

COUNTY GOVERNMENT OF KIAMBU



FINANCE, ICT & ECONOMIC PLANNING DEPARTMENT COUNTY FISCAL STRATEGY PAPER

POST COVID-19 PANDEMIC ECONOMIC RECOVERY

FEBRUARY 2021

© County Fiscal Strategy Paper (CFSP) 2021

To obtain copies of the document, please contact:

Office of the County Executive Committee Member

Kiambu County Treasury

P. O. Box 2344-00900

KIAMBU, KENYA

Tel: +254-067 5858167/71

The document is also available on the County website:

www.kiambu.go.ke

FOREWORD

The 2021 County Fiscal Strategy Paper (CFSP) under the theme “ POST COVID-19 PANDEMIC ECONOMIC RECOVERY” sets out the priority programs and reforms to be implemented by Kiambu County over the next MTEF period (2021/22 – 2023/24). The programs and policies herein reflect the concerns of Kiambu people and are anchored under the second County Integrated Development Plan (CIDP), Governor’s manifesto, the ‘BIG FOUR’ National agenda and the Kenya Vision 2030. The paper is also aligned with the national objectives contained in the Budget Policy Statement (BPS 2021), the National Policy document that sets out the broad strategic priorities and policy goals that guide the National and County Governments in preparing their budgets.

The County Government balanced fiscal policy measures outlined in this Fiscal strategy paper prioritize programs and activities that promote strategic priorities of the County whose outcomes shall have an impact on society, *‘putting money in people’s pocket’* while further ensuring the delivery of high quality services at reasonable cost.

The 2021 CFSP comes at the mid stage of the County Integrated Development Plan covering the period 2018-2022. In this regard, the policy goals, priority programs and fiscal framework are aligned to support achievement of the objectives of the Second CIDP and ultimately the Vision 2030. Through this paper, the County Government proposes to allocate more resources to agriculture; roads, health and trade with an aim to stimulate general economic performance while addressing the issues that promote welfare of County residents. To achieve this over the medium term period, the policy shifts resources from recurrent to capital investment as a means to promote sustainable and inclusive growth.

The expenditure priorities in this CFSP have been critically reviewed to ensure that they are in accordance with the County Government strategic priorities. Consequently, budget allocations have been premised on the sustainability, affordability and the degree to which the programmes contribute towards job creation and reduction in poverty and inequality.

To finance expenditures set out in this paper, the County will implement revenue enhancement initiatives in order to expand the Revenue base and strengthen Revenue administration. In addition, the County has already initiated a number of revenue reforms and will continue to

invest in technology geared towards automating the existing and additional revenue streams. These reforms are expected to make revenue payment more convenient and increase Own Source of Revenue which will help in financing current and future County Budgets. As we finalize preparation of the budget for the FY 2021/22, we are clearly conscious of our limited fiscal space occasioned by revenue shortfalls and rising expenditure pressures.

I would like to thank H.E. the Governor for the guidance and counsel in the development of this document. My sincere gratitude goes to my fellow CECM, the County Treasury staff as well as other County Government officials, for their valuable contributions. Equally we received useful inputs from stakeholders and Kiambu Residents during the public Participations which were held from 9th to 10th FEBRUARY 2021 in line with the requirements of our constitution, the County Government Act and the Public Finance management Act, 2012. We value these inputs and extend our appreciation to all.

Wilson Mburu Kang'ethe

CECM, Finance, ICT & Economic Planning

ACKNOWLEDGEMENT

The preparation of the 2021 County Fiscal Strategy Paper was achieved through consultation and co-operation between all county departments. Public participation was done from the wards up to the sub-county level. More strategic information was also obtained from the National Government Budget Policy statement (BPS) and the county sector working group's reports from respective departments. This CFSP document is prepared in accordance with the provisions of the Public Finance Management Act; 2012. It outlines the current state of the County and outlook over the medium term, it also gives broad macroeconomic issues and medium term fiscal framework of the National Economy as contained in the 2021 Budget Policy Statement (BPS). The 2021 CFSP specifies the set strategic priorities and policy goals and a summary of Government spending plans, as a basis of the FY 2021/22 budget. The document is expected to improve the public's understanding of public finances and guide public debate on economic and development matters. Much of the information in this document was obtained from the various County Government Departments. We also received valuable inputs from Sector Working Groups and the public during the budget consultation process which was held from 9th to 10th February 2021. I am grateful to all County Treasury staff for their teamwork and support that has contributed immensely to the timely delivery of the policy paper. Special thanks go to the County treasury team from Economic planning and budget directorates for their commitment and hard work.

I am also grateful to the County Secretary and all Chief Officers for the valuable information they provided in their respective fields and for the cooperation shown during the period of the assignment. It is with great humility that I take the opportunity to express my profound gratitude and deepest regards to members of the County Executive Committee and especially His Excellency the Governor for the visionary leadership that has enabled us chart a clear development path. It is through his exemplary guidance, support and mentorship that the County Treasury has continued to produce and implement prudent policies, excellent plans and budget documents that have helped steer the County to greater success on financial and budgetary matters.

Finally, Special thanks also go to all the members of the public who attended and actively participated in the public forums held from 9th to 10th February 2021. We Reiterate our commitment to serving you and improve on prudent public finance management, transparency and accountability on all public finance matters.

William Kimani
Chief Officer, Finance, ICT & Economic Planning

TABLE OF CONTENTS

FOREWORD	iii
ACKNOWLEDGEMENT	v
ABBREVIATIONS	viii
1.0 INTRODUCTION	11
Overview.....	11
2.0. RECENT ECONOMIC DEVELOPMENT AND MEDIUM TERM OUTLOOK	12
2.1. Global and Regional Economic Developments	12
2.2. Domestic Economic Development.....	12
2.3. County outlook	16
2.4 Fiscal Performance	16
2.5. Own Source of Revenue Performance.....	17
2.6. Expenditure Performance	19
2.7. Fiscal Policy	20
2.8. Revenue Mobilization	22
3.0 POST COVID-19 PANDEMIC ECONOMIC RECOVERY	25
3.1 Preamble	25
3.2 Priority Pro-Growth Policy Measures.....	25
3.2.1 Implementation of the “Big Four” Agenda for job creation	26
3.2.1.1 Support manufacturing and employment creation	26
3.2.1.2 Food Security and Nutrition.....	26
3.2.1.3 Universal Health Coverage to all Kenyans	27
3.2.1.4 Provision of Decent and affordable Housing for All Kenyans.....	28
3.2.2 Infrastructure Development for Inclusive Growth	29
3.2.3 Departmental Transformation for Broad Based Sustainable Economic Growth.....	30
3.2.3.1 Water Supply and Environmental Conservation	30
3.2.3.2 Sustainable Management of Land for Social-Economic Development.....	32
3.2.4 Empowering Youth, Women and Persons with Disabilities	32
3.2.5 Improve access to Education in Early Childhood and Village Polytechnics	33
3.2.6.1: County Health care	34
3.2.6.2 Health infrastructure and response to Covid-19.....	34
3.2.7 Entrenching Structural Reforms to Facilitate Business and Employment Growth.....	35
3.2.7.1 Strengthening Governance and the Fight against Corruption	35
3.2.7.2 Deepening Public Financial Management Reforms.....	36
4.0 BUDGETS FOR FY 2021/22 AND THE MEDIUM TERM	38
4.1 Fiscal Framework Summary	38
4.2 Revenue Projections	38
4.3 FY 2021/22 and Medium-Term Budget Priorities.....	39
4.4.1 Allocation to Personnel Emolument	41
4.4.2 Allocation to County Established Funds.....	41
4.5 Overall Deficit and Financing	42
4.6.1 Criteria for Resource Allocation	43
4.7 Public Participation and Involvement of Stakeholders.....	43

4.8	Risks to the 2020/21 Budget Framework	43
4.8.1	Specific Fiscal Risks	44
5.0	DEPARTMENT ALLOCATIONS AND PRIORITIES	48
5.1	County Assembly	48
5.2	County Executive	49
5.3	County Public Service Board	50
5.4	Finance ICT and Economic Planning	51
5.5	Administration and Public Service	53
5.6	Agriculture Livestock and Irrigation	54
5.7	Water, Environment, Energy and Natural Resources	56
5.8	Health Department	59
5.9	Education, Gender, culture and Social Services	61
5.10	Youth Affairs Sports ICT and communication	62
5.11	Lands Housing, Physical Planning, Municipal Administration and Urban Development	63
5.12	Trade Industrialization, Tourism Investment and Cooperative Development	65
5.13	Roads Transport Public Works and utilities	67
	ANNEXES	69
	Annex 1: Budgetary allocations for FY 2020/21 and the Medium Term	69

LIST OF TABLES

Table 1 :	Own source revenue performance	17
Table 2:	Analysis of County Expenditures as at December 2020	19
Table 3:	Revenue Projections	38
Table 4:	Proposed Allocations for FY 2021/22	40
Table 5:	Allocation to County Established funds	42

LIST OF FIGURES

Figure 1:	Own Source of Revenue	18
Figure 2:	Trend in employees' compensation to total budget	41
Figure 3:	Trend in Development Budget Allocation	45

ABBREVIATIONS

ADP	Annual Development Plan
BPS	Budget Policy Statement
CBEF	County Budget and Economic Forum
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy paper
CIDP	County Integrated Development Plan
CIUDS	County Integrated Urban Development Strategy
CLIMS	County Land Management Information System
CLMC	County Land Management Committees
ECDE	Early Childhood Development Education
ECDEC	Early Childhood Development Education Centre
FY	Financial Year
GIS	Geographical Information system
GDP	Gross Domestic Product
ICT	Information, Communication & Technology
IFMIS	Integrated Financial Management Information System
ISUDP	Integrated Strategic Urban Development Plan
LH &PP	Land, Housing and Physical Planning
MOU	Memorandum of Understanding
MSMEs	Medium and small micro Enterprises
MTEF	Medium Term Expenditure framework
MTP	Medium Term Plan
OSR	Own Source of Revenue
PDPs	Partial Development Plans
PFMA	Public Finance Management Act
REA	Rural electrification Authority
SACCOs	Saving and Credit Cooperative Societies
USSD	Unstructured Supplementary Service Data
VTCs	Vocational Training Centers
WB	World Bank

Fiscal Responsibility Principles for the National and County Governments

(1) In line with the Constitution, the Public Finance Management Act (PFMA), 2012, sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. The PFM law (Section 107) states that:

(2) In managing the County government's public finances, the County Treasury shall enforce the following fiscal responsibility principles-

- (a) The County government's recurrent expenditure shall not exceed the County government's total revenue;
- (b) Over the medium term, a minimum of thirty percent of the County government's budget shall be allocated to the development expenditure;
- (c) The County government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
- (d) Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;
- (e) The County debt shall be maintained at a sustainable level as approved by County assembly;
- (f) The fiscal risks shall be managed prudently; and
- (g) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

(3) For the purposes of subsection (2) (d), short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited County government revenue

(4) Every County government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the County assembly.

Legal Basis for the Publication of the County Fiscal Strategy Paper

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance 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 amendments.
7. The County Treasury shall consider any recommendations made by the County Assembly when finalising the budget proposal for the financial year concerned.
8. The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County Assembly.

1.0 INTRODUCTION

Overview

1. The County Fiscal Strategy Paper (CFSP) is a policy document that guides the County Governments in preparing their budgets for the subsequent financial year and over the medium term. The 2021 CFSP provides a summary of the key achievements for the fiscal period 2018/19 up to mid of Financial 2020/21. It further sets out the broad strategic priorities and policy goals that will guide the county government in preparing the FY 2021/2022 budget and over the medium term.
2. The 2021 CFSP has laid emphasis on adherence to the fiscal responsibility principles that demonstrates prudent and transparent management of public resources in line with the Constitution and the Public Finance Management Act (PFMA), 2012. The document is also aligned to the 2021 Budget Policy Statement prepared by the National Government.
3. The 2021 CFSP is prepared in accordance to Section 117 of the PFMA, 2012 provide that, “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. The County assembly, not later than 14 days after the CFSP is submitted, table and discuss a report containing its recommendations and pass a resolution to adopt it with or without amendments. The CECM for finance shall take into account resolutions passed by County Assembly in finalizing the budget for the FY 2021/22. 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”.
4. In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of;
 - The Commission on Revenue Allocation;
 - The public
 - Any interested persons or groups; and
 - Any other forum that is established by legislation.

2.0. RECENT ECONOMIC DEVELOPMENT AND MEDIUM TERM OUTLOOK

2.1. Global and Regional Economic Developments

5. The emergence and spread of the Covid-19 Pandemic and the resultant containment measures have devastated global economies. This occasioned a contraction of the global economy with a projected growth of -4.4 percent in 2020 from a growth of 2.8 percent in 2019. This economic outlook is worse than the growth reported during the 2008 - 2009 global financial crises.
6. The growths of the advanced economies are projected to contract by 5.8 percent in 2020 from a growth of 1.7 percent in 2019. Significant contraction of the economy is projected in the United States (-4.3 percent), Japan (-5.3 percent) and the United Kingdom (-9.8 percent). Growth in the Euro area is expected to contract by 8.3 percent in 2020 from a growth of 1.3 percent in 2019.
7. The emerging markets and developing economies are also projected to contract by 3.3 percent in 2020 from a growth of 3.7 percent in 2019. All major economies are projected to contract in 2020 except China which is projected to grow by 1.9 percent, a slowdown from a growth of 6.1 percent in 2019. The strength of China's economy reflects strong growth of industrial production, exports and investment in property. The consumer sector performed well, yet it lagged the industrial side of the economy.
8. The Covid-19 pandemic impacted negatively on the Sub-Saharan Africa region. The region is projected to contract by 3.0 percent in 2020 from a growth of 3.2 percent in 2019. The hardest hit countries are commodity-exporting countries and the tourism-dependent economies. Equally, the growth in the East African Community (EAC) region is estimated to slow down to 1.0 percent in 2020 compared to a growth of 6.2 percent in 2019. This growth will be supported by positive growths in Kenya, Tanzania and Rwanda. Economic activities in Burundi and Uganda are also expected to contract in 2020.

2.2. Domestic Economic Development

9. Kenya has made tremendous political, structural and economic reforms that have largely driven sustainable economic growth, social development and political gains over the past decade. However, its key development challenges still include poverty, inequality, climate change, continued weak private sector investment and the vulnerability of the economy to internal and external shocks.
10. Prior to the outbreak of Covid-19 pandemic, Kenya's economy was strong and resilient despite the challenging global environment. The growth of the economy in 2020 was

projected at 6.1 percent supported by agriculture, services sector and Big Four targeted investments. This was revised to 1.2 percent owing to the adverse effects of Covid-19 pandemic that led to reduced demand by the Country's trading partners and disruption of supply chains and domestic production in addition to tax measure aimed at cushioning the economy. Further, the economy is projected to recover and grow by about 6.4 percent in 2021 and above 6.2 percent over the medium term.

11. Per capita income rose from Ksh 113,539 in 2013 to Ksh 204,783 in 2019, a compounded annual growth rate of 11.5 percent. This enabled generation of around 827,000 new jobs per year in the period 2013 - 2019 up from 656,500 new jobs per year in the period 2008 -2012

Quarterly GDP growth of 2020

12. The growth of the economy slowed down to 4.9 percent in the first quarter of 2020 from 5.5 percent in the first quarter of 2019. This was as a result of the decline in economic activities in most of the country's major trading partners due to the uncertainty associated with the Covid-19 pandemic. The economy further contracted by 5.7 percent in quarter two of 2020 from a growth of 5.3 percent in the same quarter in 2019. The poor performance in the quarter was largely caused by resultant Covid-19 measures that impacted negatively on most of the sectors of the economy. However, the economy was supported by improved performance of Agriculture, Forestry and Fishing activities), Health Services and Mining and Quarrying activities.
13. The agriculture sector recorded an improved growth of 6.4 percent in the second quarter of 2020 compared to a growth of 2.9 percent in the corresponding quarter of 2019. The improvement in performance of the sector was mainly due to increase in tea production, cane deliveries, milk intake and fruit exports. The sector's contribution to GDP growth was at 1.5 percentages in the second quarter of 2020 compared to 0.7 percentage points over the same period in 2019.
14. Additionally, the non-agricultural sector (service and industry) was adversely affected by the Covid-19 pandemic during the second quarter of 2020. The sector contracted by 8.5 percent in the second quarter of 2020 down from a growth of 6.4 percent in a similar quarter in 2019. The sector's contribution to real GDP was - 5.6 percent in the second quarter of 2020 compared to a contribution of 4.3 percentage in the same quarter of 2019.

Inflation Rate

15. The overall inflation remained low, stable and within the target range of 5 +/- 2.5 percent in the period 2013 to 2019 demonstrating prudent monetary policies. The inflation rate was at 5.6 percent in December 2020 from 5.8 percent in December 2019. This lower inflation was supported by a reduction in food prices. The overall average monthly inflation remained stable due to favorable weather conditions and low international oil prices. With the revision of tax measures by the government during Covid-19 period, the inflation is likely to increase but remain within the target range.
16. The rate of inflation in Kenya has been favorably compared with the rest of sub-Saharan African countries. Kenya recorded a lower inflation rate than Burundi, Ghana, Nigeria, Zambia and Ethiopia in December 2020,

Exchange Rate

17. The foreign exchange market has largely remained stable but was partly affected by a significant strengthening of the US Dollar in the global markets and uncertainty with regard to the Covid-19 pandemic. This stability in the Kenya Shilling was supported by increased remittances and adequate foreign exchange reserves. In this regard, the Kenya Shilling to the dollar exchanged at Ksh 110.6 in December 2020 compared to Ksh 101.5 in December 2019.

