

COUNTY GOVERNMENT OF KITUI



MINISTRY OF FINANCE, ECONOMIC PLANNING & REVENUE MANAGEMENT

Department of Economic Planning

County Budget Review and Outlook Paper

SEPTEMBER, 2026

COUNTY GOVERNMENT OF KITUI



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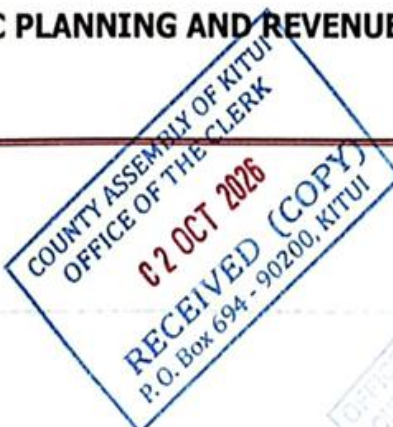
FINANCE, ECONOMIC PLANNING AND REVENUE MANAGEMENT

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Ref No. CGKTI/CT/FIN/34/II(37)

1ST OCTOBER, 2026

The Clerk
County Assembly of Kitui
P.O. Box 694-90200
KITUI



Dear Sir,

RE: SUBMISSION OF COUNTY BUDGET REVIEW AND OUTLOOK PAPER (CBROP) FOR FY 2025/2026

Forwarded herewith please find attached the Kitui County Budget Review and Outlook Paper for FY 2025/2026 in line with Section 118 (4) (a) of the Public Finance Management Act 2012.

Kind regards,

A handwritten signature in black ink.

Peter Mwikya Kilonzo

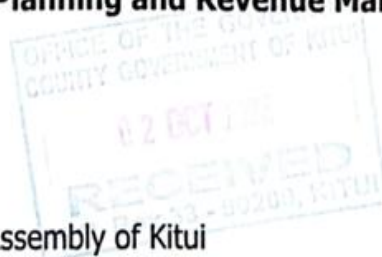
County Executive Committee Member

Finance, Economic Planning and Revenue Management



Copy to:

1. H. E. The Governor
2. County Secretary
3. Speaker – County Assembly of Kitui
4. Controller of Budget
5. Commission on Revenue Allocation



FOREWORD

The County Budget Review and Outlook Paper (CBROP), is prepared in accordance with Public Finance Management Act, 2012. It is the thirteenth to be prepared by the County Government of Kitui under the devolved governance structure. The outlook presents the actual fiscal performance of the FY 2025/2026 and projection of the 2026/27 FY hence making comparative analysis to the budget appropriations. The paper highlights the recent key economic development for the period under review for both the National and County Government. The report further provides an updated Medium Term Expenditure Framework (MTEF) financial forecasts and states how these projections deviated from estimates contained in the last County Fiscal Strategy Paper (CFSP) and actual budget for 2025/26 financial year (FY).

The paper also shows how the actual performance at the local and national level in 2025/26 FY affected the County's compliance with the fiscal responsibility principles and financial objectives as detailed in CFSP 2026. The County Government in collaboration with the National Government is implementing strategies and reforms geared towards accelerated economic growth and realization of the sixteen sector manifesto that include; Agriculture, Water, Health, Education, Urban, Roads & Construction, Trade & Investments, Micro Small & Medium Enterprises (MSMEs), Cooperatives Societies, Tourism & Hospitality, Women Youth & PWDs, Environment, Energy, Information & Communication, Security and Bodaboda for the residents of Kitui County. Implementation of various projects in 2025/26 FY proved to bear fruits through successful irrigation project, water infrastructure, hybridization and piping, road gravelling and skills development among others.

The outlook gives a clear comparison of own revenue generation, grants and loans; and equitable share from the national government and other development partners hence gives appropriate recommendations on the changes in revenue. The County Government is committed and will continue to improve the welfare of the residents through implementation of life changing programs as outlined in the County Integrated Development Plan (CIDP) 2023 - 2027.



Peter Mwikya Kilonzo,
CECM, Ministry of Finance, Economic Planning & Revenue Management
County Government of Kitui.

ACKNOWLEDGEMENT

The preparation of CBROP 2026 was collaborative, with stakeholders drawn from all sectors, departments and agencies of County Government of Kitui. The process was led by technical team from the department of Economic Planning and was accomplished through the commitment, dedication, sacrifice and determination of all the members of staff of the County Government.

I would like to pay special thanks to the officers working under Economic Planning Department & Budgeting for the critical role they played in the development of this County Budget Review and Outlook Paper. Their dedication on this course led to preparation of the plan within the stipulated timeframe

I may not mention everybody, but do acknowledge all those individuals who directly or indirectly contributed to the success of development and production of this paper.



Patrick Masila Munuve,
Chief Officer – Economic Planning & Budgeting
County Government of Kitui

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ABBREVIATIONS

ADP	Annual Development Plan
ADSE	Anglican Development Southern Eastern
ASDSP	Agricultural Sector Development Support Program
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CHPs	Community Health Promoters
CIDP	County Integrated Development Plan
CLIDP	Community Level Infrastructure Development Projects
CMMB	Catholic Medical Mission Board
COFOG	Classification of Functions of Government
ECDE	Early Childhood Development Education
FY	Financial Year
GCP	Gross County Product
GDP	Gross Domestic Product
HDU	High Dependency Unit
ICU	Intensive Care Unit
IFMIS	Integrated Financial Management Information System
KCRH	Kitui County Referral Hospital
KDSP	Kenya Devolution Support Programme
KSHS	Kenya Shilling
MCH	Maternal and Child Health
MSME	Micro Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NBU	New - born Unit
O&M	Operation and Maintenance
OPD	Out Patient Department
PE	Personnel Emolument
PFMA	Public Finance Management Act
PO	Producer Organizations
SDL	State Department for livestock
SEKEB	South Eastern Kenyan Economic Block
SIVAP	Small Irrigation Value Addition Project
TIMPs	Technology, Innovations and Management Practices
VTC	Vocational Training Centre
WBR	World Bicycle Relief

Legal Basis for the Publication of the County Budget Review and Outlook Paper

The County Budget Review and Outlook Paper is published in accordance with Section 118 of the Public Finance Management Act, 2012. The law states that:

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

Fiscal Responsibility Principles for the County Governments

In line with the Constitution, the Public Finance Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. The PFM Act, 2012, (Section 107) states that:

- 1) A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.
- 2) In managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles- (a) the county government's recurrent expenditure shall not exceed the county government's total revenue; (b) over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure; (c) the county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly; (d) over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure; (e) the county debt shall be maintained at a sustainable level as approved by county assembly; (f) the fiscal risks shall be managed prudently; and (g) a reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.
- 3) For the purposes of subsection (2) (d), short-term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited county government revenue.
- 4) Every county government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the county assembly.
- 5) The regulations may add to the list of fiscal responsibility principles set out in subsection (2).

EXECUTIVE SUMMARY

The core purpose of the 2026 CBROP is to provide a review of the previous fiscal performance and how this impacts the financial objectives and fiscal responsibility principles. These are set out in the last County Fiscal Strategy Paper (CFSP), which provides the basis for the revision of the current budget in the context of supplementary estimates and informs the choice of broad fiscal parameters underpinning the next budget and medium-term expenditure framework.

Analysis of the 2025/26 FY fiscal performance depicted a slight decline in absorption rate of County funds from **85.79%** to **81.75%**. There was a great improvement in the performance in revenue collection owing to setting realistic historical target, strict enforcement and favourable economic activities in the county.

Kenya's economic performance is projected to pick up in 2026 and 2027, with real GDP growth projected at around 5.1 percent. On the supply side, growth will be driven by resilient agriculture, steady services, and gradual improvement in industry. The agriculture sector will be driven by favourable weather conditions and productivity-enhancing government interventions. Linkages with other sub-sectors will boost the agro-processing industries, merchandise exports, as well as households' incomes.

The departments have rationalised their budget to align resources availability to needs, allocating funds to high impact projects. The Ministry of Finance, Economic Planning & Revenue Management plans to complete full automation of its revenue collection to improve revenue collection. The County Government managed to collect **Kshs. 974,080,620** from own source revenue reflecting **87.03%** of the targeted amount of **Kshs. 1,119,250,000**. This represents **8.7%** increase from 2024/25 FY performance whereby **Kshs. 895,416,036** was collected. The increase was majorly attributed to the realistic target setting, strict enforcement and favourable economic activities in the County.

On the expenditure side, the County Government continued to rationalize expenditures to improve efficiency and reduce wastage. In the medium term, expenditure management is expected to improve given the various budget rationalisation reforms undertaken and because of tightening of the fiscal framework to create room for more productive expenditures.

I. INTRODUCTION

A. Objective of the County Budget Review and Outlook Paper (CBROP) 2026

1. The main objective of the 2026 County Budget Review and Outlook Paper (CBROP) is to review the fiscal performance for 2025/26 FY and how this impacts the financial objectives and fiscal responsibility principles set out in the last County Fiscal Strategy Paper 2025/26 released in February 2025. The paper further outlines the expenditure and revenue in 2025/26 FY providing budgeting basis in the current financial year of 2026/27 and Medium-Term expenditure.
2. The CBROP, like the CFSP links policy, planning and the budgeting through reviewing the performance of the government in line with the budget and the laid down policies as tied to the broad priorities. These policies include the Kenya Vision 2030 and its Medium Term Plans I, II, III & IV (MTP I, II, III & IV), the County Integrated Development Plan (CIDP (2023-2027) and all other national and county policies relevant to planning.
3. The report rolls out the implementation of the development projects initiated in 2025/26 financial year, and continues to address the “Kitui Promise” under the sixteen sector manifesto priority areas. These sectors include Agriculture, Water, Health, Education, Urban, Roads & Construction, Trade & Investments, Micro Small & Medium Enterprises (MSME), Cooperatives Societies, Tourism & Hospitality, Women Youth & PWDs, Environment, Energy, Information & Communication, Security and Bodaboda.
4. The rest of the paper is organised as follows: Section II provides a review of the fiscal performance in FY 2025/26 and its implications on the financial objectives set out in 2025/2026. This is followed by brief highlights of the recent economic developments and updated revenue and expenditure in section III. Section IV provides the resources allocation framework, while Section V gives the development projects implemented in 2025/2026 FY.

II. REVIEW OF FISCAL PERFORMANCE IN FY 2025/26

B. Overview

5. The fiscal performance shows a decline in absorption rate from **85.79 %** in FY 2024/25 to **81.75%** absorption in FY 2025/26, and revenue side where revenue collection improved by 8.7% from **Kshs. 895,416,036** in FY 2024/25 to **Kshs. 974,080,620** in FY 2025/26.

6. The total revenue generated by the county over the period was **Kshs, 974,080,620** up from **Kshs 895,416,036** collected during FY 2024/2025 amounting to **8.7%** increase. The table 5 shows performance of revenue collection per ministry in the period under review. The county achieved **81.71%** of the set revenue target amounting to **Kshs. 1,119,250,000**.

C. 2025/26 Fiscal Performance

7. The table below presents the fiscal performance for the FY 2024/25 and FY 2025/26 together with the deviations from the original budget estimates of FY 2025/26.

Table 1: Summary of Revenue and Expenditure for FYs 2024/25 and 2025/26

CATEGORY	2023/24		2024/25		2025/26		Deviations (Actual/ Target FY2025/26)	Percentage Deviation (2025- 26/2024-25)
	Actual	Target	Actual	Target	Actual	Target	(%)	%
A. TOTAL REVENUE AND GRANT								
1. Revenue	12,492,382,697	13,426,691,833	13,276,477,133	13,526,086,526	12,527,743,794	12,672,913,174	-1.1%	-5.6%
Equitable Share	9,963,127,985	10,829,486,936	10,885,967,728	10,885,968,099	11,503,907,837	11,503,907,837	0.0%	5.7%
Other Revenues	2,529,254,712	2,597,204,897	2,390,509,405	2,640,118,427	1,023,835,957	1,169,005,337	-12.4%	-57.2%
Locally Generated Revenue	517,049,816	585,000,000	895,416,036	1,145,025,058	974,080,620	1,119,250,000	-13.0%	8.8%
Unspent Balances b/fwd.	2,012,204,897	2,012,204,897	1,495,093,369	1,495,093,369	49,755,337	49,755,337	0.0%	-96.7%
2. Grants								
HSSF/HSPS - (DANIDA/IDA)	16,112,250	16,112,250	13,601,250	13,601,250	14,229,000	14,089,326	1.0%	4.6%
Urban Institutional Grant (KUSP)			32,309,300	35,000,000	48,540,358	60,714,592	-20.1%	50.2%
IDA (World Bank) - Kenya Devolution Support Programme - II (KDSP II)			-	37,500,000	255,307,630	358,125,000	-28.7%	0.0%
Agriculture Sector Development Support Programme (ASDSP)	1,792,965	1,292,965		10,918,919			0.0%	0.0%
World Bank loan for National Agricultural and Rural Inclusive Growth Project	4,261,826	5,000,000					0.0%	0.0%
World Bank (Emergency Locust Response Project (ELRP))	132,498,510	133,683,244		121,025,000	0	0	0.0%	0.0%
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	199,781,563	200,000,000	96,664,363	151,515,152	231,081,416.20	248,194,645	-6.9%	139.1%
World bank Credit to Finance Locally -Led Climate Action Program (FLLoCA)	216,807,064	216,807,064	20,187,326		214,395,906	377,089,490	-43.1%	962.0%
Court fines		50,000		50,000	99,723	50,000	99.4%	100.0%
Mineral royalties		336,118		-	336,118	114,279	194.1%	100.0%
Livestock Value Chain Support Projects		14,323,680					0.0%	0.0%
De-Risking and Value Enhancement (DRIVE)		63,341,980					0.0%	0.0%

CATEGORY	2023/24		2024/25		2025/26		Deviations (Actual/ Target FY2025/26)	Percentage Deviation (2025- 26/2024-25)
	Actual	Target	Actual	Target	Actual	Target	(%)	%
Fertilizer Subsidy		179,499,580					0.0%	0.0%
Road Maintenance Fuel Levy			152,421,270		-	597,554,452	-100.0%	0.0%
Kitui County Pro-poor programme					-	1,235,286	-100.0%	100%
Development of Youth Polytechnics					-	362,908		
Community Health Promoters Project				74,100,000	0	58,050,445	-100.0%	0.0%
Basic Salary Arrears for County Government Workers				43,756,694	-	-	0.0%	0.0%
IDA (World Bank) - Credit: Kenya Urban Support Programme (KUSP) - Urban Development Grant (UDG)				41,801,769	26,000,000	60,714,592	-57.2%	100.0%
K-WASH DEV-STATE DEPT WATER AND SANITATION					246,760,742	-	100.0%	100.0%
County Aggregation and Industrial Parks (CAIP) Programme				250,000,000	250,000,000	301,525,750	-17.1%	100.0%
Total Grants	571,254,178	830,446,881	315,183,509	779,268,784	1,286,750,893	2,077,820,765	-38.1%	408.3%
Total	13,063,636,876	14,257,138,714	13,591,660,642	14,305,355,310	13,814,494,687	14,750,733,939	-6.3%	101.6%
B. EXPENDITURE					62%			
1. Recurrent	8,590,482,401	8,881,658,967	8,991,473,766	9,553,601,738	8,874,165,515	9,518,585,682	-6.8%	98.7%
Salaries and Wages	5,363,094,440	5,394,680,360	5,527,110,609	5,559,624,872	5,973,985,450	6,029,016,609	-0.9%	108.1%
O&M/Others	3,227,387,961	3,486,978,607	3,464,363,157	3,993,976,865	2,900,180,065	3,489,569,073	-16.9%	83.7%
2. Development	3,830,886,978	5,375,479,746	3,281,259,813	4,751,753,572	3,180,441,991	5,226,771,486	-39.2%	96.9%
Total	12,421,369,379	14,257,138,713	12,272,733,579	14,305,355,310	12,054,607,506	14,745,357,168	-18.2%	98.2%
C. SURPLUS/ (DEFICIT)	642,267,497		1,318,927,063		1,759,887,181			

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Cumulatively, the amount of grants budgeted during the year was **Kshs. 2,077,820,765**. Nevertheless, only Kshs **1,286,750,893** was received as grants, representing **62%** of the total budgeted grants.

Revenue

a. Equitable Share and Grants

8. The total disbursement to the county revenue fund account during the financial year 2025/2026 was Kshs 11,503,907,837, representing 100% of the total equitable share the county expected to receive from National Treasury. The amount disbursed increased by 5.6% from previous financial year of 2024/25 FY which was Kshs. 10,885,967,728.

9. Over the same period, the county expected to receive grants totalling to Kshs 2,072,443,994 from international donors (World Bank, SWEDEN and DANIDA) and conditional grants from the National Government. However, the County Government received grants totalling to Kshs. 1,286,750,893 during the period under review as shown in Table 4.

Table 2 shows schedule of disbursement of equitable share under the review period.

Table 1: Schedule of Disbursement of Equitable Share in FY 2025/26

Month	Date received	Amount
July	11-Aug-25	925,307,257.00
August	24-Sep-25	920,312,627.00
September	23-Oct-25	977,832,166.00
October	13-Nov-25	972,837,537.00
November	18-Dec-25	977,832,166.00
December	22-Jan-26	920,312,627.00
January	20-Feb-26	977,832,166.00
February	19-Mar-26	977,832,166.00
March	14/04/2026	920,312,627.00
April	11/05/2026	1,035,351,705.00
May	23/06/2026	977,832,166.00
June	25/06/2026	920,312,626.95
		11,503,907,836.95

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

b. Grants

Table 4 shows that The County received grants amounting to **Kshs. 1,286,750,893** for the period under review registering a deficit of **Kshs 551,187,247**.

Table 2: Grants performance in FY 2025/26

Source	Date received	Amount
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	08/01/2026	66,944,053.50
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	19/01/2026	85,365,501.00
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	25/05/2026	71,128,201.60
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	26/06/2026	7,643,660.10
Grants from World Bank (KDSP) - Level I	22/01/2026	35,253,471.15
Grants from World Bank (KDSP) - Level I	22/04/2026	35,250,117.80
Grants from World Bank (KDSP) - Level II	08/07/2026	184,804,041.20
World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)	06/02/2026	181,685,930.00
World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)	08/07/2026	32,709,976.00
Allocation for 20% Share of Mineral Royalties	11/03/2026	336,118.00
Allocation for Court Fines	11/03/2026	99,723.00
County Aggregation and Industrial Parks Programme	13/03/2026	125,000,000.00
County Aggregation and Industrial Parks Programme	13/03/2026	125,000,000.00
Kenya Urban Support Project (UIG)- World Bank	31/03/2026	48,540,358.00
Kenya Urban Support Project (UIG)- World Bank	08/07/2026	26,000,000.00
DANIDA SUPPORTED PRI H C PROGRAMME	20/05/2026	14,229,000.00
DEV-STATE DEPT WATER AND SANITATION	05/06/2026	246,760,741.90
		1,286,750,893.25

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Table 3: Grants Performance in FY 2025/26

Source	Amount Approved in CARA 2025	Grant Revote from FY 2024/25	Cumulative Grant Amount FY 2025/26	Receipts in the FY 2025/26	Outstanding Balance not Received
World bank Credit to Finance Locally -Led Climate Action Program (FLLoCA)	205,807,064	171,282,426	377,089,490	214,395,906	-8,588,842
Grants from World Bank - KDSP I	37,500,000	1,511,137	39,011,137	70,503,589	-33,003,589
Grants from World Bank - KDSP II	352,500,000	5,625,000	358,125,000	184,804,041	167,695,959
IDA(World bank)Credit National Agricultural Value Chain Development Project(NAVCDP)	151,515,152	96,679,493	248,194,645	231,081,416	-79,566,264

Source	Amount Approved in CARA 2025	Grant Revote from FY 2024/25	Cumulative Grant Amount FY 2025/26	Receipts in the FY 2025/26	Outstanding Balance not Received
HSSF/HSPS - (DANIDA/IDA)	13,601,250	488,076	14,089,326	14,229,000	-627,750
Court fines	50,000	-	50,000	99,723	-49,723
Community Health Promoters Project	58,050,445	-	58,050,445	-	58,050,445
Development of Youth Polytechnics	-	362,908	362,908	-	0
Urban Institutional Grant (KUSP)	28,400,000	32,314,592	60,714,592	26,000,000	2,400,000
IDA (World Bank) - Credit: Kenya Urban Support Programme (KUSP) - Urban Development Grant (UDG)	-	-	0	48,540,358	-48,540,358
Allocation for 20% of Mineral Royalties	114,279	-	114,279	336,118	-221,839
County Aggregation and Industrial Parks (CAIP) Programme	250,000,000	51,525,750	301,525,750	250,000,000	0
Road Maintenance Fuel Levy	445,098,850	152,455,602	597,554,452	-	445,098,850
DEV-STATE DEPT WATER AND SANITATION				246,760,742	-246,760,742
County Propoor programme	-	1,235,286	1,235,286	-	0
Covid 19 - Ministry of Health and Sanitation	-	16,326,684	16,326,684	-	0
Total	1,542,637,040	529,806,954	2,072,443,994	1,286,750,893	551,187,247

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

c. Own Source Revenue Generated

10. The total revenue generated by the county over the period was **Kshs, 974,080,620** up from **Kshs 895,416,036** collected during FY 2024/2025. On accrual basis, we earned **Kshs 1,274,836,625** which translates to **113.90%** of the set target. The table 5 shows performance of revenue collection per ministry in the period under review. The county achieved 87.03% of the set revenue target amounting to **Kshs. 1,119,250,000**.

Table 5: Own Source Revenue Generated by Ministry for the Period ending 30th June 2026

Spending Entity	Annual Target	Annual Realization - Accrual Basis	Annual Realization - Cash Basis	Percentage Realized
Office of the Governor	52,934,742	28,249,000	28,249,000	53.37%
Ministry of Water & Irrigation	1,828,949	3,232,000	3,232,000	176.71%
Ministry of Roads, Public Works & Transport	5,915,880	4,715,204	4,715,204	79.70%

Spending Entity	Annual Target	Annual Realization - Accrual Basis	Annual Realization - Cash Basis	Percentage Realized
Ministry of Health & Sanitation	639,609,754	1,022,818,266	722,062,261	112.89%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	1,548,625	651,688	651,688	42.08%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	19,022,072	369,500	369,500	1.94%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	452,256	201,575	201,575	44.57%
Ministry of Finance, Economic Planning & Revenue Management	169,319,821	105,538,123	105,538,123	62.33%
Ministry of Agriculture & Livestock	25,958,372	7,900,144	7,900,144	30.43%
Ministry of Lands, Housing and Urban Development	55,382,007	15,999,607	15,999,607	28.89%
Kitui Municipality	95,723,622	54,377,478	54,377,478	56.81%
Mwingi Municipality	51,553,901	30,784,040	30,784,040	59.71%
Totals	1,119,250,000	1,274,836,625	974,080,620	87.03%
		113.90%	87.03%	

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

11. Ministry of Water & Irrigation performed well in the collection of revenue with a 176.71 percent collecting Kshs 3,232,000 against a target of Kshs 1,828,949. Ministry of Health and Sanitation was the second-best performing entity at 112.89% collecting Kshs 722,062,261 out of a target of Kshs 639,609,754. Table 6 gives reasons for underperformance or over performance of each revenue stream.

