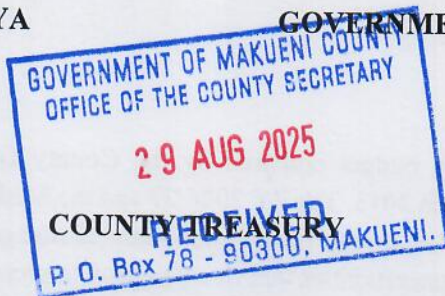


REPUBLIC OF KENYA



GOVERNMENT OF MAKUENI COUNTY



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29th August, 2025

COUNTY TREASURY CIRCULAR NO. 4/2025/26

- TO;
1. County Secretary and Head of Public Service
 2. All County Executive Committee Members
 3. County Attorney
 4. Clerk-Makueni County Assembly
 5. All Accounting Officers



RE: GUIDELINES FOR THE PREPARATION OF THE FINANCIAL YEAR 2026/27-2028/29 MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF) BUDGET

1.0. PURPOSE

1. Article 220 of Constitution of Kenya and Section 128 of the Public Financial Management Act, 2012 mandates the County Executive Committee Member for Finance to issue a circular setting out guidelines to be followed by all of the county government's entities in the budget preparation process, by 30th August of the preceding year. It is on this basis that the budget circular for FY 2026/2027 and Medium Term Budget Estimates is issued to all the County Government Departments, Entities, Authorities, Boards and the County Assembly.
2. The purpose of the Circular is to provide guidance on the processes, procedures and timelines to be followed by County Entities /departments when preparing the FY 2026/27 and Medium Term budgets. The circular outlines the following:
 - a) Policy framework supporting the Medium Term Budget for 2026/27 – 2028/2029
 - b) Institutional framework, process and timelines to guide the budget preparation process
 - c) Prioritization process for programmes
 - d) Timelines and requirements for key activities in the budget preparation process
 - e) Programme Performance Reviews (PPRs);
 - f) Framework for public participation in the budget making process
 - g) The format in which information and documents relating to the budget are to be submitted and,
 - h) Form and content of budget and costing of the programme and projects

2.0. BACKGROUND

3. The FY 2026/27 Budget Estimates will be the fourth to implement the 2023-2027 County Integrated

- Development Plan (CIDP) and the 14th budget prepared by the County Government since the inception of County Governments in March 2013. The FY 2026/27 and the Medium Term Budget are being prepared in the context of a global economy facing significant challenges due to rising trade barriers, financial tightening, and policy uncertainties that threaten growth prospects. Persistent risks include trade policy escalations, cautious consumer and business behavior, intensifying geopolitical tensions, sustained inflation, and potential economic downturns. However, reversing trade restrictions early could stimulate growth and mitigate inflationary pressures.
4. Kenya's economy is expected to recover in 2025, with growth forecasts ranging from 4.8% to 5.3%. This positive outlook is supported by a strong agricultural and manufacturing sector, favorable weather boosting agricultural productivity, a robust service industry, macroeconomic stability, ongoing public investments, and high business confidence. However, Kenya's economic outlook faces both external and domestic risks. Globally, trade tensions, financial market volatility, and geopolitical conflicts could reduce Kenya's exports, tourism, and remittances while raising the cost of essential commodities. Domestically, extreme weather may impact agriculture, infrastructure, and food security. The government continues to monitor these risks closely and will take necessary measures to safeguard macroeconomic stability.
 5. Makueni County contributed 1.1 percent to the national GDP, according to the Gross County Product (GCP) 2024 report. The GCP increased from KSh 136.06 billion in 2022 to KSh 151.124 billion in 2023, marking an 11 percent growth. This significant increase was primarily driven by an 18 percent growth in the agriculture sector, attributed to above-normal rainfall during the MAM and OND seasons. Makueni's GCP per capita stood at KSh 144,991, which is below the national average of KSh 291,770. From 2019 to 2023, Makueni experienced an average annual growth rate of 3.8 percent, while the national rate was 4.6 percent.
 6. Looking ahead, growth in Makueni County is projected to average 5 percent annually in 2025 and 2026, increasing the county's economic output to KSh 159 Billion and KSh 168 Billion, respectively. These outcomes are attributed to deliberate government efforts to stimulate economic growth through business support initiatives, stimulus packages, and strategic infrastructure investments. Further acceleration of growth is expected through enhanced agricultural production and value addition, driven by both public and private sector investments. Additionally, empowering MSMEs will spur growth in key sectors such as accommodation and food services, transport and storage, and wholesale and retail trade. Some of the risks at the county level include projected shortfall in own source revenue, late disbursement of funds, inadequate resources, floods and mud slide, drought and weak grievance redress mechanism.
 7. The FY 2026/27 and the Medium term budget will continue to support the National Government's Bottom Up Transformation Agenda (BETA). This will be achieved throughout the ongoing implementation of a growth responsive fiscal consolidation plan aimed and slowing down the growth of public debt without compromising service delivery. Given the expected limited resources available in the current economic context, it is essential for county departments and agencies to prioritize and align their programs with the available resource envelope.
 8. The County Medium Term Expenditure Framework for FY 2026/27 will be guided by the overarching Development philosophy of '*Wauni wa Kwika Nesa na Ulungalu*', which translates to 'the passion to serve with integrity'. The development focus will be increased access to potable water, improved agricultural production and food security, enhanced access to universal healthcare, development of urban infrastructure, automation of government services, procedures and innovation and mobilization of resources through strategic partnerships.

3.0. ASSUMPTIONS UNDERPINNING THE FY2026/27 AND MEDIUM-TERM FISCAL FRAMEWORK

9. The Medium –Term fiscal Framework supporting the budget will be anchored on the following assumptions;
- a) The Gross County Product will grow by at least 5 percent over the medium term
 - b) The total county revenue will rise to 7 per cent of the GCP in FY 2026/27
 - c) All projected revenue from the National Government and development partners will be received on timely basis.
 - d) All projected Own Source Revenue (OSR) for the FY 2026/27 MTEF period will be fully mobilized

4.0. IMPLEMENTATION OF FY 2025/26 BUDGET

10. The FY 2026/27 budget focuses on the County Government's transformational development agenda. Accounting officers are advised to fast track project implementation to ensure project completion and payments are made before end of fourth quarter. In order to avoid bills being carried forward, departments are advised to adhere to the County work plan, procure and implement projects by end of third quarter and process payments by payments **30th June 2026**.

5.0. CASH FLOW MANAGEMENT IN FY 2026/27

11. In the Financial Year 2026/27, the County Government will manage the cash flow as follows;
- a) The County Treasury will set quarterly expenditure limits per vote for departments based on departmental cash flow projections. Departments will be expected to adhere and plan their activities within the set limits.
 - b) Discretionary expenditures on operation and maintenance will be tied to Own Source Revenue mobilized and therefore departments will be required to support revenue mobilization.
 - c) AIEs will be issued on quarterly basis subject to proof of revenues mobilized by the specific department and entity and in conformity of provisions of Section 109 of the PFMA 2012.
 - d) Requisitions from County Revenue Fund (CRF) will be done for those payments that are well supported and justified by departments.

6.0. THE SPECIFIC GUIDELINES

12. The following are the specific guidelines to be followed in the preparation of FY 2026/2027 and the Medium Term Budget proposals

6.1 POLICY FRAMEWORK SUPPORTING THE MEDIUM TERM DEVELOPMENT BUDGET PROPOSALS

13. The FY 2026/27 and the Medium Term budget estimates will be guided by the development theme **“Empowering the community for a vibrant, inclusive, and resilient economy,”**. The theme emphasizes building citizens' capacity to participate in and drive economic development. It highlights the need for equal opportunities for all, including youth, women, persons with disabilities, and marginalized groups. This theme promotes innovation, entrepreneurship, and sustainable resource use to reduce dependency on external aid. By focusing on empowering citizens, the County aims to create a vibrant, inclusive, and resilient economy that enhances income generation and fosters long-term growth across all the county sectors. The interventions will be globally grouped into three broad categories namely Productive and economic, Social services and social protection and Governance, land and natural resource management.