Interest Rates

18. Short-term interest rates remained fairly low and stable. The policy rate (Central Bank Rate) was retained at 7.00 percent on November 26, 2020 same as in April 2020 to signal lower lending rates. This was aimed at supporting economic activity by making it easier for the borrowers especially the Small and Medium Enterprises distressed by COVID-19 pandemic to access credit. The interbank rate declined by 0.9 percent from 6.0 percent in December 2019 to 5.1 percent in December 2020 in line with the easing of the monetary policy and adequate liquidity in the money market
19. The 91-day Treasury Bills rate was at 6.9 percent in December 2020 from 7.2 percent in December 2019. Over the same period, the 182-day Treasury Bills rate declined to 7.4 percent from 8.2 percent while the 364-day decreased to 8.3 percent from 9.8 percent.

Money and Credit

20. Growth in broad money supply (M3) improved to 14.2 percent in November 2020 from 5.9 percent in November 2019. This enhanced growth in M3 resulted due to an increase in the Net Domestic Assets particularly improvement in net credit flows to the government

and the private sector. On the other hand, the Net credit flows to the other public sector decreased during the review period.

21. In the year to November 2020, Net Foreign Assets (NFA) of the banking system contracted by 8.2 percent compared to a growth of 15.0 percent in the year to November 2019. The contracted growth of the NFA was mainly reflected in the decline of the foreign currency reserves by the Central Bank. The NFA of commercial banks improved during the same period as a result of an increase in the commercial banks' deposits with the non-resident banks

Balance of payment

22. The overall balance of payments position improved by 2275.2 to a surplus of US\$ 1,217.2 million (1.2 percent of GDP) in September 2020 from a deficit of US\$ 1,058 million (1.1 percent of GDP) in September 2019 This was mainly due to an improvement in the current account balance. The current account deficit stood at \$ 4,921.0 million (5.0 percent of GDP) in September 2020 from US\$ 5,009.1 million (5.3 percent of GDP) in September 2019. The improvement in the current account balance was mainly due to the improvement in the merchandise account balance and the Net primary income balance.
23. The balance in the merchandise account improved by US\$ 1,340.1 million to a deficit of US\$ (8,947.5) million in September 2020 on account of a decline in imports and a marginal increase in exports. The growth in exports in September 2020 was driven by tea exports, on account of increased production and an increased demand for tea from the UK whereas the decline in imports in the same period was as a result of reduction in the volume of oil importation and decline in the value of imported manufactured goods, particularly iron, steel, machinery and transport equipment such as vehicles, and SGR related imports.
24. In September 2020, the net services registered a decline mainly due to a significant decline in transport services and travel receipts occasioned by the Covid-19 pandemic and the resultant containment measures. Additionally, the capital account balance registered a surplus of US\$ 157.8 million in September 2020 while the Net Financial Inflows declined to US\$ 3,012.0 million from US\$ 6,714.3 million in the year to September 2019. The financial inflows were mainly in the form of direct investments and other investments.

Nairobi Securities Exchange

25. The capital markets activity declined in December 2020 compared to December 2019, with equity share prices declining as shown by the NSE 20 Share Index. The decline reflects the volatility in the financial markets as a result of the uncertainty surrounding the covid-19 pandemic. The NSE 20 Share Index declined to 1,868 points by end of December 2020 from 2,654 points by end December 2019. Consequently, market capitalization declined to Ksh 2,337 billion from Ksh 2,540 billion over the same period.

2.3. County outlook

26. The performance of the County largely depends on the global and national economic framework since the large share of the revenue is obtained through transfers from the National Government. The framework dynamics therefore have direct and/or indirect impact on the County decision and operations. The performance further depends on formulation and implementation of prudent policies by the County Government to guide service delivery.
27. The County has huge potential in agriculture and service sectors with a large proportion of its population getting their livelihood from the agriculture sector. Similarly, the agriculture sector is a major contributor of the Country's Gross Domestic Product (GDP). The sector was equally affected by Covid-19 pandemic but managed to record improved performance due to favorable weather conditions.

2.4 Fiscal Performance

28. Budget execution in the first half for the FY 2020/21 was hampered by revenue shortfalls and rising expenditure pressures. The county government did not receive any exchequer release in the first quarter of the 2020/21 financial year. However, The County received Kshs 3.92 billion of the equitable share of revenue which represented four months of exchequer releases and Kshs 811 million being unremitted exchequer relating to the previous financial year. A conditional grant of Kshs 739 million was credited to the county revenue fund, the conditional grant was Kshs 202 million being NaRIGP and Kshs 537 million being KUSP grant relating to the previous financial year. Own Source of Revenue for the first half of the financial year was Kshs. 897 million against a target of Kshs 1.39 billion for the same period. Shortfalls in revenues reflect the weak business environment caused by the adverse effect of Covid-19 Pandemic. Revenues are expected to progressively improve in the second half of the fiscal year following the gradual reopening of the economy.

29. The County Government has embarked on expenditure rationalization and prioritization to ensure that expenditures are on the most impactful programmes that yield the highest welfare benefits to the people of Kiambu.
30. Budget execution advanced well and picked up towards the end of the second quarter of the FY 2020/21. Budget absorption was 41 percent for recurrent expenditure and 14 percent for development expenditure. However, the County continued to experience late disbursement of exchequer which adversely affected budget execution. As at the end of February 2021, the County government had not received the December 2020 exchequer and had to borrow money from commercial bank to pay employees' salaries of up to January 2021. This led to low absorption of both the recurrent and development budget.

Revenue Performance

2.5. Own Source of Revenue Performance

Table 1 : Own source revenue performance

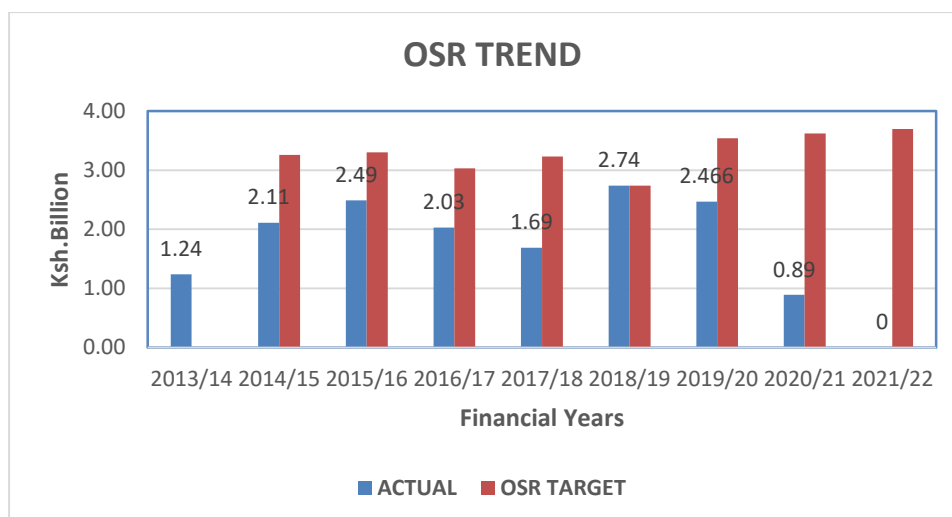
REVENUE STREAMS	ACTUAL REVENUE AS AT 31 DEC 2019	ACTUAL REVENUE AS AT 31 DEC 2020	HALF YEAR TARGET 2020/21	VARIANCE
Agriculture Livestock & Fisheries Management Unit	4,681,477	1,674,625	1,388,468	286,158
Physical Planning Management Unit	253,387,832	251,666,589	297,442,702	(45,776,113)
Business Permit Management Unit	28,876,410	38,651,460	130,840,038	(92,188,578)
Cess Management Unit	49,766,091	44,559,496	91,882,644	(47,323,148)
Education Culture ICT & Social Services Unit	15,000	22,000	17,675	4,325
Health Services Management Unit	380,825,769	272,042,796	409,092,618	(137,049,821)
Housing Management Unit	5,399,751	11,034,166	495,555	10,538,612
Land Rates Management Unit	107,750,392	100,566,356	220,176,460	(119,610,104)
Market Management Unit	20,648,026	7,059,200	14,305,620	(7,246,420)
Others	1,654,082	2,808,115	-	2,808,115
Roads Transport Public Works Management Unit	13,856,685	32,419,469	26,897,037	5,522,432
Slaughter House Management Unit	20,750,178	16,740,930	18,990,895	(2,249,965)
Trade Tourism Industry & Cooperatives Unit	6,290,188	1,775,764	7,837,375	(6,061,611)
Vehicle Parking Management Unit	126,965,373	77,417,871	121,405,832	(43,987,961)
Water Environment & Natural Resources Mgt Unit	7,064,344	22,976,308	29,416,520	(6,440,212)
Liquor Licenses Management Unit	34,757,798	16,554,127	25,747,354	(9,193,227)
Total:	1,062,689,396	897,969,272	1,395,936,791	(497,967,519)

31. Revenue collection as at 31st December 2020 was Kshs. 897,969,272 which was 36 percent short of the half year revenue target of Kshs. 1,395,936,791. The shortfall of Kshs 497,967,519 is attributed to waivers of various fees and charges granted by the county

government to cushion Kiambu business people against the effects of Covid -19 pandemic. In the health sector, the revenue collection was further affected by the go slow of the health workers that was felt throughout the country which led to complete shutdown of the health facilities.

32. As the economy recovers from the Covid - 19 shocks, the County anticipates an upward growth of revenue collection for the second half of the year compared to the first half. To enhance revenue measures, the county has established an office of Chief Officer in charge of revenue administration to ensure reduced revenue leakages, improve efficiency and improve control through better recording and reporting. The County has also procured a robust, efficient and cost-effective Hospital Management Information System (HMIS) for all public health care facilities to ensure a paperless and efficient records and patient information management system thus improving revenue collection over the medium term. Moreover, the County hopes that the new finance Act 2020 which was not contested will create good public relations, a factor that will create good will and help further improve revenue.

Figure 1: Own Source of Revenue



33. Under collection of Own Source of Revenue (OSR) has been a common trend in County government since the inception of devolution and Kiambu County has not been an exemption from the figure above, the county has consistently missed its own revenue target except for the financial year 2018/19 when the actual annual collection slightly exceeded the set annual target.

34. For the financial year 2020/21 the reported figure of Kshs.897 million is the actual collection as at 31st December 2020 which represents 23 percent of the revised annual target of KShs 3.98 billion. With the implementation of the recommendations of the

task force on enhancement of its own source of revenue, actual revenue collection is expected during the second half of the 2020/21 financial year.

35. The own source revenue collected has been fluctuating over time. During the period under review, the County faced some challenges that hindered optimal collection of revenue. These challenges include; various waivers on fees and charges granted by the county to cushion business persons from the adverse effects of covid 19 pandemic; weak business environments, weak enforcement of development control fees especially in the area of building plans approvals and non-compliance by traders, go slow by health workers among others. Despite this, revenue performance is projected to remain on an upward trajectory over the medium term with the implementation of the recommendation of the task force on enhancement of its own source of revenue.

2.6.Expenditure Performance

Table 2: Analysis of County Expenditures as at December 2020

Vote	Department	REVISED BUDGET ESTIMATE 2020/2021	ACTUAL EXPENDITURE- Half Year	% ABSORPTION
RECURRENT				
4061	County Assembly	1,239,878,544	379,371,308	31%
4062	County Executive	388,361,105	133,965,054	34%
4063	County Public Service Board	78,962,096	28,401,059	36%
4064	Finance & Economic Planning	1,487,550,756	475,842,085	32%
4065	Administration & Public Service	662,043,788	312,646,176	47%
4066	Agriculture, Crop Irrigation & Marketing	515,799,803	206,007,335	40%
4067	Water, Environment & Natural Resources	340,371,300	156,360,583	46%
4068	Health Services	5,055,329,247	2,358,613,104	47%
4069	Education, Culture, Youth, Sports & Social Services	933,796,202	327,518,429	35%
4070	Youth and Sports	140,115,300	60,790,284	43%
4071	Lands, Physical Planning & Housing	214,823,258	83,500,408	39%
4072	Trade, Tourism, Industry & Co-Operative	143,885,025	51,702,912	36%
4073	Roads, Transport & Public Works	413,275,910	219,640,324	53%
TOTAL		11,614,192,334	4,794,359,060	41%
DEVELOPMENT				
4061	County Assembly	70,000,000	6,779,219	10%
4062	County Executive	-	-	0%
4063	County Public Service Board	-	-	0%
4064	Finance & Economic Planning	375,736,510	15,856,170	4%
4065	Administration & Public Service	50,000,000	4,753,086	10%
4066	Agriculture, Crop Irrigation & Marketing	513,276,466	56,542,876	11%
4067	Water, Environment & Natural Resources	246,944,735	-	0%
4068	Health Services	927,258,512	37,279,706	4%
4069	Education, Culture, Youth, Sports & Social Services	161,984,894	594,806	0%
4070	Youth and Sports	109,500,000	-	0%

Vote	Department	REVISED BUDGET ESTIMATE 2020/2021	ACTUAL EXPENDITURE- Half Year	% ABSORPTION
4071	Lands, Physical Planning & Housing	2,022,458,824	562,468,227	28%
4072	Trade, Tourism, Industry & Co-Operative	300,000,000	14,139,726	5%
4073	Roads, Transport & Public Works	1,503,374,561	205,939,326	14%
TOTAL		6,280,534,502	904,353,142	14%
GRAND TOTAL		17,894,726,836	5,698,712,202	32%

Source: Kiambu County Treasury

36. The total expenditure for the first half of 2020/2021 was Kshs 5,698,712,202 representing absorption rate of 32%. During the period under review, Recurrent Expenditure was Kshs. 4.79 billion representing an absorption rate of 41% while Development Expenditure of Kshs. 904 million, representing absorption rate of 14%. The Roads, Transport and Public Works department had the highest absorption of recurrent expenditure at 53%. County Assembly had the lowest absorption under the recurrent expenditure at 31%.
37. Under development expenditure, the department of Lands, Physical planning and housing had the highest absorption at 28% while Water, Environment, Energy and Natural resource; Education, Culture, Gender and Social Services; and Youth Affairs, Sports and Communication had nil absorption.
38. The under absorption in both recurrent and development budget was mainly due to delays in exchequer by the national government and an underperformance in its own source of revenue collection. Worth noting is that the county received the 1st exchequer of FY 2020/21 in October 2020. This delay resulted to the county having arrears in basic salaries and statutory deductions making the exchequer to be absorbed by the arrears. Further, by the time of preparation of the CFSP, the county had not received the exchequer for the month of December 2020.

2.7.Fiscal Policy

39. Going forward into the medium term, the County Government will continue with its expenditure prioritization policy with a view to achieving the transformative development agenda which is anchored on provision of core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies, creation of employment opportunities and improving the general welfare of the people of Kiambu County. This will curtail growth in public expenditures to ensure attainment of fiscal consolidation over the medium term and also ensure debt is maintained within sustainable levels.

40. The County Government will ensure that its budget is fully financed and there is no fiscal deficit. To achieve this target, the County Government will continue to restrict growth in recurrent spending and double its effort in its own source of revenue mobilization.
41. The County Government continues to implement initiatives to boost revenue performance and enhance tax compliance. These revenue supporting initiatives have been implemented at considerable cost and will over the medium to long term help drive revenue performance. The initiatives include;
- i. Reversal of waiver of fees and charges put in place during the current financial year to cushion the business people from the impact of the COVID-19 pandemic.
 - ii. The County has established an office of Chief Officer in charge of revenue administration. This will enable the creation of an independent department in charge of revenue administration. In the long term, the county is considering the establishment of a County Revenue Board to achieve full autonomy in revenue administration.
 - iii. Implementation of a cashless system of revenue collection. The County executive has stopped the use of cash handling by the revenue collectors to reduce chances of theft and increase accountability
 - iv. Strengthening Audit function in auditing of revenue collection;
 - v. Disengagement of casual workers in collection of revenue
 - vi. Decentralization of planning approvals for major development applications to the Sub Counties and involving other departments through the constitution of the Sub County approval committee, chaired by the Sub County Administrator.
 - vii. Enhanced training so as to strengthening staff capacity involved in revenue collection
42. Further, the County Government will focus on expenditure rationalization by;
- i. Promoting fiscal discipline, allocative and operational efficiency.
The County will align County expenditures with total revenues and allocate budget to programs and activities that promote strategic priorities of the County whose outcomes shall have an impact on society while further ensuring the delivery of high quality services at reasonable cost.
 - ii. The County Government proposes to allocate more resources to roads, Agriculture, Trade and Industries with the aim of improving the livelihood and welfare of County residents.

- iii. In order to ensure continuity of service delivery, the County Government has embraced public private partnership (PPP) with national government through various ministries and parastatals such as KURA, state department of housing and urban development and KENHA to carry out some of the earmarked major projects/programmes within the County.

2.8.Revenue Mobilization

43. Enhancement of revenue collection in County Governments is key to meeting their financial responsibilities and to finance budgets and budgetary priorities as per the provisions of the Constitution of Kenya (2010) and County Government Act (2012). Over the years the County Government of Kiambu has failed to realize its own source revenue targets thereby affecting budget implementation, projects and programs. This has been occasioned by lack of openness and accountability in collection, reporting, poor administration, improper organizational structures, lack of well-defined and surrogate authority and responsibility, an inept system of monitoring and evaluation and corruption.
44. A task force on revenue raising measures was established on 27th August 2020 by the County Executive Committee Member in charge of Finance, ICT and Economic Planning to identify the main challenges facing the County on revenue collection, opportunities, untapped revenue-generating areas, possible legislation and policy intervention; the efficiencies and inefficiencies of the various revenue-generating systems used, areas of collaboration with the various ministries or government agencies, estimate the current revenue collection and potential revenue levels and make recommendations.
45. The taskforce established a decline in revenue in various revenue streams. The findings reveal and include but not limited to collusion between some officers with integrity issues in depriving the county revenue, low or unrealistic targets, low staff supervision, engagement of casuals in revenue collection areas, political interference in undertaking duties, absence robust enforcement mechanism, manipulation of revenue generation systems, absence of automation of cashless payment system, forgeries, impersonation, lack of databases, bureaucracy and centralization of services, lack of synergies and proper interdepartmental coordination and collaborations, stringent rules and regulations among many others.
46. The taskforce proposed revenue enhancement strategies and implementation plans with timelines to unravel the challenges and loopholes in the various revenue streams. The strategies emphasize in creation of synergies between and among all the relevant

departments, regular reporting and follow up of forgeries and prosecutions on cases of impersonations, set realistic targets, decentralization of services to sub-county and ward level, close staff supervision, establish databases, automate cashless payment systems, regular audit and maintenance of systems, revision of stringent rules and regulations among many others.

