

DC
forwarded
for tabling
14/07/2025

copy

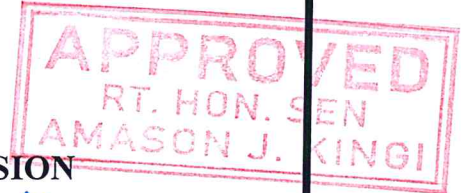
Recommended for
approval for tabling.

Eg 15/07/2025



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - FOURTH SESSION



15/07/25

THE SENATE

STANDING COMMITTEE ON FINANCE AND BUDGET

REPORT ON THE COUNTY ALLOCATION OF REVENUE BILL,
2025 (SENATE BILLS NO. 9 OF 2025)

PAPERS LAID	
DATE	15.7.2025
TABLED BY	Sen. FSK
COMMITTEE	Finance & Budget
CLERK AT THE TABLE	Tiffany

Rt. Hon. Speaker
You may approve for tabling
J. M. Nyegenye, C.B.S.,
Clerk of the senate/secretary, PSC
Date: 15/07/25

Signature

Clerk's Chambers,
Parliament Buildings,
NAIROBI.

July 2025

TABLE OF CONTENTS	
LIST OF ABBREVIATIONS/ACRONYMS.....	4
PREFACE.....	5
ESTABLISHMENT AND MANDATE OF THE COMMITTEE	5
MEMBERSHIP OF THE COMMITTEE	6
CHAIRPERSON’S FOREWORD.....	7
Acknowledgement	10
CHAPTER ONE	12
OVERVIEW OF THE COUNTY ALLOCATION OF REVENUE BILL, 2025 (SENATE BILLS NO. 9 OF 2025)	12
2.1 Introduction.....	12
2.2 Analysis of the County Allocation of Revenue Bill, 2025	13
2.3 County Government Budget Ceilings on Recurrent Expenditure for FY 2025/26....	14
CHAPTER TWO	16
SUBMISSIONS BY STAKEHOLDERS	16
2.0 Introduction	16
2.1 Submissions by National Treasury and Economic Planning	16
2.2 Submissions by Council of Governors	17
2.3 Submissions by Commission on Revenue Allocation (CRA)	18
2.4 Submissions by the County Assembly Forum (CAF)	19
2.5 Submission by County Assemblies	21
2.5.1 County Assembly of Nairobi.....	21
2.5.2 County Assembly of Kiambu	23
2.5.3 County Assembly of Kakamega.....	23
2.5.4 Uasin Gishu County Assembly	25
2.5.5 Wajir County Assembly	27
2.5.6 Kitui County Assembly.....	29
2.5.7 County Assembly of Kisumu.....	30
2.5.8 County Assembly of Nandi.....	31
2.5.9 County Assembly of Garissa	32
2.5.10 County Assembly of Bungoma.....	33
2.5.11 County Assembly of Makueni.....	34
2.5.12 County Assembly of Bomet.....	35
2.5.13 County Assembly of Marsabit	36
2.5.14 County Assembly of Tana River.....	37
2.5.15 County Assembly of Baringo	38
2.5.16 County Assembly of Isiolo.....	39
2.5.17 County Assembly of Mombasa	40
2.5.18 County Assembly of Kilifi	41

2.5.19	County Assembly of Lamu.....	43
2.5.20	County Assembly of Taita Taveta	43
CHAPTER THREE.....		45
COMMITTEE’S RESOLUTIONS ON THE COUNTY ASSEMBLY REQUESTS FOR RECURRENT EXPENDITURE BUDGET CEILING ADJUSTMENT FOR FY 2025/26		45
CHAPTER FOUR.....		48
COMMITTEE OBSERVATIONS AND RECOMMENDATIONS		48
	Observations	48
	Recommendations	49

LIST OF ABBREVIATIONS/ACRONYMS

AHL	-	Affordable Housing Levy
CAF	-	County Assemblies Forum
CAF	-	County Assemblies Forum
CARA	-	County Allocation of Revenue Act
CARB	-	County Allocation of Revenue Bill
CARB	-	County Allocation of Revenue Bill
CoG	-	Council of County Governors
CRA	-	Commission on Revenue Allocation
FY	-	Financial Year
IEBC	-	Independent Electoral and Boundaries Commission
KRA	-	Kenya Revenue Authority
NSSF	-	National Social Security Fund
O&M	-	Operations and Maintenance
PFM	-	Public Finance Management
SHIF	-	Social Health Insurance Fund
SRC	-	Salaries and Remuneration Commission

PREFACE

ESTABLISHMENT AND MANDATE OF THE COMMITTEE

Article 124(1) of the Constitution of Kenya provides that each House of Parliament may establish committees and shall make Standing Orders for the orderly conduct of its proceedings, including the proceedings of its committees.

Parliamentary committees consider policy issues, scrutinize the workings and expenditures of the National and County Governments, and examine proposals for legislation. The end result of any process in Committees is a report, which is tabled in the House for consideration.

The Senate Standing Committee on Finance and Budget is established under Section 8(1) of the Public Finance Management (PFM) Act, Cap. 412A and standing order 228 of the Senate Standing Orders and is mandated to-

- a) investigate, inquire into, and report on all matters relating to coordination, control, and monitoring of the county budgets and examine -
 - i. the Budget Policy Statement presented to the Senate;
 - ii. the report on the budget allocated to constitutional Commissions and independent offices;
 - iii. the Division of Revenue Bill, the County Allocation of Revenue Bill, the County Governments Additional Allocations Bill, and the cash disbursement schedules for county governments;
 - iv. all matters related to resolutions and Bills for appropriations, the share of national revenue amongst the counties, matters concerning the national budget, including public finance and monetary policies and public debt, planning, and development policy; and
- b) Pursuant to Article 228 (6) of the Constitution, to examine the report of the Controller of Budget on the implementation of the budgets of county governments.

MEMBERSHIP OF THE COMMITTEE

The Standing Committee on Finance and Budget was constituted by the Senate of the Thirteenth (13th) Parliament on Thursday, 13th October, 2022 during the First Session. The Committee was later reconstituted on Wednesday, 12th February, 2025, during the Fourth Session. The Committee as currently constituted is comprised of the following Members-

- | | | |
|---|---|-------------------------|
| 1) Sen. (Capt.) Ali Ibrahim Roba, EGH, MP | - | Chairperson |
| 2) Sen. Maureen Tabitha Mutinda, MP | - | Vice-Chairperson |
| 3) Sen. (Dr.) Boni Khalwale, CBS, MP | - | Member |
| 4) Sen. Mohamed Faki Mwinyihaji, CBS, MP | - | Member |
| 5) Sen. Richard Momoima Onyonka, MP | - | Member |
| 6) Sen. Shakila Abdalla Mohamed, MP | - | Member |
| 7) Sen. Eddy Gicheru Oketch, MP | - | Member |
| 8) Sen. Mariam Sheikh Omar, MP | - | Member |
| 9) Sen. Esther Okenyuri, MP | - | Member |

CHAIRPERSON'S FOREWORD

The County Allocation of Revenue Bill, 2025 (Senate Bills No. 9 of 2025) was published vide Kenya Gazette Supplement No.95 of 24th June, 2025. The Bill was read a First Time in the Senate at its sitting held on Friday, 27th June, 2025. Thereafter, pursuant to standing order 145 of the Senate Standing Orders, the Bill was committed to the Standing Committee on Finance and Budget for consideration.

The County Allocation of Revenue Bill, 2025 (Senate Bills No. 9 of 2025) has been prepared in accordance with Article 218(1)(b) of the Constitution. The Bill divides among the counties the revenue allocated to the county level of government through the Division of Revenue Act, 2025. The Act provides the county equitable share for FY 2025/2026 is Ksh.415 billion.

The First Schedule to the Bill divides the county equitable share among counties in accordance with the fourth basis of revenue allocation under Article 217 of the Constitution.

The Second Schedule to the Bill provides the indicative recurrent expenditure ceilings for the county assemblies and the county executive for FY 2025/26 as proposed by the Commission on Revenue Allocation (CRA).

In compliance with the provisions of standing order 145(5) of the Senate Standing Orders, and Article 118 of the Constitution the Committee proceeded to undertake public participation on the Bill. In this regard, the Committee published an advertisement in the Daily Nation newspapers on Saturday, 28th June, 2025, and Sunday, 29th June, 2025 inviting members of the public to submit written memoranda to the Committee on the Bill. The Committee also sent invitations to key stakeholders inviting them to submit their comments on the Bill, including-

- a) the National Treasury and Economic Planning;
- b) the Council of Governors;
- c) the Commission on Revenue Allocation;
- d) the County Assemblies Forum;
- e) the Institute of Public Finance;
- f) the Institute of Certified Public Accountants of Kenya;
- g) the Institute of Economic Affairs-Kenya;

- h) the Institute for Social Accountability; and
- i) the Bajeti Hub.

The Committee held consultative meetings with County Assemblies of Kakamega, Bungoma, Garissa, Mombasa, Tana River, and Uasin Gishu to deliberate on their requests for adjustment of review of recurrent expenditure budget ceilings for the FY 2025/2026. In addition, the Committee received written submissions from County Assemblies of Wajir, Kiambu, Nandi, Kisumu, Makueni, Kitui, Baringo, Nairobi City, Marsabit, Isiolo, Lamu, Bomet, Kilifi and Taita/Taveta requesting for adjustment of their recurrent expenditure budget ceilings for FY 2025/2026.

