COUNTY GOVERNMENT OF LAIKIPIA

DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND COUNTY DEVELOPMENT

COUNTY BUDGET REVIEW AND OUTLOOK PAPER 2025

SEPTEMBER 2025

The County Treasury

Laikipia County Headquarters Building,

P. O. Box 131-20321

Rumuruti

The document is also available on the website at: *www.laikipia.go.ke*

COUNTY VISION, MISSION AND CORE VALUES

Vision Statement

An inclusive County with sustainable quality life

Mission Statement

Facilitate integrated socio-economic development for the people of Laikipia

Core Values

Synergy

Integrity

Mutual accountability

Servant leadership

Efficiency and effectiveness

Passion

FOREWORD

It is my pleasure to present the County Budget Review and Outlook Paper (CBROP) for the Financial Year 2025. This document provides a detailed review of the fiscal performance of the county government for the preceding financial year (2024/2025) while setting out the medium-term outlook that will inform the preparation of the subsequent County Fiscal Strategy Paper (CFSP).

The C-BROP 2025 has been prepared in compliance with Section 118 of the Public Finance Management Act, 2012 which requires a County Government to review achievements of its pre-determined objectives for the previous financial year.

The CBROP is an important instrument in our Public Finance Management framework as it ensures that our budgeting process remains evidence-based, transparent and aligned with the county's development priorities. It provides a candid analysis of revenue performance, expenditure trends and budget execution challenges, while highlighting lessons that will guide us in strengthening resource mobilization, expenditure efficiency and service delivery.

During the review period, the County recorded notable achievements despite the prevailing economic challenges and resource constraints. Own Source Revenue rose by KShs. 151,623,623 compared to KShs. 1,086,832,796 in FY 2023/24, reflecting a 13.95% growth. These achievements impacted various sectors including majory Heath, Water and Agriculture. These gains are attributed to continued fiscal discipline, improved own-source revenue efforts and prudent allocation of available resources. However, the paper also underscores areas requiring improvement, particularly in enhancing revenue collection, managing pending bills and ensuring value for money in public spending.

Looking forward, this CBROP lays out the macroeconomic assumptions, fiscal projections and policy priorities that will shape our medium-term budget framework. It emphasizes the county government's commitment to fiscal responsibility, equitable resource distribution and acceleration of transformative programs that directly improve the livelihoods of our people in line with the County Integrated Development Plan (CIDP).

I wish to extend my sincere appreciation to all departments, agencies and stakeholders who contributed to the preparation of this CBROP. Your cooperation, input and dedication remain invaluable in ensuring that the county maintains a sustainable fiscal path while delivering on its mandate to the citizens.

It is my conviction that this CBROP will serve as a useful reference point for all stakeholders and foster constructive engagement as we work together to build a prosperous, inclusive and resilient County.

Wachira Gachigi
County Executive Committee Member
FINANCE, ECONOMIC PLANNING AND COUNTY DEVELOPMENT

ACKNOWLEDGEMENT

On behalf of the County Treasury, I wish to express my sincere gratitude to all stakeholders who contributed to the preparation of this County Budget Review and Outlook Paper (CBROP).

This document is the result of collaborative efforts from various departments, offices and individuals. I particularly acknowledge the technical team within the County Treasury for their dedication in collecting data, analyzing fiscal performance and providing well-grounded projections that inform this paper.

I also extend my appreciation to the County Executive Committee and departmental heads for their valuable input and cooperation throughout the process. Special thanks go to the County Assembly for its oversight role, as well as to members of the public and civil society organizations whose views have enriched the document and strengthened its alignment with the principles of public participation.

The CBROP remains a key policy instrument that not only reviews our fiscal performance for the past financial year but also provides a framework for the next budget cycle. It is my hope that this paper will guide evidence-based decision making, resource allocation and prudent financial management for the benefit of our county residents.

Finally, I commend the budget department for the successful preparation of this paper. Their commitment and professionalism have ensured the production of a credible and useful policy document.

Daniel Kingori Ngumi
Chief Officer
FINANCE AND COUNTY TREASURY

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ABBREVIATIONS

ADP	Annual Development Plan
AGPO	Access to Government Procurement Opportunities
CBROP	County Budget Review and Outlook Paper
CDMS	County Debt Management Strategy
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CSWGs	County Sector Working Groups
EAC	East Africa Community
FY	Financial Year
GDP	Gross Domestic Product
HFIF	Health Facility Improvement Fund
ICT	Information Communication Technology
IEBC	Independent Electoral and Boundaries commission
IFMIS	Integrated Financial Management Information System
KRA	Kenya Revenue Authority
MTEF	Medium Term Expenditure Framework
NSE	Nairobi Securities Exchange
PFM	Public Finance Management
PFMA	Public Finance Management Act
KUIG	Kenya Urban Institution Grant
KCSAP	Kenya Climate Smart Agriculture Project
EU IDEAS	European Union Instruments for Devolution Advice and Support
UNICEF	United Nation Children Fund
ASDSP	Agriculture Sector Development Support Program
DANIDA	Danish International Development Agency
DRIVE	De-risking, Inclusion and value enhancement of Pastoral economies.
KFSRP	Kenya Food System Resilient Program
KABDP	Kenya Agricultural Business Development Program
CAIP	County Aggregated Industrial Park

CHAPTER ONE

INTRODUCTION

1.1 Legal basis for the preparation of CBROP

Preparation of the County Budget Review and Outlook Paper (CBROP) is guided by Section 118 of the Public Financial Management (PFM) Act 2012 which states that:

1) The County Treasury shall-
   a) Prepare a County Budget Review and Outlook Paper in respect of the County for each financial year; and
   b) Submit the paper to the County Executive Committee by 30th September of that year.
2) In preparing its CBROP, the County Treasury shall specify
   a) The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year.
   b) The updated economic and financial forecasts with sufficient information to show changes from the most recent County Fiscal Strategy Paper.
   c) Information on-
      (i) Any changes in the forecasts compared with the County Fiscal Strategy Paper or
      (ii) How actual fiscal performance for the previous financial year may have affected compliance with the County Fiscal Strategy Paper for that financial year, and
   d) 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.
3) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view of approving it, with or without amendments within fourteen days after its submission.
4) Not later than seven days after the CBROP is approved by the County Executive, the county Treasury shall-
   a) Arrange for the paper to be laid before County Assembly and
   b) As soon as practicable after having done so, publish and publicize the paper.

1.2 Fiscal Responsibility Principles

To ensure prudent and transparent management of public resources, the Constitution of Kenya 2010 and the (PFM) Act, 2012, sets out the fiscal responsibility principles that guide allocation and utilization of resources. Section 107 of the (PFM) Act, 2012, states that:

1) The County government's recurrent expenditure shall not exceed the county government's total revenue.
2) Over the medium term a minimum of thirty percent of the County government's budget shall be allocated to the development expenditure.
3) The County government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County government's total revenue as prescribed by the County Executive Member Finance regulations and approved by the County Assembly.
4) Over the medium term, the County government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
5) The County debt shall be maintained at a sustainable level as approved by the County Assembly
6) Fiscal risks shall be managed prudently.
7) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, considering any tax reforms that may be made in the future.

1.3 Significance of the CBROP

The purpose of this paper is to enable a County Government review its fiscal performance and its impact on the financial objectives and fiscal responsibility principles set out in Section 107 of the PFM Act; its likely impact on the level of future revenues; expenditures; and set the preliminary sector ceilings to enable sectors prepare their annual estimates. CBROP 2025 helps link policy formulation, planning, service delivery and is based on the following medium-term expenditure framework (MTEF) processes:

- Development of fiscal framework that projects revenues and expenditure in the medium term (multi-year).
- Development of sectoral programs, objectives, outputs and activities.
- Review of programs, sub-programs and cost estimation.
- Development of sectoral expenditure frameworks, analysis of inter- and intra-sectoral trade-offs and consensus-building on strategic resource allocation.
- Definition of sector resource allocations setting medium term sector budget ceilings.
- Preparation of sectoral budgets and medium-term programs based on budget ceilings.

1.4 Objectives of the CBROP

The core objectives of CBROP are:

(i) To provide details of County fiscal performance for financial year 2024-2025 and deviations from the approved budget

(ii) To specify the updated economic and financial forecasts in relation to the changes from the forecasts in the County Fiscal Strategy Paper of 2025.

(iii) To provide information on any changes in the forecasts compared with the CFSP of 2024

(iv) To specify how actual financial performance for the year may have affected compliance with the fiscal responsibility principles or the financial objectives in the CFSP.

(v) To provide reasons for any deviation from the financial objectives in the CFSP of 2024 together with proposals and timelines to address the deviations.

(vi) Provide a guide in the formulation of policies based on fiscal challenges, opportunities and priorities.

1.5 Structure of the CBROP

This paper is broadly classified into two: a review section and an outlook section.

It is further organized into five chapters.

- Chapter one introduces the CBROP giving the legal framework, its significance and objectives.
- Chapter two provides the overview, County fiscal performance and its implications.
- Chapter three gives highlights on the recent economic developments and the outlook for period 2024/25 to medium term and risks to the outlook.
- Chapter four sets out the resource allocation framework across county departments by establishing the resource envelope and setting expenditure limits or ceilings for each department.
- Chapter five concludes and gives recommendations on the next steps.

CHAPTER TWO

REVIEW OF FISCAL PERFORMANCE IN 2024/25

2.1 Performance Overview and its implications on the Fiscal responsibility principles

2.1.1 Introduction

This chapter provides an analysis of the actual fiscal performance for the financial year 2024/25, assessing its impact on compliance with the fiscal responsibility principles and the financial objectives outlined in the County Fiscal Strategy Paper (CFSP) 2024. It further explains the causes of any deviations from the stated objectives and presents proposals for corrective measures.

2.2 Fiscal Performance in 2024/25

2.2.1 County Revenue Budget

The projected revenue for the fiscal year 2024/25 amounted to KShs. 8,084,942,337. This was expected to be generated from the Equitable Share of KShs. 5,387,034,732; an opening balance of the equitable share totalling KShs. 428,659,722; Conditional Grants of KShs. 642,542,051; Own Source Revenue of KShs. 1,475,000,000; Insurance recovery for the County Assembly of KShs. 5,848,920 and opening balances amounting to KShs. 145,856,912.

2.2.2 County Revenue Performance

In the FY 2024/25, the County realized total revenue of KShs. 7,395,535,031. This comprised KShs. 5,387,035,309 from the Equitable Share, an opening balance of KShs. 428,659,722 from the Equitable Share, KShs. 189,677,749 in Conditional Grants, KShs. 1,238,456,419 from Own Source Revenue, KShs. 5,848,920 from Insurance recovery for the County Assembly and opening balances amounting to KShs. 145,856,912. The Equitable Share recorded 100% performance. Own Source Revenue rose by KShs. 151,623,623 compared to KShs. 1,086,832,796 in FY 2023/24, reflecting a 13.9% growth. Similarly, receipts from Conditional Grants increased by KShs. 55,759,967 from KShs. 133,917,782 in the previous year, representing a growth of 41.6%.

In spite of the positive growth, the County's overall revenue realization was limited due to a number of factors:

- Delay in updating of the property valuation roll and lack of updated land records.
- Delays in approvals, low construction activities and weak compliance.
- Partial disbursement of conditional grants.

To address these challenges and enhance revenue performance in subsequent years, the following measures are proposed:

1. Prompt tracking of conditional grants to ensure stable cash flows.
2. Broadening revenue sources through a robust framework to improve compliance and efficiency.
3. Automating all revenue streams, updating valuation roll, adequate resourcing and robust legal frameworks underpinned by stakeholder participation.

Table 1 presents a summary of the County's overall revenue performance for FY 2024/25 alongside comparatives for FY 2023/24. A detailed analysis of Own Source Revenue and Conditional Grants for the two financial years is provided in Annexes 2 and 3 respectively.

Table 1: County Revenue Performance for FY2023/24 -2024/25

Total Revenue and Grants	Financial year 2023/24 Actual (KShs)	Financial Year 2024/25		Deviation (KShs)	% Achievement	% of Total Revenue	% Growth
		Targets (KShs)	Actuals (KShs)	(Actual – Target)			
	A	B	C	D=C-B			
Opening Balance CRF	103,993,511	145,856,912	145,856,912	0	100	2.0	40.3
Equitable Share	4,929,586,810	5,387,034,732	5,387,035,309	577	100	72.8	9.3
Own Source Revenue	1,086,832,796	1,475,000,000	1,238,456,419	-236,543,581	84	16.7	14.0
Conditional Grants	133,917,782	642,542,051	189,677,749	-452,864,302	30	2.6	41.6
Opening balance Equitable Share	0	428,659,722	428,659,722	0	100	5.8	100.0
Insurance recovery	0	5,848,920	5,848,920	0	100	0.1	100.0
Total Revenues	**6,260,760,541**	**8,084,942,337**	**7,395,535,031**	**-689,407,306**	**91**	**100**	**40.3**

2.3 County Expenditure Performance

2.3.1 Total Expenditure

Total expenditure in FY 2024/25 amounted to KShs. 6,913,442,375, compared to KShs. 5,845,823,279 in FY 2023/24, representing an increase of KShs. 1,067,619,096 (18.3%).

