Visibility and Branding	• Produce documentaries on flagship projects in the county.	• Improved visibility in matters development and project implementation.
Programme: Special Projects and Disaster Management.		
Special Projects Services	• Identify and engage partners in joint resource mobilization for special projects and programs.	• Increased fiscal space in terms of special projects and programs.
Public Participation Coordination Services	• Monitor, track and report matter public participation in county programmes	• Effective and efficient public participation.
Disaster Prevention and Management Services	• Carry out disaster risk assessments and update the risk profiles. • Develop disaster response plan to implement the findings of the MCR 2030.	• Increased preparedness in matters disaster.

Vote 5135: Executive Office of The Governor

Sub programme	Proposed Priority Interventions	Expected Results
SP1.1: Executive Management and Liaison Services	• Facilitate the operations of the governor's office, office of the deputy governor and the county secretary's office. • Facilitate the staff remunerations, salaries of the executive staff. • Facilitate the construction of the county headquarters.	• Prompt and Effective service delivery.
SP1.2: Field Coordination and Administration Services	• Facilitate the protocol offices.	Improved the service delivery
Sub programme	**Proposed Priority Interventions**	**Expected Results**
SP2.1: Strategy and Advisory Services	• Facilitate mobilization of the donor and partnership funds through the advisors and liaison offices. • Facilitate the Governors delivery and monitoring and evaluation unit.	• Mobilized donor and partnership for the underfunded priorities in the spending entities. • Increased monitoring and tracking of the governments projects implementation. • All necessary memos/ documents prepared.
SP2.3: Information and Communication Services	• Increase the county's visibility and branding.	• Enhanced county visibility and media relations.
Sub programme	**Proposed Priority Interventions**	**Expected Results**
SP3.1: Human Resource Management and Development Services	• Develop the staff welfare policies. • Develop the county staff training schedule. • Facilitate the operations of the human resource offices.	• Improved career progression for all the staff in all cadres.
SP3.2: Legal Services	• Develop the legal frameworks required by departments for efficient operations.	• Enhanced county legal frameworks for enhanced service delivery.
SP3.3: Performance Management Services	• Procure human resource management systems that integrate performance management system modules that enables staff appraisals. • Develop staff productivity matrices and mainstream to all the departments.	• Improved staff performance for enhanced service delivery

Vote 5136: Kendu Bay Municipal Board

Programme; Planning, Finance and Administrative Support Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Policy and planning services	Appropriate Policies and Plans developed	Annual investment plan developed Municipal by-laws revised Strategic plans developed
Personnel remuneration and development services	Municipal administration undertaken effectively	staff paid salary on time
	Public Forum reached with necessary services	public fora held
	Field visits conducted	backstopping missions conducted
Administrative support services	Enhanced services	Competent staff trained
Programme; Public Works And Infrastructure Improvement Services		
Transport infrastructure improvement services	Enhanced security	14 Streetlighting setup
Environmental improvement services	Beautification of the Municipality	Civil works concluded with planting of trees, flowers and landscaping
Programme; Housing and Urban Development Servicers		
Environmental improvement services	Acquisition of land for dumpsite	Waste management Enhanced environmental conservation
Land use management	Development of 10km drainage	

Vote 5137: Mbita Municipal Board

Programme; Planning, Finance and Administrative Support Services		
Sub programme	**Proposed Priority Interventions**	**Expected Results**
Policy and planning services	Appropriate Policies and Plans developed	Annual investment plan developed Municipal by-laws revised Strategic plans developed
Personnel remuneration and development services	Municipal administration undertaken effectively	Staff paid salary on time
	Public Forum reached with necessary services	Public fora held
	Field visits conducted	Backstopping missions conducted
Administrative support services	Enhanced services	Competent staff trained
Programme: Public Works and Infrastructure Improvement Services		
Transport infrastructure improvement services	Enhanced security	16 solar lights
Environmental improvement services	Beautification of the Municipality	Civil works concluded with planting of trees, flowers and landscaping
Programme; Housing and Urban Development Services		
Environmental improvement services	Acquisition of land for dumpsite	Waste management
Land use management	Development of 10km drainage	Enhanced environmental conservation

Vote 5138: Ndhiwa Municipal Board

Programme: General Administration, Planning and Support Services

Sub-programme	Proposed Priority Interventions	Expected Results
Personnel Remuneration and development Services	Processing and timely payment of staff salaries and benefits	Motivated workforce
Administration Support	Routine support in the operations by various divisions to deliver on the mandate of the department	Seamless service delivery
Policy Planning Services	Periodic review of the existing policies and plans	Implementation of only what's planned & budgeted
Programme: Public Works and Infrastructure Development Services		
Infrastructure Development Services	Construction of 1 Number of Bus Park	Enhanced management of public service vehicles flow in and out of the bus stations
Programme: Housing & Urban Development Services		
Urban Development	Cemetery land acquisition & development	Proper interment of bodies of deceased urban residents
Housing	Toilets construction in 10 markets located within Municipality	Hygienic disposal of human wastes

Vote 5139: Oyugis Municipal Board

Programme: Planning, Finance and Administrative Services		
Sub-programme	**Proposed Priority Interventions**	**Expected Results**
Policy and Planning Services	Develop and implement strategic policies and plans. Enhance data collection and analysis for informed decision-making.	Improved policy formulation and implementation. Enhanced efficiency in service delivery.
Personnel remuneration and development services	Timely payment of salaries and benefits. Capacity building and professional development programs.	Motivated and skilled workforce. Improved staff retention and productivity.
Financial Management Services	Strengthen financial controls and reporting. Implement transparent budgeting and expenditure tracking.	Enhanced financial accountability and efficiency. Compliance with financial regulations.
Programme: Public Works and Infrastructure Improvement Services		
Transport Infrastructure Improvement Services	Installation of Street Lights	Enhanced road safety and security at night
Public Facilities Improvement Services	Construction of one-stop Huduma center complex	Improved service delivery and citizen convenience
	Construction of Ablution Block	Enhanced hygiene and public health
Programme: Housing and Urban Development		
Housing and Urban Development Services	Acquisition of land for a Dumpsite	Improved waste management and environmental health
	Construction of Market Stalls	Increased economic activity and organized trading
Environmental improvement services	Planting of ornamental trees	Enhanced aesthetics and environmental sustainability
	Installation of Coded Litter Bins	Reduced littering and improved urban hygiene