Table 6: Own Source Revenue Generated by Revenue Streams for the period ending 30th June 2025

SN	Revenue Stream	Targeted Revenue (Kshs), FY 2024/25	Actual Revenue FY 2024/25	Annual Targeted Revenue (Kshs) FY 2025/26	Actual Revenue FY 2025/26	% Performance	Remarks
1	Advertising Fee Outside Municipalities	6,611,050	5,612,650	18,096,651	4,336,300.00	23.96%	Enhanced inspection will lead to better performance
2	Agricultural Show			10,480,028	-	0.00%	There was no Agricultural Show during FY 2025/25. The event was postponed to pave way for construction of Ithookwe Stadium by the National Government.
3	Architectural Fee			15,785,233	2,236,722.00	14.17%	The Ministry of Lands to fast-track uptake of Architectural services to boost collection.
4	Borehole Drilling	1,623,262	2,828,000	1,828,949	3,232,000.00	176.71%	Target has been met
5	Building Inspection Fee/Inspection Fee during			2,687,849	708,200.00	26.35%	Enhanced inspection and awareness will lead

SN	Revenue Stream	Targeted Revenue (Kshs), FY 2024/25	Actual Revenue FY 2024/25	Annual Targeted Revenue (Kshs) FY 2025/26	Actual Revenue FY 2025/26	% Performance	Remarks
	Construction/Cutting Across the Road						to better performance
6	Building Plan Approvals/Applications/ Alterations to Plans			3,482,983	1,271,900.00	36.52%	Use of waivers, implementation of land valuation rolls and full implementation of Land information and Management system to drive OSR growth
7	Burial Fees	17,900	28,800	36,994	27,500.00	74.34%	
8	Certificate to Transport/Movement permits	1,218,011	249,250	610,409	253,050.00	41.46%	Enhanced inspection will lead to better performance
9	Cess	62,735,771	11,844,750	18,402,513	14,894,631.00	80.94%	Good performance with promising results expected in future. Enhanced inspection will lead to better performance
10	Change of User			1,121,216	182,000.00	16.23%	Enhanced inspection will lead to better performance
11	Clumping Fees			29,990	93,700.00	312.44%	Target achieved
12	Cooperative Audit	385,794	721,937			0.00%	The ministry to fast-track collection to ensure improved performance
13	Cooperative Audit Fee			490,776	282,898.00	57.64%	The ministry to fast-track collection and digitise the stream to ensure improved performance
14	Debts Clearance Certificate Fee			1,117,749	335,000.00	29.97%	The ministry to fast-track collection to ensure improved performance
15	Delivery Charges			666,891	466,300.00	69.92%	The ministry to fast-track collection through routine inspections to ensure improved performance
16	Dispatch note& Flayer License	20,961	8,850	14,981	4,350.00	29.04%	The ministry to fast-track collection to ensure improved performance
17	Document Search Fee			28,533	2,100.00	7.36%	The ministry to fast-track collection to ensure improved performance
18	Enclosed Parking			8,366,843	3,288,430.00	39.30%	The ministry to fast-track collection to ensure improved performance
19	Engineering and Works Levy		49,300			0.00%	The ministry to fast-track awareness creation of the stream to ensure improved performance
20	Facility Improvement Financing (FIF)	598,007,839	631,303,155	639,609,754	722,062,261.00	112.89%	Target achieved. The Ministry of Health and Sanitation to fast-track

SN	Revenue Stream	Targeted Revenue (Kshs), FY 2024/25	Actual Revenue FY 2024/25	Annual Targeted Revenue (Kshs) FY 2025/26	Actual Revenue FY 2025/26	% Performance	Remarks
							payment of outstanding SHA claims to enhance collections hence improve service delivery in our health facilities
21	Fire Fighting			128,266	200,600.00	156.39%	Target achieved
22	Fire Inspection			397,158	-	0.00%	The ministry to fast-track collection to ensure improved performance
23	Hiring of Machinery and tractor ploughing	1,200,000	1,278,850	2,842,127	3,212,554.00	113.03%	Target met
24	House and Stalls Rents	3,468,000	2,292,000	3,981,527	2,057,544.00	51.68%	The ministry to fast-track settlement of rental arrears to ensure improved performance
25	Increase in the Revenue target for the Ministry of Health and Sanitation to cater for FIF allocation during the 1st Quarter of the FY 2025/2026	156,379,117				0.00%	This was a one-off collection
26	Land Administration Fees	52,832,827	40,646,989	29,360,922	10,736,785.00	36.57%	The ministry to Fasttrack implementation of Lands Integrated Management System and impromptu inspections to ensure improved performance
27	Learning institutions Licencing			131,497	-	0.00%	The ministry to fast-track collection to ensure improved performance
28	Library Services			66,293	55,575.00	83.83%	The ministry to enhance awareness creation to ensure improved performance
29	Licence Fees-Alcoholic drinks	35,875,855	23,091,500	52,671,748	28,249,000.00	53.63%	The ministry to fast-track joint inspections and full implementation of the Kitui County Alcoholic Drinks Act 2014 to ensure improved performance
30	Market and Stock Fees	21,592,965	15,889,672	24,696,005	18,078,254.00	73.20%	The ministry to fast-track collection and undertake yard repairs to ensure improved performance
31	Material Testing Lab			6,170	17,650.00	286.06%	Target fully met
32	Meat Inspection/Veterinary Services	1,799,719	1,797,225	2,657,654	627,583.00	23.61%	The ministry to fast-track collection to ensure improved performance
33	NEMA Comments			694,629	242,500.00	34.91%	The ministry to fast-track collection to ensure improved performance
34	Noise pollution			1,122,927	253,000.00	22.53%	The ministry to fast-

SN	Revenue Stream	Targeted Revenue (Kshs), FY 2024/25	Actual Revenue FY 2024/25	Annual Targeted Revenue (Kshs) FY 2025/26	Actual Revenue FY 2025/26	% Performance	Remarks
							track collection to ensure improved performance
35	Occupational Certificate			9,909	-	0.00%	The ministry to fast-track collection to ensure improved performance
36	Parking fees	40,746,829	17,749,815	19,187,002	12,468,370.00	64.98%	The Ministry to fast-track parking slots demarcation in order to enhance performance
37	Pegging/Perimeter Wall Fee/ Pole Connection			420,148	217,500.00	51.77%	The Ministry to fast-track collection through impromptu inspections to ensure improved performance
38	Plot Subdivision Fee			33,691	-	0.00%	The ministry to fast-track collection to ensure improved performance
39	Plot Transfer Fee			109,000	56,000.00	51.38%	The ministry to fast-track collection to ensure improved performance
40	Projects Sign Board			3,067,583	1,485,000.00	48.41%	The Ministry to fast-track collection to ensure improved performance
41	Receipts from Fines, Penalties, Forfeitures, and Other Charges	392,240	725,190	344,451	364,990.00	105.96%	Target achieved
42	Receipts from Sale of Agricultural Goods (Sell of seedlings from ATC)	714,125	386,110	1,097,431	461,525.00	42.06%	The ministry to fast-track collection to ensure improved performance
43	Resource Centres			113,138	35,000.00	30.94%	The ministry to fast-track collection to ensure improved performance
44	SACCO renewal fees			-	461,000.00	0.00%	Target achieved
45	Sale & search of assets	5,600	17,700			0.00%	The ministry to fast-track collection to ensure improved performance
46	Sale of Flowers, Plants, Firewood, Produce etc			50,132	116,500.00	232.39%	Target achieved
47	Sand approval fee, pollution & penalties	915,379	273,350	17,849,014	-	0.00%	Ongoing operationalization of the County River Basins Sand Utilization and Conservation Act will lead to realization of target
48	Sign Board & Advertising	25,321,174	22,232,640	18,330,539	9,809,240.00	53.51%	Good performance with promising results expected in future. Enhanced inspection will lead to better performance
49	Single Business Permits	107,533,497	94,413,064	176,447,564	105,463,482.00	59.77%	Good performance with promising results

SN	Revenue Stream	Targeted Revenue (Kshs), FY 2024/25	Actual Revenue FY 2024/25	Annual Targeted Revenue (Kshs) FY 2025/26	Actual Revenue FY 2025/26	% Performance	Remarks
							expected in future. Enhanced inspection will lead to better performance
50	Slaughter Fees	2,598,455	2,355,975	4,061,484	2,485,945.00	61.21%	Good performance with promising results expected in future. Enhanced inspection will lead to better performance
51	Slaughter Houses Inspection Fee	33,061	18,000	48,423	34,000.00	70.21%	Good performance with promising results expected in future. Enhanced inspection will lead to better performance
52	Stadia (Specialized Ground—Showground, Hire of Fenced/Secured Public Space)	401,394	368,690	272,825	111,000.00	40.69%	The ministry to fast-track collection to ensure improved performance
53	Survey Fee			161,519	13,000.00	8.05%	The ministry to fast-track collection to ensure improved performance
54	Training /Learning Centre Fee	4,937,412	2,536,250	9,573,146	6,424,126.00	67.11%	Extensive marketing and promotion of the County ATC facility products and service offering need to improve performance
55	Transportation Fees	16,668,150	15,664,654	24,938,608	15,898,855.00	63.75%	Good performance with promising results expected in future. Enhanced inspection will lead to better performance
56	Veterinary Services			1,476,300	95,510.00	6.47%	The ministry to fast-track collection to ensure improved performance
57	Waste Disposal Fees			42,828	302,400.00	706.08%	Target achieved
58	Weights and measures	988,670	1,031,670		368,790.00	0.00%	Target achieved
	Grand Total	1,145,025,057.00	895,416,036.00	1,119,250,000.00	974,080,620.00	87.03%	Good performance. Enhanced inspection will lead to better performance.

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

12. The county is fast tracking revenue enhancement strategies for boosting Own Source Revenue such as: -

- i. Increased own source revenue at our health facilities due to implementation of Facilities Improvement Financing Act, 2023;
- ii. Implementation of the Kitui County River Basin Sand Utilization and Conservation Act, 2024;
- iii. Implementation of new rates as per the valuation roll;

- iv. Comprehensive data collection to enhance OSR and full automation of all revenue streams;
- v. Enforcement of Finance Act 2025/26;
- vi. Implementation of the Kitui County Alcoholics Drinks Control (Amendment) Act, 2024
- vii. Implementation of land waivers; and
- viii. Training and Capacity Building of Revenue officers.
- ix. Operationalization of Kitui and Mwingi Municipalities.

Note: Continued implementation of the above strategies is estimated to lead to growth in OSR by Kshs. 748,384,017 (76.8 %) i.e. from Kshs. 974,080,620 in FY 2025/26 to Kshs. 1,722,464,637 in FY 2026/2027.

13. During FY 2025/2026, the approved budget for the county was Kshs. 14,745,357,167 comprising of 64.55% recurrent (Kshs 9,518,585,681) and 35.45% development (Kshs 5,226,771,486). This represents 5.45% above recommended ceiling for funds allocation to development expenditure.

14. Total expenditure for the year ending 30th June 2026 amounted to Kshs 12,054,607,506; representing gross absorption of 81.75% down from 85.79% in 2024/25 FY, of this expenditure, recurrent expenditure was Kshs 8,874,165,515 (73.62%) while development expenditure amounted to Kshs 3,180,441,991 (26.38%).

15. Analysis of recurrent expenditure shows that Personnel Emoluments (PE) - Kshs. 5,841,782,506 (48.46%) and Operations, and Maintenance (O&M) – Kshs. 3,032,383,009 (25.2%) of the total expenditure, compared to 45.04% and 28.22% respectively in the previous financial year. This reveals an upward trend for both PE and O&M expenses.

16. Personnel emoluments at 48.46% exceeded the 35% threshold as stipulated in the PFM Act, 2012 Section 107 2(c) as well as Regulations 25 1(a) & (b) of PFM Regulation, 2015 Counties. The county government is working towards harmonising the findings of human resource audit conducted in FY 2023/24 by amicably reducing recruitments in the forthcoming years as well as maximize the available workforce for efficient service delivery. Development expenditure was above the minimum threshold leading to an accelerated absorption within the review period.

17. Within the financial year 2025/26, the actual expenditure on the recurrent budget realized a minimal change in the level of absorption at 93.2% down from 94.1% in the previous year. Development budget expenditure was 60.9% in FY 2025/26 down from 69.1% in 2024/25. The absorption rate in both development and recurrent expenditures resulted from timely implementation of procurement plans as well as payment for processed claims for merchants.

Table 4: Budget Absorption rate against the FY 2025/26 budget

County Ministry	Total Budget Estimates	Actual Expenditure	% Absorption rate
Office of the Governor	2,341,807,593	2,211,269,777	94%
Office of the Deputy Governor	195,709,395	194,333,515	99%
Ministry of Water & Irrigation	675,550,016	594,407,169	88%
Ministry of Education, Training & Skills Development	1,038,139,169	1,013,950,465	98%
Ministry of Roads, Public Works & Transport	1,078,435,850	530,292,398	49%
Ministry of Health & Sanitation	4,107,075,794	3,662,994,424	89%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	655,320,644	421,917,807	64%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	713,438,406	426,315,980	60%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	253,444,991	244,556,605	96%
Ministry of Finance, Economic Planning & Revenue Management	948,194,248	496,491,256	52%
Ministry of Agriculture & Livestock	800,428,135	742,989,869	93%
Ministry of Lands, Housing and Urban Development	604,492,050	449,916,236	74%
County Public Service Board	85,470,928	83,220,729	97%
County Assembly Service Board	1,247,849,948	981,951,276	79%
Totals	14,745,357,167	12,054,607,506	81.75%

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

18. Table 10 presents analysis of the total expenditure by county spending entities giving the overall absorption rate. Amounts in the variance column indicate the deviation from the planned target expenditures.

19. The amount of Kshs 2,698,923,238 indicated in table 11 as not having been absorbed included funds budgeted as equitable share that were disbursed late and weren't absorbed during the review period, unrealised local revenue that was never collected of Kshs. 145,169,380 and an additional amount of Kshs 28,295,527,111 that were grants not received amongst other monies.

20. The development expenditure for the period 2025/26 FY was **Kshs 3,180,441,991 (26.38%)** compared to **Kshs 3,281,259,813 (26.7%)** spent in the 2024/25 financial year. Notably, the Community Level Infrastructure Development Programme (CLIDP)—a flagship initiative designed to promote equitable development across all 40 wards and 247 villages in

the County ensures that every part of Kitui benefits from small-scale and cross-ward, high-impact infrastructure investments. This level of development absorption has ensured equitable implementation of development programmes across all the 40 wards and 247 villages and positive feedback passed by Kitui residents.

Table 5: Recurrent expenditure in the FY 2025/26

Spending Entity	Recurrent Budget (A)	Total Recurrent Expenditure (B)	Variance (A-B)	Percentage Absorption
Office of the Governor	1,349,706,417	1,321,510,473	28,195,944	97.9%
Office of the Deputy Governor	172,481,587	175,735,033	-3,253,446	101.9%
Ministry of Water & Irrigation	166,263,830	164,248,221	2,015,609	98.8%
Ministry of Education, Training & Skills Development	919,175,054	915,855,306	3,319,748	99.6%
Ministry of Roads, Public Works & Transport	246,681,398	236,017,765	10,663,633	95.7%
Ministry of Health & Sanitation	3,847,494,137	3,436,114,971	411,379,166	89.3%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	212,994,894	196,952,350	16,042,544	92.5%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	132,217,936	129,402,617	2,815,319	97.9%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	192,511,086	188,407,590	4,103,496	97.9%
Ministry of Finance, Economic Planning & Revenue Management	456,433,111	434,423,035	22,010,076	95.2%
Ministry of Agriculture & Livestock	426,801,456	421,682,199	5,119,257	98.8%
Ministry of Lands, Housing and Urban Development	275,675,289	205,239,413	70,435,876	74.4%
County Public Service Board	75,470,928	73,471,959	1,998,969	97.4%
County Assembly Service Board	1,044,678,558	975,104,583	69,573,975	93.3%
Totals	9,518,585,681	8,874,165,515	644,420,166	93.2%

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Table 6: Development Expenditure in the FY 2025/26

Spending Entity	Development Budget (A)	Total Development Expenditure (B)	Variance (A-B)	Percentage Absorption
Office of the Governor	992,101,176	889,759,304	102,341,872	90%
Office of the Deputy Governor	23,227,808	18,598,482	4,629,326	80%
Ministry of Water & Irrigation	509,286,186	430,158,948	79,127,238	84%
Ministry of Education, Training & Skills Development	118,964,115	98,095,159	20,868,956	82%
Ministry of Roads, Public Works & Transport	831,754,452	294,274,633	537,479,819	35%
Ministry of Health & Sanitation	259,581,657	226,879,453	32,702,204	87%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	442,325,750	224,965,457	217,360,293	51%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	581,220,470	296,913,363	284,307,107	51%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	60,933,905	56,149,015	4,784,890	92%
Ministry of Finance, Economic Planning & Revenue Management	491,761,137	62,068,221	429,692,916	13%
Ministry of Agriculture & Livestock	373,626,679	321,307,670	52,319,009	86%
Ministry of Lands, Housing and Urban Development	328,816,761	244,676,823	84,139,938	74%
County Public Service Board	10,000,000	9,748,770	251,230	97%
County Assembly Service Board	203,171,390	6,846,693	196,324,697	3%
Totals	5,226,771,486	3,180,441,991	2,046,329,495	61%

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Table 7: FY 2025/26 Expenditure by Entity

Spending Entity	Personnel Emoluments	%	Operations and Maintenance	%	Development	%	Grand Total
Office of the Governor	562,022,721	25.42%	759,487,752	34.3%	889,759,304	40.24%	2,211,269,777
Office of the Deputy Governor	84,663,479	43.57%	91,071,554	46.9%	18,598,482	9.57%	194,333,515
Ministry of Water & Irrigation	99,633,477	16.76%	64,614,744	10.9%	430,158,948	72.37%	594,407,169
Ministry of Education, Training & Skills Development	813,414,217	80.22%	102,441,089	10.1%	98,095,159	9.67%	1,013,950,465
Ministry of Roads, Public Works & Transport	177,392,181	33.45%	58,625,584	11.1%	294,274,633	55.49%	530,292,398
Ministry of Health & Sanitation	2,793,140,774	76.25%	642,974,197	17.6%	226,879,453	6.19%	3,662,994,424
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	86,832,458	20.58%	110,119,892	26.1%	224,965,457	53.32%	421,917,807
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	54,201,555	12.71%	75,201,062	17.6%	296,913,363	69.65%	426,315,980
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	87,018,005	35.58%	101,389,585	41.5%	56,149,015	22.96%	244,556,605
Ministry of Finance, Economic Planning & Revenue Management	235,278,390	47.39%	199,144,645	40.1%	62,068,221	12.50%	496,491,256
Ministry of Agriculture & Livestock	322,521,149	43.41%	99,161,050	13.3%	321,307,670	43.25%	742,989,869
Ministry of Lands, Housing and Urban Development	66,945,284	14.88%	138,294,129	30.7%	244,676,823	54.38%	449,916,236
County Public Service Board	35,769,422	42.98%	37,702,537	45.3%	9,748,770	11.71%	83,220,729
County Assembly Service Board	422,949,394	43.07%	552,155,189	56.2%	6,846,693	0.70%	981,951,276
Totals	5,841,782,506	48.46%	3,032,383,009	25.2%	3,180,441,991	26.38%	12,054,607,506

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Table 8: Ministry/ Spending Entity Expenditure for the Period Ending 30th June 2026 (Kshs)

Spending Entity	Recurrent		Variance	Absorption Rate	Development		Variance	Absorption Rate	Total		Variance	Absorption Rate
	Actual	Target			Actual	Target			Actual	Target		
Office of the Governor	1,321,510,473	1,349,706,417	28,195,944	97.91%	889,759,304	992,101,176	102,341,872	89.68%	2,211,269,777	2,341,807,593	130,537,816	94.43%
Office of the Deputy Governor	175,735,033	172,481,587	-3,253,446	101.89%	18,598,482	23,227,808	4,629,326	80.07%	194,333,515	195,709,395	1,375,880	99.30%
Ministry of Water & Irrigation	164,248,221	166,263,830	2,015,609	98.79%	430,158,948	509,286,186	79,127,238	84.46%	594,407,169	675,550,016	81,142,847	87.99%
Ministry of Education, Training & Skills Development	915,855,306	919,175,054	3,319,748	99.64%	98,095,159	118,964,115	20,868,956	82.46%	1,013,950,465	1,038,139,169	24,188,704	97.67%
Ministry of Roads, Public Works & Transport	236,017,765	246,681,398	10,663,633	95.68%	294,274,633	831,754,452	537,479,819	35.38%	530,292,398	1,078,435,850	548,143,452	49.17%
Ministry of Health & Sanitation	3,436,114,971	3,847,494,137	411,379,166	89.31%	226,879,453	259,581,657	32,702,204	87.40%	3,662,994,424	4,107,075,794	444,081,370	89.19%
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	196,952,350	212,994,894	16,042,544	92.47%	224,965,457	442,325,750	217,360,293	50.86%	421,917,807	655,320,644	233,402,837	64.38%
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	129,402,617	132,217,936	2,815,319	97.87%	296,913,363	581,220,470	284,307,107	51.08%	426,315,980	713,438,406	287,122,426	59.76%
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	188,407,590	192,511,086	4,103,496	97.87%	56,149,015	60,933,905	4,784,890	92.15%	244,556,605	253,444,991	8,888,386	96.49%
Ministry of Finance,	434,423,035	456,433,111	22,010,076	95.18%	62,068,221	491,761,137	429,692,916	12.62%	496,491,256	948,194,248	451,702,992	52.36%

Spending Entity	Recurrent		Variance	Absorption Rate	Development		Variance	Absorption Rate	Total		Variance	Absorption Rate
	Actual	Target			Actual	Target			Actual	Target		
Economic Planning & Revenue Management												
Ministry of Agriculture & Livestock	421,682,199	426,801,456	5,119,257	98.80%	321,307,670	373,626,679	52,319,009	86.00%	742,989,869	800,428,135	57,438,266	92.82%
Ministry of Lands, Housing and Urban Development	205,239,413	275,675,289	70,435,876	74.45%	244,676,823	328,816,761	84,139,938	74.41%	449,916,236	604,492,050	154,575,814	74.43%
County Public Service Board	73,471,959	75,470,928	1,998,969	97.35%	9,748,770	10,000,000	251,230	97.49%	83,220,729	85,470,928	2,250,199	97.37%
County Assembly Service Board	975,104,583	1,044,678,558	69,573,975	93.34%	6,846,693	203,171,390	196,324,697	3.37%	981,951,276	1,247,849,948	265,898,672	78.69%
			0				0				0	
			0				0				0	
Totals	8,874,165,515	9,518,585,681	644,420,166	93.23%	3,180,441,991	5,226,771,486	2,046,329,495	60.85%	12,054,607,506	14,745,357,167	2,690,749,661	81.75%

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

Notes on Absorption of Development Budget

- a) The Office of the Governor absorbed **94.43%** of the allocated development funds as a result of timely procurement of CLIDP projects as well as allocation for construction of police stations.
- b) The Office of the Deputy Governor achieved **99.30%** absorption on development budget owing to timely implementation of the procurement plan. The budgeted projects were procured in good time.
- c) The Ministry of Water & Irrigation absorbed **87.99%** of allocated development funds owing to timely implementation of their procurement plan, particularly construction for water structures, subsidies for water service providers (KITWASCO and KIMWASCO), irrigation clusters and construction of sand dams.
- d) The County Ministry of Education, Training & Skills Development achieved **97.67%** due to timely procurement of VTCs construction & renovation.
- e) The Ministry of Roads, Public Works & Transport achieved **49.17%** absorption on development budget. Key projects implemented in FY 2025/26 included spot improvement of various roads across the county, construction and repair of drifts as well as construction of modern boda boda sheds. The low absorption was as a result of The Roads Maintenance Fuel Levy (RMLF) Grant which was not disbursed.
- f) The County Ministry of Health & Sanitation absorbed **89.19%** of its development funds resulting from timely procurement of construction works in various health facilities.
- g) The Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives achieved **64.38%** of their development budget during the period under review. The national government transmitted their matching fund for County Aggregation and Industrial Park (CAIP) in March, 2026 and the procurement on budgetary allocation kicked off late hence low absorption.
- h) The County Ministry of Energy, Environment, Forestry, Natural & Mineral Resources absorption was **59.76%**. The low absorption was as a result of late release of World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA) Grant.
- i) The Ministry of Culture, Gender, Youth, ICT, Sports & Social Services absorbed **96.49%** of the allocated development funds. This was the result of timely procurement and payment of development of playgrounds in various wards.
- j) The Ministry of Finance, Economic Planning & Revenue Management achieved **52.36%** absorption on development allocation. This resulted from late disbursement of Kenya Devolution Support Programme II (KDSP II) Grant from World Bank.
- k) The County Ministry of Agriculture & Livestock absorbed **92.82%** of development allocation resulting from timely disbursement of grants by donors (i.e., NAVCD).

- l) The Ministry of Lands, Housing and Urban Development absorbed **74.43%** of their t budget by the end of the financial year. This absorption was mainly affected by non-payment of procured works as well an incomplete procurement process. In addition, the absorption was low due to late disbursement of Kenya Urban Support Programme Grant.
- m) County Public Service Board absorbed **97.37%** of their allocation. This resulted from timely implementation of their procurement plan.
- n) The County Assembly Service Board absorbed **78.69%** of their allocation as a result of delay in sourcing for the contractor for construction of Speaker’s residence and ward offices as well as slow implementation of the construction of Assembly’s office block.

D. Implications of FY 2025/26 fiscal performance on fiscal responsibility principles and financial objectives contained in the 2025/26 CFSP.

The performance of FY 2025/2026 budget estimates was aligned to the financial objectives set out in the 2025 CFSP and the budget for FY 2025/26. However:

- a) The absorption rate recorded in 2025/26 FY is likely to inform the reallocation of funds during supplementary budget. However, this will have to be done within the broader priorities set out in the FY 2026/27 CFSP and all other medium-term policies; and
- b) Deviations from CFSP arose from emerging priorities such as settlement of pending bills and alignment of the approved budget with the actual balances that were brought forward as well as adjustment in Conditional Grants as per the County Governments Additional Allocations Act, 2025.
- c) The equitable share for the review period was slightly adjusted to **Kshs 11,503,907,837** from **Kshs 11,384,160,751** recorded in the CFSP 2025.
- d) Targeted own source revenue was adjusted from **Kshs 1,050,000,000** to **Kshs 1,119,250,000** due to a positive trend from the previous financial year and as the County geared towards mapping and automation of own source revenue.
- e) Further, the targeted grants for the year under review increased from **Kshs 1,292,637,040** in CFSP to **Kshs 2,072,443,994** in the annual budget. Moreover, there were balances brought forward from FY 2024/25 amounting to **Kshs 1.495 billion** inclusive of grants. These necessitated ministerial alignments amongst other emerging issues geared towards improving service delivery. These changes were reflected in the succeeding supplementary budgets undertaken within the review period.

