COUNTY GOVERNMENT OF KIRINYAGA

DEPARTMENT OF FINANCE, ECONOMIC PLANNING & DEVOLUTION

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Ref: CGK/CEC/FIN/C.A.K./2024-25/Vol.VI (26)

30th January, 2026

The Clerk,
County Assembly of Kirinyaga,
P.O. Box 55-10300,
KERUGOYA.

Dear Sir,

RE: BUDGET IMPLEMENTATION AND REVIEW REPORT (BIRR) FIRST HALF FY 2025/2026

Pursuant to Section 166 (4) (a) of the Public Finance Management Act (PFMA), 2012, the County Treasury submits the Budget Implementation and Review Report (BIRR) for the first half of FY 2025/2026 for your action.

Regards,

JACQUELINE W NJOGU *HSC*
C.E.C.M - FINANCE, ECONOMIC PLANNING, DEVOLUTION &
HEAD OF COUNTY TREASURY
KIRINYAGA

Copy to: H.E. Governor

Encls.

COUNTY GOVERNMENT OF KIRINYAGA

DEPARTMENT OF FINANCE & ECONOMIC PLANNING

First Half Budget Implementation Review Report

(July- December)

FY 2025/26

County Treasury

Kirinyaga County

P.O. Box 260 – 10034

KUTUS, KENYA

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EXECUTIVE SUMMARY

This Budget Implementation Review Report (BIRR) presents performance of the County Government entities for the first half of 2025/26 Financial Year, covering the period from 1st July to 31st December 2025. The report is prepared in accordance with Section 166 of the Public Finance Management Act, 2012, which requires county governments to prepare and submit quarterly budget implementation reports to the County Assembly and other oversight institutions. The report assesses revenue performance, expenditure performance (recurrent and development), and highlights key sectoral projects implemented during the review period.

During the first half of FY 2025/26, the County Government operated within an approved resource envelope of KES 8.54 billion as per Supplementary Budget I. The resource envelope comprised KES 6.15 billion from the Equitable Share, KES 454 million from Own Source Revenue (OSR), KES 310 million from Appropriations-in-Aid (A-i-A), KES 1.59 billion from conditional grants and additional allocations from the National Government and development partners, and KES 34.6 million in rolled-over funds from FY 2024/25. The Equitable Share remained the dominant source of financing, accounting for 72 percent of total resources, while OSR and A-i-A together contributed 8.9 percent of the total budget.

Revenue performance during the first half reflected mixed outcomes across revenue streams. The County realized total internal revenues (OSR and A-i-A) amounting to KES 335.69 million against an annual target of KES 764 million, representing an overall performance of 43.9 percent. Own Source Revenue collections amounted to KES 96.89 million, translating to 21.3 percent of the annual OSR target. The relatively low OSR performance was partly attributed to seasonal revenue patterns. Notably, Produce Cess (66 percent), Market Gate Fees (40 percent), Bus Park Fees (54 percent), and Property Rates (48 percent) were among the best-performing streams during the period.

Appropriations-in-Aid recorded strong performance, largely driven by the health sector. The Facility Improvement Financing (FIF) achieved collections of KES 235.7 million against an annual target of KES 305 million, representing a performance rate of 77 percent. Significant contributions came from Kerugoya County Referral Hospital, Kimbimbi Hospital, Kianyaga Hospital, and Sagana Hospital, while dispensaries exceeded their annual targets substantially. A-i-A revenue from Kamweti Agricultural Training Centre amounted to KES 3.07 million, representing 61.3 percent of the annual target. During the review period, there were no receipts from additional allocations due to delays in the enactment of the County Additional Allocations Act, 2025. Equitable Share disbursements amounted to KES 2.53 billion, equivalent to 41.1 percent of the annual Equitable Share, reflecting delays in monthly releases.

On the expenditure side, the approved budget for FY 2025/26 comprised KES 5.29 billion for recurrent expenditure and KES 3.25 billion for development expenditure. By the end of the first half, the County had incurred recurrent expenditure totaling KES 1.96 billion, representing an absorption rate of 36.9 percent. Recurrent spending was largely driven by personnel emoluments, utilities, and essential operational costs. The highest recurrent absorption rates were recorded in the Department of Transport and Infrastructure at 59.1 percent, followed by the County Assembly, Finance and Economic Planning, and Environment, Water and Natural Resources. Compared to the same period in FY 2024/25, recurrent expenditure declined by 6.6 percent.

Development expenditure for the first half of FY 2025/26 amounted to KES 510.79 million against an annual development budget of KES 3.25 billion, translating to an absorption rate of 15.7 percent. Although overall absorption was modest, the County prioritized strategic and high-impact development interventions across key sectors. The health sector recorded the highest development spending, with KES 181.30 million utilized. Major projects implemented included the upgrading of Kimbimbi Hospital at a cost of KES 110.81 million, upgrading of Kianyaga Hospital at KES 26.15 million, and

settlement of final accounts for Kerugoya Medical Complex amounting to KES 32.28 million. At the community level, KES 4.00 million was spent on the construction of Kiamugumo Dispensary in Ngariama Ward, improving access to primary healthcare services.

In the transport and infrastructure sector, development expenditure amounted to KES 109.99 million, focusing primarily on road maintenance and improvement of access roads. A total of KES 67.26 million was spent under the Roads Maintenance Fuel Levy Fund (RMLF), complemented by KES 5.00 million for in-house fuel to support routine road works. The County also implemented several ward-level projects, including gravel supply and culvert installations. Notable among these were Baragwi Ward, where KES 6.97 million was spent on gravel for access roads, and Wamumu Ward, where KES 8.97 million was utilized for construction of the Thoome box culvert, installation of culvert lines, and repair of the Gitoboto-Kiumbu footbridge.

The environment, water and climate resilience sector recorded development expenditure of KES 52.39 million. Key interventions included county co-financing of KES 40.00 million for the Financing Locally-Led Climate Action (FLLoCA) Programme, which supports climate-resilient investments at community level. In addition, the County invested KES 4.89 million in drilling, development and pump testing of a borehole at Karia Village in Kerugoya Ward, KES 1.00 million for installation of a solar pumping system at Kamuchege borehole in Gathigiriri Ward, and KES 0.70 million for supply of materials for Mithuthini and Ndindiruku water projects in Tebere Ward.

