COUNTY GOVERNMENT OF KERICHO

DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

CITIZEN BUDGET ESTIMATES 2024/2025

INTRODUCTION

The 2024/2025 Budget Estimates have been prepared in line with the constitutional and legal requirements governing public finance in Kenya. Article 201 of the Constitution of Kenya 2010 stipulates the principles of public finance management, including openness, accountability, and equitable sharing of resources. In addition, Sections 129 and 130 of the Public Finance Management (PFM) Act, 2012, provide the framework for the formulation and submission of county budget estimates.

The main reference documents used in preparing the FY 2024/2025 Budget include the Annual Development Plan (ADP) 2024/2025, the County Fiscal Strategy Paper (CFSP) 2024, and the National Government's Budget Policy Statement (BPS) 2024. These policy documents provided guidance on revenue projections, resource ceilings, and expenditure priorities. The basis for resource allocation among departments and county entities was the approved fiscal policies and financial objectives contained in the CFSP, as well as the priority programs outlined in the ADP.

The estimates reflect the County Government's commitment to promote sustainable socio-economic growth, improve service delivery, and strengthen development outcomes. Emphasis has been placed on balancing recurrent expenditure with development financing in compliance with fiscal responsibility principles.

FISCAL RESPONSIBILITY PRINCIPLES

In preparing these estimates, the County adhered to the fiscal responsibility principles enshrined in Section 107 of the PFM Act, 2012. In particular, recurrent expenditure is maintained at 65 per cent of total revenues, while development expenditure accounts for 35 per cent. This balance underscores the County's commitment to ensuring that operational costs are sustainably managed while development priorities are adequately financed.

The County Government has continued to align its financial objectives with the Third-Generation County Integrated Development Plan (CIDP 2022–2027) and the aspirations of residents as articulated during public participation forums. Adherence to fiscal discipline is critical to maintaining budget credibility, safeguarding public resources, and fostering investor confidence in Kericho County.

REVENUE PROJECTIONS

The FY 2024/2025 Budget Estimates project total revenues from diverse sources to fund both recurrent and development expenditures. The key revenue sources include:

1. Equitable Share from the National Government – Kshs. 6.803 billion (approximately 71% of total revenues).
2. Own Source Revenue – Kshs. 1.12 billion, comprising:
    - Facility Improvement Fund (FIF): Kshs. 546 million.
    - Local revenue collections: Kshs. 573.7 million.
3. Donor Grants – Kshs. 735 million, from programs such as DANIDA, Kenya Devolution Support Project II, Kenya Urban Support Program, FLLoCA Climate Change Grants, IDA National Agricultural Value Chain Development Project (NAVCDP), Energy Grants, and K-WASH initiatives.
4. Conditional Grants – Kshs. 455.5 million, including allocations for Routine Maintenance Fuel Levy, Aggregated Industrial Parks, and County Health Promoters.

This diversified revenue framework reflects the County's efforts to reduce overreliance on national transfers by strengthening local revenue mobilization, while also leveraging development partnerships with donors.

DEPARTMENTAL HIGHLIGHTS

1. Executive Office of the Governor

The Executive Office remains pivotal in policy direction, coordination of county functions, and implementation of development priorities. For FY 2024/2025, the Office has been allocated Kshs. 155.2 million in recurrent expenditure, of which Kshs. 64.3 million is earmarked for personnel emoluments. A further Kshs. 54.8 million will cater for hospitality, travel, and training, reflecting the unique demands of the office in governance and representation.

2. Public Service Management

This department is charged with overseeing human resource management, performance management, and civic engagement across the county. The allocation for FY 2024/2025 is Kshs. 434.2 million, comprising Kshs. 413.2 million for recurrent and Kshs. 20.9 million for development. Key projects include construction of modern ward and sub-county offices (Kshs. 14.9 million) and provision of staff medical insurance (Kshs. 60 million). Capacity building under the Kenya Devolution Support Project II is allocated Kshs. 37.5 million.