4.5 Public Participation and Inputs in Shaping the Content of the CFSP 2025

194. Pursuant to section 117 (5) of the PFM Act 2012, the County Government of Homa Bay through the gazette notice dated on 29/01/2025, the County treasury in collaboration with the Public participation unit, the sub-county and ward administrators guided by legal provisions in the Public Participation Law managed to identify, mobilize and engage over 450 relevant stakeholders drawn across all the 40 wards and the representatives of the CSO, PWDs and interested parties through a public participation on February 11, 2025 at the Governor's Park, Homa Bay Town. Their views (incorporated herein the document) were key in shaping public policies and governance processes for Homa Bay County, particularly in the CFSP 2025.
195. The composition of the stakeholders mirrors the structure of the 8 sectors adopted by the County to help in aligning its priority interventions within sectors and subsectors, providing guidance in the resource allocation to high impact priority programmes.
196. The methodology adopted during the public participation entailed unpacking and sensitizing of stakeholders on the legal provisions that underpins the development of CFSP, role of stakeholders in the discourse of prioritization of expenditure for the upcoming FY 2025/26,understanding the Fiscal framework that will guides in resource allocation across all the county spending entities , sector specific break away discussion sessions where stakeholders had chance to interrogate the proposed priorities presented to them by the technical teams to be funded in the FY 20025/26 and harmonization of the priorities following the anticipated resource envelop the county anticipates to operate in the FY. The CFSP report for the Financial Year 2025/2026 outlines the issues and recommendations presented during successful discussions with various stakeholders. These stakeholders were drawn from public entities, interest groups, and other organized forums. Invitations were extended to each identified forum, targeting 40 people from each ward. The ward administrators facilitated this process across the 40 wards. The meeting took place on Tuesday, 11th February 2025, starting at 9:00 AM at Governor's Park, Homa Bay.

PUBLIC PARTICIPATION – ATTENDANCE DISAGGREGATED DATA

SECTOR	MALE		FEMALE		PWDs		TOTAL
	Below 36 Yrs.	Above 36 Yrs.	Below 36 Yrs.	Above 36 Yrs.	Below 36 Yrs.	Above 36 Yrs.	
HEALTH	8	20	1	13	1	0	**43**
EPNRW	8	21	1	9	1	0	**40**
GECA	6	20	3	11	1	0	**41**
ARUD	12	37	2	8	0	2	**69**
EIICT	7	24	1	4	1	0	**37**
EDUCATION	7	15	4	13	1	0	**40**
PAIR	9	46	4	14	1	0	**74**
SPCRNW	18	13	2	9	0	1	**43**
STAFF	21	12	19	14	0	0	**66**
TOTAL	**96**	**208**	**37**	**95**	**6**	**3**	**453**

Source: HB County Public Participation Report, 2025

CFSP Public Participation Outcome: Key Issues Raised and Responses

Sector	Sub-Sector	Issues Raised	Executive Response
Agriculture, Rural and Urban Development	**Agriculture and Livestock**	Untimely distribution of seeds	The county will improve seed distribution mechanisms to ensure timely availability to farmers.
		Sugarcane farmers are ignored	The county is working on policies to support sugarcane farmers and integrate them into county programs.
		Inadequate staffing	Plans are underway to increase staffing in key agricultural sectors to enhance service delivery. Also, the county has employed Agri-prenuers to bridge the gap.
		Potato farmers are ignored	The county has initiated programs to support potato farmers, ensuring they receive necessary resources.
		Unavailability of Tractors Services	The county purchased 8 Tractors through NARIG which are evenly distributed across the sub counties.
		Lack of NCPB satellites	The county has allocated Kshs 5 million to construct a depot in Ramula to decongest the Kendu Bay depot.
Energy, Infrastructure and ICT	**Sub-sector**	**Issues Raised**	**Executive Response**
	Infrastructure	Why the disparities in the distribution of the ward roads being constructed across the county	
		Why is that in some Roads, the quality of workmanship is not commensurate to what is proposed in the BOQ	
		What is the subsector doing to ensure value for money in the road projects and quality workmanship	
		How can someone tell out of the proportion share of total Km of new roads upended per ward	The data specific to the stretch of Kms opened in every ward is available
		Why the delay in the payment of allowance meant for the PMCs despite their immense contribution in the county development	As a department we commit to follow up on the issues and provide substantive response
		What plans does the subsector have in place to ensure all the County machines and plants that are outside are brought back to avoid vandalism of the same	

		Why are we opening more new roads yet the status of the already opened roads is in pathetic condition	
		Are all the payments for road construction approved by the PMCs	
		Why is it that during construction of our roads we extend to other areas that were not captured in the BOQ	
		When tendering PMCs should be present and participate fully in the process	As a subsector, our tendering processes and procedures are guided by law, and this has to be adhered to the latter
		How does the subsector arrive on the scope of work to be done in each road.	As a subsector prior to construction of any county road we always carry out a comprehensive Roads Inventory Condition Survey (RICs)
		Is it possible that the subsector can adopt the famous Labour Based Approaches in the construction of our Roads as was the case for education with the famous Ondoa Kaumba Mabati Classrooms	It's one approach that the subsector is exploring as a policy position of empowering and building capacities of the locals in the road construction sector
		Why is it that some contractors are not relating well with the PMCs	
		Why is it that most of our culverts get destroyed very fast is it cause of the type of culverts that are being installed	
		How is the subsector supporting learners access their schools in cases where the roads are cut off	The subsector has in the current FY 2024/25 and the upcoming FY 2025/26 will focus on supporting connectivity of communities whose roads have been cut off through construction of foot bridges
		Is there a well spelt out criteria of identifying access roads to be done	
		Bob Agawo can the subsector help us understand the classification of Ruma-Koguta Nyabera Road is it a county road or National government	
		How does the subsector go about addressing boundary dispute in areas that	As a subsector, through our Quantity Surveyors we will work closely with Survey section and other administrative entities

GECA	**Tourism**	Sustainability of tourism promotion and marketing.	Tourist sites had been mapped and improvement had been planned to ensure the sites are fenced and can generate revenue on their own for sustainability.
		There is need to complete improvement and marketing in one site before budget allocation in another. Case in point was the stalled Simbi Nyaima project and the changed focus on Abundu Hot Springs.	The Simbi Nyaima project had stalled due to issues with payments of the contractor. After a meeting between the department and the contractor, completion work was scheduled to be completed.
		Proposal to have a draft Tourism policy	Drafting of the tourism policy had begun but stalled. The draft policy document had been filed and was available
		Incorporate tourist sites to include Abundu and bala hot springs in west ward and Rakewa Bird sanctuary in Rachuonyo south sub county	The initial mapping of tourist sites had been conducted, and some improvement plans were in place to ensure the sites are fenced and can generate revenue on their own for sustainability
	Trade	Clarity was sort on the construction of the Rehabilitation Centre	Land has been provided, BQ and structural drawing done and is awaiting cabinet approval
		There is need to prioritize awarding tenders to residents of Homabay county for Homabay based contracts.	It has always been the county policy to ensure that all contracts carried for and on behalf of homa bay county.be allocated to county residents except for specialized skills not obtaining in the county, and that has been her excellency the governor's policy and principal.
		Need for Jua Kali Sector empowerment	The proposal to establish a special fund for the subsector was noted and should be captured in the next budget circle (FY 2025/26).
		Need to grant tax exemptions for persons with disabilities (PWDs) in businesses in the county.	The meeting was taken through the process of acquiring PWD certification by the social services department before registration by the trade department to obtain exemption for PWDs in businesses.