2.3.2 Expenditure Performance

In FY 2024/25, recurrent expenditure stood at KShs. 4,842,678,523, while development expenditure amounted to KShs. 2,070,763,852.

The table below presents a comparison of the County's expenditure performance in FY 2024/25 against FY 2023/24.

Table 2: County Expenditure Performance (Recurrent and Development)

	A Actual 2023/24 (KShs)	B Budget 2024/25 (Kshs)	C Actual 2024/25 (KShs)	D Variance (C-B)	% performance	% Growth
Recurrent Expenditure						
County Executive	3,958,321,656	4,481,971,935	4,281,349,417	-200,622,518	95.52378906	8.2
County Assembly	521,628,505	492,594,112	561,329,106	68,734,994	113.9536775	7.6
Sub Total	**4,479,950,161**	**4,974,566,047**	**4,842,678,523**	**-131,887,524**	**97.34876323**	**8.1**
Development Expenditure						
County Executive	1,302,019,601	3,032,409,069	2,037,462,841	-994,946,229	67.18957747	56.5
County Assembly	63,853,517	77,950,931	33,301,011	-44,649,920	42.72047886	-47.8
Sub Total	**1,365,873,118**	**3,110,360,000**	**2,070,763,852**	**-1,039,596,149**	**66.57634009**	**51.6**
Total Expenditure	**5,845,823,279**	**8,084,926,047**	**6,913,442,375**	**-1,171,483,673**	**85.51027349**	**18.3**

Table 3: County Departmental Expenditure Performance

Department	A Actual 2023/24 (KShs)	B Budget 2024/25 (Kshs)	C Actual 2024/25 (KShs)	D Variance (C-B)	% performance	% Growth
Administration	3,210,402,000	3,816,943,894	3,712,648,284	-104,295,610	97.3	15.6
Finance	689,531,022	871,360,428	787,746,806	-83,613,622	90.4	14.2
Health	639,215,085	1,035,112,786	945,201,470	-89,911,317	91.3	47.9
Agriculture	99,945,278	305,246,775	106,583,587	-198,663,188	34.9	6.6
Infrastructure	237,029,613	751,501,219	354,364,867	-397,136,352	47.2	49.5
Education & Gender	150,188,582	161,835,998	140,145,075	-21,690,923	86.6	-6.7
Trade	97,036,127	180,074,786	98,109,473	-81,965,313	54.5	1.1
Water	120,153,636	264,090,239	159,912,695	-104,177,544	60.6	33.1
Nanyuki	7,000,000	119,214,879	7,100,000	-112,114,879	6.0	1.4
Rumuruti	9,839,914	7,000,000	7,000,000	0	100.0	-28.9
Nyahururu	0	2,000,000	0	-2,000,000	0.0	0.0
Sub Total	**5,260,341,257**	**7,514,381,004**	**6,318,812,257**	**-1,195,568,748**	**84.1**	**20.1**
Assembly	585,482,022	570,545,043	594,630,117	24,085,074	104.2	1.6
Grand Total	**5,845,823,279**	**8,084,926,047**	**6,913,442,374**	**-1,171,483,674**	**85.5**	**18.3**

Recurrent Budget performance

The County's recurrent expenditure amounted to KShs. 4,842,678,522 in FY 2024/25 compared to KShs. 4,479,950,161 in FY 2023/24, reflecting a growth of 8.1%. Of this, the County Executive accounted for KShs. 4,281.349,416, while the County Assembly spent KShs. 561,329,106.

Table 4 : Performance of the Recurrent Budget

Department	A Actual 2023/24 (KShs)	B Budget 2024/25 (Kshs)	C Actual 2024/25 (KShs)	D Variance (C-B)	% performance	% Growt h
4511-Administration	3,195,594,874	3,802,663,994	3,698,654,708	-104,009,286	97.3	15.7
4512-Finance	216,415,240	243,499,121	210,333,344	-33,165,777	86.4	-2.8
4513-Health	289,061,364	206,703,920	191,139,660	-15,564,260	92.5	-33.9
4514-Agriculture	31,407,829	16,000,000	15,627,349	-372,651	97.7	-50.2
4515-Infrastructure	42,944,148	37,000,000	33,194,127	-3,805,873	89.7	-22.7
4516-Education & Gender	128,113,401	104,694,900	102,728,092	-1,966,808	98.1	-19.8
4517-Trade	18,079,958	13,410,000	13,025,496	-384,504	97.1	-28.0
4519-Water	25,864,928	17,000,000	12,546,640	-4,453,360	73.8	-51.5
4521-Nanyuki		37,000,000	2,100,000	-34,900,000	5.7	100.0
4523-Rumuruti	4,839,914	2,000,000	2,000,000	0	100.0	-58.7
4524-Nyahururu		2,000,000	0	-2,000,000	0.0	100.0
Sub Total	**3,958,321,656**	**4,481,971,935**	**4,281,349,416**	**-200,622,519**	**95.5**	**8.2**
Assembly	521,628,505	492,594,112	561,329,106	68,734,994	114.0	7.6
Grand Total	**4,479,950,161**	**4,974,566,047**	**4,842,678,522**	**-131,887,525**	**97.3**	**8.1**

Development expenditure performance

In FY 2024/25, the County's development expenditure was KShs. 2,070,763,851 compared to KShs. 1,365,873,118 in FY 2023/24, reflecting a growth of 51.6%. Of this, the County Executive spent KShs. 2,037,462,841, while the County Assembly accounted for KShs. 33,301,010.

The table below outlines the County's expenditure performance across departments.

Table 5: Performance of the Development Budget

Department	A Actual 2023/24 (KShs)	B Budget 2024/25 (Kshs)	C Actual 2024/25 (KShs)	D Variance (C-B)	% performance	% Growt h
Administration	14,807,126	14,279,900	13,993,576	-286,324	98.0	-5.5
Finance	473,115,782	627,861,307	577,413,462	-50,447,845	92.0	22.0
Health	350,153,721	828,408,866	754,061,810	-74,347,057	91.0	115.4
Agriculture	68,537,449	289,246,775	90,956,238	-198,290,537	31.4	32.7
Infrastructure	194,085,465	714,501,219	321,170,740	-393,330,479	45.0	65.5
Education & Gender	22,075,181	57,141,098	37,416,983	-19,724,115	65.5	69.5
Trade	78,956,169	166,664,786	85,083,977	-81,580,809	51.1	7.8
Water	94,288,708	247,090,239	147,366,055	-99,724,184	59.6	56.3
Nanyuki	1,000,000	82,214,879	5,000,000	-77,214,879	6.1	400.0
Rumuruti	5,000,000	5,000,000	5,000,000	0	100.0	0.0
Sub Total	**1,302,019,601**	**3,032,409,069**	**2,037,462,841**	**-994,946,229**	**67.2**	**56.5**
Assembly	63,853,517	77,950,931	33,301,010	-44,649,921	42.7	-47.8
Grand Total	**1,365,873,118**	**3,110,360,000**	**2,070,763,851**	**-1,039,596,150**	**66.6**	**51.6**

Pending bills

Unpaid bills have continued to affect County fiscal performance. The county has an accumulated stock of pending bills totalling to KShs 1,408,514,734. Annual budget allocations have continued to be set aside to clear part of these commitments.

Based on the performance in 2024/25 of the allocated budget against the actual expenditure, the following risks will be addressed;

- Non-remittance of conditional grants.
- Delays in procurement processes.
- Managing pending bills.
- Delays in the disbursement of Equitable share.

2.3 County Entities

Section 201 of the Public Finance Management (County Governments) Regulations, 2015 provides guidelines for the establishment of County Entities. Each entity plays a distinct role, ranging from governance, economic development, education empowerment and conservation to community engagement. Collectively, these efforts enhance the County's growth, sustainability and overall quality of life. To enable the effective execution of their mandates, the County has allocated funds to these entities. The tables below present a breakdown of recurrent and development expenditure for FY 2024/25.

Table 6: County Entities Budget Performance in FY 2024/2025

Entity	Budget Estimates FY 2024/25				Variance	
	Recurrent		Development		Rec	Dev
	Budget	Actual	Budget	Actual		
	A	B	C	D	E=B-A	F=D-C
Laikipia County Revenue Board	34,500,000	34,500,000	10,000,000	9,999,716	0	-284
Laikipia County Emergency Fund	14,985,452	3,040,051	45,000,000	15,785,641	-11,945,401	-29,214,359
Laikipia County Development Authority	5,000,000	4,854,200	1,910,951	1,910,951	-145,800	0
Laikipia County Health Institutions	35,000,000	34,384,400	0	0	-615,600	0
Laikipia County VTCs	14,500,000	13,551,400	20,236,097	10,999,418	-948,600	-9,236,679
Nanyuki Municipality Board	37,000,000	2,100,000	82,214,879	5,000,000	-34,900,000	-77,214,879
Rumuruti Municipality Board	2,000,000	2,000,000	5,000,000	5,000,000	0	0
Laikipia County-Co-operative Fund	0	0	3,000,000	1,000,000	0	-2,000,000
Laikipia County Leasing Fund	0	0	142,000,000	140,213,800	0	-1,786,200
Laikipia County Enterprise Fund	0	0	0	0	0	0
Laikipia County Car and Mortgage Fund	15,000,000	15,000,000	0	0	0	0
Laikipia County Education Bursary Fund	75,000,000	75,000,000	0	0	0	0
TOTAL	**232,985,452**	**184,430,051**	**309,361,927**	**189,909,526**	**-48,555,401**	**-119,452,401**

Source: Annual Financial Statements 24/25

This performance was influenced by the shortfall in revenue realization.

2.4 Fiscal Balance (Net Position)

In FY 2024/25, the county achieved 91% revenue realization falling short of its targeted revenue, which in turn negatively impacted absorption levels which stood at 86%. Reported expenditure was aligned with available cash flows with Outstanding balances and pending bills planned for and given priority in FY 2025/26.

2.5 Effects of the 2024/25 Fiscal Performance on the 2024 County Fiscal Strategy Paper

Due to additional cash flows, adjustments were made to the budget ceilings as illustrated in the table below.

Table 7: 2024-25 Budget ceilings as compared to the 2024 CFSP Sector ceilings

Departments	Budget 2024-25			CFSP 2024			VARIANCE
	Budget Recurrent	Budget Development	Total	Budget Recurrent	Budget Development	Total	
Administration	3,794,663,994	14,279,900	3,808,943,894	3,682,500,000	17,730,594	3,700,230,594	108,713,300
CPSB	8,000,000	0	8,000,000	15,000,000	0	15,000,000	-7,000,000
Finance	203,999,121	615,950,356	819,949,477	147,531,130	467,100,270	614,631,400	205,318,077
Revenue Board	34,500,000	10,000,000	44,500,000	35,000,000	10,000,000	45,000,000	-500,000
LCDA	5,000,000	1,910,951	6,910,951	7,000,000	0	7,000,000	-89,049
Health	131,903,920	341,208,866	473,112,786	99,570,000	376,440,000	476,010,000	-2,897,214
LHS Nanyuki	42,632,000	288,948,000	331,580,000	51,750,000	293,250,000	345,000,000	-13,420,000
LHS Nyahururu	32,168,000	198,252,000	230,420,000	36,000,000	204,000,000	240,000,000	-9,580,000
Agriculture	16,000,000	289,246,775	305,246,775	16,000,000	101,390,000	117,390,000	187,856,775
Infrastructure	37,000,000	714,501,219	751,501,219	40,000,000	471,300,000	511,300,000	240,201,219
Education	96,894,800	52,141,098	149,035,898	114,500,000	71,000,000	185,500,000	-36,464,102
Trade	13,410,000	166,664,786	180,074,786	15,910,000	38,390,000	54,300,000	125,774,786
Gender	7,800,100	5,000,000	12,800,100	0	0	0	12,800,100
Water	17,000,000	247,090,239	264,090,239	14,600,165	105,000,000	119,600,165	144,490,074
Nanyuki Mun.	37,000,000	82,214,879	119,214,879	3,500,000	10,000,000	13,500,000	105,714,879
Nyahururu Mun.	2,000,000	0	2,000,000	1,000,000	5,000,000	6,000,000	-4,000,000
Rumuruti Mun.	2,000,000	5,000,000	7,000,000	3,500,000	4,000,000	7,500,000	-500,000
Sub Total	**4,481,971,935**	**3,032,409,069**	**7,514,381,004**	**4,283,361,295**	**2,174,600,864**	**6,457,962,159**	**1,056,418,845**
Assembly	492,594,112	77,950,931	570,545,043	504,000,000	30,000,000	534,000,000	36,545,043
Grand Total	**4,974,566,047**	**3,110,360,000**	**8,084,926,047**	**4,787,361,295**	**2,204,600,864**	**6,991,962,159**	**1,092,963,888**

The variance of kshs 1,092,963,888 between CFSP 2024 and Budget Estimates FY 2024-25 was due to Opening balances, Conditional Grants and insurance recovery for the County Assembly which was not factored in the CFSP.

