

COUNTY GOVERNMENT OF UASIN GISHU



COUNTY TREASURY

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER,
2024**

SEPTEMBER, 2024

A County of Opportunities for All in Kenya and Beyond

© County Budget Review and Outlook Paper (CBROP) 2024
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FOREWORD

The County Budget Review and Outlook Paper (CBROP) 2024 gives an assessment of economic and fiscal developments in the previous fiscal year (2023/24), updated medium-term economic and financial forecasts since approval of the County Fiscal Strategy Paper (CFSP) 2023, and indicative sector budget ceilings for the next fiscal year and over the medium-term.

CBROP 2024 was developed in compliance with Section 118 of the Public Finance Management Act of 2012. The section requires the County Treasury to produce the paper for each fiscal year and submit it to the County Executive Committee (CEC) by September 30th of that year, with the CEC having fourteen days to evaluate the document and approve it with or without amendments. Section 118 also requires the CEC to submit the approved CBROP to the County Assembly within seven days, and then publish and publicize it as soon as possible.

The paper provides a review of the previous financial year's fiscal performance, as well as an update on macroeconomic changes and outlooks that affect the current and upcoming fiscal performance. It therefore informs budget revision, as well as the overall fiscal considerations for the next budget within the medium-term expenditure framework. Furthermore, the paper includes indicative sector ceilings for the next County Fiscal Strategy Paper, which will guide the budget for the coming fiscal year and over the medium term.

The CBROP 2024 has been developed against a backdrop of stable global and domestic economic outlook. The Kenyan economy is presently recovering from COVID-19 pandemic and its ensuing effects, conflict in Eastern Europe and Middle East that led to global supply chain disruptions and the adverse effects of climate change from the prolonged drought in 2021 to the floods in the first half of 2024. These shocks resulted in increases in critical household commodities such as fuel prices, and a rapid depreciation of the Kenya Shilling exchange rate, putting additional strain on governmental debt.

The economy is expected to remain resilient as it grew by 5.6 percent in 2023 up from 4.9 percent in 2022, with the continued growth of 5.0 percent in the first quarter of 2024 compared to a growth of 5.5 percent in the corresponding quarter in 2023. The domestic economic performance is expected to remain stable over the medium term, with the growth projected to moderate at 5.2 in 2024 and 5.4 percent in 2025 from 5.6 percent in 2023.

The County Integrated Development Plan (CIDP) and the Governor's Nguzo Kumi will continue to serve as the general framework for resource allocation with the goal of transforming

the lives of Uasin Gishu County residents and improving service delivery. Furthermore, the administration would purposefully incorporate major cross-cutting themes such as gender, climate change, and human rights into the county's development discourse, with a focus on the vulnerable, youth, women, and people with disabilities (PWDs).

In conclusion, County Departments and Agencies are advised to take note of the indicative ceilings to guide their budgets and observe the timelines indicated in the Budget Circular for the next financial year's budget.



MICAH KIPKOSGEI ROGONY

CECM – FINANCE & ECONOMIC PLANNING

ACKNOWLEDGEMENT

The County Budget Review and Outlook Paper has been prepared in accordance with section 118 of Public Finance Management (PFM) Act, 2012 and its regulations. The Act requires the County Treasury to produce the paper for each year and submit it to the County Executive Committee (CEC) by 30th September of that year. It provides an overview of actual fiscal performance of the FY 2023/24 in comparison to the budget appropriation for the same year and how it affected compliance on the fiscal responsibility principles and the financial objectives outlined in the PFM Act, 2012 section (118). The document will form the basis for development of the FY 2025/26 MTEF budget that will detail the various programmes and initiatives that will be undertaken by the county in fulfillment of *Nguzo Kumi* Manifesto.

The preparation of the 2024 CBROP was a collaborative effort of various county departments and agencies who provided useful data and information. Our special thanks go to His Excellency the Governor and His Excellency the deputy governor for their overall leadership and support during production of this document. We are also grateful to the County Executive Members, Chief Officers and Economic Advisor for their leadership and oversight during the process. I also wish to thank the Economic planning department that coordinated the preparation and production of this document.



CPA NATHAN KORIR

CHIEF OFFICER – ECONOMIC PLANNING

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ABBREVIATIONS AND ACRONYMS

BPS	:	Budget Policy Statement
CBK	:	Central Bank of Kenya
CECM	:	County Executive Committee Member
CRA	:	Commission of Revenue Allocation
CBROP	:	County Budget Review and Outlook Paper
CDA	:	County Department and Agencies
CFSP	:	County Fiscal Strategy Paper
CIDP	:	County Integrated Development Plan
CO	:	Chief Officer
ERS	:	Economic Recovery Strategy
FY	:	Financial Year
GDP	:	Gross Domestic Product
ICT	:	Information and Communication Technology
LPDP	:	Local Physical Development Plan
MSME	:	Micro Small & Medium Enterprises
MTEF	:	Medium Term Expenditure Framework
PFM	:	Public Finance Management
RRI	:	Rapid Result Initiative

LEGAL FRAMEWORK FOR THE PREPARATION OF THE COUNTY BUDGET REVIEW AND OUTLOOK PAPER

Section 118 of the Public Finance Management Act, 2012 mandates the preparation of the County Budget Review and Outlook Paper (CBROP). According to Section 118 (1), the County Treasury shall:

- Prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and
 - Submit the paper to the County Executive Committee (CEC) by 30th September of that year.
1. Section 118 (2) of the Act prescribes what the County Budget Review and Outlook Paper need to analyze, thus:
 - i. The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
 - ii. The updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP);
 - iii. Information on any changes in the forecasts compared with the CFSP; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the CFSP for that financial year; and
 - iv. Reasons for any deviation from the financial objectives in the CFSP together with proposals to address the deviation and the time estimated for doing so.
 2. The County Executive Committee shall, within fourteen days after submission, consider the CBROP with a view to approving it with or without amendments.
 3. Not later than seven days after the CEC has approved the paper, the county treasury shall submit the paper to the County Assembly, then publish and publicize the same as soon as is practicable.
 4. Section 107 (1) states that the County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.
 5. In managing the county government's public finances, Section 107 (2) states that 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.
6. For the purposes of subsection (2) (d), section 107 (3) says that 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.
7. 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, according to section 107 (4).
8. Section 107 (5) intimates that the regulations may add to the list of fiscal responsibility principles set out in subsection (2).

EXECUTIVE SUMMARY

The County Budget Review and Outlook Paper (CBROP) is a comprehensive document that reviews economic and fiscal developments in Uasin Gishu County. It provides updated medium-term economic and financial forecasts, indicative sector budget ceilings, and insights into revenue collection and expenditure management.

Section 118 of the Public Finance Management Act, 2012 mandates the annual preparation of the CBROP. Its purpose is to assess economic and fiscal developments, project future trends, and guide resource allocation.

Despite challenges posed by global supply chain disruptions and geopolitical tensions, Kenya's economy remains resilient. It grew by 5.6 percent in 2023 from 4.9 percent in 2022, a demonstration of resilience and the beginning of economic recovery. A strong rebound in the agricultural subsector, which benefited from favorable weather conditions after two years of severe droughts, and the robust performance of the services sector largely drove the growth. We expect Kenya's economy to exhibit resilience and moderate growth of 5.2 percent in 2024, albeit subject to both domestic and external risks.

Uasin Gishu County's share of GCP has averaged 2.4 percent throughout the last five years. GCP per capita has likewise increased annually over the last five years. Agriculture, service, and manufacturing activities primarily drive this performance. Eldoret City's recent elevation, as well as strong investment inflows into the county, including CAIPs, the Affordable Housing Project, the 64-Champion's Market, and the Special Economic Zone, will drive the local economy.