Table 12: CFSP Allocation versus Budget Allocation for FY 2025/26

Spending Entity	CFSP Estimates 2025/26	Budget Allocation 2025/26	Variance	Remarks
Office of the Governor	2,335,652,339	2,341,807,593	6,155,254	The increased budget to cater emerging priorities like the mashujaa day celebration which was held at Ithookwe showground on October 2025
Office of the Deputy Governor	197,709,395	195,709,395	-2,000,000	The reduction resulted from realignment of Ministries budget to address emerging priority sectors
Ministry of	689,053,259	675,550,016	-13,503,243	The reduction resulted from realignment of

Spending Entity	CFSP Estimates 2025/26	Budget Allocation 2025/26	Variance	Remarks
Water & Irrigation				Ministries budget to address emerging priority sectors
Ministry of Education, Training & Skills Development	1,117,540,975	1,038,139,169	-79,401,806	The reduction resulted from the reduction in propoor support programme allocations following an advisory by CoB which was later addressed through MoU between the National Government and the County Government of Kitui.
Ministry of Roads, Public Works & Transport	951,917,939	1,078,435,850	126,517,911	With Roads Maintenance Fuel Levy (RMLF) Grant not disbursed, the Ministry required increased allocation to cater for additional budget for roadworks.
Ministry of Health & Sanitation	4,042,550,959	4,107,075,794	64,524,835	Increased budget to operationalize health facilities across the county
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	401,601,207	655,320,644	253,719,437	The increased allocation was as a result of County Aggregation and Industrial Park (CAIP) allocation from National Government amounting to Kshs 250 million
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	547,955,980	713,438,406	165,482,426	Increase in revote balances and adjusted allocation for conditional grants i.e., FloCCA
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	261,769,146	253,444,991	-8,324,155	The reduction resulted from realignment of Ministries budget to address emerging priority sectors
Ministry of Finance, Economic Planning & Revenue Management	815,736,722	948,194,248	132,457,526	Additional Budget was as a result of adjustment in allocation for Kenya Devolution Support Programme (KDSP) Grant
Ministry of Agriculture & Livestock	658,820,225	800,428,135	141,607,910	Increment was to cater for adjustment in the allocation for National Agricultural Value Chain Programme (NAVCDP) Grant
Ministry of Lands, Housing and Urban Development	303,824,071	604,492,052	300,667,981	The additional Budget was for Mwingi and Kitui Municipalities whose budgets were captured under the Ministry of Lands, Housing and Urban Development
County Public Service Board	75,470,928	85,470,928	10,000,000	The allocation was to cater for Construction of the County Public Service Board Office Block
County Assembly Service Board	1,046,077,555	1,247,849,948	201,772,393	The increased allocation was for County Assembly's Office Block as well as Construction of MCAs' offices across various wards.
Kitui Municipality	185,530,354		-185,530,354	The Municipality's Budget moved to the Ministry of Lands, Housing and Urban Development
Mwingi	95,586,737		-95,586,737	The Municipality's Budget moved to the

Spending Entity	CFSP Estimates 2025/26	Budget Allocation 2025/26	Variance	Remarks
Municipality				Ministry of Lands, Housing and Urban Development
Total Voted Expenditure Kshs	13,726,797,791	14,745,357,169	1,018,559,378	The overall increase was facilitated by inclusion of revote and increase in revenue targets

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

21. The county economy is based on the agriculture sector; several measures to boost the food security were put in place during the period under review. These measures included the drilling of boreholes, construction and desilting of earth dams to increase the availability of water, pest and vector control, bee keeping and honey production and the irrigation project.

III. MACROECONOMIC DEVELOPMENTS AND OUTLOOK

A. World Economic Outlook

22. Global economic growth is projected to slow to 3.0 percent in 2026 from 3.5 percent in 2025, before recovering to 3.4 percent in 2027 (Table 13). The slowdown in 2026 reflects the adverse effects of the Middle East conflict, including higher energy prices, elevated inflationary pressures, supply chain disruptions, and increased geopolitical uncertainty.

23. The ongoing Russia–Ukraine war, the U.S.–Iran conflict, the Israel–Lebanon conflict, and wider Middle East tensions are creating significant negative spillovers to the global economy by disrupting energy supplies, trade routes, food and fertilizer markets, investment flows, and financial confidence. Higher oil and gas prices increase transport and production costs, while disruptions to shipping and insurance raise the cost of international trade and contribute to inflation. The Russia–Ukraine war continues to affect energy, food, fertilizer and commodity markets, while the Middle East conflicts add further pressure through energy and logistics disruptions. The IMF has warned that prolonged or broader conflict could weaken global growth, increase inflation and tighten financial conditions, with developing and emerging economies particularly exposed. In the United States, the November 2026 midterm elections are also contributing to a period of policy and market uncertainty, as businesses and investors assess possible changes in congressional control and their implications for fiscal, trade, regulatory and geopolitical policies. Recent reporting indicates that consumer confidence has weakened amid concerns over energy prices, inflation and the economic outlook, although the U.S. economy itself has continued to expand. Collectively, these geopolitical and political uncertainties can constrain investment, increase the cost of borrowing and production, weaken consumer purchasing power, disrupt global supply chains and slow economic growth, with developing countries such as Kenya particularly vulnerable through higher fuel, food, fertilizer, transport and financing costs.

24. Growth is expected to recover in 2027 as energy market conditions gradually normalize, geopolitical tensions ease, and continued investment and productivity gains from AI-driven technological advancements provide stronger support to global economic activity. However, the recovery is expected to remain uneven, with energy exporters and technology-linked economies generally performing better than energy-importing countries with limited participation in the technology-driven expansion.

Table 9: Global Economic Performance and Outlook.

Economy	Growth (%)			
	Actual		Projection	
	2024	2025	2026	2027
World	3.5	3.5	3.0	3.4
Advanced Economies	1.9	1.9	1.7	1.8
Of which: <i>USA</i>	2.8	2.1	2.3	2.2
<i>Euro Area</i>	1.0	1.4	0.9	1.2
Emerging Market and Developing Economies	4.5	4.5	3.8	4.5
Of which: <i>China</i>	5.0	5.0	4.6	4.1
<i>India</i>	7.1	7.7	6.4	6.7
<i>Middle East and Central Asia</i>	3.1	3.7	0.7	6.5
Of which: <i>Saudia Arabia</i>	2.6	4.6	1.7	5.5
Sub-Saharan Africa	4.2	4.5	4.3	4.5
Of which: <i>South Africa</i>	0.5	1.1	1.1	1.3
<i>Nigeria</i>	4.1	4.0	4.1	4.3

Source: IMF World Economic Outlook, July 2026

25. Growth in advanced economies is projected to remain subdued, with growth rising slightly from 1.7 percent in 2026 to 1.8 percent in 2027. The outlook reflects divergent effects of the Middle East conflict and the technology-driven investment cycle. Net energy exporters are partly cushioned by favourable terms-of-trade effects, while net energy importers face greater pressure from higher energy prices, although economies benefiting from technology-related activity are expected to perform better. Within the group, growth in the United States is projected at 2.3 percent in 2026 and 2.2 percent in 2027, supported by fiscal policy, accommodative financial conditions, and continued technology-related investment, while growth in the Euro Area and United Kingdom remains weaker before recovering in 2027 as the energy shock fades.

26. Growth in Emerging Market and Developing Economies is projected to slow to 3.8 percent in 2026 from 4.5 percent in 2025, before recovering to 4.5 percent in 2027, reflecting significant variation in risk and exposure across regions. The sharpest slowdown is expected in the Middle East and Central Asia, where growth is projected to fall to 0.7 percent in 2026 from 3.7 percent in 2025 before rebounding strongly to 6.5 percent in 2027, as disruptions to energy production and transport ease. Growth in Emerging and Developing Asia is expected to remain relatively resilient, supported by strong technology-related investment and external demand.

27. Growth in Sub-Saharan Africa is projected to moderate to 4.3 percent in 2026 from 4.5 percent in 2025, before recovering to 4.5 percent in 2027. The slowdown in 2026 reflects higher energy and food prices arising from the Middle East conflict and reduced official development assistance, with the impact varying across economies. Growth is expected to strengthen in 2027 as external conditions improve, although structural and financing constraints and limited participation in the AI-driven technology expansion will continue to weigh on the region's outlook.

Kenya's Economic Performance

28. The Kenyan economy has remained resilient despite the challenging global environment, growing at an average rate of 5.0 percent over the period 2022 to 2025, compared with average global growth of 3.4 percent and 4.1 percent in Sub-Saharan Africa. This resilience reflects sound macroeconomic management, including prudent monetary and fiscal policies, sustained structural reforms, and increasing economic diversification, which have strengthened the economy's capacity to withstand adverse shocks. The economy's resilience continued in the first quarter of 2026, with real GDP growth accelerating to 5.3 percent compared to 4.9 percent in the corresponding quarter of 2025 (Table 14). The growth was broad-based, with all sectors recording positive performance, and was supported largely by stronger activity in manufacturing; agriculture, forestry and fishing; accommodation and food services; financial and insurance services; and real estate.

Table 10: Sectoral GDP Performance

Sectors/Sub-sectors	Annual Growth Rates		Quarterly Growth Rates	
	2024	2025	2025 Q1	2026 Q1
1. Primary Sector	3.7	3.7	5.7	5.1
1.1. Agriculture, Forestry and Fishing	4.4	3.1	5.3	4.9
1.2. Mining and Quarrying	(7.8)	14.9	12.7	9.1
2. Secondary Sector (Industry)	1.6	4.1	3.6	5.1
2.1. Manufacturing	3.0	2.0	2.8	4.4
2.2. Electricity and Water Supply	2.7	5.2	4.1	4.3
2.3. Construction	(0.7)	6.8	4.5	6.6
3. Tertiary Sector (Services)	6.2	5.0	4.8	5.0
3.1. Wholesale and Retail Trade	4.0	3.6	4.3	4.0
3.2. Accommodation and Food Service	25.9	15.6	8.0	14.7
3.3. Transport and Storage	4.3	3.7	3.6	3.6
3.4. Information and Communication	7.1	4.8	5.5	5.0
3.5. Financial and Insurance	7.5	6.5	5.3	6.3
3.6. Public Administration	8.7	8.3	9.5	5.7
3.7. Others	5.3	3.8	3.7	4.6
of which: Professional, Admin & Support Services	6.4	5.0	4.1	2.4
Real Estate	5.3	3.9	4.6	5.0
Education	4.8	2.8	1.8	6.2
Health	6.0	5.5	4.7	4.3
Taxes less subsidies	3.3	3.1	4.1	4.3
Real GDP	4.7	4.6	4.9	5.3

Source of Data: Kenya National Bureau of Statistics

29. The East African Dangote oil refinery, estimated at US\$15–16 billion, represents a potentially significant source of foreign direct investment (FDI), industrial activity, employment, technology transfer and infrastructure development along the LAPSSET Corridor; its planned 700,000-barrel-per-day capacity and associated power, fertilizer and chemical facilities could also strengthen Kenya’s position as a regional energy and manufacturing hub. However, the project faces implementation, financing, crude-supply, infrastructure and environmental challenges that could affect the timing and scale of its economic benefits.

30. At the same time, anticipated above-normal El Niño rainfall through the 2026/27 season could support agricultural production and water availability but also create substantial risks from flooding, crop losses, infrastructure damage, disease outbreaks and disruptions to transport and trade, particularly in vulnerable areas including the Tana River basin and Lamu.

31. The August 2027 General Elections could temporarily affect private investment, tourism, consumer confidence and business expansion as firms adopt a wait-and-see approach, while election-related fiscal pressures could constrain public investment and macroeconomic stability. The World Bank has specifically cautioned that election-related uncertainty and spending pressures could slow investment and weaken Kenya’s economic recovery. Taken together, these factors present both opportunities and risks: successful implementation of the Lamu investment and effective management of climate and election-related risks could support growth, while project delays, severe weather disruptions or heightened political and fiscal uncertainty could moderate economic expansion.

32. The Primary Sector grew by 5.1 percent in the first quarter of 2026, compared to a growth of 5.7 percent in the corresponding quarter of 2025 (Table 13). Growth in the sector was supported by positive performance in both the agriculture, forestry and fishing and mining and quarrying sub-sectors. However, the overall growth of the primary sector moderated compared to the corresponding quarter of 2025, reflecting slower expansion in these key sub-sectors.

33. The Agriculture, Forestry and Fishing sub-sector expanded by 4.9 percent in the first quarter of 2026, compared to 5.3 percent in the corresponding quarter of 2025. Growth was supported by improved output in tea, sugarcane and dairy, as well as stronger horticultural exports, reflecting favourable weather conditions, improved productivity and sustained export demand. However, overall growth moderated due to lower coffee production associated with the biennial production cycle and reduced fruit exports resulting from lower production and weaker demand in key export markets.

34. The Mining and Quarrying sub-sector grew by 9.1 percent in the first quarter of 2026, compared to 12.7 percent in the corresponding quarter of 2025. The sub-sector's performance was supported by increased production of key minerals, particularly soda ash, construction materials, and other quarry products, reflecting sustained demand from the construction and manufacturing sectors. However, growth moderated compared to the corresponding quarter of 2025, partly reflecting a higher base effect and slower expansion in mineral production.

35. The Industry Sector grew by 5.1 percent in the first quarter of 2026 compared to a growth of 3.6 percent in the first quarter of 2025, supported by improved growth in Manufacturing, construction, and electricity and water supply sub- sectors.

36. The Manufacturing sub-sector grew by 4.4 percent in the first quarter of 2026, compared to 2.8 percent in the corresponding quarter of 2025. The improved performance was driven by increased production in both the food and non-food manufacturing. Growth in food manufacturing was supported by higher production of sugar, soft drinks and dairy products, while non-food manufacturing benefited from increased production of assembled vehicles, galvanized sheets and cement. The sub-sector's performance was further supported by increased credit to manufacturing enterprises.

37. The Construction sub-sector grew by 6.6 percent in the first quarter of 2026, compared to 4.5 percent in the corresponding quarter of 2025. The improved performance reflected increased demand for key construction materials, including cement, bitumen, iron and steel, indicating sustained activity in infrastructure development and private sector construction. Additionally, clearance of verified pending bills helped to restart stalled projects and improved liquidity of contractors further increasing demand for construction materials. Continued implementation of public infrastructure projects and resilient private sector investment also supported the sub-sector's growth.

38. The Electricity and Water Supply sub-sector grew by 4.3 percent in the first quarter of 2026, compared to 4.1 percent in the corresponding quarter of 2025. The improved performance was supported by increased electricity generation, driven mainly by higher output from geothermal and hydro sources following improved water availability and continued investment in renewable energy. However, the growth in the sub-sector was partly moderated by lower generation from thermal, wind and solar sources.

39. The Services Sector recorded a growth of 5.0 percent in the first quarter of 2026 compared to a growth of 4.8 percent in the same period in 2025. The Transportation and Storage sub-sector grew by 3.6 percent in the first quarter of 2026, the same rate as in the corresponding quarter of 2025. The sub-sector's performance was supported by increased road transport activity, higher cargo throughput at the Port of Mombasa, and continued growth in freight and passenger traffic on the Standard Gauge Railway (SGR), reflecting sustained trade and logistics activity.

40. The Accommodation and Food Service sub-sector grew by 14.7 percent in the first quarter of 2026, compared to 8.0 percent in the corresponding quarter of 2025. The strong performance was supported by increased international visitor arrivals through the country's major airports, reflecting sustained recovery in tourism, improved air connectivity, and stronger demand for hospitality services.

41. The Information and Communication sub-sector grew by 5.0 percent in the first quarter of 2026, compared to 5.5 percent in the corresponding quarter of 2025. The sub-sector's performance was supported by increased mobile voice traffic and higher international bandwidth utilization, reflecting continued growth in digital connectivity and communication services. However, overall growth moderated due to a decline in the use of SMS services and mobile money transactions, indicating evolving consumer preferences and payment patterns.

42. The Financial and Insurance sub-sector grew by 6.3 percent in the first quarter of 2026, compared to 5.3 percent in the corresponding quarter of 2025. The improved performance was supported by an accommodative monetary policy stance, reflected in lower policy and market interest rates, which reduced the cost of credit, improved liquidity conditions, and supported increased lending to the private sector.

Inflation Developments

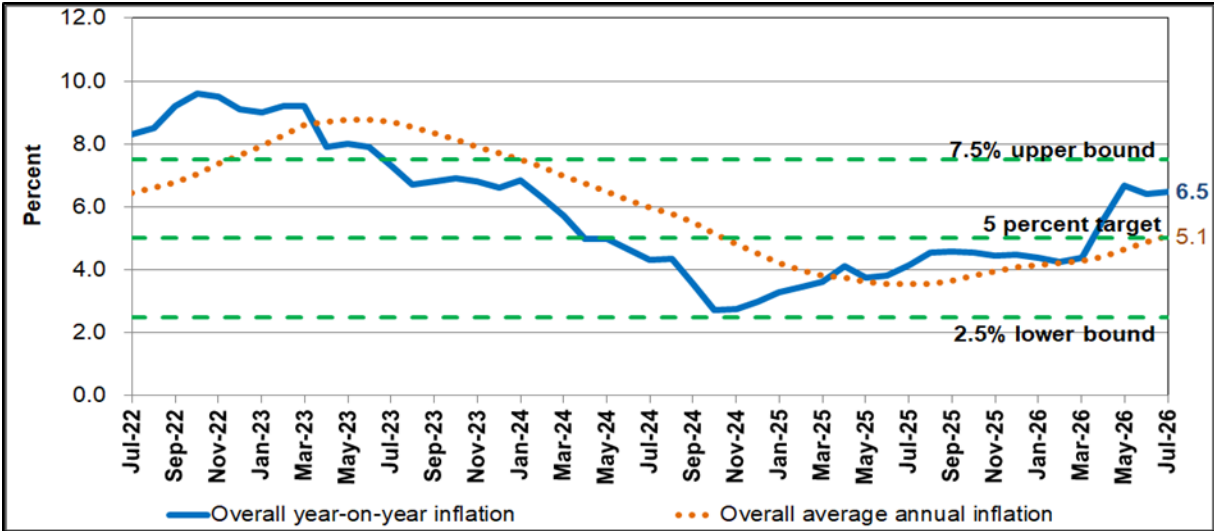
43. Overall inflation increased to 6.5 percent in July 2026 from 4.1 percent in July 2025 due to higher energy prices arising from the elevated global oil prices but remained within the target range of 5 ± 2.5 percent (Figure 9). Core inflation remained stable at 3.2 percent in July 2026, compared to 3.1 percent in July 2025, supported by lower prices of selected manufactured food items, alongside stable prices in other non-volatile components. In contrast, non-core inflation rose to 15.0 percent from 7.2 percent over the same period, largely driven by relatively higher energy prices, transport costs and food prices.

44. In April 2026, the Government implemented targeted stabilization measures to cushion consumers from the full impact of rising global fuel prices. These interventions included the use of resources from the Petroleum Development Levy Fund to subsidize fuel pump prices. In addition, through Legal Notice No. 70 of 2026, the Government reduced the VAT rate on specific petroleum products from 16 percent to 8 percent for an initial period of three months. In July 2026, the Cabinet Secretary extended the application of the reduced 8 percent VAT rate for a further three months through a Legal Notice No. 128 of 2026.

45. Subsequently, global oil prices eased following the 18th June 2026 interim ceasefire agreement between the United States and Iran, which reduced geopolitical tensions and improved confidence in global energy markets. The agreement supported the phased reopening of commercial shipping through the Strait of Hormuz, easing concerns over oil supply disruptions despite continued operational uncertainties. Consequently, Murban crude oil prices declined by approximately 31.1 percent, from US\$ 100.2 per barrel at the height of

the conflict in April 2026 to US\$ 69.0 per barrel by June 2026, reflecting improved supply expectations and lower geopolitical risk premiums. The decline in global oil prices, together with the Government's fuel stabilization measures, partly moderated domestic fuel prices and contributed to the easing of overall inflation from 6.7 percent in May to 6.4 percent in June 2026.

Figure 1: Inflation Rate, Percent



Source of Data: Kenya National Bureau of Statistics

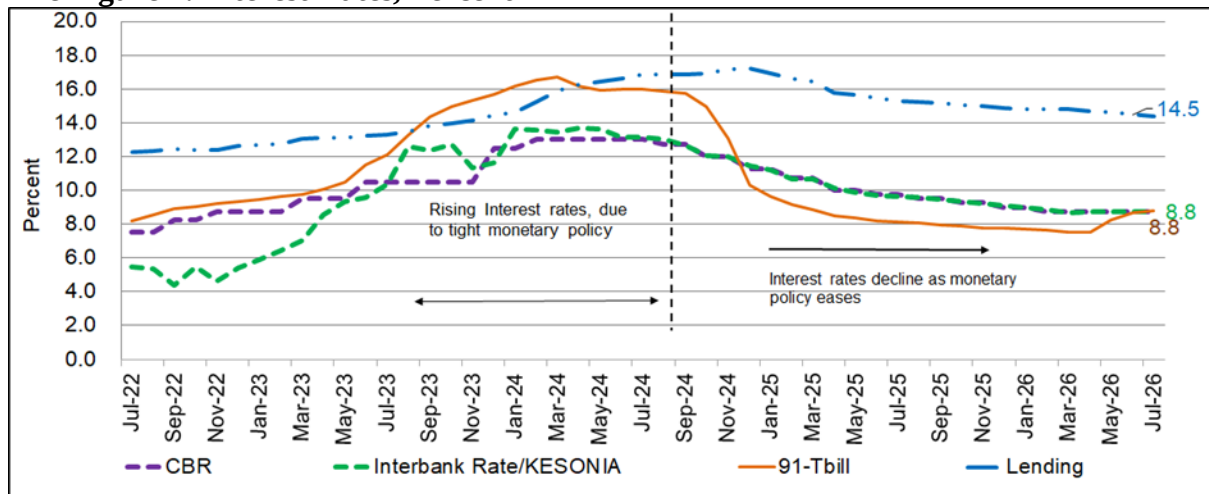
Interest Rates Developments

46. The Central Bank of Kenya, through the Monetary Policy Committee (MPC), has progressively eased monetary policy, lowering the Central Bank Rate (CBR) from 12.75 percent in August 2024 to 8.75 percent by July 2026 (Figure 10). This stance is intended to reinforce measures aimed at stimulating bank lending to the private sector and supporting economic activities, while ensuring inflation expectations remain well anchored and the exchange rate stable.

47. Short-term interest rates have declined. KESONIA (the Overnight Interbank Rate) declined to 8.8 percent in July 2026 from 9.6 percent in July 2025. The decline signalled improved liquidity conditions in the interbank money market and lowering of banks’ short-term funding costs, which supports credit expansion. Treasury bill rates remained relatively stable across maturities in the year to July 2026, although movements varied by tenor. The 91-day Treasury bill rate increased to 8.8 percent in July 2026 from 8.1 percent in July 2025, while the 182-day Treasury bill rate rose to 9.0 percent from 8.4 percent over the same period. In contrast, the 364-day Treasury bill rate declined to 9.0 percent from 9.7 percent over the same period. The mixed movement across maturities reflects prevailing market liquidity conditions and investor demand across the different maturities.

48. In line with the easing in monetary conditions, average commercial bank lending rates declined to 14.4 percent in June 2026 from 15.3 percent in June 2025, while average deposit rates also declined to 6.8 percent from 8.4 percent over the same period. As a result, the interest rate spread widened to 7.5 percent from 6.9 percent, reflecting the faster adjustment in deposit rates relative to lending rates.

The Figure 2: Interest Rates, Percent



Source of Data: Central Bank of Kenya

Monetary and Credit Developments

49. Broad money supply, M3, grew by 11.3 percent in the year to June 2026, compared to a growth of 7.5 percent in the year to June 2025 (Table 14). The improved growth of M3 was driven by higher growth in both Net Foreign Assets (NFA) and Net Domestic Assets (NDA). The NFA of the banking system grew by 32.9 percent in the year to June 2026, compared to a growth of 17.7 percent in the year to June 2025. The increase in NFA was mainly attributable to a rise in the Central Bank's foreign assets reflecting increased foreign reserves by the Central Bank. The net foreign assets of commercial banks also increased, reflecting increased deposits abroad.