The Committee considered the Bill and made the following observations. That –

- a) The sharing of the revenue among the county governments for FY 2025/26 of Ksh.415.0 billion is based on the Fourth Basis approved by Parliament in June 2025. The application of the Fourth Basis shows that, Ksh.387.425 billion will be shared as previously received by counties, Ksh.4.46 billion is shared equally among Twelve (12) identified counties and Ksh.23.115 billion is shared among all the counties through an allocation ratio derived from population- weighted at 45%, Poverty Index -weighted at 12%, Geographical Size Index -weighted at 8 %, and Basic Share index-weighted 35 %.
- b) The additional equitable share in FY 2025/26 is Ksh.27.6 billion. An analysis of distribution of this increment shows that Ksh.8.3 billion is allocated to twelve (12) counties. This is as a result of application of Fourth Basis, which identifies 12 counties for affirmative allocation of Ksh.4.46 billion.
- c) The overall ceilings for county assemblies have been enhanced by Ksh.1.89 billion from the approved Ksh.36.37 billion for FY 2024/25 to Ksh.38.26 billion proposed for FY 2025/26.
- d) The county executive ceilings as provided by CRA reveals a significant shift from the previous FY 2024/25 allocations with a Ksh.10.3 billion decline. Although CRA indicated that this was informed by the quantification of various expenditure needs.
- e) Further, CRA indicated that in developing the recurrent expenditure ceilings recommendations, Circulars and gazette notices from SRC issued from time to time, various Court determinations, IEBC Gazette notices on election outcomes,

Senate and other stakeholders' feedback were taken into account. In line with this, analysis revealed that county assemblies with high representation (Number of wards and number of MCAs) had the highest expenditure ceilings, with some going beyond a billion shillings.

The Committee having considered the Bill and stakeholders' submissions, recommends that the Senate approves the Bill with amendments to the Second Schedule to the Bill to reflect adjusted recurrent expenditure ceilings for the county assemblies.

Acknowledgement

The Committee appreciates all the stakeholders who submitted written memoranda and who appeared before the Committee to present their comments on the Bill.

I thank the offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in undertaking this important assignment.

Lastly, I take this opportunity to commend the Members of the Committee for their devotion and commitment to duty, which made the consideration of the County Allocation of Revenue Bill, 2025 (Senate Bills No. 9 of 2025) successful.

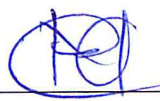
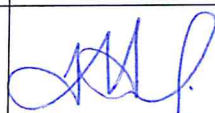

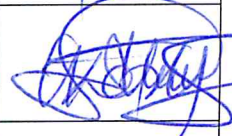


It is now my pleasant duty, pursuant to standing order 148(1) of the Senate Standing Orders to present the Report of the County Allocation of Revenue Bill, 2025 (Senate Bills No. 9 of 2025).

Signature..........Date...11/07/2025.....

**SEN. (CAPT.) ALI IBRAHIM ROBA, EGH, MP,
CHAIRPERSON,
STANDING COMMITTEE ON FINANCE AND BUDGET**

**ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON
FINANCE AND BUDGET ON THE COUNTY ALLOCATION OF REVENUE
BILL, 2025 (SENATE BILLS NO. 9 OF 2025)**

We, the undersigned Members of the Senate Standing Committee on Finance and Budget, do hereby append our signatures to adopt this Report-

	Name	Designation	Signature
1.	Sen. Capt. Ali Ibrahim Roba, EGH, MP	Chairperson	
2.	Sen. Maureen Tabitha Mutinda, MP	Vice-Chairperson	
3.	Sen. (Dr.) Boni Khalwale, CBS, MP	Member	
4.	Sen. Mohamed Faki Mwinyihaji, CBS, MP	Member	
5.	Sen. Richard Momoima Onyonka, MP	Member	
6.	Sen. Shakila Abdalla Mohamed, MP	Member	
7.	Sen. Eddy Gicheru Oketch, MP	Member	
8.	Sen. Mariam Sheikh Omar, MP	Member	
9.	Sen. Esther Okenyuri, MP	Member	

CHAPTER ONE

OVERVIEW OF THE COUNTY ALLOCATION OF REVENUE BILL, 2025 (SENATE BILLS NO. 9 OF 2025)

2.1 Introduction

1. The County Allocation of Revenue Bill is prepared according to Article 218(1)(b) of the Constitution. The law requires that at least two months before the end of each financial year, a County Allocation of Revenue Bill (CARB), be introduced in parliament, outlining the sharing among the counties, the revenue allocated to the county level of government.
2. The basis of sharing the revenue is determined as per the resolution in force under Article 217 of the Constitution. Article 217(1) requires that once every five years, the Senate should, by resolution, determine the basis for allocating among the counties the share of national revenue that is annually allocated to the county level of government.
3. Section 191(2) of the PFM Act, Cap 412A requires that the County Allocation of Revenue Bill specify each county's share of the revenue raised nationally for that given financial year.
4. Section 42 of the PFM Act, Cap 412A mandates Parliament to consider the County Allocation of Revenue Bill, not later than thirty days after the Bill has been introduced to approve it, with or without amendments. Further, section 8 of the Act mandates the Senate Standing Committee on Finance and Budget to review the County Allocation of Revenue Bill submitted to Parliament.
5. The County Allocation of Revenue Bill, 2025 was published on 24th June, 2025, following the conclusion of the mediation process on the Division of Revenue Bill (DORB), 2025. The Bill was introduced in the Senate on 27th June 2025, read a First Time and committed to the Standing Committee on Finance and Budget as per standing order 145 of the Senate Standing Orders. The Committee is required to facilitate and undertake public participation on the Bill and prepare a report to the House.

2.2 Analysis of the County Allocation of Revenue Bill, 2025

6. The Bill consists of ten (10) clauses and two schedules. The Schedules give the specific amount each county is allocated as equitable share (First Schedule) and the recurrent expenditure budget ceilings for county executives and assemblies (Second Schedule).
7. The Bill proposes to share Ksh.415 billion among county governments for FY 2025/26 as an equitable share of the revenue raised nationally. The Ksh.415 billion is the mediated allocation to counties for the FY 2025/26 in the Division of Revenue Bill, 2025. The amount comprises an increase of Ksh.27.6 billion from the base of Ksh.387.4 billion shared among counties in FY 2024/25.
8. The Bill provides that the horizontal distribution of county equitable revenue share shall be based on the Fourth Basis. The Fourth Basis was approved by Parliament in June, 2025, pursuant to Article 217 of the Constitution.
9. The Fourth Basis is expected to be applied from FY 2025/26 to FY 2029/30. It provides that-
 - a) The first Ksh.387.425 billion is baseline allocation and is to be shared based on each county allocation in FY 2024/25;
 - b) The next Ksh.4.46 billion is affirmative action allocation and is to be shared to 12 identified counties; and
 - c) The balance is to be shared using the following parameters-
 - Population weighted at 45%;
 - Poverty Index weighted at 12%;
 - Geographical Size Index weighted at 8 %; and;
 - Basic Share index weighted at 35%.
10. In line with the provision on the Fourth Basis of Sharing Revenue, the Bill in the First Schedule contains three specific columns that give three specific allocations to counties. Column B of the First Schedule contains the allocation to all 47 counties of the amount they received in FY 2024/25 (Baseline allocation). Column C contains the equal sharing of Ksh.4.46 billion (Affirmative Action Allocation) among 12 counties, with each receiving an allocation of Ksh.371.7 million.

11. The 12 counties include- Elgeyo/Marakwet, Embu, Isiolo, Kirinyaga, Laikipia, Lamu, Nyamira, Nyandarua, Samburu, Taita/Taveta, Tharaka-Nithi and Vihiga.
12. Column E contains the balance of Ksh.23.115 billion shared among all counties using the allocation ratio developed by applying the four parameters. The overall total allocation to each county is given in Column F of the Schedule.
13. The average revenue growth in equitable share to the county governments is 7.12 percent, which represents the increase of the equitable share of Ksh. 27.6 billion. However, the growth is shared differently among the counties, with the identified 12 counties getting the highest percentages. This means in reference to baseline increase, the 12 counties shall receive the highest increment.
14. The percentage increase from the baseline of revenue across the 12 identified counties ranges from 12.23% to 18.53%.

2.3 County Government Budget Ceilings on Recurrent Expenditure for FY 2025/26

15. The second Schedule to the Bill provides the indicative recurrent expenditure ceilings for the County Assemblies and the County Executive as proposed by the Commission on Revenue Allocation (CRA). Analysis indicates that the overall ceilings for County Assemblies have increased by Ksh.1.89 billion from the approved Ksh.36.37 billion for FY 2024/25 to Ksh.38.26 billion proposed for FY 2025/26.
16. The County Assembly ceilings proposed for FY 2025/26 vary significantly across counties. Counties Assemblies with a ceiling above Ksh.1 billion include- Nairobi City- Ksh.1.57 billion, Kakamega- Ksh.1.24 billion, Kiambu- 1.21 billion, Nakuru- Ksh.1.12billion, Kisii- Ksh.1.1 billion and Meru- Ksh.1.03 billion. Thirty-five (35) counties have their budgets between Ksh.654 million and Ksh.990.2 million. Tana River, Samburu, Laikipia, Tharaka Nithi, Lamu, and Isiolo county assemblies have their budgets comparatively between Ksh.472 million and Ksh.580 million.
17. Further analysis reveals that 42 county assemblies had their ceilings enhanced as per the CRA proposal. County Assemblies that recorded relatively large increases in their proposed ceilings include Wajir-Ksh.100.4 million, Garissa- 97.6 million, Turkana-93.1 million, Mandera-92.9 million, Nakuru-87.4 million, Kiambu-84.9 million, Marsabit-84.9 million and Baringo-65.6 billion. Marginal

increases were recorded in Migori-Ksh.29 million, Trans Nzoia-Ksh.28 million, Tharaka Nithi-Ksh.23.2 million, Isiolo-Ksh.16 million, Samburu-Ksh.12.4 million and Lamu-Ksh.5.9 million.