47. In conclusion, the taskforce recommended the creation of full autonomy for the Directorate in charge of revenue administration with ultimate creation of an independent Revenue Board. To this end, a chief officer in charge of Revenue has been appointed so as to enhance efficiency in administration of revenue.

48. The County will continue to use the following systems for Revenue Collection:

- i. County-Pro for revenue collection and management. This is mainly used for structured revenue.
- ii. ZIZI for unstructured revenue collection with minimal revenue streams.
- iii. Unstructured Supplementary Service Data mainly referred to as USSD. (*419#) which is used for collecting revenue in parking fees, quarry fees and livestock fees.
- iv. Electronic Development Application Management System (EDAMS) used to process architectural plans, inspection and occupancy and outdoor advertising.

49. Consultations with the County Budget and Economic Forum (CBEF) will deepen in all matters of planning, budgeting and financial management. Such consultations will ensure that there is transparency, accountability, and adherence to section 137 of the Public Finance Management (PFM) Act on budget making process.

50. The Covid-19 Pandemic has devastated global economies with Kenya not being spared. The economic impact of the Pandemic is already being felt across all sectors of the economy. Thus, 2021 CFSP is premised on the need to urgently overcome the immediate socio-economic challenges that the County faces today. In this document, there is a desire to foster a conducive environment critical to return the economy back to our long term growth path, while at the same time, providing impetus for increased economic growth in Kiambu.

51. The 2021 CFSP therefore articulates priority economic policies and structural reforms as well as Sectoral expenditure programs to be implemented under the Medium Term

Expenditure Framework for FY 2021/22– 2023/24. In order to achieve the County Government’s development goal of economic transformation for a shared prosperity, it focuses on the implementation of the policies and programmes leading to accelerate and sustain inclusive growth, create job opportunities for the unemployed, reduce poverty and income inequality and provide a better future for all residents of Kiambu.

3.0 POST COVID-19 PANDEMIC ECONOMIC RECOVERY

3.1 Preamble

52. To respond to the current challenges and cushion people of Kiambu and their businesses from the adverse effects of the Pandemic, the County Government is currently implementing Programmes whose objective is to return the economy to the growth trajectory, securing household food security for the poor, and creating employment and incomes *‘putting money in people’s pocket’*. Great gains have been realized under the Programmes including: supporting and working with persons with disability, job creation for our youth, women, business groups and Sacco’s through access to affordable capital ; waste management; provision of water to households; construction of roads among others. The county also signed an MOU with Kenya commercial bank and MasterCard foundation through a programme dubbed “The Post Covid economic recovery fund” to cushion vulnerable people from the pandemic shock.

3.2 Priority Pro-Growth Policy Measures

53. The 2021 CFSP articulates measures that will stimulate growth, promote job creation, reduce poverty, and protect the vulnerable groups and businesses. To achieve these, the County Government will:

- Continue supporting the National Government on implementation of the “Big Four” Agenda for job creation;
- Fast track development of critical infrastructure in the county such as roads so as to reduce the cost of doing business as well as promote competitiveness;
- Revamp stalled county projects which are likely to have a major impact to the livelihood and the economy of the county when completed. “low hanging fruits”
- Improve access to education in early childhood and Village polytechnics
- Strengthen health care systems
- Support youth, women and persons with disability and other vulnerable groups or persons in the county to enable them actively contribute to the economic recovery agenda; and
- Implement various structural reforms to enhance the efficiency of public service delivery while at the same time ensuring accountability for better fiscal stability, improved fiscal discipline and minimized corruption.

3.2.1 Implementation of the “Big Four” Agenda for job creation

3.2.1.1 Support manufacturing and employment creation

54. The manufacturing pillar of the Big Four continues to provide the necessary training ground for the Kenyan youth to acquire skills so as to replicate them in various industries. To maximize benefits from our major cash crops, the County Government is reviving and restoring the performance of major cash crops in the county through agro-processing. The County Government is supporting coffee farmers by providing lime to increase productivity and also plans to construct a coffee mill for value addition of coffee grown in the County. The County government will also facilitate construction of milk powder and animal feed factories. This is expected to increase returns through value addition of milk, provision of affordable and quality animal feeds, as well as creating employment opportunities to the people of Kiambu especially the youth.
55. In order to create more employment opportunities, the county Government will continue to increase trading spaces through construction of new of markets and upgrading of the existing ones in collaboration with the World Bank. The County will further partner with other development partners such as USAID to construct and equip Ndumberi, Kiambaa and Mang’u progressive dairy milk facilities, feeds and pork processing facilities and also capacity build and mentor the youths, women and people with disabilities to embrace emerging technologies.

3.2.1.2 Food Security and Nutrition

56. Food and nutrition security is a necessity in developing a holistic human capital base that in turn increases Country productivity and enhances economic development. Kiambu being an agricultural County should take advantage of the fertile soils and hardworking farmers, as well as the available market due to its proximity to Nairobi City. In pursuit of this, the County will continue to support food security projects that includes; distribution of quality maize and bean seeds to farmers, Potato plantlets/mini-tubers, fruit trees and pesticides. This will go a long way in cushioning the farmers from adverse effects of Covid-19 pandemic.
57. The County Government is committed in improving production of maize and coffee among other crops through continued provision of subsidized fertilizer. The County has also introduced the Village Based Advisors (VBA) programme that trains groups of farmers on correct use of fertilizers and seeds. These farmers will in turn pass the knowledge acquired to their colleagues in the villages. The County also brought together coffee and dairy

farmers under umbrella associations to achieve economies of scale through purchase of inputs, processing and marketing.

58. Additionally, Kiambu County is reputed to be the biggest dairy producer with Githunguri Dairy Cooperative Society being our leading processor with its brand of Fresha. To support the dairy farming, the County will procure coolers and pasteurizers for Ndumberi, Limuru and other 26 small dairies as well as implement the subsidized A.I program and veterinary services. The County is also planning to distribute piglets and fingerings to farmers and Indigenous chicken to youth who have largely remained unemployed and have been further disadvantaged by the covid-19 pandemic effects on the economy.
59. In the FY 2021/22 and MTEF period the county government will also prioritize disease control through vaccinations and upgrade waruhiu ATC.

3.2.1.3 Universal Health Coverage to all Kenyans

60. The County Government in collaboration with the National Government has made great strides in ensuring that every Kenyan has access to quality and affordable healthcare under the Universal Health Coverage (UHC) Program. However, the outbreak and rapid spread of COVID-19 Pandemic has necessitated the urgent need to upscale implementation of the UHC.
61. Early last year, the County Government signed the Universal Health Coverage (UHC) inter-governmental partnership agreement. The roll out to the counties follows a successful pilot program that informed the issues that the coverage is targeting, with a major focus on strengthening of the health systems, access to medicine, removal of user fees in level 4 and 5 facilities and equipping of the community health facilities namely level 2 and 3 hospitals. The roll out of this National Government program to Kiambu County will complement our strategy of improving the lower level facilities with the aim of reducing the patient influx in our referral hospitals.
62. During the same period, Kiambu opened a Medically Assisted Therapy Clinic (MAT) at the Karuri (Level-4) Hospital in Kiambaa. It was established by Medecins Sans Frontieres-Belgium (MSF) in partnership with the County Government of Kiambu, LVCT Health and the National Aids and STIs Programme (NASCOP). The clinic is meant to counter the problem of drug and alcohol abuse in Kiambu by providing a holistic approach to the menace.
63. Provision of health services therefore remains our priority number one. Kiambu County is ready for the full roll-out of Universal Health Coverage (UHC), having been the 10th County to sign the MOU with the National Government. The County is set to progressively improve our health facilities, hire additional medical personnel to match the needs of the

expanded facilities. The County will also address the issue of a conducive working environment, working relations, and staff morale with a view to boosting it to ensure they continue serving with even more vigor and commitment.

3.2.1.4 Provision of Decent and affordable Housing for All Kenyans

64. According to the 2019 Census by the Kenya National Bureau of Statistics, the Population of Kiambu is over 2.4 million with over 60% of this population living in urban areas. This has continued to exert much pressure on supply for decent housing due to the increased demand for urban housing. Article 43 (1) b of Kenya’s constitution provides that every Kenyan has “*a right to accessible and adequate housing and to reasonable standards of sanitation.*” Supporting this, Kenya’s Vision 2030 acknowledges the need for adequacy and decent housing for all, if Kenya is to be a middle-income country as per the said vision and is in tandem with Sustainable Development Goal no.11, on “making cities and human settlements inclusive, safe, resilient and sustainable” which targets to ensure access to adequate, safe and affordable housing and basic services in upgraded informal settlements.
65. Affordable housing program principles include:
 - a) Allowing every Kenyan to own property,
 - b) Decent housing built to modern standards,
 - c) Monthly cost of home ownership to be equivalent to rental cost, and
 - d) A Target of 500,000 plus units owned by Kenyans by the year 2022.
66. Affordable and quality housing program is implemented by the County in partnership with the National Government through the State Department for Housing and Urban Development (SDHUD), private developers and other relevant stakeholders. In line with this partnership, the County Government of Kiambu is currently piloting the Affordable Housing Project (AHP) in Ruiru. As per the program of activities on this project, groundbreaking is scheduled for May 2021. The project involves construction of at least 500 Affordable housing units in Ruiru in FY 2020/21 and 2,000 housing units within FY 2021/22 in Thika, Kiambu, Ruiru and Limuru.
67. In-order to improve the quality of life for all and within the informal settlements, the County has in partnership with the national government thought the Kenya Informal Settlements Improvement Project (KISIP) completed the surveying and planning of Umoja informal Settlement in Thika under the regularization of security of tenure. Title deeds for all the beneficiaries thereof will be issued before June 2021.

68. Similar exercises under the regularization of security of tenure have been planned for other informal settlements including, Kiandutu and Madharau in Thika, Kiamburi and Ruthimitu in Kikuyu municipality, Misri in Limuru and Kanjeru in Kabete among others.
69. Infrastructural improvement under the KISIP 2 within the FY 2021/2022 have been planned to be implemented in Kiang'ombe and Umoja in Thika Municipality, Misri/Karanjee in Limuru Municipality and Wataalam/Fort Jesus/Matopeni in Ruiru Municipality.
70. Under the Social Housing Program, the County will in the FY 2021/22 in partnership with the national government and other development partners facilitate the construction of 70 units in Kibagare informal settlement in Karuri Municipality targeting low income earners. The same will be replicated in other settlements in subsequent years.

3.2.2 Infrastructure Development for Inclusive Growth

71. The County Government continues to build a strong transport system to enhance connectivity in the county through roads in order to ensure businesses thrive in an enabling environment, and realize significant progress from manufacturing and agro-processing. This will in turn support growth in the other sectors of the economy such as commerce, tourism and other services. In view of this, the County Government has put in place deliberate efforts to scale up a robust network of high-quality roads to enable Kiambu people enjoy the benefits of expanded infrastructure assets, interconnectivity and competitiveness leading to improvement and better ranking in the ease of doing business in the county.
72. Kiambu County has a total of 7,917.43 Km of roads network. 249 Km of road are yet to be opened. 1,156.813KMs of these roads are paved and 6,760.62km unpaved. The County envisages providing sustainable mobility for all by inclusion of none motorized traffic lanes for human traffic as well as reduction of air pollution to road users. The County is committed to improving the existing road network in the rural areas to enable farmers, and other small-scale traders to move wares to market centers. Apart from upgrading the existing road network, the County Government will build new road networks to open up those areas that have in the past been left behind in road development.
73. During the period 2018/2019 first half of the year 2020-2021 the County has registered various achievements during the year; it Constructed to gravel standards over 1700km of rural access roads; rehabilitated and constructed thirteen (13) bridges; rehabilitated and reconstructed of 41 Kms of bituminous roads; Upgraded 20 Km of major links and urban gravel roads to bitumen standards; constructed and marked street parking in major towns; constructed of six bus parks; constructed circuit gravel roads at rural shopping Centers and maintained over 5000Km of rural roads; and maintained storm water drainage throughout

the County. The County is also constructing three (3) fire stations and is in possession of 12 No. fire engines and vehicles. With respect to lighting the County, the Department plans to install 233 flood masts, 1480 street lighting.

74. Going forward, during the FY 2021/22, the County Government has committed to Construct 25 kilometers of Major Roads to Bitumen standards and upgrade 240 kilometers of Roads to gravel standards; build three motorable bridges; upgrade two Bus parks to cabro level; Maintain 300 kilometers of Roads to motorable status; Construct 2 km of storm Water drains and 10 kilometers of Non- Motorized walkways, Construct 10 footbridges, rehabilitate two existing fire stations at limuru and Githunguri, acquire land for compensation to allow opening up of roads and install streetlights and floodlights in all the 60 wards .

3.2.3 Departmental Transformation for Broad Based Sustainable Economic Growth

3.2.3.1 Water Supply and Environmental Conservation

75. Sustainable access to water and environmental conservation is essential for sustained agricultural transformation, higher productivity and growth as well as overall development. Towards this end, the County Government has continued to prioritize the sustainable management and conservation of the environment, protection of water catchment areas and access to clean, secure and adequate water.
76. During the Covid-19 Pandemic, the County Government extended water connectivity to semi-arid areas within the county, drilled and rehabilitated boreholes to enhance availability of water with over 6600 households connected to water on a 24-hour basis, in collaboration with the Athi Water Works Development Agency, the county government accelerated the finalization of the water projects such as Loromo and Extended water pipelines for Water Distribution Project targeting various areas in the county.
77. Under water provision and management, the department was able to complete the development of Kiambu County water and sanitation services policy 2018, drill seven boreholes and operationalize three boreholes; Thogoto, Ondire and Ndongoro that produce a combined total yield of 55m³/hr. .Six boreholes across the county were also rehabilitated and 33 km distribution pipes laid in Gitithia, Kabunge, Escarpment, Kiuu-Gatundu. In partnership with NAMSIP, the Kambaa water project which aimed at reaching over 600 households in Kijabe ward in Lari was initiated and completed and Tigoni- Karuri water Transmission line commissioned. An 11km, 160mm transmission line from Tigoni treatment that works through Kentmere to the Gachorwi tank in Karuri was completed

while the extension of 28kms of water pipeline for Githunguri-Ikinu water distribution is currently ongoing.

78. In addition, the department in collaboration with the Athi Water Works Development Agency has accelerated the finalization of the Loromo water project that targets areas of Bibirioni, Ngenia, Nderu and Thigio in Limuru Subcounty. Additionally, the department managed to construct; septic tanks in Kamangu, Thogoto and Rukuma toilets, a bio-digester in Mutarakwa and Ndumberi toilets and 3 sanitation blocks; two in Ruiru and one in Kwambira Market. Furthermore, the department constructed and rehabilitated; a 54m³ ground masonry tank in Mithure, 2.9km rising mains to uptake water from both Nguirubi and Kiriri boreholes and a 108m³ steel elevated tank.
79. Kiambu County has made tremendous efforts on solid waste management. The County is the first one to establish a semi aerobic landfill in Africa through a partnership between UN-Habitat, JICA, Fukuoka University Japan and SWAN. The project is aerobic and no mechanical engineering is required. This eliminates scavengers, flies and other vectors. The sanitary landfill is based on Fukuoka technique and 13 officers have been trained. The Japanese diplomacy and Fukuoka Environment Foundation has so far donated 3 compactors and 1 dump truck. The County government is committed to ensuring the sanitary landfill functions. This site will play an important role in training other African countries on the best principles of solid waste management under the Africa Clean Cities Platform. Jomo Kenyatta University of Agriculture and Technology (JKUAT) is in the process of developing a Master's degree program on solid waste management and the sanitary landfill in Thika Sub-County will serve as the major practical site. Kiambu County Government will continue to explore new areas of cooperation between the County and the Japanese Government.
80. The County Government has also developed policies and programmes touching on conservation and management of solid waste management. The County has increased waste collection from 50-65%, held over thirty (30) major clean ups within the county, established Organic waste management center at Waruhiu, developed solid waste management policy and procured personal protective equipment (PPEs) and tools for all staff.
81. Going forward, the County Government intends to supply water up to 80% through a holistic approach whereby rich catchment areas with rich aquifers for example ondiri, loromo, karimenu are identified and accessed for distribution of water to the rest of the County. Over the medium term, the County Government will prioritize the implementation of environmental conservation programs including tree planting and afforestation, water

harvesting, smart agriculture, construction of water pans and rehabilitation of sanitation blocks, construction of sewer lines, drilling and equipping of boreholes.

3.2.3.2 Sustainable Management of Land for Social-Economic Development

82. Land as a factor of production is critical to economic, social, political and cultural development. Secure access to land, sustainable land use planning and equitable distribution of land remain immensely important for food security, employment creation and the socio-economic development of the county and Country at large. Towards this end, the County Government has continued to develop and implement policies and programs to guide land use, access to land title, development of decent housing in sustainable environments and security of tenure.
83. Going forward, the County Government will complete the County Spatial Plan, commence construction of Affordable houses at Ruiru sub county, upgrade Edams for improve efficiency in plans approval, rehabilitate county houses at kikuyu sub county, complete parking and land scaping at red nova offices, purchase survey equipments for survey of County Land, upgrade GIS and set up a registry.