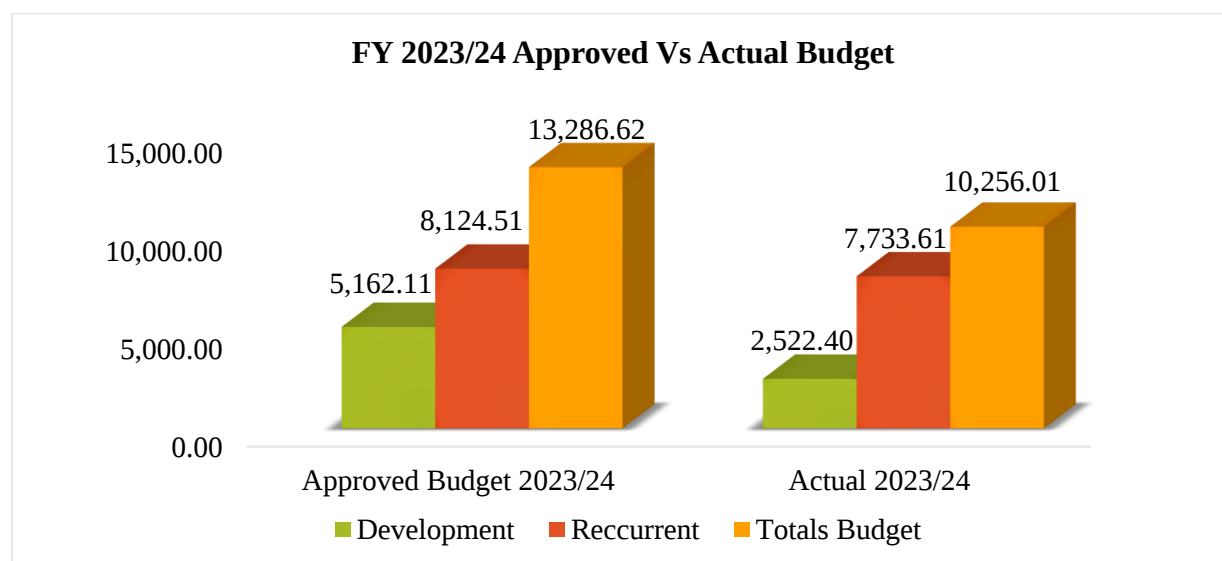
A review of FY 2023/24 shows that the county's own source revenue increased by 45 percent to KSh 1421.33 million, up from KSh 982.05 million in the previous year. The increase is attributable to enhanced revenue mobilization measures put in place by the county government, optimization of revenue collection through automation, asset recovery, and the establishment of the Uasin Gishu Service Centre, a one-stop shop for revenue services. In addition, equitable shareable revenue allocation to the county increased by 4 percent to KSh 8.426 billion in FY 2023/24, up from KSh 8.068 billion in FY 2022/23. However, the county did not meet the desired expenditure absorption levels, especially on development, with recurrent expenditures recording an absorption rate of 95.2 percent and development expenditures at 48.9 percent.

The County Integrated Development Plan (2023-2027) and the Governor's *Nguzo Kumi* manifesto will continue to serve as guiding frameworks for resource allocation in FY 2025/26 and the medium-term. It will focus on road infrastructure, agriculture and agribusiness, water, health, youth and sports, education and training, trade, land and physical planning, the City of Eldoret, governance, and service delivery. The county will also incorporate cross-cutting issues such as youth, gender, and climate change into its development plan.

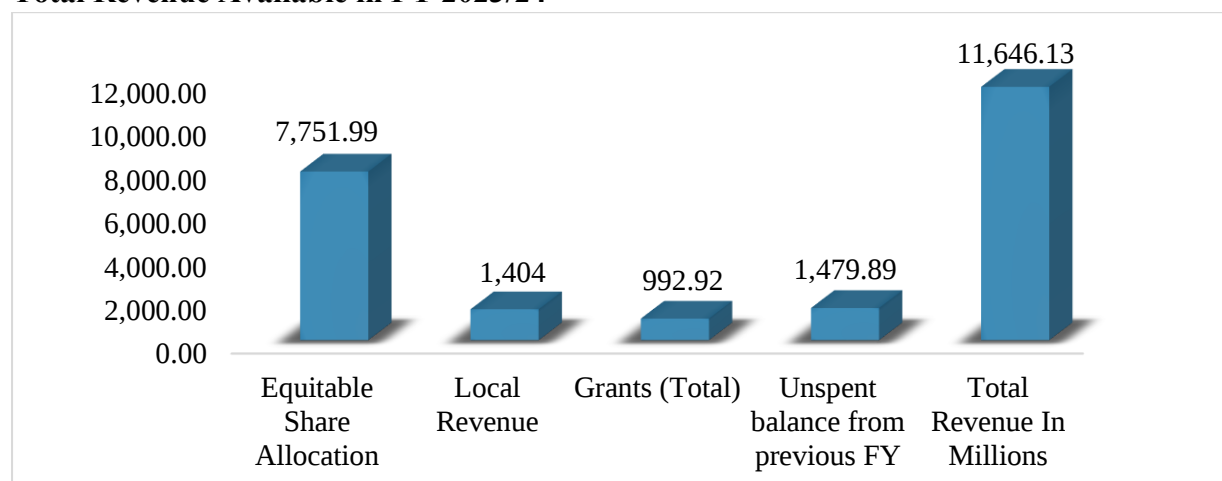
To improve public spending efficiency, the county government will implement austerity measures aimed at reducing recurrent expenditures. To address the limited resources, the county will seek development partners and establish a framework for public-private partnerships for viable projects. In addition, the county will ensure effective procurement planning and timely settlement of pending bills so as to maximize value for money and improve project implementation.

In conclusion, the 2024 Uasin Gishu County Budget Review and Outlook Paper (CBROP) offers a fiscal management plan that builds on past successes and depends on prevailing economic conditions to meet expected targets and performance. Therefore, the county will support this growth to achieve its vision as outlined in the *Nguzo Kumi* manifesto and County Integrated Development Plan (2023–2027).