18. Five county assemblies had their ceilings revised downwards compared to the previous allocation for FY 2024/25. These include; Tana River with a reduction of Ksh.25.7 million, Nairobi City- Ksh.27.7 million reduction, Kakamega-Ksh.37.4 million reduction, Bungoma-Ksh.50.4 million reduction and Kisumu-Ksh.68.8 million reduction.
19. The ceilings of the county executives show a reduction in the overall ceilings. The total proposed allocation for the county executive's recurrent expenditure decreased from Ksh.33.76 billion in FY 2024/25 to the proposed Ksh.23.41 billion. This represents an overall reduction of Ksh.10.34 billion.
20. This downward adjustment affected all 47-county executive, with the largest absolute variances recorded in Meru- Ksh.481.9 million and Kitui-Ksh.471.9 million. County executives with a marginal reduction include Mombasa - Ksh.53.7 million and Lamu- Ksh.65.9 million.

CHAPTER TWO

SUBMISSIONS BY STAKEHOLDERS

2.0 Introduction

21. Pursuant to the provisions of Article 118 of the Constitution and standing order 145 of the Senate Standing Orders, the Committee invited key stakeholders to submit their comments on the Bill. In this respect, the Committee received submissions from the following stakeholders-

- a) National Treasury and Economic Planning
- b) Council of Governors
- c) Commission on Revenue Allocation
- d) The county assemblies of-
 - Kilifi
 - Lamu
 - Kisumu
 - Baringo
 - Nairobi City
 - Bungoma
 - Isiolo
 - Nandi
 - Marsabi
 - Uasin Gishu
 - Garissa
 - Kakamega
 - Tana River
 - Wajir
 - Kiambu
 - Makueni
 - Kitui
 - Mombasa
 - Bomet
 - Taita/Taveta

2.1 Submissions by National Treasury and Economic Planning

22. National Treasury and Economic planning submitted the following-

- a) That in February 2025, the National Treasury submitted draft versions of the DORB and CARB for FY 2025/26, proposing an equitable share of revenue to county governments amounting to Ksh. 405.01 billion. However, the published CARB 2025 (Senate Bill No. 9) allocates Ksh. 415 billion, an increase of Ksh. 27.57 billion from the FY 2024/25 base of Ksh. 387.43 billion. This allocation aligns with the published DORB 2025, reflecting a net increase of Ksh. 9.99 billion from the initial legislative proposal.
- b) The CARB submitted in February 2025 allocated revenue based on the Third Basis for horizontal revenue sharing among counties, which was the most

recent at that time. The published CARB 2025, however, uses the Fourth Basis approved by Parliament in June 2025. The Treasury acknowledged that Parliament allocated Ksh. 4.46 billion as an Affirmative Action Allocation to cushion twelve disadvantaged counties but noted that no explanation was provided regarding the selection of these counties

2.2 Submissions by Council of Governors

23. The Council of Governors (CoG) submitted as follows-

- a) They commended the Senate's effort to increase the counties' equitable share of revenue for FY 2025/26 from Ksh.387.425 billion to Ksh.415 billion and assured the Senate of ongoing collaboration for the betterment of the counties.
- b) However, the council noted with concern that while the county assemblies' recurrent expenditure ceilings had been increased by Ksh.1,888,150,435, the ceilings for the county executives had been reduced by Ksh.10,342,203,506 without any prior notification or justification to the counties. They described the reduction of over Ksh.10 billion in the county executives' budget ceilings as unwarranted and unjustified, especially in light of the overall increase in the equitable share by Ksh.28 billion.
- c) The council therefore urged the Senate to review the ceilings for county executives, recommending that they be restored to at least the FY 2024/25 levels to ensure continuity of services and effective budget implementation.
- d) The council suggested deleting the existing Second Schedule and replacing it with a revised schedule that maintains the county executives' recurrent expenditure ceilings at the FY 2024/25 levels, while retaining county assemblies' ceilings as proposed.
- e) The council justified this amendment by explaining that the reduction in the executives' ceilings would negatively impact counties' budget implementation, particularly affecting operations, maintenance, and training costs, thereby undermining service delivery.
- f) They provided a detailed schedule showing the proposed recurrent expenditure ceilings for both county assemblies and county executives for

the financial years 2024/25 and 2025/26. The schedule illustrates that while county assemblies' ceilings were increased, the county executives' ceilings were to remain unchanged from the previous year.

2.3 Submissions by Commission on Revenue Allocation (CRA)

24. The Commission on Revenue Allocation (CRA) submitted the following-

- a) The Commission on Revenue Allocation noted that in clause 2, citation of the Commission on Revenue Allocation Act was incomplete. It proposed that the year "2011" be inserted after the word Act for clarity.
- b) Similarly, clause 4(2), the Commission observed that the Public Finance Management Act was cited without the year. It recommended inserting the year "2012" after Act, also for clarity.
- c) On Section 6, the Commission noted that the clause only addressed the transfer of functions from county governments to the national government, as per Article 187 of the Constitution. However, it failed to consider the reverse scenario—where functions are transferred from the national to county governments. The Commission proposed amending Section 6 to address both directions of function transfer, aligning with the Constitution.
- d) The Commission further pointed out an error in the Memorandum of Objects and Reasons, specifically relating to Section 10 of the Bill. They indicated that the section referred to the use of the third determination of the basis for allocation of revenue among counties, whereas Parliament has already approved the fourth determination under Article 217(7) of the Constitution. To rectify this, the Commission proposed that the section be revised to reflect the fourth basis, as adopted by the Senate.
- e) Regarding the Equalisation Fund, the Commission highlighted a discrepancy between the Ksh.9.6 billion figure cited in section 17 of the explanatory memorandum and the Ksh.16.8 billion provided in the Equalisation Fund Appropriations Bill, 2025. CRA recommended that the figures be harmonized across the Division of Revenue Bill, County Allocation of Revenue Bill, and the Equalisation Fund Appropriations Bill to ensure consistency. The higher figure is attributed to arrears from the previous financial year.

- f) Further, that CRA has no objection to the allocations provided in the First Schedule of the County Allocation of Revenue Bill, 2025, relating to the equitable share of revenue to county governments. They also verified that the Fourth Basis for revenue sharing had been correctly applied, as approved by the Senate.
- g) Lastly, the CRA affirmed that they have no issue with the Second Schedule of the Bill, which sets the county government budget ceilings on recurrent expenditure for the Financial Year 2025/2026.

2.4 Submissions by the County Assembly Forum (CAF)

25. The County Assemblies Forum (CAF) submitted the following-

- a) The County Assemblies Forum (CAF) welcomed the upward adjustment of the county equitable share to Ksh.415 billion for the Financial Year 2025/26, noting that it represented a 7.1 percent increase. The Forum observed that the increment would ease cash-flow pressures at the county level and contribute to improved service delivery.
- b) The Forum further appreciated the Senate's efforts to raise the recurrent expenditure ceilings for County Assemblies to Ksh.38.26 billion, highlighting that this move partially reversed the reduction made in the previous financial year. CAF interpreted the adjustment as a signal of renewed commitment by the Senate to strengthen legislative oversight in the devolved units.
- c) Notwithstanding these positive developments, the Forum expressed concern that the proposed allocation of Ksh.415 billion remained insufficient to cater to the expanding mandates of county governments. It pointed out that inflationary pressures and the transfer of new functions to the counties had significantly increased resource requirements, thereby rendering the current allocation inadequate.
- d) CAF further reported that many County Assemblies were facing operational shortfalls, particularly in areas such as legislative support, staffing, automation, and statutory compliance. The Forum emphasized that without adequate funding, Assemblies would be unable to fulfil their constitutional mandates effectively.

- e) Consequently, the Forum submitted a proposal for the upward revision of the County Assembly recurrent expenditure ceilings to Ksh.46.95 billion. This request, it explained, was based on evidence collected from all 47 County Assemblies and reflected genuine funding gaps that had emerged following the Ksh.4.2 billion cut made in FY 2024/25.
- f) The Forum also highlighted that delays in the disbursement of equitable share allocations continued to disrupt operations at the county level. It cited that during the first quarter of FY 2023/24; the average absorption rate had dropped to 12.6 percent due to late disbursements. According to CAF, this situation not only disrupted planning and service delivery but also contributed to the accumulation of pending bills.
- g) In response to these challenges, CAF proposed several amendments to the County Allocation of Revenue Bill, 2025. Regarding Clause 6, the Forum recommended that the provision requiring the appropriation of not less than the previous year's allocation for transferred functions be deleted. Instead, it proposed that appropriations be based strictly on the actual requirements determined under the initial costing process. This, CAF explained, would strengthen accountability and encourage more strategic planning aligned with real needs.
- h) With respect to Schedule 2 of the Bill, CAF requested that the recurrent expenditure ceilings for County Assemblies be reviewed upwards to an aggregate of Ksh.46.95 billion. The Forum clarified that this figure was not arbitrary but derived from a needs-based analysis and was necessary to restore operational capacity and address inflation, expanded responsibilities, and statutory obligations.
- i) The Forum presented a detailed analysis of recurrent needs across all 47 counties. It indicated that counties such as Bungoma required an additional Ksh.194 million for the operationalization of a new administration block, training, security enhancements, and digitization. Kitui needed Ksh.192 million to address staffing gaps, replace vehicles, and implement e-Assembly systems. Nairobi City County Assembly reported a Ksh.745 million shortfall due to increased staffing requirements, automation efforts, ward office costs, and vehicle-related

obligations. Tharaka Nithi, on the other hand, requested Ksh.112 million mainly to clear pending bills, acquire vehicles, and replace obsolete ICT tools.

- j) CAF further reviewed the historical trend of County Assembly ceilings since devolution, noting that the allocations had fluctuated over time and were often disproportionately lower than those of County Executives. The Forum pointed out that in FY 2024/25, for example, County Assemblies experienced a cut of Ksh.4.2 billion, whereas County Executives received an increase of Ksh.7.5 billion. CAF argued that this imbalance had affected the Assemblies' ability to perform their constitutional roles effectively.
- k) The Forum recalled that the highest ceiling allocated to County Assemblies since devolution was Ksh.40.61 billion in FY 2023/24. This was reduced to Ksh.36.37 billion in FY 2024/25. While the current proposal of Ksh.38.26 billion represented a modest improvement, the Forum contended that it was still insufficient and urged the Senate to consider the proposed Ksh.46.95 billion as a realistic and evidence-backed adjustment.
- l) Finally, CAF called upon the Committee to adopt their recommendations and approve the revised ceilings. The Forum emphasized that the proposed Ksh.10.58 billion increment was critical to restoring County Assemblies' operational viability, enhancing oversight over devolved resources, and safeguarding the principles of devolution as enshrined in the Constitution.