3.2.4 Empowering Youth, Women and Persons with Disabilities

84. The most pressing challenge in Kiambu and Kenya at large is the lack of jobs for the youth. The County government is committed to solving this challenge by dedicating resources to youth empowerment programmes and supporting businesses owned by youth, women and persons living with disabilities. To address this challenge the County will continue to build youth capacity through training on entrepreneurial skills and exchange programmes.
85. During this financial year 2020-21, the County signed two memoranda of understanding (MOUs) with Kenya Commercial bank and MasterCard foundation on a partnership through a programme dubbed “The Post Covid economic Recovery Fund” which is designed to provide youth, women, business groups and Sacco’s access to affordable capital to either begin or sustain businesses during and after the covid crisis at low interest rates.
86. The County rehabilitated polytechnics within the County in order to increase access to technical and vocational courses that further assist the youths by empowering themselves economically in future. The County also held AGPO sensitization and entrepreneurship training to the county youth and developed the 2018-2022 draft strategic plan and youth and sports policies that are awaiting approval.
87. Going forward, the County Government is leveraging on partnerships with businesses and other private organizations to create opportunities for the youth through entrepreneurship programs. The County Government will also continue to commit resources to Youth

Opportunities and Employment Programs that shall seek to develop skills and create employment for youth. The county government through the program will open a school in Ndumberi, Business Development Service Centers (BDSC), whereby the county will identify youth interested in entrepreneurship and train them on how to run businesses such as carwash, salons, barber shops etc. The County Government will also create a conducive environment for micro, small and medium sized enterprises (MSMEs) to thrive as they are the pillar to create jobs for our youth and women.

3.2.5 Improve access to Education in Early Childhood and Village Polytechnics

88. Despite the negative effects of Covid-19 Pandemic and the ensuing containment measures, the education sector remains an important enabler in achieving the “Big Four”. The County Government converted Caregivers on contract to permanent basis to protect livelihoods supported by the education sector during the Pandemic period. The County Government also continues to make sustained investments in education for early childhood and village polytechnics. This has increased access to quality basic education and improved the outcomes of our Early Childhood Development Education (ECDE) centers and village polytechnics.

89. During the period under review, key achievement of the department includes; ECDE Directorate conducted training of programme officers and caregivers/teachers, Constructed and refurbished classrooms, ablution blocks and perimeter walls. Vocational Training Centre (VTC) directorate procured assorted tools and equipment, furniture and instructional materials, constructed training sheds, ablution blocks, workshops, classrooms, perimeter walls, installed hand washing stations and produced facemask for distribution to the community. Gender and Culture procured and distributed assistive devices, sanitary towels and food stuff and blankets to PWDs, Marked UN international day of PWDs, rolled out women empowerment programmes, carried training for TWG-SGBV and promoted culture and creative arts. Social Services disbursed bursary funds to vulnerable and needy students, held women legal clinics and trained groups on social enterprise.

Going forward, the County Government will continue to prioritize the education sector and allocate resources to enhance access to early childhood education and vocational training, develop Legal Frameworks, infrastructure development as well as construction and equipping of village polytechnics. The County will empower youth, women, PWDs and other special interest groups and also implement GBV programs in the medium term.

3.2.6 Strengthen Health Care Systems

3.2.6.1: County Health care

90. The health department is one of the devolved functions in accordance with Schedule IV of the Constitution of Kenya, 2010. The sector takes up the highest proportion of the County Budget every year to ensure that the population has access to quality and affordable health care services.
91. In the period under review, staffs were promoted and UHC staffs were recruited to improve service delivery in the provision of health care. In the past three years, 20 facilities were equipped with assorted medical equipment out of 107 facilities. Isolation facilities have been equipped with assorted medical equipment including laboratory and ICU equipment. These facilities are: Tigoni, Wangige, Gatundu, Thika and Kiambu County Referral Hospital.
92. Additionally, the County Government has procured a robust, efficient and cost-effective hospital management information system (HMIS) for all public health care facilities to digitize hospital management and ensure a paperless and efficient records and patient information management system.
93. In the next MTEF period, the County intends to improve infrastructure by renovating and furnishing health facilities. The County also plans to remunerate 3600 health care workers and have all facilities practice good inventory management by the end of the MTEF period. The medium term budget will prioritize scaling up of interventions aimed at enhancing equitable access to high impact healthcare services as outlined in the County Integrated Development Plan (2018-2022) and other departmental plans. Priority will also be given to the implementation of the Sustainable Development Goals (SDGs) that calls for efforts to move beyond meeting basic human needs in order to promote dynamic, inclusive and sustainable development as per Kenya's Vision 2030. The emphasis of the sector will therefore be geared towards the reduction of the health financial burden to the households and attainment of the highest standard of health care for sustained long-term growth and development.

3.2.6.2 Health infrastructure and response to Covid-19

94. Various developments projects in the health sector had stalled previously due to non-payment of bills. These projects included the building of additional medical blocks at Tigoni, Wangige, Rukuma, Thogoto and Lussigeti health facilities. Construction of all the stalled projects was revived and fast-tracked as the Covid-19 pandemic cases increased. The new block in Tigoni Hospital with a capacity of 300 beds was opened a few months later and became the Kiambu Covid-19 treatment center.

95. The County Government, with the assistance of the Emergency Response Committee and friends of Kiambu, later put up a fully-equipped isolation block with a 104-bed capacity, next to the center. Another 150-bed capacity isolation center was established at Ruiru (Level-4) Hospital. To curb the spread of the virus, the County Government invested in more isolation and quarantine facilities in its three Level-5 hospitals in Kiambu, Thika and Gatundu. To date, the isolation facilities run by the county government have a total capacity of over 900 beds. The County Government has a response strategy that links the 12 sub-counties to the County Health Management Team and County Executive. Its highlights include rapid response to suspected cases of Covid-19. More than 1,200 community health volunteers have been trained and the County Government continues to fumigate busy public spaces such as markets, schools, bus parks and others. Meanwhile, the new Wangige (Level-4) Hospital with a 150-bed capacity has also been completed. A toilet block has been constructed at Lussigetti (Level-4) Hospital and a generator installed at the facility. Equally, the County has planned to operationalize the theatre.
96. Nachu Dispensary in Kikuyu Sub-county has also been expanded to provide adequate outpatient services. Construction of a patient toilet, fence, and gate and water connection is underway. Equally, Lari (Level-4) Hospital's operating theatre was repaired and operationalized. A generator was also installed at the facility and a four-story ward is under construction.
97. The county government has also completed ablution blocks at the Gichuru dispensary, Githunguri and Kamuchege health centers. Before the outbreak of Covid-19, Kiambu had only five ICU beds. This has been upgraded to 32 active ICU beds and the County government is in the process of upgrading further to a total of 50 ICU beds.
98. Further, the County Government has installed oxygen in all Level-5 hospitals and at the Kiambu Covid-19 treatment center in Tigoni. The County Executive has also ensured the institutions are fully funded and that disbursements are done timely. Accordingly, there has been little, if any, stock-outs of drugs and other supplies in public health facilities

3.2.7 Entrenching Structural Reforms to Facilitate Business and Employment Growth

3.2.7.1 Strengthening Governance and the Fight against Corruption

99. Public sector corporate governance means the establishment of proper governance frameworks to strengthen accountability mechanisms and open channels of communication within and across the various stakeholders in the public sector. The Constitution outlines national values and principles of governance such as rule of law, public participation, good

governance, transparency, inclusiveness, accountability, integrity and sustainable development among others. The Constitution also requires all State Organs as well as State and public officers to observe national values and principles in the formulation and implementation of public policy decisions. These national values and principles are also underscored in the Public Finance and Management Act (2012), which establishes relevant institutions and assigns them responsibilities. The county government is committed to promotion of good governance by putting in place clearly stipulated roles in the county department.

100. The County Government remains committed in curtailing corruption which inhibits economic growth and development through loss of funds. In this respect, the County Government has stepped its efforts in the fight against corruption through implementing a raft of measures that strengthens accountability at all stages of the public finance management cycle. To effectively and efficiently manage public resources, reforms have been undertaken by the County Government towards improving the Public Procurement and Disposal system. Towards this end, the County Treasury fully implemented the Executive Order No 2 of 2018 issued by National Treasury that requires State Agencies to make public the details of all Government tenders continuing to be affected, thus eliminating secrecy which facilitates corruption. Strict compliance with the Public Procurement and Disposal Act, in procurement of Goods and services is also expected to rid the County Government Public Service from corruption.

101. Further, the County Government has scaled up the fight against corruption by implementing various legal, policy and institutional reforms in order to seal the loopholes used to embezzle public funds. To succeed in the fight against graft, the County Government has partnered with institutions mandated to fight against corruption so that they may bring all corruption suspects to book in record time, instil good governance and recover corruptly acquired assets. Going forward, the County Government will continue to Partner with various institutions that are mandated to fight corruption in the country, support civic education, transparency and accountability and the rule of law.

3.2.7.2 Deepening Public Financial Management Reforms

102. In its effort to ensure efficiency and effectiveness of public spending, the County Government will continue to strengthen expenditure control through necessary fiscal measures and prudent public financial management reforms. To facilitate the attainment of priority programmes and projects, the County Government will focus on implementation and completion of ongoing and stalled priority projects and programmes. As a measure of accountability, the County Government will adhere to strict project timelines and budgets

through ground inspection of projects and robust public engagements. This will enable redirecting of resources to other fundamental and critical sectors of the economy and the available resources will be directed to high priority areas especially programmes that support critical sectors such as Education, infrastructure, Health and Agriculture.

103. The success of programmes and projects implementation in the County will depend on prudent management of the available public resources. In order to promote good governance and transformative leadership for socio-economic development of the County and country, the County Government will encourage the residents of Kiambu to engage more in social audits of infrastructural projects being implemented so as to ensure value for money and enhance accountability in the use of public resources.
104. The County staffs are indeed the engine that drives our County. The staff will continue to embrace teamwork and focus their capacities towards improved service delivery based on integrity, accountability and transparency; as well as ensure prudent application of allocated resources. Further, the County leadership will continue to host County Executive Management Meeting to deliberate on effective and efficient service delivery strategies for better implementation of programmes and projects.
105. The County Government will continue to progressively streamline the County Administrative structures for better services. Equally, building the capacity of the municipal administration and fully operationalizing their mandates will be key in order for the municipalities to render the expected services.

4.0 BUDGETS FOR FY 2021/22 AND THE MEDIUM TERM

4.1 Fiscal Framework Summary

106. The FY 2021/22 Budget framework will continue with the fiscal consolidation policy. With this fiscal strategy, the department will be encouraged to adopt efficiency in allocation of resources and observing the concept of value for money with a view to promoting sustainability and affordability. County government spending will be directed towards the most critical needs of the County and where such resources have high impacts on improving the livelihoods and jobs creation for the people of Kiambu.

107. The fiscal framework for the FY 2021/22 Budget is based on the County Government's policy priorities and macroeconomic policy framework set out in Chapter II and Chapter III.

4.2 Revenue Projections

108. The FY 2021/22 resource envelope is projected at Kshs. 17.91 Billion constituting Kshs. 3.69 Billion Own Source Revenue and Kshs. 14.21 Billion as transfers from the National Government. Revenue from the national government is as per the approved 2021 Budget policy statement and is subject to review in the County Allocation of Revenue Act. The own source of revenue target is per the recommendation of a task force on revenue raising measures report of September 2020.

Table 3: Revenue Projections for the FY 2021/22

Revenue streams	Actual Revenue 2018/19	Actual Revenue 2019/20	Proposed 2021/22
Equitable Share of Revenue(Unconditional Grants)	9,357,200,000	8,620,573,800	11,717,525,720
Grant from National Government	927,742,140	1,188,353,665	0
Users Fees Foregone	34,671,542	34,671,542	-
Conditional Grant-Road Maintenance Fuel Levy	302,930,786	267,725,062	-
Conditional Grants to Level - 5 Hospital	538,716,762	538,716,763	-
Conditional Allocation Development of Youth Polytechnic	51,423,050	55,113,298	-
Conditional Grant-Leasing of Medical Equipment	-	-	-
COVID Health Allowances	-	106,635,000	-
Covid-19 grant	-	185,492,000	-
Grant from Dev. Partners	2,327,213,778	1,748,385,911	2,501,632,254
Transforming Health System for Universal Health Care	20,524,353	80,079,440	
World Bank-National Agriculture & Rural Growth Project	50,078,476	230,751,500	
Kenya Devolution Support Project (KDSP) "Level 2 grant"	289,565,839	-	
Kenya Devolution Support Project (KDSP) "Level 1 grant"	0	30,000,000	
Covid 19 Grant-health workers allowances			

Revenue streams	Actual Revenue	Actual Revenue	Proposed
	2018/19	2019/20	2021/22
DANIDA	32,400,000	38,367,500	
Kenya Urban Support Project(KUSP)-UIG	1,885,993,000	1,348,935,361	1,885,993,000
IDA (World Bank) credit: Kenya Urban Support Project(KUSP)	41,200,000	8,800,000	
Agricultural Sector Development Support Programme(ASDSP)	7,452,110	11,452,110	
Others-(MSF BELGIUM)-			26,400,000
Loans and Grants	-		589,239,254
TOTAL REVENUE FROM NATIONAL GOVERNMENT	12,612,155,918	11,557,313,376	14,219,157,974
Agriculture Livestock & Fisheries Management Unit	2,984,606	7,630,549	11,445,823
Physical Planning Management Unit	513,476,767	497,407,107	746,110,661
Business Permit Management Unit	287,602,760	185,192,395	277,788,593
Cess Management Unit	122,273,145	95,050,081	142,575,122
Education Culture ICT & Social Services Unit	38,000	18,000	27,000
Health Services Management Unit	981,598,727	916,247,060	1,374,370,589
Housing Management Unit	1,065,228	17,090,205	25,635,308
Land Rates Management Unit	322,491,218	241,976,369	362,964,554
Market Management Unit	30,750,924	33,359,712	50,039,568
Others	5,328,585	6,561,703	9,842,554
Roads Transport Public Works Management Unit	66,386,240	49,307,164	73,960,746
Slaughterhouse Management Unit	40,822,223	36,865,578	55,298,367
Trade Tourism Industry & Cooperatives Unit	16,463,992	11,374,507	17,061,761
Vehicle Parking Management Unit	239,375,110	230,746,433	346,119,650
Water Environment & Natural Resources Mgt Unit	63,232,814	48,308,462	72,462,693
liquor management unit	55,345,700	89,120,787	133,681,181
Own Source of Revenue	2,749,236,039	2,466,256,111	3,699,384,166
Unspent balances		1,194,751,803	
Total Revenue	15,361,391,957	15,218,321,290	17,918,542,140

Source: Kiambu County Treasury

4.3 FY 2021/22 and Medium-Term Budget Priorities

109. The County Government is committed to implementing priority programmes under the 2021/22 ADP to achieve the aspirations of the people of Kiambu as outlined in the CIDP 2018-2022 while taking into account the need to enhance our resources during the programming period. The County Government will in this regard develop a framework for better quality services based on strong links between resources, budgeting, monitoring and clear expectations for delivering planned outcomes.

110. The County Government will continuously strive to ensure that public spending leads to high quality outcomes. Consequently, the medium-term spending programme will continue to focus on priority programmes aimed at economic recovery and quality of public

spending. Sustainability, affordability and strict prioritization are expected to be the norm rather than an exception under this strategy. To achieve this, we need to ensure that:

- Spending is directed towards the most critical needs of the County and is well utilized;
- More outputs and outcomes are achieved with existing or lower level of resources; and
- Departments' requests for resources are realistic and take into account the resource constraints.