Agriculture, Livestock, Veterinary and Fisheries development recorded development expenditure of KES 35.50 million, largely driven by county co-financing for the National Agricultural Value Chain Development Project (NAVCDP). A total of KES 30.00 million was paid as co-financing, enabling implementation of donor-supported value chain interventions aimed at improving productivity, market access and farmer incomes.

The education sector utilized KES 25.25 million in development expenditure. This included disbursement of KES 20.00 million in grants to County Vocational Training Institutions to support skills development. In addition, the County completed several ECDE infrastructure projects, including construction of an ECDE classroom block at Kang'aru ECDE Centre in Mutithi Ward (KES 1.50 million), construction of an ECDE classroom block and 5,000-litre water tank at Gathuthuma Centre in Mutira Ward (KES 1.85 million), and construction and landscaping of an ECDE classroom block at Mbui Njeru ECDE Centre in Thiba Ward (KES 1.90 million).

In the social development sector, the County spent KES 39.50 million, with significant emphasis on empowerment initiatives. A total of KES 30.00 million was disbursed to support the Youth, Women and Marginalized Groups Revolving Fund, aimed at promoting socio-economic empowerment. Additional expenditures were incurred at ward level, particularly in Ngariama Ward, where KES 7.00 million was spent on empowerment programmes and KES 2.00 million on ward fuel to facilitate programme implementation.

Urban development and disaster response were also prioritized during the period. The County spent KES 50.00 million on the purchase of a fire engine and equipping of the newly constructed fire station at Kutus Town within the Kerugoya-Kutus Municipality, significantly strengthening emergency response capacity. Further, KES 6.39 million was utilized for refurbishment of County Headquarters buildings to improve administrative efficiency and service delivery.

In conclusion, the first half of FY 2025/26 was characterized by constrained cash flows arising from delayed disbursements, particularly for conditional grants, which affected overall budget absorption. Nevertheless, the County Government prioritized critical sectors such as health, roads, water and climate resilience, agriculture, education, and social empowerment. Importantly, alongside major flagship projects, the County also implemented several small but high-impact ward-level projects that directly improved service delivery and community welfare.

1. INTRODUCTION

Legal basis for preparation of quarterly reports

This report is prepared in accordance with section 166 (1) and 166 (4) of the Public Finance Management Act 2012. The act requires that, "An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity". Further, "not later than one month after the end of each quarter, the County Treasury shall—

(a) Consolidate the quarterly reports and submit them to the county assembly;

(b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and

(c) Publish and publicize them.

2. REVENUE ANALYSIS

The approved resource envelope for 2025/26 FY Kirinyaga County Budget as approved in Supplementary no. 1 amounts to Kshs 8,541,369,945 which will be financed as per Table 2.1 below.

Table 2.1 Resource Envelop 2025/26FY

DESCRIPTION	APPROVED BUDGET SUP.1 FY 2025/26 KES
Equitable Share	6,151,661,892
Allocation of Roads Maintenance Fuel Levy Fund(RMLF) 2024/2025	194,894,333
Allocation Financed by Grant from DANIDA to finance Universal Healthcare in Devolved System	6,834,000
Revenue	
Ordinary revenue	454,000,000
A-i-A in respect to County Health Services (Facility Improvement Financing)	305,000,000
(A-i-A)Revenue raised from Kamweti Agricultural Training Center	5,000,000
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP II) Level 1 Grant	72,909,500
IDA (World Bank)-Kenya Devolution Support Programme Grant (KDSP II) Level 2 Grant 2025/2026	352,500,000
IDA-(World Bank Credit)(Kenya Urban Support Project (KUSP) UDG 2025/2026	38,300,000
World Bank (Finance Locally-Led Climate Program (FLLoCA) for County Climate Resilience Investment (CCRIS) Grant (In SPA Account)	78,963,839
IDA (World Bank) Credit (Financing Locally- Led Climate Action (FLLoCA) Program – County Climate Resilience Investment Grant (CCRIG) Allocation for FY 2024/2025)	84,278,594
IDA- (World Bank)Credit National Agricultural Value Chain Development Project (NAVCDP) FY2022/23	231,250,000
IDA- (World Bank)Credit National Agricultural Value Chain Development Project (NAVCDP) FY2024/25	108,389,410
Allocation from the National Government for Community Health Promoters (CHPs) Project	56,049,816
IDA(World Bank) Credit Allocation for Kenya Water, Sanitation and Hygiene (K-WASH) Program 2024/2025	366,729,808
Rolled over Funds	34,608,753
TOTAL	**8,541,369,945**

Source: County Treasury

Revenue Analysis By category

The total approved revenue for the Financial Year 2025/2026 amounts to KES 8.54 billion. This revenue comprises funds from the Equitable Share, Own Source Revenue (OSR), conditional grants, and rolled-over balances from the previous financial year.

The Equitable Share from the National Government remains the main source of revenue at KES 6.15 billion as approved in CARA 2025, accounting for 72 percent of the total resource envelope.

The County targets to mobilize Own Source Revenue (OSR) amounting to KES 454 million, representing 5.3 percent of the total budget. This includes collections from trade licenses, property rates, cess, and other county levies. Additionally, Appropriations-in-Aid (A-i-A) are projected at KES 310 million, comprising KES 305 million from the Facility Improvement Financing (FIF) and KES 5 million from Kamweti Agricultural Training Centre. Together, these internal revenues constitute 8.9 percent of the total funding.

Conditional Grants and Additional Allocations from the National Government and development partners are estimated at KES 1.591 billion, representing 18.6 percent of total revenues. This amount includes some delayed disbursements for programs for FY 2024/25 as well as current FY expected disbursements. The programs include support from the World Bank, DANIDA, IFAD earmarked for programmes such as the Kenya Devolution Support Programme (KDSP II), Financing Locally- Led Climate Action (FLLoCA), National Agricultural Value Chain Development Project (NAVCDP), Kenya Water, Sanitation and Hygiene (K-WASH) and Community Health Promoters (CHPs) project. These grants are instrumental in supporting key county flagship projects in agriculture, climate change adaptation, water and sanitation, health.