2.5 Submission by County Assemblies

26. The following county assemblies submitted their requests for adjustment of the budget ceiling on the Bill as follows-

2.5.1 County Assembly of Nairobi

27. The County Assembly of Nairobi submitted the following;

- a) The County Assembly of Nairobi outlined eight major areas where it is experiencing significant financial strain and emphasized the urgent need for additional resources. Foremost among these is a sharp rise in litigation costs associated with its core functions, such as impeachments and the

enactment of county legislation. The assembly revealed that the total amount of accumulated litigation demands has now reached Ksh.1 billion.

- b) The assembly reported its intention to automate its plenary chamber operations in line with the national digital agenda. This initiative, including installation of an Electronic Data Management System, e-library, and secure digital infrastructure, is estimated to cost Ksh.150 million.
- c) That the MCAs are awaiting full implementation of the motor vehicle reimbursement benefit as per the SRC Gazette Notice of July 2022. Although Ksh68.65 million has been allocated annually, the assembly requested an additional Ksh.100 million to complete the benefit rollout.
- d) In compliance with Article 196(1)(b) of the Constitution, the assembly proposes the establishment of a broadcasting unit to facilitate public access to legislative proceedings. This initiative would cost Ksh.20 million.
- e) The assembly cited challenges in sustaining ward offices under the current operational cap of Ksh.127,436. Due to high urban rent, they requested an additional Ksh.150,000 per ward per quarter—amounting to Ksh.51 million annually—to sustain the 85 ward offices.
- f) The county assembly of Nairobi indicated that its official vehicle fleet had deteriorated, with only six of the eleven vehicles still operational. They therefore requested Ksh.75 million to purchase five new vehicles.
- g) They emphasized the need to replace outdated equipment and furniture procured at inception in 2013. With most items having outlived their useful life, the assembly requested Ksh.273 million to acquire new workstations, computers, iPads, printers, and executive furniture.
- h) That a Deloitte-led review had established the need to increase the staff establishment from the previously capped 133 to 276. With 200 staff currently on the payroll costing Ksh.311.2 million, they requested Ksh369 million to support the full establishment, excluding MCA emoluments.

28. In total, the assembly requested for an additional amount of Ksh. 2,038,000,000 to cater for the above needs.

2.5.2 County Assembly of Kiambu

29. The County Assembly of Kiambu submitted as follow-

- a) The Kiambu County Assembly requests an additional Ksh.230,000,000 for the Financial Year 2025/2026 to address pressing needs, arguing that the current approved budget ceiling for FY 2024/2025 of Ksh.1,122,733,276 was a significant reduction from the initially recommended figure and has led to underfunded programs.
- b) Procurement of Hansard system (Ksh.60,000,000)- To replace the obsolete and malfunctioning existing system from 2014 with a new audio-visual system for automating plenary and committee sittings.
- c) Establishment of Broadcasting Unit and Media Centre (Ksh.30,000,000)- To facilitate broadcasting of Assembly proceedings, enhance transparency, and promote civic awareness.
- d) E-Parliament systems (Ksh.50,000,000)- For an integrated ICT upgrade including document management, mobile applications, and cloud storage to align with Kenya's digital transformation agenda.
- e) Refurbishment of the assembly chamber (Ksh.50,000,000)- to undertake a comprehensive renovation of the dilapidated chamber to improve its structural integrity and functionality, creating a conducive environment for legislative operations.
- f) Repair and Replacement of Dilapidated Furniture and Fittings (Ksh.20,000,000)-To address the worn-out furniture in Assembly and ward offices, which impacts productivity and morale.
- g) Enhancement of Public Participation, Publicity and Advertisement (Ksh.20,000,000)- To improve communication strategies, public awareness campaigns, and outreach programs, ensuring broader public engagement, especially given Kiambu's large size with 60 wards and 86 Members of County Assembly.

30. In total, the assembly requested for an additional funding of Ksh. 230,000,000.

2.5.3 County Assembly of Kakamega

31. The representatives from the County Assembly presented the following-

- a) That the Assembly serves over 2 million residents across 14 sub-counties and 60 wards, yet its allocation was reduced from Kshs.1,482,723,167 to

Ksh.1,277,560,474 in the FY 2024/25, following the enactment of the revised County Allocation of Revenue Act (CARA), 2024.

- b) In response to the funding shortfall, the assembly requested a total enhanced recurrent budget ceiling of Ksh.1,980,175,576, comprising Ksh.745,074,656 for Personnel Emoluments and Ksh.1,235,100,920 for Operations and Maintenance (O&M).
- c) Additionally, the assembly sought a one-off special funding allocation of Ksh.542,287,438 to address critical contingent liabilities and establish a Staff Car Loan and Mortgage Scheme Fund.
- d) The proposed increase in Personnel Emoluments is attributed to statutory and mandatory obligations, including implementation of revised remuneration guidelines issued by the Salaries and Remuneration Commission (SRC), enhanced contributions to the Social Health Insurance Fund (SHIF), deductions under the Affordable Housing Levy (AHL), and increased employer contributions to the National Social Security Fund (NSSF).
- e) It was noted that failure to meet these statutory obligations would expose the assembly to legal risks, reduce staff morale, and threaten overall compliance.
- f) The proposed O&M budget increase of Ksh.463,870,200 was explained as necessary to meet critical operational needs, with the largest portion allocated to public participation, which would rise from Ksh.56 million to Ksh.289.4 million to meet constitutional requirements under Article 196.
- g) The assembly further requested Ksh.60 million for the purchase of new motor vehicles to replace obsolete units and facilitate public engagement, especially in wards located more than 50 kilometres from the assembly precincts.
- h) A training budget of Ksh.69,140,200 was proposed to strengthen the capacity of MCAs and staff in legislative drafting, policy analysis, and budget scrutiny, as recommended by a Training Needs Assessment (TNA).

- i) Other components of the O&M budget included Ksh.100,300,000 for insurance due to inflation and increased medical claims, Ksh.15,780,000 for the Bunge Mashinani grassroots sittings, and Ksh.60,000,000 to facilitate compliance training related to government financial systems and reforms.
- j) The one-off special funding request of Ksh.542,287,438 includes Ksh.100,000,000 for establishing a Staff Car Loan and Mortgage Scheme, and Ksh.442,287,438 for settling pending liabilities such as KRA penalties, arbitration awards, salary overdraft penalties, and accrued interests to institutions like LAPFUND and Family Bank.
- k) The representatives of Kakamega county assembly stated that failure to address these liabilities would result in escalating penalties, legal consequences, and weakened financial stability.
- l) It was reported that the persistent underfunding had already compromised the assembly's legislative capacity, undermined its oversight role, reduced public engagement, and diverted funds away from core functions due to ballooning liabilities.
- m) The assembly reaffirmed its commitment to fiscal prudence, transparency, and accountability, including implementation of cost-saving measures such as optimizing vehicle maintenance and public participation logistics.
- n) They committed to submitting periodic reports to the Senate and other oversight bodies on the execution of its budget to ensure continued accountability.

32. The assembly therefore requested the Committee to approve the proposed recurrent ceiling of Ksh.1.98 billion and the one-off special allocation of Ksh.542.3 million for FY 2025/26.

2.5.4 County Assembly of Uasin Gishu

33. The representatives from the County Assembly presented the following-

- a) The County Assembly has been allocated a budget of Ksh.762,248,667 for the Financial Year 2025/2026, representing a 5% increase from the previous year's allocation of Ksh.727,157,536. Although the increment is

- i) Other components of the O&M budget included Ksh.100,300,000 for insurance due to inflation and increased medical claims, Ksh.15,780,000 for the Bunge Mashinani grassroots sittings, and Ksh.60,000,000 to facilitate compliance training related to government financial systems and reforms.
- j) The one-off special funding request of Ksh.542,287,438 includes Ksh.100,000,000 for establishing a Staff Car Loan and Mortgage Scheme, and Ksh.442,287,438 for settling pending liabilities such as KRA penalties, arbitration awards, salary overdraft penalties, and accrued interests to institutions like LAPFUND and Family Bank.
- k) The representatives of Kakamega county assembly stated that failure to address these liabilities would result in escalating penalties, legal consequences, and weakened financial stability.
- l) It was reported that the persistent underfunding had already compromised the assembly's legislative capacity, undermined its oversight role, reduced public engagement, and diverted funds away from core functions due to ballooning liabilities.
- m) The assembly reaffirmed its commitment to fiscal prudence, transparency, and accountability, including implementation of cost-saving measures such as optimizing vehicle maintenance and public participation logistics.
- n) They committed to submitting periodic reports to the Senate and other oversight bodies on the execution of its budget to ensure continued accountability.

32. The assembly therefore requested the Committee to approve the proposed recurrent ceiling of Ksh.1.98 billion and the one-off special allocation of Ksh.542.3 million for FY 2025/26.

2.5.4 County Assembly of Uasin Gishu

33. The representatives from the County Assembly presented the following-

- a) The County Assembly has been allocated a budget of Ksh.762,248,667 for the Financial Year 2025/2026, representing a 5% increase from the previous year's allocation of Ksh.727,157,536. Although the increment is

aimed at cushioning the effects of inflation, it remains inadequate to meet several key operational requirements.

