REPUBLIC OF KENYA

COUNTY GOVERNMENT OF KAKAMEGA

DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND ICT

MEDIUM TERM

COUNTY FISCAL STRATEGY PAPER

A wealthy and Vibrant County

February, 2025

County Vision and Mission

Vision

A wealthy and vibrant County offering high quality services to its residents

Mission

To improve the welfare of the people of Kakamega County through formulation and implementation of all-inclusive multi-Sectoral policies

Kakamega County Fiscal Strategy Paper, 2025.

To obtain copies of the document, please contact

Finance, Budget, Economic Planning and ICT

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The document is also available on the official county website **www.kakamega.go.ke**

FOREWORD

The County Fiscal Strategy Paper (CFSP 2025) is prepared as provided under section 117 of the PFM Act, 2012. It sets out the County Government's priority Programmes to be implemented during the FY 2025/26 and over the Medium-Term Expenditure Framework (MTEF) period. The Preparation of this policy document has been undertaken through a collaborative effort reflecting the needs of the people of Kakamega County. The Paper has been aligned to key National and County policy documents which include but not limited to; the Kenya Vision 2030, Medium Term Plan (MTP IV 2023-2027), the Bottom-Up Economic Transformation Agenda (BETA), Kakamega County Integrated Development Plan (CIDP 2023-2027) and the County Annual Development Plan (C-ADP 2025/26) which have been aligned to the Governor's six strategic development pillars.

Over the medium term period, the County Government has continued to record positive economic development as a result of improved project and programme implementation strategies. To sustain this development pace, the County government's main focus during the FY 2025/26 fiscal period will be geared towards: Enhancing access to quality and affordable Healthcare and Water services; sustained support to Wealth creation and Infrastructural development; improving Food security; enhancing quality education; facilitating Social Economic Development and Promoting Good Governance.

Despite the incredible progress realized, the County Government is still faced with several challenges including; constrained financial resources, high unemployment rates and high level expectation on development projects. This policy document provides the strategies and measures aimed at addressing these challenges in order to foster service delivery and prosperity of the great people of Kakamega over the plan period. It also provides the ceilings for the FY 2025/26 budget and the over MTEF period which are consistent with the County and National Government priority programmes and policies.

Dr. Lawrence Omuhaka,
County Executive Committee Member,
Department of Finance, Budget, Economic Planning and ICT

ACKNOWLEDGEMENT

The development of the CFSP 2025 is a product of a collaborative effort by the County Departments and Agencies under the leadership and guidance of His Excellency the Governor, Hon. FCPA Fernandes Barasa, H.E the Deputy Governor Hon. Ayub Savula, the County Executive Committee Member for Finance, Budget, Economic Planning and ICT Dr. Lawrence Omuhaka. I wish to acknowledge the input and support provided by all other County Executive Committee Members as well as the respective Chief Officers for coordination during preparation of this Paper.

In addition, I appreciate the Commission on Revenue Allocation (CRA), The National Treasury, The Office of the Controller of Budget (OCOB), County Budget and Economic forum (CBEF) members among other stakeholders who were very instrumental in preparation of this Paper by providing important information in their policy documents and advisories.

Lastly, I appreciate the technical team from the Finance, Budget, Economic Planning and ICT Department that coordinated the development of this Paper. It is my sincere hope and desire that the information contained in this paper will guide the next phase of budget preparation.

Dr. Jeophita June Mwajuma
Chief Officer, Finance and Budget
Department of Finance, Budget, Economic Planning and ICT

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ABBREVIATIONS AND ACRONYMS

ASDSP	Agricultural Sector Development. Support Programme
ATVET	Agricultural Technical and Vocational Education and Training
BPS	Budget Policy statement
CADP	County Annual Development Plan
CBROP	County Budget Review Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CTRH	County Teaching and Referral Hospital
ERP	Enterprise Resource Planning
FY	Financial Year
GDP	Gross Domestic Product
HELB	Higher Education Loans Board
ICT	Information Communication & Technology
IFMIS	Integrated Financial Management Information System
KALRO	Kenya Agricultural Livestock Research Organization
KES	Kenya Shillings
KCSAP	Kenya Climate Smart Agriculture Program
KDDC	Kakamega Dairy Development Corporation
KNBS	Kenya National Bureau of Statistics
KYISA	Kenya Youth Inter County Sports Association
MSME	Micro Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NEMA	National Environmental Management Authority
ODF	Open Defecation Free
OVOP	One Village One Product
PFM	Public Financial Management
SDG	Sustainable Development Goals
UNICEF	United Nations International Children's Emergency Fund

LEGAL BASIS FOR PUBLICATION OF THE COUNTY FISCAL STRATEGY PAPER

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

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

RESPONSIBILITY PRINCIPLES IN THE PUBLIC FINANCIAL MANAGEMENT LAW

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

1) The county government's recurrent expenditure shall not exceed the county government's total revenue.

2) Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure.

3) The County government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the County government revenue.

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

5) Public debt and obligations shall be maintained at a sustainable level as prescribed by the executive and approved by the County Assembly.

6) Fiscal risks shall be managed prudently.

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

OUTLINE OF THE COUNTY FISCAL STRATEGY PAPER FY 2025/2026

This paper contains six sections as summarized below;

Section I Provides the county strategic blueprint which is to have **a wealthy and economically vibrant County** and further explains how the County Government intends to transform its economy.

Section II Outlines the economic context in which the 2025/2026 MTEF budget is prepared. It provides an overview of the recent economic developments and the macroeconomic outlook covering the National Government and County level.

Section III Outlines the fiscal framework that is supportive of growth over the medium term, while continuing to provide adequate resources to facilitate service delivery and execute the policy priorities of the County Government.

Section IV Provides a framework of managing the County Government's administrative units and the budgetary allocation of the County revenue among its departments.

Section V Presents the resource envelope and spending priorities proposed for the FY 2025/2026 MTEF Budget. Sector achievements and priorities are also reviewed for the FY 2021/22 – 2023/24 MTEF period.

Section VI Provides the conclusion.

INTRODUCTION AND BACKGROUND INFROMATION

The County Fiscal Strategy Paper (CFSP 2025) covers the MTEF period 2025/2026 –2027/2028. The Paper has been prepared as provided for in Section 117 of the PFM Act, 2012 and sets out the broad priority programs and projects to be implemented in the FY 2025/2026 and over the MTEF period.

The implementation of the priority programs and projects over the medium term is expected to achieve the Government vision of, *"a wealthy and economically vibrant County"*. The priorities to be pursued are in line with Kenya Vision 2030, MTP IV, Bottom-up Economic Transformation Agenda (BETA), Sustainable Development Goals (SDGs), the Governor's Manifesto (six-point agenda), the County Integrated Development Plan (CIDP) 2023-2027, County Annual Development Plan (C-ADP) 2025-2026 among other policy documents.

There exists a strong collaboration between the national government and the county government of Kakamega in the integration of the BETA model and six-point agenda to realize growth in respective sectors. Partnerships with other development partners plays a crucial role towards achieving key milestones for international and national development plans, including the SDGs and Vision 2030.

The goal of these priority projects is to raise living standards by boosting socioeconomic growth and generating jobs. In order to account for shifts in financial and economic trends, the paper includes the latest national economic outlook. Preparation of this Paper has also taken into consideration the National Budget Policy Statement (BPS) 2025 to align the County's priorities to the National economic policy principles.

1.1 Building a Wealthy and Economically Vibrant County

The County has elaborate plans and strategies towards strengthening the framework upon which a wealthy and economically vibrant County would be built. Riding on the high resource potential in agricultural viability, infrastructure development, human capital, strong governance and administrative structures, cultural tourism, forestry and mining, the county presents broad opportunities for investment and economic development.

The County's development agenda has been affected by a number of issues such as low levels of own source revenue collection, low commitment from development partners, delays in the National Government's funding disbursement, pressures on expenditures related to employee emoluments, and rising operating costs, The County Government is focused on addressing these challenges and ensure optimal service delivery and economic development.

1.2 The County's Broad Strategic Priorities

The County's broad strategic priorities are drawn from Kenya Vision 2030, MTP IV, Bottom-up Economic Transformation Agenda (BETA), Sustainable Development Goals (SDGs), the Governor's Manifesto, the County Integrated Development Plan (CIDP)2023-2027, County Annual Development Plan (C-ADP) 2025-2026 among other policy documents. The strategic priorities of focus will be:

1) To enhance access to quality and affordable healthcare and water services;
2) To support wealth creation and infrastructural development;
3) To improve food security;
4) To enhance quality education;
5) To facilitate social economic development; and
6) To promote good governance.

The County's undertaking is to drive inclusive and sustainable development, reduce poverty, and improve the overall quality of life for residents. To achieve this, the County Government acknowledges the need to partner with other stakeholders in its implementation. This Paper therefore articulates priorities for economic policies and expenditure programs to be implemented during the MTEF period 2025/2026 - 2027/2028 in order to achieve the County transformative agenda.

1.3 Strategies for achieving a wealthy and Vibrant County

1.3.1 Strategic priority I: Access to quality health, water and sanitation:-

- Improving access to health services through health infrastructure development through construction, expansion, operationalization, renovation and equipping health facilities to improve service delivery;
- Strengthen community health strategy through training of CHPs and equipping them with kits;
- Strengthen County medical supply chain by ensuring adequate, timely and constant supply of essential drugs and non-pharmaceuticals to all health facilities;
- Prioritize public healthcare by investing in promotive and preventive health services;
- Ensure adequate and motivated healthcare personnel through recruitment, training and promotions.
- Upscale Universal Health Care through enrollment to Social Health Authority (SHA) and operationalization of Primary Care Networks.
- Implementation of Barasa Care Programme to enhance maternal and child health, immunization and skilled deliveries.

1.3.2 Strategic priority II: Promote wealth creation and infrastructural development;-

- Development of industrial parks and aggregation centers by promoting industrialization and enhancing a vibrant service sector in Southern, Northern and Central regions of the County.
- Create and grow the "Barasa Economic Empowerment Program" for the residents to participate in income generation, gainful employment and contribute to the growth of the county economy.
- Decentralize services of Kakamega Micro-Finance to the Community areas.

- Establishment of special economic zones and further provide innovation and incubation services to SME's.
- Business environment promotion- Enhance continuous engagements with the private sector to eliminate red tape for business to thrive in the county through establishment of a unified business permit;
- Support the sugar sector and establishment of new industries;
- Establish market and technological linkages to effectively link cottage industries to the export market to drive their growth via outsourcing;
- Offer incentives to those who would wish to invest in the hospitality industry, housing and manufacturing through hospitality industry and manufacturing promotion;
- Facilitate the establishment of the motorcycle assembly plant to offer affordable boda-boda to riders in the County and beyond, and further support the boda-boda riders through their cooperatives to set up three mega spare parts shops in strategic areas of the County;
- Complete the valuation roll to enhance own source revenue generation to support the County development agenda;
- Ensure coordinated development through establishing of a GIS based County Spatial Plan;
- Enhance access to transport, ICT and energy infrastructure;

1.3.3 Strategic priority III: Modernize and commercialize agriculture towards achieving food and nutrition security

- Work with KALRO, Bukura Agricultural College and Masinde Muliro University of Science and Technology (MMUST) to improve on agricultural practices and diversify farming to commercialize new and adaptable breeds in crops, livestock and fisheries;
- Enhance agricultural extension services across the county through recruitment, training and equipping extension officers;
- Provide farmer incentives to increase yield and value by developing agro industrial zones and reducing post-harvest losses through commodity exchange and value addition;
- Initiate and support farmers' cooperatives to form and engage in guaranteed contract farming for export markets by giving farmers forward contracts in the commodities market;

- Enhance access to farm inputs like certified seeds, fertilizers, subsidized A.I. services and farm mechanization; and
- Provide incentives for the establishment of a dairy processing plant with value addition and other milk products.

1.3.3 Strategic priority IV: Improve education standards;-

- Improve the quality of ECDE education in the county through various stakeholder engagements on best practices;
- Promote curriculum implementation;
- Hire more ECDE teachers and polytechnic instructors;
- Provision of training infrastructure and resources;
- Support partnerships between universities and industry for incubation and commercialization of innovation; and
- Enhance access and equity to quality education through provision of bursaries.

1.3.4 Strategic priority V: Social Development to empower communities

- Build cultural and community multipurpose halls to promote culture, creative arts, traditions and heritage;
- Scale up security and street lighting through the Nuru Gizani project;
- Fast-track the completion of Bukhungu Stadium and upgrade other mini- stadia;
- Establish sports academies to identify, nurture and expose raw talents in football, athletics, Rugby, table tennis, swimming and volleyball, and further link them to local and international platforms; and
- Support youth, women and people with disabilities owned businesses with affordable credit.

1.3.5 Strategic priority VI: Promote Good Governance

- Create Kakamega leaders caucus of elected leaders, National Government officials and private sector players to address cross-cutting issues such as security, investment and progressive development;

- Establish an annual interdenominational prayer breakfast spearheaded by the clergy to intercede for the county together with elected leaders;
- Entrenching and strengthening devolution up to the village level and creating a strong working relationship with the national coordination at all levels; and
- Establish the Ward based programmes to ensure equitable development in all the 60 wards.
- Promote collaboration with the National Government Agencies during project and programmes implementation

RECENT ECONOMIC DEVELOPMENT AND POLICY OUTLOOK IN 2023/24

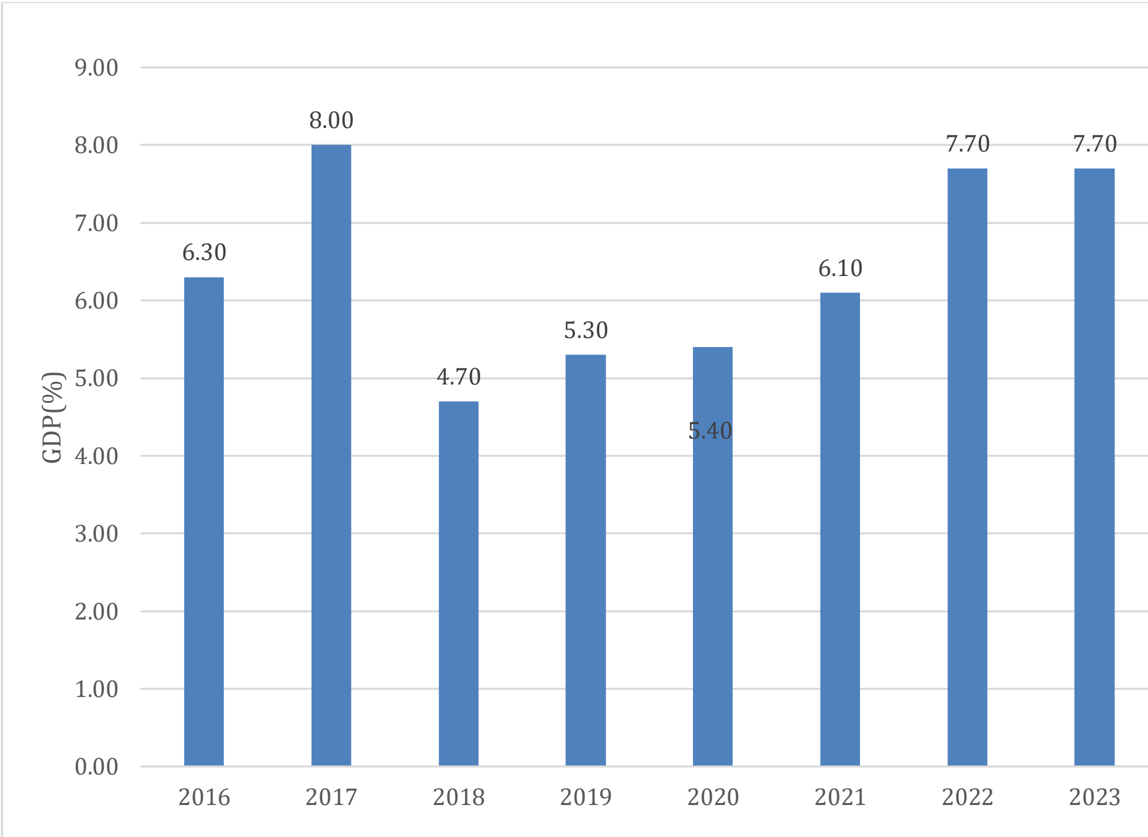
2.1 Review of Recent Economic Performance-

2.1.2 Economic Growth

The Economic Survey Report, 2024 by Kenya National Bureau of Statistics (KNBS) indicates that the economy expanded in the period 2023-2024 at a considerably faster pace than the 4.9 percent recorded in 2022. The economy grew by 5.6 percent in 2023-2024 period supported by supported by favourable weather conditions and timely implementation of fertilizer and seed subsidy programme. The economy is projected to maintain at 5.9 percent in 2024-2025, reinforced by the Government's Bottom - Up Economic Transformation Agenda geared towards economic turn around and inclusive growth as shown in figure 1.