6.2 INSTITUTIONAL FRAMEWORK TO GUIDE THE BUDGET PREPARATION PROCESS

14. The County Government is committed towards linking policies, plans and budgets by strengthening the Sector working groups and the Budget Implementation Committees(BICs) which are key players in the budget process. The County will establish and operationalize Public Investment Management Unit which shall be the focal point for public investment management as guided by Regulation 10 of the Public Finance Management (Public Investment Management) Regulations, 2022. Departments are requested to ensure full participation in the sector working groups and budget implementation committees as this will be the avenue for resource bidding in the budget process.
15. Accounting Officers are directed to ensure that the Budget Implementation Committees established in FY 2023/24 are fully operationalized and their quarterly budget implementation reports submitted to county Treasury by the 10th of the of the month after the end of each quarter as provided in section 166 of the PFMA, 2012. The BICs together with the Sector Working Groups shall be responsible for formulation and prioritization of sector budget proposals, and sector reports which will be the basis of preparing the budgets. The composition and the Terms of Reference for the Sector Working Groups and Departmental Budget Implementation Committees is attached in **Annex 1(a) and 1(b)**
16. The County Sector Working Groups (CSWGs) are expected to ensure that the proposed programs are in line with the priorities outlined in 2023-2027 CIDP and the FY 2026/27 Annual Development Plan. All CSWGs are expected to support the projects/ programmes appraisals to determine the scope, costs, effectiveness, beneficiaries and intended coverage. The appraisal report format is attached as **Annex 2**
17. The Sector Chairpersons shall ensure all activities including the preparation of sector reports and sector budgets are coordinated and completed within the given timelines. The Sector budget proposals should reach the County Treasury by **31st January 2026**. The Budget Implementation Committee chairpersons should ensure timely preparations and submission of their reports which will informs the sector budget proposals. The format for the Sector and Budget Implementation Reports are attached in **Annex 3(a) and 3(b)**

6.3 BUDGET STRUCTURE AND CONTENT

A. Programme Based Budget (PBB)-Programme Design and Performance Framework

18. In accordance with section 129(1)(b)(v), of the PFM Act,2012, the county budget shall be prepared and

presented by vote and programme. The structure of programmes should align with the mandates of the respective departments and agencies and correspond to the primary lines of service delivery. Sector working groups should ensure that these alignments are maintained effectively as follows:

i. Smart Programmes Outcomes and Outputs

19. The programme outcomes and outputs must be Specific, Measurable, Achievable, Realistic and Time-Bound (SMART) while ensuring clarity of purpose and are feasibility for implementation.

ii. Performance indicators and targets

20. The SGW should ensure that the defined performance indicators and targets are well established for both outcome and outputs enabling effective tracking of progress and impact.

iii. CREAM Criteria for indicators

21. All indicators must adhere to the CREAM Principles which are Clear, Relevant, Economic, Adequate and Monitorable. This will ensure that the indicators are result oriented and actionable.

iv. Accountability of departments and agencies

22. The indicators and targets shall reflect deliverables for which departments and agencies will be held accountable and responsible thus reinforcing institutional responsibility and ownership

v. Budgeting for cross cutting issues

23. Cross cutting issues will be systematically assigned to appropriate programmes within departments and county agencies to ensure integrated delivery and avoid duplication.
24. Each programme should be confined to one department or agency and all functions mapped to respective programmes. There should be no duplication of programmes or names across departments. If multiple programmes exists, an additional programme should be established to account for overhead costs related to administration and support services that cannot be assigned to a specific programme. The format for presentation of Programme Based Budgets is indicate in **Annex 5**.

B. DEVELOPING ROLLING THREE-YEAR MEDIUM-TERM BUDGET ESTIMATES

25. The county government will appropriate the budget on an annual basis. However, the budget planning process will incorporate projections of expenditure and revenues for the subsequent two outer years. Accounting officers are advised that the expenditures ceilings for the future years remain binding in accordance with the Public Finance Management Regulations (County Governments), 2015

6.4 PRIORITIZATION OF PROGRAMMES AND ALLOCATION OF RESOURCES

A. Prioritization of 3rd generation CIDP 2023-27.

26. The Financial Year 2026/27 and the medium term budget will be aligned with the 3rd generation CIDP 2023-27. The CSWGs must compressively review all the departmental and agencies FY 2026/27 and the medium term budgets and ensue prioritization and allocation of budgetary resources to areas that enhance productivity and support the achievements of the resources to areas that enhance productivity and support the achievement of 2023-27 CIDP.
27. The following guidelines will be followed by the CSWGs in prioritization and allocation of resources.
- i. Linkage of the programme and projects priorities of the 2023-27 CIDP
 - ii. Linkage of programmes to mitigation and adaptation of climate change;
 - iii. Completion of ongoing projects and viable stalled projects;
 - iv. Degree to which a programme creates jobs, reduces poverty and achieves the core mandates of the departments and agencies and
 - v. Cost effectiveness, efficiency, and sustainability of the programme.

B. Entrenching Zero Based Budgeting in PBB

28. The county government will adopt Zero Base Budgeting (ZBB) to prioritize resource allocation based on programme efficiency and necessity, rather than historical expenditure. All the FY 2026/27 and MTEF programmes will be justified afresh emphasizing efficiency, effectiveness and economy. The CSWG will re-evaluate the existing programmes using appropriate costing methods, prioritizing high-impact initiatives that support rural livelihoods, create jobs and economic recovery while eliminating wasteful spending.

A. Costing techniques

29. Departments and agencies shall use the following methods when estimating costs: -
- i. Quantity x price (primary method)
 - ii. Trend analysis (historical expenditure projections)
 - iii. Lump-sum for minor items and
 - iv. Ad hoc for one-off interventions

B. Computing the budget baseline

30. During the development of the budget baseline, departments and agencies are mandated to utilize the current market prices with provision of an inflation adjustment factor to account for the impact of inflation on the prices. This approach ensures that the budgeting and financial planning consider potential price fluctuations, thereby facilitating more precise cost estimations and informed decision making.

C. Key Costing Components

i. Compensation to Employees

31. The fiscal responsibility principles as outlined in the PFM Act, 2012 and the public finance management regulations (county governments) 2015 require that compensation to employees shall not exceed 35% of the total revenue. The county government has frozen recruitment of employees to fill new positions except for replacement due to natural attritions, retirements and resignations which must be budget-neutral and approved by the County Executive. All personnel emoluments allocations must be documented in the integrated personnel payroll data system. Changes in personnel remunerations must be supported by the salaries and remuneration commission subject to availability of funds as confirmed by the County Treasury.
32. Departments and agencies are tasked with identifying personnel contracts ending in FY 2026/27 and the Medium term and estimates the gratuities payable in the fiscal year 2026/27. Such gratuities should be included in the MTEF personnel budget estimates.
33. Departments and agencies will be required to submit the following in regard to the compensation of employees:
- The number of personnel, both permanent and contractual as at 1st July 2025
 - Personnel expected to retire by 30th June 2026, 2027 and 2028.
 - The expected timing for filling approved funded positions
 - Annual financial implications of the above

34. The personnel budget estimates will be submitted through the **Human Resource Integrated System (HRIS)**

ii. Use of Goods and services

35. The CSWGs must thoroughly review the departmental and agencies requirements to control growth of the recurrent budgets. They should ensure that all expenses for goods and services are accurately estimated and justified. Each allocation should be accompanied by supporting documents such as service agreements and demand notes.
36. Departments must accurately estimate the costs of all utility items such as electricity, water including any outstanding arrears. While determining the utility costs, departments should primarily use the (quantity x price) method while providing clear justification if alternatives techniques are employed. Other non-

discretionary items such as rent costs among others must be accurately accounted by the respective accounting officers.

iii. Other Mandatory Expenditures

37. All accounting officers must review all other mandatory expenditures within their jurisdiction and assess the associated requirements.

iv. Appropriation in Aid(AIA)

38. County Departments and Agencies will be required to submit data on actual AIA collections and respective expenditures for the financial years 2022/23 all through to 2024/25 and projections for the FY 2026/27 and the medium term.

v. Development Expenditure

• Preparation, Appraisal and approval of new projects

39. The county departments and agencies must adhere to PIM Regulations, 2022 while preparing, carrying out appraisal and approval of projects prior to their inclusion in the budget. Financial agreements between the county and national governments and other development partners.
40. Accounting officers must assess the cost of capital projects and prioritize them based on realistic implementation plans. For the ongoing projects, departments will consider current implementation status, actual expenditure as at 30th June 2025, outstanding costs, and the approved budget for the FY 2025/26. Revised projects costs if applicable and the medium term requirements.