- b) Staff Promotion- Staff members who were transferred during the establishment of county assemblies in 2010 or employed between 2013-2017 have remained in their entry positions for 12 years, contrary to standard HR practices. The County Assembly Service Board requires Ksh.10,000,000 to implement appropriate staff advancement procedures.
- c) County Assembly Strategic Plan-The county assembly was in the process of preparing its strategy plan for the period 2023 to 2028 when the CARA 2024 was reviewed downwards, necessitating the Assembly to halt the work mid-stream. Completion of this plan requires approximately Ksh.5,000,000 that has not been provided for in the ceiling.
- d) Staffing Levels-current staffing stands at 92 positions against a ceiling of 100, with the majority being low cadre staff at salary scale N and below. Only 8 officers are above Job Group N, indicating a critical need to recruit for senior positions. The County Assembly Service Board requires an additional Ksh.5,000,000 to fill these essential staff positions, which is not covered under the provided ceiling.
- e) Refurbishment of County Assembly Offices and Chambers-the county assembly office and chambers are in dire need of refurbishment. These renovations will improve functionality and overall work environment, which in turn will enhance service delivery. To accomplish these necessary upgrades, Ksh.18,000,000 will be required.
- f) Purchase of Motor Vehicles-the county assembly currently operates aging motor vehicles that were procured during the transition period or transferred from defunct local Authorities. These vehicles have become uneconomical to maintain. An allocation of Ksh.28,000,000 is requested for two new vehicles to support efficient service delivery.
- g) Hansard, Audio and ICT Equipment-The current Hansard Audio and ICT Equipment is outdated and requires upgrading. These upgrades will include updating technology and infrastructure to meet current county assembly needs. An approximate budget of Ksh.22,000,000 is required to meet the cost of these essential technological improvements.

- h) Pending Bills- The Assembly had pending bills of Ksh.37,000,000 brought forward to the current Financial Year 2024/25, which were settled at the expense of this year's operational costs. Current pending bills have increased to Ksh.67,531,029, largely due to the reduction of the Assembly's budget ceiling by Ksh.69,000,000 compared to FY 2023/2024.
- i) Operationalization of Ward Offices-Following the completion of ward offices, Honorable members were allocated four offices each (MCA's office, Secretary's office, Personal Assistant's Office, and a boardroom). The Assembly requires additional funds of Ksh.70,050,000 for furnishing these offices with computers, printers, furniture, and fittings.

34. In total, the assembly requested for additional funding of Ksh.225,581,025.

2.5.5 County Assembly of Wajir

35. The representatives from County Assembly of Wajir presented the following;

- a) Mileage- while the Commission on Revenue Allocation (CRA) had approved a monthly allocation of Ksh.4,500,000 (Ksh.54,000,000 annually), a Garissa High Court conservatory order required adherence to the previous mileage rates amounting to Kshs.6,284,703 monthly (Ksh.75,416,436 annually). This situation created an annual deficit of Ksh.21,416,436 that the Assembly must address in the FY 2025/2026 budget.
- b) Plenary sitting payment- The Kenya Gazette (Vol. CXXV-No. 177, dated 9th August 2023) abolished plenary sitting payments for Hon. Members of the County Assembly. However, due to a conservatory court order, the Assembly must continue making these payments until further court directions. This creates an unbudgeted obligation of Ksh.25,272,000, which the CRA did not allocate.
- c) Insurance cost- AAR Insurance quoted a premium of Ksh.23,339,083 in the FY 2023/2024, while the winning tender from Transnep Insurance amounted to Ksh.34,109,029. Combined, this requires Ksh.57,448,112, yet the CRA allocated only Ksh.36 million, leaving a deficit of Ksh.21,448,112 that will require an additional budgetary allocation.

- d) Security- the new county assembly headquarters is located six kilometers from the Central Business District. There is a need to establish a police post in the area. The Assembly will have to construct houses and offices for them. This will require some budgetary allocation. There is also rampant insecurity in the settlements bordering Somalia. The County Assembly committees need high level security while undertaking their roles as enshrined in the constitution. CRA and Northern Counties have in the past agreed to cater for security costs. To this end, the Assembly requests for an additional amount of Ksh.23,280,000.
- e) Motor vehicle maintenance- Wajir County spans 56,773.1 square kilometers, and its roads are mostly in poor condition, with many areas damaged and worsened by floods. This severely limits access to markets, healthcare, education, and economic opportunities. The rough roads cause frequent vehicle breakdowns, resulting in high maintenance costs. Although the CRA allocated a lump sum for Operations & Maintenance, this amount is insufficient to fully cover the vehicle maintenance needs and the assembly needs 9,500,000.
- f) Enactment of bills-Since its establishment, the Wajir County Assembly has played a key role in developing the region's legislative framework by approving bills that address socio-economic issues and improve residents' welfare. These efforts have strengthened governance and accountability.
- g) To further this progress, the Assembly plans to step up the enactment of bills, focusing on health, education, infrastructure, and economic empowerment to tackle local challenges and support sustainable development. In the coming months, the Assembly aims to enact 10 bills and requires Ksh.25,520,000 to support this legislative agenda.
- h) Oversight activities- Wajir County Assembly's sectoral committees play a key role in promoting accountability and transparency in county projects and services. They monitor sectors like health, education, agriculture, and infrastructure to ensure efficient resource use and positive community impact. However, the current Operations & Maintenance (O&M) allocation is insufficient. The Assembly requests an additional Ksh.21,000,000 to support these oversight activities

- i) Purchase of staff bus and 2 Land cruisers- the Assembly will relocate in July 2024 to its new headquarters at Makoror which is eight kilometers from the Wajir Central Business District requiring acquisition of means of transport for the Staff of the County Assembly. Due to the security and terrain of Wajir County, the vehicles required should be able to transport the staff and committees during oversight and public participation. Therefore, the assembly requests for an additional amount of Ksh.40,000,000.
- j) Automation of the building with ICT- the county assembly chambers and offices need to be properly automated in order to ensure the House business is broadcasted live to Wajir residents and Kenya as a whole. To this end there is a need to unveil modern equipment for the task which will cost Ksh.31,320,000.

36. In total, the assembly requested for additional funding of Ksh.224,756,548.

2.5.6 County Assembly of Kitui

37. The County Assembly of Kitui submitted the following;

- a) Non-core County Infrastructure Development - The assembly requests approval to increase the office block construction budget from Ksh.250,000,000 to Ksh.460,000,000. The original tender was awarded at Ksh.533,000,000, but the project was downsized to comply with the 2018 infrastructure spending limits set by the national government.
- b) The 210 million will cater for installation of 3 lifts (Ksh. 41,850,00), Air conditioning systems (Ksh.16,258,481), structured cabling and CCTV security (Ksh.6,464,700), interior furnishings including built-in cabinets (Ksh.4,210,000), kitchen equipment (Ksh.1,000,000), Perimeter security features (Ksh.4,290,140), backup power generator (Ksh.7,500,000).
- c) In addition, leadership office carpets (Ksh.3,000,000), rainwater harvesting system (Ksh.2,150,800), parking and landscaping (Ksh.2,058,000), solar-powered borehole (Ksh.4,100,00), consultant fees (Ksh.110,000,000)
- d) For recurrent needs are, Chamber Roof Replacement-The Assembly requires Ksh.25,000,000 to replace the damaged chamber roof with glass materials to address weather-related deterioration and safety concerns.

- e) Ceremonial Mace Upgrade- A new golden mace costing Ksh. 30,000,000 will replace the outdated 2013 wooden version to maintain legislative dignity.
- f) Digital Transformation Project-Ksh.55,000,000 is needed for live-streaming infrastructure, audio-visual systems, and high-speed connectivity to modernize proceedings.
- g) Oversight Activities Funding- The Assembly seeks Ksh.50,000,000 to facilitate county-wide project monitoring and committee oversight work.
- h) Vehicle Fleet Replacement-All eight original vehicles require replacement at Ksh.40,000,000 due to complete wear and tear affecting operations.

38. The total request comprises of Ksh.460,000,000 for capital projects and Ksh.200,000,000 for recurrent needs, totaling to Ksh.660,000,000.

2.5.7 County Assembly of Kisumu

39. The County Assembly of Kisumu submitted as follows;

- a) The County Assembly of Kisumu requested for additional funding amounting to Ksh.341,135,900 to furnish and equip its new ultra-modern assembly chambers and offices, which are expected to be fully completed and ready for occupation by September 2025. They explained that the existing office furniture and equipment, procured over a decade ago, have become obsolete or are in poor condition, and the new building offers significantly more office space, necessitating substantial additional furnishings.
- b) The breakdown of the funding request includes-
 - i. Assembly Debating Chamber, Speaker and Public Gallery: Ksh.27,815,000
 - ii. Office of the Speaker and Deputy Speaker: Ksh.11,090,000
 - iii. County Assembly Leadership Offices: Ksh.12,560,000
 - iv. MCAs Offices: Ksh.38,000,000
 - v. External Board Members Offices: Ksh.1,900,000
 - vi. Office of the Clerk and Deputy Clerk: Ksh.11,490,000
 - vii. 5 Directors Offices: Ksh.8,450,000
 - viii. 16 Heads of Department Offices- Ksh.17,425,000

- ix. Open Office Set-up, Security, Reception and Private Lounge- Ksh.23,240,000
- x. Break-out Room: Ksh.1,800,000
- xi. Library and Information Services-Ksh.6,465,000
- xii. Open Food Court – Restaurant- Ksh.5,240,000
- xiii. Kitchen- Ksh.9,572,000
- xiv. Gym Equipment- Ksh.30,569,400
- xv. Sauna and Steam Equipment- Ksh.10,000,000
- xvi. Hansard, E-Parliament and ICT Equipment- Ksh.121,809,500

40. In total, the assembly requested for additional funding of Kshs.341,135,900.

2.5.8 County Assembly of Nandi

41. The County Assembly of Nandi submitted the following;

- a) The Assembly requested for an additional allocation of Ksh.144,938,760 in the Financial Year 2025/2026 to enhance its recurrent expenditure ceiling.
- b) They explained that the request was necessitated by a significant reduction of Ksh.154.15 million in their 2024/2025 recurrent budget, which had adversely affected the institution's operations.
- c) They reported that part of the requested funds—Ksh.93,922,000—is intended for equipping the County Assembly Office Complex, Hansard Department, and the Chambers. This would cater for items such as audio-visual equipment, furniture, and other necessary fittings.
- d) The assembly also sought Ksh.29,620,000 to furnish at least 32 newly constructed offices within the new complex, in order to provide a conducive working environment for members and staff.
- e) Additionally, the assembly requested Ksh.21,196,760 to facilitate public participation exercises and civic education programs, as well as Ksh.24,000,000 to support a full year's implementation of these activities. This would include holding at least 10 major public participation events and 4 civic education forums in each ward.