The 2024 CFSP, own source revenue target was KShs 1,475,000,000, while the actual collection amounted to KShs 1,238,456,419 representing 84% perfomance.

Based on the final approved target of kshs 1,475,000,000, Own source revenue recorded above average perfomance albeit with a gap of Kshs. 236,543,581. In order to mitigate against this shortfall in performance, the County Revenue Board will re-examine its goals to enhance revenue collection.

2.6 Compliance with the fiscal responsibility principles

PFM act section 107 and PFM regulation. no 25 require County Governments to comply with following fiscal responsibility principles;

- The County Government's recurrent expenditure should not surpass its total revenue. In FY 2024/2025, Laikipia County's recurrent spending amounted to Kshs. 4,842,678,523 which was 65% of the total revenue of Kshs7,395,535,031.
- Over the medium term, at least 30% of the County Government's budget should be dedicated to development expenditure. In the FY under review, the County allocated Kshs. 3,110,360,000 to development, representing 38% of the total budget of Kshs. 8,084,942,337
- The County Government is required to ensure that spending on wages and benefits for public officers does not exceed 35% of its total revenue. However, in the FY 2024/2025, the wage bill amounted to Kshs. 3,574,637,742, accounting for 48% of the total revenue.
- Over the medium term, government borrowing should strictly be directed towards financing development expenditure. In line with Section 107(d) of the PFM Act, the County did not incur any debt.
- The County does not intend to overhaul its tax measures hence a reasonable degree of predictability with respect to the level of tax rates and tax bases, taking into account any tax reforms that may be made in the future.

CHAPTER THREE

RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

3.1 Introduction

An overview of recent macroeconomic changes and their implications for the implementation of the County budget for FY 2024–2025 is provided in this section.

3.2 Recent Economic Developments and Outlook.

3.2.1 International Scene

Global economic growth is expected to grow at a rate of 3.0% in 2025 and 3.1% in 2026. Growth in advanced economies is projected to be 1.5 percent in 2025 and 1.6 percent in 2026. Emerging Market and Developing Economies are projected to grow moderately at 4.1 percent in 2025 and 4.0 percent in 2026. The table below shows IMF growth forecast.

Table 8: Global Economic Forecast by Percentage

Region	**2023**	**2024**	**2025***	**2026***
World	**3.5**	**3.3**	**3.0**	**3.1**
Advanced economies	**1.8**	**1.8**	**1.5**	**1.6**
United States	2.9	2.8	1.9	2.0
Japan	1.4	0.2	0.7	0.5
Euro area	0.5	0.9	1.0	1.2
United Kingdom	0.4	1.1	1.2	1.4
Emerging markets and developing economies	**4.7**	**4.3**	**4.1**	**4.0**
China	5.4	5.0	4.8	4.2
India	9.2	6.5	6.4	6.4
Sub-Sahara Africa	3.6	4.0	4.0	4.3

**indicates projections*

Global economic developments (recent)

This section summarizes recent global events and trends that materially affect developing economies and county revenues/expenditure through trade, aid flows, remittances, commodity prices and financial conditions.

Major themes:

Trade tensions and tariff actions: Recent increase in trade barriers and retaliatory measures have raised uncertainty for global trade volumes and investment planning. This reduces external demand for exports from commodity manufacturing countries.

Slow global growth: Several multilateral institutions have revised down global growth projections and the growth environment remains the weakest in many years outside of major recessions.

Disinflation in advanced economies but stubborn hotspots: Global headline inflation is moderating overall but some economies maintain above-target inflation requiring careful monetary policy calibration.

Tighter financial conditions for emerging markets at times: Shifts in global risk appetite, interest rate differentials and capital flows can increase borrowing costs for sovereigns and the private sector in emerging markets.

3.2.2 National Performance

Macroeconomic Performance

Kenya's economy has demonstrated remarkable resilience over the past three years, consistently growing at a pace that outperforms both the global and regional averages. This strength is rooted in deliberate policies and the benefits of a diversified economy. The economy has thus been able to withstand adverse impacts of domestic and external shocks. In 2024, the economy grew by 4.7 percent supported by positive growths in all sub-sectors except construction, mining and quarrying. Further, in the first quarter of 2025, the economy remained strong with a growth of 4.9 percent. This growth was primarily underpinned by strong performance in the agriculture sector, a recovery of the industry sector, and the resilience of service sector. All economic sectors recorded positive growth rates in the first quarter of 2025, with varied magnitudes across activities.

Agriculture improved because rainfall patterns and input availability supported crop and animal production, translating into stronger output and spill over to agro-processing. This recovery helped anchor overall GDP growth during the fiscal year.

Industry manufacturing benefited from better agricultural supply chains and moderating input cost pressures. Construction activity remained mixed amid constrained financing conditions and a re-prioritization of the general public.

Information, communication and financial services continued to expand, albeit at slower rates than in 2024. Accommodation and food services normalized following the post-pandemic tourism rebound in 2023/2024, resulting in lower but still positive growth.

With inflation expectations anchored, monetary policy settings remained focused on price stability while monitoring growth dynamics. After the close of the fiscal year, the CBK reduced the policy rate in August 2025 as inflation remained contained.

Kenya's economic performance is projected to pick up in 2025 and 2026, with real GDP growth projected at around 5.3 percent. On the supply side, growth will be driven by resilient agriculture, steady services and gradual improvement in industry.

Agriculture sector will be driven by favourable weather conditions and productivity enhancing interventions; The industrial sector is projected to pick up in the medium term due to reduced cost of production and stable exchange rate; On the demand side, private consumption and investment are projected to maintain a steady pace supported by a conducive macroeconomic environment; Growth of public consumption is projected to remain subdued, in line with the planned fiscal adjustment in the medium term; Kenya's external balance is projected to remain stable in the medium term supported by increasing exports as trade agreements are implemented and global financial conditions ease further,

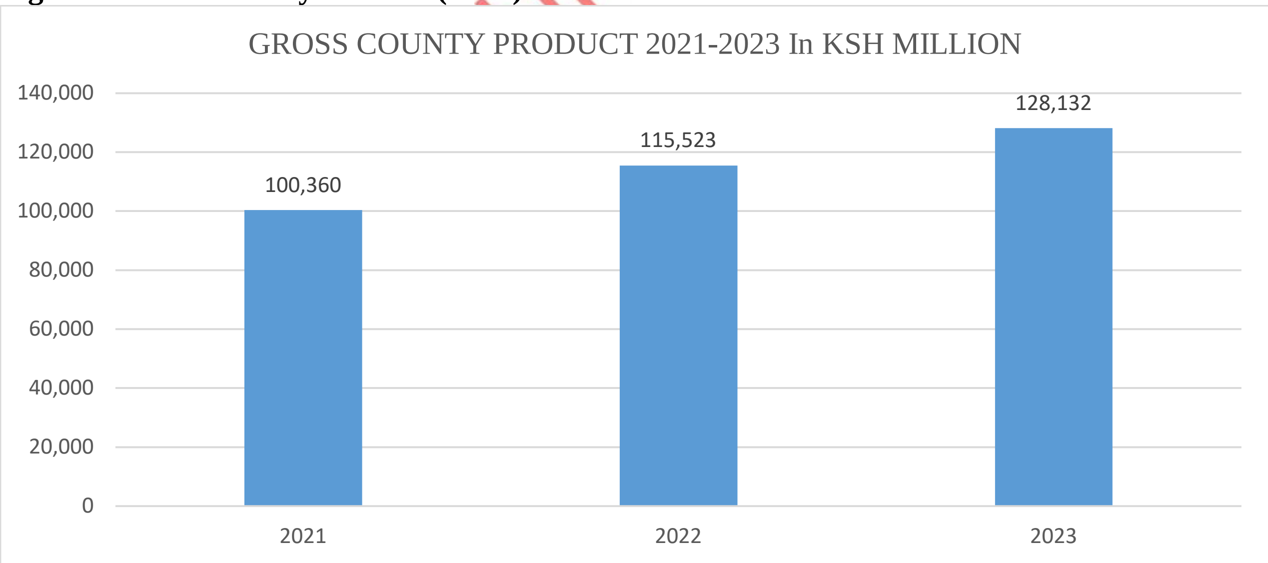
3.2.3 County Economic Performance

In 2024, Laikipia County experienced notable economic growth driven primarily by the expansion of its agricultural sector and strategic development initiatives.

Laikipia County has increased its own source revenue in recent years. The county collected KSh 1,238,456,419 in the year 2024/2025, an increase of KSh 151,623,623 from KSh 1,086,832,796 in the 2023/2024 financial year. This has been attributed to the digitization of revenue collection, sensitizing the community on the need to pay taxes, conducive business environment and having a committed Revenue Board workforce.

Laikipia's Gross County Product (GCP) increased by 10.5% from KSh 115,523 million in 2022 to KSh 128,132 million in 2023. The growth is attributed to gains in the majority of county sectors. The growth is as depicted in the following figure 3.

Figure 1: Gross County Product (GCP) 2021-2023



The sectors that recorded remarkable growth in 2023 are; Accommodation and food service activities (30.81%), Administrative Support Services (18.34%) Transport and storage (16.12%) and Agriculture forestry and fishing (15.13%)

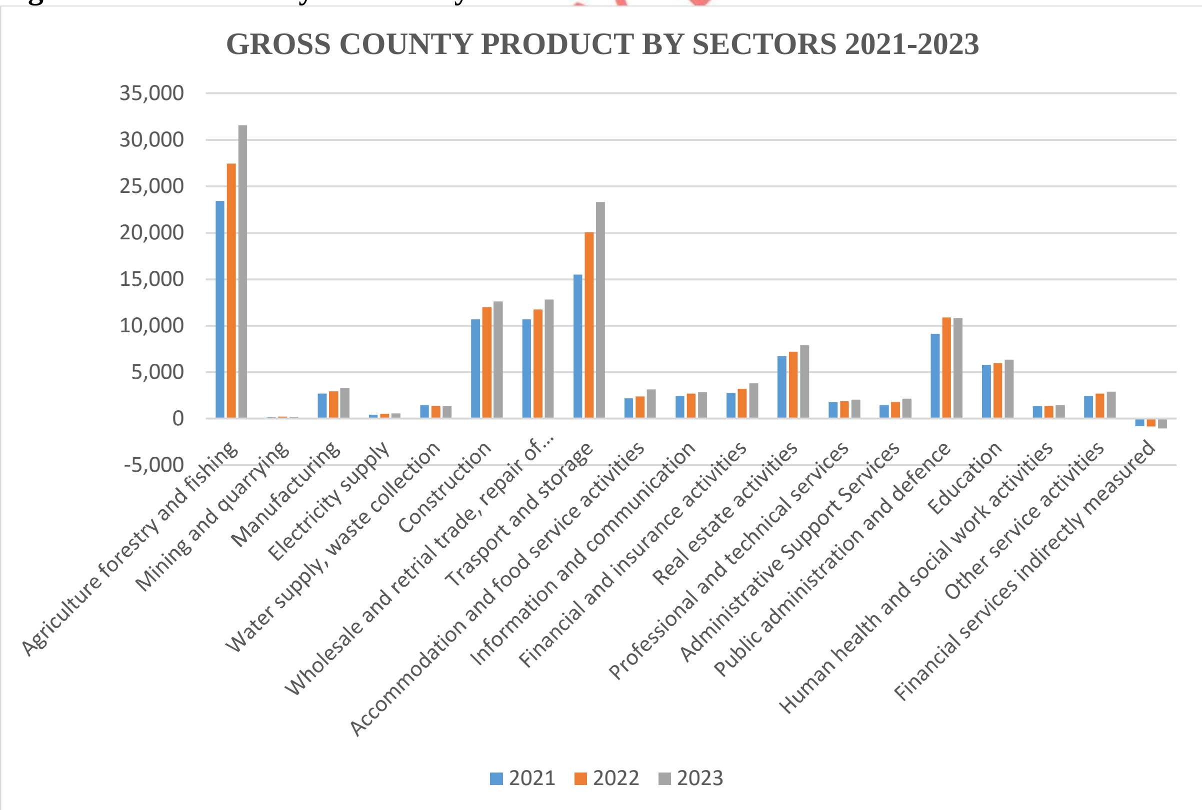
The County economic performance for the period 2021-2023 is as captured in the following table

Table 9: County Economic Performance 2021-2023

Economic Activities	GCP at Current Prices, KSh Million		
	2021	**2022**	**2023**
Agriculture forestry and fishing	23,401	27,440	31,591
Mining and quarrying	162	209	182
Manufacturing	2,694	2,946	3,315
Electricity supply	425	514	572
Water supply, waste collection	1,454	1,364	1,352
Construction	10,680	11,995	12,626
Wholesale and retrial trade, repair of motor vehicles	10,689	11,738	12,804
Transport and storage	15,515	20,061	23,295
Accommodation and food service activities	2,201	2,402	3,142
Information and communication	2,470	2,703	2,886
Financial and insurance activities	2,754	3,210	3,814
Real estate activities	6,736	7,221	7,891
Professional and technical services	1,782	1,874	2,049
Administrative Support Services	1,451	1,794	2,123
Public administration and defense	9,142	10,872	10,803
Education	5,770	5,980	6,356
Human health and social work activities	1,364	1,348	1,476
Other service activities	2,472	2,703	2,917
Financial services indirectly measured	-802	-851	-1,062
Total	**100,360**	**115,523**	**128,132**

Source: KNBS.GCP, 2024

Figure 2: Gross County Product by Sectors 2021-2023



3.3 Progress Report on Budget Implementation.

Budget implementation is driven by effective revenue mobilization, expenditure prioritization and efficient use of resources. The county relies on both its own-source revenue and national government transfers to fund its budget. Timely collection and disbursement of these funds are crucial for project execution, while proper expenditure prioritization ensures that key sectors like healthcare, agriculture, infrastructure and education receive the necessary investments. Procurement efficiency and proper contract management also play a vital role in ensuring projects are completed on time and within budget. The county is experiencing challenges in implementing 2025/2026 fiscal framework due to delayed implementation of EGP procurement system, non-realization of own source revenue targets and Equitable share.