Rolled-over funds from the FY 2024/25 amount to KES 34.6 million, representing 0.4 percent of the total revenue and is committed to ongoing

development projects whose implementation spilled over into 2025/26 financial year.

Table 2.2: Resource Envelop by Category

Revenue Source	Amount	Proportion
Equitable Share	6,151,661,892	72.0%
Ordinary revenue	454,000,000	5.3%
A-I-A (Facility Improvement Financing)	305,000,000	3.6%
A-I-A (Kamweti Agricultural Training Center)	5,000,000	0.1%
Additional Allocations	1,591,099,300	18.6%
Rolled Over funds From 2024_25FY	34,608,753	0.4%
Total	**8,541,369,945**	**100.0%**

Source: County Treasury

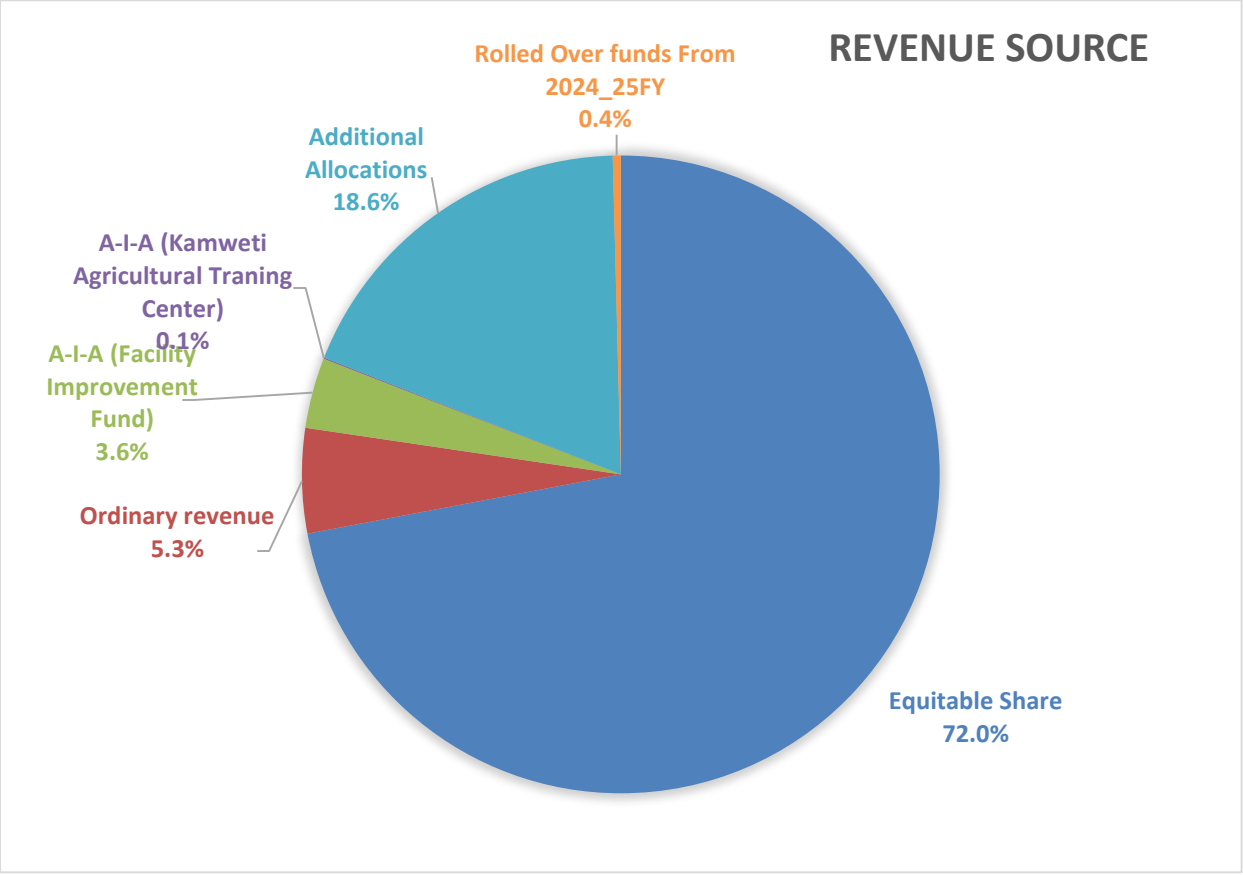

Figure 2.1 Resource Envelop by category

Revenue Performance

The County's total Own Source Revenue (OSR) and A-I-A target for FY 2025/26 stood at KES 764 million, comprising KES 454million from ordinary revenue streams, KES 305 million from Facility Improvement Financing (FIF) under the Department of Health and KES 5 Million A-I-A revenue raised by Kamweti Agricultural Training Center (KATVET)

By the end of the first half, the County had realized KES 335.69 million, translating to 43.9 percent of the annual target.

Own Source Revenue (OSR)

Cumulative OSR collections as at 31st December 2025 stood at KES 96.89 million, equivalent to 21.3 percent of the annual OSR target of KES 454 million.

Top-performing revenue streams included; Produce Cess (66%) and Market Gate Fees (40%), Bus park (54%).

Additional Allocations

During the first half of 2025/26FY there was no release of funds meant for County Additional Allocations. This was majorly occasioned by delays in enactment of County Additional Allocations Act 2025.

Appropriations-in-Aid (Facility Improvement Financing – FIF)

The Facility Improvement Financing (FIF), which constitutes revenues collected by health facilities, achieved a total of KES 235.7 million against an annual target of KES 305 million, representing a performance of 77 percent.