42. In total, the assembly requested for additional funding of Ksh.144,938,760.

2.5.9 County Assembly of Garissa

43. The representatives from the County Assembly of Garissa presented the following;

- a) They requested for an increment of Ksh.167,400,772 over and above the Commission on Revenue Allocation's proposed ceiling for the Financial Year 2025/2026.
- b) The assembly attributed the funding request to a substantial budget cut of Ksh.231,735,508 in the previous financial year, which disrupted operations and led to the accumulation of pending bills totaling Ksh.33,527,850. These included Ksh.15,560,000 for pension funds, Ksh.3,542,960 for SACCO dues, Ksh.6,696,654 for unremitted bank loan deductions, and Ksh.7,728,236 for supplies dues.
- c) To implement a fair staff rationalization process as guided by the SRC and the Senate Public Accounts and Investments Committee, the assembly requested Ksh.58,013,922 to compensate retrenched employees with three months' salary per year served (capped at seven years), and a golden handshake of Ksh.150,000 per employee.
- d) They reported that although this amount, along with Ksh.3,929,500 for a consultancy firm, had initially been approved by the Senate during deliberations on the County Allocation of Revenue Bill, 2024, the funds were later suspended due to national budget cuts. The assembly now seeks reinstatement of Ksh.58,013,922, with a separate request of Ksh.7,859,000 for the HR audit consultancy services.
- e) Following a fire incident that destroyed the Assembly's prefab offices, chambers, and essential equipment, the County Assembly reported that it had completed the construction of new office blocks and now requires Ksh.48,000,000 for furnishing and equipping the facilities. The requested amount will cater for office furniture at Ksh.9,300,000, furnishing the members' lounge at Ksh.5,850,000, equipping committee boardrooms at Ksh.4,650,000, furnishing 30 ward offices at Ksh.13,700,000, and the acquisition of a standby generator at Ksh.14,500,000 to ensure uninterrupted operations during power outages.

- f) Additionally, the assembly reported that Ksh.30,000,000 allocated for insurance is inadequate due to inflation, rising healthcare costs, and increased staffing. They therefore requested an additional Ksh.20,000,000 to meet the actual cost of Ksh.50,000,000 for adequate medical insurance coverage for members, staff, ward officers, and partisan staff.

44. In total, the assembly requested for additional funding of Ksh.167,400,772 to address the five priority areas: pending bills, staff rationalization, HR audit, office equipping and generator, and insurance deficit.

2.5.10 County Assembly of Bungoma

45. The representatives from the County Assembly of Bungoma presented the following;

- a) The Assembly indicated that under the revised County Allocation of Revenue Act (CARA), 2024, the recurrent ceiling for FY 2024/25 was set at Ksh.1,019,575,196, while the Commission on Revenue Allocation (CRA) has recommended a lower ceiling of Ksh.969,221,694 for FY 2025/26, further straining their financial position.
- b) The assembly had previously secured an approval of Ksh.93,000,000 for the 2024/25 financial year to support its planned programmes. Unfortunately, this allocation was adversely affected by the amendment of the Finance Bill, 2024, which resulted in a revision of the approved CARA and a reduction of the ceiling by Ksh.47,375,237. This reduction has significantly impacted the Assembly's ability to implement its intended activities.
- c) The assembly therefore requested the reinstatement of the full Ksh.93,000,000, citing the need to implement the originally planned development activities.
- d) In addition, the assembly requested a further Ksh.15,000,000 for the installation of solar panels at the County Assembly's Administration Block and Chambers. This initiative is intended to enhance energy efficiency and reduce operational power costs.
- e) The specific areas that were covered in the earlier request for Ksh.93,000,000 include the purchase of furniture for the auditorium and boardrooms in the new building (Ksh.57,000,000), ICT infrastructure

such as installation and configuration of CCTV cameras and UPS for computers (Ksh.10,000,000), purchase of library shelves, e-library software, licenses, and reading materials (Ksh.15,000,000), installation of air conditioners in the new building (Ksh.2,000,000), and payment of utilities for the new hub (Ksh.9,000,000).

- f) The new request for Ksh.15,000,000 is specifically earmarked for the installation of solar panels at the County Assembly's administration block, bringing the total additional funding sought to Ksh.108,000,000.

46. In view of the above needs, the assembly requested that their recurrent budget ceiling for FY 2025/26 be enhanced to Ksh.1,077,221,694, to ensure smooth operations and effective service delivery.

2.5.11 County Assembly of Makueni

47. They submitted the following;

- a) The Assembly explained that a budget cut of Ksh.89,726,128 in FY 2024/25 led to adjustments that caused salary arrears of Ksh.37,526,233.45 and gratuity arrears of Ksh.29,751,324.96 for Members of the County Assembly and contractual staff. Additionally, due to persistent underfunding, Operations and Maintenance pending bills had accumulated to Ksh. 60,335,076.50, bringing the total arrears and pending bills to Ksh.127,612,634.91.
- b) To comply with the Salaries and Remuneration Commission's (SRC) Phase III and IV circulars and support staff promotions per the Assembly's HR Manual, the assembly requests Ksh.17,457,721.50. This includes Ksh.14,507,440.50 for salary increments and Ksh.2,950,281.00 for promotions.
- c) The Assembly also proposes a Digital Transformation and e-Assembly Infrastructure Initiative aligned with Vision 2030, with a total cost of Ksh.50,800,000. This covers items such as ICT equipment, data centre setup, disaster recovery, broadcasting systems, and e-library infrastructure.
- d) For public participation and oversight, the Assembly requests Ksh.20,000,000, emphasizing its nationally and globally recognized

participatory model that fosters transparency, citizen empowerment, and responsive governance.

- e) To strengthen institutional capacity, the assembly seeks Ksh.24,772,890.00 for training and capacity-building programs targeting staff and watchdog committees. This includes mandatory training on accrual accounting, e-GP, internal audit, and oversight best practices.
- f) The assembly further requests Ksh.15,809,600.00 for asset valuation, tagging, and maintenance, citing the need to support full transition to accrual accounting and the growing asset base that requires systematic management and upkeep.

48. In total, the assembly requested for additional funding of Ksh.256,452,846.41.

2.5.12 County Assembly of Bomet

49. The County Assembly of Bomet submitted as follows;

- c) They reported that the proposed expenditure ceiling of Ksh. 725,816,719 excludes several critical components necessary for the effective operation of the assembly and the implementation of their strategic plan for 2021-2027.
- d) They highlighted that the newly completed chamber and Speaker's residence, valued at Ksh. 508 million, along with Hansard equipment valued at Ksh. 101 million, require comprehensive insurance coverage against fire and theft. This coverage, which also includes essential furniture, is estimated to cost Ksh. 10 million.
- e) The assembly further pointed out that the new chamber, which houses offices for both staff and members, needs furnishing, with an estimated cost of Ksh. 24 million.
- f) The assembly identified post-medical insurance as a crucial element for protecting the health and well-being of both staff and members. They indicated that a provision of Ksh. 15 million is required to adequately cover the insurance costs.
- g) They emphasized the importance of public participation as a constitutional mandate and noted that the county assembly service board had allocated Ksh. 25 million for citizen engagement activities. The

allocation includes the purchase of two new vehicles costing Ksh. 14 million to replace the existing worn-out fleet to support the activities.

- h) That the County Assembly Service Board has recruited 10 additional staff members, which necessitates an increase in the budget by Ksh. 7 million to cover their training, insurance, and other related costs.
- i) To enhance security and cleanliness, the County Assembly Service Board proposed outsourcing security and cleaning services due to the expanded new chamber. The total estimated cost for these outsourced services is Ksh. 8.16 million.
- j) Additionally, the assembly noted that the reduced budget ceiling has curtailed the Service Level Agreement for their E-Board systems and emails, which requires an annual allocation of Ksh. 3.6 million.

50. In total, the assembly requested for additional funding of Ksh. 93 million.

2.5.13 County Assembly of Marsabit

51. The County Assembly of Marsabit submitted the following;

- a) The Assembly stated that its effectiveness in conducting public participation and oversight role had been significantly undermined due to logistical challenges, particularly stemming from the vast county landmass, poor road terrain, and aging fleet of vehicles purchased during the 2013/2014 financial year.
- b) As a result, the assembly requested funds for the acquisition of four (4) new 4×4 Land Cruiser vehicles, amounting to Ksh.60,000,000, to facilitate field visits, citizen engagement, and project monitoring across the expansive and remote areas of the county.
- c) In addition, the assembly reported that their newly constructed chambers remain underutilized due to the absence of critical installations and fittings required for full functionality. To operationalize the facility, they requested Ksh.75,000,000 for Hansard and audio-visual system installation, Ksh.27,500,000 for CCTV system and access control, Ksh.70,000,000 for furnishing and fitting the chamber, and Ksh.40,000,000 for the procurement of a stand-by generator to ensure uninterrupted power supply and enhance the effectiveness of legislative operations.