• Public Private Partnership Projects

41. County Departments and agencies are encouraged to consider alternative financing options for new projects, including Public Private Partnerships (PPPs) as guided by the PPP unit of the National Treasury.

• Ongoing and Stalled Projects

42. The FY 2026/27 and the medium term will focus on completing ongoing and stalled 2023-27 CIPD Projects to maximize benefits to the citizens. The CSWG must submit detailed reports on projects progress based on the projects status provided in the PIM Regulations, 2022. All departments and agencies will be required to evaluate the stalled projects to identify viable ones and submit their costs requirements to the County Treasury.

• Projects with Counterpart /Matching Requirements

43. The CSWG must ensure sufficient allocation of projects that require counterpart/matching funding for projects funded by conditional allocation/grants or by development partners. Additionally, CSWG should verify that Performance for Results (P-f-R) projects and programmes with Disbursement Linked Indicators (DLIs) are clearly identified and supported by appropriate financing agreements.

• County Flagship Projects

44. The county departments and agencies will develop concept notes for key capital projects and submit the to the county treasury. Such projects will be reviewed by the county flagship implementation committee for budgeting and implementation

6.5 BUDGET PREPARATION PROCESS

45. The budget process involves preparation of key policy documents for approval by County Executive Committee and the County Assembly. The budget process will commence upon issuance of this circular up to the time the County Assembly shall approve the 2026 Finance Bill. The following policy documents will

require to be prepared and approved within the timeframes outlined in the Public Finance Management Act, 2012 and Public Finance Regulations (County Governments), 2015:

- a) The 2026/27 County Annual Development Plan(CADP)
- b) The 2025 County Budget Review and Outlook Paper (CBROP);
- c) Sector Budget Proposals;
- d) The 2026 County Fiscal Strategy Paper (CFSP)
- e) The 2026/27 County Medium Term Debt Management Strategy Paper (CMTDMSP)
- f) Programme Based Budgets and supporting details;
- g) The Appropriation Bill; and
- h) The Finance Bill.

46. To facilitate the finalization and approval of the above policy documents and Bills within the stipulated timelines, Accounting Officers are required to strictly undertake the activities outlined in the Budget Calendar within the set timeframes. The timeframes for delivery of the Policy Documents, reports, and relevant Bills are as per attached schedule in **Annex 4**
47. The Accounting officers to the County Departments and entities must submit the FY 2026/27 Budget Estimates in line with the provisions of section 125 of the PFMA and the Public Finance Management Regulations (County Governments) 2015.
48. The submitted budget estimates will be presented to the county resource allocation panel as provided for in the Public Finance Management (Public Investment Management) Regulations, 2022. These panel sittings will improve on the linkage between the county policies, development plans the budgets and also ensure that the whole of government approach is embraced in budget formulation and implementation. The panel would enhance transparency, accountability, prudent use of public resources, and public participation in the county government.

6.6 PREPARATION OF BUDGET IN THE NEW INTEGRATED FINANCIAL MANAGEMENT AND INFORMATION SYSTEM (IFMIS) BUDGETING MODULE

49. The FY 2026/27 and Medium Term Budget estimates will be prepared and submitted to the County Treasury by departments agencies in the Integrated Financial Management and Information System (IFMIS) budgeting module

6.7 PROGRAMME PERFORMANCE REVIEW

50. Programme Performance Reviews (PPRs) are essential to effective programme- performance budgeting. Accounting officers are directed to evaluate their respective departmental progress towards set outcomes based on the 2022/23 to FY 2024/25 budgets analyzing both financial and non-financial performance. The accounting officers should also use past performance, commitment and lessons learnt to inform resource allocation decisions. Department and agencies will not be allowed to bid for resources unless they have submitted the finalized their programme performance reviews. The format and guidelines for the preparation of the PPRs are as provided within **Annex 3A** of this circular.

6.8 MOBILIZATION OF RESOURCES

51. There has been a tremendous growth of receipts from national government and county own source revenue since FY 2013/14. The total revenue has grown from Kshs. 4.5 billion in 2013/14 to KShs. 11.542 Billion in 2025/26. Despite the increase, the County resource basket over the years has not been adequate to fund service requirements by the citizens. Therefore, departments are advised to adopt technology and innovation in service delivery, pursue public private partnerships and external resource mobilization to bridge the resource gaps.
52. The County has been unable to meet its own source revenue targets over the years and will employ

following strategies to raise revenue;

- a) Introduction of instalment payment for licenses to ease the burden on the one off payment which has impeded compliance by some of the customers
- b) Incentivize customers who pay early through introduction of discounts on the prescribed fee for licenses
- c) Introduce half yearly and quarterly license for new customers
- d) Designate revenue champions from amongst the leadership of business community especially the markets committees to enhance level of compliance
- e) Institute a performance based facilitation for own source revenue mobilization where good collectors are incentivized to collect more
- f) Create an online self-customer service portal to enable customers register and pay for their business licenses obligations with ease

6.9 KEY POLICY AREAS

53. The FY 2026/27 Budget will be the fourth budget in implementing the County Integrated Development Plan 2023-2027 “resilient economy for sustainable development”. The year theme is “Empowering the community for a vibrant, inclusive, and resilient economy”. The theme emphasizes building citizens' capacity to participate in and drive economic development. It highlights the need for equal opportunities for all, including youth, women, persons with disabilities, and marginalized groups. This theme promotes innovation, entrepreneurship, and sustainable resource use to reduce dependency on external aid. By focusing on empowering citizens, the County aims to create a vibrant, inclusive, and resilient economy that enhances income generation and fosters long-term growth across all the county sectors.

Water, Environment and Natural Resources Sector

In FY 2026/27, the government will implement crucial projects and programs as outlined in the County Water and Sanitation Strategy and Investment Plan, along with CIDP III. The last-mile water connectivity program, Phase III (Kunyaiikya kiw'u nduani na misiyini), will receive funding to boost water production by 4,000 m³/day, addressing the increasing water demand and reducing the current deficit. This program aims to elevate access to improved water sources from 46 percent to 70 percent and decrease the distance to these sources from 3.5 km to 2 km by 2027. Key interventions for the FY 2026/27 Water, Sanitation, and Irrigation subsector will include:

- a) Developing water sources through the construction and rehabilitation of dams.
- b) Expanding water distribution networks from both existing and new sources to nearby communities and public institutions (schools, health facilities, and markets) by providing storage tanks and pipeline connections.
- c) Installing smart meters in water kiosks, bulk water meters, and leakage detection technology, as well as implementing water network segmentation to minimize non-revenue water and reduce the time spent fetching water.
- d) Promoting individual household water connections through registered Water Service Providers to enhance domestic access.
- e) Developing a sustainable business model for each water project to ensure long-term viability.
- f) Collaborating with all departments and stakeholders to implement security systems for county water projects.
- g) Utilizing solar energy and main grid connections to power water projects for cost efficiency and reliability.
- h) Strengthening the operations of the Makueni Rural and Urban Water Board (MARUWAB) by reviewing and enforcing the Makueni Water Act and Water Policy.
- i) Building capacity in water management to improve governance, efficiency, and service delivery.
- j) Constructing and rehabilitating irrigation schemes, supporting water harvesting, and promoting micro-irrigation at both household and public institution levels to enhance food security.
- k) Implementing integrated solid waste and liquid waste management programs.