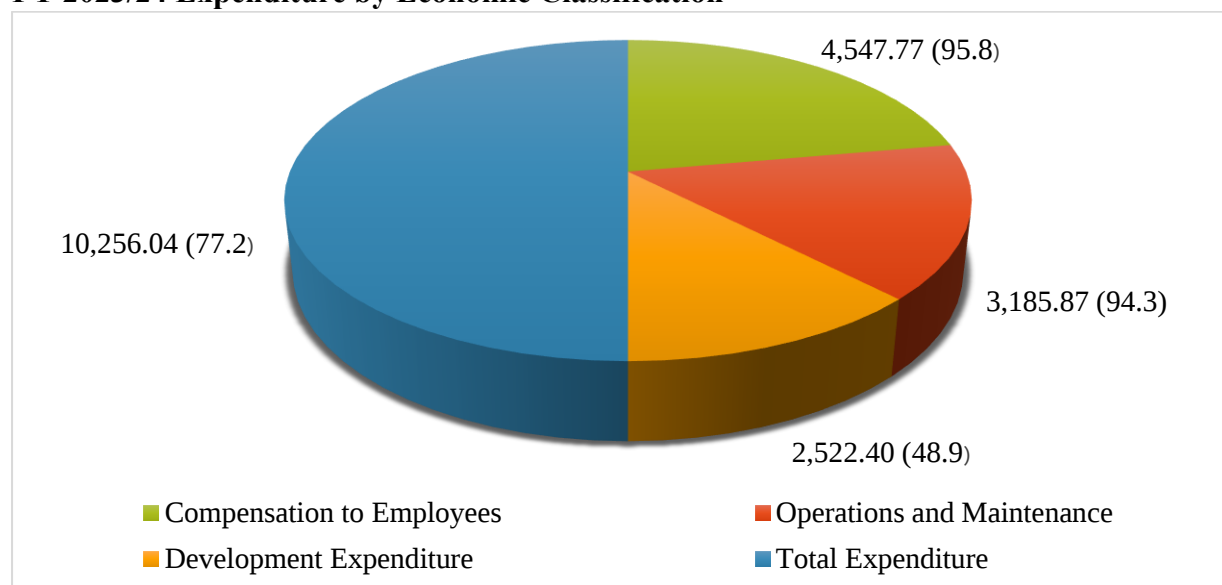
FY 2023/24 BUDGET KEY HIGHLIGHTS



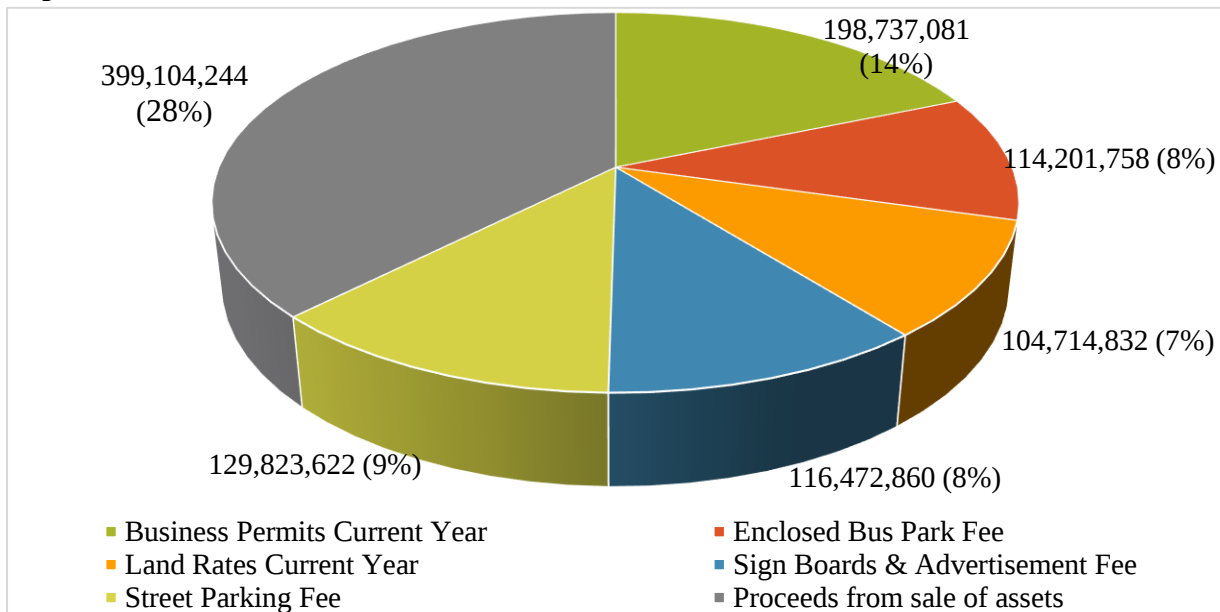
Total Revenue Available in FY 2023/24



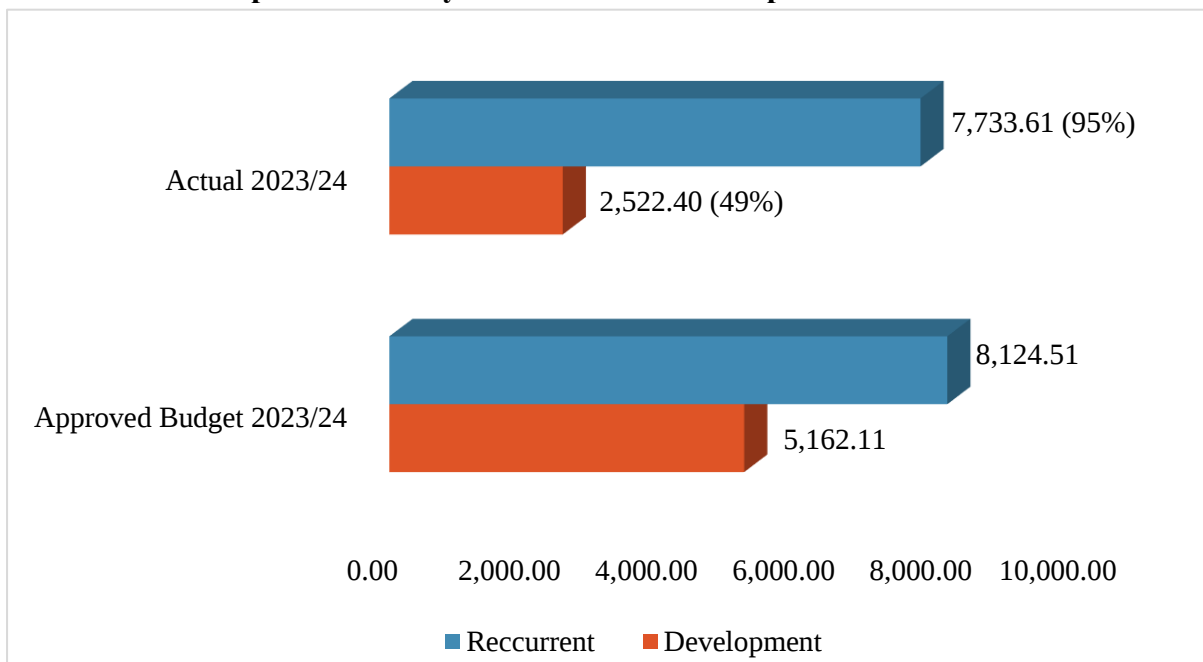
FY 2023/24 Expenditure by Economic Classification



Top Revenue OSR Earners in the FY 2023/24



FY 2023/24 Absorption Levels by Recurrent and Development Votes



1. INTRODUCTION

This section describes the objectives, significance, and structure of the County Budget Review and Outlook Paper (CBROP).

1.1 Objectives of CBROP

County Budget Review and Outlook Paper examines the county's fiscal performance during the most recent fiscal year (FY), that is FY 2023/2024, and how it relates to the financial objectives and fiscal responsibility principles outlined in that FY's County Fiscal Strategy Paper (CFSP). It thus analyzes the following:

- i Details about the actual fiscal performance in the previous year compared to the budget appropriation for that year;
- ii Updated economic and financial forecasts with adequate information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP);
- iii Information on any changes in the forecasts compared with the CFSP; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the CFSP for that financial year; and
- iv Reasons for any deviation from the financial objectives in the CFSP together with proposals to address the deviation and the time estimated for doing so.

1.2 Significance of CBROP

CBROP provides an assessment of the previous financial year's fiscal performance, as well as an update on macroeconomic changes and outlooks that affect the current and upcoming fiscal performance. It informs budget revision, as well as the overall fiscal considerations for the next budget within the medium-term expenditure framework. Furthermore, the paper includes suggested sector ceilings for the next County Fiscal Strategy Paper, which will direct the budget for the coming fiscal year and the medium term.

1.3 Structure of CBROP

CBROP 2024 is divided into four further sections. Section Two examines the county's fiscal performance during the preceding year through the following sub-sections: Overview, Fiscal Performance, and Implications of Fiscal Performance. Section Three discusses current economic trends and is divided into four subsections: Current Economic Trends, Economic

Outlook & Policies, Medium Term Fiscal Framework, and Outlook Risks. Section Four outlines the resource distribution mechanism, including indicative expenditure ceilings for each department. It is divided into four sub-sections: Adjustment to the Proposed Budget, Medium-Term Expenditure Framework, Proposed Budget Framework, and Projected Fiscal Balance. Section Five provides a conclusion while explaining the purpose of CBROP 2024.

2. REVIEW OF COUNTY FISCAL PERFORMANCE FOR THE FY 2023/24

This chapter provides county's fiscal performance for the 2023/24 financial year in relation to the budget allocation and implementation, and its resultant on the financial objects pronounced in the 2023 CFSP.

2.1 Overview of FY 2023/24 Budget

During the period under review, the county implemented a revised budget amounting to Kshs 13.29 billion, comprising Kshs 5.16 billion (38.9 percent) and KSh 8.12 billion (61.1 percent) allocated for development and recurrent expenditures, respectively. This was an increase of 12.4 percent compared to the previous years' budget (FY 2022/23), which was Kshs 11.8 billion and comprised KSh 4.51 and KSh 7.31 billion for development and recurrent expenditures. In order to execute the budget, the county expected to receive KSh 8.43 billion (63.4 percent) as its equitable share of revenue, KSh 1.80 billion in conditional grants (13.3 percent), a cash balance of KSh 1.48 billion (11.1 percent) carried over from FY 2022/23, and KSh 1.58 billion (11.9 percent) as gross own source revenue.

2.2 Revenue Performance

By the end of the financial year 2023/2024, the total revenue, including equitable share, conditional grants, unspent balances, and own-source revenues, amounted to Kshs 11.64 billion, against a target of Kshs 13.28 billion. Total collections from own source revenues amounted to Kshs 1.4 billion against a target of Kshs 1.57 billion. This represents 90 percent performance on OSR and an overall shortfall of Kshs. 156.82 million. Receipts from the National Government include the revenues from the equitable share and conditional grants as outlined in the County Allocation of Revenue Act 2023 and County Government Additional Allocations Act 2023. Total receipts from the national government amounted to Kshs 8.74 billion against a revised target of Kshs 10.22 billion. Additionally, there was a cash balance of Kshs 1.47 billion from FY 2022/23, as indicated in Table 1.