3.4 County Economic Outlook and Policies

The county's economic activities are predominantly centred around agriculture and tourism. Efforts are underway to diversify agricultural practices, such as the introduction of coffee farming to enhance economic transformation.

Laikipia County has a mixed economy of smallholder and large-scale agriculture, livestock production, tourism and growing service activities.

The county government's fiscal plan prioritizes supporting these areas among others in enhancing and sustaining the county's economic growth;

a) Agriculture and Livestock

Agriculture and livestock remain the backbone of Laikipia's economy. Expected moderate recovery in crop and livestock output depends on timely rains, access to inputs and disease control. Policy priorities include:

- Promoting drought-resilient farming and climate-smart agriculture (CSA) practices.
- Scaling up small-scale irrigation and water harvesting projects.
- Strengthening livestock disease surveillance, vaccination and extension services.
- Supporting farmer aggregation, cooperatives and market linkages to improve prices and reduce post-harvest losses.
- Facilitating access to affordable inputs and affordable credit through partnerships.

b) Tourism and Wildlife

Tourism holds medium-term growth potential driven by wildlife conservancies and experiences, but vulnerable to external shocks. Policy priorities are:

- Enhancing infrastructure and access to key tourism sites (roads, signage, sanitation).
- Supporting community conservancies and benefit-sharing mechanisms to reduce human-wildlife conflicts.
- Marketing Laikipia as a premium and diversified tourist destination, eco-tourism, cultural tourism and events.
- Developing linkages between tourism and local SMEs (crafts, accommodation, Agri-tourism).

c) Trade, MSMEs and Investment

MSMEs provide employment but face credit, skills and market constraints. Policy priorities include;

- Improving business registration and one-stop advisory services at county level.
- Facilitating access to finance (credit lines, guarantee schemes) in partnership with financial institutions.
- Promoting vocational and entrepreneurship training targeted at youth and women.
- Upgrading local markets and value chain infrastructure to spur trade.

d) Infrastructure, Roads, Energy and Urban Development

Strategic investments in roads, water, energy and ICT are essential for unlocking economic activities. Policy priorities are:

- Prioritizing county road maintenance and targeted upgrades to connect production areas to markets.
- Expanding rural water supply, boreholes and small dams to support agriculture and household needs.
- Promoting responsible land use planning and invest in climate-resilient infrastructure.
- Encouraging public-private partnerships (PPPs) for priority infrastructure projects.

e) Healthcare Services

The county is focusing on improving access to quality healthcare through ensuring the availability of essential medical supplies, engaging in public health campaigns, provision of specialised medical facilities, maternal health, mental health services and health education to reduce the burden of diseases.

f) Education and Early Childhood Development

Early Childhood Development Education and TVETs are a county function. In line with this mandate, the county will invest in; constructing classrooms, employing ECDE teachers, providing learning materials, improving infrastructure in TVETs and also providing bursaries to vulnerable students to access education. Laikipia county will also partner with industry players to enhance this mandate.

3.5 Medium Term Fiscal Framework

In the medium term, the County's fiscal policy objective is to prioritize the sectors of Health, Infrastructure, Agriculture, Water and Education. To ensure that public services are provided, other sector allocations will be based on available resources.

The County Government will continue to put effort in mobilizing own source revenue to support service provision. Expenditures in the medium-term will be guided by the fiscal responsibility principles as highlighted in the PFM Act, 2012.

To increase effectiveness and efficiency in utilization of resources, the county will rationalize expenditures with an aim of getting value for money in its investments.

The macroeconomic assumptions for FY 2026/27 and medium-term budget are outlined below:

i. Global macroeconomic conditions remain stable
ii. Real GDP is projected to grow by 5.3 percent in 2025 and to sustain this growth rate over the medium term.
iii. Favourable weather conditions are anticipated to boost agricultural productivity
iv. Inflation is expected to be maintained within the target range of 5+-2.5 percent
v. Interest rates are expected to continue declining in 2025 in line with the monetary policy stance and remain stable over the medium term; and
vi. Exchange rate is expected to remain stable.

3.6 Risks to the Outlook and possible mitigation measures.

a) Man-made and natural risks

Protests in Kenya have negatively affected the economy by disrupting business activities, transport and supply chains, especially in major urban centres. Frequent demonstrations have led to reduced investor confidence, temporary closure of businesses, job losses in the informal sector and slowed productivity. Tourism and manufacturing, which rely heavily on stability, have also suffered from cancellations and interruptions. Additionally, the government has incurred high costs in policing protests and repairing damaged infrastructure, while the uncertainty created has contributed to inflationary pressures and slowed overall economic growth.

To mitigate these effects, the government need to foster dialogue with stakeholders, review and implement fair fiscal policies, strengthen social safety nets, restore investor confidence through political stability and support economic recovery by investing in job creation, infrastructure and inclusive development.

Disasters such as landslides, earthquakes, floods, fires and drought cause economic destruction and damage natural resources. Sudden events cause immediate damage, while slow-onset disasters inflict prolonged harm. Both types lead to economic strain, reduced investment and necessitate extensive recovery efforts, often prompting communities to adapt their behaviours due to recurring risks.

To mitigate the economic impacts of disasters the county will; invest in resilient infrastructure; develop strong disaster preparedness and response plans to facilitate quick recovery; support education and training to maintain a skilled workforce despite disruptions; implement risk reduction measures like early warning systems and drought-resistant practices to minimize vulnerability; encourage communities to adopt adaptive strategies to better manage and recover from recurring risks.

b) Technological Risks

Technological risks that can hinder operations and service delivery. One major risk is cyber security threats, where systems are vulnerable to hacking and data breaches. To mitigate this, counties should implement strong security measures, such as encryption and multi-factor authentication, while also training staff on cyber security protocols.

Another risk is data privacy, as the collection of citizens' information may lead to misuse or breaches. Counties will comply with data protection laws and restrict access to sensitive information. System failures and technical glitches can also disrupt services, so investing in reliable infrastructure and regular maintenance is essential.

Finally, the rapid pace of technological change can lead to obsolescence. Counties will regularly update their systems and train staff to stay current with advancements.

c) Micro- Economic shocks

Kenya faces several macroeconomic risks that could impact its economic stability. Inflationary pressures, driven by rising global oil prices, food shortages and currency depreciation, threaten to erode purchasing power. This can be mitigated through tighter monetary policies by the Central Bank of Kenya (CBK) and investments in agriculture to ensure food security.

Exchange rate volatility, particularly fluctuations in the Kenyan shilling, makes imports more expensive and fuels inflation. The CBK can stabilize the currency by adjusting interest rates and managing foreign reserves, while boosting local production to reduce dependency on imports. Rising public debt is another concern, as external borrowing increases debt servicing risks. To manage this, the government should prioritize concessional loans and improve domestic revenue collection.

d) Unrealistic Budgets

There has been consistent under-performance of revenue which results to under-absorption particularly the development funds. To mitigate against this, there is need for realistic budgeting to ensure that estimated revenues are as close as possible to the reality.

Instilling financial discipline and improving financial management practices that includes budgetary oversight will result to realistic planning and budgeting.

e) Pending Bills.

Pending bills present several risks to county governments, impacting both financial stability and service delivery. One major risk is financial strain, as accumulated unpaid bills can lead to liquidity issues, making it difficult to meet current obligations.

To mitigate this, the county will continue to have annual budget allocations to clear part of the pending bills; ensure that its plans and budgets are realistic.

f) Wage Bill

Wage bills takes the highest proportion of the budget, therefore reducing the available resources to be allocated to critical services and development programs.

To mitigate this, a comprehensive review of the organizational structure and staffing levels will be conducted to identify redundancies and streamline operations. This may involve reassigning personnel or merging similar roles to optimize efficiency. Implementing performance-based evaluations and meritocracy can help ensure that remuneration is directly linked to productivity and contributions. Additionally, adopting modern technologies and automation in routine tasks can enhance operational efficiency, potentially reducing the need for excessive manpower.

CHAPTER FOUR

RESOURCE ALLOCATION FRAMEWORK

4.1 Introduction

This section provides details of the resource envelope and the planned expenditure allocations for the financial year 2025/2026 and further highlights recent macro - economics changes and their implications for the implementation of county budget for 2025-2026 and the medium term.

4.2 Financial Outlook

According to 2024 economic survey by KNBS, in 2024 the global economy grew slower than the historical (2000-2019) annual average of 3.8%. This was contributed by restrictive monetary policies, withdrawal of fiscal support as well as escalating geopolitical fragmentations that resulted in higher commodity prices. Kenya's economy growth was 5.2% in 2024, down from 5.6% in 2023, this can be attributed to slowed agriculture due to floods and disruption of services by the nation-wide anti finance bill protests.

Kenya's GDP growth averaged 4.7% in 2024 and 4.9% in the first quarter of 2025 compared to a similar corresponding quarter of 2024, which is still lower than its 10% vision 2030 target. The small advance is broad-based with particularly strong performance in key agricultural sector where output rose by 6% thanks to government interventions such as provision of subsidized fertilizer, certified seeds and timely rains in the late 2024 and early 2025 which led to better harvests. Ultimately this enhanced productivity across other sectors, ICT (5.8%), wholesale and retail trade (5.1%), public administration (6.5%), finance and insurance (5. 1%). Transport and professional services grew by 3.8% and 4.6 % respectively.

In the year 2025, Inflation is projected to stay within the government's target range of between 2.5% and 7.5% mainly supported by low non-food, non-fuel inflation, lower food and energy prices and stable exchange rates. It is expected that decline in interest rates will continue supporting growth in private sector credit and boost economic activities.

This notwithstanding, the outlook for domestic economy may be hampered by risks related to unpredictable weather conditions occasioned by climate change which could adversely affect agricultural production and result in domestic inflationary pressures. The tight fiscal stance being pursued by the Government may also lead to tight liquidity affecting aggregate demand. Externally, escalation of geopolitical tensions particularly the Israel-Palestinian, Israel-Iran and Russia-Ukraine conflicts could result in higher commodity prices which could pose a risk to domestic inflation outcomes.

4.3 Medium Term Expenditure Framework

The CFSP 2025 lays the framework for resource allocation in the 2025/26 financial year and the medium term. Based on the recent developments and the economic outlook, the CFSP identified key priority areas to support economic development. Greater focus has been put to Health, Infrastructure and roads, Agriculture and Education.