In 2023, majority of the economic activities registered positive growths save for Mining and Quarrying, which contracted by 6.5 percent. The contraction in mining and quarrying was reflected in decline in production of most minerals such as titanium, soda ash and gemstone. Economic growth in 2024 was brought about by improved performance in key sectors of the economy including; Financial and Insurance (10.1%), Transportation and Storage (6.2%), Information and Communication (9.3%), Real Estate (7.3%), and Accommodation & Food Service (33.6%) activities. In contrast to dry weather conditions that characterized the better part of 2022-2023 which adversely affected agricultural production, production of key food crops such as maize, beans, and potatoes increased significantly during the review year

Figure 1: Trends in Annual GDP Growth Rates 2016-2023

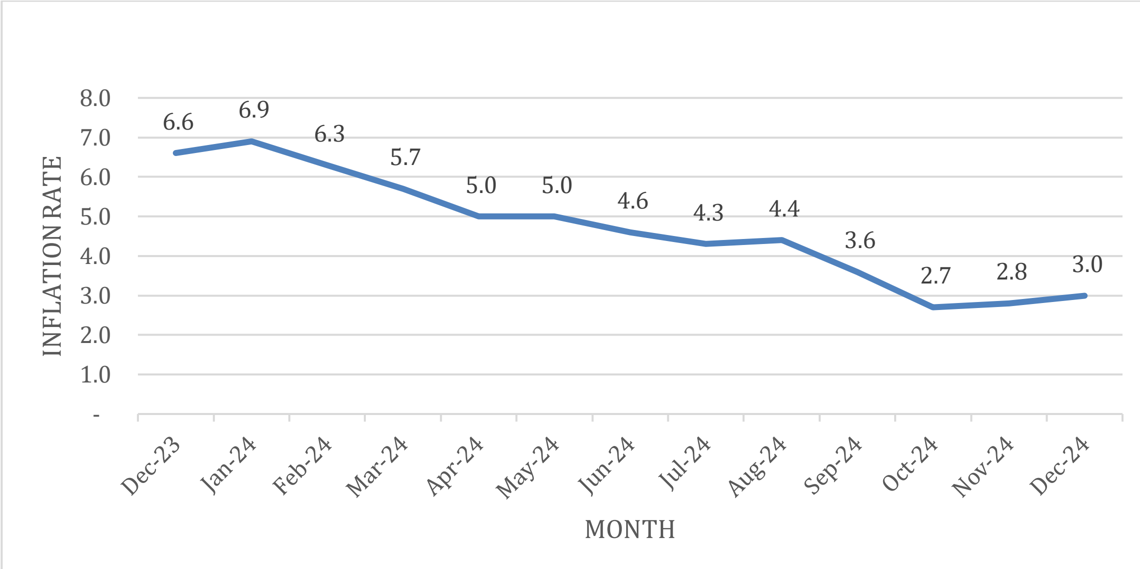


Source: *Budget Policy Statement, 2024*

2.1.3 **Inflation Rate**

The year-on-year inflation rate increased for the third consecutive month in December 2024 while still remaining below the 7.5 percent upper bound target. Inflation rate increased to 3.0 percent in December 2024 from 2.8 percent in November 2024 due to an increase prices of commodities under Food and Non Alcoholic Beverages (4.8%); and Transport (0.2%) between December 2023 and December 2024.. However, this inflation rate was lower than the 6.9 percent recorded in January 2024 as shown in figure 2.

Figure 2: Annual Inflation Rate



Source: *Kenya National Bureau of Statistics*

The Food and Non-Alcoholic Beverages Index increased by 0.7 per cent between November 2024 and December 2024. In particular, prices of maize flour-sifted, fortified maize flour and maize flour-loose rose by 7.0, 5.8 and 1.8 per cent, respectively, between November 2024 and December 2024, which provides national average prices of selected items. Prices of mangoes, potatoes (Irish) and cabbages dropped by 6.2, 5.0 and 2.8 per cent, respectively, between November 2024 and December 2024.

The Housing, Water, Electricity, Gas and Other Fuels' Index increased by 0.2 per cent between November 2024 and December 2024. The increase was attributable to a rise in price of 50 kWh and 200 kWh of electricity by 0.6 per cent and 0.5 per cent, respectively, between November 2024 and December 2024. Prices of kerosene/paraffin, however, declined by 2.0 per cent in the same period.

The Transport Index increased by 1.8 per cent between November 2024 and December 2024, mainly due to a surge in fares of country bus/matatu in some routes by up to 50.0 per cent, in the month of December. Prices of diesel and petrol, however, declined by 1.8 per cent and 2.4 per cent, respectively, between November 2024 and December 2024.

2.1.4 **Interest Rate**

Interest rates have begun to decline as a result of the easing of the monetary policy, reducing borrowing costs and freeing up fiscal space for growth-enhancing initiatives by businesses. Interbank rate declined to 11.4 percent in December 2024 from 11.7 percent in December 2023 in line with the easing of the monetary policy. The 91-day Treasury Bills rate declined to 10.0 percent in December 2024 from 15.7 percent in December 2023.

Table 1: Interest Rates for Selected Currencies, 2017-2022

YEAR	MONTH	Interbank Rate	91-Day Tbill	Central Bank Rate
2022	Nov	4.61	9.19	8.75
2022	Dec	5.39	9.33	8.75
2023	Jan	5.89	9.44	8.75
2023	Feb	6.42	9.62	8.75
2023	Mar	7.05	9.76	9.5
2023	Apr	8.55	10.04	9.5
2023	May	9.36	10.47	9.5
2023	June	9.55	11.49	10.5
2023	July	10.34	12.12	10.5
2023	August	12.57	13.25	10.5
2023	September	12.36	14.38	10.5
2023	October	12.7	14.96	10.5
2023	November	11.32	15.32	10.5

Source: Central Bank of Kenya

2.1.5 **Kenya Shilling Exchange Rate**

In the period under review, the Kenya Shilling continued to weaken against currencies of key trading countries. This was reflected in the Trade Weighted Index (TWI) which worsened from 123.8 in 2022 to 138.3 in 2023. The Kenyan Shilling appreciated against key currencies such as the US dollar, Euro, Sterling pound, Swiss franc, UAE dirham, Indian Rupee, Chinese Yuan and Japanese Yen by 7.5, 11.2, 6.7, 8.4, 7.5, 10.6, 10.2 and 17.4

percent, respectively. Likewise, the Kenyan Shilling deteriorated against the Ugandan Shilling and Tanzanian Shilling, by 6.1 and 9.3 percent, respectively.

Table 2: Average Foreign Exchange Rates for Selected Currencies, 2019-2024

Currency	**Exchange Rate against KES**					
	2019	**2020**	**2021**	**2022**	**2023**	**2024***
1 US Dollar	101.99	106.47	109.65	117.87	139.85	129.29
1 Euro[2]	114.18	121.65	129.75	124.19	151.25	134.28
1 Pound Sterling	130.18	136.73	150.85	145.80	174.01	162.26
1 Swiss Franc	102.62	113.61	119.98	123.52	155.87	142.66
1 UAE Dirham	27.77	28.99	29.85	32.09	38.08	35.20
1 Indian Rupee	1.45	1.44	1.48	1.50	1.69	1.51
1 Chinese Yuan	14.76	15.45	17.00	17.53	19.73	17.71
100 Japanese Yen	93.59	99.80	99.94	90.15	99.48	82.11
1 SA Rand	7.06	6.51	7.42	7.23	7.58	6.87
TSh/Ksh	22.63	21.76	21.12	19.74	17.36	18.98
USh/Ksh	36.32	34.93	32.72	31.30	26.76	28.40
100 Rwanda Francs	8.82	8.86	9.13	11.39	12.05	10.72

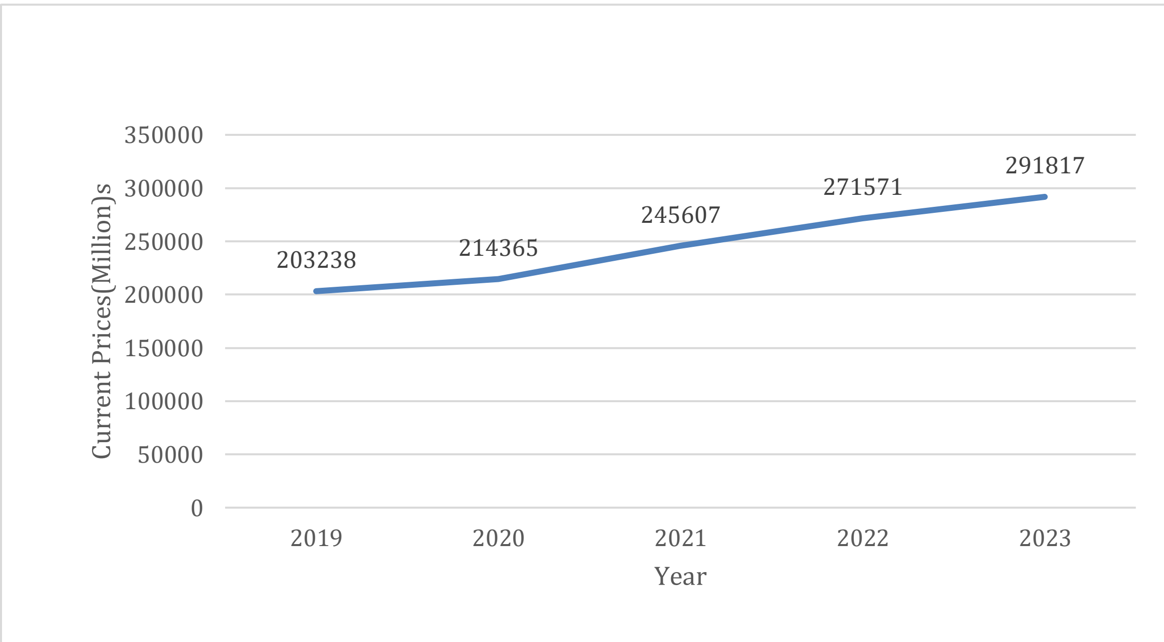
Source: *Central Bank of Kenya*

2.1.6 Kakamega Gross County Product

According to KNBS, Gross County Product Report 2024, the GCP was estimated at KES 291,817 Million which is 2.2 per cent of the national GDP in 2023 (KES 13,891,146 million). The average GCP contribution of the County to the National GDP in current prices is estimated at 2.2 per-cent in the five period. Figure 3 shows the county's GCP estimates over the period 2019-2023.

Figure 3: Kakamega GCP Contribution in Millions to National GDP, 2018-2023

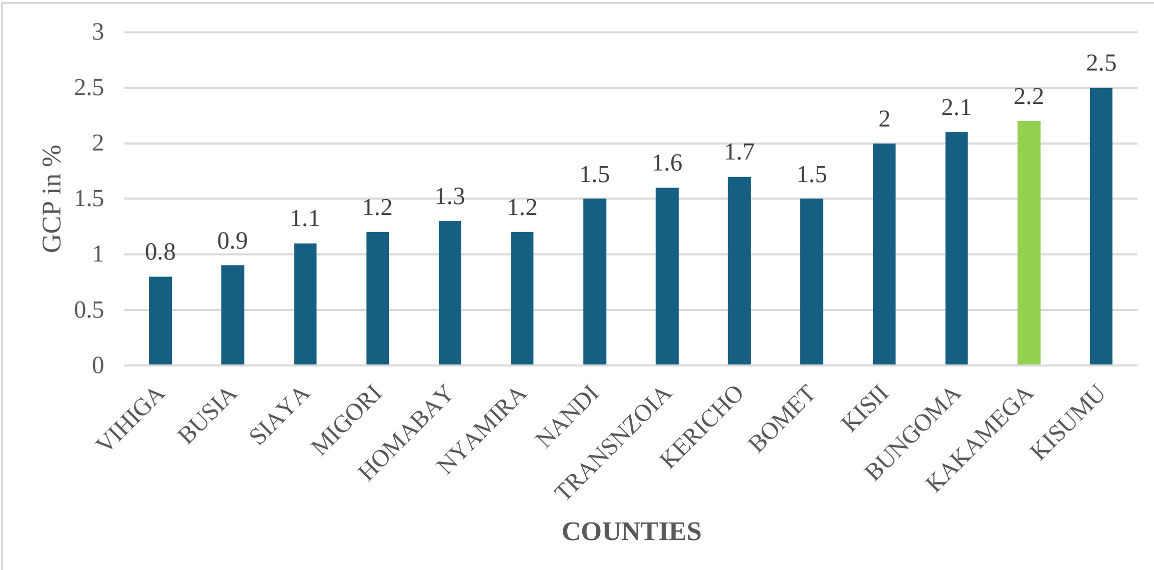
Source: *Gross County Product Report, 2023*



2.1.7 Comparison of GDP of Lake Region Economic Bloc Counties

The increase in GCP from 2022 to 2023 was principally attributed to increased agricultural production, accelerated sustained growth in transportation and vibrant service sector activities. The average GCP across all Counties is approximately 1.54%. Figure 4 compares the GCP of the Lake Region Economic Bloc Counties as shown in figure

Figure 4 : Comparison of Lake Region Economic Bloc Counties in Average GCP (2018-2022)

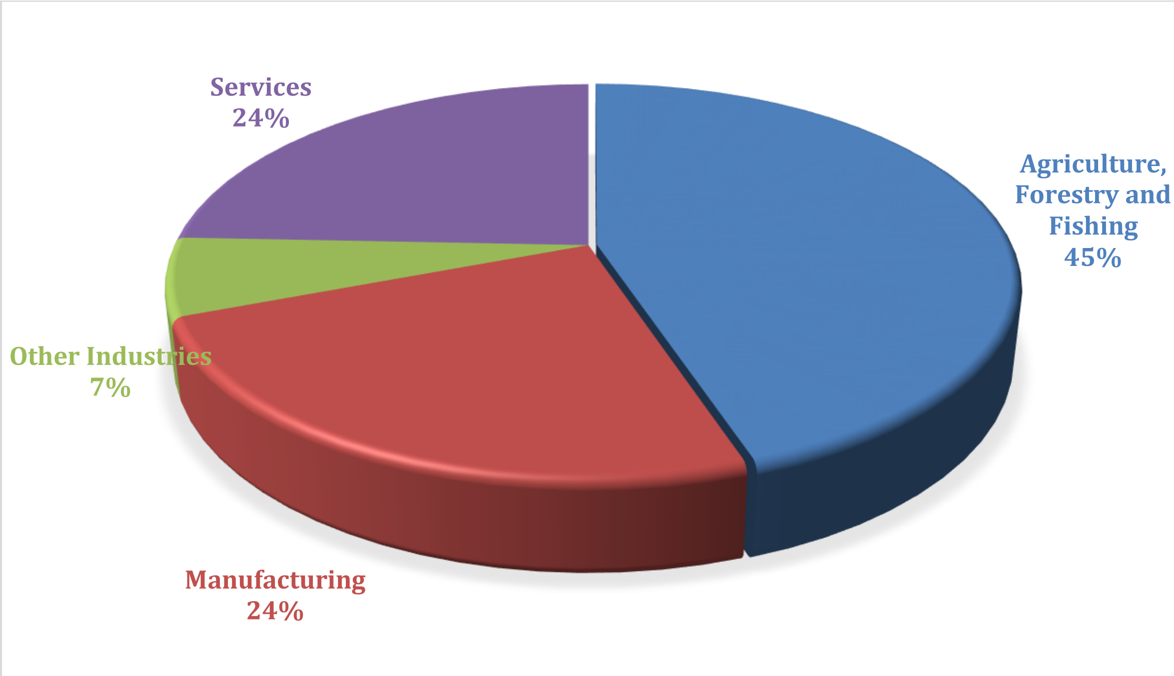


Source: *Gross County Product Report, 2023*

2.1.8 **Contribution of Main Sectors to National GDP**

Kakamega County was ranked ninth in agricultural activities among the 47 counties, hence, the sector significantly contributed to the Kakamega GCP. Other sectors that contributed to growth include; manufacturing industries, other industries and service sector as shown in figure 5

Figure 5: Average Contribution of main sectors to National GDP in Percentage, 2018-2022



Source: *Gross County Product Report, 2023*

2.1.9 Economic Effect as a result of General Election

Election years in the country have largely been characterized by higher debt levels, reduced revenues, the slowdown in business capital expenditure, postponement of regulatory decisions as well as decreased lending activity. The 2022 general elections particularly the delayed Kakamega Gubernatorial impacted negatively on county own source revenue thus creating pending bills.

2.1.10 Update on Fiscal Performance and Emerging Challenges

The fiscal performance for FY 2023/2024 was dependent on revenue mobilization and timely disbursement of funds by the national treasury. The county government has been improving on tax collection, but challenges persist with underperformance in revenue targets due to weak tax compliance and enforcement. Government spending has increased and recurrent expenditure remains high in the midst of constrained funds.

The county faces several hurdles in maintaining fiscal stability due to constrained budget and inadequate resource allocation from the national treasury to Counties. The county has not met its potential for own source revenue collection thereby putting pressure on attaining its development priorities.

To address these challenges, the County government is enhancing tax collection to meet own source revenue targets, fostering private sector investment to boost economic growth and wealth creation as well as expanding social safety nets to cushion vulnerable populations from economic shockwaves.

2.1.11 County Revenue Performance for Financial Year 2022/2023

The total local revenue collection was KES 1.349 Billion compared to the target of KES 2.2 Billion. This represents revenue shortfall of KES 850 Million or 38.65 %. This was mainly attributed to delayed reimbursement from NHIF and unmet disbursement from contribution in lieu of rates from the National Treasury.

The National Government disbursements amounted to KES 13.31 Billion. This amount consisted of conditional grants amounting to KES 691 Million and equitable shareable revenue of KES 11.879 Billion. The actual revenue for spending therefore was KES 14.69 billion. These funds included the transfers from the National Government and the balance brought forward from the FY 2022/23 of KES. 745 Million for equitable shareable revenue.