Table 11: Money and Credit Developments (12 Months to June 2025, KSh billion)

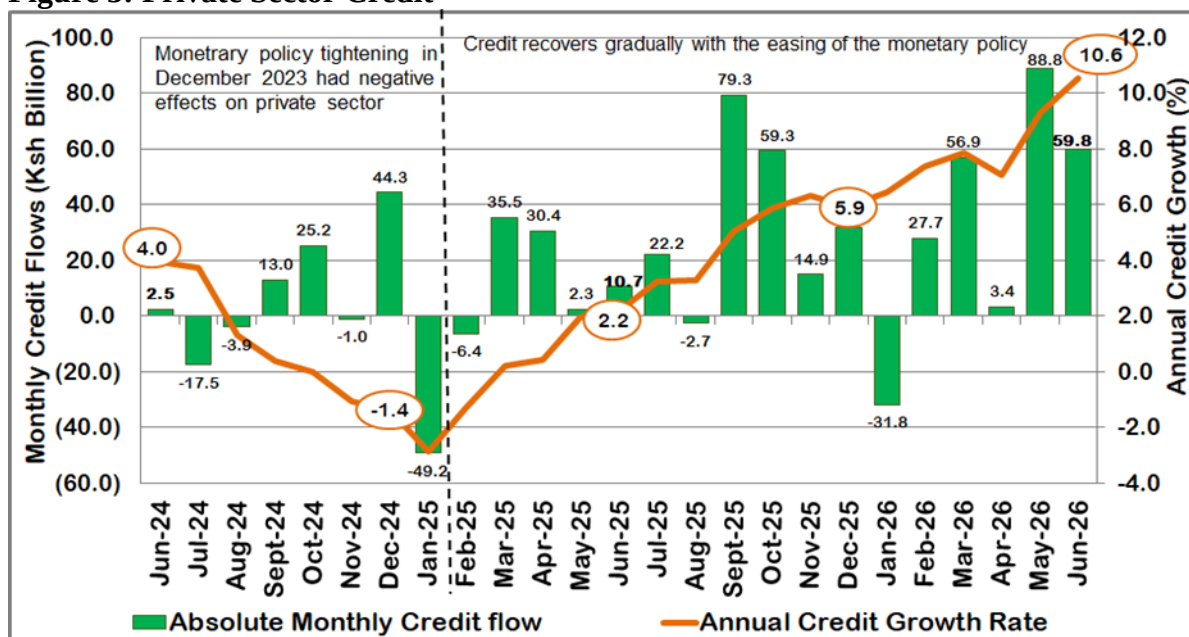
				Absolute Change		Percent Change	
	2024 June	2025 June	2026 June	2024-2025 June	2025-2026 June	2024-2025 June	2025-2026 June
COMPONENTS OF M3							
1. Money supply, M1 (1.1+1.2+1.3)	2,063.6	2,342.3	2,670.0	278.7	327.7	13.5	14.0
1.1 currency outside banks (M0)	274.2	286.0	331.0	11.8	45.0	4.3	15.7
1.2 Demand deposits	1,630.6	1,880.4	2,216.6	249.8	336.2	15.3	17.9
1.3 Other deposits at CBK	158.9	175.9	122.4	17.0	(53.5)	10.7	(30.4)
2. Money supply, M2 (1+2.1)	4,041.6	4,519.6	5,015.1	478.0	495.5	11.8	11.0
2.1 Time and savings deposits	1,978.0	2,177.3	2,345.2	199.3	167.9	10.1	7.7
Money supply, M3 (2+3.1)	5,381.3	5,786.5	6,437.6	405.2	651.2	7.5	11.3
3.1 Foreign currency deposits	1,339.7	1,266.9	1,422.5	(72.8)	155.6	(5.4)	12.3
SOURCES OF M3							
1. Net foreign assets (1.1+1.2)	905.9	1,066.3	1,417.5	160.4	351.2	17.7	32.9
1.1 Central Bank	479.2	810.8	1,144.1	331.6	333.3	69.2	41.1
1.2 Banking Institutions	426.7	255.5	273.5	(171.2)	17.9	(40.1)	7.0
2. Net domestic assets (2.1+2.2)	4,475.4	4,720.2	5,020.1	244.7	300.0	5.5	6.4
2.1 Domestic credit (2.1.1+2.1.2+2.1.3)	5,502.0	6,172.4	6,696.0	670.4	523.6	12.2	8.5
2.1.1 Government (net)	1,619.5	2,230.1	2,351.8	610.6	121.7	37.7	5.5
2.1.2 Other public sector	84.9	61.4	53.6	(23.5)	(7.8)	(27.7)	(12.6)
2.1.3 Private sector	3,797.5	3,880.9	4,290.6	83.4	409.7	2.2	10.6
2.2 Other assets net	(1,026.6)	(1,452.2)	(1,675.9)	(425.7)	(223.6)	(41.5)	(15.4)

Source of Data: Central Bank of Kenya

50. Net Domestic Assets (NDA) improved to a growth of 6.4 percent in the year to June 2026, compared to a growth of 5.5 percent in the year to June 2025. Domestic credit extended by the banking system to the Government grew by 5.5 percent in the year to June 2026 compared to a growth of 37.7 percent over a similar period in 2025. The decreased net lending to government mainly reflected decreased uptake of government securities by commercial banks. Lending to other public sector also declined, mainly reflecting net repayments by parastatals.

51. Growth in private sector credit from the banking system recorded a growth of 10.6 percent in the year to June 2026 compared to a growth of 2.2 percent in June 2025 (Figure 11). Growth in credit to key sectors of the economy, particularly manufacturing, building and construction, transport and communication, real estate and agriculture remained strong, reflecting improved demand for credit in line with the declining lending interest rates. The Monthly (month on month) credit flows to the private sector improved to KSh 59.8 billion in June 2026 from KSh 10.7 billion in June 2025 due to the easing of the monetary policy stance to lower the cost of funds for banks and sustained demand particularly for working capital due to resilient economic activities.

Figure 3: Private Sector Credit



Source of Data: Central Bank of Kenya

External Sector Developments

52. The current account deficit widened to US\$ 4,366.3 million (2.8 percent of GDP) in the year to June 2026, compared to US\$ 2,585.3 million (1.9 percent of GDP) in the year to June 2025 mainly due to a higher trade deficit (Table 15). The current account balance was supported by resilient goods exports, increased service receipts and an improvement in net primary income. The current account deficit in the 12 months to June 2026 was more than fully financed by financial account inflows.

53. The balance in the merchandise account deteriorated by US\$ 1,888.3 million to a deficit of US\$. 12,389.3 million in June 2026 mainly due to an increase in import bill that more than offset the increase in exports. Goods exports increased by 8.9 percent, driven by horticulture, tea, coffee, food, and machinery and transport equipment. Goods imports rose by 13.1 percent, reflecting higher imports of food, intermediate and capital goods and mineral fuels.

54. Services receipts increased by 8.3 percent, driven by transport and travel services receipts. The deficit on the primary account narrowed by US\$ 226.3 million to a deficit of US\$. 1,884.7 million in the year to June 2026, compared to the deficit of US\$ 2,110.9 million in same period the previous year. Diaspora remittances decreased by 2.4 percent to US\$ 4,960.4 million in the 12 months to June 2026 compared to US\$ 5,084.1 million in a similar period in 2025.

55. The capital account balance decreased by US\$. 90.4 million to register a surplus of US\$ 159.9 million in the year to June 2026 compared to a surplus of US\$ 250.3 million in the same period in 2025. Net financial inflows improved to US\$ 6,092.1 million in the year

to June 2026, compared to US\$ 4,576.5 million in the year to June 2025. This reflected an increase in net financial liabilities, which more than offset the decline in net acquisition of financial assets. The net financial inflows were mainly in the form of Portfolio investments, direct investments, financial derivatives and other investments.

Table 12: Balance of Payments (US\$ Million)

			Year to June 2026		Actuals as a Percent of GDP	
	Jun-25	Jun-26	Absolute Change	Percent Change	Jun-25	Jun-26
Overall Balance	(2,830.8)	(1,509.4)	1,321.4	46.7	(2.1)	(1.0)
A) Current Account	(2,585.3)	(4,366.3)	(1,781.0)	(68.9)	(1.9)	(2.8)
<i>Merchandise Account (a-b)</i>	(10,501.0)	(12,389.3)	(1,888.3)	(18.0)	(7.7)	(7.9)
a) Goods: exports	12,546.1	13,666.4	1,120.3	8.9	9.2	8.8
b) Goods: imports	23,047.0	26,055.6	3,008.6	13.1	16.9	16.7
<i>Net Services (c-d)</i>	2,417.2	2,558.1	141.0	5.8	1.8	1.6
c) Services: credit	8,190.5	8,873.3	682.8	8.3	6.0	5.8
d) Services: debit	5,773.3	6,315.1	541.8	9.4	4.2	4.2
<i>Net Primary Income (e-f)</i>	(2,110.9)	(1,884.7)	226.3	10.7	(1.6)	(1.3)
e) Primary income: credit	381.8	399.3	17.5	4.6	0.3	0.3
f) Primary income: debit	2,492.8	2,284.0	(208.8)	(8.4)	1.8	1.6
<i>Net Secondary Income</i>	7,609.4	7,349.5	(259.9)	(3.4)	5.6	4.9
g) Secondary income: credit	7,663.0	7,454.5	(208.5)	(2.7)	5.6	4.9
of which Remittances	5,084.1	4,960.4	(123.7)	(2.4)	3.7	3.3
h) Secondary income: debit	53.6	105.0	51.5	96.0	0.0	0.1
B) Capital Account	250.3	159.9	(90.4)	(36.1)	0.2	0.1
C) Financial Account	(4,576.5)	(6,092.1)	(1,515.6)	(33.1)	(3.4)	(3.3)

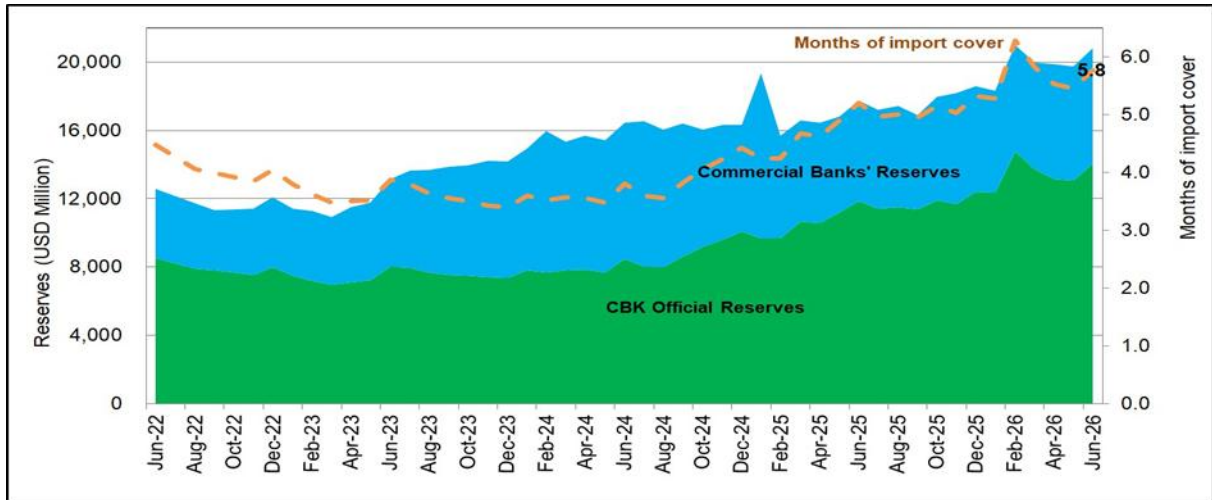
Source of Data: Central Bank of Kenya

Foreign Exchange Reserves

56. The banking system's foreign exchange holdings remained strong at US\$. 20,795.4 million in June 2026 from US\$. 17,199.4 million in June 2025. The official foreign exchange reserves held by the Central Bank stood at US\$. 14,023.5 million compared to US\$ 11,407.7 million over the same period in 2025 (Figure 12). Commercial banks foreign exchange holdings increased to US\$. 6,772.0 million in June 2026 from US\$. 5,791.8 million in June 2025.

57. The official reserves held by the Central Bank in June 2026 represented 5.8 months of import cover, compared to 5.0 months of import cover in June 2025. These reserves continue to provide adequate cover and a buffer against short-term shocks in the foreign exchange market.

Figure 4: Foreign Exchange Reserves (USD Million)



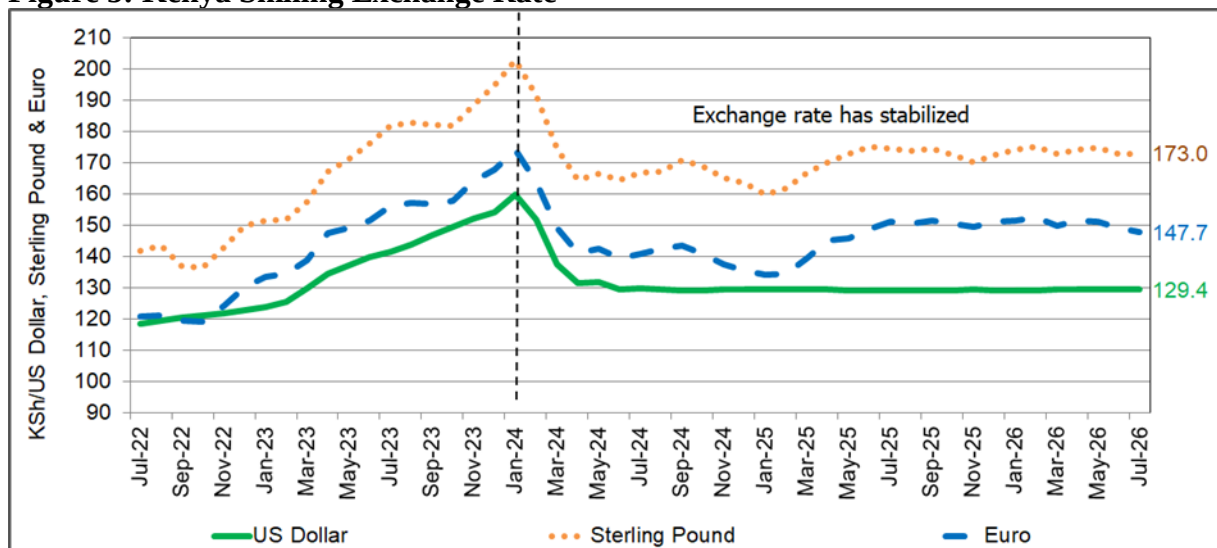
Source of Data: Central Bank of Kenya

Exchange Rate Developments

58. The Kenya Shilling remained relatively stable against the US Dollar, averaging KSh 129.4 per US dollar in July 2026 compared to KSh 129.2 per US dollar in July 2025 and showing a marked appreciation from a peak of KSh 160.8 in January 2024. The Shilling strengthened against the Sterling Pound, averaging KSh 173.0 per Pound in July 2026, down from KSh 174.6 per Pound in July 2025. Against the Euro, the Shilling also strengthened and averaged KSh

147.7 per Euro in July 2026 compared to KSh 151.0 per Euro in July 2025. The stability was supported by strong foreign exchange reserves, steady remittance and export inflows, and improved market confidence, which helped cushion the Shilling against excessive volatility (Figure 5).

Figure 5: Kenya Shilling Exchange Rate



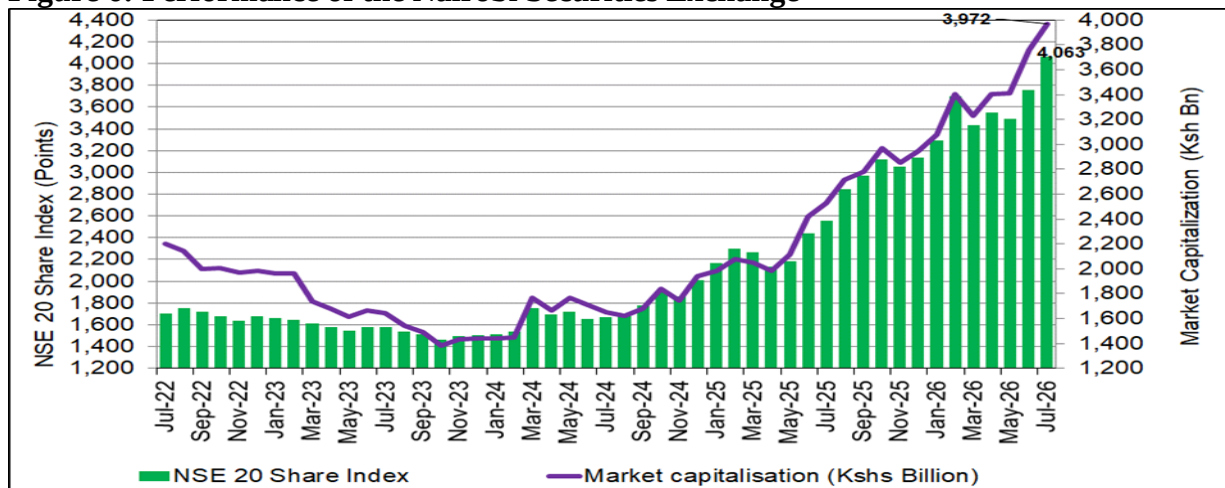
Source of Data: Central Bank of Kenya

Capital Markets Developments

59. Activities at the Nairobi Securities Exchange (NSE) improved significantly over the past year, reflecting strengthened investor confidence and improved macroeconomic conditions. The NSE 20 Share Index rose by 58.8 percent to 4,063 points in July 2026 from 2,559 points in July 2025, crossing the 4,000-point mark for the first time in nearly a decade. Market capitalization increased by 57.4 percent to KSh 3,972 billion from KSh 2,524 billion over the same period (Figure 14). The strong performance was supported by lower domestic interest rates, a relatively stable exchange rate, improved corporate earnings, and increased participation by domestic and foreign investors. The positive momentum continued into August 2026, with market capitalization surpassing the KSh 4 trillion mark for the first time.

60. Market activity was further supported by major capital market transactions, including the successful Kenya Pipeline Company (KPC) Initial Public Offering (IPO) and the Government's partial divestiture of a 15 percent stake in Safaricom PLC to Vodacom, one of the largest capital market transactions in Kenya's history. Equity turnover increased by 242.6 percent to KSh 381.9 billion in the first seven months of 2026 compared to the corresponding period in 2025, while the volume of shares traded rose by 127.4 percent from 5.21 billion to 11.84 billion. These developments, together with increased market liquidity and investor participation, contributed to the strong performance of the equity market

Figure 6: Performance of the Nairobi Securities Exchange



Source of Data: Nairobi Securities Exchange

A. Kenya's Macroeconomic Outlook

61. Kenya's economic growth outlook for 2026 has been revised downward to 5.0 percent from the earlier projection of 5.3 percent, reflecting the adverse effects of the ongoing Middle East conflict on domestic economic activity. The economy is, however, projected to maintain momentum in 2027, with growth expected at 5.1 percent as external pressures ease and global supply chains normalize.

62. In 2026, agricultural activity is expected to moderate in the second and third quarters due to mixed weather conditions, but is expected to strengthen in the fourth quarter and beyond on account of the expected El Niño induced above average rainfall. Industrial sector is expected to remain robust, supported by the Affordable Housing Programme, ongoing infrastructure projects, increased investment through Public-Private Partnerships (PPPs) such as the expansion of Nairobi-Nakuru-Mau Summit Highway and continued settlement of pending bills. The Services sector is also expected to remain resilient, supported by continued digitization, sustained activity in key sub-sectors, and the lagged effects of monetary policy easing.

63. Despite the external shock, domestic demand is expected to remain resilient, supported by moderating inflation, monetary easing, strong remittance inflows and a relatively stable exchange rate. Lower borrowing costs are expected to support private sector credit, household consumption and investment, while easing production costs and improving investor confidence. However, higher fuel prices associated with the Middle East conflict are expected to exert upward pressure on inflation, although it is projected to remain within the 5±2.5 percent target range.

64. Private investment is expected to be further supported by reforms aimed at improving the business environment, reducing regulatory bottlenecks and enhancing market efficiency. Improved investor confidence and greater access to international markets, together with the strong performance of the Nairobi Securities Exchange (NSE), are expected to support capital mobilization and private sector investment. Public-Private Partnerships (PPPs) will continue to support infrastructure development and mobilize private capital. Additionally,

ongoing reforms in State-Owned Enterprises, including strategic privatization and divestiture, are also expected to improve efficiency, attract private capital and create fiscal space for priority development programmes.

65. Growth in public consumption is projected to moderate over the medium term, in line with the Government's fiscal consolidation efforts and measures to contain recurrent expenditure. In contrast, public investment is projected to increase, with resources increasingly directed towards high-impact development projects and priority Government programmes. Continued settlement of verified pending bills will further improve liquidity in the private sector, particularly in the roads sector, supporting business activity and investment.

66. The current account deficit is projected to widen from 2.1 percent of GDP in 2025 to 3.0 percent in 2026 before improving to 2.8 percent in 2027 amid heightened geopolitical tensions and higher energy-related import costs. Stronger import demand, associated with recovering investment activity and rising fuel costs, is expected to continue exerting pressure on external balances. Nevertheless, export performance is expected to remain supported by agriculture, tourism, and manufactured goods exports, while remittance inflows remain an important source of foreign exchange. External financing conditions and reserves are expected to remain adequate, supported by a combination of official financing, portfolio inflows, and foreign direct investment, including inflows linked to ongoing privatization initiatives.

Risks to the Macroeconomic Outlook

67. The economic outlook remains subject to a range of downside risks, both domestic and external. Domestically, adverse weather conditions, including droughts, floods and erratic rainfall, could weaken agricultural production, disrupt food supply and increase inflationary pressures, with implications for household purchasing power and economic activity. Climate-related damage to infrastructure could also increase public expenditure requirements and constrain resources available for development.

68. External risks remain significant, particularly from prolonged geopolitical tensions and disruptions to global energy and commodity markets. A sustained increase in international oil prices could raise domestic fuel and transport costs, widen the import bill and place upward pressure on inflation and the current account. Further disruptions to global supply chains or trade could increase the cost and availability of imported inputs, while tighter global financial conditions could raise external financing costs, weaken capital inflows and increase exchange rate pressures.

69. A sharper-than-expected slowdown in global economic activity could also reduce demand for Kenya's exports, tourism receipts and remittances, while weaker commodity prices could affect export earnings from key agricultural products. Financial market volatility and changes in global investor sentiment could further affect portfolio flows and domestic financial conditions. Domestically, weaker private investment, slower credit growth or delays in the implementation of key infrastructure and structural reform programmes could moderate the pace of economic expansion.

70. The Government will continue to monitor emerging risks closely and respond through timely and targeted policy measures, while maintaining fiscal discipline and advancing

reforms that strengthen the economy's capacity to absorb shocks and sustain inclusive growth

