

COUNTY GOVERNMENT OF NAIROBI CITY



NAIROBI CITY COUNTY ASSEMBLY

THIRD ASSEMBLY – FIFTH SESSION

**39TH REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE,
BUDGET AND APPROPRIATIONS**

ON

**THE NAIROBI CITY COUNTY FISCAL STRATEGY PAPER AND THE DEBT
MANAGEMENT STRATEGY PAPER FOR THE FY 2026-27 AND OVER THE
MEDIUM TERM**

APRIL, 2026

1.0 PREAMBLE

1.0. Background

Mr. Speaker Sir, one of the worlds renown Economist Thomas Sowell attests that, “There are no solutions. There are only trade-offs and when people get used to preferential treatment, equal treatment seems like discrimination.” Budgets therefore are historic tools through which governments allocate scarce resources to priority areas that promise the greatest impact and value for money. Given that public resources are inherently limited, it becomes necessary to make trade-offs between competing priorities. If, hypothetically, resources were infinite, the need for budgeting would be redundant, as all proposed programmes and projects would be implemented without constraints. This is not the case, therefore every entity then has to prudently plan and prioritize its activities that must be funded. It is on this fundamental principle that this Third County Assembly has once again been called upon to examine, interrogate, and ultimately determine the priorities and sector ceilings outlined in the County Fiscal Strategy Paper (CFSP). This process is essential in ensuring that the programmes and projects identified in the approved Annual Development Plan for the Financial Year 2026-27 are effectively funded and implemented.

Mr. Speaker Sir, in accordance with the provisions of Section 117 of the Public Finance Management (PFM) Act, 2012, as well as Standing Order 227 of this Assembly, the County Fiscal Strategy Paper for the Financial Year 2026/27 was formally laid before the County Assembly on Tuesday, 3rd March 2026. Following its tabling, and in line with the requirements of Standing Order 227, the document was duly committed to the relevant Sectoral Committees alongside the Finance, Budget and Appropriations Committee. These Committees were tasked with the responsibility of scrutinizing the document, considering its contents in detail, and subsequently reporting back within the scope of their respective mandates.

Mr. Speaker Sir, the essence and significance of Standing Order 227(6) lie in guiding the Assembly towards a comprehensive outcome from this rigorous review process. Specifically, the Assembly is expected to pronounce itself on the total projected revenues for the County, approve the expenditure ceilings for both the County Government and the County Assembly,

and determine the allocation of resources across various Votes and programmes for the Financial Year 2025/26. This final determination not only provides fiscal direction but also ensures accountability, transparency, and alignment of resources with the County's strategic development priorities.

Mr. Speaker Sir, the County Assembly Finance, Budget & Appropriations Committee that steered the consideration of the County Fiscal Strategy Paper as well as the Debt Management Strategy Paper in line with the mandate spelt under Standing Order 205 composed of the following 22 Members:

1. **Hon. Wilfred Oluoch Odalo, MCA**
2. **Hon. Emily Oduor, MCA**
3. Hon Anthony Kiragu, MCA
4. Hon. Moses Ogeto, MCA
5. Hon Mark Mugambi, MCA
6. Hon. Jeckoniah Onyango, MCA
7. Hon. Catherine Apiyo Okoth, MCA
8. Hon. Jane Muasya, MCA
9. Hon. Asli Muhamed, MCA
10. Hon. Rosemary Masitsa, MCA
11. Hon. Perpetua Mponjiwa, MCA
12. Hon. Peter Owera Oluoch, MCA
13. Hon. Colins Ogenga, MCA
14. Hon. Fathiya Abdillahi Mohamed, MCA
15. Hon. Sam Kago, MCA
16. Hon. Anthony Ngaruiya Jasho, MCA
17. Hon Paul Ndungu, MCA
18. Hon Ciciliah Wairimu Njathi, MCA
19. Hon Waruguru Kanyi, MCA
20. Hon Joyce Kamau Muthoni, MCA
21. Hon Waithera Chege, MCA

22. Hon. Jane Wanjiru, MCA

1.1. Technical Support during the consideration of the CFSP and DMSP

During the consideration of these papers the Sectoral Committees and the Finance, Budget and Appropriations Committee were facilitated by the following officers of the County Assembly Budget Office: -

1. Mr. Erick Otieno - Principal Fiscal Analyst/ Head of the Budget Office
2. Mr. Wilfred Manyi - Senior Clerk Assistant/ Committee Clerk
3. Mr. Alphonse Ouma - Senior Fiscal Analyst
4. Mr. Jonathan Koinari -Fiscal Analyst
5. Mr. Peter Opuch - Fiscal Analyst
6. Mr. John Kirai - Clerk Assistant
7. Mr. Anthony Otsyula - Fiscal Analyst

1.2. Examination of the County Fiscal Strategy Paper and Debt Management Strategy Paper for the FY 2026-27

Mr. Speaker Sir, the Committee once again considered the CFSP and DMSP together and has reported on the two documents in this report. This joint consideration being a practice developed by previous Budget Committees is meant to ensure that the strategies fronted towards debt management to sustainable levels as submitted in the DMSP are synchronized to the overall fiscal direction being pursued through the CFSP.