Table 3: Summary of Revenue performance

Revenue Item	**Amount disbursed (KES)**	
	2022/2023	**2023/2024**
Equitable shareable revenue	13,380,565,143	11,879,634,559
Balance brought forward		745,076,680
SIDA Agricultural Sector Development Support Programme II (ASDSP II)		1,254,212
Danida grant -primary health care in devolved context		18,999,750
KELCOP		28,269,536
National Agricultural Value Chain Development Project (NAVCDP)		191,274,891
(Ida) World Bank Credit-Financing Localy Led		303,132,837

Revenue Item	**Amount disbursed (KES)**	
	2022/2023	**2023/2024**
Climate Programm (FFLOCA) ccis grant	22,000,000	
World Bank-THS-UCP	-	
World Bank-KUSP(Development)	-	
Kenya Devolution Support Programme (KDSP) Level 2	-	
Kenya Devolution Support Programme (KDSP) Level 1	3,534,474	
National Agricultural Value Chain Development Project (NAVCDP)	67,192,729	
World Bank Kenya Climate Smart Agricuture KCSAP released	99,110,439	
Others		8,337,106
Universal Healthcare in Devolved Units Programme(DANIDA)-UHDSP released	33,447,791	
(Sida) Agricultural Sector Development Support Programme II (ASDSP II) released	11,287,905	
Kenya Informal Settlement Improvement Project (KISIP 11	50,000,000	140,000,000
Total	**13,667,138,481**	**13,315,979,571**

Source: *CBROP, 2024*

2.1.12 Own Source Revenue

The County Revenue collection performance marginally improved in FY 2023/24 compared to FY 2022/23. In the FY 2022/23, own source revenue was KES 1.335 Billion against the approved budget of KES 2.2 Billion compared to the FY 2023/24 where 1.349 Billion was collected against an approved budget of KES 2.2 Billion. While the actual revenue collected in the FY 2023/24 represented 61.35 per cent of the approved revenue target compared to 60.70 per cent of the FY 2022/23.

Table 4: Detailed Own Source Revenue Performance for FY 2023/2024

Total Revenue	Actual Receipts (KES)		Approved Budget (KShs.)	Revised Budget (Kshs)	Actual Receipts (KShs.)
Financial Years	**2021/2022**	**2022/2023**	**2023/2024**		
Farm Input Subsidy	325,176,669	342,285,124	270,000,000	270,000,000	305,148,320
NHIF	205,755,000	230,739,969	470,000,000	470,000,000	286,620,678
Hospital User Fees	201,203,002	214,063,104	300,000,000	300,000,000	234,478,833
Single Business Permit	130,976,710	170,248,245	163,804,946	163,804,946	184,505,972
Advertisement Fees	50,251,669	48,408,453	60,959,134	60,959,134	64,962,889
Cess from Sugar Factories	-	54,046,909	90,084,167	90,084,167	43,182,264
Property/Land Rates	29,981,964	25,071,740	87,314,663	87,314,663	32,037,761
Plan Approval Fees	26,147,961	23,045,518	39,388,137	39,388,137	29,750,061
Bus Park Fees	30,504,150	40,918,352	66,776,762	66,776,762	29,373,674
Public Health Services	20,524,270	19,918,536	70,000,000	70,000,000	26,288,334
Open Market Fees	15,671,606	13,176,103	22,352,090	22,352,090	24,253,668
Liquor Licensing	18,967,411	15,005,000	141,700,000	141,700,000	22,855,676
Cess from other Agricultural Produce	58,265,921	23,934,563	18,074,240	18,074,240	12,199,676
Street Parking Fees	14,572,310	12,916,252	23,722,047	23,722,047	9,837,654
Disposal of County Assets	30,589,738	-	75,000,000	75,000,000	6,939,115
Slaughter House Fees	3,376,950	6,601,907	9,992,917	9,992,917	5,745,394
Market Stall Fees	3,011,925	4,824,259	5,181,251	5,181,251	5,143,655
Stock Sale Fees	7,428,095	5,536,585	11,045,668	11,045,668	3,088,654
Motor Bike Stickers	1,100,500	3,212,000	4,052,475	4,052,475	2,552,421
Bukura ATC fees	3,639,176	3,548,368	11,725,000	11,725,000	2,527,262
Veterinary Services	9,476,125	2,720,495	11,112,067	11,112,067	2,365,861
Kiosk Fees	4,676,533	1,633,900	2,384,700	2,384,700	2,293,795
Fire Compliance Fees	2,147,880	2,147,175	2,322,688	2,322,688	2,016,685
Commissions	12,956,749	5,495,909	17,587,500	17,587,500	1,795,893
Impounding Fees	1,657,468	1,449,455	220,000	220,000	1,356,395
Cess from Murram	2,270,080	7,414,451	11,338,812	11,338,812	1,185,050
Bukhungu Stadium	2,843,770	1,338,000	3,694,075	3,694,075	1,094,940
Red Cross fees	402,500	377,600	1,000,000	1,000,000	978,500
Weights &Measures	427,380	590,050	2,870,304	2,870,304	856,570
Hire Fees	413,250	549,200	1,202,975	1,202,975	738,525

Total Revenue	Actual Receipts (KES)		Approved Budget (KShs.)	Revised Budget (Kshs)	Actual Receipts (KShs.)
Survey Fees	294,650	471,288	2,303,292	2,303,292	735,080
Noise Control	836,486	569,580	1,179,518	1,179,518	674,900
Fish and Poultry Fees	-	2,378,710	8,207,500	8,207,500	605,318
House Rent	2,347,297	2,749,999	3,624,209	3,624,209	594,637
Public Toilet	2,740,600	1,139,730	1,144,076	1,144,076	429,340
Land Transfer Fees	-	185,670	200,000	200,000	262,760
Registration of Groups	268,650	108,285	352,787	352,787	156,386
Dividends from Golf Hotel	-	2,585,000	-	-	37,250
Farm Mechanization	6,900	-	14,070,000	14,070,000	12,700
Tree/Flower Nursery Fees	1,000	2,800	12,000	12,000	5,000
Burial Fees	-	30,250	-	-	1,500
Contribution in Lieu Rates	-	-	174,000,000	174,000,000	-
Direct credits	763,005	15,944,150	-	-	-
Recoveries	-	2,251,211	-	-	-
IFAD	-	14,731,858	-	-	-
KEPI	-	11,129,850	-	-	-
Total Own Source Revenue	**1,221,675,350**	**1,335,495,603**	**2,200,000,000**	**2,200,000,000**	**1,349,689,046**

Source: CBROP, 2024

2.2 National Government Revenue -

Revenue from the National Government consisted of equitable shareable revenue of KES 11.879 Billion and total Conditional grants of KES 691 million. The summary of transfers from the National Government is highlighted in table 5.

Table 5: Summary of Transfers from National Government FY 2023/2024

Revenue Item	Actual Receipts (KES)		
	2021/2022	2022/2023	2023/2024
Balance brought forward	**1,719,735,907**	**991,152,975**	**745,076,680**
Equitable Share	1,086,858,032	991,152,975	745,076,680
Conditional grant	632,877,875	-	

Revenue Item	**Actual Receipts (KES)**		
	2021/2022	**2022/2023**	**2023/2024**
Total Allocation from the National Government	**11,749,721,876**	**12,675,985,506**	**12,570,902,891**
Equitable share of revenue	11,398,259,193	12,389,412,168	11,879,634,559
Conditional Grants	**351,462,683**	**286,573,338**	**691,268,332**
SIDA Agricultural Sector Development Support Programme II (ASDSP II)	-		1,254,212
Danida grant -primary health care in devolved context	-		18,999,750
KELCOP			28,269,536
IDA World Bank National Agricultural Value Chain Development Project (NAVCDP)			191,274,891
(IDA) World Bank Credit-Financing Locally Led Climate Programme (FFLOCA) 1 CCIS grant			303,132,837
Others			8,337,106
DANIDA Grant	11,535,563	33,447,791	
Agricultural Sector Development Support Programme (ASDSP)	16,539,198	11,287,905	
Kenya Devolution support program Level 2	78,009,910		
World bank-Universal Health Care Fund-THS	61,784,877		
World bank-Kenya Climate Smart Agriculture)KCSAP	183,593,135	99,110,439	
Kenya Urban Support Programme	-	3,534,474	

Revenue Item	Actual Receipts (KES)		
	2021/2022	2022/2023	2023/2024
Capital			
National Agricultural and Rural Value Chain Inclusive Growth Project (NAVCDP	-	67,192,729	
FLLoCA-(CCIS)	-	22,000,000	
Kenya Informal Settlement Improvement Project- (KISIP II)	-	50,000,000	140,000,000
Total Revenue and Grants	**14,691,133,133**	**14,976,818,380**	**13,315,979,571**

Source: *CBROP, 2024*

2.3 Comparison of Yearly Revenue receipts from the National Government -

Table 6 presents a comparison of annual revenue receipts from the National government for the period 2016/17 – 2023/24.

Table 6: Comparison of Annual Revenue receipts from national Government over the period 2016/17 to 2023/24

FY	Equitable share(KES)	Conditional Grants(KES)	Total(KES)
2016/2017	9,612,093,312	798,793,312	10,410,886,624
2017/2018	9,935,800,000	1,022,691,107	10,958,491,107
2018/2019	10,330,000,000	1,644,381,649	11,974,381,649
2019/2020	9,517,344,900	1,719,000,990	11,236,345,890
2020/2021	10,412,850,000	1,581,509,722	11,994,359,722
2021/2022	11,398,259,193	506,365,792	11,904,624,985
2022/2023	13,380,565,143	286,573,338	13,667,138,481
2023/2024	12,624,711,239	691,268,332	13,315,979,571

Source: *CBROP, 2024*

2.4County Government Expenditure for FY 2023/2024

Total expenditure in the FY 2023/24 amounted to KES 13.637 Billion against a revised target of KES 16.786 Billion, representing an under-spending of KES 3.149 Billion (18.76) percent deviation from the revised budget). The overall absorption rate was 81.23 per cent comprising of 92.54 per cent and 52.50 per cent for recurrent and development expenditure respectively.

The overall recurrent expenditure amounted to KES 9.711 Billion, representing an under-spending of KES 2.184 Billion from the approved revised recurrent expenditure of KES 11.895 Billion. The under-spending was in respect to delayed disbursement of equitable shareable revenue from the National Government and the unmet target of own source revenue.

Employee compensation was KES 6.638 Billion translating to 45.77 per cent of total revenues for the year which includes salaries for the County Assembly. Operation and Maintenance (O&M) was KES 4.086 Billion (29.96 per cent)

2.6.2 Expenditure by Economic Classification-

Table 7: Economic Classification of Expenditure for FY 2021/22 -2023/24

PAYMENTS	2021/2022	2022/2023	2023/2024			
	Actual		Approved budget	Revised budget	Actual	Deviation
	KES	KES	KES	KES	KES	KES
1. RECURRENT	**9,627,952,723**	**10,948,458,821**	**11,368,039,953**	**11,895,111,215**	**9,711,420,216**	**(2,183,690,999)**
Compensation of Employees	5,298,343,908	6,380,895,060	5,950,000,000	6,020,603,738	5,624,458,149	(396,145,589)
Operations and Maintenance - Executive	3,054,332,698	3,953,503,539	4,017,218,850	4,473,686,374	4,086,962,067	(386,724,307)
County Assembly - Operations and Maintenance	1,275,276,117	614,060,222	1,400,821,103	1,400,821,103	1,400,821,103	-
2. DEVELOPMENT	**4,706,935,588**	**3,707,539,951**	**6,320,790,865**	**4,891,316,789**	**2,519,249,803**	**(2,372,066,986)**
Development projects	4,706,935,588	3,707,539,951	6,320,790,865	4,891,316,789	2,519,249,803	(2,372,066,986)

PAYMENTS	2021/2022	2022/2023	2023/2024			
	Actual		Approved budget	Revised budget	Actual	Deviation
	KES	KES	KES	KES	KES	KES
TOTAL EXPENDITURE	14,334,888,311	14,655,998,772	17,688,830,818	16,786,428,004	13,636,919,254	(3,149,508,750)

Source: County Treasury

Table 7 groups the total county expenditures for the previous year into three main categories;

i) **Compensation of Employees;** this includes basic salaries paid to permanent and temporary employees and personal allowances paid as part of salary among other related costs.

ii) **Operations/Use of goods and services;** It includes utilities, supply and services, domestic travel and subsistence, and other transportation costs, training expenses, hospitality supplies and services, routine Maintenance among other related costs.

iii) **Development expenditures;** these are the funding to the various capital projects and programmes in the county departments.

2.6.3 Expenditure by Departments

Table 8 depicts the absorption rates for county departments for the FY 2023/24.

Table 8: Departmental Expenditure for the Period Ending 30th June 2024

DEPARTMENT	**Actual**		**Budget**	**Revised Budget**	**Actual**	**Absorption rate(%)**
	2021/2022	**2022/23**	**2023/2024**			
	KES	**KES**	**KES**			
EXPENDITURES	**14,334,888,311**	**14,266,766,401**	**17,688,830,818**	**16,786,428,004**	**13,636,919,253**	**81.23**
County Assembly	**1,275,276,117**	**1,227,746,754**	**1,400,821,103**	**1,400,821,103**	**1,400,821,103**	**100.00**
Recurrent	1,275,276,117	1,227,746,754	1,400,821,103	1,400,821,103	1,400,821,103	100.00
Development	-	-	-	-	-	-
Agriculture, Livestock, Fisheries and Co-operatives	**1,089,591,133**	**1,102,498,002**	**1,380,045,626**	**1,041,216,636**	**320,416,837**	**30.77**
Recurrent	58,331,954	72,602,276	157,466,388	92,913,017	82,563,589	88.86
Development	1,031,259,179	1,029,895,746	1,222,579,238	948,303,619	237,853,248	25.08
Health Services	**1,720,674,844**	**1,461,070,616**	**1,479,343,650**	**1,357,541,502**	**921,899,394**	**67.91**
Recurrent	1,019,036,835	1,206,865,737	839,443,650	1,058,237,029	727,103,218	68.71

DEPARTMENT	Actual		Budget	Revised Budget	Actual	Absorption rate(%)
	2021/2022	2022/23	2023/2024			
	KES	KES	KES			
Development	701,638,009	254,204,879	639,900,000	299,304,473	194,796,177	65.08
Education, Science & Technology	**572,168,237**	**468,603,719**	**925,975,000**	**658,823,859**	**482,999,685**	**73.31**
Recurrent	368,449,024	349,988,950	444,175,000	445,323,113	416,321,121	93.49
Development	203,719,213	118,614,769	481,800,000	213,500,746	66,678,563	31.23
Roads, Public Works & Energy	**1,216,896,602**	**1,064,916,131**	**1,342,247,000**	**1,358,774,284**	**985,877,068**	**72.56**
Recurrent	235,491,776	158,598,082	33,000,000	28,662,620	24,291,931	84.75
Development	981,404,826	906,318,049	1,309,247,000	1,330,111,664	961,585,136	72.29
Lands, Housing, Urban Areas and Physical Planning	**611,351,053**	**341,530,402**	**774,964,627**	**659,612,093**	**415,103,965**	**62.93**
Recurrent	169,931,600	181,269,226	260,000,000	249,092,307	233,329,020	93.67
Development	441,419,453	160,261,176	514,964,627	410,519,786	181,774,946	44.28

DEPARTMENT	Actual		Budget	Revised Budget	Actual	Absorption rate(%)
	2021/2022	2022/23	2023/2024			
	KES	KES	KES			
Social Services, Youth & Sports	**716,720,968**	**484,192,084**	**1,207,370,000**	**783,351,642**	**740,493,666**	**94.53**
Recurrent	83,902,458	171,251,764	446,370,000	414,371,342	398,445,525	96.16
Development	632,818,510	312,940,320	761,000,000	368,980,300	342,048,141	92.70
Trade, Tourism & Industrialization	**119,975,770**	**317,833,120**	**478,700,000**	**318,205,719**	**146,517,245**	**46.04**
Recurrent	26,090,885	39,604,877	37,900,000	48,670,242	32,476,517	66.73
Development	93,884,885	279,228,243	440,800,000	269,535,477	114,040,728	42.31
Water, Environment and Natural Resource	**391,007,109**	**295,933,459**	**513,523,237**	**690,341,059**	**174,053,434**	**25.21**
Recurrent	19,966,599	31,573,069	64,023,237	49,148,558	48,253,924	98.18
Development	371,040,510	264,360,390	449,500,000	641,192,501	125,799,510	19.62
Public Service and Administration	**5,999,637,891**	**6,257,748,344**	**6,909,551,595**	**6,833,740,134**	**6,434,223,779**	**94.15**