The County Integrated Development Plan, Annual Development Plans and County Fiscal Strategy Paper will continue to guide resource allocations in the medium term as required by the PFM act. The county will continue to prioritise financing and public investments in key sectors. Sector Specific interventions are as highlighted below;

Table 10: Projected Shareable Revenues in the medium term

Revenue source	Budget	Actual (Kshs.)	Medium term revenue projections (Kshs.)		
	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
Equitable share	5,387,035,309	5,387,035,309	5,640,962,159	5,798,155,480	5,970,365,392
Own source revenue	1,475,000,000	1,238,456,419	1,351,000,000	1,446,574,450	1,591,231,895
Total Revenues	**6,862,035,309**	**6,625,491,728**	**6,991,962,159**	**7,244,729,930**	**7,561,597,287**

Source; *CFSP 2025*

Table 11: Total Sector Ceiling for the MTEF Period 2025/2026-2027/2028

County Sectors	Ceilings 2025/26 (KShs)	2026/2027 (KShs)	2027/2028 (KShs)	Estimates	% Share Projections	
				2025/2026	2026/2027	2027/2028
Health and sanitation	2,726,949,394	2,763,476,315	2,826,281,340	39.0	38.1	37.4
Finance, economic planning	992,449,581	990,692,561	1,046,046,282	14.2	13.7	13.8
County administration,	801,291,200	841,112,663	873,341,977	11.5	11.6	11.5
Education, gender, culture	624,772,727	631,337,440	656,790,901	8.9	8.7	8.7
Infrastructure and public works	588,875,758	584,413,660	632,445,375	8.4	8.1	8.4
County assembly	534,000,000	573,713,184	586,947,804	7.6	7.9	7.8
Agriculture livestock and fisheries	316,177,879	330,688,365	343,996,896	4.5	4.6	4.5
Water and environment	280,569,862	316,499,901	334,750,162	4.0	4.4	4.4
Trade, tourism and enterprise development	99,875,758	105,436,621	114,449,392	1.4	1.5	1.5
Nanyuki municipality	13,500,000	50,666,788	70,203,512	0.2	0.7	0.9
Nyahururu municipality	6,000,000	32,108,740	43,332,552	0.1	0.4	0.6
Rumuruti municipality	7,500,000	24,583,692	33,011,092	0.1	0.3	0.4
Total	**6,991,962,159**	**7,244,729,930**	**7,561,597,285**	**100.0**	**100.0**	**100.0**

NB: *Conditional grants are excluded*

Table 12: Total Sector Ceiling for the MTEF Period 2025/2026-2027/2028 (Recurrent and Development)

Department	Projections					
	2025/2026 (KShs)		2026/2027 (KShs)		2027/2028 (KShs)	
	Recurrent	**Development**	**Recurrent**	**Development**	**Recurrent**	**Development**
Health and sanitation	1,853,259,394	873,690,000	1,869,053,071	894,423,244	1,887,049,759	939,231,581
Finance, economic planning and the county treasury	515,349,311	477,100,270	497,406,833	493,285,728	503,431,982	542,614,301
County administration	783,560,606	17,730,594	817,137,299	23,975,364	827,788,785	45,553,192
Education gender, culture and social services	553,772,727	71,000,000	560,726,240	70,611,200	566,761,621	90,029,280
Infrastructure and public works	117,575,758	471,300,000	118,444,899	465,968,761	119,879,738	512,565,637
County assembly	504,000,000	30,000,000	507,515,184	66,198,000	514,130,004	72,817,800
Agriculture livestock and fisheries	214,787,879	101,390,000	218,151,765	112,536,600	220,206,636	123,790,260
Water and environment	175,569,862	105,000,000	178,587,401	137,912,500	180,288,162	154,462,000
Trade, tourism and enterprise development	61,485,758	38,390,000	64,062,871	41,373,750	64,800,892	49,648,500
Nanyuki municipality	3,500,000	10,000,000	12,051,288	38,615,500	12,280,262	57,923,250
Nyahururu municipality	1,000,000	5,000,000	10,042,740	22,066,000	10,233,552	33,099,000
Rumuruti municipality	3,500,000	3,500,000	8,034,192	16,549,500	8,186,842	24,824,250
Total	**4,787,361,295**	**2,204,100,864**	**4,861,213,783**	**2,383,516,147**	**4,915,038,235**	**2,646,559,051**

Source; *CFSP 2025*

4.4 Proposed Budget 2025/26 Framework

(a) Revenue Projections

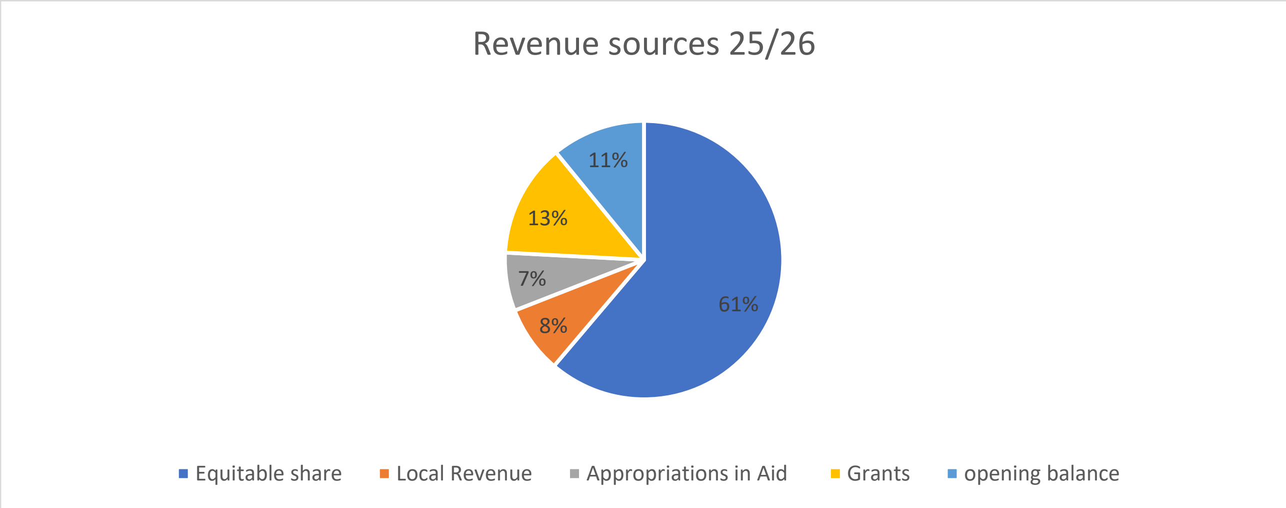
In the FY 2025/2026 the County government of Laikipia expects to receive total revenue amounting to KShs 9,217,137,326; comprising Equitable Share of KShs 5,640,962,159, Own Source Revenue (OSR) of KShs 1,351,000,000, Appropriations in Aid (AIA) of 626,000,000, Other revenues will include Conditional Grants of KShs 1,220,744,139 and an opening balance of Ksh. 1,004,431,028 as illustrated in Table below

Table 13: Summary of County Revenue trend 2021/22-2025/26

Revenue source	**2021/2022(Kshs)**	**2022/2023 (Kshs)**	**2023/2024(Kshs)**	**Budget (Kshs) 2024/2025**	**Budget (Kshs) 2025/2026**
Equitable share	5,136,265,679	5,136,265,679	5,358,246,532	5,569,687,183	5,640,962,159
Equalization fund		161,661,764			
Own source revenue	**902,979,741**	**1,297,000,000**	**1,475,000,000**	**872,500,000**	**1,351,000,000**
Local Revenue		710,000,000	842,500,000	842,500,000	704,000,000
Hospital revenue		562,000,000	602,500,000		
Vocational training centres		25,000,000	30,000,000	30,000,000	21,000,000
Appropriations in Aid (AIA)	**0**	**0**	**0**	**602,500,000**	**626,000,000**
Opening balances	0		146,481,123		
Opening bal CRF		5,571,567	103,993,512		962,256,718
CRF returns			180,466		
Other Opening balances			27,307,145		42,174,310
Stimulus fund bal			15,000,000		
Sub-Total	**6,039,245,420**	**6,600,499,010**	**6,979,727,655**	**7,044,687,183**	**6,991,962,159**
Conditional Grants	171,486,997	363,303,602	746,737,617	850,571,763	1,220,744,139
Sub-Total	**171,486,997**	**363,303,602**	**746,737,617**	**7,895,258,946**	
Pending transfer (CAIP)				150,000,000	
Total Receivable revenues	**6,210,732,417**		**7,726,465,272**	**8,045,258,946**	
medical equipment leasing			124,723,404		
Total Revenues	**6,210,732,417**	**6,963,802,612**	**7,851,188,676**	**8,045,258,946**	**9,217,137,326**

Source; *PBB 2025/26*

Figure 3: Percentage Distribution of Revenue Sources in FY 2025/26



The key sources of local revenue include: Hospital fees, cess, land rates, Property rent, business permits, building plans approval fees, vehicle parking fees and natural resource exploitation. The respective contributions of the specific revenue streams detailed in annex 3.

(b) Expenditure Forecast

In the financial year 2025/26 the approved total expenditure is estimated at KShs 9,217,137,326. This expenditure represents an increase of 14.6% against the approved estimated expenditure for financial year 2024/2025 which was KShs 8,084,926,047.

In FY 2025/26, the County recurrent expenditure is projected at KShs 4,946,665,117 from KShs 4,974,566,047 in FY 2024/25 representing a 0.6 % decrease. Recurrent expenditure represents 54% of the total expenditure. Overall development expenditure is expected to be Kshs. 4,270,472,209 representing 89.5 % increase compared to KShs. 3,110,360,000 in 2024/25, this represents 37 % of the total expenditure as shown in the figure below.

Figure 4: Total Expenditures for the FY 2025/26

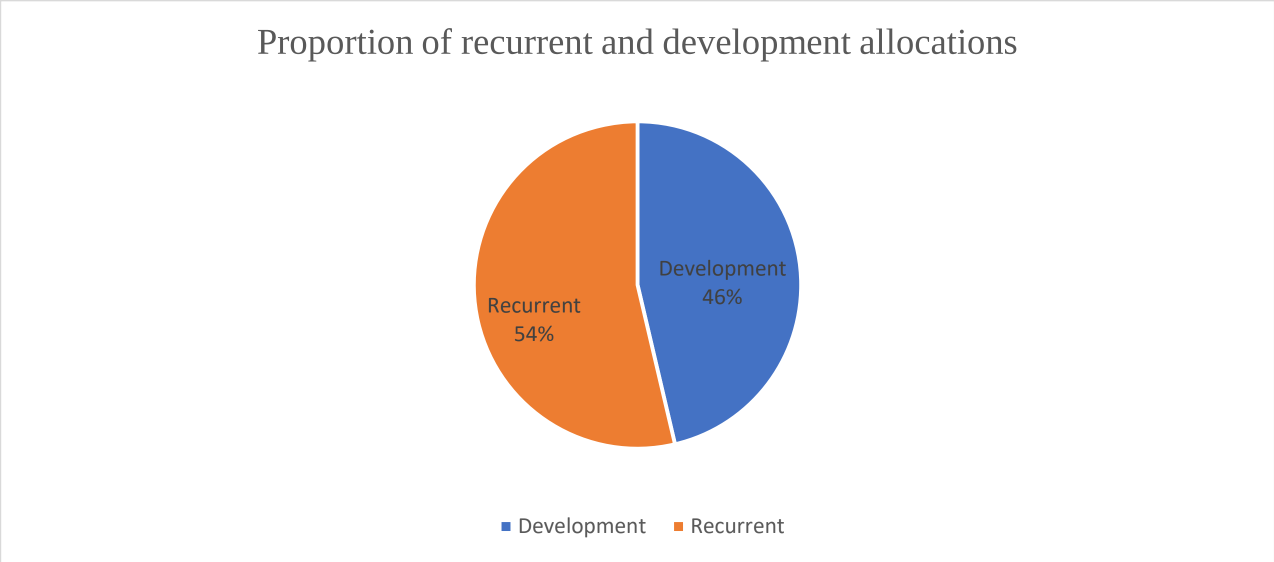


Table 14: Sector Expenditure allocations 2025/2026 in percentage (salaries within departments)

Department	Recurrent	Development	Total	Allocation Ratio (%)
Health and Sanitation	1,894,329,394	1,237,623,752	3,131,953,146	33.98
County Administration and Office of the Governor	825,865,182	387,940,518	1,213,805,700	13.17
Infrastructure and Public Works	133,088,812	967,908,612	1,100,997,424	11.95
Finance and Economic Planning	546,766,051	499,274,580	1,046,040,631	11.35
Education, Gender and sports	554,272,727	120,829,091	675,101,818	7.32
Agriculture Livestock and Fisheries	216,286,249	342,553,482	558,839,731	6.06
Water	175,569,862	358,890,104	534,459,966	5.80
County Assembly	531,501,082	2,498,918	534,000,000	5.79
Trade, Tourism & enterprise development	61,485,758	132,288,216	193,773,974	2.10
Nanyuki Municipality	3,500,000	162,635,998	166,135,998	1.80
Rumuruti Municipality	3,000,000	53,028,938	56,028,938	0.61
Nyahururu Municipality	1,000,000	5,000,000	6,000,000	0.07
Total	**4,946,665,117**	**4,270,472,209**	**9,217,137,326**	**100.00**

Source; *PBB 2025/26*

CHAPTER FIVE

CONCLUSION AND NEXT STEPS

5.1 Conclusion

The 2025 Annual County Budget Review and Outlook Paper has provided a comprehensive assessment of the fiscal performance for the previous financial year, highlighted key achievements and challenges, and outlined the macroeconomic and policy environment shaping the county's budgetary outlook. The review confirms that while progress has been made in revenue mobilization, expenditure rationalization, and service delivery, persistent challenges such as underperformance in own-source revenue, delayed disbursements, and rising recurrent costs continue to constrain development objectives.

Looking ahead, the county remains committed to aligning its budgetary priorities with the strategic goals outlined in the County Integrated Development Plan (CIDP) and the Medium-Term Expenditure Framework (MTEF). Emphasis will be placed on enhancing fiscal discipline, improving efficiency in public spending, and strengthening accountability mechanisms. The county will also prioritize inclusive development, with targeted investments in health, education, agriculture, and infrastructure to stimulate economic growth and improve livelihoods.

Next Steps

- **Public Participation and Stakeholder Engagement:** The county will initiate structured consultations with citizens, civil society, and development partners to refine budget priorities and ensure alignment with community needs.
- **Revenue Enhancement Strategy:** The County Revenue board will continue to expand the tax base, improve compliance, and leverage digital platforms for efficient collection.
- **Expenditure Review and Reprioritization:** Departments will conduct expenditure reviews to identify savings, eliminate waste, and redirect resources toward high-impact programs.
- **Capacity Building:** Training and technical support will be provided to county staff to improve planning, budgeting, implementation and financial reporting.
- **Monitoring and Evaluation:** Strengthened M&E frameworks will be implemented to track progress, measure outcomes, and inform evidence-based decision-making.