4.4 Expenditure Allocations

111. The total Resource allocation for the FY 2021/22 is projected at Kshs 17.91 Billion against a resource requirement of Kshs.24.6 Billion. The resource requirements are as per the sector working group reports submitted to the county treasury by the respective departments. The total expenditure for the FY is projected at Kshs 17.91 billion of which 11 billion is recurrent expenditure (62 percent) and Kshs.6.85 billion is development allocation (38 percent). The resource allocations to all the County Government for the financial year 2021/22 to all the county departments/agencies have been summarized in the table below;

Table 4: Medium Term Expenditure Framework Ceiling Allocation

Vote	Recurrent	APPROVED 2020/21	2021/22	2022/23	2023/24
4061	County Assembly	1,232,678,544	1,085,527,936	1,150,659,612	1,219,699,189
4062	County Executive	388,361,105	353,233,962	374,428,000	396,893,679
4063	Public Service Board	78,962,096	62,096,211	65,821,983	69,771,302
4064	Finance ICT & Economic Planning	1,487,550,756	1,482,254,568	1,571,189,842	1,665,461,233
4065	Administration And Public Service	662,043,788	859,988,341	911,587,641	966,282,900
4066	Agriculture Livestock And Fisheries	515,799,803	463,162,497	490,952,246	520,409,381
4067	Water Environment Energy And Natural Resources	340,371,300	341,523,466	362,014,874	383,735,767
4068	Health Services	5,055,329,247	4,541,109,289	4,813,575,847	5,102,390,398
4069	Education Culture And Social Services	933,796,202	1,026,202,219	1,087,774,352	1,153,040,813
4070	Youth Sports & Communication	140,115,300	81,245,280	86,119,997	91,287,196
4071	Land Housing Physical Planning Municipal & Urban Development	214,823,258	214,659,654	227,539,233	241,191,587
4072	Trade Tourism Cooperative & Enterprise Development	143,885,025	145,502,334	154,232,474	163,486,422
4073	Roads Public Works Transport & Utilities	413,275,910	409,755,348	434,340,669	460,401,109
	Total recurrent	11,606,992,334	11,066,261,105	11,730,236,771	12,434,050,977
Vote	Development				
4061	County Assembly	77,200,000	-	-	-
4062	County Executive	-	-	-	-
4063	Public Service Board	-	-	-	-
4064	Finance ICT & Economic Planning	375,736,510	719,239,254	762,393,609	808,137,226
4065	Administration And Public Service	50,000,000	31,000,000	32,860,000	34,831,600
4066	Agriculture Livestock And Fisheries	513,276,466	404,350,238	428,611,252	454,327,927

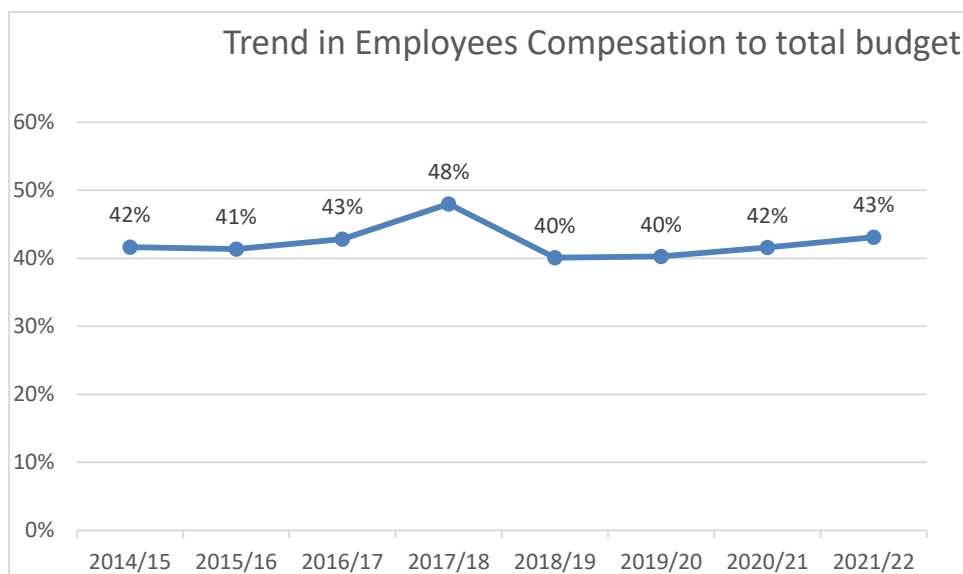
Vote	Recurrent	APPROVED 2020/21	2021/22	2022/23	2023/24
4067	Water Environment Energy And Natural Resources	246,944,735	293,000,000	310,580,000	329,214,800
4068	Health Services	927,258,512	1,028,716,763	1,090,439,769	1,155,866,155
4069	Education Culture And Social Services	161,984,894	233,969,788	248,007,975	262,888,454
4070	Youth Sports & Communication	109,500,000	215,538,853	228,471,184	242,179,455
4071	Land Housing Physical Planning Municipal & Urban Development	2,022,458,824	2,115,993,000	2,242,952,580	2,377,529,735
4072	Trade Tourism Cooperative & Enterprise Development	300,000,000	386,098,578	409,264,493	433,820,362
4073	Roads Public Works Transport & Utilities	1,503,374,561	1,424,374,561	1,509,837,035	1,600,427,257
	Total	6,287,734,502	6,852,281,035	7,263,417,897	7,699,222,971
	Grand Total	17,894,726,836	17,918,542,140	18,993,654,668	20,133,273,948

Source: Kiambu County Treasury

4.4.1 Allocation to Personnel Emolument

112. Expenditure to personnel emolument is projected at Ksh 7.71 billion (43 percent of the total county revenue) for the 2021/22 financial years which is an increase of Ksh 300 million from the 2020.21 revised budget estimates. The 1% increase thereof is attributed to the financial implication of staff promotions that were effected in the current financial year and the annual staff increment. The figure below shows the trend in PE expenditure since 2014.15 financial year.

Figure 2: Trend in employees' compensation to total budget



Source: Kiambu County Treasury

4.4.2 Allocation to County Established Funds

113. Section 116 (1) of the Public Finance Management Act, 2012 provides that a County Executive Committee member for finance may establish other public funds with the

approval of the County Executive Committee and the county assembly. The county treasury has made allocations to the county established funds as follows;

Table 5: Allocation to County Established funds

NO	FUND NAME	AMOUNT
1	Kiambu County Executive Loan Mortgage Fund	-
2	Jijenge Fund	100,000,000
3	Kiambu County Education Bursary Fund	200,000,000
4	Kiambu Emergency Fund	30,000,000
5	Kiambu Alcoholic Drinks Control Fund	47,800,000
6	Kiambu County Health Services Facility Improvement Fund	968,144,223
7.	Kiambu County Leasing fund	150,000,000
TOTAL		1,495,944,223

The county proposes to allocate County Health Services Facility improvement fund as AIA in the itemized estimate of the 2021/22 financial years.

114. Article 202(2) of the constitution provides that County governments may be given additional allocations from the national government's share of the revenue, either conditionally or unconditionally. Over the last 8 years of devolution, the national government has provided conditional grants to county governments targeted at realization of specific national policies in the areas of health; roads and educations. In the approved 2021 budget policy statement, conditional grant from national government share of revenue has been converted into non conditional grant. The advantage of the conversion is that it will afford counties more autonomy to budget and prioritize allocation of resources. While riding on this advantage, the County will still maintain the purpose of these grants as it was before the conversion. The proposed allocation of conditional grant from conditional grant from loans and development partners to Kiambu County is Kshs 589 million. This amount has been allocated to the finance department. The grant will be allocated to respective departments once the County Allocation of Revenue Act disaggregates the conditional grants.

4.5 Overall Deficit and Financing

115. The County Government has allocated resources for spending that are commensurate to the revenues expected in the FY 2021/22. The County budget shall be financed through transfer from the National Government and Own Source of Revenue. The FY 2021/22 fiscal framework is therefore fully financed.

116. Resource allocation and utilization in the 2021/2022 financial year and the medium term will be guided by County Integrated Development Plan (2018-2022) and County Annual Development Plan (2021-22) in order to ensure effective utilization of public finances.

4.6.1 Criteria for Resource Allocation

117. The following criteria was used as a guide for allocating resources:

- i. Linkage of programmes to post covid-19 Economic recovery
- ii. Linkage of the programme with the objectives of CIDP 2018-2022;
Programmes that have high impact in terms of job creation, alleviating poverty and improving the livelihood of the residents of Kiambu, ‘low hanging fruits’.
- iii. Degree to which the programme is addressing the core mandate of the department;
- iv. Cost effectiveness and sustainability of the programme
- v. Requirement for furtherance and implementation of devolution.

118. The budgets estimates will be scrutinized and should additional resources become available in the process of firming up the resource envelope; the County government will redirect them to fund strategic priorities that may have been left out due to resource constraints.

4.7 Public Participation and Involvement of Stakeholders

119. The law requires that the inputs of the public be taken into account before the Budget proposals are firmed up. In this regard, Public Hearings for the 2021 CFSP and FY 2021/22 and medium term budget were held between 9th and 10th February 2021.

4.8 Risks to the 2020/21 Budget Framework

120. The risks to the fiscal framework for the FY 2021/22 include;

- i. Under performance in the County’s own source revenue due to unprecedented events brought about by the Covid-19 pandemic and slowed growth of the economy leading to closure of many businesses. To counter this, the County has put more efforts to increase its own source revenue through revenue raising measures such as mapping of revenue streams, introducing a revamped cashless system, and having a strong and disciplined enforcement team. As result, the county has shown some signs of recovery in OSR collection. However, due to the prevailing economic circumstances and the likelihood of continued presence of the Covid 19 pandemic, the county might not realize the targeted OSR.

- ii. Another risk is the County's high wage bill. There has also been an increased pressure by the workers union for higher pay, especially by health workers. Since devolution started the County has continued to hire more staff, especially casual workers which has largely contributed to the ballooning wage bill. The recent promotion of county staff as per the task force recommendation has also contributed to the increased wage bill.
- iii. Unpredictability and timeliness of transfers from the National Government poses a risk to proper implementation of the County's budget. In FY 2019/20 and in the current financial year, this risk was worsened by delays in the release of resources from the National Government due to adverse effects of Covid-19 pandemic. To counter this, the County government has continued to implement strategies aimed at increasing its own source of revenue collection to finance the budget.
- iv. Heightened political environment
Economic growth and political environment are correlated. The FY2021/22 falls within the electioneering period, and as such, the uncertainties associated with this political environment may reduce the pace of economic development and investment leading to a drop in own source of revenue.

4.8.1 Specific Fiscal Risks

121. The specific risks to the fiscal framework for the FY 2021/22 include;

i. Court cases

The County Treasury considers, using their best professional judgment, that the ongoing pending court matters may have a material financial implications, but are not certain enough to include the financial implications in the budget estimates for FY 2021/22 and medium term.

ii. Audited Pending Bills

- a. Kiambu County Government presented pending bills worth Kshs. 2.312 Billion to the Office of the Auditor General (OAG) for special audit for the period 2014-2018. Out Of which bills worth Kshs. 1.831 Billion were found to be eligible, while bills worth Kshs. 0.481 billion were found not to be eligible. The County Government managed to settle Kshs. 1.58 Billion of the eligible pending bills and Kshs.93.8 million of unaudited pending bills.
- b. As at 30th June 2020, the county executive had accumulated pending bill worth Kshs. 4.29 billion. Included in these pending bill is Kshs. 1 billion of Facility Improvement Fund, (FIF) which had not been reimbursed to the health facilities since devolution. The Kshs. 3.29 billion owed to third party constitute Kshs. 2.49

billion and Kshs 0.8 billion for development and recurrent pending bills respectively. The County executive have set up a Pending Bills Committee and engaged the services of the Office of the Auditor General to review the eligibility of these pending bills.

- c. Based on the existing resource constraint, the county executive plan to clear all the pending bills in the medium term. In the financial year 2021/2022, the county executive plan to pay pending bills worth Kshs. 1 billion to third party. Policy guidelines such as age of the pending bills and essential supplies will be adopted to form the criteria in prioritization of the pending bills to be paid. FIF will be budgeted as Appropriation in Aid to ensure all the revenue collected is ring-fenced at the health sector.
- d. Departments should provide for pending bills in their annual budgets since they form the first charge over any other programme. The departments have to shelve some of their programmes budgeted during the financial year in order to pay the pending bills. Going forward, the County Government has put in place measures to mitigate the problem of pending bills by strictly spending within the approved budget.

iii. Unaudited Pending Bills

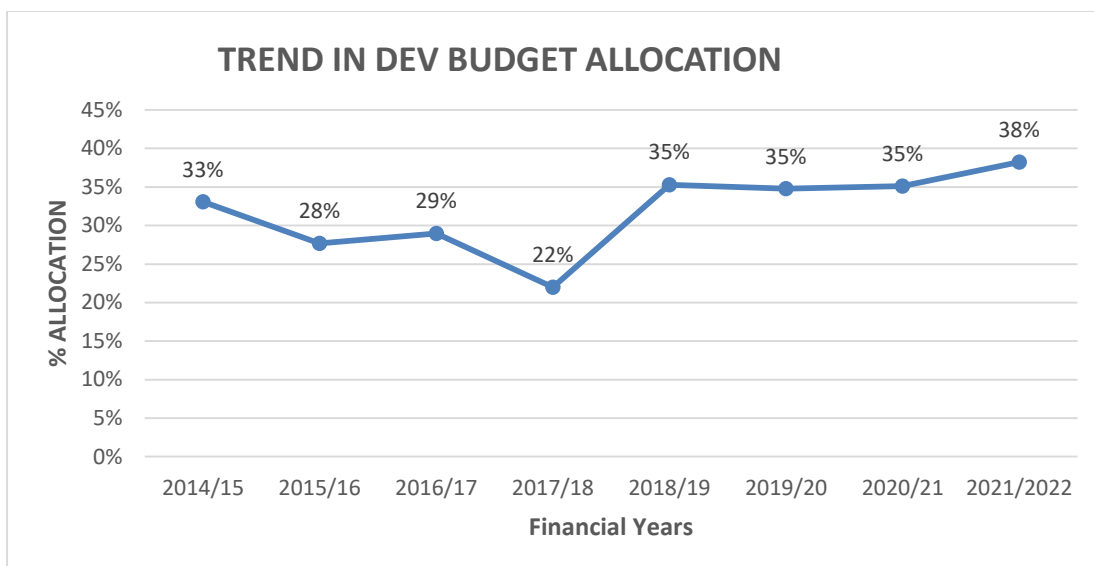
- a. Some of the pending Bills were not presented to the OAG for special audit. These bills once subjected to audit will be eligible and will need to be settled. The County Treasury is in the process of ascertaining the bills so that they can be audited.

4.9 Compliance with Fiscal Responsibility Principles

122. The specific risks to the fiscal framework for the FY 2021/22 include; Section 107(2) of the Public Finance management Act, 2012 provides that in managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles;

- i. The county government's recurrent expenditure shall not exceed the county government's total revenue; in compliance with this requirement, the proposed recurrent expenditure is 62 percent of the total projected revenue
- ii. Over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure; Consistent with this requirements, the County Government's allocation to development expenditures in the proposed fiscal outlays presented in this CFSP stands at 38 percent of total expenditures to development in FY 2021/22 and over the medium term.

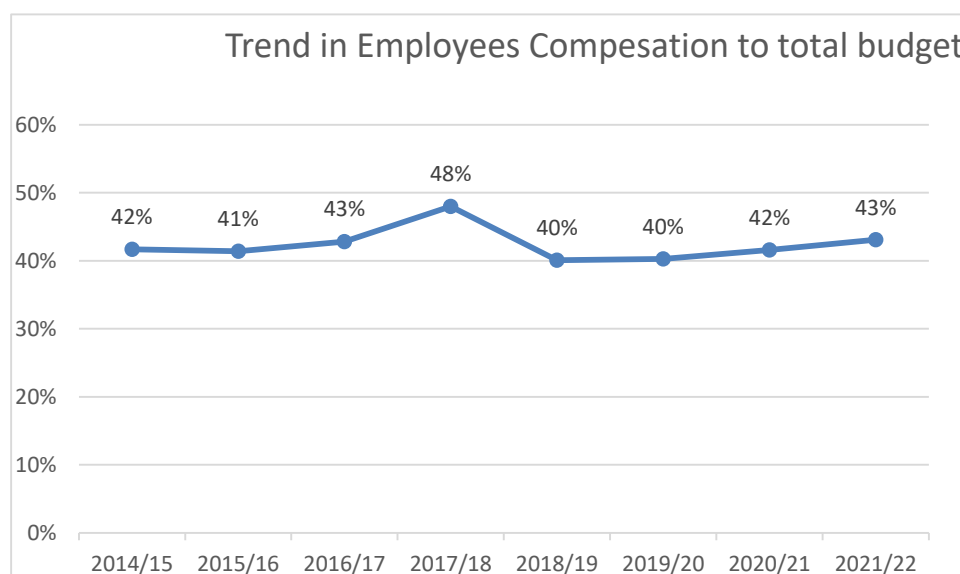
Figure 3: Trend in Development Budget Allocation



Source: County Treasurer

iii. Compliance with the requirement for expenditure on wages

Section 25(1) (b) of the PFM (County Governments) Regulations, 2015 requires that County Governments’ wage bill shall not exceed 35 percent of their total revenue. In conformity to this regulation, the County Government projected expenditure in FY 2021/22 on Personal Emolument (P.E) is Kshs. 7.71 Billion representing 43% of the total revenue. This is an increase from 42% allocated in FY 2020/21. Kiambu County has struggled to stay within the legal wage spending threshold since FY 2014/15. Some of the reasons for noncompliance with the above provision is that Kiambu County has been fiscally constrained because the revenue sharing criteria used by the National Government ignored disparities in expenditure need occasioned by uneven distribution of personnel devolved from the National Government and those inherited from the defunct local Authorities.



Source: County Treasurer

iv. Compliance with County public debt shall never exceed twenty (20%) percent of the County government's total revenue

Section 140 of the PFM, Act 2012 authorizes a County Executive Committee Member for finance to borrow on behalf of the County Government only if the terms and conditions for the loan are set out in writing and are in accordance to Article 212 of the Constitution and Sections 58 and 142 of the PFM, Act of 2012 among other conditions. Before a County Government borrows, there should be established the internal rate of growth in regard to the respective County GDP, sustainability and credit worthiness besides due diligence. The Commission on Revenue Allocation in collaboration with the World Bank Group (WBG) and other stakeholders initiated the County Creditworthiness Initiative (CCI) for Kenya to provide technical assistance to County Governments in bridging the creditworthiness gap and access market finance for infrastructure and other development projects. So far, the initiative has seen the credit rating for three County Governments (Bungoma, Kisumu and Makueni). Consequently, the County does not intend to borrow in the FY 2021/22 and has therefore adhered to the principle of debt not exceeding 20 percent of the County government's total revenue. However, the County will consider borrowing in the medium term once the county receives credit worthiness approval from the commission on revenue allocation.

iv. Prudent Management of Fiscal Risks

Fiscal risks will be managed prudently to ensure a reasonable degree of predictability with respect to the level of tax rates, charges and tax bases. The County Treasury submitted to the County Assembly the 2020 Finance Bill which was approved and gazette into finance Act 2020. The finance Act will serve as the legal basis for collecting Own Source of Revenue.

5.0 DEPARTMENT ALLOCATIONS AND PRIORITIES

121. Allocation of Departmental ceilings over the medium has been informed by the following guidelines;
- In the recurrent expenditure category, non-discretionary expenditures take first charge. This includes payment of Salaries and wages projected at 45 percent of the expected total revenue receipts.
 - Conditional Grant from Development partners also takes first charge
 - Also included in the criteria used for apportioning the capital budget is on-going projects and intervention on investment projects in priority areas that support social development, economic growth and transformation of the County.