Table 17: Kenya's Macroeconomic Indicators and Projections

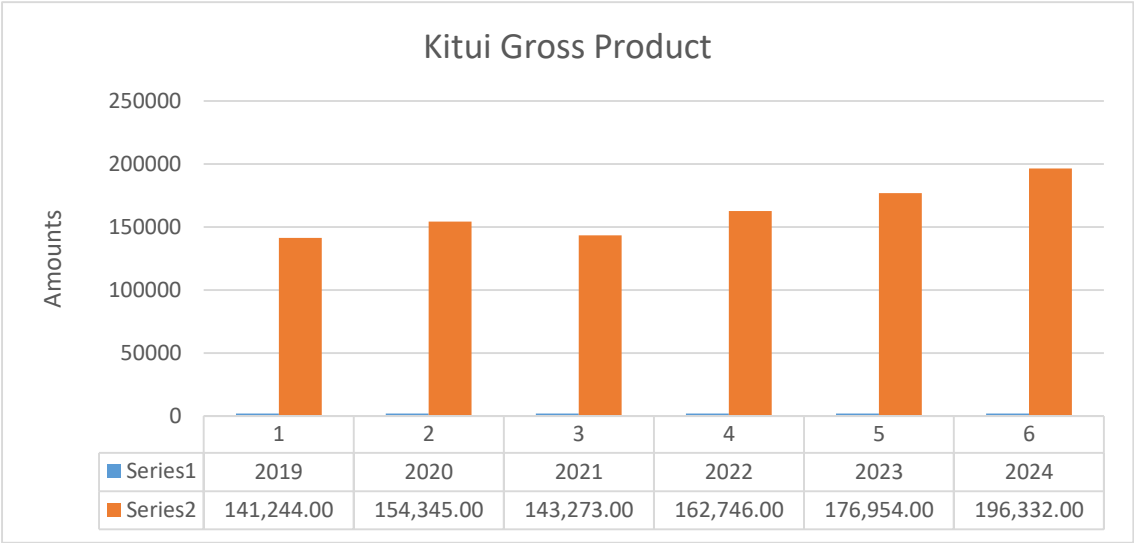
	2023	2024	2025	2026	2027	2028	2029	2030
	Act.	Act.	Act.	Est.	Proj.	Proj.	Proj.	Proj.
<i>annual percentage change, unless otherwise indicated</i>								
National Account and Prices								
Real GDP	5.7	4.7	4.6	5.0	5.1	5.2	5.3	5.3
Primary Sector	5.7	3.8	3.7	3.4	3.7	3.7	3.8	3.9
- of which: Agriculture	6.6	4.6	3.1	3.0	3.2	3.2	3.2	3.2
Secondary Sector	2.6	1.5	4.1	4.5	4.6	4.9	5.3	5.4
Tertiary Sector	6.8	6.1	5.0	5.5	5.9	5.9	6.1	6.1
GDP deflator	5.4	3.2	3.5	6.6	5.3	5.2	5.2	4.0
CPI Index (eop)	6.6	4.5	4.4	5.6	5.1	5.0	4.5	4.5
CPI Index (avg)	7.7	4.5	4.1	5.9	5.2	5.0	5.0	4.0
Terms of trade (-deterioration)	-1.7	-0.6	-0.2	4.3	4.0	3.7	3.8	3.8
Exchange Rate (Ksh/US\$, average)								
Money and Credit (end of period)								
Net domestic assets	3.1	8.5	10.6	9.5	9.0	8.8	8.9	7.9
Net domestic credit to the Government	14.2	14.3	8.8	7.8	7.3	6.8	6.3	2.9
Credit to the rest of the economy	3.1	2.9	6.5	9.0	8.9	9.1	9.8	1.5
Broad Money, M3 (percent change)	7.2	8.9	10.8	11.0	10.7	10.4	10.2	7.5
Reserve money (percent change)	7.9	3.2	9.5	10.9	10.6	10.3	10.0	7.4
<i>in percentage of GDP, unless otherwise indicated</i>								
Investment and Saving								
Consumption	88.7	88.5	88.2	88.2	87.9	87.4	87.0	86.7
Central Government	11.8	11.2	11.2	11.4	11.1	10.6	10.3	10.0
Private	76.2	76.6	76.3	76.3	76.3	76.3	76.3	76.3
Final consumption expenditure by NPISH	0.7	0.7	0.6	0.6	0.5	0.5	0.4	0.4
Gross Fixed Capital Investment	16.6	16.5	17.0	17.7	17.7	17.9	18.4	18.3
Central Government	4.2	4.2	4.3	4.3	4.4	4.6	4.6	4.7
Private	12.4	12.3	12.7	13.3	13.3	13.3	13.8	13.6
Gross National Saving	12.4	13.6	15.5	15.5	14.6	14.9	15.4	15.2
Central Government	0.4	0.1	-0.1	-0.4	-0.1	-0.1	0.3	0.7
Private	12.0	13.4	15.6	16.0	14.7	15.0	15.1	14.5
Exports value, goods and services	16.7	16.9	15.6	14.9	14.5	14.2	14.0	13.7
Imports value, goods and services	24.4	23.1	22.0	21.6	20.7	20.2	19.5	19.0
Current Account Balance	-4.2	-2.9	-1.5	-2.1	-3.1	-3.0	-3.0	-3.1
Gross reserves in months of next yr's imports	3.2	4.0	4.2	4.5	4.5	4.6	4.7	4.9
Gross reserves in months of this yr's imports	3.4	4.3	4.6	4.7	4.8	4.9	5.0	5.1
Central Government Budget in Fiscal Years								
Total revenue	16.6	17.3	17.3	17.2	17.4	17.4	17.6	18.0
Total Expenditure and Net Lending	22.6	23.1	23.5	24.1	23.2	23.6	23.3	23.4
Overall Fiscal Balance excl. Grants	-6.0	-5.8	-6.2	-6.9	-5.7	-6.2	-5.7	-5.3
Overall Fiscal Balance, incl. Grants	-5.9	-5.6	-6.0	-6.8	-5.5	-5.9	-5.4	-5.1
Statistical discrepancy	-0.2	-0.1	0.1	-0.1	0.0	0.0	0.0	0.0
Overall Fiscal Balance, incl. Grants, Cash Basis	-5.6	-5.3	-6.0	-6.8	-5.5	-5.9	-5.4	-5.1
Primary Budget Balance	-0.8	0.1	-0.2	-1.0	0.5	0.5	1.0	1.4
Net domestic borrowing	3.2	3.8	5.1	5.3	4.3	4.0	3.6	3.3
Public debt in Fiscal years								
Nominal Government Public Debt (eop), Gross	72.1	67.7	69.9	69.9	68.8	68.0	66.8	65.7
Nominal Public Debt (eop), Net of Deposits	68.7	64.3	67.9	67.9	65.9	66.4	65.4	64.4
Domestic (Gross) Debt	33.9	34.6	37.4	39.3	39.4	39.9	39.6	39.2
Domestic (Net) Debt	30.5	31.2	35.4	37.4	36.5	38.3	38.2	37.9
External Debt	38.2	33.1	32.5	30.5	29.4	28.1	27.2	26.5
Memorandum Items:								
Nominal GDP (in Ksh Billion) in calendar years*	15,034	16,232	17,578	19,677	21,780	24,108	26,703	29,251
Per capita income (Ksh) in calendar years	291,770	309,609	329,594	361,775	392,484	425,930	462,642	497,096
Nominal GDP (in US\$ Million) in calendar years	107,499	120,400	135,944	151,320	167,039	183,847	203,054	224,494
* Nominal GDP in Fiscal Years in Annex Table 2								

Source: The National Treasury

County Economic Outlook

71. According to 2025 Gross County Product, Kitui County's Gross County Product (GCP) slightly accelerated from Kshs 176,954 Million in 2023 to Kshs 196,332 Million in 2024 representing a 10.9 percentage increase. Kitui County's contribution remained constant at 1.3 with a six-year average of 1.4. The local revenue under the review period increased by 8.7 % in relation to the previous 2024/2025 FY.

Figure 7: Kitui County Gross County Product (Kshs Mns)



Source: Kenya National Bureau of Statistics, 2025

72. During the FY 2025/26, we made tremendous achievements under various sectors:
73. On Finance, we have grown our Own Source Revenue by 8.7% from Kshs 895M in FY 2024/25 to Kshs 974M in FY 2025/26.
74. The Office of the Governor oversaw a wide range of programs including administration, planning, records management, enforcement, public communication, protocol, special programs, devolution services, and monitoring & evaluation. Development projects such as construction of office buildings, ward offices, police posts, land acquisition, CCTV systems, and the Community Level Infrastructure Development Programme (CLIDP) were also implemented.
75. Office of the Deputy Governor projects included the construction of access road to Emergency Response Centre, construction of Assembly Hall at the Emergency Response Centre and clearing and Leveling of the Emergency Response Centre Ground. In addition, the ministry implemented water piping; water tower and tanks at MRP, Launch of Kitui tourism circuit, repair of George Adamson Gate and wiring and power connection and solarisation of MRP structures.
76. In ministry of water and irrigation, Key programs included construction of sump wells, drilling and equipping of boreholes, pipeline extensions, procurement of high-lift pumps, sand dams, cluster irrigation schemes and High WSP (water service provider) subsidies.
77. The Ministry of Roads, Public Works & Transport successfully delivered road maintenance, grading, drifts, and protection works, most recording significant absorption, enabled by availability of funds and strong leadership. However, many road opening and drift projects stalled due to delayed procurement. The transport docket achieved success in installation of solar lights, construction and renovation of boda-boda sheds, construction of

mechanical workshop at the department of roads and transport compound and construction of traffic signalization Kitui town entry junction

78. Under the Ministry of Health and Sanitation, the bulk of projects involved construction of dispensaries, wards, laboratories, kitchens, theatres, maternity units, OPDs, fencing, pit latrines, renovations, mortuary facilities, drug stores, and procurement of medical equipment. Large medical equipment procurements (e.g., incubators, dialysis machines, scanners, CPAPs) were all successfully delivered.

79. The Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives made significant strides in market infrastructure development, repairs and construction of solar lights in markets, Acquisition of Land (2.5 acres) for livestock yard at Ngomeni, construction of pit latrines, branding and marketing.

80. The Ministry of Energy, Environment, Forestry, Natural & Mineral Resources successfully implemented a wide range of projects, mainly sand dam construction across multiple wards, which all achieved 100% absorption. In addition, significant efforts were made in ecosystem restoration, afforestation, landscape management, apiculture, and agroforestry programs, all completed fully within budget. In addition, the Ministry did installation and repair of integrated solar security lights across several sub-counties and livestock-related interventions such as supply of Galla bucks and apiculture support.

81. The Ministry of Culture, Gender, Youth, ICT, Sports & Social Services carried out cultural programs such as the hosting of the cultural day and drafting of the Culture and Heritage Policy. Gender-related interventions included GBV sensitization forums, establishment of gender committees, and celebration of national/international days. Social services achieved strong results in supporting CCCIs, distributing assistive devices to PWDs, and running sensitization forums, all at 100% absorption. Youth programs focused heavily on engagement forums while sports department undertook projects such as dais construction, stadium development, KYISA games, and procurement of equipment. In ICT, connectivity projects at ICT centers were fully absorbed.

82. Ministry of Agriculture & Livestock programs performed variably. Crop development achieved near-total absorption with support to farmers through certified seeds, pesticides, and hosting of agricultural shows. Conditional grants such as the NAVCDP performed fairly at 81.4%. Amongst the projects included; Extension services, tractor ploughing, and training centers and refurbishment. Livestock programs such as disease control, breed improvement (Galla goats), vaccine and extension advisory achieved high absorption.

83. The Ministry of Lands, Housing & Urban Development undertook projects in solar streetlight installations, dumpsite access roads, skip bins, fencing, pit latrines, land acquisition, feasibility studies and urban market infrastructure..

84. The Kitui Municipality successfully executed numerous urban infrastructure projects such as walkways, drainage works, parking marking, access roads, pedestrian walkways, drainage works, pothole patching and installation of integrated solar streetlights. Overall, Kitui Municipality displayed strong performance in road, lighting, and beautification projects.

85. Mwingi Municipality projects focused on town infrastructure development such as cabro works, drainage, culverts, high mast repairs, solar light installations, slaughterhouse fencing, pit latrine construction, and pothole patching.

IV. RESOURCE ALLOCATION FRAMEWORK

Adjustments to 2025/26 Budget

86. Kenya's economic performance is projected to pick up in 2025 and 2026, with real GDP growth projected at around 5.3 percent. On the supply side, growth will be driven by resilient agriculture, steady services, and gradual improvement in industry. The agriculture sector will be driven by favourable weather conditions and productivity-enhancing government interventions. Linkages with other sub-sectors will boost the agro-processing industries, merchandise exports, as well as households' incomes.

87. The industrial sector is projected to pick up in the medium term due to the reduced cost of production and stable exchange rate. Notably, the construction sub-sector is expected to recover following the settlement of verified pending bills, which will facilitate the resumption of stalled projects, improve liquidity for contractors, and stimulate growth in associated sectors including manufacturing and materials supply. Kenya's fast-growing services, including the financial sector and ICT, are projected to maintain momentum. Ongoing efforts by the government to promote eco-friendly tourism practices, expand community-based tourism, and invest in port facilities to promote cruise tourism, are expected to drive the growth of the hospitality sector in the medium term.

88. In the county level, though the level of absorption of 81% in 2025/2026 reflects a decrease from previous year's budget, a strategy is being drafted to ensure that steady performance is supported while rolling over to 2026/27 financial year and aim on 90%+ budget absorption.

89. The project implementation status by the ministries clearly indicates the need for the departments to maximise the available resources on need based planning which will ensure the key projects are implemented. These projects will have great impact on socio-economic well-being of Kitui residents. These will ensure priority projects are given top priority in allocation of meagre resources.

90. In order to achieve the revenue target of Kshs. 1.199B set out in the 2026/27 budget, the revenue department of the County Ministry of Finance, Economic Planning and Revenue Management will continue to implement the automation of revenue to improve revenue collection. The supervision of revenue collection is essential to seal off all possible revenue leakages and loss through non-collection.

91. The County Government continued to rationalize expenditures to improve efficiency and reduce wastage of the resources'. Within the medium term, the ministries will have

measures on expenditure control in order to regulate any increase in pending bills. Finally, the PFM Act, 2012 is expected to guide and accelerate reforms in expenditure management system necessary for the efficient utilisation of resources hence debt management.

Medium Term Expenditure Framework

92. In the 2026/2027 FY, the MTEF budgeting will consider allocation of the resources to key priority sectors in order to offer service delivery according to public participation conducted for CFSP 2026/27 FY. The prioritized projects are lifted from the broad priorities in ADP for 2026/27 FY and the CIDP 2023-2027 and other national planning documents.

93. According to the organization of the County ministries with guidelines from the Classification of Functions of Governments (COFOG) and the national level, the following key ministries have been allocated much funds to drive the sixteen-sector manifesto.

i The Ministry of Water & Irrigation drives the key economic pillar of water and food security. The ministry has been allocated Kshs. 1.199B presenting 7.2% of the total budget.

ii The Ministry of health and Sanitation has been allocated Kshs.4.65B presenting 28.2% of the total budget. The Ministry has the highest budget allocation for the 2026/27 FY.

iii The Ministry of Education, Training & Skills Development has been allocated Kshs. 1.18B presenting 7.2% of the total budget. This resulted from the conversion of ECDE teachers from casual skilled to permanent and pensionable.

iv The Ministry of Finance, Economic Planning & Revenue Management has been allocated Kshs. 1.345B presenting 8.1% of the total budget. The Ministry has also a responsibility of ensuring sound financial systems and revenue collection among the ministries.

v The Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives has been allocated Ksh 0.66B presenting 4.0% of the total budget.

vi The County Ministry of Roads, Public Works & Transport has been allocated Kshs. 0.637B presenting 3.9% of the total budget. The Ministry ensure smooth and passable road network to ease movement of person and goods.

vii To achieve any production, energy and good climatic condition is key. Ministry of Energy, Environment, Forestry, Natural & Mineral Resources has been allocated Kshs. 0.765B presenting 4.6% of the total budget. Positive climatic changes boost the food security and conservation available vegetation cover and distribution of electricity.

viii Other priority sectors include Ministry of Culture, Gender, Youth, ICT, and Sports & Social Services, which promotes the interest of special groups. In the 2026/27 FY, the Ministry has been allocated Kshs. 0.275B presenting 1.7% of the total budget.

ix The County Ministry of Agriculture & Livestock has been allocated 0.881B to alleviate hunger through promoting food security. This represents 5.3% of the total budget.

x The County Ministry of Lands, Housing and Urban Development as an enabler has been allocated 0.280B to facilitate on land issues. This represents 1.7% of the total budget.

xi The County Assembly which ensures legislation and oversight of the county government operation has been allocated Kshs. 1.46B representing 8.9% of the overall budget.

xii The Office of the Governor which drives the Pro-poor programmes and the CLIDP project has been allocated Kshs. Kshs.2.455B presenting 14.9% of the overall budget.

xiii Finally, The Office of the Deputy Governor has been allocated Kshs. 0. 197B accounting for 1.2% of the overall budget.

Budget Framework 2025/2026

94. The 2024/25 FY budget framework is based on the MTEF and fiscal policies as outlined in this 2024/25 FY outlook paper. Instability of the key macroeconomic variable such as interest rates, inflation and exchange rates having been affected by recent Gen - Z protests will affect the Countries GDP hence decreased recovery of the economy. However, the variables are expected to remain stable throughout the financial year as the Country stabilizes.

95. At the county level, the county is expecting reliable rainfall in most areas in the upcoming short and long rains which will ensure sufficient food production across the county though floods have been predicted. Therefore, the county government will distribute certified seeds to the farmers and sensitize the farmers on climate smart agriculture for increased production.

96. The counties own revenue is projected to be Kshs. 1,396,635,000 in FY 2027/28 and Kshs. 1,424,567,700 in FY 2027/29 (over the medium-term plan).

Table 13: Medium Term Expenditure Framework (MTEF) Actuals for 2025/2026 FY & Projection up to 2028/2029 FY

S/No	Source	Approved Revenue Estimates 2025/2026	Actual Revenue 2025/26	Revenue Estimates 2026/27	Projected Revenue Estimates 2027/28	Projected Revenue Estimates 2028/29
		Kshs	Kshs	Kshs	Kshs	Kshs
1	Equitable share					
	Equitable share	11,503,907,837	11,503,907,837	11,851,440,460	12,799,555,697	13,823,520,153
	Sub Total Equitable Share	11,503,907,837	11,503,907,837	11,851,440,460	12,799,555,697	13,823,520,153
2	Grants					
	Road Maintenance Fuel Levy	445,098,850	152,421,270	-	-	-
	Grants from World Bank (KDSP) - Level I	37,500,000		147,467,168	159,264,541	172,005,705
	Grants from World Bank (KDSP) - Level II			705,000,000	761,400,000	822,312,000
	World Bank (Emergency Locust Response Project (ELRP))	121,025,000			-	-
	IDA (World Bank) credit (National Agricultural Value Chain Development Project (NAVCDP))	151,515,152	231,081,416	354,571,032	382,936,714	413,571,651
	HSSP/HSPS - (DANIDA/IDA)	13,601,250	13,601,250	26,419,953	28,533,549	30,816,233
	Settlement for Doctors Arrears			43,756,694	47,257,230	51,037,808
	Kenya Urban Support Project (UIG)- World Bank				-	-
	County Aggregation and Industrial Parks Programme	250,000,000		223,443,017	150,000,000	150,000,000
	Community Health Promoters	58,050,445		74,100,000	80,028,000	86,430,240
	World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)	-	214,395,906	465,271,811	502,493,555	542,693,040
	Kenya Urban Support Project (UDG)- World Bank	35,000,000	26,000,000	180,102,732	194,510,951	210,071,827
	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees			1,987,622	2,146,632	2,318,362
	K-WASH			474,760,742	512,741,601	553,760,929
	Allocation for Court Fines	50,000		149,446	161,402	174,314
	Allocation for 20% Share of Mineral Royalties	114,279		672,236	726,015	784,096
	Subtotal	1,111,954,976	637,499,842	2,697,702,451	2,822,200,190	3,035,976,205
		12,615,862,813	12,141,407,679	14,549,142,911	15,621,755,886	16,859,496,357
3	Own Source Revenue					
	County Ministry/ Entity			-	-	
	Office of the Governor	52,934,742	28,249,000	51,971,748	56,129,488	60,619,847
	Office of the Deputy Governor	-	-	131,497	142,017	153,378
	Ministry of Water and Irrigation	1,828,949	3,232,000	2,028,948	2,191,264	2,366,565
	Ministry of Education, Training & Skills Development	-	-	131,497	142,017	153,378

S/No	Source	Approved Revenue Estimates 2025/2026	Actual Revenue 2025/26	Revenue Estimates 2026/27	Projected Revenue Estimates 2027/28	Projected Revenue Estimates 2028/29
		Kshs	Kshs	Kshs	Kshs	Kshs
	Ministry of Roads, Public Works & Transport	5,915,880	4,715,204	5,915,880	6,389,151	6,900,283
	Ministry of Health and Sanitation - Appropriation - In - Aid (A-I-A)	639,609,754	722,062,261	1,242,824,391	1,342,250,343	1,449,630,370
	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	1,548,625	651,688	1,848,625	1,996,515	2,156,236
	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	19,022,072	369,500	19,222,072	20,759,838	22,420,625
	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	452,256	201,575	452,256	488,436	527,511
	Ministry of Finance, Economic Planning & Revenue Management	169,319,821	105,538,123	169,319,821	182,865,406	197,494,639
	Ministry of Agriculture & Livestock	25,958,372	7,900,144	25,958,372	28,035,041	30,277,845
	Ministry of Lands, Housing & Urban Development	55,382,007	15,999,607	55,382,007	59,812,568	64,597,573
	Kitui Municipality	95,723,622	54,377,478	95,723,622	103,381,511	111,652,032
	Mwingi Municipality	51,553,901	30,784,040	51,553,901	55,678,213	60,132,470
	Subtotal	1,119,250,000	974,080,620	1,722,464,637	1,860,261,808	2,009,082,753
	TOTAL	13,735,112,813	13,115,488,299	16,271,607,548	17,482,017,694	18,868,579,110
	Revote from previous budget	-	1,495,093,369	265,898,792	287,170,695	310,144,351
	% of Equitable Share	84%	79%	72%	72%	72%
	% of Own Resources	8%	7%	10%	10%	10%
	% of Grants	8%	4%	16%	16%	16%
	% of Revote	0%	10%	2%	2%	2%
		100	100	100	100	100
	Total Resource Envelope	13,735,112,813	14,610,581,668	16,537,506,340	17,769,188,390	19,178,723,461

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

CONCLUSION AND WAY FORWARD

97. In the table 18 below, the CBROP presents the MTEF for 2025/26 FY to 2028/29 FY factoring in the challenges faced by county government in delayed disbursement of the equitable share for the 2025/26 FY. The MTEF for the financial years presents the actual values and projection of 2026/27 FY obtained by moderating the revenue projections and control of expenditure based on the laid policies. The financial policies therefore are consistent with fiscal responsibilities outlined in the PFM law.

98. The financial policies outlined in this CBROP 2026 will ensure smooth resource allocation on the ward prioritized projects that will promote development.

99. The policies will be highlighted in the next County Fiscal Strategy Paper for 2027/28 FY that will be released by February 2027.

Table 14: Medium Term Expenditure Framework (MTEF) Actuals 2025/2026-2026/2027 FY & Projection up to 2028/2029 FY

No.	Sector/ County Ministry		2025/26 Actuals	Projected 2026/27 Estimates	Projections 8%	
					2027/28	2028/29
1	Office of the Governor	SUB-TOTAL	2,211,269,777	2,455,868,055	2,652,337,499	2,864,524,499
		Rec. Gross	1,321,510,473	1,467,896,101	1,585,327,789	1,712,154,013
		Dev. Gross	889,759,304	987,971,954	1,067,009,710	1,152,370,487
2	Office of the Deputy Governor	SUB-TOTAL	194,333,515	197,709,395	213,526,147	230,608,238
		Rec. Gross	175,735,033	154,206,587	166,543,114	179,866,563
		Dev. Gross	18,598,482	43,502,808	46,983,033	50,741,675
3	Ministry of Water & Irrigation	SUB-TOTAL	594,407,169	1,199,310,758	1,295,255,619	1,398,876,068
		Rec. Gross	164,248,221	181,683,830	196,218,536	211,916,019
		Dev. Gross	430,158,948	1,017,626,928	1,099,037,082	1,186,960,049
4	Ministry of Education, Training & Skills Development	SUB-TOTAL	1,013,950,465	1,188,236,047	1,283,294,931	1,385,958,526
		Rec. Gross	915,855,306	1,009,038,419	1,089,761,492	1,176,942,412
		Dev. Gross	98,095,159	179,197,629	193,533,439	209,016,114
5	Ministry of Roads, Public Works & Transport	SUB-TOTAL	530,292,398	637,119,697	688,089,273	743,136,415
		Rec. Gross	236,017,765	216,521,398	233,843,110	252,550,559
		Dev. Gross	294,274,633	420,598,299	454,246,163	490,585,856
6	Ministry of Health & Sanitation	SUB-TOTAL	3,662,994,424	4,655,898,903	5,028,370,815	5,430,640,480
		Rec. Gross	3,436,114,971	4,111,764,062	4,440,705,187	4,795,961,602
		Dev. Gross	226,879,453	544,134,841	587,665,628	634,678,879

No.	Sector/ County Ministry		2025/26 Actuals	Projected 2026/27 Estimates	Projections 8%	
					2027/28	2028/29
7	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	SUB-TOTAL	421,917,807	660,658,634	622,192,866	659,968,296
		Rec. Gross	196,952,350	244,861,407	264,450,320	285,606,345
		Dev. Gross	224,965,457	415,797,227	357,742,547	374,361,951
8	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	SUB-TOTAL	426,315,980	765,678,684	826,932,978	893,087,616
		Rec. Gross	129,402,617	132,097,936	142,665,771	154,079,033
		Dev. Gross	296,913,363	633,580,748	684,267,207	739,008,584
9	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	SUB-TOTAL	244,556,605	275,444,991	297,480,590	321,279,037
		Rec. Gross	188,407,590	202,248,627	218,428,517	235,902,798
		Dev. Gross	56,149,015	73,196,364	79,052,073	85,376,239
10	Ministry of Finance, Economic Planning & Revenue Management	SUB-TOTAL	496,491,256	1,345,393,817	1,453,025,323	1,569,267,349
		Rec. Gross	434,423,035	422,926,649	456,760,781	493,301,644
		Dev. Gross	62,068,221	922,467,168	996,264,541	1,075,965,705
11	Ministry of Agriculture & Livestock	SUB-TOTAL	742,989,869	881,804,522	952,348,883	1,028,536,794
		Rec. Gross	421,682,199	412,601,258	445,609,359	481,258,107
		Dev. Gross	321,307,670	469,203,264	506,739,525	547,278,687
12	Ministry of Lands, Housing and Urban Development	SUB-TOTAL	449,916,236	280,811,692	303,276,627	327,538,758
		Rec. Gross	205,239,413	123,455,278	133,331,700	143,998,236
		Dev. Gross	244,676,823	157,356,414	169,944,927	183,540,522
13	County Public Service Board	SUB-TOTAL	83,220,729	97,049,728	104,813,706	113,198,803
		Rec. Gross	73,471,959	83,299,728	89,963,706	97,160,803
		Dev. Gross	9,748,770	13,750,000	14,850,000	16,038,000
14	County Assembly Service Board	SUB-TOTAL	981,951,276	1,468,501,596	1,585,981,723	1,712,860,261
		Rec. Gross	975,104,583	1,107,244,041	1,195,823,564	1,291,489,449
		Dev. Gross	6,846,693	361,257,555	390,158,159	421,370,812
15	Kitui Municipality	SUB-TOTAL	0	264,246,633	285,386,364	308,217,273
		Rec. Gross	0	85,780,354	92,642,782	100,054,205
		Dev. Gross	0	178,466,279	192,743,581	208,163,068
16	Mwingi Municipality	SUB-TOTAL	0	163,773,190	176,875,045	191,025,049
		Rec. Gross	0	73,086,737	78,933,676	85,248,370

No.	Sector/ County Ministry		2025/26 Actuals	Projected 2026/27 Estimates	Projections 8%	
					2027/28	2028/29
		Dev. Gross	0	90,686,453	97,941,369	105,776,679
	TOTALS	TOTAL	12,054,607,506	16,537,506,340	17,769,188,390	19,178,723,461
		Rec. Gross	8,874,165,515	10,028,712,411	10,831,009,404	11,697,490,157
		Dev. Gross	3,180,441,991	6,508,793,929	6,938,178,985	7,481,233,304

Source: Ministry of Finance, Economic Planning & Revenue Management, 2026

VI. ANNEXURES

Expenditure Analysis by Project/ Programme

3711: Office of the Governor

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
1	General Administration, Human Resources, Protocol, Monitoring and Research and Support Services	1,021,671,029.00	995,634,330.00	97.45%	The programme recorded a very high absorption rate, reflecting effective implementation of planned administrative, human resource, coordination, monitoring and institutional support activities. The marginal under-absorption indicates that most planned commitments were executed within the financial year, with the residual balance arising from expenditure rationalization, procurement savings, timing differences and some activities not fully concluded before year-end.	Strengthen quarterly expenditure forecasting and commitment monitoring; align procurement and activity schedules with approved work plans; undertake periodic budget-performance reviews; and ensure outstanding activities and eligible commitments are identified and processed before financial year closure.
2	Enforcement Unit	16,141,000.00	15,294,492.00	94.76%	The programme achieved a high level of absorption, demonstrating substantial execution of planned enforcement operations and associated administrative activities. The modest variance suggests that implementation remained broadly consistent with the approved work	Improve operational and expenditure planning, strengthen quarterly implementation reviews, initiate procurement requirements early and continuously reconcile commitments against available budget to minimize year-end balances.