Table 2.3: Facility Improvement Financing performance

No	Health Facility	Annual Target (KES)	First Half Collection (KES)	% Performance
1	Kerugoya County Referral Hospital	222,000,000	107,006,162	48%
2	Kimbimbi Hospital	35,000,000	16,789,680	48%
3	Kianyaga Hospital	20,000,000	11,741,287	59%
4	Sagana Hospital	9,500,000	10,701,313	113%

5	Dispensaries	18,500,000	89,496,962	484%
	Total	**305,000,000**	**235,735,404**	**77%**

Table 2.4 First Half Revenue Performance by Category 2025_26

	2025/26 Budget Sup.1		**Actual First Half**	
Revenue Source	**Amount**	**Proportion**	**Amount**	**Proportion**
Equitable Share	6,151,661,892	72.0%	2,525,939,686	41.1%
Ordinary revenue	454,000,000	5.3%	96,891,921	21.3%
A-I-A (Facility Improvement Financing)	305,000,000	3.6%	235,735,404	77.3%
A-I-A (Kamweti Agricultural Training Center)	5,000,000	0.1%	3,066,675	61.3%
Additional Allocations	1,591,099,300	18.6%	-	0.0%
Rolled Over funds From 2024_25FY	34,608,753	0.4%	34,608,753	100.0%
Total	**8,541,369,945**	**100.0%**	**2,896,242,439**	**33.9%**

Equitable Share

Disbursement from Equitable Share of revenue amounted to KES 2.525 Billion (41.1%) by 31st December 2025. This represents five months of disbursement. As illustrated in the table below, there has been significant delays in release of funds in each month.

Table 2.5 Equitable Share disbursement 2025_26FY

S/N	**DATE**	**MONTH**	**AMOUNT**
1	11-Aug-25	JULY ALLOCATION	436,188,230
2	24-Sep-25	AUGUST ALLOCATION	492,132,951
3	23-Oct-25	SEPTEMBER ALLOCATION	522,891,261
4	13-Nov-25	OCTOBER ALLOCATION	551,835,983
5	23-Dec-25	NOVEMBER ALLOCATION	522,891,261
	TOTAL		**2,525,939,686**

Table 2.6 Own Source Revenue by Stream

DEPARTMENT A	REVENUE SOURCE B	BUDGET ANNUAL TARGET C	1ST QUARTER D	2ND QUARTER E	OSR MOBILIZED AS AT 31ST DECEEMBER 2025 G	% MOBILIZED
Trade	Single Business Permit	118,561,592.00	5,407,059.00	2,119,228.00	7,526,287.00	6%
Trade	Market Gate Fee	33,900,964.65	6,360,610.00	7,315,357.00	13,675,967.00	40%
Trade	Produce Cess	7,481,525.03	1,625,981.00	3,341,860.00	4,967,841.00	66%
Trade	Weights & Measures	6,243,492.19	246,200.00	94,700.00	340,900.00	5%
Trade	Stalls rent	5,921,615.00	750,300.00	533,241.00	1,283,541.00	22%
Trade	Advertisement	32,378,805.00	2,208,500.00	1,613,200.00	3,821,700.00	12%
Trade	cooperative audit	503,570.50	3,850.00	22,600.00	26,450.00	5%
Transport	Bus Park	32,117,788.50	8,354,060.00	8,994,490.00	17,348,550.00	54%
Transport	Street Parking	24,549,000.00	2,882,510.00	2,374,250.00	5,256,760.00	21%
Transport	House rents	6,168,535.00	831,000.00	615,000.00	1,446,000.00	23%
Lands	Land Administration	6,051,000.00	1,558,800.00	1,175,100.00	2,733,900.00	45%
Lands	Property Rates	11,421,873.00	3,511,663.00	1,960,396.00	5,472,059.00	48%
Lands	Building Plan Approvals	34,615,389.10	6,110,843.00	8,128,950.00	14,239,793.00	41%
Transport	Fire Compliance	31,997,844.23	261,500.00	93,500.00	355,000.00	1%
Environment	Conservancy Fee	15,407,806.10	888,750.00	552,720.00	1,441,470.00	9%
Environment	Quarries cess	4,391,459.00	378,000.00	492,700.00	870,700.00	20%
Gender	Group Registration	954,179.00	74,200.00	28,300.00	102,500.00	11%
Agriculture	Veterinary Services	8,613,703.70	1,628,550.00	1,744,970.00	3,373,520.00	39%
Agriculture	coffee licenses	600,000.00	371,860.00	16,600.00	388,460.00	65%
Administration	Commission by payroll	3,000,000.00	827,384.00	720,079.00	1,547,463.00	52%
Health	Public Health Services	43,298,442.00	2,876,400.00	4,525,000.00	7,401,400.00	17%
Sports & culture	(A-i-A)Alcoholic Drinks licensing	52,000,000.00	866,000.00	2,405,660.00	3,271,660.00	6%
Agriculture	(A-i-A)Kamweti Traning Center	8,000,000.00	611,226.00	2,455,449.00	3,066,675.00	38%
SUB -TOTAL I		**488,178,584.00**	**48,635,246.00**	**51,323,350.00**	**99,958,596.00**	**20%**
FACILITY IMPROVEMENT FINANCING						
Health	Kerugoya Referral Hospital	222,000,000.00	31,716,574.50	75,289,587.50	107,006,162.00	48%
Health	Kimbimbi Hospital	35,000,000.00	7,506,268.00	9,283,412.00	16,789,680.00	48%
Health	Kianyaga Hospital	20,000,000.00	5,014,486.50	6,726,800.00	11,741,286.50	59%
Health	Sagana Hospital	9,500,000.00	4,664,716.50	6,036,597.00	10,701,313.50	113%
Health	dispensaries	18,500,000.00	41,935,485.10	47,561,477.00	89,496,962.10	484%
SUB -TOTAL II		**305,000,000.00**	**90,837,530.60**	**144,897,873.50**	**235,735,404.10**	**77%**
GRAND TOTAL FY (2025/2026)		**793,178,584.00**	**139,472,776.60**	**196,221,223.50**	**335,694,000.10**	**42%**