		Need to advocate for the establishment of revolving funds to support persons with disabilities (PWDs) in business.	There is already an allocation of a trade revolving fund in the department of trade for FY 2024/2025 for general traders in the county, but not specific to any group or trading block.
		Need to conduct a review of the finance act concerning sand and other mineral harvesting rates/and tariffs in the county.	The county has taken note on the disparities in the rates applicable between the source and the sales end of the minerals bargain.
		BMUs to submit their programs to the department for consideration and inclusion in the budget.	The BMU leadership were advised to prepare a comprehensive programme for consideration in the budget circle for the FY 2025/2026.
	Investment	There is need to prioritize and allocate substantial funds for investment promotion services	There has already been established an investment desk at the USHURU center to cater for investor inquiries and guidelines to prospective investors in the county.
		Men are also violated under GBV, in addition to women.	Men should ought to speak whenever they are abused so that
Education		**VTC CAPITATION** Cash for tools and training materials for Rukongo VTC in Suba Central is yet to be released. Luanda VTC in Gwassi South is in need of Human Resource and Learning Materials yet were prioritized in FY 2024/2025. Homa Hills and Alum VTCs in West Karachuonyo have not been funded at all. Pundo Kanyambai VTC proposed in Rangwe West is not yet supported. VTC Students Completion of studies should be emphasized to avoid rising drop out cases. Admission of students to ward based VTCs will enhance completion rates and reduce incidental costs. Kotieno Resource Centre in Kendu Bay proposed to be handed over to the County for conversion into a VTC. Selection Criteria for bursary in VTCs should include proper representation from ward level and students should be given an opportunity to choose their preferred VTC institutions.	The chief Officer to follow up. This was noted for further action by the department The exercise is ongoing and will be finalized soon The department will follow up on the land ownership and other details. Ownership documents not yet transferred to the county. The department of Lands to assist Director in charge of VTC to conduct a survey and take appropriate action. The department to consider the same in future admissions. The department to follow up on The Director VTC to take appropriate action.

		Use of the same criteria as used in Fins to Swim to select VTC Bursary beneficiaries.	The department promised to consider the proposal after consultation with stakeholders
		Fundi Mang'ula initiative is not fully benefitting intended beneficiaries, and an audit should be done.	The department was in agreement with the public on this model of selection
		EYE CLASSROOMS/CENTRES – Ondoa Kaunda Initiative: Labour-based contracting model adopted in the implementation of the EYE classroom construction was lauded as efficient and cost effective.	The department explained how the program will be improved moving forward
		There were concerns about the project cost which were higher than the funds allocated resulting in incomplete projects.	The department took credit for the complements about the success of the labor-based approach
		Future BQs should take into consideration soil topologies and transportation costs to far flung areas like Islands.	The department has taken note of the matters and future classrooms will be done at a cost of Ksh. 1,500,000 up from the current sh.1m.
		Staffing in EYE stand-alone institutions is still lower compared to EYE centers domiciled in primary schools.	Staff recruitment and confirmation in appointment is ongoing to fill the gaps in all EYE Centers in the county.
		Migera EYE center in North Kabuoch has only one county posted teacher with a pupil population of about 300 students.	Director EYE Centers promised to follow up immediately.
		Kotieno EYE Classroom in Kendu Bay construction stalled. Completion of Agai – Koyier EYE classroom in North Karachuonyo stalled.	About 20 EYE Centers have been earmarked for completion. It is included where the costs can be accommodated. The EYE classroom constructions should be ksh.1, 200,000 while cost of toilet should be ksh.300, 000.
		Clarification was sought whether the cost of one EYE classroom of ksh. 1,500,000 include the construction of a toilet.	It was explained that this will be done case by case
		Gongo Katuma EYE Classroom was proposed in Arujo ward but it's yet to be done.	The department to have further consultations on these issues and find lasting solutions.
		It was observed that many head teachers had overriding rights during the project execution, making other players have very minimal roles. The requirement that PMCs must only have bonafide parents of the school could lock out other competent members of the community.	The role of the headteachers in Ondoa Kaunda to be reviewed by the department for prioritization as per available resources.
		Payment of PMC allowances was reportedly delaying when channeled through the Sub county Admin offices hence should be paid directly	The county is in discussion with various partners to establish a partnership on how to implement the initiative.

		through mobile money to the committee members. Bonge EYE centre in West Kasipul stalled at Lintel level , Kandiege & Osakwe EYE centres in Kibiri also stalled. Rambim EYE centre in Gembe and Kachieng EYE in East Kamagak require urgent renovation. Otangre Pr.EYE Centre building is dilapidated and requires urgent renovation. Change of Contractors to avoid familiarity. School feeding program to be prioritized in all the EYE centers to improve enrolment and transition by vulnerable families **Bursary & Scholarships** Students enrolled missing out on bursaries during issuance of cheques. Cheques returned for correction taking too long to be rectified thereby disadvantaging the learners.	The Department to work with relevant authorities to address these concerns going forward. The department took note of the request but will be considered subject to availability of budget and funds This will be considered when funds are available The department took note of recommendation Though very necessary, the department could not commit since running the program is very costly and unsustainable for the gov.
Public Administration and Intergovernmental Relations	**County Public Service Board.**	The Public Service Board composition is not representative in terms of affirmative action implementation. Management and leadership training should be a focus under the sub program of capacity development for staff from the job group M in compliance with the SRC. The allocation provided for capacity building is not sufficient.	Persons with disability should be included. The recruitment advertisements and processes should ensure that the persons with disability are considered in all carders of public service. The buildings are not disability accessible. Mandatory management and leadership training for the qualified staff. The capacity development allocation should be enhanced. Interviews should be done using the government facilities to reduce the amount being allocated for recruitment.

Social Protection Culture and Recreation	Governance, Administration, Communication and Devolution.	Sub county admins and the ward admins offices are not facilitated for office operations. The offices of the sub county admins and ward administrators should be constructed for the ones that are not completed and renovated for the existing ones.	Allocation towards the field coordination services should be enhanced. At least one office should be constructed per sub county.
		The fire preparedness level of the county should be cascaded to the sub counties.	The fire stations should be constructed in the sub counties and equipped with the fire trucks and the staff.
	Finance and Economic Planning	Payment of historical pending bills.	Institute a pending bill payment plan in terms of first in first out basis.
		Senior departmental heads to come for public participation.	Noted for consideration
		Are these meetings with the public relevant at the implementation level, what we plan is different from what is being implemented	The meetings are important, though they are not the final stage of planning, changes can be made. But the public is allowed to consult, follow up and raise concerns to through department.
	Gender and Women Empowerment	The allocation is insufficient	Grants and partnerships to bridge the gap
			The resource envelope is limited but the public can voice it out to lobby for funds
		Peer educators are being removed, what mitigation measures does the dept have	It's a recent concern the dept is working on a reasonable solution
		Are all the wards considered	There are gender safe spaces in all wards
	Youth Empowerment	Other youth groups are sidelined, focus is on boda-boda groups.	Implement youth policies to guide on how to reach and support the youth groups.
		Where can youths access Job placement services	There are trainings on going on various skills i.e. cv writing. Policies are being developed on the same
		Youths were sidelined during the tree planting activity	It's not an activity under this department; it was funded by FLLOCA under the department of water
	Disability Mainstreaming	Dept to factor in health insurance for PWDs in the budget	Resource envelop is limited but it can be put into consideration
		Tools of trade be removed and the amount transferred to placement of desks on beaches	It cannot be removed, since it is empowering the PWDs in terms of self-employment and movement.
		PWDs have a challenge during disability days on facilitation and transport	Noted and putting in place an oversight committee to evaluate sports activities will be considered