5.1 County Assembly

122. Kiambu County Assembly (KCA) is a legislative arm of the Kiambu County Government composed of 92 members , 60 of whom are elected and 32 nominated to represent various interests . Its mandate is to represent the County residents, make laws and carry out oversight activities..
123. In the MTEF period 2018/19 - 2020/21, the County assembly of Kiambu made some tremendous achievements in implementing its programmes. These include; approval of the County Finance bill 2020, approval of County Annual Development plan 2021/22, approval of supplementary budget 1 of 2020/2021, development of work plans for various assembly committees and departments, operationalization and facilitation of audit committee, production of financial & non-financial reports and conducting staff capacity building forums .
124. In the MTEF period 2021/22-2023/24, the County Assembly has prioritized three programmes namely; General administration planning and support Services, legislation and oversight services together with representation services. The programme of general administration planning & support services will focus on enhancing professionalism, build human resource capacity and provide effective services to the legislature to enable it meet its constitutional mandate. The programme on legislation and oversight services will focus on strengthening the capacity of members of county assembly to make laws and enhance their legislative capacity and oversight of the county budget for optimal use of public resources and enhanced accountability in governance. The programme on representation services will focus on strengthening the capacity of members of the county assembly in effective representative services. The objectives of the three programmes will be met through; timely consideration , review and passage of bills/ legislations,

implementation of assembly 5 years strategic plan, strengthening of public finance management systems, capacity building of staff, establishment of County Assembly Service Board, establishment of relevant managerial committee, establishment of performance management framework, development of asset register, construction of modern –storey office that caters for needs of all users, construction of ward offices for members of the assembly, construction of speaker’s residence and installation of CCTV and security scanning systems to improve security.

125. In order to implement the prioritized programmes, the county assembly is proposing a resource requirement of Ksh. 1.58 billion in the FY 2021/22, ksh 1.67 billion in FY 2022/23 and ksh 1.77 billion in FY 2023/24. However, due to resource constraints, the assembly has been allocated Ksh.1.09 billion in FY 2021/22, Ksh. 1.15 billion and Kshs 1.22 billion in the FY 2022/23 and 2023/24 respectively.

5.2 County Executive

126. The county Executive provides overall policy and leadership direction in the management of county affairs and coordinates policy formulation, and implementation. In addition, it facilitates enactment of county legislation and oversees all departments’ activities. Further, it is responsible for implementation of the county’s vision and mission. The department also mobilizes resources for funding government programmes at the county levels, oversees prudent financial management and promotes transparency and accountability in the use of public resources. Additionally, it oversees implementation of inter-counties relations and links all other sectors to the rest of the counties in Kenya.
127. During the MTEF period 2018/19 - 2020/21, the sub sector utilized its budgetary resources to implement various programmes whose achievements include: provision of guidelines and policy statements through; cabinet meetings, cabinet papers, circulars and security interventions, appointment of a responsible accounting officers for each of the ten departments, capacity building of staff affiliated with the governor's office, provision of strategic direction and overseeing preparation of various county development plans and bills. The department also initiated a performance management system that has helped improve and track performance of projects within the county and further implemented digital communication platforms and feedback mechanisms which has enabled free and timely flow of information to citizens.
128. In the course of 2021/22 - 2023/ 24 MTEF period, the department plans to implement three programmes namely; administration planning and support services, government

advisory services and leadership & coordination of county departments. Administration planning and support services programme will focus on provision of effective and efficient public service delivery for enhanced governance and accountability through training of staff. The government advisory services programme will focus on ensuring compliance with the set of laws, regulations and procedures through inter county relations while the programme of leadership & coordination of county departments will focus on ensuring that county departments work towards achieving their goals by developing service charters, strengthening the link with the national government and enhancing workers efficiency through performance contracting.

129. In order to implement the prioritized programme, the department proposes a resource requirement of Ksh. 268.46 million in FY 2021/22, ksh 284.57 million in FY 2022/23 and ksh 301.64 million in the FY 2023/24. However, the department has been allocated ksh. 353.23 million , ksh 374.43 million and ksh 396.89 million in FY 2021/22, FY 2022/23 and FY 2023/24 respectively

5.3 County Public Service Board

130. The County public service board (CPSB) core mandate is to; establish and manage Kiambu County public service system, facilitate; recruitment, selection, training, development and promotion of staff, establish and abolish offices in the County, exercise disciplinary control and provide regular reports to the County assembly on the executions and the functions of the departments. The CPSB also; promotes County public service values and principles of governance, facilitates the development of coherent, integrated human resource planning and budgets for personnel emoluments, advises the County on human resource management & development, and makes recommendations to the SRC on behalf of the County regarding remuneration, pensions and gratuities for County public service employees.
131. During the 2018/19-2020/21 MTEF period, CPSB recorded some major achievements that include; successful recruitment of 561 personnel in various cadres including medical officers to combat the prevailing Covid-19 pandemic, promotion of 2,969 employees across the county, enhanced provision of health cover with the National Hospital Insurance Fund for employees and their families and engaged eight (8) laborers in each Ward to assist County Enforcement Officers in enactment and operationalization of the "Kiambu Alcoholic Drink Control Act 2018". Additionally, the board managed to;

restructure some departments for better service delivery, facilitate internships of 92 interns, solve a number of staff complaints and disciplinary cases, held 4 sensitization forums on constitution, 2 sensitization forums on promotion of values and principles, 2 benchmarking visits and trainings, 4 human resource advisory meetings, 2 stakeholders engagement forums and 12 capacity building forums. Further, the board collected and compiled staff wealth declarations forms, archived and digitized 770 files, and in an effort to comply with Covid -19 restrictions, an online application platform and an E - Board system was established to aid in recruitment of staff.

132. In the 2021/22 - 2023/ 24 MTEF period, the department plans to implement the programme on general administration, planning & support services. The programme will focus on improving service delivery through ; recruitments of staff, training & promotion of staff, benchmarking, developing internship programmes, resolving disciplinary cases, formulation of competence inventory, maintenance of E- Board system & online application platform and carrying out; sensitization forums on promotion of values & principles, human resource advisory meetings and stakeholders engagement forums,

133. In order to implement the prioritized programmes, the department proposes a resource requirement of Ksh. 98.31 million in FY 2021/22, ksh 104.20 million in FY 2022/23 and ksh 110.46 million in FY 2023/24. However, due to budget constraints the department has been allocated Ksh 62.09 million, KSh.65.82million and ksh 69.77 million in FY 2021/22, FY 2022/23 and FY 2023/24 respectively.

5.4 Finance ICT and Economic Planning

134. The department is composed of eight directorates namely; Revenue, Finance, Budget Accounting Services, Supply Chain Management, ICT, Internal Audit, and Economic Planning. It's mandated with the preparation of annual estimates of revenues and expenditures including the preparation of supplementary estimates as need arise with a mission of offering effective and efficient services in resource mobilization. The department is also responsible for public finance management, economic planning & development, budgetary controls, safeguarding the County's financial assets, developing sound, equitable economic policies and overseeing the prudent utilization of funds in order to facilitate allocation of funds to County priority areas. The department also acts as the link to the National government in matters of finance and resource mobilization. It is responsible for policy analysis on; fiscal issues, trade issues and private sector

development issues and further ensures effectively mobilized, disbursed and utilized of external resources (grants, loans, donations). Additionally, It is responsible for; administration and enforcement of revenue laws on rates, fees and charges payable by or under any laws in the County and also spearheading preparation of County Development Plans and Budget Implementation, monitoring and evaluation and other progress reports.

135. Under the MTEF period FY 2018/19 - 2020/21, the department recorded some major achievements that include ; revenue automation where the department launched and implemented an electronic revenue management system to facilitate transparency and seal revenue loopholes, adoption of the IFMIS system especially on; e-procurement, expenditure and budget, preparation of the second County Integrated Development Plan 2018-2022, timely preparation of County Annual Development Plans, timely preparation of the program based budget and the subsequent supplementary budgets. Additionally, the department enhanced; timely production of policy planning documents and financial reports, completion of the Valuation Roll in consultation with the Land, Housing and Physical Planning department, prioritization of expenditure to available resources, establishment of adequate internal controls, improvement of budget execution and increased development expenditure absorption.

136. During 2021/22- 2023/24 MTEF period, the department plans to implement five programmes namely; general administration planning & support services, financial management services, economic planning & budgetary services, resource mobilization & revenue and ICT services. The programme on general administration planning & support services will focus on improving service delivery through training of staff on public finance management, maintenance of county emergency funds and offer compensation to land owners for acquisition of land. The programme on financial management services will focus on ensuring prudent utilization of public resources through; implementation of procurement plans & laws and preparation of financial statements & audit reports. The programme on economic planning & budgetary services will focus on coordination of planning, policy formulation and tracking of results through; monitoring & evaluation, timely preparation of policy documents, plans & reports, allocating more budget towards development projects and engaging the public in financial matters. The programme on resource mobilization & revenue programme will focus on resource mobilization & revenue collection streamlining through procurement of a new revenue collecting & management system and training of revenue officers. The programme on ICT services

will focus on enhancing quality IT services through establishment of data centre, ICT hubs, LAN & WAN, digitization of records and development of revenue intervention measures.

137. In order to implement the priority programmes, the department proposes a resource requirement of Ksh 2.10 billion in FY 2021/22, Ksh. 2.23 billion in FY 2022/23 and Ksh.2.36 billion in the FY 2023/24. However, the department has been allocated Ksh. 2.20 billion, Ksh. 2.33 billion and Ksh. 2.47 billion in the FY 2021/22, FY 2022/23 and FY 2023/24 respectively.

5.5 Administration and Public Service

138. This department has 6 directorates namely: Administration, Alcoholic Drinks Control, Inspectorate & Compliance, Security & Monitoring, Betting & Gaming Control, and Human Resource Management & Human Resource Development. The core mandate of the department is to provide services to the public and ensure there is good coordination of various structures within the county. It is responsible for efficient management and development of the human resources in the county such as capacity building of staff and determination of optimal staffing levels. Further, the department ensures enforcement and compliance of the public to various county laws, ensures responsible betting & legal gambling, curbs the use of counterfeit alcohol & drugs and offers rehabilitation services.

139. In the 2018/19- 2020/2021 MTEF period, the department implemented the programme of administration, planning and support services. The achievements met include; improved service delivery through construction of Lari, Kiambu and Juja sub county offices, renovation of county headquarter offices at Kiambu, deployment of staff of various cadres in the sub counties, carrying out capacity building on various members of staff, processing of staff benefits, staff promotions, medical cover, WIBA and protective materials (sanitizers and masks) as a containment measure against the spread of the Covid-19 pandemic. The department also managed to reduce use of illegal and counterfeit alcohol and drugs through; crackdown and prosecution of people engaged in brewing of the illicit brews and drugs, carrying out awareness forums, and undertaking rehabilitations of persons dependent on alcohol. The department in collaboration with the national government enhanced compliance of county laws and enforced ministry of health guidelines in the fight against Covid-19 pandemic. Additionally, the department managed to engage the public in county legislations and programmes through public participation and civic education forums. Further, the department managed to curb irresponsible betting

and gaming through awareness forums and crackdowns on irresponsible and illegal betting and gaming outlets and machines.

140. In the 2021/22 - 2023/24 MTEF period, the department has planned to implement the programme on administration, planning, and support services. The programme's main objectives will be to provide quality administrative services for effective and efficient service delivery through; construction/ renovation and equipping of sub county offices, installation of ICT networking and communication equipment, payment of pending bills, capacity building of staff, and processing staff medical cover, work injury benefits and other welfare benefits. Additionally, the programme will focus on reducing the use of illegal and counterfeit alcohol and drugs through; crackdown and prosecution of people engaged in brewing illicit brews and drugs, carrying out awareness forums, and undertaking the rehabilitation of persons dependent on alcohol. Further, the programme will focus on enforcing county laws by empowering the inspectorate unit and enhance responsible betting and gaming through awareness forums and crackdowns on irresponsible and illegal betting and gaming outlets and machines.

141. In order to implement the prioritized programmes, the department proposes a budget requirement of Ksh. 959.0 million in FY 2021/22, Ksh. 964.5 million in FY 2022/23 and Ksh. 998.0 million in the FY 2023/24. However, the department has been allocated ksh 890.99 million, Ksh. 944.45 million and ksh 1.00 billion in FY 2021/22, FY 2022/23 and FY 2023/24 respectively.

5.6 Agriculture Livestock and Irrigation

142. This department is divided into two sections namely; Agriculture, Crop Production, Irrigation and marketing (ACPIM) and Livestock, Fisheries and Veterinary Service (LIFIVE). The ACPIM section comprises two directorates, namely; Crops and Irrigation, Agribusiness and Market Development. The LIFIVE section comprises three divisions which are Livestock Production, Fisheries Development and Veterinary Services. In addition, there are two institutions; Agricultural Training Centre at Waruhiu and Agricultural Mechanization Service in Ruiru. The sub sector's overall goal is to attain food and nutrition security, promote innovative and sustainable agriculture for job creation and ensure there is equitable distribution of wealth across the County. It is a key player in social and economic development of the County.

143. In the FY 2018/19 -2020/21 MTEF period, the department implemented four programmes whose focus was on increasing production and productivity, enhancing food and nutrition security and wealth creation. Some of the achievements recorded include; procurement and distribution of 182.7 tonnes of certified seeds (maize and bean seed), procurement and distribution of 400.45 tonnes of basal fertilizer to farmers, procurement and distribution of 68,175 Hass avocado trees, 11,029 mango seedlings, 4,999 banana seedlings as well as 84,000 potato mini-tubers. The department further trained 17,410 farmers on modern farming technologies across the County, constructed 48 Kilometers of soil and water conservation structures and 120 water pans in collaboration with NARIGP and also trained farmers and technical staff on fall armyworm control. In addition, the department through the agribusiness directorate procured and distributed 28,850-50kgs bags of coffee and food fertilizer to farmers, and conducted training where 310 farmers/agri-entrepreneurs were trained on value addition technologies, 350 farmers and 60 staffs trained on coffee production management and value addition and 50 service providers and value chain actors (VCAs) trained on entrepreneurship.
144. Under livestock resources, management and development, 67,200 FMD doses, 76,000 LSD doses, 41,800 Blanthrax and 23,329 doses of anti-rabies were procured through the introduced subsidized A.I programme and a total of 49,983 doses were inseminated and 6 inseminators trained. Also, 35,000 farmers/stakeholders were trained on livestock enterprise in collaboration with development partners. The department also stocked 160,000 fingerlings (Tilapia and Catfish), purchased and installed 10 fish pond liners and trained 87 farmers on current aquaculture technologies.
145. During the 2021/22- 2023/ 24 MTEF period, the department intends to implement six programmes namely; General administration planning and support services, Policy strategy and Management of Agriculture, crop development management, fisheries management and development, livestock resources management and development and agribusiness and information management. The objective of these programmes is to increase production and productivity, enhance food and nutrition security, and economic empowerment. To increase production, the department under crop and irrigation directorate intends to procure and distribute food crop fertilizer, crop seeds and seedlings, procure fruit trees and potato plantlets/minitubers, and training of farmers across the county on modern technologies. The department will also revive the coffee sector, establish a pineapple processing factory and potato seed multiplication centre, construct a coffee mill as well as construction of Waruhiu dam which will be used for irrigation purposes. Diuni dam, Waruhiu offices will also be completed. In addition, the department

intends to offer consultancy services, maintain transport vehicles and motorcycles which will be used for extension services and offer shared services for crop and livestock enterprises. The department will also contribute towards both NARIGP and ASDSP programmes.

146. Through the directorate of livestock, the department intends to procure vaccines for disease control, upgrade Thika slaughterhouse and fencing, establish a specialized plant-chicken slaughterhouse, procure and distribute piglets and indigenous chicken, undertake pig, dairy and BSF project in Waruhiu as well as offering A.I services both sexed semen and conventional. It will also construct a milk processing plant, procure and install bulk milk coolers, avail milk pasteurizers as well as construction of an animal feed factory which will lower the cost of production, increase access to quality feeds at low cost and create employment. It will further procure fingerlings and aquaculture equipment, rehabilitate and renovate Gatamaiyu fishing camp and construct raised ponds under the greenhouse system besides paying pending bills

147. To implement the prioritized programmes, the department proposes a total budget of Ksh. 1.15 billion in FY 2021/22, Ksh.978 Million and Ksh. 1.04 Billion in the FY 2022/23 and 2023/24 respectively. However, it has been allocated Ksh. 867.51 million in FY 2021/22, Ksh. 919.56 million in the FY 2022/23 and Kshs 974.73 million in the Financial Year 2023/24.

5.7 Water, Environment, Energy and Natural Resources

148. The department has four directorates namely; Water, Environment, Energy and Natural Resources. Its core mandate is to aid in the environmental management and protection, together with provision of water and sanitation services across the County. The department also ensures the delivery of direct and indirect goods and services that are the backbone for the main productive sectors mainly agriculture, tourism and trade. It has direct and indirect linkages with all other sectors of the economy thus promoting socio-economic development geared towards the realization of the Kenya Vision 2030, relevant Sustainable Development Goals (SDGs) and various multilateral agreements relating to the sector.