Source: County Treasury

First Half Own Source Revenue trend for previous Financial Years

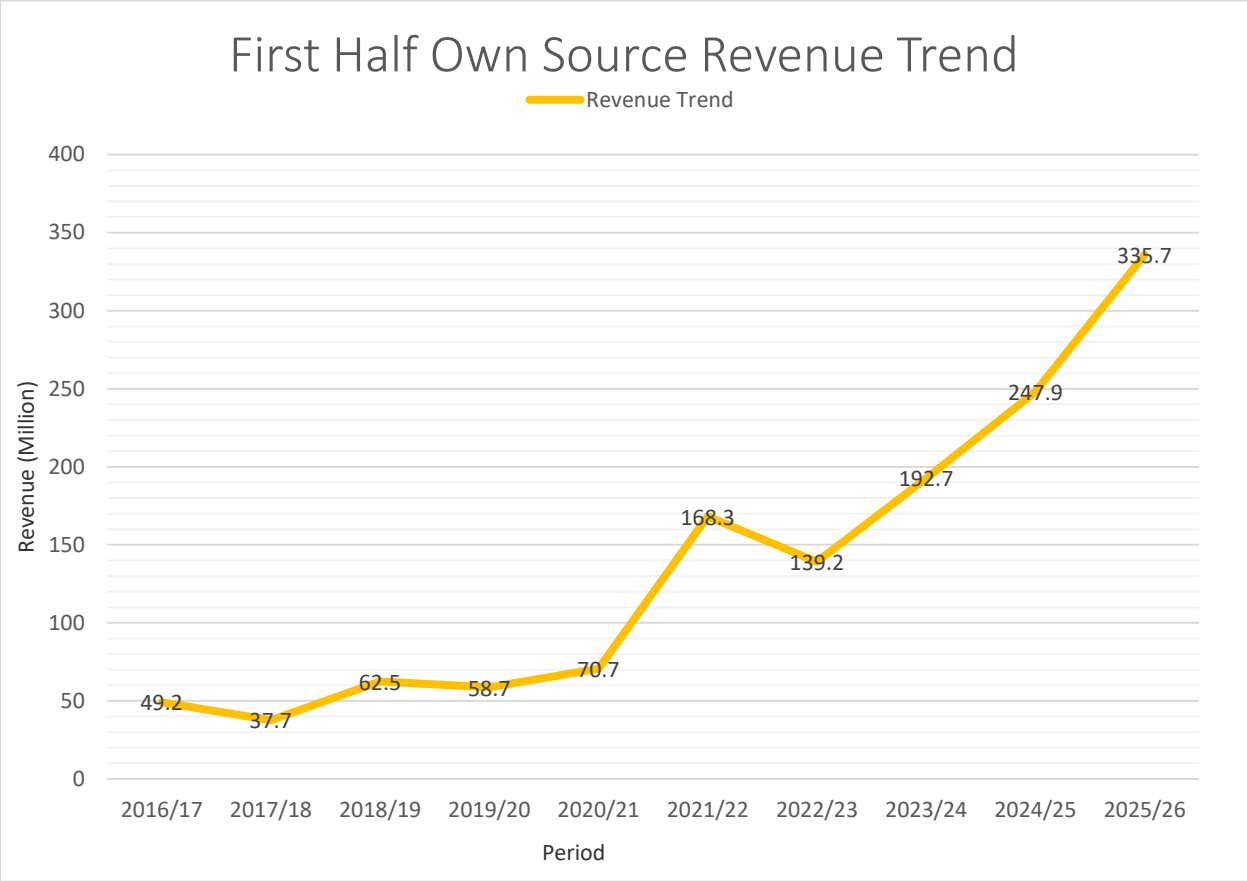

Figure 2.2 First Half Own Source Revenue Trend

Own Source Revenue performance for the first half of 2025/26 FY indicated 35.4% increase in collection from a similar period in 2024/25.

3. EXPENDITURE ANALYSIS

The County Government total approved Supplementary 1 2025/26 FY budget amounts to Kshs. 8,541,369,945. This includes development allocation of Kshs. 3,248,670,982 and recurrent allocation of Kshs 5,292,698,963.

2025/26 FY Approved Budget Estimates

Table 3.1 Approved Budget Estimates 2025_26FY

VOTE	ENTITY	***Approved Budget Sup.1 2025/26FY Recurrent***	***Approved Budget Sup.1 2025/26FY Development***	TOTAL
3961	County Assembly	780,134,062	130,792,334	910,926,396
3962	County Executive	443,552,508	7,500,000	451,052,508
3963	Finance and Economic Planning	737,343,157	535,409,500	1,272,752,657
3964	Agriculture, Livestock and Fisheries	210,816,156	398,539,410	609,355,566
3965	Environment, Water and Natural Resources	142,769,239	649,980,621	792,749,860
3966	Education	323,603,405	36,343,165	359,946,570
3967	County Health Services	2,338,377,075	560,376,472	2,898,753,547
3968	Lands, Housing and Urban Development	72,443,028	62,700,000	135,143,028
3969	Transport and Infrastructure	122,139,665	690,040,295	812,179,960
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	43,794,441	59,370,000	103,164,441
3971	Gender and Youth	42,318,210	103,599,700	145,917,910
3972	Sports, Culture and Social Services	35,408,017	14,019,485	49,427,502
	TOTAL	**5,292,698,963**	**3,248,670,982**	**8,541,369,945**

Source: County Treasury

Recurrent Expenditure

During the first half of FY 2025/26 the County Government spent a total of KES 1.955 Billion on recurrent out of the annual allocation of KES 5.292 Billion representing an overall absorption rate of 36.9 percent.

First Half Recurrent Expenditure per Department 2025/26 FY

Table 3.2 Recurrent Expenditure first Half 2025/26

VOTE	ENTITY	*Budget Sup 1. 2025/26 FY Recurrent*	*First Half Expenditure 2025/26 FY*	% Share of First Half Expenditure	Absorption
3961	County Assembly	780,134,062	340,040,315	17.4%	43.6%
3962	County Executive	443,552,508	176,875,916	9.0%	39.9%
3963	Finance and Economic Planning	737,343,157	320,915,416	16.4%	43.5%
3964	Agriculture, Livestock and Fisheries	210,816,156	84,399,454	4.3%	40.0%
3965	Environment, Water and Natural Resources	142,769,239	62,470,907	3.2%	43.8%
3966	Education	323,603,405	76,641,825	3.9%	23.7%
3967	County Health Services	2,338,377,075	782,805,293	40.0%	33.5%
3968	Lands, Housing and Urban Development	72,443,028	4,747,569	0.2%	6.6%
3969	Transport and Infrastructure	122,139,665	72,241,786	3.7%	59.1%
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	43,794,441	8,618,009	0.4%	19.7%
3971	Gender and Youth	42,318,210	17,356,426	0.9%	41.0%
3972	Sports, Culture and Social Services	35,408,017	7,946,666	0.4%	22.4%
	TOTAL	**5,292,698,963**	**1,955,059,583**		**36.9%**