		PWDs ACT lacks policy, resource mobilization be done towards finalizing the policy.	A draft policy is under development
		Guide allowance not being issued to PWDs	Follow will be done through HR and CS office
		Loans for PWDs businesses be considered	Noted for consideration
	Cultural Infrastructure Development services	How will this impact our ward directly	Not all activities are based on ward impact. Ndiru Kagan cultural centre will intergrate all cultural activities from all the wards in the county
	Creative Cultural Heritage Promotion Services	The allocation is insufficient	The resource envelope is limited but the public can voice it out to lobby for funds
	Sports Infrastructure Development Services	Are all the wards considered	There are public playing fields per ward
		Governor's cup to be held next to health Centre	Health workers will be deployed
		Attention to health response during sports activities	Health workers will be deployed
		Ward admin be changed more frequently, they hinder development at ward levels	Noted for consideration
		Facilitation given to teams is little	Noted for consideration
		After the Governor's cup, what else does the department do for youths involved in terms of growth?	Policies are being formulated for youth support
		Tournament facilitation be considered	Noted for consideration
		Girls' teams to be considered	Already being given consideration
		Department staff to work and support the Governor	Noted for action
Environmental protection, Water and Natural Resources	Water	Why is the list of the projects ongoing and complete not provided	The list is available in soft copy and this is noted for future public engagements
		Why do the county government allow people not properly skilled to do survey hence ending up with dry boreholes	There re several factor that leads to a borehole dry up and survey is one of the it cannot be concluded that it's the reason for all boreholes drying up The shortage of skilled personal is an issue the subsector is trying to deal with
		Why is sanitation not funded at all and could the county allow department of health run the sanitation sub-sector	The underfunding is due to fiscal space limitation The alignment of departments is an executive matter and can only be noted for further executive

		Why is the borehole at Kamenya water project in Kabuoch South was dug and no water found	There are several reasons someone beyond human control however the government is working hard to ensure this doesn't reoccur
		In east Gem a borehole was installed in someone's land and he is denying the community the opportunity to use it what is the government doing about it and why was a borehole done in someone's land	This is a matter the department is aware of and has had engagements on Plans are underway to channel that water to a nearby primary school The owner of the land agreed before the borehole was done
		Why are some contractors arrogant and rude to the PMCs and even start work without presenting the BQ and without meeting the PMCs	The issues of PMCs are handled by the GSDU and these concerns are noted for further deliberations with the GDU
	Environmental protection and Forestry Development	Why are most of the markets dirty with very few cleaners	The county government focuses mostly on municipalities and occasionally to urban centers the issue of few cleaners is a challenge the Government is trying to deal with
	Climate Change Management Services	What is the status of FLLoCA project in Mfangano where water was to be channeled to Sena hospital	This is underway it delayed since the scope of work changed and had to be redone
		Can the grant given to groups for tree nurseries be increased and more groups added	There is a guideline for the same and these is always dependent on the amount of money received
HEALTH			
		The delay in monthly stipend payments and insurance coverage for Community Health Providers (CHPs) must be addressed promptly	The delayed stipends are about to be paid. The delay occurred due to late disbursement of funds from the National Treasury.
		There is an issue with SHA registration, where clients and their dependents registered in the community have missing details when they go for services at the facility.	Dependents who are 18 years and above must first register on *147#. Only then will they be included in their parents' registration
		Community Health Providers (CHPs) should be provided with appropriate tools and equipment. Capacity building for CHPs is essential to ensure they deliver proper and effective services.	Community Health Providers (CHPs) will participate in county-level forums to ensure effective planning. This is a significant step toward enhancing our healthcare system at the grassroots level. This collaborative approach not only empowers CHPs but also fosters a sense of ownership and accountability within the community.
		What plans are put in place for stalled ward-based projects	Stalled ward based and flagship projects to be retendered

		Costly SHA fees for monthly payments	Some people provided information during the registration process, which resulted in these variations in SHA rates.
		Casual workers' late payments at various facilities .	Hospital boards and HMT committees failed to provide proper consideration to paying casuals on schedule, and some facilities have not received SHA receipts to make this possible.
		There is an insufficiency of commodities in the facilities.	Currently, plans are underway to ensure that commodities are delivered to facilities at various levels.
		What strategies are in place to deal with the recruitment and strike issues?	Discussions between the County Government of Homa Bay and the union to guarantee the matter is resolved promptly.
		Prior dissemination of information especially on disease outbreaks	Weekly meetings are always held, reports on noteworthy developments in the community or facilities, particularly during illness outbreaks, are typically provided.
		Men are also violated under GBV, in addition to women.	Men should ought to speak whenever they are abused.

CHAPTER FIVE: FISCAL RESPONSIBILITY IN FINANCIAL MANAGEMENT

5.1 COMPLIANCE WITH FISCAL RESPONSIBILITY PRINCIPLES

197. During the FY 2025-2026 and the medium term, the County Government of Homa Bay will continue to adhere and ensure strict compliance by all entities with the Fiscal Responsibility Principles as outlined in Section 107 of the Public Finance Management Act 2012 and the relevant PFM regulations 2015.

198. In order to maintain the prudent and transparent management of public resources, the County Government of Homa Bay will continue to comply with the fiscal responsibility principles as set out in the statute as follows:

(a) The County Government's allocation to development expenditures will remain above the 30 percent of its total budget as in the previous financial years and be capped at Ksh4, 298,914,566 in the FY 2025-2026, resulting into 36 percent of the total revenues. The recurrent expenditure will account for ksh.7, 642,514,784 which is 64 percent of total revenue and therefore in strict compliance with the law.

b) The County Government will ensure that any borrowing is for development purposes and will be maintained at the legal threshold of 20% of revenues in the medium term. In case of short-term borrowing for cash management purposes, the same shall be within the 5% set limit and must be repaid within the financial year as provided by the PFM Act 2012 and the relevant regulations.

c) The County's expenditure on wages and related benefits for its public service is estimated at Kshs 5,731,886.088 translating to 48 percent of the total revenue expected for the financial year 2025-2026 and therefore above the statutory limit of 35 percent as outlined in the law. However, the County Government is still confident that over the medium term, it will be able to reign in on the ballooning wage bill by implementing a raft of measures and policies to be included in the budget statement.