DEPARTMENT	Actual		Budget	Revised Budget	Actual	Absorption rate(%)
	2021/2022	2022/23	2023/2024			
	KES	KES	KES			
Recurrent	5,826,270,822	6,201,131,895	6,719,551,595	6,692,075,000	6,354,627,462	94.96
Development	173,367,069	56,616,439	190,000,000	141,665,134	79,596,316	56.19
Office of the Governor	**181,108,983**	**292,908,393**	**385,352,421**	**538,254,117**	**510,570,052**	**94.85**
Recurrent	181,108,983	288,171,575	371,352,421	523,973,406	510,245,142	97.37
Development	0	4,736,818	14,000,000	14,280,711	324,910	2.28
County Treasury	**362,210,406**	**847,393,598**	**680,936,559**	**1,006,519,595**	**1,000,657,211**	**99.41**
Recurrent	330,162,390	621,417,687	528,936,559	842,519,595	842,478,930	99.99
Development	32,048,016	225,975,911	152,000,000	164,000,000	158,178,281	96.45
County Public Service Board	**19,247,667**	**32,473,616**	**30,000,000**	**17,441,463**	**15,973,406**	**91.58**
Recurrent	19,247,667	32,473,616	30,000,000	17,441,463	15,973,406	91.58

DEPARTMENT		Actual	Budget	Revised Budget	Actual	Absorption rate(%)
	2021/2022	2022/23	2023/2024			
	KES	KES			KES	
ICT, E-government & Communication	**59,021,531**	**71,918,152**	**180,000,000**	**121,784,798**	**87,312,409**	**71.69**
Recurrent	14,685,613	26,530,941	35,000,000	31,862,420	30,738,562	96.47
Development	44,335,918	45,387,211	145,000,000	89,922,378	56,573,847	62.91

Source: The County Treasury-CBROP 2024

2.7 Major Programmes and Projects implemented in the period 2021/22 – 2023/24

2.6.1 Agriculture, Livestock, Fisheries and Cooperatives

Achievements

- Increased in number of farm inputs supplied
- Procured and distributed 359,882 bags of 25kgs Planting fertilizer
- Procured and distributed 359,988 bags of 25kgs Topdressing fertilizer
- Procured and distributed 309280 packets of 2kgs Maize Hybrid seeds
- Increased maize production to 5.6 million bags
- Distributed 6,000 Tissue Cultured banana seedlings
- Procurement and delivery of 390,000 tea seedlings from Tea Research Foundation to promote tea production in the county
- Distributed 24,000 day old chicks to farmer groups through KELCOP
- Distributed 120 beehives to farmers through KELCOP
- Establishment and operationalization of Khwisero Smart dairy farm with 26 bullying heifers
- Establishment and operationalization of Malava Smart dairy farm with 26 bullying heifers
- Initiated construction of Shibinga, Shitoli, Navakholo, Butere and Likuyani Smart dairy farm which are in different stages of completion.
- Establishment of a legume fodder farm as alternative source of dairy animals protein at Likuyani Smart dairy farm
- Establishment of 15 acres of fodder maize at Mumias west
- Acquisition of two shredders and one harmer mill to enhance on animal feed proceeding
- Renovations of Smart dairy farms (Matungu, Bukura, Kabras and Khwisero)
- Fodder diversification in smart dairy farms Purchase of Fish feeds under the subsidy program Ksh.18,000,000
- Constructed new fish ponds and rehabilitated non-operational fish ponds at Ksh.17,000,000
- Purchased Fingerlings for stocking of fish ponds at Ksh.10,000,000
- Purchased Fibre glass boat and Out board engine

Impact

These initiatives have improved County food security and enhanced people’s standards of living. Maize production has increased to 5.6 million bags while milk production has increased by 2 million litres over the same period.

2.6.2 Roads, Public Works and Energy

- A total of 43.05 Km of gravel roads upgraded to bitumen standards and maintained 3km including (7.2Km, Bushiangala - Eregi Road(9.3km), Lumakanda - Mwamba Road(7km) and Otiende Water Access roads(0.34Km)) and ongoing Construction of Matungu - Ogalo Road(9.3km), Ombwaro - Manyulia Road (5.5km), Murrum – Shitirira and Malava –Tumbeni Roads (7.6km), Butali – Malekha(6Km), Ingotse – Navakholo – Chebyusi(11.54km), Harambee- Musamba- Khaunga Bridge(12.5Km) and Lumakanda Manyonyi(7Km), Malaha-Khaunga(8Km), Mumias-Matawa-Indangalasia(10Km) and Mahiakalo-Nyayo Tea Zones- Shikulu Mkt (6.2km)
- Constructed and maintained 1400.8 km and 1085.03 km respectively of gravel roads;
- Constructed 15 bridges and box culverts (Lumakanda bridge, Mutsembi Bridge, Majengo Bridge, Eshirumba Bridge, Mahira Bridge, Fesbeth Bridge, Chitechi Box Culvert, Lairi Box Culvert, Musembe Box Culvert, Musingu1, Musingu2, Petros Nyapora, Chevoso, Mulwanda Box culverts and Mulunyingo box culvert) across the County and Manda, Evihande, Kasaya, Namilimu, Indoli, Chali Kasinde Eluhali, Vihulu - Musingu and Tamanoni are still ongoing;
- Installed 15 high mast floodlights have been erected in various trading centres across the County;
- It has also installed 60 transformers and connected 1670 household to electricity across the county. This has improved trading environment and security.

Impact

Investment in the road sector, where 97% of the County roads are motorable has improved connectivity and accessibility. Moreover, installation of high mast flood lights has increased hours of doing business thus improved household incomes.

2.6.3 Health Services

- In collaboration with Jacaranda Health, equipped various health facilities with assorted medical equipment to improve services;
- Constructed and operationalized Mutaho Dispensary in Ikolomani Sub-County hence reducing the distance to the nearest health facility;
- In collaboration with Jacaranda Health, constructed and operationalized the maternity block at Malava level IV Hospital to improve maternal and child health.
- Established Kakamega County Health Services Fund (KCHSF) to provide legal framework for facilities and public health units to raise, retain and use funds received for delivery of effective and quality health services

- In collaboration with Jacaranda Health, launched and operationalized Lumakanda level IV maternity and pediatric wards.
- Installed the Oxygen generating plant at CGH.
- Increased Community Health Promoters stipend from KES 2,000 to KES 2,500 and enrolled them to NHIF.
- Completed Butere level IV Hospital, theatre at Makunga level IV Hospital, male and pediatric ward at Matete Hospital, morgue at Likuyani Hospital; awaiting equipping and operationalization.
- Constructed pit latrines, waiting bays and renovated various health facilities across the county.

Impact

Infrastructure development has improved access to quality and affordable healthcare services, improved service delivery and reduced maternal and child mortality.

2.6.4 Education Science and Technology

- Constructed 44 classrooms in 14 county polytechnics and further completed the construction of classrooms, pit latrines and installed 5000l water tank in nine (9) county polytechnics; Bunyala Central CP, Itumbu CP, Kisa West CP, Mabanga CP, Bunyala West CP, Indangalasia CP, Mwira CP, Masaba CP, Butsotso Central CP and Butali/Chegulo CP.
- Acquired 7.5 Acres of land for establishment of a new Polytechnic in Bunyala West ward, Shinoyi Shikomari Isumeyia ward and Butali Chegulo ward; and 2.3 Acres of land for establishment of a new Polytechnic in East Wanga ward in Mumias East Subcounty
- Developed and implemented the schemes of service for County Polytechnics' instructors.
- Provided tuition subsidy to all trainees in the 63 County Polytechnics
- Acquired three (3) 32 seaters buses for County Polytechnics.
- Established and operationalized new county polytechnic at Butali Chegulo CP
- Provided tuition subsidy to all trainees in the 66 County Polytechnics
- Provide ATVET training to 600 Students
- Completed construction of 48 ECDE Centres and more 15 ECDE Centres; Lubambo ECDE, Mutaho ECDE, Eshibinga, Eshirotsa, Eshirali, Khwisero, Siyombe, Eshiyenga, Musidi, Mukhonje, Panpaper ECDE, Chenjeni ECDE, St. Christopher Nyapora ECDE, Koyonzo ECDE, Emurabe ECDE

- Developed schemes of service for ECDE Teachers;
- Provided tuition subsidy to all children in 916 ECDE centres
- Acquired and distributed 22,044 and 3,340 child-friendly chairs and tables respectively to 334 ECDE Centres;
- Nzoia CP supplied 78 tables and 624 chairs to ECDE Centres.
- Developed and implemented a Scheme of service for all ECDE Teachers;
- Renovated 6 ECDE Centres; Mutoto ECDE, Shisasari ECDE, Eshiruli ECDE Centre, Shanderema ECDE Centre, Ebubala ECDE Centre and Mukhweya ECDE Centre.
- Implemented Schemes of service for ECDE Teachers;
- Provided tuition subsidy of Kshs 59,500,000 to all children in 925 public ECDE Centres.
- Completed construction of 4 Centres of Excellence (Electrical and Plumbing Works);
- Undergraduate HELB Scheme disbursed funds to 1,743 students while Afya Elimu Fund disbursed to 517 students;
- County Education Scholarship Scheme benefited 84 students; 72 students ongoing and 12 student new recruits studying in both local and international universities.
- Disbursed bursaries worth Kshs 120 million in FY 2021/22, 120M in FY 2022/23 and 240M in FY 2023/2024

Impact

There has been improved access to quality education and training in all learning institutions in the County witnessed through increased enrolment.

2.6.5 Trade Industrialization and Tourism

- Constructed Dudi, Kipkaren, and Bukura Markets and ongoing construction of Lidambitsa, Shiatsala, Bungasi, Koyonzo and Shibinga open air markets. Renovation of Harambee and Shanda market ongoing
- Constructed, Khuqueen, Khumukwea, Shibuli, Ivihiga, Shikoti, Malaha and Ingavira, Sabatia, Khwisero, Ejinja, Nangili, Sango, ablution blocks.
- Constructed Koyonzo and Shinyalu stock rings with Kipkaren Ongoing
- Operationalized 22 market committees

- Renovated Butere Market and meter separation of Shianda Market.
- Completed construction of 40 boda-boda sheds and 2 pit latrines on markets.
- Successfully held Kakamega SME exhibitions in 2023 & 2024
- Verified 4000 traders weighing and measuring equipment in the county
- Calibrated the county weights and measuring working standards
- Kakamega County Microfinance Corporation disbursed Kes. 57,740,000 loans and recovered Kes 88M earning interest of 2,165,230
- Developed Electronic Loan Management System to enhance efficiency of loan management
- Designated and gazetted five heritage sites (Nabongo Shrines, Ikhongo Murwi, Mawe tatu, Misango Hills, Mugai stones and caves and Kambiri hills) to promote tourism;
- Organized tourism promotion and marketing events including Churchill Live Experience
- Established digital tourism marketing 'Manya Ingo' platform
- Organized three (3) day Kenya Cultural Tourism and Food Conference, Festival and Expo from the 16th - 18th March 2023 at Bukhungu Stadium in Kakamega town.
- Developed Kakamega County Tourism Information Centre website as an avenue to enhance marketing and information dissemination.
- Mapped and documented tourism attraction sites and facilities
- Prepared a Master Plan for the Industrial Park
- Construction of County Aggregation and Industrial Park (CAIP) has been initiated in Likuyani
- Ongoing construction of Malava Dairy Factory.

Impact

The County initiatives have improved access to better business environment and improved incomes and revenues.

2.6.6 Water, Environment, Natural Resources and Climate Change

- Drilled and equipped the following boreholes, Musamba Primary, Muhomo Primary, Chevoso dispensary, Chombeli Primary, Shianda Market, Ingavira Market, Kimang"eti Girls, Samitsi Market, Shamiloli Primary, Mukulusu Primary, Kilimani Girls, Ebululwe Church, Emukoye Girls, Ebukhokoro Primary, Makunga Health Center, Bulimbo Girls, Wanga TVC, among others.
- Operationalized Musembe Dam water Project;
- Implemented the last mile connectivity programme dubbed Amatsi Khumuliango where 7,450 households were connected;

- Protected 500 springs:
- Rehabilitated and augmented Ogalo, Nyapora, Misango, Imalava, Kuvasali, Matunda, Kilimani, Etenje, Samitsi, Marenyo, Handidi and Musembe Health Centre water projects, among others.
- Solarized over 20 including Kongoni, Nangili, Makunga Health Centre, Eshisiru, Khwisero Girls, Munami Primary, Mabole, Eshimukoko Health Centre, Kholera, Makhokho, Emakale, Emasiba, Shamiloli, Shianda Market in Malava, Shianda Spring in Mumias East, Chekalini, Bendera, Kilimani Girls, Ogalo, Handidi, Lubao, Bukura Market and Mukulusu, among others
- Completed construction of the following water projects i.e., Chekalini, Bendera, Emukoye, Mutaho/Shanavunga, Emahongoyo, Shamiloli, Bukura Ekaponje, Eshikholobe and Iranda dispensary among others.
- Supplied pipes and fittings for the last mile water connectivity in all the 12 Sub-Counties.
- Enhanced efficiency of KACWASCO as a water service provider through reduction of None Revenue Water (NRW) operating scheme in Kakamega, Mumias, Shinyalu, Butere, Navakholo, Malava and Lugari serving 33,936 households.
- Operationalized Kakamega County Rural Water and Sanitation Company (KACRWASCO) serving 2,672 households;
- Completed transformative water supply schemes including Lwakhupa in Navakholo, Lumino Dam in Lugari and in partnership with Kenya Red Cross, constructed Misango hills water supply project in Khwisero.
- Established and operationalized Climate Change Unit and Governance Structure ensuring climate resilience at the grassroots;
- Implemented Climate Change Projects through Financing Locally Led Climate Actions (FLLoCA) across the 60 Wards;
- Conducted Ward Based Participatory Climate Risk Assessment that culminated in development of County Climate Change Action Plan;
- Installed Automatic Agro-Meteorological weather station in Matungu and Likuyani Sub-Counties to enhance collection and dissemination of accurate tailor-made climate information to the residents;
- Collaborated with partners to rehabilitate degraded landscape by planting 50,000 tree seedlings in the county in sites such as Shikusa Block, Nyayo tea zone, Misango Hills and public institutions;
- Established 5 modern tree nurseries in Lurambi, Khwisero, Shinyalu, Lugari and Navakholo Sub Counties to support afforestation and re-afforestation of degraded landscapes.
- Established an environmental demonstration plot for Ex-Situ biological diversity conservation at Bukura Agricultural Training Center.
- Planted 1.5million tree seedlings under the County Greening Program in a bid to increase the County tree cover.

- Completed installation of a Digital Billboard at Bukhungu Stadium to support dissemination of weather and climate information.
- Established an Organic Fertilizer Plant in Mumias West Sub-County to address waste management in the County in collaboration with Regen Organics under a Public Private Partnership arrangement.
- Erected an electric perimeter fence covering 17 km around Kakamega Forest to regulate access to forest products, promote natural regeneration of degraded landscape and restore ecological, socio-economic and cultural impacts of the natural treasure to both the environment and people. Phase II of the project covering 25km is ongoing.

Impact

The initiatives of the Sector have led to a clean and secure environment, reduced prevalence of waterborne diseases and improved access to clean and safe water.

2.6.7 Social Services, Youth and Sports

- Constructed 1,440 shelter units for the vulnerable people in the county;
- Constructed Bukhungu Stadium Phase II up to 51% level of completion;
- Supported 470 persons with disability with assistive devices and food stuff;
- Established and hosted Youth Kikao, an annual event enhancing good governance and participatory planning and development;
- Completed and operationalized a Gender Based Violence (GBV) Centre in Shinyalu and initiated construction of a similar centre at Chekalini in Lugari Sub County;
- Reintegrated over 134 teen mothers into secondary schools and TVETs;
- Decreased teen pregnancies in Kakamega County from 14,000 in 2022 to the current 9,200;
- Completed upgrading of 14 sports fields including Solyo, Mukumu, Emanani, St Teresa Primary, Pan Paper, Navakholo, Khwisero,Lumakanda,Khayega,Mung'ang'a,Musanda, Kakamega High,Bumwende and Matete Sports Fields;
- Digitized and documented indigenous knowledge of the various communities in Kakamega County.
- Stocked Lusumu and Kakamega Public library with assorted books to enhance the
- reading culture of culture;
- Promoting the County's rich cultural heritage as exhibited in music, dance and other performance arts at the National level as well as facilitating the Governor's Gala. Kakamega County is the reigning Champion of Kenya Music and Cultural Festival, having won the title since inception of devolution (from 2014).
- Enhanced National cohesion through hosting and participation in Kenya Inter-County Sports and Cultural Association games (KICOSCA).

- Empowered 3,600 Women and 1,800 Youth in the County Youth Service and Women Empowerment Programme;
- Renovated Mumias Cultural centre
- Constructed Khayega Art Gallery, Eshimuli Shrines Administration Block and Shinyalu Gender based Violence Rescue Center
- Developed the County Youth, Children's and Social protection Policies
- Trained 1,200 bodaboda riders and issued them with road safety riding safety gears and driving licenses.

Impact

The County has improved the socio-economic situation of the disadvantaged members of the society, promoted social cohesion and enhanced the participation of youths in development activities and nurtured talents.