54. **In the Environment and Natural Resources subsector**, the county government, in collaboration with other development partners, will undertake the following key interventions:

- a) Building community climate resilience and enhancing forest conservation and management through forest and landscape restoration, as well as community-based wildlife conservation initiatives.
- b) Conducting environmental education, advocacy, research, and pollution control and management to improve environmental quality and standards.
- c) Promoting the sustainable utilization of sand, value addition, and the development of natural resources.

A. Agriculture and Rural Development

55. To improve its performance, the sector will implement interventions aimed at achieving the county's long-term goals of food security and increased household income. It will specifically focus on enhancing agricultural production, productivity, and income for rural farmers through the following initiatives:

1. Revitalization of Agricultural Extension Services

56. The sector will increase access to comprehensive and responsive extension services covering crop production, livestock, and veterinary care, targeting at least 70% of registered farmers. This will be accomplished by:

- i. Strategically deploying specialized extension officers aligned with key value chains in specific wards.
- ii. Utilizing digital platforms for advisory services and farmer profiling.
- iii. Conducting on-farm demonstrations and field days to showcase innovative practices.
- iv. Timely disseminating climate-smart technologies and best practices.

2. Zoning and Strategic Value Chain Development

57. The sector will promote enterprise specialization and optimize resource use by:

- i. Implementing agro-ecological zoning to guide investments and target specific enterprises.
- ii. Strengthening selected value chains (e.g., mango, pulses, dairy, poultry) through infrastructure development, capacity building in value addition, and improved access to finance.
- iii. Promoting contract farming and cluster-based production models to achieve economies of scale.

3. Expansion of Access to Affordable Credit and Inputs

58. To support increased productivity and reduce production costs, the county will:

- i. Enhance input subsidies and promote equitable distribution in partnership with the national government.
- ii. Facilitate access to affordable credit through collaborations with SACCOs, microfinance institutions, and farmer cooperatives.
- iii. Support input aggregation through farmers' SACCOs to leverage economies of scale.

4. Promotion of Climate-Smart and Resilient Agriculture

59. The sector will encourage adaptation to and mitigation of climate-related risks by:

- i. Training farmers in drought-resistant crops, conservation agriculture, and sustainable land management.
- ii. Building capacity in water-efficient irrigation technologies, such as drip and solar-powered systems.
- iii. Encouraging agroforestry and integrated soil fertility management practices.

5. Enhancement of Market Access and Value Addition

60. Market access and value addition will be bolstered to improve agricultural commercialization by:
 - i. Establishing and operationalizing aggregation centers and bulking facilities.
 - ii. Supporting value addition initiatives and processing at both ward and county levels.
 - iii. Providing farmers with access to real-time market information and digital trading platforms.
 - iv. Facilitating connections with local and export markets.

B. Transport, Infrastructure, Public Works, Energy and ICT

61. The Transport, Infrastructure, Public Works, Energy, and ICT sector is essential for fostering sustainable and inclusive economic growth. During the plan period, the sector focuses on developing and enhancing key infrastructure to stimulate economic development and improve residents' quality of life. Key priorities for 2026/27 include:
 - i. Improving road connectivity through the construction, upgrading, and maintenance of roads.
 - ii. Expanding modern and sustainable energy infrastructure while ensuring access to reliable and affordable energy solutions.
 - iii. Increasing access to information and communication technology by providing widespread and affordable internet connectivity throughout the county.
62. These initiatives aim to promote resilience, accessibility, and modernization in infrastructure and services, ultimately ensuring that citizens benefit from enhanced mobility, communication, and energy solutions crucial for socio-economic transformation and progress.

C. Health Services Sector

63. The overarching goal of the health sector is to achieve Universal Health Coverage (UHC). The government aims to realize UHC through the implementation of three core programs which include; Preventive and Promotive Health Services, Curative and Rehabilitative Services and Health Planning and Administration.

The 2026/27 Health Services Sector Priorities

64. **Under Preventive and Promotive Services**, emphasis will be placed on enhancing access to essential primary healthcare. This includes efforts to:
 - i. Reduce maternal, infant, and child mortality rates, and
 - ii. Curb the spread of both communicable and non-communicable diseases.
 - iii. Enhance mental health among the Makueni community
 - iv. Strengthen community health strategy through training and capacity building the health promoters and other relevant actors
65. The Curative and Rehabilitative Services **focus will be on improving cost-effectiveness and quality of treatment services across health facilities through**
 - i. Enhancing health commodity security to ensure availability of quality essential health products and technologies,
 - ii. Strengthen the referral systems for timely care
 - iii. Carry out patient empowerment schedules on safe care practices involving patients and family members including home based care
66. **Planning and Administration** interventions will aim at:
 - i. Strengthening healthcare financing systems
 - ii. Equipping of health facilities to support service delivery
 - iii. Digitization of the health services to enhance process efficiency
 - iv. Strengthen the collaboration across the strategic health stakeholders for resource and knowledge transfer
67. All these initiatives are geared towards achieving comprehensive healthcare, 24-hour service provision, and a strengthened referral system. The government aims to ensure all residents of Makueni County have

equitable access to quality and affordable healthcare without suffering financial hardship. The *MutulaCare* health initiative will be enhanced to cover over 60% SHA registrations across Makueni County, strategically pooling and mobilizing resources to the sustain health programs and improve health outcomes by access to quality healthcare. This will also align county health care financing with national healthcare financing reforms. The government will continuously map, identify, and enroll vulnerable and indigent households to SHA.

D. Education, Social Protection and Recreation Sector

68. The sector consists of several sub-sectors, including Gender and Social Services, Early Childhood Development and Education, Library Services, Youth Polytechnics (County Technical Training Institutions), Sports and Talent Development, Youth Development and Empowerment, and Internship, Mentorship, and Volunteerism (IMV).
69. The sector's key priority agendas include:
 - i. Quality education and training: Enhance access to inclusive, quality education and training that fosters effective learning outcomes.
 - ii. Youth upskilling and empowerment: Promote talent development, skills training, and capacity building to facilitate employment and access to decent jobs.
 - iii. Socio-economic empowerment of vulnerable groups: Empower and support vulnerable and Most-At-Risk Populations (MARPs) to enable their contribution to county development.
 - iv. Strengthen policy, legal, and research frameworks: Support informed decision-making, planning, and programming in alignment with relevant legislation.

E. Lands and Urban Development Sector

70. The primary objective of the land and urban development sector is to enhance land tenure security, urban planning, and sustainable development. This sector encompasses key areas, including land surveying and titling, urban planning, infrastructure development, and the management of the Wote, Emali-Sultan Hamud and Kee-Mbooni municipalities.
71. Through its municipalities, the County Government aims to provide adequate, safe, and sustainable infrastructure to support essential urban services and promote inclusive urban growth. This includes the development of safe, accessible, and inclusive green and public spaces. The sector also seeks to strengthen the economic, social, and environmental integration between urban and rural areas by investing in necessary enabling infrastructure.
72. The sector's programs and projects will align with the government's development agenda, focusing on equitable access to land resources, their efficient utilization, and the enhancement of urban infrastructure and governance systems to improve service delivery.