199. Some of the key institutional measures include the recent extensive audit of the human resource data and verification of departmental payrolls which culminated in a Human Resource round table meeting chaired by Her Excellency the Governor. This exercise has resulted in determination of actual number of employees per department and will go a long way in ensuring effective monitoring and control of the wage bill. Future adjustments in the payroll by way of recruitment, promotions and annual increments will therefore be conducted based on authentic and verifiable data to guard against wastage of public resources.

200. Other cost control measures such as natural attrition where vacancies are only declared when an employee has exited the service or upon creation of positions by the County Public Service Board shall be adopted from time to time to ensure the wage bill is maintained within the statutory limits.

d) The County Government will put in place fiscal measures that will ensure adequate control of recurrent expenditures to minimal levels and allow growth of development allocations in the medium term with a view of creating more wealth and better

opportunities for the citizens.
To sustain the steady growth of own source revenue, the full implementation of cashless revenue collection system will be attained by capturing all revenue streams, subjecting collectors to suitability and integrity tests, and sealing all leakages to reduce the overreliance on national exchequer that sometimes delays program implementation.

e) At least not more than 2percent of the budget will be set aside for emergency fund which shall be applied in strict compliance with the PFM Act 2012 provisions to ensure that the County can respond promptly to natural risks such as floods, disease outbreaks and drought which have a bearing on the livelihoods of our populations.

f) Limited Powers of Accounting Officer to reallocate appropriated funds**.**
Section 154 of the PFM Act 2012 prohibits reallocation of funds in certain circumstances

i. Transfer to another county government entity or person
ii. For capital expenditure except to defray other capital expenditure
iii. For wages to non-wages expenditure

An accounting officer may reallocate funds between programs or between sub-votes in the budget for a financial year but only if:

i. Provisions made in the budget of a program or sub-vote are available and are unlikely to be used.
ii. A request for the reallocation has been made to the county treasury explaining the reasons for the reallocation and the county treasury has approved the request.
iii. The total of all reallocations made to and from a program or sub-vote does not exceed ten percent of the total expenditure approved for that program or sub-vote for that year.

g) Pronouncement of revenue raising measures by the county government shall take into account the following key principles**:**

i. Ensure that the total amount of revenue raised is consistent with the approved fiscal framework and the County Allocation of Revenue Act.
ii. Take into account the principles of equity, certainty and ease of collection.
iii. Consider the impact of proposed changes on the composition of tax revenue with reference to direct and indirect taxes
iv. Consider domestic, regional and international tax trends.
v. Consider the impact on development, investment, employment and economic growth.
vi. Take into account the taxation and other tariff agreements and obligations Kenya has ratified, including taxation and tariff agreements under the East African Community Treaty.

5.2 Financial Management of Fiscal Risks and other Financial Operations

a) Manifestation of Contingent Liabilities

201. Contingent liabilities are potential liabilities that may occur depending on the outcomes of uncertain future events. Contingent liability can be explicit or implicit. Explicit contingent liabilities are Specific County's obligations established by law or a contract authorized by law. The county is legally mandated to settle such an obligation when it becomes due. On the other hand, implicit contingent liabilities represent a moral obligation or expected burden for the county not in the legal sense but based on public expectations and political intervention.

Contingent liabilities are frequently not recorded directly in the budget and thus are not subjected to budgetary oversight. These could lead to poor quantification of Contingent Liabilities and the possibility of large unplanned expenditures if it manifests.

The County Government of Homa Bay will strive to monitor these contingent liabilities to avoid fiscal difficulties in the budget year in the event they can occur.

b) Other Fiscal Risks

Natural Disasters and Man-made Hazards

202. In recent past, the county has been exposed to multiple disasters ranging from floods, lake accidents, COVID-19 pandemic and drought. The compounding effects of these disasters have had severe impact on lives, livelihoods and the economy. To strengthen the county's disaster risk management frameworks, the county will fast track development and implementation of disaster risk management frameworks in line with the PFM Act, and establishment of a disaster Expenditure and Reporting Framework to strengthen Data collection and reporting on disaster expenditures as well as enhancing fiscal transparency and efficiency in the budgetary process. The county will also enhance coordination of disaster management and system and early warnings information and knowledge management.

Climate Change Related Fiscal Risks to the Economy

203. Climate change and its related effects remains a significant global risk and like other public institutions the Homa Bay County Government is vulnerable to its ravaging impacts. To minimize the economic and fiscal risks of climate change phenomenon, the county will continue to pursue a low carbon- climate resilient development path. Climate financing has emerged as an important means of implementation for climate change and for promoting sustainable development and financial sector development.

204. To enhance financial flows from the Green Climate Fund, the county will continue to collaborate with the national government in implementation of Climate Change Programs, which provides an elaborate framework of coordinating and attracting resources from the Green Climate Fund. The county will also enhance the implementation of the Financing Locally-led climate Action (FLLoCA) Program in collaboration with National Government and development partners to manage climate risks. To further deepen green financing, the county will implement the Green Finance Programs geared towards transitioning to a low-carbon, climate resilient and green economy.

5.2.1. Assumptions

205. Macroeconomic policies are typically assumed to be "unchanged" over the projection period and based on current fiscal and monetary policies. The forecasts represent the likely outcomes for growth, inflation, employment and other key economic variables for unchanged policy settings. The County is highly dependent on funding from the National shareable revenue and Conditional Grants from various Development Partners. To this end, the County expects that all the revenues streams as provided in the CARA 2025 will be released to the County for all the anticipated programs and projects to take off.

206. It is also expected that all own source revenues as outlined in the revenue raising measures will continue to stream in as planned in order to forestall any shortages that could arise out of unseen expenditures and guarantee continuity in service delivery in times of delay in national exchequer releases.