3. Finance and Economic Planning

The Finance Department is central to prudent resource mobilization, planning, and accountability. It will receive Kshs. 339 million for recurrent expenditure and Kshs. 47 million for development. Priority programs include establishment of a resource centre (Kshs. 5 million), review of the CIDP III (Kshs. 7.1 million), strengthening monitoring and evaluation (Kshs. 24 million), and development of a revenue resource mapping system (Kshs. 5 million).

4. Health Services

The health sector continues to command the largest share of resources due to its critical role in service delivery. The recurrent budget amounts to Kshs. 2.668 billion, largely for personnel and operations. The development vote stands at Kshs. 252 million, covering equipping of facilities (Kshs. 41 million), ward-level health projects (Kshs. 82.3 million), and donor-supported interventions such as DANIDA grants and NAVCDP funding.

SECTORAL ALLOCATIONS

Agriculture, Livestock and Fisheries

Allocated Kshs. 174 million for recurrent and Kshs. 342.7 million for development, this department will implement programs in livestock disease control, agricultural mechanization, smallholder irrigation, horticultural development, cooperative promotion, and fish farming. Donor funding through NAVCDP (Kshs. 151 million) and ASDSP II (Kshs. 5.5 million) will further strengthen agricultural value chains.

Education, Youth, Sports, Culture and Social Services

The department has been allocated Kshs. 713 million for recurrent expenditure and Kshs. 226.2 million for development. Key programs include construction and equipping of ECDE centres, vocational training centres, and bursary support (Kshs. 147 million). Social services initiatives include cultural centre development and support for persons with disabilities.

Roads, Public Works and Transport

A total allocation of Kshs. 515.2 million will support maintenance of rural roads, opening of new access roads, and drainage works. The conditional allocation from the Roads Maintenance Fuel Levy (Kshs. 169.7 million) is part of this envelope.

Trade, Tourism and Cooperatives

This department has a budget of Kshs. 66.6 million for recurrent and Kshs. 335.8 million for development. Priority areas include trade and markets development (Kshs. 58.8 million), tourism promotion (Kshs. 12 million), and establishment of industrial parks and innovation hubs (Kshs. 250 million).

ENVIRONMENT, WATER AND LAND MANAGEMENT

The Water, Environment, Energy and Natural Resources Department has been allocated Kshs. 661.4 million for development and Kshs. 163.4 million for recurrent expenditure. Priority projects include water supply schemes (Kshs. 77.1 million), KEWASCO bulk water support (Kshs. 15

million), dumpsite rehabilitation (Kshs. 13 million), and donor-funded FLLoCA and K-WASH programs (over Kshs. 400 million).

The Lands, Housing and Physical Planning Department is allocated Kshs. 105.4 million for development and Kshs. 126.8 million for recurrent expenditure. Key allocations include preparation of physical development plans, housing projects, and operational support for the Kericho and Litein Municipal Boards.

CROSS-CUTTING SECTORS

The ICT and E-Government Department has a total allocation of Kshs. 120.9 million, with projects such as establishment of county data centres and ICT connectivity across sub-counties. The County Public Service Board is allocated Kshs. 82.7 million to ensure efficient staffing and personnel management.

Strategic Intervention Projects worth Kshs. 530 million have been earmarked to complete multi-year flagship projects such as the Non-Communicable Disease Centre, Kedowa maize mill, Sosiot Sub-County Hospital, and Roret Pineapple Plant.

CONCLUSION

The FY 2024/2025 Budget Estimates have been prepared in full compliance with Sections 128–130 of the PFM Act, 2012. They are consistent with the Third-Generation County Integrated Development Plan (CIDP 2022–2027) and the Annual Development Plan 2024/2025.

The estimates balance between recurrent needs and development priorities while ensuring fiscal discipline. They further align county resources with the broader goals of enhancing service delivery, fostering inclusive economic growth, and improving the welfare of Kericho residents.

The Department of Finance and Economic Planning hereby submits these Budget Estimates pursuant to Section 129(2)(a) of the PFM Act for consideration and approval by the County Assembly.