52. In total, the assembly requested Ksh.272,500,000 as a once-off allocation.

2.5.14 County Assembly of Tana River

53. The County Assembly of Tana River submitted the following;

- a) Public participation and oversight- the annual budgetary requirement for public participation and oversight is Ksh.53,760,000 compared to 39M proposed by CRA. The assembly therefore requests an additional amount of Ksh.14.7 million.
- b) Training cost- requested for an additional Ksh.12.4 million on top of Ksh.19 million proposed by the CRA for training purposes to enable members perform their functions more effectively.
- c) Inherited tax arrears from the county executive- there's an unpaid tax of Ksh.487,125,111 to KRA inherited from the county treasury which had accrued for the period that the county assembly payments were processed at the county treasury. The assembly requests an additional amount of Ksh.35 million to clear with KRA.
- d) Purchase of 8 vehicles inclusive of speaker's official vehicle and 15 motor cycles-The County Assembly speaker doesn't have an official vehicle. All the cars have been grounded due to mechanical failures and they are due for disposal. These vehicles were acquired in 2014 while others were inherited from the defunct local authority. Therefore, an additional amount of Ksh.138.5 million is required.
- e) Procurement and installation of Hansard equipment- the assembly requests an additional funding of Ksh.16 million.
- f) Office furniture and computers for 15 ward offices- the county assembly has constructed 15 ward offices, however due to financial constraints they haven't been equipped and therefore requests additional amount of Kshs.45 million to equip the offices.
- g) Insurance cost- the assembly has been providing an inpatient medical cover of Ksh.2 million to the members due to the financial constraints against the recommended amount of Ksh.3 million. Therefore, the assembly requests an additional Ksh.16 million to supplement the Kshs.24 million already allocated by the CRA.

54. In total, the assembly requested for an additional amount of Ksh.277.6 million.

2.5.15 County Assembly of Baringo

55. The County Assembly of Baringo submitted the following;

- a) The County Assembly of Baringo requested for an upward adjustment of its recurrent expenditure ceiling by Ksh.132 million, over and above the Commission on Revenue Allocation (CRA) proposed ceiling of Ksh.823 million.
- b) They reported that Ksh.20 million is needed to furnish newly constructed offices for Members and staff with essential items such as tables, chairs, workstations, and other office furniture.
- c) The assembly also completed construction of the Speaker's residence and is seeking Ksh.10 million for equipping it with kitchen fittings, dining, laundry equipment, and household furniture.
- d) To address deterioration in its facilities, the assembly proposed an allocation of Ksh.20 million for general repairs, renovations, and improvements in areas such as the main building, lounge, kitchen, gallery, and external works.
- e) On matters of security, the assembly highlighted increasing threats and inadequate infrastructure and requested Ksh.27 million to install CCTV systems, walk-through metal detectors, revolving bars, and turnstiles to safeguard both members and the public.
- f) For the improvement of the work environment, the county assembly of Baringo sought Ksh.20 million, allocated as follows: Ksh.8 million for a quality medical insurance cover, citing previous substandard services; Ksh. 4 million for the acquisition of computers and ICT gadgets to address existing shortages; and Ksh.8 million for fuel and mileage allowances, particularly to support Adhoc Committees such as Public Service, Revenue, and Pending Bills, whose members traverse the expansive county conducting fieldwork and engaging stakeholders.
- g) Additionally, the Assembly requested Ksh.35 million for the acquisition of motor vehicles to support committees' field visits, project verifications, and public engagements. The request is necessitated by the fact that the current fleet, inherited from defunct local authorities, is no longer serviceable and is being considered for disposal.

56. In total, the assembly requested for an additional amount of Ksh.132 million.

2.5.16 County Assembly of Isiolo

57. The County Assembly of Isiolo submitted the following;

- a) The County Assembly of Isiolo reported that its chambers and offices were vandalized during the impeachment process of Governor H.E. Abdi Ibrahim Hassan. To restore the premises to their former state, the Assembly requested Ksh.70 million.
- b) The assembly explained that the vastness of Isiolo County, covering approximately 25,700 km², leads to significant operational costs. These include high fuel consumption, costly vehicle maintenance, expensive transport hire, and substantial expenses on mileage and daily subsistence allowances during public participation. They noted that conducting public participation for a single bill across the county costs Ksh.2.5 million, excluding publication, advertisement, and report writing, and they expect to process at least 15 bills. The total cost for public participation is projected at Ksh.37,500,000.
- c) The assembly plans to conduct “Bunge Mashinani” sessions in the three sub-counties of Garba Tulla, Merti, and Cherab, with each event estimated at Ksh.7 million, totalling Ksh.21 million.
- d) For staff promotions and annual salary increments, the Assembly sought an additional Ksh.7 million to meet these obligations.
- e) The assembly also requested Ksh.2.88 million to enhance security arrangements within its premises, specifically for the deployment of Administration Police Officers.
- f) The assembly also sought Ksh.100,000,000 to settle domestic payables resulting from a mid-year budget cut in FY 2024/2025. Furthermore, it requested Ksh.30,000,000 for ongoing training and capacity building for staff and members, emphasizing that such development is a continuous process.
- g) Due to prevailing inflationary pressures, the Assembly proposed a 5% increase in its recurrent budget, amounting to an additional Ksh.22.75 million based on a total ceiling of Ksh.455 million.

58. In total, the assembly requested for an additional amount of Ksh.261,160,000.

2.5.17 County Assembly of Mombasa

59. The representatives from the County Assembly of Mombasa presented the following;

- a) The County Assembly of Mombasa submitted that the expenditure ceiling of Ksh.732,807,426 proposed by the Commission on Revenue Allocation (CRA) is insufficient for the institution's effective operations in the FY 2025/26.
- b) The assembly cited Regulation 2(1)(f) of the Public Finance Management (County Governments) Regulations, which caps county assembly expenditure at either 7% of the county government's total revenue or twice its personnel emoluments, whichever is lower. They emphasized that their budgets have always remained within these legal parameters.
- c) The assembly presented historical data showing that in the FYs 2022/23, 2023/24, and 2024/25, their approved expenditures were 6.6%, 6.1%, and 4.7% respectively of total county revenue—consistently below the 7% cap. However, these ceilings have resulted in increasing pending bills, with Ksh.88.9 million reported at the end of FY 2024/25.
- d) Regarding personnel emoluments, the Assembly indicated that their expenditure on staff has also remained within limits. For FY 2025/26, they estimated their wage bill at Ksh.464,609,414, making the lawful expenditure ceiling Ksh.929,218,828 (twice the emoluments), which is higher than the CRA's proposed ceiling.
- e) The assembly argued that while their expenditures have remained compliant with legal limits, the static or declining ceilings have not matched the growing responsibilities of the institution. They noted that the assembly has contributed to increased county revenues through legislative action, thereby expanding its oversight obligations.
- f) They further stated that the County Allocation of Revenue Act (CARA) 2024, passed midway through FY 2024/25, resulted in a sharp and disruptive reduction of Ksh.72 million from their initial ceiling. The majority of expenditure lines had already been committed on IFMIS, making the reduction difficult to absorb.

- g) As a result of this budget cut, the assembly anticipated pending bills of up to Ksh.100 million at the end of FY 2024/25. They therefore requested that the Ksh.72 million reductions be reinstated in the FY 2025/26 ceiling to allow settlement of part of these obligations.
- h) The assembly added that the reduced allocations have not only been inconsistent with the law but have also led to delayed execution of core functions. They reported that salaries for two months and the medical insurance payment for staff would be carried over to the 2025/26 financial year.
- i) Based on the expected total county revenue of Ksh.14.63 billion in FY 2025/26, the assembly argued that the legal expenditure ceiling would be either Ksh.1.024 billion (7% of total revenue) or Ksh.929.2 million (twice personnel emoluments). Since the law provides for the lower of the two, they submitted that their ceiling should be set at Ksh. 929,218,828.

60. In total, the assembly requested for an additional amount of Ksh.929,218,828 in compliance with the law and to enable effective execution of their constitutional mandate.

2.5.18 County Assembly of Kilifi

61. The County Assembly of Kilifi submitted the following;

- a) The County Assembly of Kilifi submitted that it had been allocated a budget ceiling of Ksh.851,651,828 for the Financial Year 2025/2026 under the County Allocation of Revenue Bill, 2025. However, after evaluating its actual expenditures over previous years and assessing current operational demands, the assembly found the allocation inadequate for the effective discharge of its constitutional mandate.
- b) Consequently, the assembly requested an additional allocation of Ksh.104,708,748, bringing the total proposed ceiling to Ksh. 956,360,576.
- c) Under personnel emoluments, the assembly maintained a figure of Ksh.493,998,176. They proposed an increment of Ksh.5 million to the medical insurance budget, raising it to Ksh.42 million. Additionally, Ksh.16 million was allocated for WIBA/GPA insurance and Ksh.6 million for general personal insurance.

- d) The training budget was retained at Ksh.25 million, while the public participation allocation was proposed to increase by Ksh.5 million. The assembly also proposed an increase of Ksh.24,508,748 for House Committee operations, making the new total Ksh.139,512,400 under that vote.
- e) These core components—personnel emoluments, insurance, training, public participation, and committee operations—accounted for a subtotal of Ksh.753,760,576, with a proposed increment of Ksh.34,508,748.
- f) They proposed that the allocation for utilities be increased from Ksh.5.5 million to Ksh. 10 million to address rising utility costs. Furthermore, they recommended enhancing the provision for domestic travel by Ksh.10 million, raising the total allocation to Ksh.34 million to support expanded committee and oversight activities. The allocation for hospitality supplies was also proposed to increase by Ksh.10 million, resulting in a revised total of Ksh.40.6 million. Additionally, they proposed that the allocation for office and general supplies be raised to Ksh.20 million to ensure uninterrupted administrative operations.
- g) They proposed that the allocation for fuel and lubricants be increased by Ksh.5.5 million, raising it from Ksh.9.5 million to Ksh.15 million, to accommodate higher consumption and costs. Additionally, the allocation for routine maintenance of vehicles and assets was doubled from Ksh.5 million to Ksh.10 million to ensure proper upkeep and functionality. The assembly also proposed an allocation of Ksh.30 million for the purchase of office furniture to furnish both the ward offices and the Assembly headquarters.
- h) They proposed increasing security-related operational expenses from Ksh.8 million to Ksh.13 million. Additionally, legal fees were significantly raised by Ksh.18 million, bringing the total allocation for legal fees to Ksh.30 million. Overall, these operational and maintenance votes amounted to Ksh.202.6 million, reflecting a required increment of Ksh.70.2 million.