149. During the period under review, the department implemented five programmes namely; administration planning and support services, environment management, water provision and management, natural resources conservation and management together with climate change mitigation and adaptation. Under water provision and management, the department was able to complete the development of Kiambu County water and sanitation

services policy 2018, drill seven boreholes and operationalize three boreholes; Thogoto, Ondire and Ndongoro that produce a combined total yield of 55m³/hr. Six boreholes across the county were also rehabilitated and 33 km distribution pipes laid in Gitithia, Kabunge, Escarpment, Kiuu-Gatundu. In partnership with NAMSIP, the Kambaa water project which aimed at reaching over 600 households in Kijabe ward in Lari was initiated and completed and Tigoni- Karuri water Transmission line commissioned. An 11km, 160mm transmission line from Tigoni treatment that works through Kentmere to the Gachorwi tank in Karuri was completed while the extension of 28kms of water pipeline for Githunguri-Ikinu water distribution is currently ongoing. In addition, the department in collaboration with the Athi Water Works Development Agency has accelerated the finalization of the Loromo water project that targets areas of Bibirioni, Ngenia, Nderu and Thigio in Limuru Subcounty. Additionally, the department managed to construct; septic tanks in Kamangu, Thogoto and Rukuma toilets, a bio-digester in Mutarakwa and Ndumberi toilets and 3 sanitation blocks; two in Ruiru and one in Kwambira Market. Furthermore, the department constructed and rehabilitated; a 54m³ ground masonry tank in Mithure, 2.9km rising mains to uptake water from both Nguirubi and Kiriri boreholes and a 108m³ steel elevated tank.

150. The directorate of environment managed to procure 46 skips, five dump trucks and five backhoes for solid waste management, rehabilitate 600 hours bulldozer service of Kang'oki dumpsite and repair 30 worn out skips. An ECO-School programme was launched in five (5) schools in Thika sub-County, decommissioned Kiambu dumpsite, procured thirteen chaff cutters for shredding organic waste in major markets within the and establishment of organic waste management centre at Waruhiu. In addition, in a bid to conserve the environment and natural resources, the department planted 304,289 trees in schools, churches, farms and open public places in all the 12 sub-counties. It also planted 12,260 water-friendly indigenous trees and Bamboos on the riparian and water catchment areas within the County, raised 136,100 seedlings both indigenous and exotic trees and established county tree nurseries in Kiambu and Thika sub-county. It further secured and conserved three rivers and one wetland pegged Gategutiri River (4.5 KM) in Kikuyu sub county and completed landscaping and beautification of three public amenities in Thika town, Kahawa Sukari and Kikuyu town through KUSP program.
151. In the FY 2021/22- 2023/24, MTEF period, the department has planned to implement five programmes namely: administration planning and support services, Water Resources Management and Sanitation, Environment Management and Protection, Natural Resources Conservation and Management together with Renewable Energy and Climate

Change. The main objective of the programs is to enhance and improve service delivery, provide adequate, affordable clean water and sanitation services, enhance clean environment, increase forest cover and sustainable management of natural resources. The department will drill, equip and operationalize boreholes and set up distribution/reticulation system in strategic areas, establish and install Automated water analysis, treatment and metering system for Kiambu Water Supply and Sanitation Companies networks and establish & implement Asbestos Hazardous Waste surveillance, removal, transportation & disposal pilot program for Kiambu County.

152. In an effort to conserve and manage the environment, the department intends to procure waste collection skips and skip loaders, develop Waste Segregation hubs and establish Black Soldier Fly (BSF) Incubation hubs for handling organic waste to empower Youth Groups in Kiambu and procure colour coded sacks to promote waste sorting and segregation program. Additionally, the department will fabricate glass bottle collection and holding banks for liquor premises in major urban centres within 12 sub counties, procure set of colour coded waste collection bins for distribution in 6 municipalities, procure 12 Noise Meters and 12 Air Quality Monitors for Environmental Inspectors in Kiambu and hire civil works of approximately 4000 machinery hours in Kangoki waste dumpsite. It will also decommission and rehabilitate open dumpsites, establish Eco schools, recruit “Green Battalion” support staff and procure their personal protective equipment.

153. The department will further improve natural resources and forest cover by establishing and expanding tree nurseries, raising and planting tree seedlings and flowers, securing and conserving rivers and wetlands, procuring GIS and Remote Sensing monitoring devices/equipment to enhance the capacity of field staff and rehabilitating quarries as well as public areas. Besides, the department will mitigate climate change and adaptation by operationalizing the draft Kiambu County climate change policy, climate change bill 220 and the Kiambu county climate change fund regulations 2020. Further, the department will procure 1,000 clean cooking stoves to empower clean cooking women champions in 60 wards, promote renewable energy use in Kiambu county premises through solarization, develop and implement climate change mainstreaming mechanism, establish climate change resource centres, and undertake climate change awareness campaigns. Pending bills will also be paid during the period under review.

154. To enable the department to implement the prioritized programmes, it has proposed a budget requirement of Ksh. 1.04 billion for the FY 2021/22, Ksh. 1.15 billion for FY 2022/23 and Ksh. 1.27 billion for FY 2023/24. However, due to budgetary constraints, the

department has been allocated Ksh. 634.52 million in FY 2021/22, Ksh. 672.59 million in FY 2022/23 and Kshs 712.95 million in the FY 2023/24.

5.8 Health Department

155. This department has four directorates namely; Planning and Administration, Curative and Rehabilitative Services, Public Health and Sanitation Services and Nursing Services. The mandate of the department is to provide curative and preventive health services by strengthening the available health services to all.
156. During the MTEF period 2018/2019- 2020/2021, the department focused on improving access to quality health care to all the residents of Kiambu by funding basic health care, promotion of healthy behaviors and healthy lifestyles to reduce disease burden and premature deaths; prevention of illness and disability, enhancement of quality life. Three programmes were implemented namely; Preventive and Promotive services, General Administration, Planning and Support Services, and curative and rehabilitative services. Major achievements in general administration planning and support services include; servicing of 41 vehicles which include both ambulances and utility vehicles and procuring 4 vehicles to improve in support supervision which is key in service delivery. All the staff working in the health sector (2681) and 852 casual workers were remunerated as per the Human resource guideline and a total of 247 healthcare workers have been recruited under the UHC program to improve service delivery within the department. 47 facilities have also been renovated and 3 new facilities constructed.
157. The curative and rehabilitative directorate has enhanced the provision of health services in Kiambu County by ensuring the provision of pharmaceutical and non-pharmaceutical commodities to all health facilities in the County and assorted medical equipment including laboratory equipment to various health facilities. Also, specialized services have been enhanced by establishing and equipping critical care units in Kiambu Level 5 hospital and Tigoni level 4 hospitals and the ongoing renal dialysis service in Thika and Gatundu level 5 hospitals. To provide drug rehabilitation services, the health department has partnered with MSF to provide quality medically assisted therapy for Opioid-dependent persons based in Karuri level 4 hospital.
158. Following the onset of Covid 19 pandemic in 2019/20, installation of liquid bulk oxygen and provision of piped oxygen has been completed in Thika, Gatundu and Kiambu hospitals. Fully equipped isolation facilities have also been set up in Tigoni level 4 hospitals, Kiambu level 5 hospitals and Thika level 5 hospitals. To improve case management of severely ill children, the Clinton Health Access Initiative (CHAI) has

partnered with the health department to train 64 health care workers on Emergency Triage Assessment and Treatment Plus Admission (ETAT+ and has also donated 84 pulse oximeters to aid in the diagnosis and management of hypoxia in children and newborns. The department further supplied essential medicines and medical supplies to 112 public health facilities and supported the distribution of public health program commodities to 84 health facilities including private and faith-based organizations. 75% of HCWs were trained on disease outbreak preparedness and response, 74% of Rapid Response team members trained on COVID-19 management and response and 70% of HCWs were trained on vaccine-preventable diseases.

159. In the MTEF period 2021/22 through to 2023/24, the department will focus on six programmes namely: administration planning and support services, preventive Health Services, curative health services, County pharmaceutical services, reproductive health together with the County health policy development and management. Their main objective is to ensure there is effective and efficient health service delivery, reduce preventable health conditions, promote curative health services, offer quality pharmaceutical care services, provide quality reproductive and maternal child health care services and to ensure there is a sustainable increase in health financing and recruitment, development, training and retention of the health workforce and capacity building of county health research and development unit. The department will focus on procuring and servicing both ambulances and utility vehicles, constructing new facilities and rehabilitating the existing ones as well as recruitment of staff.

160. The curative and rehabilitative directorate will ensure the provision of pharmaceutical and non-pharmaceutical commodities to all health facilities in the county, provide assorted medical equipment, establish and equip care centres offering specialised treatment, and provide drug rehabilitation services. Besides, the department will also ensure there is an uninterrupted supply of essential medicines and cost-effective medical supplies of high quality in all levels of care. It will also ensure 100% immunization coverage and skilled deliveries, increase the proportion of pregnant women receiving iron supplements, improve cervical cancer screening and HPV vaccination and reduce the number of low birth weight babies delivered as well as ensuring 100% fully immunized children. The department will further conduct training on all the health workers and pay pending bills.

161. To implement the prioritized programmes, the department proposes a budget requirement of Ksh. 8.40 billion in FY 2021/22, Ksh. 8.91 billion in FY 2022/23 and Ksh 9 .44 billion in the FY 2023/24. However, it has been allocated Ksh 5.569 billion in FY 2021/22, Ksh. 5.904 billion and Ksh 6.258 billion in the FY 2022/23 and FY 2023/24 respectively.

5.9 Education, Gender, culture and Social Services

162. This department is composed of three directorates namely; Early Childhood Development Education (ECDE), Vocational Education and Training (VET), together with Gender, culture & Social services. The mandate of the department is to provide, promote, coordinate, train and carry out research for sustainable development, promote and conserve the County's cultural heritage and creative arts, promote and advocate for child protection, gender equality, empower special interest groups and enhance freedom from discrimination of all persons. Further, it is in charge of pre-primary education, vocational education training and home craft centers.
163. During the 2018/19 - 2020/21 MTEF period, the department made some achievements which include; conducted capacity building of programme officers and caregivers/teachers, constructed and refurbished; classrooms, ablution blocks, perimeter walls, training sheds, workshops and classrooms, procured; assorted tools & equipment, furniture & instructional materials, installed hand washing stations and produced facemask for distribution to the community. The department also; procured and distributed assistive devices, sanitary towels, food stuff and blankets to PWDs, marked UN international day of PWDs, rolled out women empowerment programmes, carried training for TWG-SGBV and promoted culture and creative arts. Further, the department disbursed bursary funds to vulnerable and needy students, held women legal clinics and trained groups on social enterprise.
164. In the MTEF period 2021/22- 2023/24, the department has prioritized four main programmes namely; general administration, planning and support services, early childhood development education (ECDE), Vocational Education and Training and Gender, Culture, & Social services. The programme on general administration, planning and support services programme will focus on improving service delivery through renovation and equipping of offices, procuring of motor vehicles, capacity building of staff, carrying out exhibitions and media shows, enhancing co-curricular activities and awarding of bursaries. Under early childhood development education programme, the department will focus on enhancing access, equity and quality services for all children through; construction refurbishment of ECDE classrooms, nourishing children at the ECDE centres, provision of teaching and learning materials, enhancement & promotion of talents. The programme on vocational, educational & training will focus on increasing access to quality and relevant vocational training through; construction, renovation and

equipping of vocational centers, provision of motor vehicles for VTCs, recruitment of instructors and provision of ICT services in the VTC.

165. The gender, culture & social services programme will focus on enhancing development, protection, preservation and promotion of gender ,culture and social welfare of Kiambu residents through; training women, youth, PWDs and S.I.Gs and linking them with partners for financial support, carrying out sensitization forums against gender violence, procuring and distribution of sanitary towels, holding of street children outreach program, promotion of cultural groups and festivals, mentorship of upcoming artists, marking of; international women’s day, international day of older persons and international day of PWDs, completion and equipping of libraries & social hall and empowerment of self-help groups. Further the department intends to pay the pending bills.
166. In order to implement the prioritized programmes, the department proposes a resource requirement of Ksh. 1.16 billion in FY 2021/22, Ksh. 1.23 billion in FY 2022/23 and Ksh. 1.30 billion in the FY 2023/24. However, the department has been allocated KSh 1.26 billion in FY 2021/22, Ksh. 1.34 billion and Ksh. 1.42 billion in the FY 2022/23 and FY 2023/24 respectively.

5.10 Youth Affairs Sports ICT and communication

167. The department comprises three directorates namely; Youth Affairs, Sports and Communication. The core mandate of the department is to promote development of youth, sports and communication across the county. The department is also responsible for enhancing creative and innovative youth empowerment, promoting sporting excellence and embracing top of the range effective and efficient communication models.
168. During the MTEF period 2018/19 - 2020/21, the youth and sports department was able to; equip and sponsor county staff to participate in Kenya Inter Counties Sports and Cultural Association (KICOSCA) and East Africa Local Authorities Sports and Cultural Associations (EALASCA) games, award a total of 60 football teams that participated in the Super-cup competition and hold AGPO sensitization and entrepreneurship training to the county youth. Further, the department managed to develop; 2018-2022 strategic plan, a youth policy and a sports policy which are in draft form.
169. In the FY 2021/22 - 2023/24 MTEF period, the department has planned to implement four programmes namely: general administration, planning & support services, youth empowerment, sports, and communication. The programme on general administration, planning and support services aims at improving efficiency and effectiveness in service delivery through equipping of offices. The programme on sports will focus on increasing participation of youth in sporting activities through construction and upgrading of Limuru

stadium & Thika stadium, purchasing of sports equipment, sponsoring athletes on regional competition, training referees and coaches' on sports management and sponsoring staff competition in KICOSCA games. The programmes on youth affairs will focus on empowering the youths in the county by carrying out youth training. Further, the department intends to pay the pending bills

170. In order to implement the prioritized programmes, the department proposes a resource requirement of Ksh. 308.95 million in FY 2021/22, Ksh. 286.0 million in FY 2022/23 and Ksh. 305.0 million in the FY 2023/24. However, the department has been allocated Ksh 296.78 million, Ksh. 314.59 million and Ksh. 333.47 million in the FY 2021/22, FY 2022/23 and FY 2023/24 respectively.

5.11 Lands Housing, Physical Planning, Municipal Administration and Urban Development

171. This department has five directorates namely Physical Planning, Housing and Community Development, Survey and Geo-informatics, Valuation and Asset Management, Municipal Administration & Urban Development. The department is mandated to undertake spatial planning, land administration and management, housing development and management, Administration of land valuation for rating and urban infrastructural development (KUSP).

172. In line with the mandates, the department has a role of protecting and securing public land, enhancing orderly development within the County, enhancing the development of decent housing, provision of base map for spatial planning as well as valuation and management of the County land. It also plays a critical role in achieving the BIG FOUR National Development agenda under the pillar of Provision of Decent and affordable Housing. Some of the key achievements realized during the MTEF period 2018/19-2020/21 include; drafting of land bills (County Physical Planning Act 2018, County Valuation and Rating Bill, County Survey and mapping Bill). The department prepared a draft County Spatial plan and 12 Integrated Strategic Urban Development Plans (ISUDPs) as well as the preparation of Part Development Plan (PDPs). The directorate of physical planning also processed and approved 1,000 development applications.

173. Under valuation and asset management, the directorate was able to update the land rates register by capturing 7,632 new properties in the register. It also drafted new area rates which are awaiting Gazettement for implementation by January 2021. The directorate came up with a new rate struck to be adopted in site value rating in 2021. To avoid errors and delays, the directorate streamlined the rating process. To bridge the housing deficit in the

county, the directorate of housing development facilitated the completion of a residential housing block of 40 units 2-bedroom each in Thika sub-county and also enhanced effective service delivery, by facilitating the process of construction of an office block at Red-Nova headquarters which is 95% complete. The directorate also facilitated the completion of Surveying and Planning of Umoja Informal Settlement in Thika Sub-County for the regularization of Security of tenure and infrastructure development. The informal settlement is home to 164 households and the process of generation of title deeds is ongoing with the assistance of Kenya Informal Settlements Improvement Project (KISIP). Under Municipal Administration and Urban Development, the department was involved in the continuous implementation of the KUSP projects within the six municipalities i.e. road construction, street lighting, stormwater drainage, sewer systems, street beautification, public parks and amenities, and bus parks. The directorate conducted citizen fora for the financial year 2019/2020 KUSP projects at the municipality level in collaboration with the municipality boards. The projects were consequently approved by the county assembly.

174. For the FY 2020/21 - 2022/23 MTEF period, the department intends to implement various programmes namely; Administration, planning and support services, Land Administration and Information Management Services, Physical planning, Housing and Community Development, valuation and Asset management and Municipal Administration and Urban development. These programmes aim at ensuring efficient and effective administration and management of land resources together with facilitation and provision of decent and affordable housing. To improve service delivery, the department intends to construct, equip and maintain offices, recruit more staff and purchase and servicing of vehicles. It will also prepare county planning and building regulations and by-laws, Part Development Plans for market centres and other public lands, and zoning plans which will aim at providing an overall spatial framework for the county to guide development.
175. The department will further ensure sustainable urban growth and development by upgrading informal settlements, repairing and maintaining county residential houses and offices, and construct housing units under affordable housing programme. In addition, it will also digitize land information, facilitate issuance of titles and conduct valuation and capturing of properties. Under municipal administration and urban development, the directorate will conduct research and innovation proposals on emerging urbanization and development dynamics and develop infrastructure through road construction, street lighting, storm water drainage, sewer systems, street beautification, public parks and amenities, and bus parks.
176. In order to implement the prioritized programmes the department has proposed a budget requirement of Ksh. 3.11 billion for the FY 2021/22, Ksh. 3.16 billion for FY 2022/23 and

Ksh 3.24 billion for FY 2023/24. However, it has been allocated Ksh.2.33 billion in FY 2021/22, Ksh 2.47 billion and Ksh 2.618 billion in the FY 2022/23 and 2023/24 respectively.