The county government reaffirms its commitment to transparency, equity, and fiscal sustainability as it prepares for the 2026/27 budget cycle. Through collaborative efforts and strategic planning, we aim to deliver on the promise of transformative development for all residents

ANNEXURES

Annex 1: County Budget Calendar

S/No	Activity	Due Date
1	Issue County Treasury Budget Circular	31st July, 2025
2	Submit County Annual Development Plan (ADP) to the County Assembly	1st September, 2025
3	Publish and publicize the ADP	8th September 2025
4	Develop and update the budget baseline	5th September 2025
5	Submit the County Budget Outlook Paper (CBROP) to the County Assembly	21st October, 2025
6	Assess fiscal space and derive expenditure ceilings for the draft C-BROP	15th September 2025
7	Prioritization and alignment of sector policies to set expenditure ceilings- Drafting sector budgets	15th November 2025
8	Public hearings on sector proposals	30th November 2025
9	Draft County Fiscal Strategy Paper (CFSP) and County Debt Management Strategy (CDMS)	10th January 2026
10	Circulate draft CFSP and DMSP to stakeholders for inputs for inputs	15th January 2026
11	Circulate draft CFSP and DMSP to stakeholders for inputs for inputs	15th January 2026
12	Submit the County Fiscal Strategy Paper (CFSP) to the County Assembly	28th February,2026
13	Submit the County Debt Management Strategy (CDMS) to the County Assembly	28th February, 2026
14	Submit the County Annual Budget Estimates to the County Assembly	30th April, 2026
15	Submit County Annual Cash Flow Projections to CRA and copied to IBEC and National Treasury	15th June, 2026
13	Approval of the Appropriations Bill	30th June, 2026
14	Approval of Finance Bill	30th September 2026

Source: Budget circular 2025

Annex 2: Analysis of Revenue performance

Revenue Targets	**Actuals**	**Actuals**	**Actuals**	**Target**	**Actuals**	**Variance**
Revenue Class	**2021/2022**	**2022/2023**	**2023/2024**	**2024/2025**	**2024/2025**	
1510202 CILOR Other Years	-	-				0
1520101 Land Rates Current Year	38,685,467	64,621,497	44,389,979	135,000,000	72,906,738	-62,093,262
1520102 Land Rate Penalties	2,113,806	1,230,419	6,943,306			0
1520103 Land Rates Other Years	5,591,349	8,539,653	1,803,213			0
1520104 Other Property Charges	-	19,000				0
Business Permits					90,278,629	90,278,629
1520201 Business Permits, Current Year(2)	73,343,510	93,342,189	85,484,692	123,000,000		-123,000,000
1520202 Business Permits Late Payment Penalties, Current Year	2,504,428	2,137,358	2,293,596			0
1520203 Business Permits, Other Years (Including Penalties)	224,950	350,000	229,599			0
1520304 Wheat & Maize Cess	17,137,348	2,046,310				0
Cesses					86,939,277	86,939,277
1520311 Fruits & Vegetables / Produce Cess	5,029,810	15,521,914	19,182,730	28,000,000		-28,000,000
1520314 Log Cess	599,950	41,900	42,850			0
1520315 Charcoal Cess	-	-				0
1520321 Livestock Cess	11,974,409	14,005,060	15,258,395	25,000,000		-25,000,000
Certicate of Meat Transport(C.O.T)				500,000		-500,000
1520322 Goat Cess	-	-				0
Property Rent					8,829,138	8,829,138
1520501 Ground/Plot Rent - Current Year	566,334	1,058,599	395,580	1,500,000		-1,500,000
1520502 Ground Rent - Other Years	126,320	40,113				0
1520503 Stand Premium	1,600	-				0
Other Local Levies					175,734	175,734
Administrative Services Fees					49,318,066	49,318,066
1520504 Temporary Occupation License (TOL)?TOP	351,500	187,300	132,000			0
1530101 Debts Clearances Certificate Fee	1,208,200	1,521,903	1,923,984	1,000,000		-1,000,000
1530102 Application Fee	4,119,524	5,211,042	4,886,856	9,000,000		-9,000,000
1530103 Plot Transfer Fee	1,609,000	410,600	1,022,550	600,000		-600,000
1530104 Plot Subdivision Fee	19,588,350	27,178,625	11,297,281	35,000,000		-35,000,000
1530105 Business Subletting / Transfer Fee	581,500	845,200	815,950			0
1530106 Isolation Fee (Surcharge on Business Permit)	-	2,000				0
1530107 Document Search Fee	18,000	8,000				0

1-2901 encroachment	-	14,000				0
1530203 Impounding Charges	774,990	585,870	613,855	1,500,000		-1,500,000
1530202 Court Fines	143,000	231,700	32,500	500,000		-500,000
Liqour licenses	11,890,010	22,968,516	10,550,332	30,000,000		-30,000,000
1530221 Telephone Calls Reimbursement/Salary recovery(income)	584,270					0
County's Natural Resources Exploitation					36,897,400	36,897,400
1530301 Sand, Gravel, and Ballast Extraction Fees	50,512,483	39,441,650	52,928,666	75,000,000		-75,000,000
1530302 Quarry Extraction Fees	3,073,000	993,300		2,000,000		-2,000,000
1530321 Garbage Dumping/Conservancy Fee	17,336,477	22,473,794	29,328,761	40,000,000		-40,000,000
1530331 Game and Nature Park Fee	11,396,532	13,185,498	12,866,885	17,600,000		-17,600,000
1550101 Market Entrance / Gate Fee	9,494,210	8,011,696	11,825,589	16,000,000	16,150,542	150,542
1550102 Market Plots Rent	-					0
1550103 Market Shops Rent	-					0
1550104 Market Kiosks Rent	-					0
1550105 Market Stalls Rent	-					0
1550201 Enclosed Bus Park Fee	32,638,473	33,887,850	33,739,992	50,000,000		-50,000,000
1550211 Other Vehicles Enclosed Park/Reserved Fees (Cars, Lorries, etc.)	1,100,000	1,612,000	4,332,758	3,500,000		-3,500,000
1550221 Street Parking/ smotorbike Fee	35,544,214	31,955,117	29,901,081	50,000,000	75,132,752	25,132,752
1550225 Clamping Fee	-	6,007,150				0
1550228 Clamping Tampering Fee	-					0
Boda boda Fees	61,300	167,800				0
1560101 Housing Estates Monthly Rent	18,268,946	26,154,680		35,000,000	21,371,506	-13,628,494
1560103 Damages Recovery / Eviction Fee	-					0
1560201 Social Hall Hire	163,000	248,010	89,800	400,000	405,518	5,518
1560211 Stadium Hire	116,000	93,010	217,700	200,000		-200,000
1570131 Vocational/Training School Fee	29,755,791	10,385,000	16,616,000	30,000,000	17,826,145	-12,173,855
Library Service Fee				100,000		-100,000
Public health licenses	12,645,210	16,134,749	15,421,183	22,000,000	487,447	-21,512,553
1580211 Health Centres Services/Hospital fee	398,880,236	467,253,034	560,402,055	602,500,000	695,135,936	92,635,936
Medical Examination Certificate	255,440	238,300				0
1580231 Public Toilets Fee	-	47,910		100,000		-100,000
Annual Renewal Certificates	-	75,100				0
1580241 Burial Fees	183,100	284,600	308,100			0
1580311 Disinfestation Fee (Insects, Worms, Rodents, etc.)	-					0
1580401 Slaughtering Fee	15,770,002	15,337,882	19,925,231	25,000,000	16,540,412	-8,459,588
1580402 Hides & Skins Fee	20,000	83,750		500,000		-500,000
1580403 Manure Sale	407,950	109,450				0
1580411 Slaughter Houses Inspection Fee	-	598,105				0
Vaccination:Yellow fever, Typhoid	1,097,000	188,150	26,920			0
livestock Movement Permit	491,500	762,730		1,500,000		-1,500,000
Technical Services Fees					26,283,249	26,283,249
External Services Fees					6,446,361	6,446,361
1590101 Beacon Search Pointing Fee	31,460	16,500	10,000			0
1590102 Survey Fee	1,612,922	1,229,920	327,500	2,000,000		-2,000,000
Hoarding Fee	632,000	1,038,000	1,174,750			0
1590111 Buildings Plan Preparation Fee	1,252,363	676,207		55,000,000		-55,000,000
1590112 Buildings Plan Approval Fee	30,285,605	15,244,279	30,394,809			0
1590113 Buildings Inspection Fee	3,202,490	1,243,400				0
1590121 Right-of-Way / Way-Leave Fee (KPLN, Telkom, etc.)	-	2,512,100	3,374,420	4,000,000		-4,000,000
1590132 Sign Boards & Advertisement/promotion Fee	18,565,056	19,406,369		30,000,000	17,331,570	-12,668,430
Construction of site board				3,000,000		-3,000,000
1590201 Fire-Fighting Services	5,661,560	4,750,705	4,888,269	7,000,000		-7,000,000
1590202 weight &measures	761,510	573,540	1,461,891	2,000,000		-2,000,000
Disposal of Assets	2,371,000	-		10,000,000		-10,000,000
County Housing Rent			22,154,468			0
Branding			26,126,921			0
UNICEF Health Grant/Donations			1,689,800			0
Totals	**902,354,455**	**980,163,462**	**1,086,832,797**	**1,475,000,000**	**1,238,456,420**	**- 236,543,580**

Source: Annual financial statements 24/25

Annex 3 : Analysis of Conditional Grants performance

Grants	Budget 2024/2025	Actual receipts	Variance
DANIDA Grant	6,435,000	6,435,000	-
Community Health Promoters	25,230,000	-	25,230,000
Kenya Devolution Support Project Level II	37,500,000	-	37,500,000

Kenya Urban Institution Grant - Nanyuki Municipality	35,000,000	-	35,000,000
Kenya Urban Development Grant - Nanyuki Municipality	77,214,879	32,309,300	44,905,579
Road Maintenance Levy Fund - Fuel Levy	235,196,042	80,806,317	154,389,725
Kenya Food Systems Resilience Program (KFSRP)	173,076,923	70,127,132	102,949,791
Kenya Agriculture Business Development Program (KABDP)	10,918,919	-	10,918,919
Basic Salary Arrears for County Government Health Workers	40,454,974	-	40,454,974
Court fines 2324 bal.	1,515,314	-	1,515,314
Total	**642,542,051**	**189,677,749**	**452,864,302**

Source: Annual financial statements 24/25

Annex 4: Analysis of Exchequer Releases 2024/2025

	BUDGET 2024/25	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative current year	Total prior year
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Equitable Share	5,387,034,732	455,450,955	1,780,168,698	888,860,826	2,262,554,830	5,387,035,309	4,929,586,810
Opening Balance (Equitable share)	428,659,722	428,659,722	-	-		428,659,722	-
Emergency Fund	14,985,452						
Locally led Climate Action Program	115,769,739						117,008,284
DANIDA	6,647,630	-	-	-	6,435,333	6,435,333	7,623,000
UNICEF	0						1,753,500
Community Health Promoters	25,230,000						
ASDSP	0						3,308,407
RMLF	235,262,904	-	-	-	80,806,317	80,806,317	-
Vocational Training grant	26,097						
Laikipia County Health Services Account	16,290						
KUSP	77,214,879	-	-	-	32,309,300	32,309,300	-
Urban Institution Grant	35,000,000						
KFSRP	182,576,923	-	-	-	70,127,132	70,127,132	-
KABDP	10,918,919						
Kenya Devolution Support Program	37,789,366						
Basic Salary Arrears for County Government Health Workers	40,454,974						
Court fines 2324 bal	1,515,314						
Own Source Revenue	1,475,000,000	210,579,249	257,332,037	401,781,353	368,763,780	1,238,456,419	1,086,896,497
Insurance Recovery	0	-	5,848,920	-	-	5,848,920	-
Opening balances CRF	10,823,106	145,856,912	-	-	-	145,856,912	-
Opening balances Grants	125,897,274						
Total	**8,084,942,337**	**1,240,546,838**	**2,043,349,655**	**1,290,642,179**	**2,820,996,692**	**7,395,535,364**	**6,146,176,498**