62. Finally, the county assembly of Kilifi requested a revised total ceiling of Ksh.956,360,576 for FY 2025/2026. The assembly maintained that the requested

increase of Ksh.104,708,748 is critical to meet its constitutional obligations and to ensure smooth operations across all its programs and departments.

2.5.19 County Assembly of Lamu

63. The County Assembly of Lamu submitted the following;

- a) Hansard System -They stated that the current Hansard system, installed in 2021, had technical limitations and capacity issues, necessitating an upgrade to ensure integrity, transparency, and efficient retrieval of parliamentary records. They highlighted that the proposed upgrade to a state-of-the-art system, including both audio and video, transcription software, archiving, and storage capacity solutions, would improve accuracy, establish a modern system, and ensure longevity. They estimated the cost for this upgrade at Ksh.70,000,000.
- b) Solar System- They explained that frequent intermittent power outages were damaging their electrical and electronic equipment and disrupting general operations. They proposed the installation of a solar system at an estimated cost of Ksh.30,000,000 which will enhance power reliability, reduce operational and maintenance cost and promote environmental sustainability.
- c) Rehabilitation of Assembly Building (Headquarters)- They pointed out that the Assembly building, constructed in 2014-2015 FY, had not undergone major renovations and that the lack of proper facilities negatively impacted its functionality and image. They specified key areas for intervention, including electrical and plumbing works, ceiling, security, Hansard and CCTV installation, walkways, and seating. The assembly requested for additional amount of Ksh.30,000,000.

64. In total, the Assembly requested Ksh.130,000,000 as a one-off allocation.

2.5.20 County Assembly of Taita Taveta

65. The County Assembly of Taita Taveta submitted as follows;

- a) They requested their recurrent budget ceiling for FY 2025/26 to be increased from the proposed Ksh.686,797,720 to Ksh.759,520,871.
- b) That the current allocation for public participation is insufficient to cover stakeholder engagements for multiple bills, including an estimated Ksh.

5,404,000 for a 5-day public participation across 20 wards on the County Fiscal Strategy Paper alone.

- c) They noted that the Speaker's residence has not yet been constructed, necessitating annual rent payments of Ksh.960,000, which further strains the budget.
- d) The assembly indicated the need to align their staff establishment with the Salaries and Remuneration Commission (SRC) guidelines, which will result in staff promotions and additional vacancies within the Commission on Revenue Allocation (CRA) ceilings, increasing the wage bill from Ksh.295 million to Ksh.320 million.
- e) Furthermore, they emphasized the importance of training Members, assembly staff, and non-partisan staff to effectively perform their legislative, oversight, and representation roles. This requires an additional Ksh.62.5 million to cover professional trainings, workshops, seminars, and benchmarking activities.

CHAPTER THREE

COMMITTEE'S RESOLUTIONS ON THE COUNTY ASSEMBLY REQUESTS FOR RECURRENT EXPENDITURE BUDGET CEILING ADJUSTMENT FOR FY 2025/26

66. The county assemblies listed herein submitted requests for review of their respective recurrent expenditure budget ceiling. The Committee considered the requests and resolved that respective county assemblies' recurrent expenditure budget ceiling be adjusted to cater for the following expenditure items-

SN	County	Items	Resolution
1	Bungoma	Office furniture- new buildings	55,000,000
		ICT infrastructure installation in new building	10,000,000
		Library equipment	15,000,000
		Installation air conditioners	2,000,000
		Utilities	8,000,000
		Solar panels installations	15,000,000
		Total	105,000,000
2	Kakamega	Purchase of motor vehicles	40,000,000
		Insurance- medical and mortgage	25,000,000
		Staff Car Loan and Mortgage Scheme	80,000,000
		Contingent liabilities & arbitration -court awards	55,000,000
		Total	200,000,000
3	Uasin Gishu	County Assembly Strategic Plan	3,000,000
		Refurbishment of County Assemblies and chambers	15,000,000
		Purchase of motor vehicles	25,000,000
		Hansard and Audio and ICT equipment	22,000,000
		Operationalization of ward offices	60,000,000
		Total	125,000,000
4	Garissa	Staff rationalization	58,000,000
		HR audit requirement	4,000,000
		Office equipment	30,000,000
		General insurance deficit	15,000,000
		Total	107,000,000
5	Tana River	Purchase of vehicles	55,000,000
		Procurement & installation of Hansard equipment	15,000,000
		Office furniture & fittings for 15 ward offices and 10 nominated MCAs	45,000,000
		Medical insurance costs	15,000,000
		Total	130,000,000

6	Mombasa	Equipping the library	30,000,000
		Purchase of computers, laptops, printers, photocopiers and office furniture for employees	10,000,000
		Medical cover costs occasioned by non-partisan staff	8,000,000
		Group medical insurance	50,000,000
		Assembly buildings insurance	7,500,000
		Asset maintenance costs	2,500,000
		Public participation-purchase motor vehicles - vans	22,000,000
		Total	130,000,000
7	Nairobi	Establishment of broadcasting unit	15,000,000
		Acquisition of new motor vehicles	20,000,000
		Total	35,000,000
8	Kiambu	Procurement of Hansard system	40,000,000
		Establishment of Broadcasting Unit and media centre	15,000,000
		E-Parliament to improve record management	30,000,000
		Refurbishment of the Assembly Chamber	30,000,000
		Repair and replacement of furniture and fittings	10,000,000
		Total	125,000,000
9	Kitui	Replacement of County Assembly Chamber roof	20,000,000
		Replacement of worn-out vehicles	15,000,000
		Total	35,000,000
10	Kisumu	Furnishing of Assembly debating chamber, speaker and public gallery renovation	20,000,000
		Furnishing of the office of the Speaker and Deputy Speaker	10,000,000
		Furnishing of County Assembly Leadership offices	10,000,000
		Furnishing of MCAs' offices	30,000,000
		Furnishing of the Office of the Clerk and Deputy Clerk	10,000,000
		Furnishing of 5 Directors' offices	8,000,000
		Furnishing of 16 Heads of Department offices	17,000,000
		Furnishing of reception, security, and lounge area	20,000,000
		Library and information services	5,000,000
		Hansard, E-Parliament and ICT equipment	70,000,000
		Total	200,000,000
11	Wajir	Medical insurance cost	20,000,000
		Security enhancement	20,000,000
		Motor vehicle maintenance	9,000,000
		Purchase of staff bus and 2 land cruisers	35,000,000

		Automation of new County Assembly's ICT	24,000,000
		Total	108,000,000
12	Makueni	E-Assembly infrastructure and digital transformation initiatives	51,000,000
		Oversight and public participation-purchase of motor vehicles	20,000,000
		Asset valuation, tagging and maintenance	16,000,000
		Gratuity Arrears of contractual staff	30,000,000
		Maintenance of offices	8,000,000
		Total	125,000,000
13	Isiolo	Restoration of the Assembly and Refurbishment of offices	100,000,000
		Total	100,000,000
14	Baringo	Equipping of new offices with furniture	15,000,000
		General repairs and maintenance	5,000,000
		Computers and ICT Gadgets	4,000,000
		Total	24,000,000
15	Bomet	Insurance of Chamber and Speaker's residence	20,000,000
		Purchase of new vehicles	10,000,000
		Total	30,000,000
16	Nandi	Equipping County Assembly complex and Hansard	25,000,000
		Furniture and fittings for new offices	5,000,000
		Total	30,000,000
17	Lamu	Hansard system	20,000,000
		Solar system	5,000,000
		Rehabilitation of Assembly Head Office	5,000,000
		Total	30,000,000
18	Kilifi	Medical insurance	5,000,000
		Office ICT equipment	5,000,000
		Maintenance motor vehicles and Assets	5,000,000
		Security enhancement	5,000,000
		Total	20,000,000
19	Taita/Taveta	Purchase of motor vehicle for public participation	20,000,000
		Total	20,000,000
		Overall Total Adjustments	1,679,000,000

CHAPTER FOUR

COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

Observations

67. Following deliberations with various stakeholders and consideration of the Bill, the Committee made the following observations-

- a) The sharing of the revenue among the county governments for FY 2025/26 of Ksh.415.0 billion is based on the Fourth Basis approved by Parliament in June 2025. The application of the Fourth Basis shows that, Ksh.387.425 billion will be shared as previously received by counties, Ksh.4.46 billion is shared equally among Twelve (12) identified counties and Ksh.23.115 billion is shared among all the counties through an allocation ratio derived from population- weighted at 45%, Poverty Index -weighted at 12%, Geographical Size Index -weighted at 8 %, and Basic Share index-weighted 35 %.
- b) The additional equitable share in FY 2025/26 is Ksh.27.6 billion. An analysis of distribution of this increment shows that Ksh.8.3 billion is allocated to twelve (12) counties. This is as a result of application of Fourth Basis, which identifies 12 for affirmative allocation of Ksh.4.46 billion.
- c) The overall ceilings for county assemblies have been enhanced by Ksh.1.89 billion from the approved Ksh.36.37 billion for FY 2024/25 to Ksh.38.26 billion proposed for FY 2025/26.
- d) The County executive ceilings as provided by CRA reveals a significant shift from the previous FY 2024/25 allocations with a Ksh.10.3 billion decline. Although CRA indicated that this was informed by the quantification of various expenditure needs.
- e) Further, CRA indicated that in developing the recurrent expenditure ceilings recommendations, Circulars and gazette notices from SRC issued from time to time, various Court determinations, IEBC Gazette notices on election outcomes, Senate and other stakeholders' feedback were taken into account. In line with this, analysis revealed that county assemblies with high representation (Number of wards and number of MCAs) had

the highest expenditure ceilings, with some going beyond a billion shillings.

Recommendations

68. Having considered the Bill and stakeholders' submissions, the Committee recommends that the Senate approves the Bill with amendments on the Second Schedule to the Bill to reflect adjusted recurrent expenditure ceilings for county assemblies.