Table 1: Summary of Revenue Performance FY 2023/24 (Kshs Million)

Revenue Type	FY 2022/23 (a)	FY2023/24			% Growth (c-a/a)
		Approved (b)	Actual (c)	% Deviation (c-b/b)	
Unspent balance from previous FY	2,324.30	1,479.89	1,479.89	0	-36
Equitable Share Allocation	8,068.86	8,426.07	7,751.99	-8	-4
Own Source Revenue	982.05	1,578.15	1,404.77	-10	43%
Grants	260.6	1,802.51	992.92	-45	281
Total Revenues	11,635.81	13,286.62	11,629.57	-12%	0%

Source: Uasin Gishu County Treasury, 2024

2.2.1 Own Source Revenue

By the end of June 2024 total own source revenues amounted to Kshs 1.4 billion against a target of Kshs 1.578 billion. This amount represents an increase of 45 percent compared to Kshs 982.05 realized in a similar period last year. The improved performance can be attributed to deployment of a robust revenue system *Sisibo Pay*, establishment of a one-stop revenue shop - Uasin Gishu service center, new revenue streams, and public sensitization to enlighten residents on voluntary payments, among other measures. Table 2 shows revenue performance by streams.

Table 2: Revenue Performance by Stream for FY 2023/24

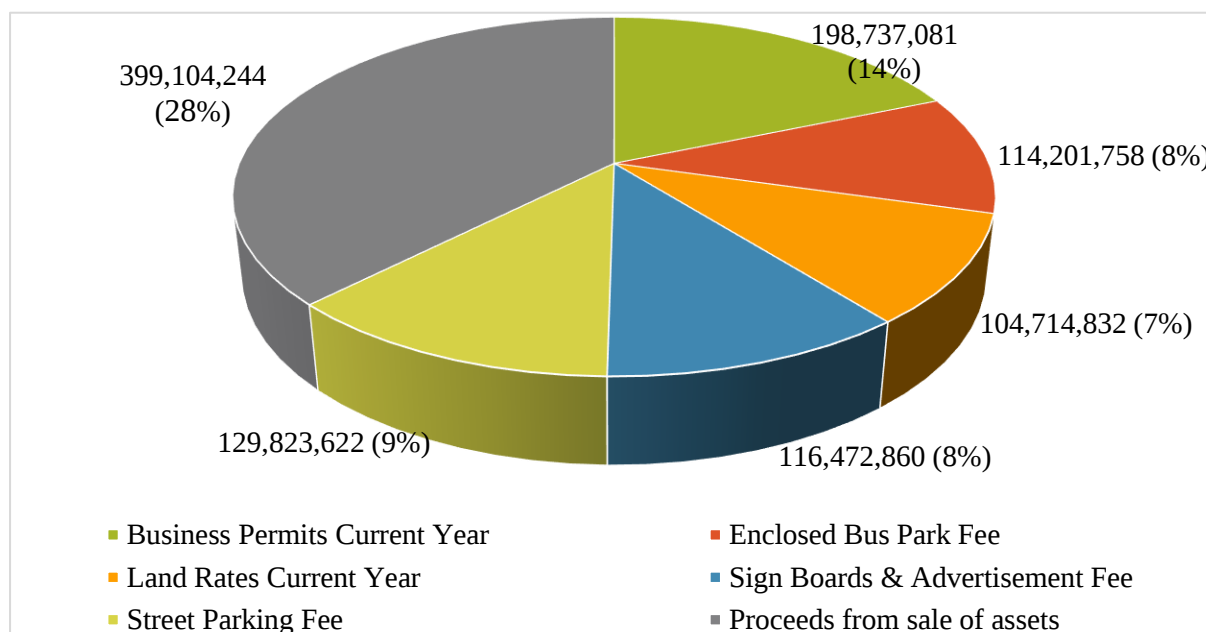
REVENUE STREAMS	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Agriculture AMS	269,857	505,800	967,005	345,348	2,088,010
Agriculture Veterinary	63,530	1,590,896	377,500	-	2,031,926
Application Fee	187,100	47,600	2,119,400	2,235,700	4,589,800
Audit and Supervision Fees	795,050	475,600	908,250	1,135,300	3,314,200
Betting Control	737,520	178,300	233,000	386,500	1,535,320
Buildings Plan Approval Fee /scrutiny	3,077,860	1,411,758	4,727,134	5,712,105	14,928,857
Burial Fees	81,280	102,350	90,400	110,700	384,730
Business Permits Current Year	7,706,810	1,444,846	108,679,336	80,906,089	198,737,081
Clamping Fee	441,748	203,102	212,111	783,000	1,639,961
Council Premises Occasional Hire (Offices, etc.)	68,000	38,150	37,051	39,000	182,201
Court Fines	1,598,602	100	448,150	3,000	2,049,852
Enclosed Bus Park Fee	27,672,854	28,301,804	29,216,350	29,010,750	114,201,758
Fire-Fighting Services	331,130	109,550	7,009,500	4,098,500	11,548,680
Fisheries	13,750	55,950	43,900	22,500	136,100
Food Quality Inspection Fee	804,508	162,020	198,130	-	1,164,658
Health Centers & Dispensaries Fees	10,854,838	11,985,077	13,475,766	6,546,319	42,862,000
Housing Estates Monthly Rent	5,888,682	5,788,802	2,688,335	3,357,418	17,723,237
ICT & E-government Led Screen	115,000	172,001	874,500	7,501	1,169,002
Impounding Charges	1,004,267	1,283,626	1,585,420	934,050	4,807,363
Inoculation Fee	593,594	455,292	289,610	135,700	1,474,196
Land Rates Current Year	12,300,115	7,997,533	47,479,612	36,937,573	104,714,832
Liquor Fee` /Bar Inspection fee	25,635	9,670	158,790	-	194,095
Livestock Auction/Sales Fees	67,620	31,780	375,590	413,840	888,830
Log Cess/ Bark cess/Hide/skins	239,600	163,920	319,380	427,750	1,150,650
Library Fee	88,137	120,319	100,187	87,381	396,024

REVENUE STREAMS	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Motor Bikes	5,560,718	5,972,359	5,986,332	5,448,600	22,968,009
Market Fees	5,628,274	5,700,353	6,795,012	6,113,490	24,237,129
Public Health	867,355	520,255	6,830,590	5,473,449	13,691,649
Public Toilet	-	-	13,000	42,000	55,000
Refuse Collection Fee/Nema	1,076,600	246,790	13,940,240	12,514,140	27,777,770
Right-of-Way / Way-Leave Fee (KPLN, Telkom, etc.)	251,721	793,784	16,515	1,013,899	2,075,919
Sand, Gravel, and Ballast Extraction Fees	10,068,978	10,334,012	11,662,134	12,210,549	44,275,673
Sign Boards & Advertisement Fee	5,334,618	5,653,398	59,652,880	45,831,964	116,472,860
Slaughtering Fee	5,667,725	5,751,178	6,229,194	5,260,810	22,908,907
Staff Loan Commission	581,297	1,084,961	165,736	3,500,150	5,332,144
Street Parking Fee	26,871,380	24,879,823	50,889,859	27,182,560	129,823,622
Sugarcane Cess	111,532	44,216	702,801	908,433	1,766,982
Water Kiosks Sale/Supply	-	46,400	-	-	46,400
Weight and Measures	350,950	318,400	95,600	555,150	1,320,100
Wheat & Maize Cess	1,780,150	14,426,492	27,361,222	14,116,326	57,684,190
Staff Surcharge	-	-	864,703	149,425	1,014,128
Proceeds from sale of assets	-	399,104,244	-	-	399,104,244
Disability insurance claim	-	249,815	-	-	249,815
Salary Refund	-	60,000	-	-	60,000
Total Revenue	139,178,385	537,822,325	413,820,225	313,956,969	1,404,777,904

Source: Uasin Gishu County Treasury, 2024

As indicated in Figure 1, the county's top OSR revenue earner in FY 2023/24 was the proceeds from asset recovery, which contributed 28 percent of the total OSR receipts, followed by business permits with 14 percent. During the reporting period, the county recorded 9 percent for street parking, 8 percent for enclosed bus parks, 7 percent for sign board advertisements, and 7 percent for land rates.

Figure1: Top Own Source Revenue Earners in the FY 2023/24



Source: Uasin Gishu County Treasury, 2024

2.2.2 Other Strategies towards revenue mobilization in FY 2023/2024 & the medium term

As part of revenue enhancement measures, the County will undertake the following:

- Public sensitization to enlighten clients on voluntary payment of County dues.
- Leverage technology in adopting reliable and efficient revenue collection systems.
- Enhance enforcement mechanisms across all revenue streams
- Undertake business process reviews to strengthen internal control mechanisms to reduce fiduciary and other risks that may lead to revenue leakages.
- Revenue administration reforms to enhance accountability of the revenue function.
- Expansion of revenue base through aggressive data collection on property owners.