ANNEX I: ORDINARY OSR AND A-I-A PERFORMANCE FOR FY 2024/25

COUNTY GOVERNMENT OF HOMA BAY
OWN SOURCE REVENUE MONTHLY REPORT - FY 2024/2025

Revenue Streams/Income Sources	FY 2024/25 TARGET	JULY	AUG	SEP	OCT	NOV	DEC	JAN	TOTAL RECEIPT (KSH)	ACHIEVED %
Land Rates/Plot Rents	**35,182,680.00**	784,220	669,737	397,280	331,670	584,679	258,497	795,654	**3,821,737.00**	**11%**
Land Transfers/Sales/Ext/Change of Use	**1,602,150.00**	125,000	13,000	10,000	10,000	120,000	16,500	80,000	**374,500.00**	**23%**
Lease Charges/Consent/Transfers	**2,536,510.00**	17,500	10,000	-	-	2,596,687	-	240,000	**2,864,187.00**	**113%**
Ground rents	**2,471,249.00**	60,400	29,500	275,000	98,500	210,500	54,500	139,350	**867,750.00**	**35%**
Single Business Permit	**109,266,480.00**	2,474,734	1,546,875	890,250	1,055,344	221,845	177,850	6,993,965	**13,360,863.00**	**12%**
Market Dues	**48,800,070.00**	2,712,075	3,405,599	3,687,324	3,739,439	3,545,471	3,434,675	4,061,040	**24,585,623.00**	**50%**
Approval plans/Transfers/Certificates	**15,007,800.00**	401,600	482,500	622,200	514,200	488,900	394,000	520,800	**3,424,200.00**	**23%**
Housing Fees (Rents)	**1,234,970.00**	-	161,700	53,900	53,900	245,500	53,900	-	**568,900.00**	**46%**
Fish Cess	**15,034,620.00**	672,604	482,193	529,790	530,490	401,048	369,326	595,908	**3,581,359.00**	**24%**
Other Cess Income	**23,041,580.00**	1,843,645	1,837,833	2,338,965	4,263,621	2,847,117	2,112,259	1,656,942	**16,900,381.40**	**73%**
Taxi /Motorbike Fees	**42,153,080.00**	371,440	664,670	642,142	582,300	603,040	591,730	520,770	**3,976,092.00**	**9%**
Site Value Rates	-	-	-	-	-	-	-	-	-	
Stall/Kiosk Rents	**11,586,050.00**	488,000	855,280	1,242,900	1,025,600	785,100	665,900	555,500	**5,618,280.00**	**48%**
Slaughter House Fees	**1,931,050.00**	124,050	131,700	128,650	130,700	126,600	154,250	206,520	**1,002,470.00**	**52%**
Stock Auction Fees(Cattle/Goat/sheep)	**6,961,042.00**	466,960	540,670	543,310	524,420	465,100	733,600	532,750	**3,806,810.00**	**55%**
Stock Movement Fees	**1,044,250.00**	3,610	6,800	10,900	11,600	1,760	6,726	5,700	**47,096.00**	**5%**
Veterinary Charges	**1,520,940.00**	103,301	123,052	123,722	134,320	119,811	137,304	101,670	**843,180.00**	**55%**
Advertising /Bill Board	**20,597,350.00**	167,300	338,500	140,900	215,500	126,500	42,500	355,126	**1,386,326.00**	**7%**

Landing Fees	**1,022,150.00**	1,800	1,200	1,500	500	8,500	8,500	-	**22,000.00**	**2%**
Bus Park Fees	**55,463,090.00**	3,661,090	4,185,990	4,298,370	4,310,070	3,950,290	3,928,180	5,110,270	**29,444,260.00**	**53%**
Liquor Licencing	**16,349,790.00**	229,000	187,000	165,700	103,400	90,400	15,400	125,000	**915,900.00**	**6%**
Search and clearance certificates	**144,100.00**	-	16,000	1,000	1,000	37,300	-	31,000	**86,300.00**	**60%**
Noise Pollution Fees	**1,454,650.00**	30,200	37,400	21,800	37,400	44,000	65,600	6,600	**243,000.00**	**17%**
Fire Inspection Fees	**4,818,520.00**	22,000	12,800	2,000	10,000	18,000	11,000	64,000	**139,800.00**	**3%**
Tractor Hire Services	**2,068,990.00**	41,650	122,530	61,500	6,500	2,000	4,500	38,350	**277,030.00**	**13%**
Hire of Machineries & Equip & Wayleave charges	**260,700.00**	-	-	-	-	-	802,000	800,250	**1,602,250.00**	**615%**
Conservancy Fees/Wildlife Grants	-	3,330	-	-	-	-	-	-	**3,330.00**	
Water Charges	**651,950.00**	45,735	29,250	20,637	4,321	128,600	30,767	11,016	**270,326.00**	**41%**
Fines & Penalties	**2,620,500.00**	141,000	100,600	311,770	351,120	402,700	824,100	139,200	**2,270,490.00**	**87%**
Survey/Sub Division Fees	**573,100.00**	-	13,000	-	6,500	-	-	10,000	**29,500.00**	**5%**
Weight and Measures Fees	**652,322.00**	-	22,360	43,140	160,840	-	-	74,000	**300,340.00**	**46%**
Bricks/Sand/Murram/Stones	**67,302,616.00**	5,428,610	5,702,750	5,359,070	5,664,630	6,252,200	6,092,200	5,285,760	**39,785,220.00**	**59%**
Hire of stadium/Park/Open spaces	**2,550,270.00**	-	47,000	94,400	21,300	125,700	195,000	38,000	**521,400.00**	**20%**
Public Health	-					-	-	-	-	
Miscellianeous Incomes	**5,833,298.00**	60,039	1,272,838	1,157,423	1,268,167	910,577	3,037,643	49,952	**7,756,640.10**	**133%**
Sub-Total (ksh)	**501,737,917.00**	**20,480,892**	**23,050,327**	**23,175,543**	**25,167,352**	**25,459,925**	**24,218,407**	**29,145,093**	**170,697,540.50**	**34%**
Health Sector Charges(A-I-A)	**981,068,740.00**	48,495,470	51,856,717	58,590,834	32,045,548	72,862,878	112,361,082	113,471,885	**489,684,414.00**	**50%**
TOTAL	**1,482,806,657.00**	**68,976,362**	**74,907,044**	**81,766,377**	**57,212,900**	**98,322,803**	**136,579,489**	**142,616,978**	**660,381,954.50**	**45%**

ANNEX II: OSR PROJECTIONS FY 2025/26 – 2027/28

COUNTY GOVERNMENT OF HOMA BAY
COUNTY REVENUE BOARD
(USHURU CENTER)

	REVENUE STREAMS	ACTUAL REVENUE FY 2022/23 (JULY 2022 - JUNE 2023)	ACTUAL REVENUE FY 2023/24 (JULY 2023 - JUNE 2024)	APPROVED ESTIMATES FY 2024/2025	PROJECTED ESTIMATES FY 2025/2026	PROJECTED ESTIMATES FY 2026/2027	PROJECTED ESTIMATES FY 2027/2028
A. Department of Land, Physical Planning, Housing & Urban Development:							
1	Land Rates	5,996,073	8,347,826	35,182,680	36,560,500	38,388,525	40,307,951
2	Land Transfers/Sales/Change of Use	138,530	1,456,500	1,602,150	1,780,400	1,869,420	1,962,891
3	Lease Charges/Consent/Transfers	1,598,552	2,305,925	2,536,510	2,690,500	2,825,025	2,966,276
4	Land/Ground rents	2,444,825	2,246,590	2,471,249	2,595,500	2,725,275	2,861,539
5	Approval plans/Transfers/Certificates	2,449,634	7,279,879	15,007,800	16,568,000	17,396,400	18,266,220
6	Housing Fees (Rents)	1,582,609	1,122,700	1,234,970	1,324,970	1,391,219	1,460,779
7	House/Kiosk Rents	4,614,290	10,532,780	11,586,050	12,090,700	12,695,235	13,329,997
8	Site Value Rates	4,090	35,200	-			0
9	Search and clearance certificates	23,600	131,000	144,100	161,789	169,878	178,372
10	Survey/Subdivision Fees	359,620	521,000	573,100	601,490	631,565	663,143
SUB-TOTAL		**19,211,823**	**33,979,400**	**70,338,609**	**74,373,849**	**78,092,541**	**81,997,169**