2.6.8 Lands, Housing, Urban Areas and Physical Planning

- Renovated and fenced houses in Mudiri (6) and Malava (10)
- Completed the Mumias Economic Stimulus Project (ESP) market and renovated Mumias Modern market
- Completed drainage works in the central business district in Mumias municipality;
- Completed construction of Mumias Modern Bus Park
- Landscaped and rehabilitated Ambwere Junction -Bukhungu- Keere Road and Associated works in Kakamega Municipality
- Constructed 1.6Km of Non-Motorized Transport from central business district to Mumias Level IV hospital in Mumias Municipality
- Fenced and maintained Rosterman dumpsite
- Completed construction of Sichirai Market.
- Preparation of valuation roll is on-going at 98%
- Constructed 40 stalls in Masingo Market in Kakamega Municipality
- Prepared the County Housing Policy, valuation for rating bill and County Estaste Management regulations
- Surveyed Barma in Khwisero vitokho and malaha market in Navakholo, Lunza and Butere market in Butere Matunda in Likuyani, Mautuma in Lugari, Shinyalu market in Shinyalu, Musanda market in Mumias West and Bukura market in Lurambi
- Calibrated survey equipment

Impact

These initiatives have improved the business environment, hygiene and town planning.

2.6.9 Public Service and County Administration

- Constructed one Ward Office – Shinoyi/Shikomari/Esumeiya ward office
- Renovated Liaison Office in Nairobi
- Refurbished County HQ offices- (Governor's Office, Cabinet Secretariat, CCTV, Political and Economic Advisor`s Offices)
- Fenced six (6) ward offices- Isukha East, Kisa West, Lubinu/Lusheya, Idakho North, Lwandeti and Shirugu/Mugai Wards.
- Organized 94 awareness forums on effects of alcohol and drug abuse across the County.
- Coordinated 73 public participation meetings/forums across the county
- Constructed Amalemba Bridge and filling of Eshirembe gulley (Emergency)
- Constructed Lutasio Bridge in Matungu Sub County
- Installed lifts at the new County HQ Annex
- Refurbished Old County HQs building and two sub-County offices (Shinyalu & Malava)
- Operationalized Community Area Councils across the 400 Community Areas.
- Constructed 10 collapsed bridges due to floods and installed 1 high mast flood light at Kaburengu under Disaster Fund.
- Completed and operationalized Likuyani Sub-County Administration Office
- Purchased modern Fire Engine
- Completed and operationalized County Northern Region Office
- Completed and operationalized Bunyala West Ward Office
- Refurbished Shinyalu Sub County Office and the County Administration Office

Impact

Establishment of devolved administrative structures has improved access to government services whereas strengthening the Disaster Unit ensured timely response to disasters and emergencies.

2.6.10 Finance and Economic Planning

- Established automated assets and liabilities information system that has enabled management of County assets and liabilities;
- Operationalized e-Procurement system and achieved 95% payments through IFMIS thus enhanced transparency and accountability;
- Improved audit reports from adverse to qualified by strengthening internal control systems;
- Prepared County economic and budgeting policy documents as per the set timelines (CIDP, Sectoral plans,

CADP, CBROP, CFSP, MTEF)

- Generated a report on agricultural investment promotion for 3 priority crops (Sunflower, Avocado and Upland Rice) in the county in partnership with Japan International Co-operation Agency(JICA)
- Partnered with USAID Kenya investment mechanism to develop a resource mobilization and investment promotion strategy
- In collaboration with USAID facilitated setting up of an organic Fertilizer factory- Sanergy Collaborative (Regen Organics)
- Held the first International Investment conference (KaIICO 2024)

- Acquired an Integrated Revenue Management System that has minimized leakages and eased reconciliations.
- Improved collection of own source revenue from KES 1.335 billion in FY 2022/2023 to KES 1.349 billion in FY 2023/2024

Impact

There have been improvements in financial management, timely implementation of county plans, enhanced revenue collection, and promoted Kakamega as an investment destination.

2.6.11 ICT, e-Government and Communication

- Developed and operationalized three e-Government Portals; an Integrated Revenue Management System, Recruitment Web Portal and Supplier Management System
- Established the production studio at the County headquarters to support production of local content;
- Redesigned and upgraded Local Area Network (LAN) at the County Headquarters.
- Improved internet connectivity by increasing bandwidth at the County Headquarters from 40Mbps to 50Mbps and Sahajanand and Kotecha office buildings from 30Mbps to 40Mbps respectively

- Installed and configured 69 IP telephones at the county headquarters to enhance communication.
- Acquired an e-Board Management System which automated all cabinet meetings. Installed Local Area Network in Butere, Lugari, Public Works and Governor's offices to provide comprehensive telecommunication infrastructure that will serve a wide range of users;
- Developed a public participation portal which will provide a user-friendly platform for citizens to submit feedback, suggestions, complains and requests related to County affairs;
- Revamped the production studio at the County headquarters to support production of local content and cut on production cost of County Documentaries.

Impact

Improved efficiency and effectiveness in service delivery through timely information dissemination and enhanced County visibility

2.6.12 Office of the Governor

- Conducted 61 public participation forums with stakeholders across the county;
- Renovated Butere, Lugari and Sahajanand audit offices to support audit services
- Constructed and equipped Governor's northern region office in Lugari;
- Drafted a total of 86 bills, out of which 47 have been enacted by the county assembly and 32 MOUs have been signed to improve effectiveness of governance processes;
- Acquired and operationalized the Electronic County Integrated Project Management System (ECIPMS) to support real time monitoring and tracking of project progress;
- Equipped a County Court to handle cases relating to violations of County laws;
- Furnished Governors, Deputy Governors, County Secretary, Deputy County Secretary and Cabinet Secretariat
- Refurbished Audit Offices in Lugari and Butere.
- Established and operationalized County Call Centre

Impact

There has been proper coordination and smooth implementation of county projects and programmes while enacted legislations and developed regulations have provided a legal framework for operationalization of county functions.

2.6.13 County Public Service Board

- Recruited staff for the County eg KCRA and health Services
- Promoted staff
- Verified academic and professional certificates for officers in job group Q and R
- Sensitized staff on National Values and principles of Governance and County Disciplinary procedures/processes
- Sensitized Kakamega County Polytechnic Students on AGPO and employment opportunities
- Reviewed the organization structures for the departments of Health Services, Agriculture and Social Services.
- Renewed the contracts of 243 UHC Personnel and Data Clerks at Imarisha Afya ya Mama na Mtoto programme;
- Recruited 944 Agri- prenuers for the department of Agriculture and 3000 Service men and women and 36 CYWEP Programme Officers for department of Social Services under delegated authority

Impact

Recruitment of staff has enhanced service delivery

2.7 Implementation of FY 2023/24 Budget and Emerging Fiscal Challenges

The implementation of the budget for FY 2023/24 started smoothly despite uncertainty in disbursement of funds from the National government. Most expenditure during the first quarter was majorly recurrent in nature with employee cost taking a bigger percentage and emphasis placed on completion of ongoing projects and payment of pending bills. Political interference in projects affected the implementation of the budget.

Revenue collection in FY 2024/25 is showing a significant increase from a similar period in the FY 2023/24. Data provided by KCRA for the half year of the FY 2024/25 indicates that the County Government was able to collect KES 538 million as compared to KES 302 million collected during the same period in the FY 2023/24. This represents a growth of KES 236 million (78 per cent) that can be attributed to;

- Establishment of plan approval committees at the sub-county level which streamlined the approval processes thus enhancing plan approval collection
- Introduction of daily barter collections in some markets enhanced barter collections
- Recruitment of county marshals strengthened revenue enforcement

Some of the notable challenges faced in the implementation of the County Projects and programs included;

- High expectation from the public for development;
- Ballooning wage bill which limits funds meant for development;
- Delays in disbursement of funds from the National government;
- Constrained financial resources;
- Low own source revenue collection;
- Inadequate policy and legal framework;
- Inadequate technical staff;

2.8 Revised budgets

Budget implementation for the first half of the financial year 2023/24 faced several challenges key among them; delays in exchequer releases by the National treasury, continued additional expenditure demands from Departments and low own source revenue collections.

In view of the financial constraints, a supplementary budget for FY 2023/24 reflecting these changes was prepared and approved by the County Assembly. The County Government will continue to rationalize and re-prioritize development and operational expenditures in order to spend within the budget.

2.9 Risks to the outlook

The county government has faced a number of difficulties as a result of the decentralized systems to improve service delivery at the grassroots level. Expenditure challenges have persisted due to operational demands from all county departments and salary demands for Public Service & Administration. By reducing funds for capital expenditures, the high wage bill threatens the medium-term viability of the 2024/2025 budget. Besides, the withdrawal of the national finance bill 2024/2025, the county government had to cut some of its critical expenditure areas due to constrained budget.

The County Government will take the necessary steps, such as rationalizing the budget, to safeguard economic stability and respond to its consequences appropriately on the fiscal outlook.

FISCAL POLICY AND BUDGET FRAMEWORK

3.1 Overview

The County Fiscal Strategy Paper 2025/26 and over the Medium-Term period is aimed at supporting a sustainably wealthy and vibrant County by providing high quality services to improve the lives and livelihoods of its residents of Kakamega. The County Government will pursue prudent fiscal policies to ensure economic growth and development across all sectors. In addition, these policies will provide platform for overseeing vibrant economic activities while sustaining a smooth implementation of county projects and Programs. Adhering to these policies will therefore, enhance local revenue collection which will ensure adequate resources for capital investments.

In respect to local revenue generation, the County Government is working towards instituting corrective measures aimed at enhancing revenue collection, reduction in leakages and improved timely reporting of the Revenue Agency. The agency is responsible for efficient and effective revenue collections, enforcement of local revenue laws and regulations, continued automation of revenue collection systems and expansion of revenue streams as well as undertaking sensitization and education of the public on revenue matters. To realize this agency has been working on optimal utilization of the cashless revenue collection system, implementation of the Facility Implementation Fund, increasing and increasing the human resource capacity

3.2Legal Framework

The Budget process is provided for in the legal framework including but not limited to The Constitution of Kenya, The County Government Act, 2012 and the Public Finance Management Act, 2012. The processes require collaboration with all stakeholders to ensure harmony in the operation of the County Governments and also boost the inter and intra government relations.

3.3Adherence to Fiscal Responsibility Principles

To achieve sustainable development and growth, the County Government is required to meet its fiscal targets. This is made possible by strict adherence to fiscal responsibility principles. These policies will aim at rationalizing allocation of more resources from recurrent to Capital and Development Programs so as to promote sustainable and inclusive economic growth.

The fiscal responsibility principles to be observed include;

- Over the medium term, a minimum of 30% of the County Government budget shall be allocated to development expenditure;
- The County Government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the County Government revenue as prescribed by the Public Finance Management Act (PFMA 2012). This is a challenging fiscal principle as the county is faced with a huge wage bill without equivalent corresponding revenue that supports cash flow to meet this requirement. The wage bill stands at 45.77 % which excludes the County Assembly.
- The County Government will prepare a balanced budget where the expenditure estimates will be equal to the total revenue resource. This will help in avoiding instances of deficit financing thus eliminating the occurrence of pending bills at the end of each financial year.
- Borrowing shall be used for capital and development estimates only. While the County desires to borrow in future to fund its development agenda, this will be determined by the framework being developed by the National Government in consultation with the County Governments.

3.4Fiscal structural reforms

The County Government aims to widen the revenue base by reviewing the relevant revenue legislations in order to improve revenue raising measures and efficiency. In order to achieve this objective, the County Government has strengthened the Kakamega County Revenue Agency by acquiring and operationalizing the Integrated Revenue Management System, implementation of the Facility Improvement Fund and recruitment of staff on permanent and pensionable terms.

Over the medium term, the County Government will rationalize its expenditure with an aim to reduce wastage. This will be done by ensuring there is improved transparency and accountability among the accounting officers. The on-going fiscal structural reforms will eliminate duplication and enhance efficiency.

The County Government will also strive to ensure there is efficient and effective execution of the budget. This will be made possible through expenditure tracking and taking corrective measures on any deviations and instilling strong internal controls. To achieve value for money, there is need to strengthen the audit functions through continuous review of internal and external risks and periodic monitoring and evaluation of projects and programmes.

3.5Deficit Financing Policy

The County Government intends to borrow from domestic and external sources for capital investments based on the framework developed by the National Treasury. Borrowing will be undertaken upon careful and critical analysis of the financial position and capability of the County Government in repaying the debts.

3.6Expenditure Forecasts

As required by the Public Finance Management Act, 2012 on fiscal responsibility principles, the County Government will prepare a balanced budget where expenditure is equivalent to revenue projections. The County Government expects overall expenditure estimates to remain almost the same as the budget for FY 2025/26 that shall incorporate the revised own source revenue generation targets.

Expenditure ceilings on goods and services for County Departments are based on the County priorities extracted from the CIDP 2023-2027 and the County Annual Development Plan 2025-2026. The ceilings are also adjusted based on expenditure trends and the County Government priority programs within the spending units. Inflation which affects the expenditure trends has been put into consideration. An Emergency Fund of KES 100 Million will be set aside to cater for any emergency cases that may arise during the FY 2025/26 in accordance to the PFM Act 2012.

3.7The FY 2025/2026 Budget framework

The FY2025/26 budget framework is prepared in consideration of the macro-fiscal framework. The economic growth is estimated to have slowed down to 4.6 percent in 2024 from a growth of 5.6 percent in 2023 reflecting deceleration of economic activities in the first three quarters of 2024 and the slowdown in private sector credit growth to key sectors of the economy. Growth is expected to pick up to 5.3 percent in 2025 and retain the same momentum over the medium term largely driven by: enhanced agricultural productivity; resilient services sector, and ongoing implementation of priorities under BETA.

MEDIUM-TERM EXPENDITURE FRAMEWORK

4.1. Division of Revenue Raised Nationally

Based on the Budget Policy Statement (BPS, 2025), the estimated ordinary revenue by the National Government in the FY 2025/26 is KES 3,018.80 billion. In this paper the National Treasury has proposed to allocate to County Governments KES 405.07 billion as their equitable share of revenue raised nationally.

4.2. County Governments Allocation

The BPS, (2025) proposes that the equitable share of revenue is KES 405.07 billion. This revenue is shared among County Governments based on the fourth basis formula recommended by the Commission on Revenue Allocation in January, 2025. The formula takes into account the following parameters; (i) Population (42%); (ii) Equal Share (22%); (iii) Geographical Size (9%); (iv) Poverty (14%); (v) Per Capita Income Distance (13%)

The allocation to County Governments' equitable revenue share of KES 405.07 billion in FY 2025/26 is informed by the following prevailing circumstances:

- Trends in the performance of revenue (this was taken into consideration in determining the Ksh 17.64 billion increases in equitable share of revenue in FY2025/26);
- Increased expenditures for National Government for purposes of debt servicing coupled with a weakened shilling against the dollar;
- The Government commitment to implement a fiscal consolidation plan targeting to reduce the fiscal deficit to 3.8 percent of GDP in FY 2025/26. This is designed to slow down accumulation of public debt, improve primary surplus thereby achieve fiscal sustainability;
- Financing constraints due to limited access to finance in the domestic and international financial markets; and
- The National Government continues to solely bear shortfalls in revenue in any given financial year whereas the County Governments continue to receive their full allocation despite the budget cuts affecting the national government.

The above proposed equitable share for FY 2025/26 of Ksh 405.07 billion is equivalent to 25.79 percent of the last audited and approved actual revenues raised nationally of Ksh 1,570,563 million for FY 2020/21 pursuant to Article 203(3) of the Constitution.

4.3. Additional Allocations

In the County Governments Additional Allocations Bill (CGAAB), 2025, for FY 2025/26, the National Treasury proposes to allocate a total of KES 67.97 billion as additional allocations (Conditional and Unconditional). KES 12.89 billion will be financed from the National Government's share of revenue, and KES 55.07 billion will be additional allocations from proceeds of loans and grants from development partners as detailed in Table 9.

Table 9: Additional Allocation to County Governments

S/NO	Project Description	Amount in Ksh
	I. Additional Allocations Financed from National Governemnts Share of Revenue	
1	Unconditional Additional Allocations from Court fines	11,519,280
2	Unconditional Additional Allocationsfrom 20% Share of Mineral Royalties to County	2,934,923,148
	TOTAL	**2,946,442,428**
	II. Additional Allocations Financed from National Governemnts Share of Revenue	
1	Conditional Grant for Payment of Outstanding Basic Salary Arrears for County Government Health Workers	1,759,101,729
2	Conditional Grant for Community Health Promoters	3,234,930,000
3	Conditional Grant to Supplement Construction of County Headquarters	454,000,000
4	Conditional Grant for County Aggregation and Industrial Parks (CAIPs) Programme	4,500,000,000
	TOTAL	**9,948,031,729**
	III. Additional Conditional Allocations Financed from proceeds of loans and grants from Development Partners	
1	IFAD - Aquaculture Business Development Programme (ABDP)	200,000,000
2	IDA (World Bank) - Financing Locally- Led Climate Action Program-County Climate Institutional Support (FLLOCA-CCIS)	121,000,000
3	IDA (World Bank) - Financing Locally- Led Climate Action Program-County Climate Resilience Investment (FLLOCA-CCRI)	6,187,500,000
4	IDA (World Bank) - Financing Locally- Led Climate Action Program-County Climate Resilience Investment (FLLOCA- CCRI)	1,200,000,000
5	IDA (World Bank) - Food Systems Resilience Project (FSRP)	3,200,000,000
6	KfW - Drought Resilience Programme in Northern Kenya (DRPNK)	1,276,654,208
7	IDA (World Bank) - Second Kenya Devolution Support Program - Institutional Grant (Level 1 Grant) (KDSP)	1,762,500,000
8	IDA (World Bank) - Second Kenya Devolution Support Program - Service Delivery and Investment Grant (Level 2 Grant) (KDSP)	13,042,500,000
9	IFAD - Kenya Livestock Commercialization Project (KeLCoP)	634,500,000
10	IDA (World Bank) - Second Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG)	10,325,754,660
11	IDA (World Bank) - Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UIG)	1,300,000,000
12	Kenya Water, Sanitation and Hygiene (K-WASH) Programme	4,607,526,599
13	IDA (World Bank) - National Agricultural Value Chain Development Project (NAVCDP)	7,700,000,000
14	DANIDA - Primary Health Care in Devolved Context (PHDC)	510,000,000
15	IDA (World Bank) - Water and Sanitation Development Project (WSDP)	3,000,000,000
	TOTAL	**55,067,935,467**
	GRAND TOTAL	**67,962,409,623**

Source: *Budget Policy Statement, 2024*

4.4. Kakamega County Resource Envelope

The resource envelope available for allocation among the spending entities is based on the updated Medium-Term Fiscal Framework which is outlined in Section IV and the Budget Policy Statement (2025) by the National Treasury. In view of the continued pressure that arise from wage bill and limited resources, MTEF budgeting will focus on adjusting expenditures to cater for the priority sectors.