Source: County Treasury

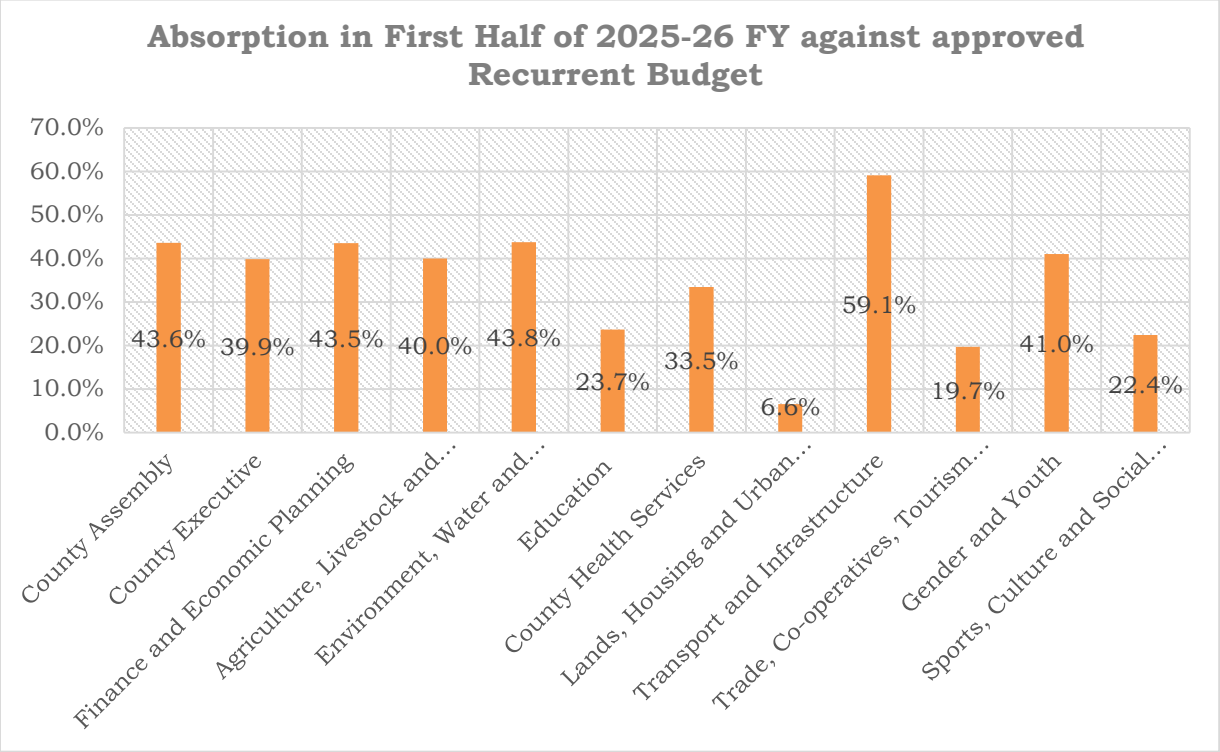

Figure 3.1 Recurrent Absorption Rates First Half 2025/26

Recurrent budget absorption for the first half was high in Department of Transport and Infrastructure 59.1 percent. Expenditure was dominated by consolidated payments of electricity and water utilities and street lighting expenses.

Comparison between expenditures in first half for 2024/25 FY and 2025/26 FY

Table 3.3 Comparison Recurrent Expenditure for 2024/25 and 2025/26

ENTITY	First Half Recurrent Expenditure 2024-25	First Half Recurrent Expenditure 2025-26
County Assembly	268,786,909	340,040,315
County Executive	189,459,974	176,875,916
Finance and Economic Planning	326,558,979	320,915,416
Agriculture, Livestock and Fisheries	108,586,262	84,399,454
Environment, Water and Natural Resources	59,062,639	62,470,907
Education	99,873,376	76,641,825

ENTITY	First Half Recurrent Expenditure 2024-25	First Half Recurrent Expenditure 2025-26
County Health Services	965,621,536	782,805,293
Lands, Housing and Urban Development	6,141,776	4,747,569
Transport and Infrastructure	31,979,605	72,241,786
Trade, Co-operatives, Tourism Industrialization and Enterprise Development	14,866,445	8,618,009
Gender and Youth	9,175,868	17,356,426
Sports, Culture and Social Services	13,372,332	7,946,666
TOTAL	**2,093,485,700**	**1,955,059,583**

Source: County Treasury

Recurrent expenditure for first half of 2025/26 is at 1.955 Billion compared to 2.093 Billion in 2024/25 FY. This indicates a 6.6% shrink in expenditure.

Development Expenditure

Development expenditure for the first half of 2025/26 amounted to KES 510,792,380. This presents an overall absorption rate of 15.7%.

Highlights of Development expenditure

a) Health Services

The health sector received the highest prioritization during the period under review, reflecting the County's commitment to strengthening healthcare infrastructure and service delivery. A total of KES 110.81 million was spent on the upgrading of Kimbimbi Hospital, making it the single largest development expenditure in the first half of the financial year. This investment focused on improving hospital infrastructure and capacity to deliver quality healthcare services. In addition, KES 26.15 million was paid towards the upgrading of Kianyaga Hospital, aimed at enhancing service readiness and improving patient care. The County also made payments towards final accounts amounting to KES 32.28 million for the Kerugoya Medical Complex.

At the community level, KES 4.00 million was spent on the construction of Kiamugumo Dispensary in Ngariama Ward, demonstrating a deliberate effort to complete health facilities that directly improve access to primary healthcare.

b) Transport and Infrastructure

The transport and infrastructure sector was a major focus area, particularly in road maintenance and improvement of access roads across the County. Payments amounting to KES 67.26 million were made under the Roads Maintenance Fuel Levy Fund (RMLF), supporting countywide road maintenance activities. An additional KES 5.00 million was spent on in-house fuel to facilitate routine road maintenance using county machinery. At the ward level, the County prioritized completion of spot improvement works through gravel supply and culvert installations. Baragwi Ward recorded payments of KES 6.97 million for supply and delivery of gravel materials for various access roads. In Wamumu Ward, KES 8.97 million spent on the construction of the Thoome box culvert, installation of culvert lines, and repair and painting of the Gitoboto–Kiumbu footbridge, significantly improving safety and connectivity. Gravel supply projects were also implemented in Tebere Ward (KES 1.98 million), Mukure Ward (KES 2.00 million), Kanyeki-ini Ward (KES 2.48 million), and Inoi Ward (KES 3.00 million), reflecting successful implementation of small but high-impact road interventions.