Source: Annual financial statements 23/24

Annex 5: Summary of ADP sector proposals vs. Approved Budget 2025/26 allocation

Programmes	ADP FY 2025/2026	Budget FY 2025/2026	Variance
County Coordination Administration, ICT and Public Service			
County Administration	331,000,000	130,200,000	-200,800,000
Human Resource Management and Development	4,225,000,000	3,568,000,000	-657,000,000
Public Safety, Security, Enforcement and Disaster Management	73,000,000	29,514,500	-43,485,500
Public Participation and Civic Education	50,000,000	6,300,000	-43,700,000
Information Communication Technology and E-Government	10,000,000	3,730,594	-6,269,406
Kenya Devolution support services (KDSP II)	580,000,000	390,000,000	-190,000,000
Finance, Economic Planning and County Development			
Administration and Personnel Services	520,000,000	535,722,410	15,722,410
Public Finance Management Services	42,200,000	24,500,000	-17,700,000
Revenue Management Services	87,890,000	45,000,000	-42,890,000
Development Planning Services	13,000,000	8,000,000	-5,000,000
Strategic Partnerships and Collaboration	48,300,000	7,000,000	-41,300,000
Medical Services and Public Health			
Curative and Rehabilitative Health	2,108,732,092	301,420,000	-1,807,312,092
General Administrative and Planning Services	996,000,000	493,513,752	-502,486,248
Preventive and Promotive Health	236,000,000	585,000,000	349,000,000
Community Health Promoters (CHPs)	0	15,840,000	15,840,000
DANIDA	0	25,230,000	25,230,000
Agriculture, Livestock and Fisheries			
Administration and support services	208,500,000	29,498,370	-179,001,630
Crop Development and Management	84,200,000	16,890,030	-67,309,970
Irrigation Development and Management	74,950,000	60,767,034	-14,182,966
Livestock Resource Development and Management	148,300,000	34,707,720	-113,592,280
Veterinary Services Management	149,650,000	28,870,575	-120,779,425
Fisheries Development and Management	26,100,000	4,427,400	-21,672,600
Food systems Grant Programme	0	172,621,804	172,621,804
KABDP	0	10,918,919	10,918,919
Roads, Public Works, Lands ,Housing, Energy and Urban Planning			
Administration planning and support services	22,000,000	25,513,054	3,513,054
Housing Improvement services	60,500,000	5,000,000	-55,500,000
Physical planning and Land Survey services	117,000,000	23,000,000	-94,000,000
Urban development and management	70,000,000	68,000,000	-2,000,000
Renewable / Green energy services	213,000,000	2,000,000	-211,000,000
Public Works	10,000,000	7,000,000	-3,000,000
Road network development and maintenance	800,000,000	657,645,700	-142,354,300
Urban Development and Management- Nanyuki Municipality	90,900,000	166,135,998	75,235,998
Urban Development and Management-Nyahururu Municipality	47,750,000	6,000,000	-41,750,000
Urban Development and Management- Rumuruti Municipality	51,350,000	56,028,938	4,678,938
Fuel levy Fund	0	235,262,904	235,262,904
Education, Youths, Sports and Social Development			
General administration	40,015,000	11,997,640	-28,017,360
Education training and library services	235,000,000	208,334,686	-26,665,314
Sports, youths, gender, culture and social services	938,800,000	19,494,405	-919,305,595
Trade, Enterprise and Cooperative Development			
Trade Development and promotion	233,000,000	121,490,835	-111,509,165
Co-operative Development and Marketing	24,290,000	12,000,000	-12,290,000
Administration, planning and support services	17,000,000	7,000,000	-10,000,000

Laikipia County Enterprise Fund	16,000,000	0	-16,000,000
Water and Sanitation, Environment, Natural Resources, Tourism and Climate Change			
General Administration, Planning and Support Services	38,500,000	18,900,000	-19,600,000
Water and Sanitation	442,000,000	165,589,440	-276,410,560
Climate Change Adaptation and Mitigation	196,000,000		-196,000,000
Environment and natural resources	86,710,000	17,350,165	-69,359,835
Rangeland Management, Wildlife Conservation and Tourism	70,000,000		-70,000,000
FLLoCCA	0	171,650,664	171,650,664
Total	**13,832,637,092**	**8,533,067,537**	**-5,299,569,555**

Source: Annual development plan 2025

Annex 6: Summary of Budget Estimates by sectors FY 2025-26 with salaries in administration (Inclusive of Grants)

Department	Grand Total	As percentage (%) of the total Budget
County Administration and Public Service Management	4,127,745,094	44.78
Finance Economic Planning and County Development	720,222,450	7.81
Medical Services and Public Health	1,466,013,752	15.90
Agriculture, Livestock and Fisheries Development	360,051,852	3.91
Infrastructure, Lands, Housing and Urban Development	1,023,421,666	11.10
Education and youth	216,334,686	2.35
Trade, Tourism, Cooperatives, and Industrial Development	19,494,405	0.21
Gender culture and social services	148,198,216	1.61
Water, Environment and Natural Resources	373,490,269	4.05
Rumuruti Municipality	56,028,938	0.61
Nyahururu Municipality	6,000,000	0.07
Nanyuki Municipality	166,135,998	1.80
County Assembly	534,000,000	5.79
Total	**9,217,137,326**	**100**

Source: programme based annual estimates 2025/26

Annex 7: Annual Conditional Grants FY 2025-26

Grant Name	Amount in Kshs.
Annual Grants 2025/2026	
KDSP- KDSP II programme	37,500,000
Headquarters- DANIDA	9,405,000
Headquarter- KDSP II programme	352,500,000
Public Works- Urban Development grant (UDG)	152,635,998
Flocca	67,000,000
Urban Development grant (UDG)	46,583,850
Sub Total	**665,624,848**
Grants Not received in 2024/2025	
Fuel Levy	154,389,725
Flocca	43,000,000
KFSRP	171,720,811
KABDP	10,918,919
Community Health Promoters	25,230,000
Danida	6,435,000
Sub Total	**411,694,455**
Grants Opening Balance	
Fuel Levy	80,873,179
Flocca	61,650,664
KFSRP	900,993
Sub Total	**143,424,836**
Total	**1,220,744,139**

Source: programme based annual estimates 2025/26

Annex 8: Summary of Proposed Budget by Programme in ADP 2026/2027

Programme	Amount (KShs.)
Administration, Devolution, County Coordination and Public Service Management	
County Administration	797,220,000
Public Safety, Security, Enforcement and Disaster Management	31,880,000
Public Participation and Civic Education	2,750,000
Human Resource Management and Development	3,924,800,000
Information Communication Technology and E-Government	4,104,000
Total	**4,760,754,000**
Finance, Economic Planning and County Development	
Administration, Planning and Support services	705,400,000
Development Planning services	18,500,000
Public Finance Management Services	44,800,000
Revenue Board- Revenue Management Services	96,679,000
Laikipia County Development Authority	38,790,000
Total	**904,169,000**
Health Services	
Preventive and Promotive Health Service	347,000,000
Curative, Rehabilitative and Palliative Health Service	2,212,538,251
General Administrative and Planning Services	1,576,000,000
Total	**4,135,538,251**
Agriculture, Livestock, Mechanization and Cooperatives	
Administration and support services	116,820,000
Crop Development and Management	66,800,000
Irrigation Development and Management	100,050,000
Livestock Resource Development and Management	150,400,000
Veterinary Services Management	113,090,600
Fisheries Development and Management	28,800,000
Total	**575,960,600**
Roads, Public Works, Lands, Housing, Energy and Urban Development	
Administration, Personnel, Planning and Support Services	32,000,000
Road network development and maintenance	935,000,000
Public Works Services Delivery Improvement	6,000,000
Physical Planning and Land Survey Services	114,000,000
Housing Improvement Services	63,000,000
Renewable Energy Services	192,500,000
Urban Development and Management	25,000,000
Nanyuki Municipality- Urban Infrastructure Improvement	197,600,000
Nyahururu Municipality- Urban Infrastructure Improvement	142,000,000
Rumuruti Municipality- Urban Infrastructure Improvement	131,600,000
Total	**1,838,700,000**
Education, Gender, Sports, Youth and Social Services	
General Administration services	13,197,452
Education and Library services	301,591,435
Youths, Sports, Gender, Culture, Social Services	23,102,242
Total	**337,891,129**
Trade, Enterprise and Cooperative Development	
Administration, Planning and Support services	38,000,000

Trade development and Promotion	215,000,000
Co-0perative Development and Marketing	108,000,000
Total	**363,000,000**
Water and Sanitation, Environment, Natural Resources, Tourism and Climate Change	
General Administration, Planning and Support Services	41,000,000
Water and Sanitation	414,875,000
Climate Change Adaptation and Mitigation	214,500,000
Environment, Natural Resources and Mining	103,500,000
Rangeland Management, Wildlife Conservation and Tourism	155,000,000
Totals	**928,875,000**
Grand Total	**13,844,887,980**

Source: County Annual Development Plan 2025

Annex 5: Expenditure by Program, Sub- Programs and economic items

Programmes	Sub-Programme	Gross Approved Estimates FY 2024/25		Actual Expenditure FY 2024/25		Absorption Rate (%)	
		Recurrent Expenditure	**Development Expenditure**	**Recurrent Expenditure**	**Development Expenditure**	**Recurrent Expenditure**	**Development Expenditure**
DEPARTMENT: COUNTY COORDINATION, ADMINISTRATION, ICT AND PUBLIC SERVICE							
General Administration and Planning	Headquarter Administration Services - 0103014510	14,709,072	-	14,440,997.60	-	98%	0%
	ICT Infrastructure and Connectivity - 0505014510	2,190,928	-	1,847,316.00	-	84%	0%
	County Administration - Laikipia East- 0701034510	850,000	-	785,332.00	-	92%	0%
	County Administration - Laikipia North - 0701044510	1,300,000	-	1,284,176.00	-	99%	0%
	Grants and Transfers to Government entities - 0717014510	37,503,043	286,323.00	2,085,282.60	-	6%	0%
	County Administration - Laikipia West - 0701054150	450,000	-	433,324.00	-	96%	0%
	County Administration - Sports Promotion Services - 902054510	5,705,100		5,211,700.00		91%	0%
	County Administration - Sports Promotion Services - 0901054510	-	-	-	-		0%
Sub Total		**62,708,143**	**286,323**	**26,088,128.20**	**-**		**0%**
General Administration and Planning	Compensation To Employees- 0701064510	3,596,255,593		3,574,637,742.05	-	99%	0%
Sub-Total		**3,596,255,593**	**-**	**3,574,637,742.05**	**-**		**0%**
County Executive Committee Support	Executive Support Service- 0708014510	52,000,000		51,129,688.85	-	98%	0%
	Legal Services - 0708024510	3,045,284		3,012,658.00	-	99%	0%
	Intergovernmental & Donor Liaison - 0708034510	29,500,000		29,450,879.00	-	100%	0%
Sub-Total		84,545,284	-	83,593,225.85	-		0%
County Administration	Public Participation - 0702054150	2,000,000	-	1,813,125.00	-		0%
	County Services Delivery and Result report - 0702084510	3,100,000	-	967,301.00	-	31%	0%
	Decentralized Services - 0701064510	-	-		-		0%
Sub-Total		**5,100,000**	**-**	**2,780,426.00**	**-**		**0%**
Security and Policing Support Services	Urban Facilities Management Services- 0723024510	-	-		-		0%
Human Capital Management and Devolution	County Public Service Board- 0722024510	8,000,000	-	6,185,411.85	-	77%	0%
Human Capital Management and Devolution	Information and Records Management- 0722034510	1,800,000	-	1,791,030.00	-	100%	0%
Sub-Total		**9,800,000**	**-**	**7,976,441.85**	**-**	**81%**	**0%**
County Administration	Fleet - 0702074510	800,000		703,450.00	-	88%	0%
Sub-Total		**800,000**	**-**	**703,450.00**	**-**	**88%**	**0%**
Public Safety, Enforce and Disaster Management	Disaster Reduction Management - 0705014510	1,224,706	1,633,000	1,100,000.15	1,595,000	90%	98%
	Fire Services- 0705024510	857,294	18,267,000	857,294.00	12,398,576	100%	68%
	Enforcement And Disaster Management- 0705034510	673,000		673,000.00	-	100%	0%
	Alcohol Control Committee- 0705044510	245,000		245,000.00	-	100%	0%
Sub-Total		**3,000,000**	**19,900,000**	**2,875,294.15**	**13,993,576**	**96%**	**70%**
TOTAL COUNTY ADMINISTRATION		**3,762,209,020**	**20,186,323**	**3,698,654,708**	**13,993,576**	**98%**	**0%**
DEPARTMENT: FINANCE, ECONOMIC PLANNING AND THE COUNTY TREASURY							
707004510 Financial Services	707064510 County Treasury administrative services	65,000,000	-	62,191,143	-	96	0