2.3 Expenditure Performance

Total spending in FY 2023/24 by departments and other county entities including County Assembly amounted to Kshs 10.25 billion against a target of Kshs 13.28 billion representing an under spending of Kshs 3.03 billion or 23 percent of total budget as indicated in Table 3.

Recurrent spending was Kshs 7.73 billion out of the total spending of Kshs 8.12 billion; accounting for 95 percent of the total spending. Development spending amounted to Kshs 2.52 billion against a revised target of Kshs 5.16 billion, representing an absorption rate of 48.9 percent. Total spending on development by all county entities fell far below the revised targets attributable to late approval of the 2nd supplementary budget in June 2024 and the National Treasury's failure to disburse June's exchequer releases. As a result, this led to huge stock of rollovers of projects to FY 2024/2025 that may necessitate of a review of FY 2024/25 development projects.

Table 3. Total Expenditures for FY 2023/2024 (Kshs Millions)

Description	FY 2022/23	FY2023/24			
	Actual (a)	Approved (b)	Actual (c)	% Deviation (c-b/b)	% Growth (c-a/a)
Development Expenditure	3,179.79	5,162.11	2,522.40	-51	-21
Recurrent Expenditure	6,258.65	8,124.51	7,733.61	-5	24
Total expenditure	9,438.44	13,286.62	10,256.01	-23%	9%

Source: Uasin Gishu County Treasury, 2024

2.3.1 Expenditures by Department

Analysis of expenditure by departments showed that the Department of Co-operatives and Enterprise Development recorded the highest absorption rate of development budget at 100 percent, followed by the Department of ICT, E-Government, and Innovation with 90 percent. The Departments of Administration, Devolution, and Promotive and Preventive had the lowest absorption rates, with 26 percent and zero percent, respectively. On the recurrent, the County Assembly recorded the highest absorption rate of 100 percent, followed by Public Service Management, Trade, Investment, Industry, and Tourism, and Education and Vocational Training, each with 99 percent. ICT, E-Government and Innovation, and Co-operatives and Enterprise Development scored the lowest recurrent absorption levels in that order, at 65 and 72 percent, respectively, as indicated in Table 4.

Table 4: Budget Performance by Department

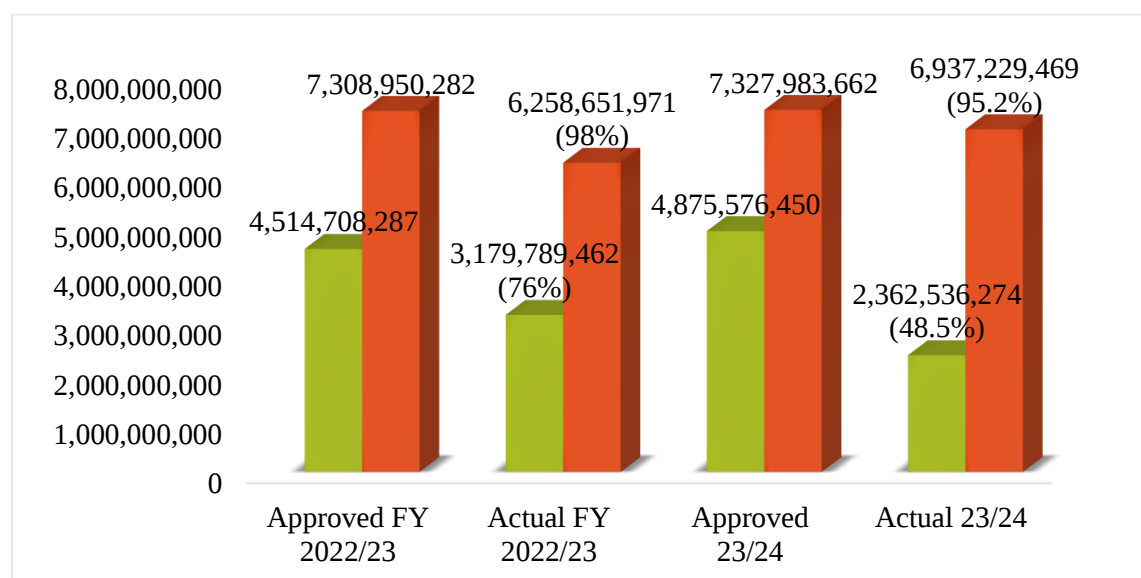
Department	Recurrent Budget			Development Budget			Total Absorption %
	Approved Estimate	Cumulative Expenditure	Absorption %	Approved Estimate	Cumulative Expenditure	Absorption %	
Governor's Office	123.33	116.99	95	-	-	-	95
Finance	813.32	781.45	96	-	-	-	96
Public Service Management	1,071.20	1,058.19	99	-	-	-	99
ICT, e-Government and Innovation	71.72	46.85	65	54.67	49.06	90	76
Roads, Transport and Public Works	656.09	575.88	88	810.77	434.50	54	69
Clinical Services	2,175.29	2,063.26	95	532.32	323.18	61	88
Agriculture and Agri-Business	330.36	314.04	95	189.79	71.82	38	74
Trade, Industry, Investment and Tourism	68.14	67.42	99	608.18	331.23	54	59
Education and Vocational Training	705.83	701.74	99	122.59	48.91	40	91
County Public Service Board	73.79	70.79	96	-	-	-	96
Economic Planning	157.42	147.35	94	-	-	-	94
Administration and Devolution	147.60	140.65	95	267.19	70.04	26	51
Youth and Sports	126.33	123.93	98	120.48	70.18	58	79
Co-operatives and Enterprise Development	61.06	43.88	72	44.48	44.48	100	84
Livestock Development and Fisheries	55.03	47.54	86	100.30	33.46	33	52
Eldoret Municipality	117.26	98.86	84	113.51	73.84	65	75
Promotive and Preventive Health	58.57	53.51	91	40.59	0	0	54
Energy Environment Climate Change and Natural Resources	30.18	24.51	81	337.80	102.99	30	35
Partnership Liaison and Linkages	68.55	64.86	95	-	-	-	95

Department	Recurrent Budget			Development Budget			Total
	Approved Estimate	Cumulative Expenditure	Absorption %	Approved Estimate	Cumulative Expenditure	Absorption %	Absorption %
Gender Social Protection and Culture	81.38	78.59	97	51.31	38.57	75	8
Housing and Urban Development	55.25	49.51	90	667.05	332.44	50	53
Lands and Physical Planning	74.47	71.19	96	321.21	137.68	43	53
Water, Irrigation and Sanitation	174.08	166.79	96	500.49	200.16	40	54
Office of the County Attorney	31.73	29.45	93	-	-	-	93
County Assembly	796.52	796.39	100	279.38	159.86	57	89
Totals	8,124.51	7,733.62	95.2	5,162.11	2,522.40	48.9	77

Source: Uasin Gishu County Treasury, 2024

In comparison to the previous year, there was an overall decline in absorption of funds in FY 2023/24 as indicated in Figure 2. The county recorded an average absorption rate of 95.2 and 48.9 percent on recurrent and development expenditures, respectively, representing a difference of 3 percent and 27 percent compared to the previous year, as demonstrated in Figure 2.

Figure 2: Absorption Levels by Recurrent and Development Votes



Source: Uasin Gishu County Treasury, 2024

2.3.2 Expenditure by Economic Classification

The analysis of expenditure by economic classification indicated that the County Executive spent Kshs 4.21 billion on employee compensation, Kshs 2.72 billion on operations and maintenance, and KSh 2.36 billion on development activities, whereas the County Assembly spent KSh 331.37 million on employee compensation, KSh 465.04 million on operations and maintenance, and KSh 159.86 million on development programs in a similar period, as shown in Table 5. Wages and salaries to staff constitute a larger percentage of the total recurrent expenditure. This implies that there are fewer resources available for service delivery. Therefore, we must take urgent measures to reduce the wage bill, freeing up resources for service delivery.