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
					plan.	
3	Policy Development and Coordination and Monitoring functions	8,300,000.00	8,057,968.00	97.08%	The high absorption rate demonstrates effective implementation of planned policy development, interdepartmental coordination and monitoring activities.	Maintain activity-based budgeting, strengthen linkage between policy work plans and expenditure forecasts, and conduct periodic implementation reviews to identify emerging delays and facilitate timely corrective action.
4	Human Resource Management Unit	7,397,900.00	7,397,900.00	100.00%	Full absorption demonstrates complete utilization of the approved allocation and strong execution of the programme's planned human resource management activities.	Sustain accurate expenditure forecasting and regular budget monitoring while strengthening performance reporting to demonstrate the relationship between expenditure, planned HR outputs and institutional outcomes.
5	Records Management	13,820,000.00	12,819,573.00	92.76%	The programme recorded strong absorption, indicating substantial implementation of planned records management and administrative support activities. The residual variance is due to t limited proportion of planned activities, procurements and commitments which remained unsettled at the	Strengthen annual procurement planning for records-management requirements, monitor implementation quarterly and accelerate processing of planned activities to avoid concentration of expenditure and procurement processes toward year-end.

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
					close of the financial year.	
6	General Administration - County Secretary	23,274,722.00	21,546,598.00	92.58%	The programme achieved a satisfactory level of absorption, reflecting substantial implementation of executive coordination, administrative and institutional support functions.	Strengthen monthly and quarterly expenditure reviews, improve cash-flow and activity forecasting, and ensure timely initiation and completion of planned administrative activities and procurement processes.
7	Cabinet Affairs	14,857,070.00	13,048,353.00	87.83%	The programme recorded satisfactory absorption, although performance was comparatively lower than most other recurrent programmes. This is due to some planned Cabinet coordination, administrative and support activities which were not fully financially concluded within the reporting period.	Develop detailed quarterly implementation schedules, closely monitor delayed activities and commitments, strengthen procurement lead-time management and institute mid-year corrective measures where expenditure materially deviates from approved implementation plans.
8	PROTOCOL UNIT	6,207,054.00	6,147,054.00	99.03%	The programme achieved near-full absorption, demonstrating effective execution of planned protocol, coordination and logistical activities.	Maintain robust expenditure controls, timely activity planning and regular reconciliation of commitments while ensuring expenditure continues to demonstrate economy, efficiency and value for money.
9	SEKEB and	47,657,500.00	47,457,500.00	99.58%	The programme recorded near-full	Sustain timely implementation

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
	Intergovernmental Relations				absorption, indicating effective implementation of planned intergovernmental coordination, regional cooperation and institutional engagement activities. The marginal variance reflects strong budget execution and close alignment between planned activities and expenditure.	and commitment monitoring while strengthening results-based reporting to demonstrate the outcomes generated through regional and intergovernmental engagements.
10	Monitoring and Evaluation	14,004,683.00	14,000,683.00	99.97%	The programme achieved virtually full absorption, demonstrating effective execution of the approved monitoring and evaluation work plan. The negligible variance indicates strong financial implementation and close synchronization between budgeted resources and planned activities.	Maintain timely scheduling of monitoring activities and strengthen the linkage between expenditure and measurable M&E outputs, including project coverage, reporting quality, implementation follow-up and utilization of monitoring findings.
11	Public Relations and Customer Care	7,470,950.00	7,170,950.00	95.98%	The programme recorded high absorption, demonstrating substantial implementation of planned public relations, stakeholder engagement and customer-care activities.	Strengthen quarterly activity scheduling, expenditure forecasting and performance monitoring, with particular emphasis on linking expenditure to measurable improvements in stakeholder engagement, responsiveness and customer

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
						satisfaction.
12	Public Communicati on and Protocol	14,009,050.00	13,006,050.00	92.84%	The programme achieved strong absorption, indicating substantial implementation of planned communication, public information and protocol activities. .	Improve synchronization of communication plans, procurement requirements and budget implementation; strengthen quarterly expenditure monitoring; and ensure planned communication activities are initiated sufficiently early in the financial year.
13	Office of Chief of Staff Total	8,288,200.00	8,088,200.00	97.59%	The programme recorded high absorption, reflecting effective implementation of planned executive coordination and administrative support activities.	Maintain regular expenditure and commitment reviews, strengthen activity-based financial forecasting and ensure timely completion and settlement of planned activities before year-end.
14	Office of County Attorney	38,742,424.00	36,742,424.00	94.84%	The programme achieved high absorption, indicating substantial implementation of planned legal, advisory and institutional support functions.	Strengthen forecasting of legal and administrative expenditure, monitor commitments throughout the year and periodically review programme implementation to identify activities whose completion may extend beyond the reporting period.
15	County Government	85,821,962.00	84,682,761.00	98.67%	The programme achieved very high absorption, demonstrating effective	Sustain decentralized expenditure monitoring, strengthen reporting

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
	Administratio n and Field Services				implementation of decentralized administration, coordination and field-level service-delivery activities. The limited variance indicates that expenditure was closely aligned with planned operational requirements during the year.	from field administrative units and ensure timely consolidation of commitments and expenditure to facilitate early identification of implementation gaps.
16	Devolution Services	29,796,995.00	29,145,186.00	97.81%	The programme recorded very high absorption, indicating substantial implementation of planned devolution, coordination and citizen-focused service-delivery activities. The relatively small variance demonstrates effective budget execution and close alignment between the approved programme and actual implementation.	Maintain quarterly programme and financial performance reviews, strengthen expenditure forecasting and increasingly link financial absorption to measurable devolution outcomes, including accessibility of services, citizen engagement and effectiveness of decentralized structures.
17	Refurbishme nt of the Governor's Administratio n Block. Improving drainage system	5,000,000.00	4,672,165.00	93.44%	The programme recorded a high level of budget absorption, indicating that the planned refurbishment and drainage improvement works were substantially implemented during the reporting period. The relatively small unutilized balance suggests that implementation was largely aligned with the approved work plan and	Strengthen monitoring of physical and financial progress against contractual milestones; ensure timely inspection, certification and processing of completed works; and commence project-closeout procedures sufficiently early to facilitate settlement of eligible obligations, including

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
					budget.	retention, within the applicable contractual timelines.
18	Continuation of Construction of County Offices Block 1 No.	20,000,000.00	20,000,000.00	100.00%	The programme achieved full budget absorption, demonstrating complete utilization of the approved allocation during the reporting period. This reflects strong execution against the financial plan and indicates that all budgeted resources were committed and expended.	Maintain close supervision of works and strengthen linkage between financial payments and certified physical milestones. Final inspection, completion documentation, defect management and project handover should be undertaken in accordance with contractual requirements to safeguard the quality and sustainability of the investment.
19	FY 2025/26 Community Level Infrastructure Development Programme	727,500,000.00	647,001,512.00	88.93%	The programme registered strong but incomplete budget absorption, reflecting substantial implementation of community-level infrastructure interventions across the targeted areas. The remaining variance is due to some projects which were complete but not fully processed at the closure of the financial year	Strengthen coordination between implementing units, project supervisors, procurement and finance functions to ensure completed works are inspected, certified and processed promptly. Introduce periodic tracking of projects approaching completion and establish year-end cut-off schedules for submission and processing of certificates to minimize the carry-forward of

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
						completed but unpaid works.
20	Community Level Infrastructure Development Programme - Outstanding Commitments for Budgeted Works Done, Valued and Not Paid by Close of FY 2024/25	192,142,676.00	176,614,935.00	91.92%	The high absorption level indicates substantial settlement of verified obligations carried forward from the previous financial year, representing significant progress in addressing outstanding commitments relating to completed and valued works. The remaining balance relates to obligations that still required verification, documentation, certification and settlement.	Maintain a comprehensive and regularly reconciled register of outstanding commitments, supported by contracts, inspection reports, certificates and other relevant documentation. Prioritize verification and settlement of eligible obligations, resolve unsupported or disputed claims promptly, and strengthen commitment controls to ensure new contractual obligations are undertaken only within available budget provisions.
21	Construction of Ward Offices	8,000,000.00	7,766,065.00	97.08%	The absorption rate realized was satisfactory	-The department will endeavor to strive to achieve better absorption rates in its development budget by ensuring all projects are complete hence payment of retention money on time.
22	Construction of Police Stations	37,541,500.00	31,736,929.00	84.54%	The absorption rate realized was satisfactory.	- The department will endeavor to strive to achieve better absorption rates in its development budget by ensuring all projects are

No.	PROGRAM MES	Budget 2025/2026	Expenditure 2025/2026	Absorption Rate (%)	Explanation for the level of Absorption	Measures to safeguard against such risk in future
						completed by end of each financial year hence contractors are paid on time.
	Total	2,347,644,715.00	2,208,031,628.00			

3728: Office of the Deputy Governor

S/No.	Project/Programme	Budget (2025-2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
1	Construction of access road to Emergency Response Centre	3,325,343	3,325,343	100%	The project is complete as per the plan	No risk encountered
2	Construction of Assembly Hall at the Emergency Response Centre	2,849,255	2,876,584	101%	The project is complete as per the plan	No risk encountered
3	Clearing and Leveling of the Emergency Response Centre Ground	1,851,787.77	1,851,787.77	100%	The project is complete as per the plan	No risk encountered
4	Water piping, water tower and tanks at MRP	3,500,000	3,200,000	91%	The project is complete as per the plan	No risk encountered

S/No.	Project/Programme	Budget (2025-2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
5	Launch of kitui tourism circuit	10,000,000	11,000,000	110%	The launch activity was carried out as per the plan	No risk encountered
6	Repair of George Adamson Gate	3,000,000	2,750,000	92%	The project is complete and in use as per the plan	No risk encountered
7	Wiring and power connection and solarisation of MRP structures	3,500,000	3,600,000	103%	The project is complete and in use as per the plan	No risk encountered
	TOTAL Deputy Governor	28,026,386	28,603,715			

3729: Ministry of Water & Irrigation

No.	Project/Programme	Budget (2025-2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
1	Construction of sump well water supplies	144,000,000.00	72,057,234.00	50.01	3no. new sump wells constructed; six sump well water supplies rehabilitated.	Sump well water supplies to be phased so as to accommodate the allocated budgets. Other phases and extensions to be done the next FYs.

No.	Project/Programme	Budget (2025-2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
2	Drilling of new boreholes	30,000,000.00	18,665,092.00	62.23	5no. boreholes drilled. Delays in fuel approvals affected this activity.	There is need to accelerate payment of fuel for borehole drilling during the dry months when drilling is appropriate.
3	Equipping of boreholes with solar	40,000,000.00	55,947,461.00	139.87	11no. boreholes equipped.	Increase allocation for this line activity.
4	Hybridization/solarisation of boreholes	29,000,000.00	7,097,315.00	24.47	3no. boreholes hybridized.	-
5	Extension of water pipelines	16,000,000.00	42,655,624.00	266.6	55kms completed.	More extension recommended from high-yielding boreholes and sump wells.
6	Construction & Desilting of Earth Dams	48,000,000.00	49,471,800.00	103.07	13no. earth dams completed	-
7	Borehole repair & maintenance	24,907,301.00	7,342,780.00	29.48	22no. boreholes repaired	Repairs are on need basis.
8	Subsidies for WSPs (KITWASCO, KIMWASCO)	50,000,000.00	65,445,729.00	130.89	Electricity bills for the WSPs too high.	Need for hybridization of the pumping stations. Adoption of solar

No.	Project/Programme	Budget (2025-2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
						power to avoid over-reliance on grid power.
Total Water Department		381,907,301.00	318,683,035.00			
1	Sand Dam	92,000,000.00	92,162,940.10	100.17	The program absorbed all the money allocated in the budget	Increase allocation for this line activity.
2	Cluster Irrigation	20,151,840.00	20,117,922.60	99.8	The program absorbed all the money allocated in the budget but negligible savings that was used as part of O&M	Increase allocation for this line activity.
3	Cluster rehabilitation and solarisation	5,000,000.00	0	0	All the funds taken by establishment of new irrigation clusters	Budget cuts should be avoided for already planned projects
Total Irrigation Department		117,151,840	112,280,863			
Net Total Water and		499,059,141.00	430,963,897.70			

No.	Project/Programme	Budget (2025-2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
Irrigation						

3730: Ministry of Education, Training & Skills Development

SNo	Programme/ Projects	Budget 2025/2026	Expenditure (Kshs)	Absorption rate (%)	Explanation for the level of absorption	Measures to safeguard against such risk in future
1	Construction of ECDE Classrooms	20,522,614	19,213,413	93.6	Differences in bidding price and the budgeted amount	No risk
2	Pro-poor infrastructure	10,000,000	9,977,747	99.8	Differences in bidding price and the budgeted amount	No risk
3	Monitoring and evaluation of ECDE programmes	2,594,900	1,065,850	41.1	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.
4	ECDE co- curricular activities	1,900,000	598,600	31.5	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.
5	Capacity building of ECDE teachers on implementation of CBE	2,563,078	1,559,000	60.8	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.
6	Government Trade Test Fees Payment	18,000,000	18,995,000	105.5	To execute the commitment funds were drawn from other budget	Accuracy in planning

SNo	Programme/ Projects	Budget 2025/2026	Expenditure (Kshs)	Absorption rate (%)	Explanation for the level of absorption	Measures to safeguard against such risk in future
					lines	
7	Support to County Co-Curricular Activity Competitions	1,500,000	100,000	6.7	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.
8	Renovation of existing VTCs	11,628,300	11,602,016	99.8	Differences in bidding price and the budgeted amount	No risk
9	Procurement and distribution of Training Tools and Equipment	23,901,269	23,881,220	99.9	Differences in bidding price and the budgeted amount	No risk
10	Monitoring and Evaluation of Training Programmes in VTCs	2,000,000	-	0.0	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.
11	Benchmarking on HomeCraft Centres	2,000,000	-	0.0	The funds were not released after submission of budget to the department of finance.	Department of finance should fund activities upon receipt of budgets.

3731: Ministry of Roads, Public Works & Transport

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
	Roads and Public Works					

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
1	Kwa Mwaangu Ivuuti Primary Access Road	8,969,119.00	7,892,697.09	88%	Funds disbursed right time	Early disbursement & procurement
2	Muthue(Kathini Gnca Church)-Mwangala-Kanziku Market	8,108,626.60	7,559,102.52	93%	Funds disbursed right time	Early disbursement & procurement
3	Proposed Road Grading And Spot Gravelling Of Muthue Market-Kanzokea- Ikutha/Kanziku Road Widening	5,000,000.00	4,960,458.69	99%	Funds disbursed right time	Early disbursement & procurement
4	Muthue Market-Kwa Embae- Mutomo Road Widenning Road Grading And Spot Gravelling	5,000,000.00	4,951,562.30	99%	Funds disbursed right time	Early disbursement & procurement
5	Proposed Additional Works Across Nguni Flood Plain Along Makutano Ma Ilengi- Kyandula Road (Additional Works)	5,000,000.00	4,989,891.26	100%	Funds disbursed right time	Early disbursement & procurement
6	Proposed improvement muthungue-maskalini- imuumba-ndila -police station road	19,498,017.69	17,158,133.50	88%	Funds disbursed right time	Early disbursement & procurement
7	Proposed levelling works of Nzou mwonza primary school and maintenance of nditime- maskalilini road	5,000,000.00	4,971,511.01	99%	Funds disbursed right time	Early disbursement & procurement
8	Kwa Mukwa - Vinda - Makaani - Ndivuni	10,936,100.98	9,364,792.90	86%	Funds disbursed right time	Early disbursement & procurement

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
9	Manyenyoni - Wii - Wikililye B61Katulani Road	8,042,842.23	7,072,200.00	88%	Funds disbursed right time	Early disbursement & procurement
10	Construction of Mutendea R. drift (90m) along Misungwani-Mutendea River - Kwa Mbaa Nzuna -	13,719,732.97	12,134,945.60	88%	Funds disbursed right time	Early disbursement & procurement
11	Proposed road improvement Sokomoko (Tiva Sec School) Old Tiva Sec School- Kivou River - Ngoleni - Kavuvoni Road	5,000,000.00	4,763,646.45	95%	Funds disbursed right time	Early disbursement & procurement
12	Proposed Drainage Works along Hospital Road	2,625,273.42	2,625,273.42	100%	Funds disbursed right time	Early disbursement & procurement
13	Proposed Kanyangi – Ndovoini - Nzambia	6,479,168.57	5,698,145.00	88%	Funds disbursed right time	Early disbursement & procurement
14	Kauma - Kavumbu - Maseki Jnct Road	8,272,358.85	7,583,140.65	92%	Funds disbursed right time	Early disbursement & procurement
15	Construction of Kwa Ilate Box Culvert	11,814,754.75	-	0%	Delayed implementation	Early disbursement & procurement
16	Proposed grading of Kwa Musembi to Engineer Kiiva, Kamanza Mitao to Kyambusya, Kyangeli to Kwa Kimweli and Kathuva to Kwa Ndonga	2,710,196.00	2,719,384.16	100%	Funds disbursed right time	Early disbursement & procurement
17	Tyaa Drift at Kwa Ngie on Mumbuni - Mukooni - Munga'lu road	4,154,312.13	2,124,179.46	51%	Delayed implementation	Early disbursement & procurement

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
18	Thitani Primary School - Mavuni Road Jctn - Ngongoni Mkt	5,618,369.85	5,618,369.85	100%	Funds disbursed right time	Early disbursement & procurement
19	Ukasi-Sosoma-Egamba-Dam Side	8,907,623.10	7,838,692.08	88%	Funds disbursed right time	Early disbursement & procurement
20	Mangoloma Drift along Good Sherperd - Kyanika Road	8,349,669.64	7,345,673.65	88%	Funds disbursed right time	Early disbursement & procurement
21	Proposed improvement of londiani water junction- ciampiu road	19,907,847.25	17,518,904.50	88%	Funds disbursed right time	Early disbursement & procurement
22	Proposed Construction Of Kalimbui Junction - Kakauni Road Junction - Tseikueu Cultural Heritage Centre	15,656,108.13	-	0%	Delayed implementation	Early disbursement & procurement
23	Improvement of Kamwerini - Kiunga Primary School - Kwa Kireru to main Road - Mirambaikamba SDA - Kandimu Primary School Road	3,998,582.61	-	0%	Delayed implementation	Early disbursement & procurement
Total Roads and Public Works		192,768,703.77	144,890,704.09			
Transport and Boda Boda						
1	Construction of mechanical workshop at the department of roads and transport compound	5,000,000.00	4,328,818.60	87%	Relocation and demolition of existing structures on the site delayed the works	Timely disbursement

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
2	Construction of traffic signalization Kitui town entry junction E390091.N9849048	12,000,000.00	11,985,115.00	100%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
3	Construction of a modern boda boda shed at Kakunio /Kavingoni Mutomo ward	500,000.00	475,640.00	95%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
4	Construction of modern boda boda shed at Mulutu	1,300,000.00	1,205,000.00	93%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
5	Construction of modern Boda Boda shed at Mwingi Town	1,300,000.00	1,248,507.00	96%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
6	Renovation of boda boda shed at Tseikuru stage	200,000.00	198,730.00	99%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
7	Renovation of boda boda at Kisasi market	500,000.00	455,040.00	91%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
8	Renovation of boda boda shed at Kandwia Stage	400,000.00	370,660.00	93%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
9	Renovation boda boda shed at Kwa Muthusi stage	7,000,000.00	6,071,520.00	87%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
10	Renovation of boda boda shed at Mbitini market	3,000,000.00	2,142,230.00	71%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
11	Renovation of boda boda shed at Migwani	300,000.00	296,340.00	99%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
12	Relocation and refurbishment of Muluu Boda Boda shed	600,000.00	563,995.00	94%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
13	Refurbishment of Syongila boda boda shed	2,000,000.00	1,946,450.00	97%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
14	Installation of 2no solar lights at Miambani town boda boda stage (2no. lamps per post)	600,000.00	516,466.80	86%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
15	Installation of 2no solar lights at Kyuso town (2 no. lamps per post)	600,000.00	532,370.00	89%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
16	Installation of 2no solar lights at Soweto county boda boda shed (2 no. lamps per post)	600,000.00	516,814.80	86%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
17	Installation of 2no solar lights at Migwani town county boda boda stage (2 no. lamps per post)	600,000.00	508,396.00	85%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
18	Installation of 2no Solar lights at Syongila Boda Boda Shed (2 No. Lamps Per Post)	600,000.00	515,866.80	86%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement

No.	Project/Programme	Budget(2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate(%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
19	Installation of 4no. solar lights at Mutitu town boda boda stage (2no) and Endau shopping centre boda boda stage (2no) (2no. lamps per post).	1,000,000.00	912,951.30	91%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
20	Installation of 2no. solar lights at Inyuu shopping centre (2no. lamps per post).	600,000.00	506,000.12	84%	Timely awarding of contracts, Qualified Contractor and good workmanship	Timely disbursement
Total Transport and Boda Boda		38,700,000.00	35,296,911.42			
Net Total		231,468,703.77	180,187,615.51			

3716: Ministry of Health and Sanitation

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
1	Equipping of KCRH OPD Emergency Unit with basic medical equipment	2,550,000.00	2,537,400.00	99.5%	Complete	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
2	Equipping of Zombe Sub County Hospital laboratory unit (Hematology analyzer-3 part, Chemistry analyzer-Dry) and maternity unit (incubator, water bath, delivery bed –electric, Pulse oximeter, Fetal Doppler, Delivery sets- major, Patient monitor, Gynaecological examination lamp, hospital bed- 2 crank)	2,592,300.00	2,587,000.00	99.8%	Complete	No risk encountered
3	Construction of a maternity unit at Ngiluni dispensary	3,173,610.00	3,069,883.00	96.7%	Complete	No risk encountered
4	Equipping of Mwingi level IV hospital OPD Emergency Unit with basic medical equipment	1,576,100.00	1,576,100.00	100.0%	Complete	No risk encountered
5	Equipping of Mwingi level IV hospital Laboratory Unit with Blood Gas Analyzer	947,000.00	947,000.00	100.0%	Complete	No risk encountered
6	Equipping Nuu SCH laboratory unit with	802,650.00	802,650.00	100.0%	Complete	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
	Hematology analyzer- 3 part					
7	Equipping of Migwani Sub-County Hospital, Kitui County Referral Hospital, Zombe Sub-County Hospital and Kanyangi Sub-County Hospital laboratory units with Blood Refrigerators (glass door)	905,000.00	905,000.00	100.0%	Complete	No risk encountered
8	Equipping of Tseikuru and Ikanga SCH Xray Unit with voltage stabilizers	2,624,400.00	2,624,400.00	100.0%	Complete	No risk encountered
9	Equipping of Kimela, Masavi and Sosoma Dispansaries Maternity Units	1,997,670	1,997,670	100.0%	Complete	No risk encountered
10	Construction of a dispensary at Kaliakatya/ Katheuni village in Matinyani ward	4,200,000.00	4,222,627.00	100.5%	Complete	No risk encountered
11	Renovation of Enziu dispensary	1,800,000.00	1,796,990.00	99.8%	Complete	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
12	Equipping 9 health centers (Tiva , Kisasi, Voo, Mathuki, Kasaala, Katse, Matinyani, Nzaawa and Kyangunga) with basic medical equipment for laboratory, maternity, wards and outpatient departments	2,253,678.00	2,253,678.00	100.0%	Complete	No risk encountered
13	Purchase of CHPs blood pressure machines batteries	830,431.35	830,431.35	100.0%	Complete	No risk encountered
14	Purchase of basic solar equipment and accessories to facilitate charging of SHA tablets in the facilities with no power connectivity	2,969,500.00	2,969,500.00	100.0%	Complete	No risk encountered
15	Procurement of tablets to support sha in health facilities	2,900,204	2,900,204.00	100.0%	Complete	No risk encountered
16	Removal and disposal of asbestos in Kauwi Sub-County Hospital, and re-roofing of the structures	5,000,000.00	4,510,485.00	90.2%	Complete. The budget allocation was greater than the project cost	B.o.Qs will be done on time to avoid such a risk in future