Financing of County Government budget revolve around two main sources namely; transfers from the National Government and own source revenue. The shareable revenue transfers will account for 76.57 per cent of the expenditure priorities in the budget, 12.41 per cent will be financed from own revenue sources, 4.52 per cent from conditional grants while 6.50 per cent will be financed by the balance brought forward. The resource envelope estimates of **KES 17,734,302,952** will comprise of **KES 13,579,038,225** equitable shareable revenue, **KES 802,425,312** conditional grants and **KES 2,200,000,000** as own source revenue. The unspent balance from FY 2024/25 is estimated to be **KES 1,152,839,415** as presented in table 10.

The County also envisages additional resources from donor funding and National Government additional allocation grants. This has not been captured in the Budget since the respective bills are yet to be assented to.

Table 10: Revenue resource envelope

Revenue source	Approved Budget Estimates		Revised Estimates	Forecast		
	2023/24	2024/25	2024/25	2025/26	2026/27	2027/28
	KES	KES	KES	KES	KES	KES
Own sources	2,200,000,000	2,200,000,000	2,200,000,000	2,200,000,000	2,400,000,000	2,400,000,000
Balance brought forward – Equitable Share	1,196,000,000	752,266,374	1,152,839,415	1,152,839,415	1,152,839,415	1,152,839,415

Revenue source	Approved Budget Estimates		Revised Estimates	Forecast		
	2023/24	2024/25	2024/25	2025/26	2026/27	2027/28
Conditional grants	133,900,169	303,132,837	1,152,425,312	802,425,312	802,425,312	802,425,312
Total equitable share	12,917,304,053	12,912,646,262	13,105,736,766	13,579,038,225	13,579,038,225	13,579,038,225
TOTAL REVENUE	**14,954,812,629**	**16,313,304,053**	**15,864,912,636**	**17,734,302,952**	**17,934,302,952**	**17,934,302,952**

Source: *BPS (2024)*

4.5. Spending Priorities for FY 2025/26 – FY 2027/28 MTEF Budget

The County government expenditure will focus on the following key priority areas;

i) Access to quality health, water and sanitation;
ii) Promote wealth creation and infrastructural development;
iii) Modernize and commercialize agriculture towards achieving food and nutrition security;
iv) Improve education standards;
v) Social Development to empower communities;
vi) Promote Good Governance

4.6. Medium Term Expenditure Estimates

Table 11 gives the departmental total ceiling and guidance on resource allocation. Annex 1 and 2 provides provision for both recurrent and development estimates. This information will guide County Departments to adjust their budgets within their overall total ceiling.

4.7. Proposed Expenditure by Economic Classification

In FY 2025/2026, overall expenditure is projected to be the same as revenue projection in order to achieve a balanced budget pursuant to the fiscal responsibility principles (KES 17.73Billion) which is a slight decrease from the approved estimate of KES **17.86** Billion in the FY 2024/25 budget.

Recurrent expenditure has increased due to increase in salaries and wages as a result of yearly increment, new hiring and promotions of personnel in the County government. Out of the total budget estimate of KES. **17.73** billion, development budget proportion is **31.71** per cent.

Table 11: Baseline Ceilings for FY 2024/25 – 2026/27

Department	**Approved Budget**	**Revised Budget**	**Approved Budget**	**Expenditure Forecast**		
	2023/2024	**2023/2024**	**2024/2025**	**2025/2026**	**2026/2027**	**2027/2028**
	KES	**KES**	**KES**	**KES**	**KES**	**KES**
County Assembly	**1,400,821,103**	**1,400,821,103**	**1,482,723,167**	**1,277,560,747**	**1,482,723,167**	**1,482,723,167**

Department	Approved Budget	Revised Budget	Approved Budget	Expenditure Forecast		
	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	KES	KES	KES	KES	KES	KES
Recurrent	1,400,821,103	1,400,821,103	1,482,723,167	1,277,560,747	1,482,723,167	1,482,723,167
Development	0	0	-	-	-	-
Agriculture, Livestock, Fisheries and Co-operatives	**1,380,045,626**	**1,041,216,636**	**941,101,196**	**941,101,196**	**941,101,196**	**941,101,196**
Recurrent	157,466,388	92,913,017	95,700,000	95,700,000	95,700,000	95,700,000
Development	1,222,579,238	948,303,619	845,401,196	845,401,196	845,401,196	845,401,196
Health Services	**1,479,343,650**	**1,357,541,502**	**1,847,717,331**	**1,847,717,331**	**1,847,717,331**	**1,847,717,331**
Recurrent	839,443,650	1,058,237,029	1,361,217,331	1,361,217,331	1,361,217,331	1,361,217,331
Development	639,900,000	299,304,473	486,500,000	486,500,000	486,500,000	486,500,000
Education, Science & Technology	**925,975,000**	**658,823,859**	**872,500,000**	**872,500,000**	**872,500,000**	**872,500,000**

Department	Approved Budget	Revised Budget	Approved Budget	Expenditure Forecast		
	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	KES	KES	KES	KES	KES	KES
Recurrent	444,175,000	445,323,113	413,500,000	413,500,000	413,500,000	413,500,000
Development	481,800,000	213,500,746	459,000,000	459,000,000	459,000,000	459,000,000
Roads, Public Works and Energy	**1,342,247,000**	**1,358,774,284**	**1,673,822,499**	**1,582,822,499**	**1,673,822,499**	**1,673,822,499**
Recurrent	33,000,000	28,662,620	48,800,000	48,800,000	48,800,000	48,800,000
Development	1,309,247,000	1,330,111,664	1,625,022,499	1,534,022,499	1,625,022,499	1,625,022,499
Lands, Housing, Urban Areas and Physical Planning	**774,964,627**	**659,612,093**	**675,090,969**	**675,090,969**	**675,090,969**	**675,090,969**
Recurrent	260,000,000	249,092,307	280,350,000	280,350,000	280,350,000	280,350,000
Development	514,964,627	410,519,786	394,740,969	394,740,969	394,740,969	394,740,969
Social Services, Youth & Sports	**1,207,370,000**	**783,351,642**	**837,018,262**	**837,018,262**	**837,018,262**	**837,018,262**

Department	Approved Budget	Revised Budget	Approved Budget	Expenditure Forecast		
	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	KES	KES	KES	KES	KES	KES
Recurrent	446,370,000	414,371,342	424,240,002	424,240,002	424,240,002	424,240,002
Development	761,000,000	368,980,300	412,778,260	412,778,260	412,778,260	412,778,260
Trade, Industrialization & Tourism	**478,700,000**	**318,205,719**	**653,219,298**	**403,219,298**	**653,219,298**	**653,219,298**
Recurrent	37,900,000	48,670,242	48,519,298	48,519,298	48,519,298	48,519,298
Development	440,800,000	269,535,477	604,700,000	354,700,000	604,700,000	604,700,000
Water, Environment and Natural Resources	**513,523,237**	**690,341,059**	**898,734,817**	**848,734,817**	**896,742,854**	**896,742,854**
Recurrent	64,023,237	49,148,558	53,350,000	53,350,000	53,350,000	53,350,000
Development	449,500,000	641,192,501	845,384,817	795,384,817	843,392,854	843,392,854
Public Service and Administration	**6,909,551,595**	**6,833,740,134**	**6,967,812,177**	**7,022,686,909**	**7,042,812,177**	**7,042,812,177**

Department	Approved Budget	Revised Budget	Approved Budget	Expenditure Forecast		
	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	KES	KES	KES	KES	KES	KES
Recurrent	6,719,551,595	6,692,075,000	6,857,312,177	6,912,312,177	6,932,312,177	6,932,312,177
Development	190,000,000	141,665,134	110,500,000	110,374,732	110,500,000	110,500,000
Office of the Governor	**385,352,421**	**538,254,117**	**305,000,000**	**305,000,000**	**305,000,000**	**305,000,000**
Recurrent	371,352,421	523,973,406	295,000,000	295,000,000	295,000,000	295,000,000
Development	14,000,000	14,280,711	10,000,000	10,000,000	10,000,000	10,000,000
Finance and Economic Planning	**680,936,559**	**1,006,519,595**	**556,355,199**	**970,650,924**	**556,355,199**	**556,355,199**
Recurrent	528,936,559	842,519,595	500,355,199	850,355,199	500,355,199	500,355,199
Development	152,000,000	164,000,000	56,000,000	120,295,725	56,000,000	56,000,000
County Public Service Board	**30,000,000**	**17,441,463**	**15,100,000**	**15,100,000**	**15,100,000**	**15,100,000**
Recurrent	30,000,000	17,441,463	15,100,000	15,100,000	15,100,000	15,100,000

Department	Approved Budget	Revised Budget	Approved Budget	Expenditure Forecast		
	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	KES	KES	KES	KES	KES	KES
ICT, E-Government & Communication	**180,000,000**	**121,784,798**	**135,100,000**	**135,100,000**	**135,100,000**	**135,100,000**
Recurrent	35,000,000	31,862,420	35,100,000	35,100,000	35,100,000	35,100,000
Development	145,000,000	89,922,378	100,000,000	100,000,000	100,000,000	100,000,000
Total for the County	**17,688,830,818**	**16,786,428,004**	**17,861,294,915**	**17,734,302,952**	**17,934,302,952**	**17,934,302,952**

Source: County Treasury 2025

4.8. Baseline Ceilings

The baseline estimates reflect the current Departmental spending levels. The Departmental ceilings in table 11 will form the indicative baseline for the FY 2025/26 budget. In the recurrent expenditure category, non–discretionary expenditures take first charge. Compensation of employees for the county overall expenditure should account for a maximum of 35 % of the budget revenues.

Adhering to this principle may not be achieved as there are challenges which affect the County Government in realizing local revenue targets and continued recruitment to cover the gap on capacity which has continually led to increase in county wage bill. During budget implementation, the County will address the issue of low local revenue and staff rationalization.

In this document, the ceilings include; employee cost, operations and development estimates. The employee cost will be centralized in the Department of Public Service and Administration for easier implementation. ***This will be effected in the Appropriation Act of 2025.***

Development expenditures are undertaken on the basis of CIDP 2023 – 2027, County Annual Development Plan 2024-2025, the Governor's Manifesto, Public participation report of February 2024 as well as departmental strategic priorities. The Proposed capital projects will be evaluated in the context of the following elements:

(a) Emphasis will be placed on completion and operationalization of ongoing projects;
(b) Projects that are in compliance with the County Government regulations and priorities as outlined in the County Integrated Development Plan, County Annual Development Plan;
(c) Community needs identified through public participation;
(d) Projects and programmes geared towards wealth and employment creation;
(e) Department strategic needs that contribute greatly in addressing County's socio-economic needs.

The following will also be taken into consideration in order of priorities;

(a) Emerging issues which require much attention in provision of service delivery such as education support programs;

(b) Cross cutting issues and other special programs of importance such as disaster management, youth development, gender, disability and HIV/AIDS;

(c) Implementing County transformative projects that require massive resources in phases such as construction of Bukhungu Stadium, Industrial parks, last mile water connectivity (*Amatsi Khumuliango*), upgrades of roads to bitumen standards and Kakamega Teaching & Referral Hospital.

4.9. Details of Department Priorities -

The MTEF for FY 2025/26- FY 2027/28 period will ensure that there is adequate resource allocation based on program priorities that are aligned to CIDP 2023 – 2027, CADP 2024/25 and Strategic Policy Initiatives that will accelerate economic growth, employment creation and poverty reduction.

The sector development priorities are;

4.9.1. Agriculture, Livestock, Fisheries and Cooperatives Development -

This sector comprises the following: Crop production, Livestock Production, Veterinary Services, Cooperative Development, Irrigation, Fisheries Development, Kakamega Dairy Development Corporation and Bukura ATC.

Vision

The leading innovative, commercially-oriented and modernized agricultural sector.

Mission

To improve the livelihoods of Kakamega County residents through promotion of competitive agricultural production, sustainable livestock and fisheries production, affordable and quality veterinary services provision, growth of a viable cooperative movement and training and adoption of smallholder irrigation that is efficient, sustainable and effective.

Goal of the Sector

To promote and facilitate production of food and agricultural raw materials, ensure food security, promote agro-based industries, agricultural export and sustainable agricultural practice.

Sector Strategic Priorities

i) Increase crop production and productivity
ii) Increase livestock production and productivity
iii) Increase fisheries production and productivity
iv) Enhance Cooperative development/movement.
v) Improve Research, extension and technology uptake
vi) Support market access and market linkages.
vii) Promote sustainable land management and uptake of water for irrigation in water logged farmlands

Agriculture accounts for over 52.3 percent of the total earnings in the county employing over 80% of residents. Multi-Sectoral strategies will be employed to increase productivity and maximize earnings in this sector.

To achieve its objectives the department will implement the following programmes over the medium term.

Programmes to be implemented

Table 12: Programme 1: Agricultural Extension and Research

Sub programme	Projects
Strengthening Agricultural extension services	Establish demonstration centers. Capacity building of farmers and staff through trainings, fields exhibitions and field days/visits Promote agribusiness, Agro-nutrition and environmental conservation and Aquaculture.
Agricultural training Infrastructure development	Construction and renovation of Bukura ATC infrastructure Farm development for training and revenue
Agriculture research liaison and value chains development	Adopt and promote new technologies and innovations in value chains Implement value chain-based programs co-funded by partners (ASDSPII, NAVCDP) Conduct monitoring and evaluation of relevant county projects Development of data management systems Establish laboratory for quality assurance
Agricultural institutional development and Governance	Develop governance structures and legal frameworks for various value chains.

Table 13 : Programme 2: Livestock development

Sub programme	Projects (Investment)
Dairy Development	Animal breeding (A.I., synchronization, embryo transfer) Promotion of pasture and fodder development
KDDC-infrastructure and dairy development	Milk production promotion through distribution of in-calf heifers Completion of construction of Smart Dairy Farms Construction of KDDC headquarters Establishment of pasture and fodder in the SDFs Purchase of breeding stock - pedigree in-calf heifers Provision of dairy feeds and supplements to SDFs
Poultry development	Indigenous chicken for poverty reduction and wealth creation Promotion of alternative poultry feed systems Promotion of poultry products value addition and marketing
Small ruminant (sheep/goats) and non-ruminant (pigs/rabbit) development	Provision of exotic breeding stock (improved pig breeds, dairy bucks/rams) Indigenous small ruminants (goat/sheep) for poverty reduction and wealth creation Promotion of small ruminant (sheep/goats) and non-ruminant (pigs/rabbit) products value addition and marketing
Apiculture development	Provision of apiculture production and handling sets Promotion of hive products value addition and marketing
Livestock disease and pest control	Provision and administration of animal vaccines Provision of solar-run cold chain infrastructure Establishment/rehabilitation and operationalization of cattle dipping infrastructure Provision of essential/emergency veterinary pharmaceuticals, equipment and supplies
Veterinary public health	Provision of animal products inspection tools/equipment/attire and supplies Establish heath holding yards
Leather Development	Establishment of basic suspension drying and bulking infrastructure at ward level
Kenya livestock commercialization project (KeLCoP)	Value chains promotion
Monitoring, Evaluation, Accountability & Learning	Data capturing and analysis infrastructure Evidence capture infrastructure

Table 14 : Programme 3: Smallholder Irrigation and drainage Programme

Sub programme	Projects

Irrigation and drainage infrastructure development	Capacity building of small-holder irrigation farmers Development of Smallholder irrigation and drainage schemes; Establishment of irrigation technologies demonstration plots Operation and Maintenance of existing Irrigation and Drainage Infrastructure in the developed schemes

Table 15 : Programme 4: Cooperative's development

Sub programme	Projects
Governance of cooperatives	Cooperative governance promotion
Support to Cooperatives	Establish cooperative hubs
	Grants to cooperative societies to support value chains development and marketing

Table 16 : Programme 5: Fish Farming Productivity

Sub programme	Projects
Fish Pond Development	Construction of climate proof fish ponds Provision of fish subsidies- (fish feeds, fingerlings, DAP and lime) Provision of fish feeds processing machines Fish gears support
Hatchery Development	Establishment of fish hatcheries
Fish Marketing and value addition	Development of fish buying centers
Riverine and dam fisheries development	Capacity building to management committees Purchase and installation of cages Stocking of dams and rivers

Table 17 : Programme 5: Crop Production and Management services

Sub programme	Projects
Cash crop development	Promotion of tea, coffee, soya beans, macadamia and sugarcane production
Food crop production	Seeds and fertilizers subsidy provision Provision of farm produce storage services Farm mechanization- (Tractor services)
Horticulture promotion and development	Banana production, promotion of fruit trees, floriculture, herbs and spices Construction of greenhouses Promotion of indigenous vegetable production Food safety policy development
Crop pest and disease management	Farmer capacity building, surveillances Purchase of pesticides and equipment

Sub programme	Projects
Soil conservation and management	Farmer capacity building Soil testing

To undertake these programs, the 2025/26 MTEF estimates for the Department are estimated to be **KES 941,101,196**. This comprises of **KES 95,700,000** and **KES 845,401,196** for recurrent operations and development expenditure respectively

4.9.2. Roads, Public Works and Energy

Introduction

This sector comprises of the following sub-sectors: Roads, public works and energy. It is responsible for designs, preparation of bills of quantities, and supervision of construction works which include building and civil engineering works.