5.12 Trade Industrialization, Tourism Investment and Cooperative Development

177. The department comprises five directorates namely: Trade; Industrialization; Tourism; investments and Cooperative Development. The core mandate of the department is to promote investments in trade, tourism, cooperative development and enterprise development by providing an enabling environment for sustainable socio-economic development in the County.
178. During the period under review, the department implemented various programmes namely; General Administration planning and Support Services, Trade Development and Promotion, Industrial Development, Tourism Development and Marketing, Investment Promotion and Development and Co-operative Development and Management. The programmes mainly focus on the development of structures, building systems, projects identification, Traders, Tourism sector and Co-operative Movement, capacity improvement and poverty reduction. Under the trade development and promotion Programme, the department managed to complete the construction of 8 markets and an additional 4 markets namely; Kikuyu, Kihara, Ruiru, and Juja markets in collaboration with NAMSIP. 5 market ablution blocks were also constructed in Kimende, Kimunyu, Gitaru, Kerwa and Juja market and 40 bodaboda sheds across the county.
179. Under the tourism development and promotion Programme, the department organized/ participated in 15 exhibitions and tourism forums, County Tourism Tree planting (450 seedlings) and clean up at 14 falls and completed the construction of the Ablution blocks and fencing of 14 falls, and construction of 8 public washrooms at mathore viewpoints. The department also managed to identify 20 tourism sites for mapping and Profiling, and formulated Policy notes to guide policy making and Zero draft Tourism bills.
180. The department through cooperatives development programme, managed to train 495 cooperative societies' management members, facilitated the attendance and holding of 24 sensitization forums where 1,738 members were sensitized on the benefits of cooperatives and participated in exhibitions on manufacturing and value addition. Promotion and registration of 25 new cooperatives societies including Bodaboda Saccos, Soko Saccos and Youth Saccos and 85 capacity building forums was also done. It also undertook 250 cooperatives audits in the audit section. Under the industrial development Programme, 12

MSMEs groups were trained on value addition and M&E reports, and identification and vetting of 120 Innovators in Kiambu County for training.

181. During 2021/22 -2023/24 MTEF period, the department will focus on implementing six programmes namely; general administration planning and support Services, Trade Development and Promotion, Industrial Development, Tourism Development and Marketing, Investment Promotion and Development and Co-operative Development and Management. It will focus on the delivery of the department's priorities and in particular, those aimed at growth and development of trade and industry; tourism promotion and development; investments mobilization; Industrial and entrepreneurship development and employment creation.
182. To promote and develop trade, the department intends to construct, renovate and rehabilitate markets, construct bodaboda and shoe shiners sheds, hold and attend trade fair exhibitions and ensure there are fair trade practices and consumer protection by verifying trade measurements, conducting awareness forums and mapping weight and measures. Also, the department will focus on promoting and developing cooperatives in the county where cooperative management members will be trained, milk ATMs purchased and installed, construction of powder milk and animal feeds factory, support dairy and coffee cooperatives and to conduct a feasibility study on cooperative society.
183. The department will further promote industries through the establishment of industrial parks, creation of incubation/startup development centres, training of MSMEs groups, and the construction of Juakali sheds and modern kiosks. To promote and develop tourism in the county, the department will identify map and profile additional tourism sites, rehabilitate/landscape tourism sites, and preserve and gazette local heritage sites. Also, the department will promote and develop investment opportunities by identifying and mapping investment opportunities, establishing investment centres, holding investment forums and capacity building of stakeholders.
184. To enable the department to implement the prioritized programmes in the MTEF period 2021/22 through to 2023/24, the department has proposed a budget requirement of Ksh 1.92 Billion for FY 2021/22, Ksh. 1.91billion for FY 2022/23 and Ksh. 2.03 billion for the FY 2023/24 but due to budget constraints, it has been allocated Ksh 531.60 million in FY 2021/22, Kshs 563.50 million in FY 2022/23 and Kshs 597.31 million in the FY 2023/24 respectively.

5.13 Roads Transport Public Works and utilities

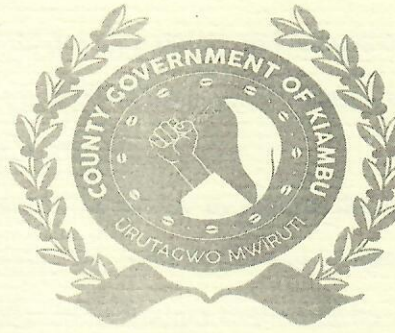
185. The Roads, Transport & Public Works department consists of four (4) directorates namely: Roads, Transport, Public Works and Utilities. The department plays a key role in planning, development & maintenance of county roads & transport infrastructure, public works and installations, county lighting & promotion of renewable energy, fire prevention, emergency and disaster response. The main objective is to provide safe, efficient and effective transport infrastructure and services whilst achieving associated benefits and meeting the goals of environmental integrity, social equity and economic efficiency.
186. During the 2018/19 - 2020/21 MTEF period, the department registered numerous achievements which include; construction to gravel standards of over 1,700 kms of rural access roads, construction and rehabilitation of 13 bridges and 41 Kms of bituminous roads, maintenance of over 5,000 kms of rural roads, and upgrading of 20 kms major links and urban gravel roads to bitumen standards. The department; also constructed and marked street parking in major towns and 6 bus parks across the county, constructed circuit gravel roads at various rural shopping centres and carried out maintenance of stormwater drainage throughout the county. Further, the department managed to acquire 12 fire engines, install 233 flood masts and 1,480 street lighting.
187. In the MTEF period 2021/22- 2023/24, the department has planned to implement four programmes namely: administration, planning & support services, public works & infrastructure maintenance, roads & transport and energy distribution & regulation. The programme of administration, planning and support services will focus on facilitating efficient service delivery through development of service charters and capacity building of staff. The programmes on public works, & infrastructure maintenance, together with roads & transport will focus on development of quality, reliable, sustainable and resilient infrastructure to support economic development through; rehabilitation of storm water drainage, construction of access roads and fuel levy across all wards, construction of bridges and foot bridges, construction of bus parks, maintenance of motorable roads, preparation of road inventory & condition survey and construction of major roads. The programme on energy distribution and regulation will focus on improving security for a 24 hours economy, provide timely and better fire safety & rescue services through; maintenance of street lights & flood mast, installation of street and flood mast across all wards, renovation & equipping of fire stations, and training staff on fire safety & disaster management. Further the department intends to pay the pending bills.

188. In order to implement the prioritized programmes, the department has proposed a budget requirement of Ksh 5.05 billion in FY 2021/22, Ksh. 3.4 billion and ksh 3.61 billion in the FY 2022/23 and 2023/24 respectively. However, due to budget constraints, the department has been allocated Ksh 1.834 billion in the FY 2021/22, Ksh. 1.944 billion in the FY 2022/23 and Ksh 2.06 billion in the FY 2023/24

ANNEXES

Annex 1: Budgetary allocations for FY 2020/21 and the Medium Term

EXPENDITURE PROJECTIONS FOR THE MEDIUM TERM					
Vote	Recurrent	APPROVED 2020/21	2021/22	2022/23	2023/24
4061	County Assembly	1,232,678,544	1,085,527,936	1,150,659,612	1,219,699,189
4062	County Executive	388,361,105	353,233,962	374,428,000	396,893,679
4063	Public Service Board	78,962,096	62,096,211	65,821,983	69,771,302
4064	Finance ICT & Economic Planning	1,487,550,756	1,482,254,568	1,571,189,842	1,665,461,233
4065	Administration And Public Service	662,043,788	859,988,341	911,587,641	966,282,900
4066	Agriculture Livestock And Fisheries	515,799,803	463,162,497	490,952,246	520,409,381
4067	Water Environment Energy And Natural Resources	340,371,300	341,523,466	362,014,874	383,735,767
4068	Health Services	5,055,329,247	4,541,109,289	4,813,575,847	5,102,390,398
4069	Education Culture And Social Services	933,796,202	1,026,202,219	1,087,774,352	1,153,040,813
4070	Youth Sports & Communication	140,115,300	81,245,280	86,119,997	91,287,196
4071	Land Housing Physical Planning Municipal & Urban Development	214,823,258	214,659,654	227,539,233	241,191,587
4072	Trade Tourism Cooperative & Enterprise Development	143,885,025	145,502,334	154,232,474	163,486,422
4073	Roads Public Works Transport & Utilities	413,275,910	409,755,348	434,340,669	460,401,109
Vote	Development	11,606,992,334	11,066,261,105	11,730,236,771	12,434,050,977
4061	County Assembly	77,200,000	-	-	-
4062	County Executive	-	-	-	-
4063	Public Service Board	-	-	-	-
4064	Finance ICT & Economic Planning	375,736,510	719,239,254	762,393,609	808,137,226
4065	Administration And Public Service	50,000,000	31,000,000	32,860,000	34,831,600
4066	Agriculture Livestock And Fisheries	513,276,466	404,350,238	428,611,252	454,327,927
4067	Water Environment Energy And Natural Resources	246,944,735	293,000,000	310,580,000	329,214,800
4068	Health Services	927,258,512	1,028,716,763	1,090,439,769	1,155,866,155
4069	Education Culture And Social Services	161,984,894	233,969,788	248,007,975	262,888,454
4070	Youth Sports & Communication	109,500,000	215,538,853	228,471,184	242,179,455
4071	Land Housing Physical Planning Municipal & Urban Development	2,022,458,824	2,115,993,000	2,242,952,580	2,377,529,735
4072	Trade Tourism Cooperative & Enterprise Development	300,000,000	386,098,578	409,264,493	433,820,362
4073	Roads Public Works Transport & Utilities	1,503,374,561	1,424,374,561	1,509,837,035	1,600,427,257
	Total	6,287,734,502	6,852,281,035	7,263,417,897	7,699,222,971
	Grand Total	17,894,726,836	17,918,542,140	18,993,654,668	20,133,273,948



**COUNTY GOVERNMENT OF KIAMBU
COUNTY ASSEMBLY OF KIAMBU**

Clerk's Chambers
County Assembly of Kiambu
Assembly Buildings
P.O.Box 1492-00900
KIAMBU

Tel: 067 586 0000
Email: info@kiambuassembly.go.ke
kiambucountyassembly@gmail.com
Web: www.kiambuassembly.go.ke

April 15, 2021

CERTIFICATE

APPROVAL OF THE 2021 COUNTY FISCAL STRATEGY PAPER

I, Simon Kimani Rugu Clerk of the County Assembly, do hereby certify that pursuant, to the provisions of: Section 117 of the Public Finance Management Act 2012; Regulation number 26 of the Public Finance Management (County Government) Regulations, 2015; and Standing Order 243, the Assembly by a **resolution** passed on April 13, 2021 adopted the report of the Select Committee on Budget and Appropriations regarding the 2021 County Fiscal Strategy Paper.


APPROVED RESOLUTIONS

i. Policy Resolutions

1. That, to enforce commitment control, Departments should submit a quarterly projection of details of commitments by sub-programme/project to the County Treasury. The Treasury should ensure that its cash releases are aligned to those specific commitments;
2. That, the County Executive should explore possibilities of decentralizing procurement process at departmental level in order to address lengthy procurement processes occasioned by centralization of the process that hinders implementation of the approved programmes and low absorption rates;

3. That, the County Treasury should develop policy guidelines on the distribution of leased vehicles within the departments with a view of enhancing efficiency in service delivery before finalizing the budget estimates for FY 2021/2022;
4. That, the County Treasury develops a policy to enable the reduction of unproductive and non-targeted tax waivers and tax breaks in order to protect revenue. This should be submitted to the Assembly alongside the FY 2021/2022 Budget Estimates by April 30, 2021;
5. That, the County Treasury should commit to strictly adhere to the expenditure ceilings that will be approved in this report in order to avoid expanding the deficit while at the same time protect the key growth sectors. Further, the County Government should indicate how settlement of the aforementioned pending bills will affect the projected programmes;
6. That, the County Government reviews the compendium of County Projects and considers deferment of new projects by one financial year while ensuring adequate counterpart funding and provision of funds for stalled projects before finalization of the budget estimates for the FY 2021/2022;
7. That, the CECM for Lands, Housing, Physical Planning, Municipal and Urban Development should develop a Land Value Index for the County to help reduce the cost of acquisition of land by June 2022;
8. That, the CECM for Lands, Housing, Physical Planning, Municipal and Urban Development should complete the development of an integrated digital revenue collection system by August 2021, to eliminate revenue collection leakages and ensure that the County meets its revenue collection targets;
9. That, during finalization of the budget estimates for the FY 2021/2022, the County Treasury should take into account the pending bills and ensure that these are adequately provided for within the approved expenditure ceilings;
10. That, the County Government considers retaining amounts previously allocated as conditional grants to the respective departments such as, 15% share of the roads maintenance levy to help meet the objective of maintaining county roads; grants to level -5 hospitals; allocation of development of youth polytechnic etc.;
11. That, the County Government should come up with modalities for ensuring that the wage bill is brought down pursuant to Section 107 (2) (c) of the PFM Act, 2012 which states that "County

Signature: _____


Clerk of the County Assembly

Government's expenditure on wages and benefits for its public officers shall not exceed 35% of the County Government's total revenue."

12. That, the County Government should come up with legal and administrative reforms aimed at sealing loopholes and enhance revenue, while ensuring there are efficient and cost effective methods of collecting the revenues;
13. That, the County Government should come up with appropriate means of ensuring that the County Executive departments are in full control of their own budgets to improve absorption capacity. Additionally, that the departments are empowered to handle their respective procurement and construction processes; and,
14. That, the financial year 2021/2022 budget estimates be submitted to the Assembly in a program based format pursuant to Section 129 (2) (b) of the PFM Act, 2012 read together with regulation 26 (4) of the PFM (County Governments) Regulations, 2015 including a list of projects and their location. This should be reconcilable with the development ceilings.

ii. Financial Recommendations

1. That further, the Committee requests that this House adopts this report and further resolves as follows:
 - i. That, the ceilings of each arm of government for the FY 2021/2022 be capped as follows:
 - i. County Assembly – Kshs. 1,225,527,936
 - ii. County Executive – Kshs. 14,990,940,920
 - ii. That, the Assembly approves the County's own source of revenue for Financial Year 2021/2022 of Kshs. 3,883,303,882;
 - iii. That, the aforementioned overall ceilings totaling to Kshs. 16,216,468,856 comprise of the following:
 - i. Kshs. 11,352,261,103 for recurrent expenditure at 70% of the total budget; and
 - ii. Kshs. 4,864,207, 753 for development expenditure at 30 % of the total budget.
 - iv. That, once approved by this House, these recommendations together with schedule I attached **SHALL** from the basis of the 2021/2022 budget estimates.

Signature: _____



Clerk of the County Assembly

Schedule 1: Budgetary Allocations for 2021/2022 CFSP and the Medium Term

	2021/2022	Total (2021/2022)	BAC Recommendatio n changes 2021/2022	BAC Recommendatio ns on ceiling 2021/2022	2022/2023	2023/2024
RECURRENT	Amount	Amount	Amount	Amount	Amount	Amount
County Assembly	1,085,527,936	1,085,527,936	70,000,00	1,155,527,936	1,150,659,612	1,219,699,189
County Executive	353,233,962	353,233,962		353,233,962	374,428,000	396,893,679
Public Service Board	62,096,211	62,096,211		62,096,211	65,821,983	69,771,302
Water, Environment and Natural Resources	341,523,466	341,523,466		341,523,466	362,014,874	383,735,767
Health Services	4,541,109,289	4,541,109,289	339,999,998	4,881,109,287	4,813,575,847	5,102,390,398
Youth and Sports	81,245,280	81,245,280		81,245,280	86,119,997	91,287,196
Road Transport and Public Works	409,755,348	409,755,348		409,755,348	434,340,669	460,401,109
Finance and Economic Planning	1,482,254,568	1,482,254,568	(50,000,000)	1,432,254,568	1,571,189,842	1,665,461,233
Administration and Public Service	859,988,341	859,988,341		859,988,341	911,587,641	966,282,900
Agriculture Livestock and Fisheries	463,162,497	463,162,497		463,162,497	490,952,246	520,409,381
Education Culture and Social Services	1,026,202,219	1,026,202,219		1,026,202,219	1,087,774,352	1,153,040,813

Land Housing Physical Planning and Municipal Administration	214,659,654	214,659,654		214,659,654	227,539,233	241,191,587
Trade, Tourism, Cooperative and Enterprise Development	145,502,334	145,502,334		145,502,334	154,232,474	163,486,422
Total	11,066,261,105	11,066,261,105	359,999,998	11,426,261,103	11,730,236,771	12,434,050,977
Development						
County Assembly	-	-	90,000,000	90,000,000	-	-
Water, Environment and Natural Resources	293,000,000	293,000,000		293,000,000	310,580,000	329,214,800
Health Services	1,028,716,763	1,028,716,763	(289,999,998)	738,716,763	1,090,439,769	1,155,866,155
Youth and Sports	215,538,853	215,538,853		215,538,853	228,471,184	242,179,455
Road Transport and Public Works	1,424,374,561	1,424,374,561		1,424,374,561	1,509,837,035	1,600,427,257
Finance and Economic Planning	719,239,254	719,239,254		719,239,254	762,393,609	808,137,226
Administration and Public Service	31,000,000	31,000,000		31,000,000	32,860,000	34,831,600
Agriculture Livestock and Fisheries	404,350,238	404,350,238		404,350,238	428,611,252	454,327,927
Education Culture and	233,969,788	233,969,788		233,969,788	248,007,975	262,888,454

Social Services						
Land Housing Physical Planning and Municipal Administration	2,115,993,000	2,115,993,000	(1,885,993,000)	230,000,000	2,242,952,580	2,377,529,735
Trade, Tourism, Cooperative and Enterprise Development	386,098,578	386,098,578		386,098,578	409,264,493	433,820,362
Total	6,852,281,035	6,852,281,035	(2,085,992,998)	4,766,288,037	7,263,417,897	7,699,222,971
Grand Total	17,918,542,140	17,918,542,140	(1,725,993,000)	16,192,549,140	18,993,654,668	20,133,273,948