c) Water, Environment and Climate Resilience

The County demonstrated strong prioritization of climate resilience and water security. A payment of KES 40.00 million was made as county co-financing for the Financing Locally-Led Climate Action (FLLoCA) Programme, enabling implementation of climate-resilient investments at the local level. In the water sub-sector, KES 4.89 million was spent on drilling, development and pump testing of a borehole at Karia Village in Kerugoya Ward, enhancing access to clean and reliable water. Gathigiriri Ward recorded expenditure of KES 1.00 million for supply and installation of a solar submersible pump and panels at

Kamuchege borehole, promoting sustainable and cost-effective water supply. In Tebere Ward KES 0.70 million spent on supply of pipes, fittings and construction materials for Mithuthini and Ndindiruku water projects, underscoring the County's focus on completing smaller but essential water projects.

d) Agriculture, Livestock, Veterinary and Fisheries Development

Agriculture remained a key priority sector, particularly in leveraging external development financing. The County financed KES 30.00 million as co-financing for National Agricultural Value Chain Development Project (NAVCDP) interventions, demonstrating commitment to agricultural value chain transformation and unlocking significant donor-supported investments. This funding supports productivity, market access and farmer incomes across targeted value chains in the County.

e) Education

In the education sector, emphasis was placed on skills development and early childhood education. A total of KES 20.00 million was fully disbursed as grants to County Vocational Training Institutions, supporting training infrastructure and instructional capacity. At the ECDE level, the County completed several classroom projects that directly improve learning environments. Payments of KES 1.50 million were made for construction of an ECDE classroom block at Kang'aru ECDE Centre in Mutithi Ward, KES 1.85 million for construction of an ECDE classroom block and a 5,000-litre water tank at Gathuthuma Centre in Mutira Ward, and KES 1.90 million for construction and landscaping of an ECDE classroom block at Mbui Njeru ECDE Centre in Thiba Ward. These projects illustrate the County's focus on completing small-scale education facilities with immediate community impact.

f) Youth, Gender and Social Development

The social sector recorded significant prioritization through empowerment initiatives. A total of KES 30.00 million was paid to fund the Youth, Women and Marginalized Groups Revolving Fund, aimed at enhancing economic empowerment and social inclusion. At ward level, in Ngariama Ward, KES 7.00 million was spent on empowerment programmes and KES 2.00 million on ward fuel to facilitate programme implementation. These expenditures demonstrate targeted support to community groups and local initiatives.

g) Urban Development, disaster response, and County Administration

In the urban development, the County invested KES 50.00 million in the purchase of a fire engine and equipping of the newly constructed fire station offices at Kutus Town within the Kerugoya–Kutus Municipality. This investment is aimed at strengthening emergency response and urban safety. Additionally, KES 6.39 million was spent on refurbishment of County Headquarters buildings, improving the functionality and supporting efficient service delivery.

Table 3.4 First Half Development Expenditure by Department 2025/26FY

VOTE	ENTITY	*Approved Budget Sup.1 2024/25FY Development*	*First Half Expenditure 2024/25 FY*	Absorption Rate
3961	County Assembly	130,792,334	7,282,520	5.6%
3962	County Executive	7,500,000	6,385,890	85.1%
3963	Finance and Economic Planning	535,409,500	3,198,930	0.6%
3964	Agriculture, Livestock and Fisheries	398,539,410	35,500,000	8.9%
3965	Environment, Water and Natural Resources	649,980,621	52,386,380	8.1%
3966	Education	36,343,165	25,246,560	69.5%
3967	County Health Services	560,376,472	181,296,514	32.4%
3968	Lands, Housing and Urban Development	62,700,000	50,000,000	79.7%
3969	Transport and Infrastructure	690,040,295	109,998,706	15.9%

3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	59,370,000	-	0.0%
3971	Gender and Youth	103,599,700	39,496,880	38.1%
3972	Sports, Culture and Social Services	14,019,485	-	0.0%
	TOTAL	**3,248,670,982**	**510,792,380**	**15.7%**