Vision

A county with a world class road network that is spurring social-economic development.

Mission

To provide efficient, affordable and reliable Infrastructure, Public works and Energy for sustainable economic growth and development through construction, modernization, rehabilitation and effective management of all infrastructure facilities.

Goal

The Department of Roads, Infrastructure, Public Works and Energy is committed to the development and maintenance of infrastructure and buildings within the County Government of Kakamega for economic and social growth.

Sector priorities

- Road construction and maintenance
- Bridge construction
- Construction of buildings and other public works
- Acquisition and installation of transformers and high mast floodlights
- Connection of electricity to households and public institutions
- Provision of Clean energy
- Supervision of all construction works in the County

Programmes to be implemented

Table 18 : Programme 1: Roads Infrastructure Development

Sub Programmes	Projects
Bitumen roads	Upgrade of roads to bitumen standards Road's maintenance
Gravel roads	Construction of Gravel roads (10 km per ward) Maintenance of major roads Acquisition of Road equipment: Graders, water bowser trucks, bulldozers, excavators, rollers, bed trailers.
Road access and connectivity	Construction of Bridges and Box culverts

Table 19 : Programme 2: Energy Reticulation

Sub programme	Projects
Rural Electrification programme	Electricity supply to households and public institutions Highmast power erection Solar street lighting
Renewable energy	Solarization of Public Institutions Connection of institutions and vulnerable households to solar energy, biogas and clean cooking Connections of households and institutions to alternative energy sources

Table 20 : Programme 3: Public works Management

Sub programme	Projects
Public works management	Completion of material testing lab Construction of mechanical workshop

To undertake these programs, the 2024/25 MTEF estimates for the Department are estimated to be KES **1,582,822,499.** This comprises of KES 48,800,000 and KES 1,534,022,499 for employee costs, recurrent operations and development expenditure respectively.

4.9.3. Health Services

Introduction

This sector comprises of two directorates; Public Health and Medical Services. The vision of the Department is to provide Quality Health Services for all. Its mission is dedicated towards delivering accessible, equitable, efficient health care services through promotive, preventive, curative and rehabilitative health services to all.

As of January 2025, data from the Master Facility List (MFL) shown in the table 20 indicated that the county has 359 health facilities;

Table 21 : Kakamega County Health Facilities

Category of facility	**Number**
Level V Hospital	1
Level IV Hospital	15
Level III Facilities	55
Level II Facilities	123
Private Facilities	137
Faith Based Facilities	24
Non-Governmental Facilities	3
Academic Affiliated Institution	1
Total	**359**

The strategic objectives of the sector are;

- To ensure that there is a good health financing system which can raise adequate funds for health, protect people from financial catastrophe, allocate resources, and purchase goods and services in ways that improve quality, equity, efficiency and mobilization of resources from partners for the provision of enhanced health services.
- To enhance monthly stipend for the CHPs, equip them with modern CHP kits and appropriate data collection equipment and payment of their SHA.
- To ensure comprehensive service delivery in all our Level 4 and 5 facilities through implementation of the FIF Act.
- Complete, equip and operationalize the new Level VI hospital as a premier teaching and referral centre in the region in a bid to promote medical tourism, offer employment and increase revenue collection.
- Construct, renovate, expand and operationalize healthcare infrastructure across the county
- Establish an Integrated Health Information System that shall ensure seamless interconnectivity and interoperability in the various points of service.

- ❖ To ensure adequate number of skilled, motivated, knowledgeable health workers with positive attitude.
- ❖ To improve maternal and child health care;
- ❖ To ensure availability and access to essential health products and technologies and effective management system in all health facilities; and
- ❖ To enhance sanitation and hygiene coverage across the county.
- ❖ To implement the Barasa Care Programme to enhance skilled deliveries, immunization and maternal and child health.

Sector Priorities for MTEF Period 2025/2026 – 2027/2028

Access to affordable and quality health care by County residents will enhance their economic productivity and investment.

Table 22 : Programme 1: Promotion of Curative health services

Sub programme	**Projects (Investment)**
Health Infrastructure Development	Progressive renovation, expansion, completion and operationalization of health facilities across the county. Continuous upgrading of Khwisero, Matete, Makunga and Mumias West level IV Hospitals Completion of Shamakhubu level IV Hospital. Operationalization of mortuaries in Butere and Likuyani level IV Hospitals. Completion and operationalization of stalled health projects from CDF, Ward Fund and former Local Authorities (LATIF). Operationalization of the new Butere Level IV Hospital. Connection of water and electricity in health centers and dispensaries. Construction of pit latrines in health facilities.
Kakamega County Health Services Fund	Progressive implementation of the Health Facilities Improvement Fund (HFIF)
Blood transfusion services	Expansion of blood transfusion centre Establish blood satellite centres
Quality health products and Technology	Purchase and distribution of health commodities to facilities. Construction of commodity storage facilities Equipping of health facilities

Table 23 : Programme 2: Preventive and Promotive Health care services

Sub programme	Projects (Investment)
Disease control	Malaria prevention and control TB and leprosy treatment and management HIV/AIDS control
Maternal and child healthcare promotion	Scale up maternal and childcare services
Family Planning	Promotion of family planning initiatives
Universal health care programme	Promote access to quality and affordable medical care
Nutrition services	Promotion of nutrition services
Community Health strategies	Disease surveillance Hygiene promotion Jigger control and prevention Alcohol and drug abuse prevention Training/sensitization and awareness creation Establish integrated and comprehensive community service implementation
WASH/CLTS (Community Led Total Sanitation)	Certification of Open Defecation Free (ODF) villages Spring protection
Promotion of Immunization Services	Expand immunization coverage
Health education and promotion	Integrated school health education and promotion Increase Proportion of population with knowledge in key health messages
Primary Health Care	Establishment of Primary Care Networks
Gender Based Violence	Capacity building on SGBV
Non-Communicable Diseases	Sensitization, intensified screening and reporting
Anti-microbial Stewardship	Anti-microbial Resistance surveillance
Infection prevention and control	Promotion of infection prevention and control
Health standards and quality assurance	Sensitization, inspection and licensing

Table 24 : Programme 3: General Administrative, Finance and Support Services

Sub program	Projects (Investment)
Monitoring, Evaluation and Research	Trainings, Mentorship, Support supervision, Information products, Reviews of work plans, Project M & E Development and monitoring of AWP, APR, ADP and projects/programmes. Development of policies, laws, regulations and strategies Review of research protocols, maintenance of repository

Sub program	Projects (Investment)
Human Resource management	Recruitment, replacement and promotion of healthcare workers Staff training and grants to medical training centres
Disability mainstreaming	Assess and categorize PWDs for registration Train CUs on Community based rehabilitation modules Assessment of learners with special needs
Health Data and Information Management	Digitization of health facilities Establish Health Enterprise Architecture

To undertake these programs, the 2025/2026 MTEF estimates for the Department are KES 1,847,717,331 comprising of KES 1,321,217,331 and KES 486,500,000 recurrent and development expenditure respectively. Recurrent Operations will be supplemented by Appropriation in Aid.

4.9.4. Education, Science and Technology -

- The MTEF for FY 2025/26 - FY 2027/28 period will ensure that there is adequate resource allocation based on program priorities that are aligned to CIDP 2023 – 2027, CADP 2025/26 and Strategic Policy Initiatives that will accelerate economic growth, employment creation and poverty reduction.

The sector development priorities are;

The Department is made up of three Directorates; County Polytechnics; Early Childhood Development Education (ECDE); and Education Support.

The vision is to be globally competitive in education, training, research and innovation for sustainable development. The mission is to provide, promote, and coordinate quality lifelong education training integration for science & technology and innovation for sustainable development.

Department Priorities

a) To promote access, equity, quality and relevant education and training;
b) To manage vocational training in County vocational training centers;
c) To manage Early Childhood Development Education (ECDE);
d) To strengthen strategic partnerships and linkages in promotion of education in the County.

Programmes to be implemented in the MTEF Period 2025/2026 – 2027/2028

Table 25 : Programme 1: County Polytechnic Improvement

Sub Programme	**Projects**
Polytechnic Tuition Subsidy	Provision of subsidized polytechnic tuition Purchase of polytechnic buses Recruitment of Polytechnic instructors Acquisition of training resources Implementation of ATVET Programme Innovation and skills exhibition
Polytechnic Infrastructure Development	Construction and equipping of polytechnic workshops Construction and equipping ICT Laboratories Construction of 5 No. classrooms, 2 door and 6 door toilets and installation of 5000ltr tank Renovation and completion of county Polytechnics Installation of 3-Phase electricity in County Polytechnics Fencing and installation of Gates in County Polytechnics Acquisition of land for establishment of new and expansion of existing polytechnic centers Acquisition of furniture for established county polytechnics Acquisition of tools and equipment for established county polytechnics

Table 26 : Programme2: Early Childhood Development Education (ECDE)

Sub Programme	Projects
ECDE development	Provision of Tuition Capitation funds to ECDE centers Purchase and implementation of standardized teaching/ learning materials Provision of food to ECDE children Construction of new ECDE Centers including the model centers at regional level Renovation of ECDE centers constructed in Phase I and II Equipping ECDE centers with child friendly chairs and tables; Equipping ECDE centers with ICT equipment Acquisition and installation of assorted outdoor fixed equipment in ECDE centers; Land acquisition for establishment of new ECDE centers

Table 27 : Programme 3: Education Support Programme

Sub Programme	Projects
County Education support	Completion of ongoing projects in primary and secondary schools Provision of County Education Scholarships; Provision of Ward Based Bursary Provision of County Higher Education Loans Board (HELB) Scheme

To undertake these Programmes, the 2025/26 MTEF estimates for the Department are KES 872,500,000, comprising of KES 413,500,000 for operations and maintenance and KES 459,000,000 for development expenditure.

4.9.5. Trade, Industrialization and Tourism –

The Department is composed of the following directorates: trade, industrialization, weight & measures, tourism and one semi- autonomous agency; Kakamega County Microfinance Corporation. It is responsible for formulating and supporting strategies, plans and programs that promote and ensure expansion and diversification of trade, promotion of fair-trade practices, environmentally sustainable industrialization and tourism.

The vision is to be the preferred hub for Trade Industrialization, and Tourism. The mission is to promote and sustain trade development, fair trade, industrial growth, tourism development and regulation for wealth creation and employment.

Priority areas

a) Market infrastructure improvement
b) Fair trade practices and consumer protection.
c) Industrial development, value addition and Investment
d) Tourism promotion and development
e) Affordable credit to Micro, Small and Medium Enterprises (MSMEs)

Programmes to be implemented for the MTEF period 2024/2025 – 2026/2027

Table 28 : Programme 1: Trade and enterprise development

Sub programme	**Projects**
Market infrastructure improvement	Construction of Open air markets Completion of Shiatsala, Shibinga, Bungasi, Lidambitsa and Koyonzo Open air markets Construction and fencing of ward-based markets Refurbishments and maintenance of existing markets (Matunda, Butali, Nambacha, Malinya, Butere, Bukura, Shianda, Mulwanda and Harambee) Fabrication and installation of modern Kiosks Construction of Modern stock rings Renovation of stock-rings (Lubao, Nambacha, Matunda and Butere). Construction of Boda-Boda sheds Construction of ablution blocks
Credit services	Credit to Micro, Small and Medium Enterprises Capacity building to traders

Table 29 : Programme2: Weights and measures

Sub Programme	**Projects**
Consumer protection	Equipping of weight and Measures laboratory Acquisition of secondary working standards Calibration of county weights and measuring standards Sensitization of public on fair trade practices

Sub Programme	Projects
	Verification of trader weighing and measuring equipment

Table 30 : Programme 3: Industrial development

Sub programme	Projects
Manufacturing (value addition)	Completion of Dairy factory; Establishment of Maize factory Establishment of Tea factory; Development of motorcycle assembly plant Establishment of leather treatment and buying Centre and factory Establishment of industrial park Establishment of a textile industry
Industrial development	Construction of Jua kali shades; Acquisition of common user small scale processing equipment which will be installed at the Juakali sheds, e.g Peanut processing machine, oil pressing machine, Establishment of textile and clothing centres Development of OVOP Establishment of Incubation centres. Capacity building of MSMEs and Jua kali programme Development of wealth creation and empowerment strategy

Table 31 : Programme 4: Tourism promotion

Sub programme	Projects
Tourism product development and diversification	Development of tourism heritage sites. Capacity building of communities on tourism Promote bull sport Establish a wild life sanctuary and animal orphanage Establish water sports and recreation facilities
Tourism promotion and Marketing	Organize digital marketing Promote Sports tourism Support tourism cultural festival and events
County Branding	Establishment of signage at entry points and heritage sites.

To undertake these programmes, the 2025/26 MTEF estimates for this sector are estimated to be KES 403,219,298 comprising KES. 48,519,298 and KES. 354,700,000 for Recurrent and Development expenditure.

4.9.6. Social Services, Sports, Youth, Gender and Culture

This department has the following directorates; Social Services, Children Services, Gender and Culture; Youth, Sports and Library Services.

The department's vision is to be a leader in provision of quality Social Services in an all- inclusive and just environment.

The mission is to promote talent, culture, empowerment of vulnerable groups and access to information while the goal of the department is to improve the welfare of people through Social Services, Sports, Culture and empowerment programs for Children, Youth, Women and persons with Disabilities (PWDs)

Sectors priority areas

a) To mobilize and empower communities for socio-economic development, disability mainstreaming and social assistance to vulnerable groups.

b) To develop and promote sports activities in the County.

a) To maximize the full potential of Youth and Gender mainstreaming through participatory engagements.

b) To promote and protect culture and heritage.

c) To establish, promote, equip, manage and maintain Library Services

Programmes to be implemented in MTEF Period 2024/2025 – 2026/2027

Table 32 : Program 1: Gender Development and Support to Vulnerable Groups

Sub Program	Project/Program
Women Empowerment	a) Support to Women groups through issuance of grants b) Capacity building for women groups
Persons with disability empowerment	c) Support enterprises for persons with disabilities d) Capacity building for persons with disabilities

Sub Program	Project/Program
	e) Issuance of assistive devices to persons with disabilities
Gender Based Violence Prevention	f) Construction and operationalization of gender-based rescue centres g) Gender based violence awareness
Shelter improvement	h) Development of low-cost houses

Table 33 : Program 2: Children Services

Sub Program	**Project/Program**
Child Protection and Support	a) Construction of Child friendly Centers b) Support to Child headed households c) Teen pregnancy awareness forums d) Support Children Charitable Institutions

Table 34 : Programme 3: Youth Empowerment, Sports Development and Library Services

Sub Programme	**Project/Program**
Development of sports facilities and infrastructure	a) Completion of Bukhungu stadium b) Upgrading of sports fields
Promotion of sports talents	a) Organize and hold tournaments for various sporting activities b) Participate in KICOSCA and KYSA Games c) Operationalize the Kakamega Sports Fund d) Procure and distribute Sports equipment to teams e) Support the upcoming sports clubs
Youth Development	a) Implement Boda Boda empowerment program b) Hold Career expo c) Organize youth dialogue forum
County Youth Service and Women Empowerment Programme	a) Establishment of county youth service HQ b) Recruit, and offer short term employment to youth and women

Sub Programme	**Project/Program**
	c) Offer vocational trainings to the recruits in the County Polytechnics and offer support after their exit
Library Services	a) Establish, equip and manage libraries b) Promoting and inculcating reading culture in all sub counties

Table 35 : Program 4: Culture and Heritage

Sub Programme	**Project**
Preservation of culture and heritage	a) Equipping and maintaining existing cultural centers b) Develop Cultural sites and green spaces c) Construct performing arts theatre halls d) Participate in music and cultural festivals e) Organize and hold a forum for showcasing by local musicians f) Documentation and Digitization of indigenous culture g) Development of social halls

To undertake these Programmes, the 2025/26 MTEF estimates for the department are KES 955,764,720.90 comprising of KES 534,708,634.90 and KES 421,056,086 for Recurrent and Development respectively.

4.9.7. Water, Environment, Natural Resources and Climate Change

The department is made up of the following sub-sectors; Water, Environment, Natural Resources and Climate Change.

The vision is to be a leading County in provision of sustainable access to adequate safe water in a clean and healthy environment. The mission is to improve access to adequate, safe water and sewerage services, conserve and protect the environment, and promote sound utilization of natural resources, for sustainable development.