General Economic and Commercial Affairs

73. The sector is composed of two key sub-sectors: Trade, Marketing and Industrial Development and Tourism, Culture, Music and the Arts. Trade, Marketing and Industrial Development sub-sector is tasked with driving economic growth by: -
 - a) Revitalizing MSMEs,
 - b) Promoting equitable trade practices,
 - c) Advancing industrial development,
 - d) Enhancing value addition, and
 - e) Branding and marketing of Makueni County's goods and services.
 - f) Capacity building of market committees for improved market governance
74. The Tourism, Culture, Music and the Arts sub-sector is responsible for:

- a) Development and promotion of sustainable tourism, and
- b) Enhancing cultural heritage, musical expression, and artistic endeavors

F. Devolution Sector

75. The Devolution sector encompasses human resource management and development, governance, and public finance management. These areas are organized under various entities, including the Office of the Governor; Finance and Socio-Economic Planning; Devolution, Public Participation, County Administration, and Special Programs; the County Attorney; the County Public Service Board; and the County Assembly. Collectively, these sub-sectors are essential for coordinating government service delivery.

76. The sector aims to achieve the following objectives:

- a) Promote transparency and accountability in the management of public resources.
- b) Improve human resource management systems and structures.
- c) Enhance the performance of service delivery.
- d) Empower citizens to engage actively in meaningful development activities.
- e) Increase the effectiveness of county government, retain knowledge, and foster continuous improvement.
- f) Strengthen the use of data for planning, monitoring, and implementing development policies, strategies, programs, and projects.
- g) Ensure efficient and effective disaster preparedness, mitigation, response, management, and mainstreaming.
- h) Enact implementable laws and policies while providing objective oversight and inclusive representation of public interests.

6.10 PUBLIC PARTICIPATION AND STAKEHOLDER INVOLVEMENT

77. The preparation of the FY 2026/27 budget and the medium-term budget must comply with constitutional and legal requirements for public participation. Effective stakeholder engagement is crucial for ensuring transparency, accountability, and good governance. Accounting officers should facilitate a consultative process that incorporates stakeholder input, with thorough documentation of interactions and careful consideration of contributions to budget proposals. The budget development process requires the collective involvement of various stakeholders, each fulfilling a distinct and complementary role.

78. Public participation, along with the involvement of other stakeholders, is essential and constitutionally mandated in the budget-making process. The County Sector Working Groups (CSWGs) should identify and engage key stakeholders, including development partners, to prioritize programs effectively. The CSWGs must clearly demonstrate stakeholder engagement in their reports and budget proposals.

79. To enhance the participatory process for FY 2026/27, the following measures will be implemented:

- a) Automating the budget participatory process and feedback mechanisms through e-questionnaires.
- b) Mapping all projects undertaken by the National Government, County Government, and development partners to facilitate public participation and ensure equitable distribution of projects.
- c) Providing technical support to communities to help them prioritize high-impact projects.
- d) Strengthening development committees by enhancing their capacity.
- e) Improving the connection between development committees and CSWGs.
- f) Developing an annual Public Participation Plan.

6.11 PROJECTS DEVELOPMENT AND SUSTAINABILITY

80. In FY 2026/27, The County will continue to focus on high impact projects at the ward and headquarter level. This will be through;

- a) Promoting one government approach in planning and budgeting
- b) Enhancing project and programme conceptualization before budgeting
- c) Ensure all ongoing projects are completed and are sustainable
- d) Setting clear development outcomes to be realized within the medium term.

7.0. EFFICIENT PUBLIC SERVICE DELIVERLY

81. The role of the County Government is to offer service to the citizens in timely and efficient manner. Accounting Officers are therefore advised to enhance their service delivery mechanisms, ensure the services are responsive to the community needs and are decentralized for ease of access.

8.0. CONCLUSION

82. To facilitate finalization and approval of the statutory documents within the stipulated timelines, Accounting officers are required to strictly undertake the outlined activities in the budget calendar within the set frames. Any other additional information shall be provided in due course as the need arises and as would be requested by the various stakeholders.
83. Finally, Accounting Officers are required to ensure adherence to these guidelines and to bring contents of this circular to the attention of all officers working under them including Directors and Heads of County Government agencies under their departments.



DAMARIS MUMO KAVOI

COUNTY EXECUTIVE COMMITTEE MEMBER- FINANCE, PLANNING, BUDGET & REVENUE AND HEAD OF COUNTY TREASURY

Cc.

1. H.E the Governor
2. H. E the Deputy Governor
3. Hon. Speaker, Makueni County Assembly
4. Chairperson-County Public Service Board (CPSB)
5. Chairperson-Makueni County Executive Audit Committee
6. Chairperson-Wote Municipality
7. Chairperson-Emali-Sultan Hamud Municipality
8. Chairperson-Makueni County Sand Conservation and Utilization Authority
9. Chairperson-Makueni County Fruit Development and Marketing Authority
10. Chairperson- Makueni Rural Water Board (MARUWAB)

ANNEX 1(a): COMPOSITION AND TERMS OF REFERENCE FOR THE COUNTY SECTOR WORKING GROUPS (CSWGS)

COMPOSITION OF SECTOR WORKING GROUPS

No	Sector	Composition/Sub Sectors	Departments/Units
1.	Water, Sanitation, Environment & Natural Resources	Environment, Water, Irrigation, Forestry	a) Water, Sanitation and Irrigation, b) c) Makueni Rural Water Board(MARUWAB) d) Environment & Climate Change and Mining, e) Sand Authority
2.	Agriculture and Rural Development	Agriculture, Livestock and Fisheries and Cooperatives Development	a) Agriculture, Livestock, Fisheries and Cooperatives Development b) Makueni County Fruit Developing And Marketing Authority
3.	Transport, Infrastructure ,Public Works Energy And ICT	Transport, Infrastructure, Public Works, Energy, Housing ICT, Urban Development &	Roads, Transport, Works & Energy, Urban Development & Housing, ICT
4.	Health Services	Health Services	Health Services
5.	Social Protection, Education And Recreation	Education & Library Services, Youth Development & Empowerment, Gender & Social Protection, Sports, Culture & Recreation	Education, Youth, Sports, Gender, Children, & Social Services
6.	General Economic And Commercial Affairs		
7.	Lands And Urban Development	Land Survey and Titling, Urban Planning and Development	a) Lands and Urban Development b) Wote Municipality and c) Emali-Sultan Hamud Municipality
8.	Devolution Sector	Finance & socio-economic planning,	a) Office of The Governor & Deputy Governor,

No	Sector	Composition/Sub Sectors	Departments/Units
		Governorship, Administration, Legislation & Oversight, Human Resource Management	b) Devolution, Administration, Participatory Development & Public Service, c) County Attorney, d) County Public Service Board(CPSB), e) Finance & Socio Economic Planning, f) County Secretary g) County Assembly,

The sector working groups are composed of the following:

- i. Chairperson-one Chief Officer chosen by consensus by other chief officers within the sector
- ii. Sector convener appointed by the CECM Finance, Planning, Budget and Revenue
- iii. Sector co-convenor appointed by the CECM Finance, Planning, Budget and Revenue
- iv. Secretariat comprising of technical officers from the County treasury, directors and technical staff from the relevant departments making up a sector
- v. Other Stakeholders-Representatives of the National Government ministries, development partners, representatives of civil society organizations and the private sector

The terms of reference for sector working groups will be the following:

- i. Ensure proposed programmes and projects are in line with the priorities of CIDP 2023-27 and ADP 2026/27
- ii. Coordinate the departmental reviews in accordance with the guidelines
- iii. Identify & prioritize the programmes to be funded
- iv. Identify projects to be funded under public private partnerships (PPP)
- v. Coordinate activities leading to the development of sector reports; programme based budgets, itemized budgets
- vi. Undertake appraisals for proposed programmes and projects
- vii. Analyze cost implications of the proposed programmes, projects and policies,
- viii. Allocate resources to ministries, departments and agencies within the sector in accordance with the agreed criteria.