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
17	Removal and disposal of asbestos in Ikanga Sub-County Hospital, and re-roofing of the structures	5,000,000.00	4,923,800.00	98.5%	Complete	No risk encountered
18	Purchase of 330 bicycles for Community Health Promoters in Kitui East Sub-County	8,835,000	8,167,500	92.4%	Complete. The budget allocation was greater than the project cost	B.o.Qs will be done on time to avoid such a risk in future
19	Proposed continuation of construction of storey maternity/paediatric ward at KCRH	82,000,000.00	81,255,580.00	99.1%	Ongoing	No risk encountered
20	Equipping of 10 newly completed facilities for operationalization (Nzanzeni dispensary, Nguutani dispensary, Munyuni dispensary, Yana dispensary, Ithumbi dispensary, Maongoa dispensary, Kaliwa dispensary, Mutulu	6,550,000.00	6,507,050.00	99.3%	Complete	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
	dispensary, Mavuni dispensary, Nyanyaa dispensary)					
21	Renovation of Kwa Vonza Dispensary	4,000,000	3,382,000.00	84.6%	Complete. The budget allocation was greater than the project cost	B.o.Qs will be done on time to avoid such a risk in future
22	For proposed chainlink fencing and gate at ngaaka yakwa dispensary	1,310,650.00	1,350,650.00	103.1%	Complete	No risk encountered
23	Construction of Placenta Pit and Power Connectivity at UAE Dispensary	1,000,000.00	1,657,460.00	165.7%	Complete. The project cost was greater than the budget allocation	B.o.Qs will be done on time to avoid such a risk in future

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
24	Equipping of eye unit theatre at KCRH to serve eye cases and also to decongest the main theatre of maternity cases	4,097,420.00	4,097,420.00	100.0%	Complete	No risk encountered
25	Equipping of KCRH Lab with a biochemist machine	2,187,500.00	2,187,500.00	100.0%	Complete	No risk encountered
26	Procurement of supply, installation and testing of cctv at kitui county referral hospital drug stores and installation of a biometric door and attendance stand alone terminal at the kcrh main drug store doors	1,998,065.20	1,998,065.00	100.0%	Complete	No risk encountered
27	Procurement of basic medical equipment and beds for Kyuso Sub County Hospital	3,000,000.00	2,992,500.00	99.8%	Complete	No risk encountered
28	Equipping of Doctors' Room at KCRH Theatre	300,000.00	299,500.00	99.8%	Complete.	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
29	Upgrading of Muangeni dispensary to a health centre(Construction of a lab unit and maternity unit)	1,877,218.00	1,877,217.80	100.0%	Complete.	No risk encountered
30	Procurement of brainstem evoked response audiometry (BERA) machine for the ent department at kitui county referral hospital	2,189,400.00	2,189,400	100.0%	Complete.	No risk encountered
31	Proposed renovation of lundi dispensary opd block	2,597,452.75	2,595,311.00	99.9%	Complete.	No risk encountered
32	Procurement of window curtains for newly opened dispensaries	611,705	611,705	100.0%	Complete.	No risk encountered
33	Proposed demolition works,relocation of container,chainlink fence and construction of incenerator at kangalu dispensary	1,100,000.00	1,114,294.00	101.3%	Complete.	No risk encountered

S/No.	Project name	Budget (2025/2026) Kshs.	Expenditure (Kshs.)	Absorption rate (%)	Explanation for the level of absorption	Measure to safeguard against such risk in future
34	Construction of kitchen at Tseikuru Sub-County Hospital	1,500,000	2,198,150	146.5%	Complete. The project cost was greater than the budget allocation	B.o.Qs will be done on time to avoid such a risk in future
Total		167,276,954	165,936,121			

3732: Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
1	Proposed single of market shed at Kamina market Athi ward	1,759,952	1,759,952	100	Project Completed	N/a
2	Proposed installation of solar lights at Kathanze shopping centre, Kyatune market and Muthanga Tumua shopping centre	1,354,302	1,354,302	100	Project Completed	N/a
3	Proposed Repair and Installation of Integrated Solar Street Lights at Mwanianga in Kanziku Ward	1,252,800	1,252,800	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
4	Proposed installation of 2no. Solar lights (2 lamps per post) at Maungu shopping centre	600,068	600,068	100	Project Completed	N/a
5	Proposed installation of solar integrated security lights for Maungu and Ikulungu market Kanziku Simisi ward	1,088,312	1,088,312	100	Project Completed	N/a
6	Installation of 2No. solar lights at Imiw'a and Ngwate Ikutha ward	599,720	599,720	100	Project Completed	N/a
7	Proposed construction of 4 door pit latrine with urinal at Ndundumini market.	880,998	880,998	100	Project Completed	N/a
8	Proposed Construction of 4 Door Pit Latrine with Urinal at Twambui Endau/Malalani Ward	888,000	888,000	100	Project Completed	N/a
9	Proposed Installation of Solar Lights at Makutano Shopping Centre, Yamanza Market and Masasini.	1,447,173	1,447,173	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
10	Proposed installation of a single shed at Kyaango market, Voo/Kyamatu ward	1,756,930	1,756,930	100	Project Completed	N/a
11	Proposed installation of 6No. 2Arms integrated market security solar lights at Matundu(2no.), Kyuukuni(2no.), Kwa Mwenga Voo/Kyamatu ward	1,342,000	1,342,000	100	Project Completed	N/a
12	Proposed installation of solar lights at Kiongwe market and Kilonzo market	981,985	981,985	100	Project Completed	N/a
13	Proposed Construction of a Twin Market shed at Kanyonyoo market	3,688,662	3,688,662	100	Project Completed	N/a
14	Proposed installation of 8No. solar lights at Kitui County Aggregation and industrial(K-CAIP) at Kanyonyoo (2No. lamps per post).	1,760,083	1,760,083	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
15	Proposed installation of solar integrated security lights for Kwa-Mulee market in Yatta/Kwavonza Ward	1,065,620	1,065,620	100	Project Completed	N/a
16	Proposed Installation Of 2no. Solar Lights Per Market (2no. Lamps Per Post) At Musingi (2no.), Nzeveni (2no.) Yatta Kwa Vonza Ward Kitui Rural Sub County	960,000	960,000	100	Project Completed	N/a
17	Proposed installation of solar lights at Katwala market and Matundu shopping centre	1,009,606	1,009,606	100	Project Completed	N/a
18	Propose installation of a 2No. 10,000 litre water tanks at Maliku market	578,000	578,000	100	Project Completed	N/a
19	Procurement of proposed construction of perimeter boundary wall at Kisasi livestock market	4,982,055	0	0	Late commencement of construction due to boundary issues	Beaconing of public land before start of project construction

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
20	Proposed installation of a 2 No. 10,000 litre water tank at Ngiluni market Kisasi ward	576,530	576,530	100	Project Completed	N/a
21	Proposed Installation Of 4. No Solar Lights (2 Lamps Per Post) At Mutukya and Muluu Mrkt, Miambani Ward Kitui Central	1,000,152	1,000,152	100	Project Completed	N/a
22	Proposed single market shed at Ithumula market Miambani ward	1,759,768	1,759,768	100	Project Completed	N/a
23	Proposed installation of solar integrated security lights for Ndivuni and Muambani market.	1,111,001	1,111,001	100	Project Completed	N/a
24	Proposed installation of 2No. solar lights (2 lamps per post) at Katyethoka shopping centre in Kitui Central.	572,752	572,752	100	Project Completed	N/a
25	Proposed construction of cabro paving slabs on service roads at Syongila market centre.	4,857,990	4,857,990	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
26	Proposed supply and installation of solar energy integrated security lights at Waluku and Mangina	985,183	985,183	100	Project Completed	N/a
27	Proposed Renovation of 4 door pit latrine at Kasyala market	245,900	245,900	100	Project Completed	N/a
28	Proposed Repairs and Installation of 8 No. Integrated Solar Streetlights at Itoleka 4no. and Kakuui, 4no. Markets in Kyangwithya West Ward	1,429,584	1,429,584	100	Project Completed	N/a
29	Proposed installation of 2 No. solar lights (2 lamps per post) at Nzinia and Kwa Nguthu shopping Centre	570,256	570,256	100	Project Completed	N/a
30	Proposed Installation of Solar Lights at Sangala and Mutanda Mkt Kauwi Ward and Wayani and Kalindilo Markets in Kithumula	970,939	970,939	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
31	Proposed installation of 2No. solar lights (2 lamps per post) at Kathuma/Maaini junction and Kavumbu market centre, Matinyani ward.	562,500	562,500	100	Project Completed	N/a
32	Proposed Installation of Solar Lights at Sangala and Mutanda, Market Kauwi Ward	970,939	970,939	100	Project Completed	N/a
33	Proposed Rehabilitation of Kabati Livestock Yard Kauwi Ward Kitui West Sub County	1,613,505	1,613,505	100	Project Completed	N/a
34	Proposed installation of 3No. solarlights(2 lamps per post) at Kakongo market, Kiomo/Kyethani ward	798,901	798,901	100	Project Completed	N/a
35	Proposed Installation of 2 No. Solar Lights Per Mrkt at Nzaiku (2) Kiomo, Nzilani 2 in Kiomo/Kyethani	1,419,369	1,419,369	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
36	Proposed construction of 4 door pit latrine with urinal at Wikithuki market Kiomo/Kyethani ward	880,998	880,998	100	Project Completed	N/a
37	Proposed installation of 2No. 10,000 litre water tanks at Kyethani market shed, Kiomo/Kyethani ward	578,960	578,960	100	Project Completed	N/a
38	Proposed installation of 2 no solar lights and 2 no lamps at Nguluma and Katalwa in Migwani Ward	1,008,736	1,008,736	100	Project Completed	N/a
39	Proposed construction of 4 door pit latrine with urinal at Mwanzilu market Migwani ward	859,600	859,600	100	Project Completed	N/a
40	Proposed construction of 4 door pit latrine with urinal at Katalwa market Migwani ward	890,300	890,300	100	Project Completed	N/a
41	Proposed Supply and Installation of solar energy security lights at Kakiini market Nguutani ward and Kisovo market.	982,890	982,890	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
42	Installation of 6No. solar lights at Kwa Muthusi and Mavandani markets Kyome/Thaana ward	1,346,000	1,346,000	100	Project Completed	N/a
43	Proposed Construction of a single Market shed at Katoteni Livestock Yard at Nguutani Ward	1,760,354	1,760,354	100	Project Completed	N/a
44	Proposed installation of 4No. solar Lights (2 lamps per post) at Ithumbi and Ngoka markets Kivou	1,035,764	1,035,764	100	Project Completed	N/a
45	Proposed construction of 4 door pit latrine with urinal at Thitha	880,998	880,998	100	Project Completed	N/a
46	Installation of 5No. solar lights at Ukasi market Nguni ward	1,243,984	1,243,984	100	Project Completed	N/a
47	Proposed installation of 4No. solar lights (2 lamps per post) at Ivuusya market, Nguni ward	1,063,906	1,063,906	100	Project Completed	N/a
48	Proposed construction of 4 door pit latrine with urinal at Kithumula market, Nguni ward	842,728	0	0	Late commencement of construction works	Fast track Monitoring and Evaluation of planned projects

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
49	Proposed repair of Twin market shed at Lundi market.	992,000	992,000	100	Project Completed	N/a
50	Proposed repair of solar lights at Lundi market.	404,991	404,991	100	Project Completed	N/a
51	Proposed construction of 4door pit latrine with urinal at Mulanga market Mwingi Central ward.	888,010	888,010	100	Project Completed	N/a
52	Proposed installation of 4No. solar lights (2 lamps per post) at Kasesi and Kaai market Nuu ward	1,058,000	1,058,000	100	Project Completed	N/a
53	Proposed Supply and installation of solar energy integrated lights at Kathalaani, Kangutha kwa musili, Mungungi, Nzaalani and Maongoani markets.	1,351,500	1,351,500	100	Project Completed	N/a
54	Proposed construction of a twin market shed at Tseikuru Livestock yard, Tseikuru	3,693,500	3,693,500	100	Project Completed	N/a
55	Installation of 3No. solar lights at Kanzinwa and Kaliwa market Mumoni ward	831,488	831,488	100	Project Completed	N/a

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
56	Proposed single market shed at Kaliwa, Mumoni ward.	1,646,450	1,646,450	100	Project Completed	N/a
57	Proposed construction of a single market at Gai shopping centre, Kyuso ward	1,758,904	1,758,904	100	Project Completed	N/a
58	Proposed installation of 4No. solar lights at Kamuwongo ESP market, Kyuso ward.	1,555,038	1,555,038	100	Project Completed	N/a
59	Proposed installation of solar lights at Kora, Manzuva and Katumbini market	1,451,316	1,451,316	100	Project Completed	N/a
60	Acquisition of Land (2.5 acres) for livestock yard at Ngomeni	2,500,000	2,500,000	100	Project Completed	N/a
	Total Trade	78,947,950	73,123,167			
	Branding & Marketing					
1	Designing, Production and Installation of 8 County-Branded light boxes in Kitui Municipality.	2,496,000.00	2,496,000.00	100	Project Completed	N/A
2	Designing, Production and Installation of 7 County-Branded light boxes in Mwingi Municipality.	2,184,000.00	2,184,000.00	100	Project Completed	N/A

S/No	Project/ Programme	Budget (2025/2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation For The Level Of Absorption	Measures To Safeguard Against Such Risk In The Future
3	Designing, production and Installation of 3 Signages for County Projects	660,000.00	660,000.00	100	Project Completed	N/A
4	Desiging and production of County IEC (Information, Education and Communication) Materials for County events and forums	5,000,000.00	5,000,000.00	100	Project Completed	N/A
5	Review of the Ministry's Citizens' Service Charter	620,000.00	620,000.00	100	Project Completed	N/A
	Total Brading and Marketing	10,960,000.00	10,960,000.00			
	NET TOTAL	89,907,950.00	84,083,167.00			

3733: Ministry of Energy, Environment, Forestry, Natural & Mineral Resources

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
1	Installation Of Intergrated Solar Security Lights At Kitui South, Kitui East And Mwingi Central.	3,043,874.80	3,043,874.80	100	Target Achieved	N/A
2	Repair Of Faulty Solar Security Lights Projects At Kitui East (Chuluni	2,814,653.60	2,814,653.60	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
3	Repair Of Faulty Solar Security Lights Projects Kitui East, Voo Kyamatu Ward: Kithanake, Nduluni, Kiangini, Imale, Muthungue	1,759,037.50	1,759,037.50	100	Target Achieved	N/A
4	Installation Of Intergrated Solar Security Lights Mwingi North, Mumoni Ward- Wesungi, Agenda & Kwa Kathukya And Tharaka Ward- Karaku, Kamikau & Gakombe	1,752,252.55	1,752,252.55	100	Target Achieved	N/A
5	Repair Of Faulty Solar Security Lights Projects Mwingi Central, Mui Ward: Lundi, Kathonzweni, Kyume	1,406,624.35	1,406,624.35	100	Target Achieved	N/A
6	Installation Of Intergrated Solar Security Lights Kitui East Mutitu / Kaliku Ward: Kaliku, Kwa Mwewe, Mutito Mission, Itiko, Kitivo, Kwa Ushu, Yulambu, Masasini, Kaayo & Sombya Markets	3,202,731.00	3,202,731.00	100	Target Achieved	N/A
7	Installation Of Intergrated Solar Security Lights Mwingi Central Waita Ward:Katuluni, Mangani, Yumbe	2,149,404.60	2,149,404.60	100	Target Achieved	N/A
8	Installation Of Intergrated Solar Security Lights Kitui South , Ikanga/Kyatune Ward: Kyunduani,	2,128,272.30	2,128,272.30	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
9	Installation Of Intergrated Solar Security Lights Kitui Rural Kitama, Kwa Kyee & At Maweni	1,319,083.10	1,319,083.10	100	Target Achieved	N/A
10	Repair Of Faulty Solar Security Lights Projects At Kitui West (Matinyani Ward)	1,880,023.80	1,880,023.80	100	Target Achieved	N/A
11	Ecosystem Restoration Inputs For Apicultural Systems For Ond Rain Season 2025 In Mwingi West Sub-County	473,000.00	473,000.00	100	Target Achieved	N/A
12	Ecosystem Rehabilitation Inputs For Riparian Restoration Activities Scheduled For October November December Rain Season 2025 In Kitui Central	1,195,000.00	1,195,000.00	100	Target Achieved	N/A
13	Proposed Store And Chain Link Fence At Manyenyoni For Department Of Environment And Forestry	1,811,770.00	1,811,770.00	100	Target Achieved	N/A
14	Supply, Installation And Commissioning Solar System For Yoonye	989,770.00	989,770.00	100	Target Achieved	N/A
15	Installation Of Integrated Solar Security Lights Projects At Kitui West (Kithumula Ward, Mutonguni	1,881,079.20	1,881,079.20	100	Target Achieved	N/A
16	Construction Materials Of Biogas Production System For Ndooa Wo In Mutitu/Kaliku, Kitui East Sub Countymen Group	345,982.00	345,982.00	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
17	Repair Of Faulty Solar Security Lights Projects At Mwingi North (Kyuso Ward)	1,849,084.00	1,849,084.00	100	Target Achieved	N/A
18	Installation Of Intergrated Solar Security Lights Projects Mwingi West Kyome/Ithaana Ward And Migwani Ward	2,141,000.00	2,141,000.00	100	Target Achieved	N/A
19	Repair Of Faulty Solar Security Lights Projects At Kitui East Nzambani Ward	1,758,130.00	1,758,130.00	100	Target Achieved	N/A
20	Repair Of Faulty Solar Security Lights Projects At Kitui East (Mutitu Ward)	1,397,550.00	1,397,550.00	100	Target Achieved	N/A
21	Installation Of Intergrated Solar Security Lights Projects At Kitui Central (Mulango Ward)	891,320.22	891,320.22	100	Target Achieved	N/A
22	Installation Of Intergrated Solar Security Light Projects At Kitui Rural (Kanyangi Ward) And Kitui South (Kanziki Ward)	2,136,430.00	2,136,430.00	100	Target Achieved	N/A
23	Removal Of Overburden Soil Materials At Artisanal Mining Sites	539,000.00	539,000.00	100	Target Achieved	N/A
24	Repair Of Faulty Solar Security Lihts Projects At Mwingi Centrals, Nguni Ward	703,252.00	703,252.00	100	Target Achieved	N/A
25	Installation Of Integrated Solar Security Lights Projects At Kitui South (Athi And Mutomo Ward)	1,751,167.32	1,751,167.32	100	Target Achieved	N/A
26	Installation Of Intergrated Solar Security Lights Projects At Mwingi North (Ngomeni Ward) And Mwingi Central (Nguni Ward)	1,712,995.00	1,712,995.00	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
27	Repair Of Faulty Solar Security Lights Projects Kitui East Zombe	2,812,118.40	2,812,118.40	100	Target Achieved	N/A
28	Installation Of Intergrated Solar Security Light Projects At Mwingi West (Nguutani & Kiomo Ward)	1,736,500.00	1,736,500.00	100	Target Achieved	N/A
29	Installation Of Intergrated Solar Security Lights Projects At Kitui East (Voo/Kyamatu Ward)	2,336,855.00	2,336,855.00	100	Target Achieved	N/A
30	Installation Of Intergrated Solar Security Lights Projects At Kitui Rural, Kitui East And Kitui Central	2,374,667.61	2,374,667.61	100	Target Achieved	N/A
31	Construction materials Of Biogas Production System For Women Group In Migwani In Mwingi West Sub-County	346,000.36	346,000.36	100	Target Achieved	N/A
32	Installation Of Intergrated Solar Security Light Projects At Mwingi North, Kitui West And Mwingi Central	1,746,563.28	1,746,563.28	100	Target Achieved	N/A
33	Borehole Repair Services For Kanzawu And Kathande Boreholes In Kitui East	2,431,244.00	2,431,244.00	100	Target Achieved	N/A
34	Installation Of Intergrated Solar Securiy Lights Projects At Kitui East Endau/Mlalalani Ward	1,766,835.65	1,766,835.65	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
35	Ecosystem Rehabilitation Inputs For Riparian Restoration Activities Scheduled For Mam Rain Season 2025/202 (Bambusa Vulgaris 3300, Ficus Sycomorus 3500, Acacia Elatior 2500)6 In Kitui Central	2,110,000.00	2,110,000.00	100	Target Achieved	N/A
36	Ecosystem Restoration Inputs For Apicultural Systems For Mam Rain Season (Grevellia Robusta 1000, Acacia Senegal 1000, Acacia Tortilis 1000)	398,000.00	398,000.00	100	Target Achieved	N/A
37	Materials For Rangeland Development And Management For Mam Rain Season 2025/2026 (Senna Siamea1000, Balanites Eagyptica 1000, Acacia Nilotica 1000)	403,000.00	403,000.00	100	Target Achieved	N/A
38	Installation Of Intergrated Solar Security Lights Projects At Kitui West Kauwi And Kitui Central	1,732,288.30	1,732,288.30	100	Target Achieved	N/A
39	Installation Of Intergrated Solar Security Lights Projects At Kitui Rural ,Yatta/Kwa Vonza	1,127,357.00	1,127,357.00	100	Target Achieved	N/A
40	Repair Of Faulty Solar Security Lights Projects At Kitui East, Endau/Malalani/Voo/Kyamatu/Mutitu And Kaliku	2,185,356.80	2,185,356.80	100	Target Achieved	N/A
41	Installation Of Intergrated Solar Security Lights At Kitui East, Chuluni Ward	2,550,438.00	2,550,438.00	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
42	Repair Of Faulty Solar Security Lights Projects At Mwingi Central,Nuu	2,109,756.00	2,109,756.00	100	Target Achieved	N/A
43	Landscape Restoration Inputs For Dryland(Melia Volkensii 3000, Terminalia Brownie 2000, Acacia Tortilis 3000, Acacia Nilotica 2500)	2,053,500.00	2,053,500.00	100	Target Achieved	N/A
44	Installation Of Intergrated Solar Security Lights Projects At Kitui Central Miambani Ward	1,111,059.60	1,111,059.60	100	Target Achieved	N/A
45	Ecosystem Restoration Materials For Agroforestry Systems For Ond Rain Season In Kitui West Sub County (Azandrachta Indica 1000, Grevillea Robusta 1000, Melia Volkensii 1000)	445,000.00	445,000.00	100	Target Achieved	N/A
46	Materials For Rangeland Management For Ond Rain Season 2025 In Kitui Rural Sub County (Senna Siamea 1000, Balanites Eagyptica 1000, Acacia Nilotica 670)	302,400.00	302,400.00	100	Target Achieved	N/A
47	Landscape Restoration Inputs For Drylands For Ond Rain Season 2025 In Mwingi Central (Melia Volkensii 1100, Terminalia Brownie 1000, Acacia Tortilis 1000)	631,450.00	631,450.00	100	Target Achieved	N/A
48	Materials For Sustainable Land Management For Ond Rain Season 2025 In Kitui South	438,000.00	438,000.00	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
49	Installation Of Intergrated Solar Security Lights Kitui East Zombe / Mwitika Ward- Ngungi Kasayani, Nthungui, Kasunguni, Kaumu, Ngelani, Kanguli And Makutano Markets	3,399,632.90	3,399,632.90	100	Target Achieved	N/A
50	Galla Bucks For Kilui Women And Queens Farmer Groups	1,990,000.00	1,990,000.00	100	Target Achieved	N/A
51	Galla Bucks For Kitoo SHG And Mbaa Loka Farmer Group	1,989,000.00	1,989,000.00	100	Target Achieved	N/A
52	Galla Bucks For Woni Women Group And Neverland Farm Sunflower Growers Farmer Group	1,988,000.00	1,988,000.00	100	Target Achieved	N/A
53	Galla Bucks For Boresha Mazingira Group And Itethye Utetheke Farmer Group	1,985,000.00	1,985,000.00	100	Target Achieved	N/A
54	Galla Bucks For Thagicu Disabled SHG And Kathara Ruuo CBO Farmer Group	1,989,900.00	1,989,900.00	100	Target Achieved	N/A
55	Galla Bucks For Kamagara Nyota Njema And Matendo Women Group	1,997,900.00	1,997,900.00	100	Target Achieved	N/A
56	Construction Of Kaghui - Kwa Musyoka Sand Dam At Kyuso Ward	3,101,175.10	3,101,175.10	100	Target Achieved	N/A
57	Bee Hives (240)For Kyome Bee Keepers And Wimathendu SHG Farmers In Kyome/Thaana Ward	2,870,400.00	2,870,400.00	100	Target Achieved	N/A

S/No	Project/Programme	Budget(2025-2026)Kshs	Expenditure (Kshs)	Absorption Rate(%)	Explanation of the level of Absorption	Measure to safeguard against such risk in future
58	Solar Power System Installation At Ithiani Multi Purpose Market Centre	902,642.00	902,642.00	100	Target Achieved	N/A
59	Construction Of Katheka - Sangala Water Supply In Kauwi Ward Kitui West Sub County	17,549,078.85	17,549,078.85	100	Target Achieved	N/A
60	Construction Of Kamavindi Earthdam In Mutonguni Ward Kitui West Sub-County	33,540,462.75	33,540,462.75	100	Target Achieved	N/A
61	Construction Of Kanyali Kwa Muema Earthpan In Kisasi Ward Kitui Rural Sub-County	15,567,687.05	15,567,687.05	100	Target Achieved	N/A
	Total	165,051,755.99	165,051,755.99			

3734: Ministry of Culture, Gender, Youth, ICT, Sports & Social Services

S/No	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
DEPARTMENT OF CULTURE						
1	Chainlink fencing at Mwingi Resource Centre and gate at Mwingi Community Library,Kivou Ward, Mwingi Central Sub-County.	2,329,684.00	2,299,986.25	98.73	Proper planning and preparedness in execution of project	Adequate prior planning of projects
2	Phase 1 completion of Mutonguni	5,255,000.00	4,998,386.80	95.12	Proper planning and	Prior planning of

S/N o	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorpti on Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
	Resource Centre, Mutonguni Ward, Kitui West Sub-County.				preparedness in execution of project	projects
3	Repair works and rain water goods at Kyoani Resource Centre,Ikutha ward, Kitui South Sub-County.	2,197,238.00	1,234,650.00	63.10	Successfully completed	Prior planning of projects to avoid delays
4	Repair of perimeter wall at Public Park, Township Ward,Kitui Central Sub-County.		153,560.00		Proper planning and preparedness in execution of project	Prior planning of projects
	Total Culture	9,781,922.00	8,686,583.05			
DEPARTMENT OF GENDER						
1	Construction of Ikutha Rescue Centre Administration Block.	5,112,016.00	4,080,868.40	79.83	Proper planning and preparedness in execution of project	Prior planning of projects
2	Pending bills for construction of GBV Rescue Center	4,998,514.00	4,998,514.00	100		Timely implementation of projects to avoid pending bills
3	Gender-Based Violence Monitoring and Evaluation Data Dashboard developed.	800,110.00	800,110.00	100	Proper planning	Early planning of activities

S/N o	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorpti on Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
4	International days commemorated.	1,471,420.00	1,471,420.00	100	Celebration of International Days done successfully	Early planning on activities & funds to be sought on time
5	Collaboration with Gender stakeholders.	754,900.00	754,900.00	100	Proper planning	Early planning of activities
6	Support pro-bono legal services for GBV survivors.	762,420.00	762,420.00	100	Proper planning	Early planning of activities
7	Socio-economic capacity building workshops.	830,841.00	830,841.00	100	Proper planning and implementation	Timely request and implemntation of the allocated funds
	Total Gender	14,730,221.00	13,699,073.40			
DEPARTMENT OF SOCIAL SERVICES						
1	Community Sensitization programs on AGPO held.	1,211,030	1,211,030	100	Proper planning	Early planning of activities
2	Social economic items and Assistive devices for PWDs purchased & distributed.	8,212,600	8,212,600	100	Proper planning	Early planning of activities
3	Community Children Charitable Institutions Supported.	1,521,331	1,521,331	100	Proper planning	Early planning of activities
	Total Social Services	10,944,961	10,944,961			
DEPARTMENT OF YOUTH						

S/N o	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorpti on Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
1	Kitui County Youth Digital Skills Training.	608,000.00	608,000.00	100	Seamless planning and execution	Adequate prior planning of projects
	Total Youth	608,000.00	608,000.00			
DEPARTMENT OF SPORTS						
1	Proposed construction of dias, chainlink fencing, 4 door pit latrine & installation of goal posts at mutomo playground	4,999,075	4,989,475	99.80	Budget absorbed 99.8 percentage but not yet paid. This was occassioned due to delayed disbursement of funds.	National Government should disburse funds timely.
2	Proposed construction of badminton court at Kitui Town.	2,770,000	1,641,860	59.27	Some Balance reallocated during supplementary I while the remaining amount was used to pay pending bills	National Government should disburse funds timely.
3	Football tournament from ward level culminating to Governor's Cup.	30,000,000	30,000,000	100	Program implemented successfully due to proper planning.	Adequate funds should be allocated to projects/programmes.
4	Development of Kitui Stadium – Construction of perimeter wall.	15,000,000	8,071,728.10	54	Late disbursement of funds	National Government should disburse funds timely.