B. Department of Trade, Industry, Tourism, Co-operative Development & Marketing:							
1	Single Business Permit	61,770,496	99,333,166	109,266,480	117,560,340	123,438,357	**129,610,275**
2	Market Dues	24,955,898	40,648,114	48,800,070	54,670,340	57,403,857	**60,274,050**
3	Weight and Measures Fees	501,310	593,020	652,322	709,600	745,080	**782,334**
4	Advertising /Billboard	9,313,233	10,543,053	20,597,350	32,450,290	34,072,805	**35,776,445**
5	Liquor Licensing	350,500	11,146,336	16,349,790	20,678,230	21,712,142	**22,797,749**
SUB-TOTAL		**96,891,437**	**162,263,689**	**195,666,012**	**226,068,800**	**237,372,240**	**249,240,852**
C. Department of Agriculture, Livestock, Cooperative Development and Irrigation							
1	Slaughterhouse Fees	1,686,094	1,755,505	1,931,050	2,531,300	2,657,865	**2,790,758**
2	Stock Auction Fees (Cattle/Goat/sheep)	4,063,130	6,328,220	6,961,042	7,289,400	7,653,870	**8,036,564**
3	Stock Movement Fees	379,910	61,485	1,044,250	1,100,560	1,155,588	**1,213,367**
4	Other Agric. Cess Income	24,331,008	12,146,048	23,041,580	27,400,560	28,770,588	**30,209,117**
5	Tractor Hire Services	121,250	971,810	2,068,990	2,560,780	2,688,819	**2,823,260**
6	Veterinary Charges	263,725	1,333,117	1,520,940	1,670,110	1,753,616	**1,841,296**
SUB-TOTAL		**30,845,117**	**22,596,185**	**36,567,852**	**42,552,710**	**44,680,346**	**46,914,363**
D. Department of Roads, Public Works, Transport & Infrastructure:							
1	Bus Park Fees	29,359,416	46,784,631	55,463,090	60,679,625	63,713,606	**66,899,287**
2	Taxi /Motorbike Fees	1,838,575	7,121,839	42,153,080	46,789,369	49,128,837	**51,585,279**
3	Hire of Machineries, Equip & Wayleave charges	186,000	237,000	260,700	3,280,450	3,444,473	**3,616,696**
SUB-TOTAL		**31,383,991**	**54,143,470**	**97,876,870**	**110,749,444**	**116,286,916**	**122,101,262**
E. Department of Blue Economy, Fisheries, Mining & Digital Economy:							
1	Landing Fees	53,285	111,050	1,022,150	1,180,900	1,239,945	**1,301,942**

2	Bricks/Sand/Murram/Stones	31,579,853	56,105,447	67,302,616	69,400,300	72,870,315	**76,513,831**
3	Fish Cess	7,004,275	9,122,382	15,034,620	18,580,790	19,509,830	**20,485,321**
SUB-TOTAL		**38,637,413**	**65,338,879**	**83,359,386**	**89,161,990**	**93,620,090**	**98,301,094**
F. Department of water, Sanitation, Environment, Energy, Forestry & Climate Change							
1	Water Charges	20,885	592,684	651,950	701,495	736,570	**773,398**
2	Noise Pollution Fees	193,490	413,320	1,454,650	1,550,690	1,628,225	**1,709,636**
3	Conservancy Fees/Wildlife Grants	144,060	87,480	-			
SUB-TOTAL		**358,435**	**1,093,484**	**2,106,600**	**2,252,185**	**2,364,794**	**2,483,034**
G. Department of Governance & Administration:							
1	Fines & Penalties	2,974,124	2,324,577	2,620,500	3,860,780	4,053,819	**4,256,510**
2	Fire Inspection Fees	361,060	801,811	4,818,520	5,200,000	5,460,000	**5,733,000**
SUB-TOTAL		**3,335,184**	**3,126,388**	**7,439,020**	**9,060,780**	**9,513,819**	**9,989,510**
H. Department of Youths, Sports, Gender & Talent Dev.:							
1	Hire of Stadium, park & open spaces	0	1,723,716	2,550,270	3,560,600	3,738,630	**3,925,562**
SUB-TOTAL			**1,723,716**	**2,550,270**	**3,560,600**	**3,738,630**	**3,925,562**
I. Department of Finance & Economic Planning:							
1	Miscellaneous Incomes	12,143,630	14,997,967	5,833,298	8,400,400	8,820,420	**9,261,441**
SUB-TOTAL		**12,143,630**	**14,997,967**	**5,833,298**	**8,400,400**	**8,820,420**	**9,261,441**
	ORDINARY OSR TOTALS	**232,807,030**	**359,263,178**	**501,737,917**	**566,180,758**	**594,489,796**	**624,214,286**
J. Department of Public Health & Medical Services (A-I-A)							
1	FIF & Billed NHIF/SHA	626,646,993	841,232,651	981,068,740	1,064,906,565	1,171,397,222	**1,288,536,944**
SUB-TOTAL		**626,646,993**	**841,232,651**	**981,068,740**	**1,064,906,565**	**1,171,397,222**	**1,288,536,944**

	GRAND TOTAL (KSH)	**859,454,023**	**1,200,495,829**	**1,482,806,657**	**1,631,087,323**	**1,765,887,018**	**1,912,751,230**

SOURCE: HOMA BAY COUNTY REVENUE BOARD, 2025

ANNEX III: CONDITIONAL GRANTS ESTIMATES FY 2024/25 – 2027/28

PROJECTED CONDITIONAL GRANTS - MTEF FY 2025/26 - 2027/28						
Department	**Project**	**Revised Estimates II FY2023/24**	**Approved Estimates FY 2024/25**	**Projected Estimates FY 2025/26**	**Projected Estimates FY 2026/27**	**Projected Estimates FY 2027/28**
Agriculture	National Agriculture and Rural Inclusive Growth Project (NARIG)	5,000,000	0	0	0	0
	National Value Chain Development Project	200,000,000	151,515,152	151,515,152	151,515,152	151,515,152
	Kenya Agricultural Business Development Programme (KABDP)	3,159,580	10,918,919	10,918,919	10,918,919	10,918,919
	Provision of Fertilizer Subsidies	165,917,803	0	0	0	0
	Livestock Value Chain Support Project	14,321,680	0	0	0	0
Blue Economy	Aquaculture Business Development Programme (ABDP)	12,909,422	12,909,422	12,909,422	12,909,422	12,909,422
Public Health and Medical Services	Leasing of medical equipment		0			
	DANIDA	25,520,063	21,383,750	21,383,750	20,383,750	20,383,750
	Transforming health systems for Universal Care Project	0	0	0	0	0
	Nutrition International	0	0	0	0	0
	Community Health Promoters (CHP)	0	88,620,000	88,620,000	88,620,000	88,620,000
Water, Sanitation, Enviroment, Forestly and Climate Change	Financing Locally-Led Climate Actions Programme-CCRI&CCRIG) IDA & KFW	251,984,144	251,984,144	251,984,144	251,984,144	251,984,144
	Financing Locally-Led Climate Actions Programme-CCIS	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Lands, Physical Planning, and Urban Development	Kenya Informal Settlements Improvement Programme (KISIP) II	430 000 000	987,020,992	474,207,780	350,000,000	200,000,000