Roles and responsibilities of sector conveners and co-conveners

The sector conveners and co-conveners are responsible to the chief officer planning, budget and revenue and the sector chairpersons for overall guidance and oversight of the sector working group consultations for sound formulation of sector policies and budget priorities. Specifically, the conveners and co-conveners are expected to perform the following task;

- i. Brief the sector chair persons on the county SWG implementation plan
- ii. Ensure that CSWGs map out their key stakeholders and invite them to the sector consultative meetings
- iii. Assist CSWGs understand and adhere to the MTEF budget preparation guidelines
- iv. Ensure that CSWGs develop an action plan consistent with timelines set in the budget calendar and the CSWG implementation action plan
- v. Ensure that planned CSWGs programmes are anchored on the concept notes, ADP 2026/27, SDGs and Kenya vision 2030

- vi. Ensure that CSWGs develop and document a prioritization and resource allocation criteria which is consistent with the overall guidelines provided by county treasury
- vii. Ensure that programmes are well appraised, costed and have measurable performance indicators
- viii. Ensure ensuing MTEF policy priorities and budget are well informed by the previous performance of the sector/ministries through such instruments as annual progress reports, departmental programme performance review
- ix. Track the implementation of the CSWG planned activities and bring to the attention of the chairperson/treasury the challenges facing the exercise and recommended way forward
- x. Prepare and submit to CECM finance a bi-weekly status report on the preparation of the MTEF budget and Programme performance review that clearly identifies achievements /progress made, challenges, and proposed way forward
- xi. Coordinate the preparation of final sector presentation for public sector hearings
- xii. Fully participate in the **resource allocation panel** with a view of ensuring that policy priorities as agreed in the CSWGs are funded within the available resource envelope

ANNEX 1(b) COMPOSITION TERMS OF REFERENCE OF BUDGET IMPLEMENTATION COMMITTEES (BICS)

Composition of Budget Implementation Committees (BICs)

The BICs shall be constituted of departmental Chief Officers (Chairperson), Directors, Deputy /Assistant Directors, Departmental Accountants and Budget Officers/Economists/Statisticians (Secretary)

Terms of Reference for Budget Implementation Committees (BICs)

- i. To review and consider the annual work plan and procurement plan and approval of any changes to the initial work plan prepared
- ii. To review utilization of budget including donor funds allocated to the department/agency
- iii. To review and recommend reallocation of expenditures
- iv. To review and approve the submission of the expenditure returns, non-financial reports, pending bills and A-I-A returns and reports for the department/agency
- v. To participate in the County Sector Working Groups on plans and budgets
- vi. To advise the Accounting Officer on any challenges related to budget implementation
- vii. To prepare budgets for the department/agency in consultation with the Heads of Directorates, Units and Sections

ANNEXTURE 2; PROJECT/PROGRAMME APPRAISAL TEMPLATE

REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY



COUNTY TREASURY

P.O.BOX 78-90300, Tel No.: 020-2034944

Email: finance@makueni.go.ke, contact@makueni.go.ke

Web: www.makueni.go.ke

FY 2026/27 BUDGET

PROJECT/PROGRAMME APPRAISAL TEMPLATE

1. Project Identification			
Project Name:		Department/Sector:	
Ward:		Status:	
Sub-ward:	Village Cluster	Village	
Which thematic area of the CIDP 2023-27 is the project/ program in?			
2. Project Justification			
Indicate the link of the project with county 2023-27 CIDP and ADP-2026/27 key thematic area- Explain/highlight how the project will deliver the program strategy?			
Project target Beneficiaries (Households)			
3. Project description			
Project Background: (inception; By who, when, available data supporting the project)			
Description/scope of work to be undertake (Activities)			
Activities and proposed timeline			
Expected Projected Outcome			
4. Cost Benefit Analysis			
Estimated cost/Bill of Quantities of the project (attach a breakdown of the overall budget)			
<i>Summarize in priority order (what needs to be done first-up to the last item to operationalize the project)</i>			

Availability of land and any other cost implications
Key risks/environmental impact (Positive and negative; give details)
5. Project sustainability and management
Project ownership/handover arrangement; responsibility for operation/management and recurrent financing
6. Community Contribution in project implementation
What's the community contribution to the project.
7. Project Sustainability
What is required to ensure the project is sustainable (In order of priority)
Community Measures of ensuring project sustainability

Witnessed by: Community Members

No	Name	ID Number	Contact	Signature
1.				
2.				
3.				

Approved by: Government Officers

No	Name	Designation	Contact	Signature
1.				
2.				
3.				

ANNEX 3 (a): COUNTY SECTOR WORKING GROUP REPORT FORMAT

TABLE OF CONTENTS

(Please ensure that headings and subheadings are identical to those in the report)

EXECUTIVE SUMMARY

(Restate conclusions for each section and summarize findings and recommendations under this section)

CHAPTER ONE: INTRODUCTION

- 1.1 Background
- 1.2 Sector Vision and Mission
- 1.3 Strategic goals/Objectives of the Sector
- 1.4 Sub-Sectors and their Mandate
- 1.5 Autonomous and Semi-Autonomous Government Agencies
- 1.6 Role of Sector Stakeholders

(The introduction should briefly set the context and identify the general subject; identify general subject; define the specific objective for the report; outline the scope of the report; and highlight any limitations or data gaps)

CHAPTER TWO: PROGRAMME AND PERFORMANCE REVIEW OF FOR FY 2022/23-2024/25

2.1 Review of sector Programmes Performance in terms of delivery of outcomes, outputs, KPIs and target attainment (summarise per table 2.1

Table 2.1analysis of programmes targets and actual targets 2

Programme	Delivery Unit	Key Output	Key Performance Indicator	Planned Targets			Achieved Targets			Remarks
				2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	
Name of programme outcome:.....										
SP .1										
SP .2										
etc										

2.2 Expenditure trend analysis of approved Budget vs Actual Expenditure for FY 2022/23 to 2024/25 Summarize per table 2.2 to 2.6)

Table 2.2 Analysis of Recurrent Expenditure (Kshs Million)

Sector:.....						
Economic Classification	Approved Budget Allocation			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Compensation To Employees						
Other Recurrent						
Of Which						
Utilities						
Rent						
Insurance Contracted						

Guards And Cleaning Services						
Others specify						

NB. Briefly explain reasons for the deviations between approved expenditure and actual expenditure

Table 2.3 Analysis of Development Expenditure (Kshs Million)

VOTE	Name of department/SAGA	Approved Budget Allocation			Actual Expenditure		
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25

NB. Briefly explain reasons for the deviations between approved expenditure and actual expenditure

Table 2.4 analysis of programme expenditure (KShs Million)

PROGRAMME	Approved Budget Allocation			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Programme 1						
Sub programme :1						
Sub programme :2						
Total programme						
Repeat as above for programme 2,3,etc						
TOTAL VOTE						

Table 2.5 Analysis by Category of Expenditure: Economic Classification (Kshs Million)

Economic classification	Approved Budget			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Programme 1						
Current expenditure						
Compensation of employees						
Use of goods and Services						
Other recurrent						
Capital expenditure						
Other development						

Total programme						
Repeat as above for programme 2,3 etc						
Total Vote						

NB. Briefly explain reasons for the deviations between approved expenditure and actual expenditure

Table 2.6: analysis of SAGAs Recurrent Budget Vs Actual Expenditure (Kshs Million)

Economic classification	Approved Budget			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Programme 1						
Current expenditure						
Compensation of employees						
Transfers						
Other recurrent						
Of which						
Utilities						
Rent						
Insurance Contracted Guards And Cleaning Services						
Others specify						

NB. Briefly explain reasons for the deviations between approved expenditure and actual expenditure

2.3 Capital Performance Analysis –Status and Outcomes of Capital Projects (Summarise as per Table 2.7)

Table 2.7 Performance Analysis of Capital Projects FY 2022/23 -2024/25(Kshs Millions)