S/N o	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorpti on Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
5	Sport Talent Development - KYISA/KICOSCA games.	5,585,000	5,585,000	100	Funds used in KICOSCA games	Governor's Cup Tournament should be allocated enough funds.
6	Procurement of specialized materials (sports equipment).	6,758,000	6,758,000	100	The items procured and distributed as planned	Proper planning and coordination with other ministries for activities
7	Partnership with Federations (training of football referees).	3,432,506	3,432,506	100	Funds used to support football talent development and nurturing.	Sufficient funds should be allocated for this programme
8	Development of Ultra-modern stadium in Kivou ward, Mwingi Central – Topographical designs, retaining walls, levelling and sentry houses.	8,000,000	Nil	0	Funds were reallocated to other priority areas in other county ministries.	Funds should be allocated for this programme
	Total Sports	76,544,581	60,478,569			
DEPARTMENT OF ICT						
1	Proposed Internet/Wireless Connectivity at Syongila, Mutonguni & Migwani	2,000,775.55	2,000,775.55	100	Funds were available on time	Enhance security, reliability, and accountability of Internet/Wireless connectivity

S/N o	Project /Programme Name	Budget (2025 - 2026) Kshs	Expenditure (Kshs)	Absorpti on Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risks in future
2	Digital Literacy Skills Training	1,200,000	1,200,000	100	Funds were utilized to support the planned digital literacy and e-government services training activities.	Strengthen regular digital literacy and e-government services training for beneficiaries to enhance access, awareness, and effective use of digital platforms.
	Total ICT	3,200,776	3,200,775.55			
	NET TOTAL	115,810,460.55	97,617,962.10			

3735: Ministry of Finance, Economic Planning & Revenue Management

N o.	Project/Programme	Budget(2025- 2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
1	Economic Planning Coordination Services	24,143,327.95	21,979,352.95	91.0%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.
2	Monitoring and Evaluation	6,255,423.51	6,255,423.51	100.0%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.

3	Resource Mobilisation (Revenue Department)	101,928,220.00	95,008,918	93.2%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.
4	Budget Formulation Coordination and Management	25,708,961.54	25,708,961.54	100.0%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.
5	Audit Services2025/26 FY Audit	13,958,400.00	14,120,636	101.2%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.
6	Financial Services	13,985,355.00	13847851	99.0%	High absorption; funds were largely utilised as planned.	Early disbursement of funds; strengthen expenditure monitoring.
	Total	185,979,688.00	176,921,143.00			

3736: Ministry of Agriculture & Livestock

S/No.	Project/Programme	Budget	Expenditure	Absorption Rate %	Explanation for the level of Absorption	Measures to safeguard against such Risks to the future
		(2025-2026) Kshs	(Kshs)			
1	National Agriculture and Value Chain Development Project (NAVCDP)	96,679,494	78,693,000	81.4	Delay in project approval by National Project Coordinating Unit & late disbursement of funds	Advocate for disbursement of funds and timely project approval
2	Hosting FY 2025/2026 Agricultural Show and Trade and Investment Expo	41,200,000	37,587,119	91.2	Change of dates for show and trade expo affecting utilization of some	Following the planned activities and adhering to the timelines set

S/No.	Project/Programme	Budget	Expenditure	Absorption	Explanation for the	Measures to
					resources	
3	Support Extension and Advisory services delivery	23,000,000	22,482,000	97.7	Delay in processing of some staff claims by the end of the financial year	County treasury to ensure timely payment of all the staff claims before the financial year ends
4	Subsidized Tractor Ploughing services	8,750,000	8,120,513	93	Breakdown of some farm tractors mid-season leading to non-absorption in some activities	Ensuring timely repairs of farm tractors before the onset of the ploughing season
5	Support ATC Fruit and Agroforestry Tree Seedling nursery	1,000,000	997,031	99.7	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
6	Rehabilitation of ATC Halls and Buildings	4,315,785	4,305,652	99.8	Slight downward variation in cost of works against the allocated budget	Utilization of funds saved in related works
7	Construction of Zero Grazing Unit (for 10 dairy animals)	3,823,430	3,823,430	100		
8	Completion of Kitui East Office Block (phase 2)	4,200,000	4,128,283	98.3	Bill of quantity less than the budgeted amount	Working in collaboration with quantity surveyors to estimate project costs in advance
9	Construction of Climate Smart Fish Pond	600,000	595,525	99.3	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
10	Dam Stocking	700,000	700,000	100		

S/No.	Project/Programme	Budget	Expenditure	Absorption	Explanation for the	Measures to
11	Livestock Disease Control and Management (procurement of vaccines)	2,800,000	2,799,760	100		
12	Procurement and Distribution of Beehives	2,500,000	2,493,375	99.7	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
13	Procurement and distribution of Pasture Seeds	3,000,000	2,996,750	99.9	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
14	Local Goat improvement	2,000,000	1,997,750	99.9	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
15	Poultry Breed Improvement	1,634,135	1,627,104	99.6	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
16	Dairy Cattle Improvement through AI	2,200,000	2,199,938	100		
17	Procurement and distribution of Rabbits	500,000	490,000	98	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
18	Support Extension and Advisory services (livestock value chains)	6,205,847	6,201,910	99.9	Delay in processing of some staff claims by the end of the financial year	County treasury to ensure timely payment of all the staff claims before the financial year ends
19	Construction and Equipping of Veterinary Diagnostic Laboratory (phase 2)	3,000,000	2,975,757	99.2	Slight variation in costs of tree seeds during procurement	Utilization of funds saved in related works
	Total	208,108,691	185,214,897			

3737: Ministry of Lands, Housing and Urban Development

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
1	Supply And Installation Of Solar Energy Integrated Security Lights: Repair of 4 No. and 1 No. new installation at Kakuuni Shopping Centre; 2 No. at Muluu Market; 4 No. at Mayuni and 5 No. at Mbusyani in Kyangwithya West	3,438,781.11	3,438,781.11	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
2	Integrated Solar Streetlights (6 No. Posts, 2 Lamps per Post) at Kanyonyoo Market	1,383,970.00	1,383,970.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
3	Installation Of Integrated Solar Energy Streetlights at Kavaloni (3 No.), Kwa Mbelu (2 No.) and Uvaani (2 No.) Markets in Mutonguni Ward, Kitui West Subcounty	1,546,396.00	1,541,988.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
4	Repair Of 4 No. 2 Arms Integrated Solar Streetlights at Kyatune Market-Ikanga Ward	752,174.32	751,500.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
5	Supply And Installation Of Solar Energy Integrated Security Lights at Mandongoi Market (3 No.) and Ngomano Market (2 No.) in Ngomeni Ward	1,211,000.00	1,211,000.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
6	Supply And Installation Of Solar Energy Integrated Security Lights: Repair of 3 No. at Kithuiani Shopping Centre; new installation of 2 No. at Mikuyumikya Market, 2 No. at Manzi Itumo and 2 No. at Kwa Kitisya in Kithumula/Kwamutonga Ward	1,296,548.00	1,296,548.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined. Project is ongoing, so further expenditure may be incurred.	Timely disbursement, early procurement and close monitoring of project completion.
7	Installation Of 8 No. 2 Arms Solar Energy Integrated Security Lights at Mutito Market (between Police Station and Catholic Church)	1,932,884.48	1,932,280.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
8	Supply And Delivery Of Fabricated Six (6 Nos.) Skip Bins for Kabati, Kwa Vonzia Towns and Kitui Municipality	3,000,000.00	2,990,000.04	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
9	Installation Of Solar Energy Integrated Streetlights in Waasya, Mukuthu and Kanzwili	1,443,515.60	1,442,866.00	100%	High absorption; funds were largely	Early disbursement & procurement;

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
	Markets in Kivou Ward				utilised as planned.	strengthen expenditure monitoring.
10	Installation Of 3 No. 2-arm Solar Energy Integrated Security Lights at Ngungi Market, Zombe Mwitika	732,545.80	732,005.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
11	Installation Of Integrated Solar Energy Street Lights at Kabati Market, Kauwi Ward, Kitui West Sub County	2,884,192.10	2,185,000.00	76%	Expenditure was slightly above/below the planned allocation.	Early disbursement & procurement; strengthen expenditure monitoring.
12	Installation Of Integrated Solar Energy Street Lights at Kwa Mumu (3 No.) and Kwa Mona in Matinyani Ward, Kitui West Sub-County (3 No.)	1,404,296.00	1,403,020.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
13	Installation Of 2 No. Solar Lights per Market (2 No. Lamps per Post) at Kavalo (2 No.), Usiani (2 No.) and Kavuti (2 No.) in Miambani Ward, Kitui Central Sub-County	1,382,743.20	1,382,047.20	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
14	Supply And Installation Of Solar Energy Integrated 2 No. Each at Ilengi, Muambani and Mwaani Shopping Centres in Athi Ward	1,414,406.00	1,414,406.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
15	Supply And Installation Of Solar Energy Integrated 2 No. Each at Ikuyuni Market and Kiluilu Market in Nzambani Ward	969,500.00	969,500.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
16	Procurement Of Cleaning Materials for Kwa Vonza Market	721,020.00	721,020.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
17	Procurement Of Cleaning Materials for Kabati Market	721,450.00	721,450.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
18	Supply And Installation Of Solar Energy Integrated 2 No. Each at Ikuyuni Market and Kiluilu Market in Nzambani Ward	969,500.00	969,500.00	100%	Planned cost was not provided; absorption rate cannot be reliably determined.	Ensure approved budget figures are captured and disbursed early; strengthen budget monitoring.
19	Replacement Of Solar Energy Integrated Street Lights from Kwa-Vonza Town to Mwitasyano River in Kwa-Vonza Ward	4,910,976.00	4,900,536.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
20	B23 Upgrade to Bitumen Standards of the Tseikuru Market Roads (1.48 km)	33,958,616.00	29,386,451.29	87%	Good absorption; minor balance remained after implementation.	Early disbursement & procurement; strengthen expenditure monitoring.
21	Procure Proposed Refurbishment Of Office Premises at Ministry of Lands, Housing and Urban Development Headquarters	692,195.00	696,890.00	101%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
22	Integrated Solar Streetlights from Kwa Vonza Town to First Guardrail Towards Kitui	4,906,550.00	4,898,187.00	100%	High absorption; funds were largely utilised as planned.	Early disbursement & procurement; strengthen expenditure monitoring.
23	Upgrading of Kiusyani Town Road to Bitumen Standard under Dustless Programme (75M)	4,951,588.56	4,951,588.56	100%	Planned cost was not provided; absorption rate cannot be reliably determined. Project is ongoing, so further expenditure may be incurred.	Timely disbursement, early procurement and close monitoring of project completion.
24	Installation of 37 No. Solar Street Lights along Kwa Vonza to SEKU Main Campus Gate (one lamp per post)	4,981,591.00	4,981,591.00	100%	Planned cost was not provided; absorption rate	Ensure approved budget figures are captured and disbursed

No.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to safeguard against such risk in future
					cannot be reliably determined.	early; strengthen budget monitoring.
	Total Lands, Housing and Urban Development	81,606,439.17	76,302,125.20			

3722 County Public Service Board

No	Project/ Programme	Budget 2025/2026(Kshs)	Expenditure(Kshs)	Absorption rate(%)	Explanation of level of absorption rate	Measure to safeguard against such risk in future
1	External work in KCPSB	10,000,000.00	9,750,170.00	97.5017	Funds disbursed right time	Early disbursement & procurement
Total CPSB		10,000,000.00	9,750,170.00			

3723 County Assembly

S/N o.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)	Absorption Rate (%)	Explanation for the level of absorption	Measure to safeguard against risk in the future
	i. General administration					
1	Compensation to employees	131,321,818.00	129,343,756.00	98.5%	The funds were received in good time hence efficiency	Proper planning and strict adherence to implementation plan

S/N o.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)		Absorption Rate (%)	Explanation for the level of absorption	Measure to safeguard against risk in the future
2	Use of good and services	177,088,514.00	160,102,271.00		90.4%	The absorption level was excellent	Proper planning and strict adherence to implementation plan
3	Other recurrent expenditure	35,540,630.00	34,609,781.00		97.4%	The timely release of funds hence proper planning	Increased efficiency in the implementation of programmes
	SUB-TOTAL	343,950,963.00	324,055,808.00		94.2%		
	ii. Legislative programme						
1	Compensation to employees	303,097,636.00	296,536,561.00		97.8%	The absorption level was excellent due to proper planning	Proper planning and strict adherence to implementation plan
2	Use of good and services	395,381,535.00	352,374,720.00		89.1%	The absorption level was excellent due to proper planning	Proper planning and strict adherence to implementation plan
3	Other recurrent expenditure	2,248,424.00	2,137,498.00		95.1%	The absorption level was excellent due to proper planning	Increased efficiency in the implementation of programmes
	SUB-TOTAL	700,727,595.00	651,048,779.00		92.9%		
	Capital Expenditure						
1	Construction of Speakers Residence	35,000,000.00	0.00	0%	The implementation stage of the project is at take-off stage after the County Assembly having successfully acquired the land to build the Speakers Residence		Proper planning and strict adherence to implementation plan

S/N o.	Project/ Programme	Budget (2025-2026) (Kshs)	Expenditure (Kshs)		Absorption Rate (%)	Explanation for the level of absorption	Measure to safeguard against risk in the future
2	Construction of Modern office Block	79,204,882.00	6,846,693.00	8.6%	The implementation stage of the project is at the take off stage having secured the necessary approvals and engaged the contractors who are on site working on the project for the Modern office Block		proper planning and strict adherence to implementation plan
3	Construction of MCAs Offices	85,466,508	0.00	0%	The implementation stage of the project is at the take off stage having secured the necessary approvals and engaged the contractors who are on site working on the project for the MCAs Offices		proper planning and strict adherence to implementation plan
4	Construction of Perimeter Wall	3,500,000.00	0.00	0%	The implementation stage of the project has commenced with the contractor having been engaged and started the work.		proper planning and strict adherence to implementation plan
	SUB-TOTAL	203,171,390.00	6,846,693.00	3.4%			
	GRAND-TOTAL	1,247,849,948.00	981,951,280.00	78.7%			

3724: Kitui Municipality

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
1	Construction of Car Parking Area from Univision Sacco to Kalundu River	4,490,256.67	4,488,684.40	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
2	Construction of Walkway from Kalundu Best Mart to Kalundu River	3,970,247.68	3,929,576.52	99	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
3	Installation Of Solar Energy Integrated Street Lights Along Signal -Good Shepherd Academy Street	1,874,054.84	1,874,054.84	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
4	Installation Of Solar Energy Integrated Street Lights Along Towhship Ward Admin Office-Intercounty Road	966,384.23	966,384.23	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
5	Installation of Solar Energy Intergrated Street Lights Along Vindiesel-Ndetani Street in Kalundu Kitui Municipality	1,366,137.61	1,366,137.61	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
6	Installation of Solar Energy Integrated Street Lights Along Katyethoka Road	3,300,496.56	3,300,496.56	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
7	Installation of Solar Energy Integrated Street Lights Along Jordan Kitui Stadium Road	969,593.00	969,593.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
8	Installation Of Solar Energy Integrated Street Lights at Kalundu Market	969,540.00	969,540.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
9	Installation of solar energy integrated streets lights from Kaveta Round about towards Kitui interchange road in kitui municipality	4,463,680.00	4,463,680.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
10	Supply And Delivery Of Fabricated Four Skip Bins	1,996,000.00	1,996,000.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
11	Gravel Road Construction with Drift from Delta to Seku Town Campus	5,791,209.84	5,762,999.46	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
12	construction of box culvert at site access road	3,799,602.04	3,460,408.59	91	Delays in project implementation due to April Rains	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
13	Grading and Gravelling Works on Kalundu Dumpsite Access Road	2,446,849.04	2,441,523.04	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
14	Supply And Delivery of Fabricated Five Skip Bins	2,499,500.00	2,499,500.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
15	Installation of solar energy integrated streets lights from Bishops Residence to Neema Hospital	2,730,000.25	2,730,000.25	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
16	Supply And Installation of Solar Energy Integrated Street Lightsaa at Sokomoko and Kyamathyaka Shopping Centes 3no.Post Each	1,433,020.39	1,433,020.39	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
17	Supply And Installation of Solar Energy Integrated Street Lights Gapping from County Commissioner Office To Konani Kwa Kalonde	3,652,642.88	3,652,355.21	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
18	Supply And Installation of Solar Energy Integrated Street Lights at Kavuta and Kalikuvu Shopping Centre	1,431,012.45	1,431,012.45	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
19	Supply And Installation of Solar Energy Integrated Street Lights at Lower Kavalula, Kiluulu, Kwa Wambua Next To Kamale Rgc And Yanzuu Dispensary 1no.Post Each, Matinga Shopping Centre 2no.Posts	1,432,397.39	1,432,397.39	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
20	Supply And Installation of Solar Energy Integrated Street Lights from Syongila A9 Junction -Kisewani Shopping Centre	4,439,145.36	4,439,145.36	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
21	Supply And Installation of Solar Energy Integrated Street Lights at Mathunzini Next to Kunikila Pri. 2no., Kyaani and Ndiuni Shopping Centers 1no.	979,654.05	979,654.05	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
22	Supply And Installation of Solar Energy Integrated Street Lights At Kitumui And Kwa Ukungu Shopping Centers 2no. Posts Each	981,491.97	981,491.97	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
23	Drilling And Casing of Borehole at Kitui Slaughter House	2,491,503.00	2,491,503.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
24	Consultancy For Development of Five-Year Strategic Plan	1,908,000.00	1,908,000.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
25	Supply And Installation of Solar Energy Integrated Street Lights at Ams Offices and Miraa Market ,2no. Post Each	969,407.44	969,407.44	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
26	Supply And Installation Of Solar Energy Integrated Street Lights At Bondeni Rgc And Katungate -Olibya Street, 2no.Posts Each	1,054,178.96	1,054,178.96	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
27	Supply And Installation of Solar Energy Integrated Street Lights along Nzambani Park-Resort Road ,6no Posts	1,400,609.73	1,400,609.73	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
28	Supply And Installation of Solar Energy Integrated Street Lights from Defoca Junction -along SDA Road. 6no.Posts	1,414,533.33	1,414,533.33	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
29	construction of masonry perimeter wall at slaughter	999,450.00	998,850.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation

S/No .	Project /Programme	Budget 2025/2026 (Ksh)	Expenditure (Ksh)	Absorption Rate (%)	Explanation for Level of Absorption	Measure to Safeguard against such risk in future
30	Drainage works at slaughter	795,418.55	791,218.09	99	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
31	Fabrication and Installation of two Fibre Glass Booths for revenue Officers at the entry and exit of Kunda Kindu stage	1,100,000.00	-	-	Project Complete, waiting for payment.	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
32	Renovation works to Kitui Municipality block B	1,477,000.00	1,477,000.00	100	Fully absorbed as budgeted	Proper planning, timely procurement, effective project supervision, monitoring and evaluation
	Total Kitui Municipality	69,593,017.26	68,072,955.87			

3725: Mwingi Municipality

S/No .	Project/Programme	Budget (2025-2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
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S/ No .	Project/Programme	Budget (2025- 2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
1.	Proposed 2no. 2 arms integrated solar lights at Maongoa shopping centers in Waita ward	1,000,000	993,711.83	99.37%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
2.	Proposed 2no. 2 arms integrated solar lights at Kisovo market, Migwani ward	1,000,000.00	994,070.13	99.41%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
3.	Proposed 2no. 2 arms integrated solar lights at Kavingoni shopping centers in Kiomo/Kyethani ward	1,000,000.00	993,028.80	99.30%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
4.	Proposed repair of 30m electric powered high mast at Mavoko	2,000,000.00	1,986,854.50	99.34%	☐ The actual expenditure was within the allowable preserved budget range	Timely release of funds, timely project execution and prompt payment for

S/ No .	Project/Programme	Budget (2025- 2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
					☐ Timely project initiation and commitment of the project funds.	works done/services rendered.
5.	Proposed repair of streetlights and installation of solar floodlights at Kathonzwi and Kyulungwa shopping centers	1,500,000.00	1,489,147.11	99.28%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
6.	Proposed repair of Municipality office space - Mwingi Municipality	803,521	798,947.77	99.43%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
7.	Proposed repair of assorted electric powered high masts	2,000,000.00	1,991,074.80	99.55%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.

S/ No .	Project/Programme	Budget (2025- 2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
8.	Proposed construction of paved walkway along Nzeluni road (Musila garden)	2,650,000	2,636,310.66	99.48%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
9.	Proposed construction of open storm water drainage along Postbank to Kazuri building	2,400,000.00	2,394,460	99.77%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
10.	Proposed construction of open storm water drainage along Huruma – Chomazone	2,000,000.00	1,989,558	99.48%	☐ The actual expenditure was within the allowable preserved budget range Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
11.	Proposed grading and gravelling of assorted backstreet roads	1,500,000.00	1,494,110.50	99.61%	☐ The actual expenditure was within the allowable preserved budget range	Timely release of funds, timely project execution and prompt payment for

S/ No .	Project/Programme	Budget (2025- 2026) KES	Expenditure (KES)	Absorption Rate (%)	Explanation for the level of Absorption	Measure to Safeguard against such risk in the future
					☐ Timely project initiation and commitment of the project funds.	works done/services rendered.
12.	Proposed construction of open storm drainage along Ideal Hotel	2,000,000.00	1,980,259.27	99.01%	☐ The actual expenditure was within the allowable preserved budget range ☐ Timely project initiation and commitment of the project funds.	Timely release of funds, timely project execution and prompt payment for works done/services rendered.
Total Mwingi Municipality		19,853,521	19,741,533			