Department Priorities

a) Increase access to clean and safe water

b) Enhance county forest and tree cover and optimize sustainable utilization of natural resources

c) Promote integrated solid waste management

d) Promote climate change, adaptation and mitigation

e) Adopt low carbon development pathways

f) Invest in climate change resilient infrastructure

Programmes to be implemented in the MTEF Period 2025/2026 – 2027/2028

Table 36 : Programme 1: Water Service Provision and Management

Sub Programme	Projects
Water Supply Services	a) Completion and operationalization of water supply infrastructure. b) Containerized Water Treatment and Supplies c) Countywide Water Connectivity d) Solarization/hybridization of existing and new water schemes e) Ward Based Water Projects f) Underground Water Exploration - Boreholes g) Rehabilitation, augmentation and Expansion of water projects h) Conservation of water catchment areas

Table 37 : Programme 2: Sanitation Service Provision and Management

Sub Programme	Projects
Sanitation Services	(a) Expansion of sewerage network in Kakamega town (b) Construction of sewerage plants in Mumias town (c) Upgrading and developing the sewerage system in other urban areas

Table 38 : Programme 3: Environmental Protection and Conservation

Sub Programme	Projects
Integrated solid waste management	a) Establish 3 Material Recovery Facilities b) Management of solid waste in markets c) Establish 2 solid waste transfer stations; d) Construct refuse chambers and temporary holding sites e) Establish a waste to energy plant through public private partnership in waste management f) Acquire 20 skips (refuse collection containers) g) Installation of 3 in 1 elevated litter bins h) Conduct environmental education and awareness
Environmental pollution control	i) Environmental enforcement and compliance j) Public sensitization k) Acquire 10 noise measuring devices l) Acquire ambient Air Quality Monitoring station
Development of environmental legislations	m) Development of solid waste management regulations

Table 39 : Programme 4: Natural Resource Management

Sub Programme	Projects
County greening	(a) Establishment of environmental demonstration Centre. (b) Promote forest restoration capacity through afforestation and re-afforestation (c) Fencing of Kakamega forest (d) Protect and conserve riparian areas and other environment significant areas (e) Promotion of appropriate technologies on grafting and budding of indigenous fruit species and fodder production (f) Rehabilitate and reclaim abandoned mining sites (g) Establishment of indigenous tree nurseries
Promotion of	(h) Establishment of Ex Situ Conservation Initiatives;

nature-based enterprises	(i) Capacity building of environmental conservation groups.
Natural Resource management	(j) Development of legislation on construction minerals; (k) Capacity Building of artisanal mining groups; (l) Rehabilitation of degraded areas. (m) Mapping and risk assessment in mining areas

Table 40 : Programme 5: Climate Change, Mitigation and Adaptation

Sub Programme	Projects
Climate Change Management	(a) Integrate climate change adaptation into county level development planning and budgeting processes (b) Develop County Climate Change Vulnerability Assessment to enhance Disaster Risk Reduction Strategy (c) Map out environmental disaster prone areas (d) Promote the use of green energy technologies e.g., solar, biogas, hydro power and efficient cooking technologies (e) Implement Climate Change Mitigation and Adaptation to enhance Community resilience (f) Installation of Automatic Environmental and Climate Monitoring mechanisms (g) Promote climate smart agriculture and conservation practices (h) Establish county climate outlook forums (i) Restoration of water bodies and water catchment areas

To undertake these Programs, the 2025/26 MTEF estimates for the Department are KES 963,693,298 comprising of KES 56,760,000 for Operations and Maintenance and KES 906,933,298 for development expenditure.

4.9.8. Lands, Housing, Physical Planning and Urban Areas

The department comprises of Lands, Survey, Physical Planning, Housing and Urban Development sections.

The vision of the department is to ensure sustainable and equitable access to land, quality housing and coordinated urban development. The mission is to facilitate improvement of the livelihood of county residents through efficient administration, equitable access, secure tenure, and sustainable management of land resources, implementation of housing policy, improvement of living conditions of the urban poor within the context of a well-planned urban and rural environment.

Sector Priorities

(a) Availing land for development projects and investments
(b) Improving of urban transportation infrastructure
(c) Provision of conducive business environment within urban areas through construction of markets
(d) Improving of citizens living conditions through provision of affordable housing and adoption of Appropriate Building Materials Technology.
(e) Ensuring that urban environment is conducive through cleaning services
(f) Provision of recreational facilities through investment in parks and open spaces

Programmes to be implemented in the MTEF period 2025/2026- 2027/2028

Table 41 : Program 1: Land Management Services

Sub Program	Projects
Land Administration	Establishment of a Land Bank Completion of Valuation roll Preparation of Local Physical Development Plans Establishment of Land Management Information System
Urban development services	Delineation of urban areas Acquisition of urban design software
Survey services	Fencing of Public Land Survey of markets Acquisition of GIS data and Images Acquisition of GIS Software

Table 42 : Programme 2: Public Housing Development Services

Sub Program	Projects
Slum Upgrading	Upgrading of Slums
Housing services	Fencing and renovations of Public rental houses Construction of affordable housing units

Mumias Municipality

The vision is to be a modern regional competitive, livable and economically vibrant municipality where people choose to live, work and visit. The mission is to provide and distribute quality services that are affordable, accessible, sustainable and equitably distributed to all.

Mandate

Overall delivery of services including waste management

Priority Areas

(a) Development Control
(b) Preparation of annual strategic plans for the Municipality
(c) Providing a framework for regulated urban Agriculture
(d) Disaster preparedness and response

Table 43 : Program Name: Urban Development Services- Mumias Municipality

Sub Program	Projects
Urban Infrastructure Development	Maintenance of urban roads Installation of streetlights Construction of storm water drainage systems Construction of a recreation Park Construction and equipping of a multi-purpose hall Refurbishment of markets within the municipality Construction of an open-air market Construction of a bus terminal Establishment of a fire station Installation of fire hydrants
Waste Management	Provision of Cleaning Services Construction of a sewer line Development of Waste segregation sites

Kakamega Municipality

The vision is to be an efficient municipality, offering quality services to its internal and external stakeholders. The mission is to provide quality services that are accessible, affordable, effective, efficient and sustainable

Strategic Objectives

i) Strengthen Corporate Governance
ii) Promotion, regulation and provision of refuse collection and solid waste management
iii) Promotion of provision of public health services
iv) Enforcement of law and order
v) Maintenance of recreational parks, green spaces and social amenities
vi) Enhance Own Source Revenue collection
vii) Provision of clean water and sanitation

Table 44 : Program 1: Urban Development Services- Kakamega Municipality

Sub Program	Projects
Urban Infrastructure Development	Construction of storm water drains Construction of Non-Motorized Transport (NMT) Construction of a modern bus park Construction of disaster management centre Installation of Streetlights Installation of fire hydrants Construction of a multi-purpose hall
Waste Management	Construction of a sewer line Provision of Cleaning Services Maintenance of dumpsite Construction of receptacles and Litter bins

To undertake these programs, the 2025/26 MTEF estimates for this sector are estimated to be KES **675,090,969** This comprises of KES 280,350,000 and KES 394,740,969 for Recurrent Operation and Development expenditure respectively.

4.9.9. Public Service and County Administration -

The department comprises the following sections; County Administration, Human Resource Management, Public participation and Civic Education, Records and knowledge Management, Alcoholic Drinks Control Directorate, Performance Management, Transport and fleet Management, Disaster Management and Security and Enforcement.

The vision is to be the leading department in the provision of excellent human resource and administrative services in the county and beyond.

The mission is to provide quality and timely human resource and administrative services for sustainable environmental, social and economic development of Kakamega County.

Sector Priority areas

a) Enhance human resource management and development in the County Public Service;
b) Manage incidences of alcohol and drug abuse
c) Ensure effective administrative structures at all devolved units in the county
d) Enhance information and records management
e) Establish efficient disaster and emergency response systems
f) Coordinate County Government functions
g) To ensure law and order is maintained and safety of government property

Programmes to be implemented

Table 45: Programme 1: General Administrative and support services

Sub Programme	Projects
Human Resource Development	Installation of office clocking system Automation of Human Resource Management services;
Transport and Fleet Management	Acquisition of Utility Motor vehicles

Table 46 : Programme 2: County Administration services

Sub Programme	Projects
County administrative infrastructure improvement	Construction of County HQ block; Refurbishment of County offices; Purchase of Specialized Band and Enforcement equipment
Disaster response and mitigation	Construction of disaster Operation Centers; Purchase disaster specialized equipment. Purchase of Fire Engines and equipment
Alcohol and Drug Abuse Control	Establishment of Rehabilitation centers in the Southern and Nothern regions; Purchase of Specialized equipment for Rehabilitation Centres.

Table 47 : Programme 3: Sub County and Ward Administration

Sub Programme	**Projects**
Sub County and ward Administrative infrastructure Development	Construction of Sub County & Ward Offices; Refurbishment of Sub County and Ward offices; Fencing of Sub County and Ward Offices

To undertake these programs, the 2025/26 MTEF estimates for the Department are KES **7,022,686,909** comprising of KES 6,912,312,177 and KES 110,374,732 for recurrent and Development expenditure respectively.

4.9.10. Office of the Governor

The office includes Governor's Office, Deputy Governor's Office, Cabinet Secretariat, County Secretary Office, Internal Audit, Liaison, Chief of staff, Intergovernmental relations, Protocol, Governor's Advisory Unit, Service Delivery and Risk Management Unit, Technical Services, Financial Management Services, Resource Mobilization, donor funding and Partner Coordination Unit, Governor's Press Unit and County Law Office.

Vision

Provide a conducive environment for a competitive and prosperous County.

Mission

Ensure effective and accountable leadership, promote a just, democratic environment and establish strong governance institutions to empower citizens for the achievement of socio-economic and political development.

Sector strategic objectives

- To establish efficient systems for execution of cabinet business
- To improve coordination of operations of the County Public Service for efficient service delivery
- To link the County Government with national government, other county governments, local and international agencies

- ❖ To offer legal services to the County government and the public
- ❖ To coordinate overall organization of the County Public Service for execution of county government policies
- ❖ To coordinate formulation of policies and legislations

Programmes to be implemented

Table 48 : Programme 1: Management and Administration of County Functions

Sub Programme	**Projects (investment)**
Infrastructure development	Construction of the Governor's Residence Construction of the Deputy Governor's Residence
Governor's press unit services	Acquisition of Specialized communication Equipment

Table 49 : Programme 2: support, Coordination and Service Delivery

Sub programme	**Projects (Investment)**
Service Delivery and Risk Management	Establishment of call centre
County Audit services	Expansion of Audit services at sub-county offices
County Legal Services	Maintenance of Bill tracking service system Establishment of Legal Resource Centre Construction of Likuyani County Court

To undertake these Programs, the 2025/26 MTEF estimates for Office of the Governor are KES **310,000,000** comprising of KES 300,000,000 and KES 10,000,000 for recurrent and Development expenditure respectively.

4.9.11. The County Assembly

The county Assembly's functions include oversight, legislation and representation. The Assembly consists of sixty elected and twenty-seven nominated members and the speaker, who is an ex-officio member. It enacts County laws and superintends over all the affairs of the County including receiving and approving of development plans and policies of the County and is also responsible for approval of the County budgets and expenditures.

Vision

To be a model County Assembly that fulfills its constitutional mandate to the people of Kakamega County**.**

Mission

To facilitate political, economic and social cultural growth of the County through effective legislation, objective oversight and representation

Programmes to be implemented:

Table 50 : Programme 1: County Assembly Infrastructure Improvement

Sub programme)	**Projects**
Administrative infrastructure development	Construction of the county Assembly chambers Construction of the Speaker's residence. Construction of County Assembly Parking Bay

To undertake these programs, the 2025/26 estimates are KES **1,204,821,103** for recurrent expenditure.

4.9.12. The County Public Service Board

The County Public Service Board is an independent entity established by the County Governments Act, 2012 to provide for organization, staffing and functioning of the County Public Service in ways that ensure efficient, quality and productive service delivery to the people. The board operates through six (6) committees - Establishment, Recruitment & Selection committee, Training & Development committee, Advisory & Discipline committee, Ethics, Compliance and Human Resource Audit committee, ICT and Records Management committee, Finance and Administration Committee

Vision

A professional Board that provides excellent public service

Mission
To attract, develop and retain an efficient and effective human capital in a competitive manner for quality public service delivery.

Goal of the Sector

A Public Service Board that inculcates transparent and merit-based recruitment practices for competent personnel of appropriate skills mix into the service, development and enforcement of standards and ensuring continuing professional development and progression of public servants.

Strategic Objectives

The Strategic objectives for the County Public Service Board are to: -

- Strengthening institutional capacity of the Board to deliver on its mandate
- Establish functional and efficient HR systems and policies in the public service
- Promote national Values and Principles in the county public service

Programmes to be implemented

Table 51 : Programme 1: General Administration and support services

Sub programme)	Projects
Human Resource Management	Acquisition of Staff skills assessment and development system Acquisition of Staff Recruitment and Capacity Building Management System

To undertake these programs, the estimates for the Board are KES **29,100,000** for recurrent and Employee cost.

4.9.13. Finance, Budget, Economic Planning, ICT, e-Government and Communication

This sector comprises of the following sub-sectors: Finance & Budget, Economic Planning & Investments and ICT, e-Government & Communication. The sector also has two semi-autonomous agencies namely: Kakamega County Revenue Agency (KCRA) which is mandated to collect and report County's Own Source Revenue and Kakamega County Investment and Development Agency (KCIDA) which is mandated to attract, promote and facilitate investments.

The vision of the department is to be a leading sector in formulation of economic policies and provision of prudent public financial management in Kenya. The mission is to provide prudent financial management through effective economic planning, robust resource mobilization, investment promotion, sustainable budgeting, transparent procurement, timely monitoring & evaluation and financial reporting.

Programmes to be implemented in the MTEF period 2024/2025 – 2026/2027

Table 52 : Programme 1: Public Finance Management

Sub programme	Projects/Strategies
Resource Mobilization	Enhance own source revenue collection Conduct feasibility studies and proposals Research on County Investment opportunities and gaps Develop a legal framework for the establishment of the County Wealth Creation Capital
Accounting and Financial services	Prudent financial management and reporting Asset tagging and valuation. Acquisition and installation of Asset management systems.
Budget formulation	Formulation of budget policy documents
Public debt management	Implement risk management framework; Develop a Debt Management Strategy Paper

Table 53 : Programme 2: Economic policy formulation and management

Sub programme	Projects/Strategies
Economic policy formulation	a) Preparation of County Development Plans and Reports; b) Development of County project implementation guidelines; c) Undertake Monitoring and Evaluation of County projects, Programmes and Policies.

Table 54 : Programme 3: Investment Promotion and facilitation

Sub programme	Projects/Strategies
Investment promotion and facilitation	Lake Region Economic Bloc subscription Establishment of County Investment Centre Preparation of investment promotion documents Conducting investment forums

Table 55 : Programme 5: ICT Infrastructure Development

Sub programme	Projects
County Connectivity	Installation of Local Area Network (LAN) Installation of Wide Area Network (WAN) Establish and equip a County data center
Digital Economy Awareness	Establish ICT training laboratory
ICT Capacity Development	Train Youths on Digital Literacy Skills Train officers on High-End specialized skills
Security Surveillance	Install CCTV cameras

Table 56 : Programme 6: Adoption of e-Government Services

Sub-program	Projects
Automation	Support and maintain e-Government services Develop a complaints management portal
e-Government Services	Establish Government portals Re-engineer websites

Table 57 : Programme 7: County Information Management and Awareness

Sub-program	Projects
Media production	Install integrated digital publicity boards

To undertake these programs, the 2025/26 MTEF estimates for this Department are KES 970,650,924 comprising of KES 850,355,199 for recurrent expenditure, KES 120,295,725 for development expenditure, will be required in the department of Finance, Budget and Economic Planning while the department of ICT, E-Government and Communication will require Kshs 135,100,000 comprising of KES 35,100,000 for recurrent expenditure while KES 100,000,000 will be for development expenditure.

5. CONCLUSION

The set of policies outlined in this CFSP aim at striking a balance between varying/changing priorities and the emerging issues that are broadly in line with the CIDP and the fiscal responsibility principles outlined in the PFM Act, 2012. They are also consistent with the national strategic objectives which set a basis for County Government allocation of public resources. Details of these strategic objectives are contained in the CIDP 2023-27, CADP 2025-26, the presidents Bottom Up Economic Transformation Agenda(BETA), the governor's six point development focus as well as the regional and international commitments and obligations. The policies and sector ceilings provided in this document will guide the Departments/Agencies in preparation of the 2025/26 MTEF budget.

Budgetary resources are usually limited, thus, it is imperative that departments prioritize their programs within the available resources to ensure that utilization of public funds is in line with County Government priorities. Departments need to carefully consider detailed costing of projects, strategic significance, deliverables (output and outcomes), alternative interventions, administration and implementation plans in allocating resources. There is also need to ensure that recurrent resources are utilized efficiently and effectively before funding is considered for programs.

Proper implementation of the budget is critical towards providing services that will promote sustainable economic growth. This will be achieved through collaborative efforts from all the stakeholders including County Government departments, civil society, communities, County Assembly and development partners. This calls for continuous consultations with each other, finding solutions and encouraging innovation to build a sustainable County.

Participatory monitoring, evaluation, learning and reporting will play a critical role in the implementation of the projects and programs envisaged in this Paper.