Table 5: Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Budget (KSh)			Expenditure (KSh)			Absorption (%)		Cumulative Absorption (%)
	County Executive	County Assembly	Cumulative	County Executive	County Assembly	Cumulative	County Executive	County Assembly	
Total Recurrent Expenditure	7,327.99	796.52	8,124.51	6,937.23	796.41	7,733.64	94.67	100	95.2
Compensation to Employees	4,315.99	430.28	4,746.27	4,216.40	331.37	4,547.77	97.69	77	95.8
Operations and Maintenance	3,012.00	366.24	3,378.24	2,720.83	465.04	3,185.87	90.33	127	94.3
Development Expenditure	4,882.73	276.53	5,159.26	2,362.54	159.86	2,522.40	48.39	57.8	48.9
Total Expenditure	12,210.72	1,073.06	13,283.78	9,299.77	956.27	10,256.04	76.16	89.1	77.2

Source: Uasin Gishu County Treasury, 2024

2.3 Status of Pending Bills FY 2023/24

The county had KSh 276 million pending bills at the start of FY 2023/24, including KSh 238.09 million for recurrent spending and KSh 37.91 million for development. During this period, it settled a total of KSh 188.14 million, which included KSh 173.14 million for recurrent and KSh 15.0 million for development programs. At the end of the financial year, the county had an outstanding pending bill amounting to KSh 751.82 million, including the County Assembly bills of KSh 52.58 million. The National Treasury's failure to disburse June's 2024 equitable share led to an increase in the accumulated pending bills. Going forward, the county will prioritize timely payment of pending bills on a First in, First Out (FIFO) basis so as to cushion local businesses against liquidity challenges.

2.4 Implications of Fiscal Performance on Financial Objectives

The fiscal performance in the FY 2023/24 is broadly in line with the financial objectives outlined in the 2024 CSFP.

- The underperformance of key revenues will be addressed in the ongoing revenue administration reforms aimed at surpassing the revenue targets set in FY 2024/25. The full implementation of the new revenue system will primarily anchor this. The outcome of the new revenue drive builds confidence on the revenue performance of the last year. Therefore, we will maintain the overall source revenue projections at the levels specified in the 2024 CFSP. Any necessary adjustments to the revenue targets will only reflect movements in the macroeconomic indicators.
- The under-spending in the development budget for the FY 2023/24 can be explained in part by underperformance of own source revenues. The County will put in place appropriate measures to improve absorption of resources and possibly explore alternative financing strategies early in the financial year to ensure the budget is fully funded.
- As outlined in the 2024 CFSP, the County will seek to improve revenue collection by implementing new policy measures, reducing collection expenditures, strengthening revenue administration aimed at expanding the base and improving compliance.
- The medium-term sector ceilings will be based on departmental funds utilization levels, *Nguzo Kumi* priorities, and other county government strategic priorities.

3. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

This section highlights the recent economic developments, county economic outlook and policies, medium-term fiscal framework, risks to the outlook, and proposed interventions to the risks.

3.1 Recent Economic Developments

The Kenyan economy grew by 5.6 percent in 2023 from 4.9 percent in 2022, a demonstration of resilience and the beginning of economic recovery. A strong rebound in the agricultural subsector, which benefited from favorable weather conditions after two years of severe droughts, and the robust performance of the services sector largely drove the growth. The performance of the industrial sector, particularly manufacturing, has remained subdued. This growth momentum has continued into 2024, with the economy expanding by 5.0 percent in the first quarter compared to 5.5 percent in the corresponding quarter in 2023.

The overall year-on-year inflation is within the government target range of 5 ± 2.5 percent, largely driven by easing food and fuel prices. Overall inflation remained stable at 4.4 percent and 4.3 percent in August and July 2024, respectively, thereby remaining below the midpoint of the target for three consecutive months. This is a drop from 6.7 percent in August 2023 and a peak of 9.6 percent in October 2022. Favorable weather conditions, combined with targeted government interventions, have contributed to a reduction in food production costs, thereby lowering food inflation. Other factors expected to support low inflation include the pass-through effects of the strengthening exchange rate, decreases in electricity and pump prices, and the CBK monetary policy stance.

Interest rates in the year to August 2024 increased, reflecting the tight monetary policy stance. The interbank rate increased to 12.97 percent in August 2024 compared to 10.48 percent in August 2023 and has remained within the prescribed corridor around the CBR (set at $\text{CBR} \pm 150$ basis points). The 91-day Treasury Bills rate increased to 15.8 percent in August 2024 compared to 13.3 percent in August 2023, while the 182-day Treasury Bills rate also increased to 16.7 percent from 13.2 percent over the same period. The 364-day Treasury Bills rate increased to 16.9 percent in August 2024 from 13.6 percent in August 2023. This has increased the government's cost of borrowing from the domestic market.

The foreign exchange market remained stable in the first half of 2024 despite increased global uncertainties, effects of a stronger U.S. dollar, and geopolitical tensions in the Middle East. The

Kenya Shilling exchange rate was weaker at the turn of the year, but it strengthened against the U.S. dollar from mid-February 2024 through August 2024. It strengthened by 10.15 percent, 8.55 percent, and 9.55 percent against the US Dollar, Sterling Pound, and Euro, respectively, in August 2024 compared to a similar period in 2023. In August 2024, it exchanged for an average of KSh.129.32 per US dollar, compared to KSh.143.93 per US dollar in August 2023. Similarly, the Kenya Shilling performed poorly in all EAC regional currencies during the period under consideration. Inflows from agricultural exports, remittances, and portfolio investors mainly supported the foreign exchange market, while a pickup in economic activities, specifically in the manufacturing, wholesale, and retail sectors, drove demand.

At the county level, Uasin Gishu County's share of GCP has remained at an average of 2.4 percent for the past five years. GCP per capita has also increased annually for the past five years. Agricultural, service, and manufacturing activities largely support this performance. There is therefore a need to expand these areas in order to increase our contribution to GDP.

The prevailing high interest rates may increase borrowing costs for consumers and businesses, which can lead to reduced spending, lower economic growth, and strain on debt servicing. To mitigate this, the county government will enhance its allocation towards *the Inua biashara* fund, which provides affordable credit to small businesses.

During the period under review, the county government collected a total of KSh 1,421,327,951 against a targeted amount of KSh 1,578,147,614, which translates to an achievement of 90 percent. Additionally, the county government spent a total of KSh. 10,256.01 million on both development and recurrent activities, compared to an approved budget of KSh. 13,286.62 million, resulting in an absorption rate of 77 percent. Actual development expenditure amounted to KSh. 2,522.4 million against a target of KSh. 7,733.61, translating to a 48.9 percent absorption rate, while actual recurrent expenditure stood at KSh. 5,162.11 million against a budget of KSh. 8,124.51 million, translating to a 95 percent absorption level.

3.2 County Economic Outlook and Policies

The Economic outlook for the County during the upcoming Medium-Term Expenditure Framework (MTEF) 2025/2026–2027/2028 will be significantly influenced by both national and local forecasts. The county is organized in six sectors with specific mandates to deliver services to the residents. Trade being a key driver in wealth and job creation, the government will support retail and wholesale trade by developing the Eldoret 64 Ultra-Modern market and continue with *the Inua Biashara* programme to ensure MSMEs get access to affordable credit.

To ease business, the county seeks to develop a flexible license payment plan for youth and vulnerable group start-ups. To revitalize agriculture, the county will put in place initiatives to support agro-processing industries that add value to local agricultural products such as maize and dairy, as well as adopt modern farming technologies and practices that will help increase productivity and support local farmers. The government will also continue to work with the national government to support industrialization in the county through the completion of county integrated industrial parks (CAIPs) and an affordable housing programme.

To achieve macroeconomic stability, the county will aim to improve resource mobilization as a crucial aspect of achieving desired socio-economic transformation by fully implementing the principles of the Nguzo Kumi agenda, which focuses on economic growth, social welfare, and infrastructure development geared towards improving residents' lives and livelihoods.

With the elevation of Eldoret Municipality to city, Uasin Gishu is poised for increased investment and economic activity. This would lead to the robust development of new businesses, industrial zones, and commercial centers, boosting the local economy and creating job opportunities, thereby widening the revenue base. Furthermore, as a result of the national government's withdrawal of the finance bill 2024, which led to budget cuts, the county government intends to explore off-balance sheet resource mobilization to fund some of its key priorities. These actions aim to strengthen the county's revenue outlook and expand the limited fiscal capacity over the medium term.

Finally, the government will actively establish and strengthen partnerships and collaborations with donors and private investors to access additional resources for funding the county's development agenda.