	Kenya Urban Support Programme (UIG)	1,145,356	35,000,000	35,000,000	35,000,000	35,000,000
Homa Bay Municipal Board	Kenya Urban Support Programme (UDG)	1,194,559	37,861,088	39,000,000	40,000,560	45,700,500
Oyugis Municipal Board	Kenya Urban Support Programme (UDG)	0	16,800,000	20,000,000	25,000,000	28,000,000
Governance, Administration, Communication, and Devolution	Kenya Devolution Support Programme (KDSP II)	0	37,500,000	390,000,000	390,000,000	390,000,000
Trade, Industry, Investment and Tourism	County Aggregated Industrial Park (CAIP)	250,000,000	0	0	0	0
Roads and Public Works	Road Maintenance Levy	0	177,974,496	140,000,000	191,600,000	200,101,000
Expected Grants Total		**1,372,152,607**	**1,829,487,963**	**1,646,539,167**	**1,578,931,947**	**1,446,132,887**

Source: HB County Treasury, 2025

ANNEX IV: A-IN-A REVENUE PERFORMANCE FY 2024/25

JULY -JAN. FY 2024/25			
MONTH	FIF (CASH/MPESA COLLECTION)	SHA/NHIF	TOTAL
JULY	7,847,257	40,534,682	48,381,939
AUGUST	8,462,361	43,562,225	52,024,586
SEPTEMBER	9,135,958	49,561,692	58,697,650
OCTOBER	11,368,459	20,686,810	32,055,269
NOVEMBER	7,182,276	67,694,732	74,877,008
DECEMBER	5,058,689	111,453,641	116,512,330
JANUARY	---	113,471,885	113,471,885
TOTAL			**496,020,667**

FY	TARGET	AMOUNT COLLECTED	PERCENTAGE (%)
2022/23	380,000,100	626,646,993.55	**164.90**
2023/24	1,051,066,642	841,232,651.00	**80.04**
2024/25 (JULY TO DEECEMBER)	981,068,740	496,020,667	**50.55**

A-I-A REVENUE PROJECTION	**FY 2024/25**	**FY 2025/26**	**FY 2026/27**
	981,068,740	1,064,906,565	1,187,093,175.40

COUNTY ASSEMBLIES FORUM (CAF)
P. O. Box 73552 - 00200,
NAIROBI, KENYA

ANNEX V: PUBLIC PARTICIPATION PHOTOS

COUNTY ASSEMBLIES FORUM (CAF)
P. O. Box 73552 - 00200,
NAIROBI, KENYA

ANNEX VI: CFSP 2025 PUBLIC PARTICIPATION GAZETTE NOTICE

REPUBLIC OF KENYA

COUNTY GOVERNMENT OF HOMA BAY

THE COUNTY TREASURY

HOMA BAY COUNTY

PUBLIC PARTICIPATION ON THE COUNTY FISCAL STRATEGY PAPER AND COUNTY MEDIUM-TERM DEBT MANAGEMENT STRATEGY PAPER FOR FY 2025/2026 THROUGH TO FY 2027/2028 MTEF PERIOD

Section 117 of the PFM Act, 2012 and Part III of the PFM Regulation 2015, mandate the County Treasury of Homa Bay County Government to prepare and submit to the County Assembly, the County Fiscal Strategy Paper (CFSP-2025) and County Medium-Term Debt Management Strategy Paper (CMTDMSP-2025) by 28th of February each calendar year. The two planning documents outline the broad strategic priorities and policy goals that will guide the preparation of county budget for the FY 2024/25 and over the medium-term period. Particularly, they lay out fiscal and financial outlooks regarding county government revenues, expenditures, and borrowings as well as setting sectors' budget ceilings for FY 2025/26.

In complying with Sec. 117(a) of the PFM Act, 2012, the County Government of Homa Bay is inviting the public, stakeholders, interested groups, and any other organized forums for a public participation on the CFSP and CMTDMSP. This public engagement shall be held on **11th February, 2025** at the Governor's Park, Homa Bay Town from **9:00 AM** to **2:00 PM**. Besides, written submissions or memoranda shall be received at the venue or can be emailed through finance@homabay.go.ke not later than **12th February, 2025.**

HON. SOLOMON OBIERO,
CECM – FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF HOMA BAY

ELDORET

Bii decries alleged sharing of private data by State agencies

Uasin Gishu Governor Jonathan Bii has raised concerns about the alleged sharing of his personal data with investigative agencies as the world marked Private Data Day yesterday.

Bii accused the Directorate of Criminal Investigations (DCI) and the Ethics and Anti-Corruption Commission (EACC) of persistent harassment.

He claimed that investigators had obtained his personal data, including private phone numbers, from unspecified government agencies, creating fear among governors.

A visibly frustrated Bii stated that he often leaves his mobile phone behind when travelling to avoid being tracked by investigators who, he alleged, are constantly pursuing him for questioning.

Speaking at the Private Data Day celebrations, graced by ICT Cabinet Secretary William Kabogo at Eldoret Sports Club in Uasin Gishu County, Bii described the alleged tracking of his movements as a violation of Kenya's privacy laws.

"What is it that they (DCI and EACC) don't know about us? What's really dangerous is that, as governors, we are threatened with the possibility of the DCI pouncing on us anytime. At times, we are informed that EACC is lurking nearby. When you're running away, you're told to leave your phone behind so they can't track you," Bii lamented.

He added: "I ask myself, who gave these people my number?"

While Bii did not disclose the reasons for his suspicions, he expressed concern that hospitals were allegedly sharing leaders' medical records with individuals using the information for political blackmail.

He also criticised the misuse of social media by youth, citing his own experience as a victim of fake accounts using his image and name ahead of the last general election. Bii called for stricter measures to curb such behavior.

Kabogo assured Bii and other attendees that the government was committed to safeguarding private data.

He emphasised that authorities handling private data were responsible and accountable for its protection.

The CS also expressed concern over the misuse of Artificial Intelligence (AI) to spread insults and cause mental distress, particularly targeting families of prominent political leaders.

Cybersecurity practices

"If you put someone in a coffin and display it on social media, it may seem amusing today, but years later, when you have children, how will they feel seeing that?" Kabogo asked.

He urged Kenyans to report social media abuses for investigation and stressed the importance of ethical AI and cybersecurity practices.

Kabogo also encouraged private data handlers to register with the Office of the Data Protection Commissioner, emphasizing the need to embed data privacy in combating fraud and managing risks associated with data-driven innovations.

Following the Private Data Day event, Kabogo officially opened digital hubs at Eldoret National Polytechnic and Rift Valley Technical Training Institute. **[Stephen Rutto]**