Department/Agency															Remarks
Project name	Project description	Project location	Total cost of the project	Timeline		FY 2022/23			FY 2023/24			FY 2024/25			
				Start date	Expected completion date	Approved budget	Cumulative Expenditure as at 30 th June 2023	Completion status as at June 2023(%)	Approved budget	Cumulative Expenditure as at 30 th June 2024	Completion status as at June 2024(%)	Approved budget	Cumulative Expenditure as at 30 th June 2025	Completion status as at June 2025(%)	
Project 1															

Repeat as above for projects 2,3 etc															
NB: Under remarks column, provide a brief overview of the implementation progress including status and what the project intended to achieve															

2.4 Pending Bills Analysis-Outstanding Liabilities Over FY 2022/23-2024/25 (Summarise as Per Table 2.8)

Table 2.8: Analysis of Pending Bills

	Due to lack of exchequer			Due to lack of provision		
Type/Nature	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
1. Recurrent						
Compensation of employees						
Use of goods and services such as utilities, domestic or foreign travel costs, DSA etc						
Other expenses etc						
2. Development						
Acquisition of non-financial assets						
Use of goods and services						
Others specify						
Total pending bills						

CHAPTER THREE; MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2026/27-2028/29

Chapter 1 and 2 have laid out past performance and context. Chapter 3 sets out the sectors forward looking agenda

defining which programmes receive priority funding, what they aim to achieve, and how success will be measured over the next three fiscal years.

3.1 Prioritization of Programmes and Sub –Programmes

This section explains how the sectors portfolio of interventions has been ranked to maximize impact, ensure value for money and align with strategic objectives. Prioritization draws on:

1. Strategic alignment with sector vision and county plans
2. Evidence of past performance and cost-effectiveness
3. Financial envelope and resource constraints
4. Cross-sectoral linkages and co-benefits
5. Stakeholder demands and risk considerations

3.1.1 Programmes and their Objectives

Each programme approved for MTEF funding is listed below, with a concise statement of its primary aim and its contribution to the sectors strategic goals.

Programme	Objective	Strategic contribution
Programme A		
Programme B		
Programme C		

3.1.2 Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector

For each programme, this matrix breaks down the components sub programmes and links them to the high level outcomes they drive, specific tangible outputs and assigns SMART performance indicators for monitoring and evaluation

Programme	Sub Programme	Expected Outcome	Key Output	KPI/Baseline/MTEF Target

Programmes by Order of Ranking

Resource allocation criteria

3.1.3 Analysis of sector and sub sector Resource Requirement vs allocation by;

Table 3.1.3 sector and sub sector recurrent requirements/allocations (Kshs Millions)

Vote details	Economic classification	Approved estimates	Requirement				Allocation		
		2025/26	2026/27	2027/28	2028/29	2026/27	2027/28	2028/29	
	Current expenditure								
	Compensation of employees								
	Transfers								
	Other recurrent								
	Of which								

	Utilities							
	Rent							
	Insurance							
	Contracted Guards And Cleaning Services							

Table 3.1.4 sector and sub sector development requirements/allocations (Kshs Million)

Project name	Project description	Approved estimates	Requirement				Allocation		
		2025/26	2026/27	2027/28	2028/29	2026/27	2027/28	2028/29	

Table 3.1.5 Analysis of programmes and sub programmes (current and capital) resource requirements (Kshs Million)

Programmes	Approved estimates			Projected Requirement								
	2025/26			2026/27			2027/28			2028/29		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programmes No. 1												
Sub programme: 1												
Sub programme: 2												
Total programme												
Repeat as above for programme 2,3, etc												

Total VOTE												

Table 3.1.6 Analysis of programmes and sub programmes (current and capital) resource allocations (Kshs Million)

Sector:

Department:

Programmes	Approved estimates			Allocation								
	2025/26			2026/27			2027/28			2028/29		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programmes No. 1												
Sub programme: 1												
Sub programme: 2												
Total programme												
Repeat as above for programme 2,3, etc												
Total VOTE												

Table 3.1.7 programmes and sub programmes by economic classification

Sector:

Department:

Economic classification	Approved	Requirement			Allocation		
	2025/26	2026/27	2027/28	2028/29	2026/27	2027/28	2028/29
Programme 1							
Current expenditure							
Compensation of employees							
Transfers							
Other recurrent							
Capital expenditure							

Acquisition of non-financial assets							
Capital grants to government agencies							
Other development							
Total programme...							
Repeat above for programme 2,3 etc							
Total vote							

Table 3.1.8 analysis of recurrent resource requirement vs allocation for SAGAs (Kshs Million)

Economic classification	Approved	Requirement			Allocation		
	2025/26	2026/27	2027/28	2028/29	2026/27	2027/28	2028/29
Name of SAGA							
Current expenditure							
Compensation of employees							
Transfers							
Other recurrent							
Of which							
Utilities							
Rent							
Insurance							
Contracted Guards And Cleaning Services							
Repeat as above for SAGA 2,3 etc							
Total Vote							

CHAPTER FOUR; CROSS - SECTOR LINKAGES AND EMERGING ISSUES AND CHALLENGES

This chapter examines the intersections between sector programmes and identifies key issues that span multiple sectors. The chapter:

- Map out how sector initiatives reinforce or depend on one another
- Highlight emerging challenges
- Analyse risks and opportunities arising from interdependencies
- Propose mechanisms for coordinated responses and risk mitigation

CHAPTER FIVE; CONCLUSION

This chapter summarize the key findings of the report, as outlined in the discussion under the chapter 1-5 of the report. The conclusions should relate specifically to the report's objectives (asset out in the introduction); identify the major issues; be arrange in order of importance; be specific, and to the point; and be a list of numbered points

CHAPTER SIX: RECOMMENDATIONS

(This section should outline future actions. The Recommendations should be action oriented, and feasible; Relate logically to the Conclusions; be arranged in order of urgency and be to the point)

REFERENCES

(This section should list the sources referred to in the report)

APPENDICES

Appendices should contain information that is too complex to include in the report. You need to direct readers to this information, as in 'Appendix A provides an overview of the Budget of department X'.

ANNEX 3 (b): BUDGET IMPLEMENTATION REPORT FORMAT

Format for Departmental Budget Implementation Report

Cover Page

Table Contents

Abbreviations and Acronyms

Executive Summary

I Introduction

II Review of Fiscal Performance for the period

- Revenue (Own Source, AIA and Donor funds receipts) performance for the quarter.
- Expenditure performance for the quarter (Compensation to employees, operations and maintenance expenditure and development expenditure)
- Project implementation (in the following format)

No	Programme	Project	Location of project	Quarter Target Achieved outputs	Percentage of cumulative achievement	Outcomes since project commencement	Action

III. Emerging issue, challenges and recommendation

- Emerging issues
- Challenges
- Recommendation

IV. Annex

Annex1: Departmental Expenditure Performance by Economic Classification, Programme and Sub Programme

Economic Item	Approved Estimate	Commitments	Actual Expenditure	Budget Execution Rate

ANNEX 4; 2025/26 MTEF BUDGET CALENDAR.