3.3 Medium Term Fiscal Framework

The county recognizes the challenges posed by global economic slowdowns, rising inflation, and other external factors. To address these, the county, in the next financial year and over the medium term, aims to adopt a growth-friendly fiscal stance to enhance local revenue collection while managing non-core expenditures in order to strike a balance between promoting economic growth and maintaining fiscal prudence. The county will also prioritize high-impact investment expenditures, focusing on key projects that directly benefit residents, such as improving access to clean water, quality health care, and reliable transport infrastructure. By aligning fiscal policies with these priorities, the county aims to accelerate growth, create employment, and reduce poverty.

In order to realize the broad strategic priorities and policy goals, the county will seek to strengthen its resource mobilization and management endeavors. With respect to revenue, the county intends to implement and sustain strong revenue collection strategies that will realize 100 percent of estimated revenue targets in the next financial year and higher in subsequent years. To improve efficiency and reduce waste, the county will continue with expenditure rationalization. We will pursue joint initiatives with development partners to support increased public expenditure on capital projects.

In the next financial year and over the medium term, the county will put emphasis on expenditure management, focusing on expenditure productivity. To achieve this, all stakeholders' involvement in budget execution will be critical in improving overall budget implementation. In addition, the prioritization of public needs will be key in shaping the final budget policies and allocations.

3.4 Risks to the Outlook

Over the medium term, the county anticipates the following risks:

- Erratic weather patterns could weaken agricultural output, increase food insecurity, and lead to a surge in cases of waterborne diseases.
- Increased wage bills and other recurrent expenditures would put a strain on the fiscal space.
- Unmet own source revenue targets.
- High pending bills are causing contractors and suppliers to lose trust in the government, which in turn slows down the implementation of planned projects.
- Delayed exchequer releases.

3.5 Proposed Interventions to the Risks

The county will minimize the impacts of these risks by

- Adopting climate mitigation and adaptation measures, as well as embracing climate smart agriculture, is essential.
- Retaining recurrent and development expenditures as prescribed in the PFM Act, 2012.
- Strengthening revenue mobilization;
- The government will prioritize settlement of pending bills.
- Implore the National Treasury for timely exchequer releases.

4. RESOURCE ALLOCATION FRAMEWORK

This section establishes the total resource envelope and expenditure ceilings for the county in FY 2025/26 and MTEF.

4.1 Implementation of the FY 2024/25 Budget

The county expects the withdrawal of the Finance Bill 2024 to impede the implementation of the current budget, which totals KSh 12.08 billion. Further, the absence of the County Allocation of Revenue Act has permitted counties to receiving disbursement up to 50 percent of the total equitable share allocated. In the current fiscal year, the county expects to receive KSh 8.76 billion in shared equitable revenue from the national government. However, the National Treasury's proposal to reduce county allocations by KSh 20 billion will considerably cut the county's allocation and, as a result, create a projected revenue hole in the current budget. With this reduction, the county's estimates will be adjusted using a supplementary budget.

Therefore, if the Senate adopts the National Treasury's proposals to reduce county allocations, the Supplementary Budget will adjust overall revenues for FY 2024/25 to KSh 11.6 billion, a decrease from the initial budget projections of KSh 12.08 billion. This will include KSh 8.3 billion in the form of an equitable share, KSh 1.39 billion from local revenue sources, and an additional KSh 1.92 billion from conditional grants. Similarly, we predict total expenditures at KSh 11.6 billion, a reduction of KSh 465 million from the budget's KSh 12.08 billion.

4.2 Fiscal Policy for FY 2025/26 and Medium-Term Budget

The fiscal policy for FY 2025/26 and the medium term seeks to bolster the county government's priority programs outlined in the *Nguzo Kumi* manifesto and the CIDP III through a growth-oriented fiscal consolidation strategy. The strategy aims to enhance public service delivery, foster development, and empower citizens. We anticipate that this strategy will transform Uasin Gishu into a county of opportunities for all.

In light of decreased funding, it is critical for the county to explore strategies that balance fiscal responsibility with the provision of essential services and long-term stability. Some of the approaches the county government will consider include prioritizing essential services and eliminating unnecessary expenses, seeking better terms or competitive bids for goods and services, and monitoring and managing personnel costs, among other measures. The county will also pursue revenue-enhancing measures, such as promoting local economic growth to

increase revenue sources, partnering with the private sector on feasible projects, and optimizing revenue collection through automation.

The county will also endeavor to reduce the burden of pending bills by working closely with the National Treasury to ensure timely disbursement of funds, thereby enabling the county to meet its financial obligations promptly. Additionally, the county will prepare payment plans for prioritization and consult before initiating new projects to ensure that existing ones are completed.

Further, the county will devote resources to essential programs that directly affect citizens' well-being and will engage residents in budget discussions to ascertain their priorities and needs.

4.3 Fiscal Projections

In the FY 2025/26, we project total revenue at KSh 11.28 billion. The ongoing reforms in revenue administration will underpin this performance. The overall expenditure is projected at KSh 11.2 billion, which includes KSh 6.9 billion for recurrent expenditure and KSh 4.3 billion for development expenditure.

4.4 Medium Term Fiscal Projections

We have revised the medium-term fiscal projections in the 2024 CBROP from the estimates in the 2024 Budget Policy Statement, considering the fiscal outcome of FY 2023/24 and the impact of the Finance Bill, 2024. The medium-term projections indicate a 6.6 percent increase in total revenue, rising from KSh 11.2 billion in FY 2025/26 to 11.6 billion in FY 2026/27. We project a 5 percent decline in total expenditure from 12.08 billion in FY 2024/25 to 11.5 billion in FY 2025/26 and 11.8 billion in FY 2026/27. We project a 6 percent decline in recurrent expenditure allocation from KSh 7.3 in FY 2024/25 to KSh 6.9 billion in FY 2025/26, out of the total expenditures. Further, we anticipate a 7 percent decline in the development allocation from KSh 4.7 billion in FY 2024/25 to KSh 4.3 billion in FY 2025/26. We attribute the reductions to the withdrawal of the Finance Bill, 2024, which prompted a downward revision of county allocations.

4.5 FY 2025/26 and Medium-Term Budget Framework

The FY 2025/26 and the Medium-Term Budget will continue to focus on the implementation of the programmes as outlined in the CIDP 2023 – 2027 and the Nguzo Kumi manifesto. The focus will be on the following priority areas:

- **Investing in road infrastructure.** A good road network is critical for a country's prosperity and well-being. They ensure that services and goods move between cities, towns, and rural areas, and that residents have access to essential services. Long-term heavy rainfall experienced in the county has damaged roads and disrupted key services. In the medium term, the county will prioritize road construction and maintenance, upgrading township roads to bitumen standards with an asphalt factory it will set up, and constructing bridges. We will also install solar street lights and traffic signals.
- **Agriculture and Agribusiness:** Agriculture provides sustenance for over two-thirds of the county's population. Over the medium term, the county plans to strengthen agribusiness by increasing irrigation land for high-value crops/horticulture, capacity building farmers on identified farming technologies, improving market access linkage for priority value chain actors and value chain financial services, as well as ensuring value chain innovations with high prospects for women, people with disabilities, and youths.
- **Water:** Sustained access to water is critical for achieving long-term agricultural transformation, increasing productivity, and promoting overall county progress. Over the medium term, the county aims to accelerate the process of connecting all public facilities and homes to water in the near future. Thus, our main goal over the medium term will be to extend distribution pipelines for all existing water projects to reach all public utilities.
- **Health:** Strengthening healthcare is crucial for achieving universal health coverage that aligns with the Big 4 agenda. This agenda aims to guarantee that all individuals and communities have access to essential health services and alleviate the financial burden of medical expenses. In order to accomplish this, the county administration intends to establish 30 model ward health facilities, fortify primary health care networks throughout the county for preventive and promotional services, expedite the completion of Ziwa level V hospital, Turbo level IV hospital, Moiben level 3B hospital, and establish ultra-modern pathological and diagnostic centers in UG County within the medium term.
- **Youths, ICT, and Sports:** Our young, vibrant, and creative youths make up a large portion of our population, giving us an advantage. However, they cannot fully participate in the country's social, economic, and political development because of unemployment, lack of skills, and inadequate institutional support to realize their ideas. In the medium term, the county will prioritize implementation of the Wezesha Maisha

Mashinani (WeMaMa) Program, whose objectives are to utilize local labor while maximizing skills development for unemployed skilled youths and students who require workplace experiences. The county will also partner with the Ajira Digital Programme to empower youths with digital skills that will enable them to access online work opportunities.