Source: County Treasury

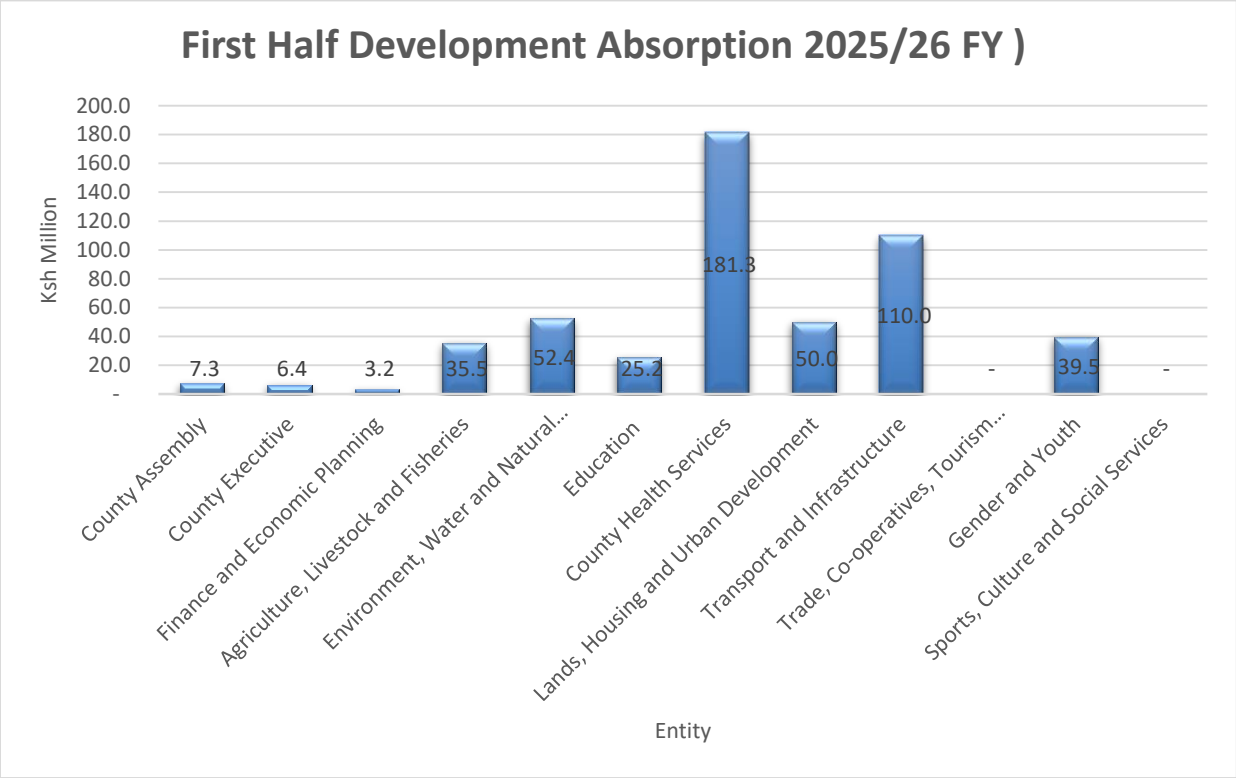

Figure 3.2 First Half Development expenditure by Department 2025/26FY

Comparison on Development Expenditure for 2024/25FY and 2025/26FY

Development expenditure for the first half shows a significant shrink in expenditure by 20%. This can be attributed to delays in disbursement of funds, delays in procurement occasioned by the required migration to the electronic procurement system (E- GPAY)

Table 3.5 Development Expenditure for 2024/25 and 2025/26

VOTE	ENTITY	First Half Development Expenditure 2024-25 FY	First Half Development Expenditure 2025-26 FY
3961	County Assembly	29,152,218	7,282,520
3962	County Executive	-	6,385,890
3963	Finance and Economic Planning	-	3,198,930
3964	Agriculture, Livestock and Fisheries	23,233,175	35,500,000
3965	Environment, Water and Natural Resources	167,202,397	52,386,380
3966	Education	19,046,186	25,246,560
3967	County Health Services	134,280,259	181,296,514
3968	Lands, Housing and Urban Development	21,072,846	50,000,000
3969	Transport and Infrastructure	154,407,188	109,998,706
3970	Trade, Co-operatives, Tourism Industrialization and Enterprise Development	63,827,255	-
3971	Gender and Youth	9,510,827	39,496,880
3972	Sports, Culture and Social Services	19,629,138	-
	TOTAL	**641,361,488.78**	**510,792,380**

Source: County Treasury

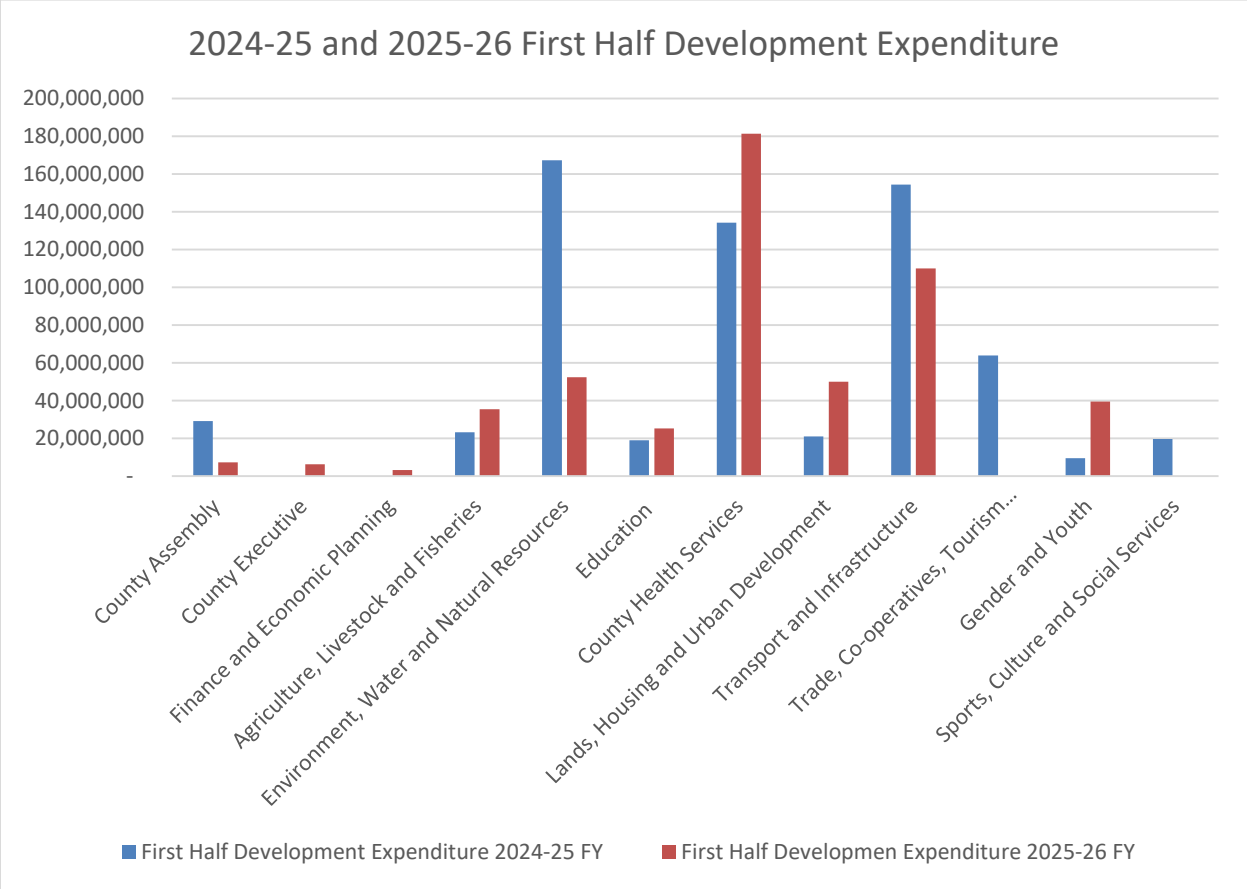

Figure 3.3 Development Expenditure First Half 2024/25 and 2025/26