	707084510 Financial Automation Services	800,000	-	800,000	-	100	0
	707074510 Laikipia County Emergency Fund	14,985,452	45,000,000	3,040,051	15,785,641	0	35
	707044510 Revenue management services	-	10,000,000	-	9,999,716	0	100
Sub-Total		**80,785,452**	**55,000,000**	**66,031,194**	**25,785,357**		
0709004510 Administration and Support Services	709014510 Generation administration and support services	97,244,143	573,431,056	84,743,021	549,717,154	87	96
Sub-Total		**97,244,143**	**573,431,056**	**84,743,021**	**549,717,154**		
0725004510 Public Finance Management Services	725014510 County Treasury Accounting and Reporting Services	4,500,000	-	4,500,000	-	100	0
	725044510 Budget Management	3,694,412	-	3,311,812	-	90	0
	725034510 Internal Audit Services	4,800,000	-	3,195,638	-	67	0
	725024510 Supply Chain Management Services	4,500,000	-	3,061,955	-	68	0
Sub-Total		**17,494,412**	-	**14,069,405**	-		
0706004510 Departmental administrative services/ Centralized services	706044510 Revenue collection services	34,500,000	-	34,500,000	-	100	0
	706054510 Budget supply services	1,345,800		1,345,800		100	
Sub-Total		35,845,800	-	35,845,800	-		
0726004510 Development Planning Services	726014510 Integrated Planning Services	-	-	-	-	0	0
	726024510 Participatory Budgeting support services	-	-	-	-	0	0
	726034510 Research Statistics and Documentation services	-	-	-	-	0	0
	726064510 Strategic Partnership and Collaboration	5,000,000	1,910,951	4,854,200	1,910,951	97	100
	0726044510 Programme monitoring and Evaluation	1,574,000	-	1,349,900	-	86	0
Sub-Total		6,574,000	1,910,951	6,204,100	1,910,951		
0702004510 County Administration	0702054510 Public participation	240,000	-	240,000	-	100	0
Sub-Total		240,000	-	240,000	-		
0721004510 Economic planning services	0721014510 Integrated planning Services	1,600,000	-	1,360,000	-	85	0
	0721054510 Research Statistics and Documentation	2,200,000	-	1,839,824	-	84	0
Sub-Total		**3,800,000**	-	**3,199,824**	-		
FINANCE TOTAL		**241,983,807**	**630,342,007**	**210,333,344**	**577,413,462**		
DEPARTMENT: HEALTH							
Curative And Rehabilitative Health	Health Products And Technologies Support-0401014510	-	162,000,000	-	150,041,626	0%	93%
	Health Infrastructure Develoment-0401034510	-	148,000,000	-	94,883,500	0%	64%
	Emergency Referral And Rehabilitative Service-0401074510	98,800,000	512,200,000	27,906,736	10,106,959	28%	2%
	402014510 Administration, Project Planning And Implementation Services	4,000,000	20,000,000	3,958,390		99%	0%
	Human Resource Development-0402024510	3,000,000	-	3,152,200		105%	0%
	402044510 Health Leadership And Governance	6,000,000	-	4,849,450		81%	0%
	Strategic Health Interventions-0401054510	6,647,630		6,705,762		101%	0%
	Public Health Promotion And Nutrition Services-0405034510	25,230,000	-	8,645,100		34%	0%
	Sub Total	143,677,630	842,200,000	55,217,638	255,032,085	38%	30%
Department Laikipia County Department Of Health						0%	0%
General Administrative And Planning Services	Human Resource Development-0402024510	300,000	-	-		0%	0%
	Policy Management, Public Mobilization And Participation 401044510	9,700,000	-	8,727,464		90%	0%

	Emergency Referral And Rehabilitative Services 401064510	8,000,000	-	6,175,910		77%	0%
	Sub-Total	18,000,000	-	14,903,374		83%	0%
Department Laikipia County Department Of Health						#DIV/0!	0%
Preventive Health Services	Community Health Strategy , Advocacy And Surveillance-0405044510	35,000,000	-	34,384,400		98%	0%
	Family Planning, Maternal, And Child Health Services-0405014510	2,200,000	-	1,480,550		67%	0%
	Non -Communicable Diseases Control And Prevention-0405024510	1,650,000	-	1,248,400		76%	0%
	Public Health Promotion And Nutrition Services-0405034510	4,910,000	-	2,996,999		61%	0%
	Tb/Hiv/Aids Prevention And Control-0405054510	1,250,000	-	1,108,300		89%	0%
Sub-Total		**45,010,000**	**-**	**41,218,649**		**0%**	**92%**
HEALTH TOTAL		**206,687,630.00**	**842,200,000.00**	**111,339,660.35**	**255,032,084.80**	**30%**	**54%**
DEPARTMENT: AGRICULTURE							
Headquarters	SP1 0103014510 Headquarter Administration Services	4,000,000.00	204,495,842.00	3,754,427.00	18,599,307.30	94%	9%
	SP1 0103024510 Headquarter Administration Services	4,000,000.00	-	3,907,671.95	-	98%	0%
Livestock Production	SP2 0104024510 Livestock Resource Development and Management	1,350,000.00	16,000,000.00	1,350,000.00	13,304,250.50	100%	83%
Veterinary Services	SP5 0107054510 Animal Health and Disease Management	1,350,000.00	16,500,000.00	1,350,000.00	11,192,732.30	100%	68%
Fisheries Production	SP1 0110014510 Fisheries Development and Management	950,000.00	2,090,000.00	915,250.00	1,387,400.00	96%	66%
Crop Production & Horticulture	SP2 0117024510 Land and Crop Productivity Enhancement and Management	3,000,000.00	19,000,000.00	3,000,000.00	18,571,494.00	100%	98%
	SP4 1006044510 Climate Change Adaptation & Mitigation	1,350,000.00	38,800,000.00	1,350,000.00	27,901,053.80	100%	72%
TOTAL AGRICULTURE		**16,000,000.00**	**296,885,842.00**	**15,627,348.95**	**90,956,237.90**	**7**	**4**
DEPARTMENT: INFRASTRUCTURE							
0103004510-General Administration and Planning Services	SP1 Administration Services-0105014510	9,600,000.00	-	8,092,634.60	-	84%	0%
0112004510 - Physical Planning and Survey	SP1-0112014510 - Survey and Planning services	4,050,000.00	12,000,000.00	3,345,820.00	5,470,127.00	83%	46%
	SP2-0112024510 - Land management services	-	8,000,000.00	-	8,000,000.00	0%	100%
0113004510- Land and Housing Management	SP2 Housing Policy Development-0113024510		7,500,000.00	-	-	0%	0%
0114004510-Public Works Service Delivery Improvement	SP4 County Building Construction Standard-0114044510	1,000,000.00	2,500,000.00	546,900.00	430,101.00	55%	17%
0115004510-Roads Network Improvement Housing and Urban Development	SP1 Road Network improvement-0115014510	2,000,000.00	339,360,000.00	1,482,600.00	193,188,228.00	74%	57%
	SP3- Road network maintainance-0115034154	0	265,562,904.00	-	11,350,000.00	0%	4%
	SP4 Heavy equipment Maintenance-0115044510	-	35,000,000.00	-	8,117,256.00	0%	23%
	SP5-0115054510 - Mechanization Services	-	90,000,000.00	-	88,213,800.00	0%	98%
	SP Urban Development-0115094510	-	10,000,000.00	-	6,401,228.00	0%	64%
P18-0118004510-Renewable /Green Energy Services	SP1 County renewable/green energy services-0118014510	20,350,000.00		19,726,172.40	-	97%	0%
TOTAL INFRASTRUCTURE		**37,000,000.00**	**769,922,904.00**	**33,194,127.00**	**321,170,740.00**	**90%**	**42%**
DEPARTMENT: EDUCATION							
Administration and planning services							
	502014510 - Administration Services	-	-	-	-	0%	0%
	502024510 - Headquarter Services	2,500,000.00	4,700,000.00	2,500,000.00	4,700,000.00	100%	100%
	502044510 - Personnel services	1,000,000.00	-	1,000,000.00	-	100%	0%

Sub Total		**3,500,000.00**	**4,700,000.00**	**3,500,000.00**	**4,700,000.00**	**100%**	**100%**
Early childhood development (ECD) and childcare facilities	501034510 - Education Empowerment	75,000,000.00	-	75,000,000.00	-	100%	0%
	506014510 - ECDE Infrastructure Improvement	-	44,000,000.00	-	18,269,878.70	0%	42%
	506034510 - ECDE Teacher Services	1,500,000.00	-	1,467,908.00	-	98%	0%
	904014510 - Children institutions support program (CEDC)	1,894,800.00	-	1,833,243.00	-	97%	0%
Sub-Total		**78,394,800.00**	**44,000,000.00**	**78,301,151.00**	**18,269,878.70**	**100%**	**42%**
Youth, Polytechnics, Vocational Training						0%	0%
	511014510 - Vocational Education and Training	14,500,000.00	20,236,097.00	13,551,400.00	10,999,418.00	93%	54%
	511044510 - Library	500,000.00	-	81,627.00	-	16%	0%
Sub Total		**15,000,000.00**	**20,236,097.00**	**13,633,027.00**	**10,999,418.00**	**91%**	**54%**
TOTAL EDUCATION		**96,894,800.00**	**68,936,097.00**	**95,434,178.00**	**33,969,296.70**	**98%**	**49%**
DEPARTMENT: TRADE							
Administration, planning and support services							
	301014510-SP1 Administration Service	4,560,000	-	5,735,717	-	126%	0%
	301044510-SP2 Personnel Services	1,550,000	-	-	-	0%	0%
Sub Total		**6,110,000**	**-**	**5,735,717**	**-**	**94%**	**0%**
Co-operative Development							0%
	0302034510 SP3 Research and Development	2,500,000	-	2,489,779	-	100%	0%
	302024510-SP2 Co-operative Revolving fund		3,000,000	-	1,000,000	0%	0%
Sub Total		**2,500,000**	**3,000,000**	**2,489,779**	**1,000,000**	**0%**	**0%**
Trade and Investment							
	0304014510- SP1 Market Infrastructure Development	-	19,530,000	-	-	0%	0%
	0304054510-SP5 Industrial Development and Investment Promotion	3,700,000	400,000,000	3,700,000	84,083,977	100%	21%
Sub Total		**3,700,000**	**419,530,000**	**3,700,000**	**84,083,977**	**100%**	**21%**
Tourism development and Promotion					-		0%
	0305014510 SP1 Tourism promotion and Marketing	1,100,000	-	1,100,000		100%	0%
	0305024510 SP2 Tourism Infrastructural Development	-	2,300,000	-	-	0%	0%
Sub Total		**1,100,000**	**2,300,000**	**1,100,000**	**-**	**49%**	**0%**
TOTAL TRADE		**13,410,000**	**424,830,000**	**13,025,496**	**85,083,977**	**97%**	**20%**
DEPARTMENT: GENDER							
Administration and planning services	Use of goods and services - 901014510	2,500,000.00	-	2,250,000.00	-	9000%	0%
	Routine Maintenance - Others	-	2,000,000.00	-	1,998,502.00		9993%
Sub Total		**2,500,000.00**	**2,000,000.00**	**2,250,000.00**	**1,998,502.00**	**9000%**	
Children institution support programme	Foods and Rations and other support	805,200.00	3,000,000.00	776,800.00	1,449,184.00	9647%	
Sub Total		**805,200.00**	**3,000,000.00**	**776,800.00**	**1,449,184.00**	**9647%**	**0%**
Culture and Social Services	Cultural events promotion services	1,700,000.00	-	1,567,208.00	-	9219%	0%
	Sub Total	1,700,000.00	-	1,567,208.00	-	9219%	0%
Sports, Talent Development and Social Service	Sports, talent Development and Promotion.	2,794,900.00	26,097.00	2,699,906.00		9660%	
Sub Total		**2,794,900.00**	**26,097.00**	**2,699,906.00**	**-**	**97%**	**0%**
TOTAL GENDER		**7,800,100.00**	**5,026,097.00**	**7,293,914.00**	**3,447,686.00**	**94%**	**0%**
DEPARTMENT: WATER							
Water Development	1) 1003014510 Administrative and Planning Services	17,000,000	-	12,546,640	-	74%	0%

Environment and Natural Resources	1006014510 Solid Waste Management	-	45,600,000	-	38,585,000	0%	85%
	1006044510 Climate Change Adaptation & Mitigation	-	93,000,000	-	71,393,937	0%	77%
Locally Led Climate Action Program (FLLOCA)	1006044510 Climate Change Adaptation & Mitigation	-	115,769,739	-	37,387,118	0%	32%
TOTAL WATER		**17,000,000.00**	**254,369,739.00**	**12,546,640.05**	**147,366,055.25**	**74%**	**58%**
DEPARTMENT: NANYUKI MUNICIPALITY							
P3-0103004510-General Administration and Planning Services	SP1 0103014510 Administration Services	37,000,000.00	-	2,100,000.00	-	6%	0%
P15-0115004510-Roads Network Improvement Housing and Urban Development	SP1-0115014510 Road Network improvement		82,214,879.00		5,000,000.00	0%	0%
TOTAL NANYUKI MUNICIPALITY		**37,000,000.00**	**82,214,879.00**	**2,100,000.00**	**5,000,000.00**	**6%**	**6%**
DEPARTMENT: RUMURUTI MUNICIPALITY							
P3-0103004510-General Administration and Planning Services	SP1 0103014510 Administration Services	2,000,000.00	-	2,000,000.00	-	100%	0%
P15-0115004510-Roads Network Improvement Housing and Urban Development	SP1-0115014510 Road Network improvement		5,000,000.00	-	5,000,000.00	0%	100%
TOTAL RUMURUTI MUNICIPALITY		**2,000,000.00**	**5,000,000.00**	**2,000,000.00**	**5,000,000.00**	**100%**	**100%**
COUNTY TOTAL		**4,437,985,357**	**3,399,913,888**	**4,201,549,417**	**1,538,433,116**		

Source: Annual financial statements 24/25