S/No	Activity	Timelines
1	Uploading FY 2025/26 Budget into IFMIS and preparation of citizen budget	By 15th July 2025
3	Preparation of the Budget circular	By 30th August 2025
	Preparation and submission of CBROP	
4	Preparation of CBROP	8th to 19th sept 2025
5	Presentation of County Budget Review and Outlook Paper (BROP) to County Executive	24th Sept 2025
6	Presentation of County Budget Review and Outlook Paper (BROP) / FY 2024/25 Supplementary 1 to CBEF	3rd Oct 2025
7	Submission of County Budget Review and Outlook Paper (BROP)/FY 2024/25 Supplementary 1 to County Assembly	9th Oct 2025
	Sub total	
	Preparation and submission of FY 2025/26 Supplementary budget (1) estimates	
8	Circular to accounting officers to submit supplementary proposals	15th August 2025
9	Consolidation of FY 2025/26 Supplementary Budget 1 Estimates	8th to 12th Sept 2025
10	Submission to County Executive	24th Sept 2025
11	Submission to CBEF	3rd October 2025
12	Submission to County Assembly	6th October 2025
13	Budget committee Engagement	By 24th Oct 2025
14	Preparation and submission of 2026 CFSP and DMSP	
15	Circular to departments on submissions of priority areas together with proposed estimate costs	By 15th Dec 2025
16	Submissions by departments	By 6th January 2026
17	Advertising CFSP stakeholder engagement - Sub Counties, Municipalities and Diaspora	By 12th January 2026
18	CFSP stakeholder engagement - Sub Counties, Municipalities , Diaspora and youth	19th to 23rd January 2026 and 29th to 30th January 2026
19	Analysis of the 2026 CFSP PP Reports	26th to 30th Jan 2026
20	Preparation of county fiscal strategy paper and county Debt Strategy Paper	9th to 13th Feb 2026
21	Submission of county fiscal strategy paper and county Debt Strategy Paper to executive	16th Feb 2026
22	Submission of county fiscal strategy paper and county Debt Strategy Paper to CBEF	26th Feb 2026
23	Submission of county fiscal strategy paper and county Debt Strategy Paper to County Assembly	28th Feb 2026
24	Budget committee Engagement	By 14th March 2026
	Preparation and submission of FY 2026/27 budget estimates	
32	Circular to departments on the preparation of FY 2026/27 budget preparation	By 6th March 2026
33	Departmental proposals submitted to County Treasury	By 20th March 2026
34	Advertising Budget Public Participation - Sub wards and Wards	By 20th March 2026
35	Budget Public Participation -Clusters, Sub wards and Wards	30th March to 2nd April, 8th to 10th April 2026
36	Consolidation of draft budget	13th to 15th April 2026

S/No	Activity	Timelines
37	Resource allocation panel sittings	16 th -17 th April 2026
38	Presentation of the budget to County Executive	By 20 th April 2026
39	Presentation of the budget to CBEF	By 24 th April 2026
40	Submission to County Assembly	30 th April 2026
41	Uploading budget to IFMIS and preparation of citizen budget	By 15 th May 2026
42	Consultative forum with County Assembly	By 30 th June 2026
43	Submission of 2026 Finance Bill	By 30 th June 2026
44	Approval of 2026 Finance Bill	By 30 th September 2026

ANNEX 6; FORMAT FOR PRESENTATION OF 2026/27 PROGRAMME PERFORMANCE BASED BUDGET (PBB)

Part A. Vision

Departments to outline their vision

Part B. Mission

Departments to outline their mission

Part C. Performance Overview and Rationale for Programme(s) Funding

This section is supposed to be a review of MTEF budgets for the FY 2024/25 should briefly discuss the following:

- Departmental mandate overview: This section provides a concise description of the departmental or agencies/entities core responsibilities and objectives
- Departmental expenditure trends; A comparative review of approved budgets versus actual expenditures for the FY 2022/23 through to FY 2024/25
- Performance Highlights including major achievements against the planned outputs and services over the same period;
- Implementation challenges: Key constraints encountered during budget execution and the strategies proposed to address them;
- Ongoing programmes for FY 2025/26
- Forward agenda: The principal services and outputs planned for delivery in the 2026/27 Budget and over the medium term (the context within which the budget is required)
- Clearly outline the department's role in achieving the County agenda for economic empowerment

Part D. Strategic Programme Objectives/Overall Outcome

In this part present each programme with its corresponding strategic objectives. Adhere to the following guidelines: -

- Assign exactly one strategic objective or desired outcome to each programme
- Ensure every objective directly aligns with the departmental/agencies strategic plan and overarching goals of the 2023-27 CIDP
- Use concise, outcome-focused language to describe how each programme contributes to 2023-27 CIDP Priorities
- Departments should edit the objectives to suit their intended outcomes

Part E: Summary of the Programme Key Outputs, Performance Indicators and Targets for FY 2026/27-2028/29

Program me	Delive ry unit	Key outputs(K O)	Key performance indicators(K PIs)	Targe t 2024/ 25	Actual achieveme nts 2024/25	Target(Baseli ne) 2025/26	Targe t 2026/ 27	Targe t 2027/ 28	Targe t 2028/ 29
Name of programme Outcome:									
SP1.1									
SP.1. 2									
SP.N									

NB; Each programme should have one outcome, and specific, Measurable, Achievable, Relevant and Time Bound (SMART) Outputs

The purpose of the Delivery Unit is to implement the strategic and operational objectives of the programme in relation

to the outputs. A delivery unit could be a Department, Division or Unit within a department

Part F: Summary of Expenditure by programmes and Sub-programme, 2026/27-2028/29 (KShs. Millions)

Programme	Revised Budget (2) Estimates 2024/25	Actual expenditures 2024/25	Baseline Estimates 2025/26	Projected Estimates		
				2026/27	2027/28	2028/9
Programme 1: (state the name of the programme here)						
Sub programme(SP)						
SP 1.1						
SP 1.2.						
...N						
Total Expenditure of Programme 1						

NB. Repeat as shown in the table under section "E" above all programmes. Provide total expenditure for each programme and their summation must equal the total expenditure of the vote.

Programme 2: (State the name of the programme here)						
Sub Programme (SP)	Revised Budget (2) Estimates 2024/25	Actual expenditures 2024/25	Baseline Estimates 2025/26	Estimates 2026/27	Projected Estimates	
					2027/28	2028/29
SP 2. 1						
SP2. 2						
...N						
Total Expenditure of Programme 2						
Total Expenditure of Vote....						

Part G: Summary of Expenditure by Vote and Economic Classification² (KSHs. Million)

Expenditure Classification	Revised Budget (2) Estimates 2024/25	Actual expenditures 2024/25	Baseline Estimates 2025/26	Estimates 2026/27	Projected Estimates	
					2027/28	2028/29
Current Expenditure						
Compensation of Employees						
Use of goods and services						

Current Transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-Financial Assets						
Capital Transfers to Government Agencies						
Other Development						
Total Expenditure of Vote.....						

Part H Summary of Expenditure by Programme, Sub-Programme and Economic Classification³ (KSHs Million)

² The total current expenditure and capital expenditure must be equal to the total expenditure vote given in tables E, F&G

³ The total current and capital expenditure for each programme in G, must add up to the total expenditure of the programme given in Table E. Please note further that the Total current and Capital expenditure given in Table G, must add up to the one given in Table F. I.e., Expenditure by Economic classification. **Ensure consistency in all the figures in the Tables**

Expenditure Classification	Revised Budget (2) Estimates 2024/25	Actual expenditures 2024/25	Baseline Estimates 2025/26	Estimates 2026/27	Projected Estimates	
					2027/28	2028/29
Programme 1 (State the name of the programme here)						
Current Expenditure						
Compensation of Employees						
Use of goods and services						
Current transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-Financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
Total Expenditure						
Sub-Programme 1:(State the name of the sub-Programme here)						
Current Expenditure						
Compensation to Employees						

Use of goods and services						
Current Transfers Govt. Agencies						
Other Recurrent						
Capital Expenditure						
Acquisition of Non-financial Assets						
Capital Transfers to Govt. Agencies						
Other Development						
Total Expenditure						

- Repeat as above in cases where a department has more than one programme and/or sub-programmes

Part I: Summary of Human Resource Requirement

Programme code	Programme title	Designation/Position Title	Authorised establishment	In post as at 30 th June 2025	2025/26	2026/27	2027/28 projected	2028/29
					Funded positions	Positions to be funded	Positions to be funded	Positions to be funded