- **Education and Vocational Training:** One of the key enablers of the *Nguzo Kumi* agenda for inclusive growth, adopted by the county government, is education and training. As a result, the county has made significant investments in education, from early childhood to tertiary levels, to equip students with the knowledge and skills needed to become productive members of society. The county will prioritize enhancing the quality of Early Childhood Development Education (ECDE) by equipping existing ECDE centres, scaling up the school feeding program, and integrating digital learning into ECDE. Additionally, the county will complete the Ngeria Girls Guide Centre, revamp the County Education Revolving Fund, and establish demand-driven vocational courses to boost student enrollment at Vocational Training Centers (VTCs).
- **General Economic and Commercial Affairs:** Being a key empowerment pillar, stable general economic and commercial affairs will lead to a broader economic opportunity for all the residents in the county, including the disadvantaged, through job and wealth creation and increasing the participation of women and youth in socio-economic activities. The county thus intends to develop market infrastructure, promote exports, assist MSMEs, provide trade support services, build an investor support center, host regional exhibitions, boost tourism in the county, and strengthen the cooperative movement. Further, it will create a conducive environment for businesses to thrive.
- **Lands and Physical Planning:** Spatial planning ensures efficient land use, minimizing conflicts and maximizing utility. The plan addresses uncoordinated human settlements, disjointed sectoral policies, urban and rural development, economic development disparities, unsustainable use of the natural environment, and inefficient transport and infrastructure. The county therefore plans to prepare a spatial plan over the medium term, as well as ensure proper physical planning of all our towns and trading centers. Specifically, it will seek to uplift Mois`bridge, Ziwa, Turbo, Moiben, Burnt Forest, and Kesses townships to municipalities and prepare LPDPs in all trading centers.
- **City of Eldoret:** The elevation of Eldoret to city status brings numerous benefits for both residents and the county. This increased prominence can attract investors seeking viable business opportunities, thereby creating employment and stimulating economic

growth. With enhanced revenue potential, the county government will allocate resources to improve existing infrastructure and amenities befitting a city. Consequently, over the medium term, the county will prioritize the completion of 64 stadium over other essential infrastructure in Eldoret. This will support athletes in their training, as Eldoret is renowned as the home of champions, and for hosting competitions both locally and internationally.

- **Governance and Service Delivery:** A key pillar of Nguzo Kumi, the Office of the Governor, will continue to champion effective governance, ensuring the efficient, equitable, and transparent delivery of public services to all residents. We will achieve this by engaging citizens, understanding their needs, embracing innovation in service delivery, and promoting accountability and prudent use of public resources. Additionally, the office will establish policy frameworks to guide decision-making, foster coherence, and ensure alignment with the county's broader vision.

4.6 Criteria for Resource Allocation

The priorities outlined in Section 4.5 will significantly influence the allocation of resources for the FY 2025/26 Medium-Term Expenditure Framework (MTEF), considering the following criteria:

1. Linkage of programmes with the priorities of the County Integrated Development Plan (CIDP) 2023–2027 and the Nguzo Kumi manifesto.
2. Alignment of programmes with the priorities of the Bottom-Up Economic Transformation Agenda and Medium-Term Plan IV of Vision 2030.
3. Support for programmes that mitigate and adapt to climate change.
4. Completion of ongoing projects, viable stalled projects, and payment of verified pending bills.
5. Degree to which a programme addresses job creation and poverty reduction.
6. Degree to which a programme addresses the core mandate of the County Departments and Agencies (CDAs).
7. Cost-effectiveness, efficiency, and sustainability of the programme.
8. Requirements for furthering the constitution, particularly the Fourth Schedule on devolved functions.

The Medium-Term Expenditure Framework in Table 4 will guide the medium-term resource allocation.

Table 6: Summary of Indicative Sector Ceilings for the 2025/2026 – 2027/2028 MTEF

Sector	MDAs	Total Expenditure Kshs.				% Share of Total Expenditure			
		Estimates 2024/25	C-BROP Ceiling 2025/2026	Projections		Estimates 2024/25	Ceilings 2024/25	Projections	
				2026/2027	2027/2028			2026/2027	2027/2028
Administration & Governance	Governor's Office	110,182,319	106,028,943	109,209,812	112,486,106	0.91%	0.94%	0.94%	0.94%
	Finance	392,244,340	276,767,399	285,070,421	293,622,534	3.24%	2.45%	2.45%	2.45%
	Economic Planning	115,085,896	101,114,420	104,147,853	107,272,288	0.95%	0.90%	0.90%	0.90%
	Public Service Management	866,611,766	701,640,171	722,689,376	744,370,057	7.17%	6.22%	6.22%	6.22%
	Administration and Devolution	280,188,060	251,940,634	259,498,853	267,283,819	2.32%	2.23%	2.23%	2.23%
	County Public Service Board	63,645,936	60,559,588	62,376,376	64,247,667	0.53%	0.54%	0.54%	0.54%
	Partnership, Liaison and Linkages	53,474,235	44,762,399	46,105,271	47,488,429	0.44%	0.40%	0.40%	0.40%
	County Attorney	65,538,491	60,626,617	62,445,416	64,318,778	0.54%	0.54%	0.54%	0.54%
	County Assembly	885,565,536	839,359,869	864,540,665	890,476,885	7.33%	7.44%	7.44%	7.44%
Agriculture, Rural and Urban Development	Agriculture and Agribusiness	568,038,437	506,621,910	521,820,568	537,475,185	4.70%	4.49%	4.49%	4.49%
	Livestock Development and Fisheries	173,423,410	141,957,139	146,215,853	150,602,329	1.43%	1.26%	1.26%	1.26%
	Housing and Urban Development	1,090,497,863	405,488,793	417,653,457	430,183,060	9.02%	3.59%	3.59%	3.59%
	Lands and Physical Planning	137,849,119	582,060,017	599,521,817	617,507,472	1.14%	5.16%	5.16%	5.16%
	Eldoret Municipality	683,844,658	640,518,962	659,734,531	679,526,567	5.66%	5.68%	5.68%	5.68%
General Economic & Commercial	Co-op and Enterprise Dev	76,715,854	75,817,743	78,092,275	80,435,044	0.63%	0.67%	0.67%	0.67%
	Trade, Industry, Investment and Tourism	196,718,837	159,312,957	164,092,346	169,015,117	1.63%	1.41%	1.41%	1.41%
Infrastructure & ICT	Roads, Transport and Public Works	1,358,498,893	1,637,893,952	1,687,030,770	1,737,641,694	11.24%	14.52%	14.52%	14.52%
	Energy, Environment, Climate Change and Natural Resources	252,598,038	219,885,041	226,481,592	233,276,040	2.09%	1.95%	1.95%	1.95%
	ICT, E-Government and innovation	89,506,559	80,416,304	82,828,793	85,313,657	0.74%	0.71%	0.71%	0.71%
	Water, Irrigation and Sanitation	926,208,219	685,781,779	706,355,233	727,545,890	7.66%	6.08%	6.08%	6.08%
	Clinical Services	1,844,230,748	1,884,069,157	1,940,591,232	1,998,808,969	15.26%	16.70%	16.70%	16.70%
Health Services	Promotive and Preventive Health	590,076,243	726,787,471	748,591,095	771,048,828	4.88%	6.44%	6.44%	6.44%
	Education and Vocational Training	771,056,747	750,609,868	773,128,164	796,322,009	6.38%	6.65%	6.65%	6.65%
Education and Social Protection	Gender, Social Protection and Culture	178,817,942	130,521,359	134,437,000	138,470,110	1.48%	1.16%	1.16%	1.16%
	Youth and Sports	318,165,220	211,348,886	217,689,352	224,220,033	2.63%	1.87%	1.87%	1.87%
	Grand Total	12,088,783,366	11,281,891,378	11,620,348,120	11,968,958,563	100%	100%	100%	100%

Source: Uasin Gishu County Treasury, 2024

5. CONCLUSION

The Sector Working Groups while working on the budget proposals for the FY 2025/26 and the medium term will be required to conduct a critical evaluation and prioritize all budget allocations in line with the CIDP 2023-2027 and *Nguzo Kumi*, while taking into account the sector ceilings provided in Section 4. This sector ceilings will be firmed up in the 2025 County Fiscal Strategy Paper.