Mr. Speaker Sir, in coming up with this end product, the Committee conducted public hearings across all 17 Sub-Counties where it received the public views, convened consultative meetings during which it received submissions from the County Executive, led by the Executive Committee Member for Finance, heard requests from various sectors. Additionally, the Committee considered submissions from the County Assembly Service Board, presented by the Clerk to the County Assembly. Discussions focused on the justification for the proposed ceilings and broader policy measures aimed at strengthening budget formulation and implementation. The outcome of those deliberations has been integral in coming up with this report.

1.3. Acknowledgment

Mr. Speaker Sir, the Committee is sincerely grateful to: -

- a) The County Executive led by His Excellency the Governor for the support received throughout the process of considering these two papers;
- b) Offices of the Clerk and the Speaker for the support extended to ensure the CFSP and DMSP are considered to pave way for other budgetary documents;
- c) The County Treasury led by the County Executive Committee Member for Finance and the Chief Officers responsible for Economic Planning, the Chief Officers for Economic Planning and that for Finance for appearing before the Committee to explain the rationale for the proposed ceilings;
- d) Members of the Finance, Budget and Appropriations Committee who reviewed both the County Government and the County Assembly priorities and made determination on the contents therein;
- e) The Members of the County Assembly through the Sectoral Committees who worked within tight timelines to ensure the sectors' priorities, programmes and ceilings are scrutinized;
- f) The County Assembly Budget Office for timely in-depth analysis and guidance provided to the Sectoral Committees and the Budget Committee during the whole period of consideration of the Papers; and
- g) The Clerks of the Sectoral Committees for the support offered to their respective Committees.

Mr. Speaker Sir, it is therefore my pleasure, on behalf of the Committee, to table this report on the County Fiscal Strategy Paper and Debt Management Strategy Paper for the FY 2026-27 and recommend it to the Assembly for adoption.

Signed.......... Date..........

Hon. Wilfred Oluoch Odalo, MCA

Chairman: Finance, Budget and Appropriations Committee

II. SCRUTINY OF THE DEBT MANAGEMENT STRATEGY PAPER FOR THE FY 2026-27

1. **Mr. Speaker Sir**, a prudent debt management is a catalyst towards socio-economic development and improved service delivery which in effect guarantees macro-fiscal stability in line with the current regimes manifesto of creating opportunities for all. The debt management paper reveals that the overall County debt portfolio stood at Kshs.88.9billion as of 30th June 2025 as compared to Kshs.119.5billion reported as at 30th June 2025. This new overall stock is a Kshs.30.6billion decrease representing about 25% reduction. From the figures it is noteworthy that the amounts owed to suppliers have increased by Kshs. 5billion, amounts owed to contractors have increased by Kshs. 2.5billion, the loan owed to KCB has remained constant over the period at Kshs. 4.5billion, Laptrust pending obligations has reduced by Kshs. 19billion, legal decrees has reduced by Kshs. 8billion to Kshs. 12.3billion with amounts owed as Daily subsistence allowance standing at Kshs. 1.166billion up from Kshs. 880million as at June 2024.
2. **Mr. Speaker Sir**, in the period under review the Paper reports that the County Executive was able to employ a number of measures aimed at reducing the stock of County debt. On the National Government guaranteed loan, the County Government was able to issue demand notices to the quantum of Kshs. 250billion for government guaranteed loan which violated the dumplum rule. The County also implemented the court consent which effectively contributed to the reduction of the amount owed to Laptrust. The County remitted Kshs. 255million being part of the Kshs. 889million owed to Kenya Revenue Authority (KRA) in addition to continuously ensuring that there is timely remittance of the statutory deductions. On the demand notice from National Bank of Kenya of Kshs. 336million, the matter is subject to court litigation and reconciliation. Finally, a plan has been developed for remittance of Kshs. 1.55billion owed to KPLC subject to verification of meters. The Committee observed that the initiatives indicate positive steps towards implementation of debt management strategies approved in the DMSP 2025.

3. Mr. Speaker Sir, in the Debt Management Strategy Paper 2026, the County undertakes to continue its onslaught on the debt monster through restricting long term borrowing to development initiatives, adopting Public -private partnerships, adherence to Annual Procurement & Budgeting processes, debt audit, timely remittance of statutory deductions, enforcing fiscal discipline, expenditure capping, revenue diversification, debt swaps and debt write offs.

4. **Mr. Speaker Sir**, review of the submitted DMSP, the Committee observed that there is need for proper reconciliation of the County stock records as information submitted to the County Assembly on amount owed appears to be contradictory. Given the amount of human capital and financial resources that have been expended on debt verification Committees, the Committee notes that accuracy of debt records is paramount. During scrutiny of the DMSP, it was noted that the huge reduction in the debt portfolio was attributed to suspension of Government Guarantee Loans from its books of accounts amounting to Kshs.19billion being foreign loan acquired for purposes of water and Housing Infrastructure developments in the 1970's and 1980's. The Committee noted the submissions from the County Treasury that the loan had increased the County debt to unsustainable levels with the latest demand letter dated in 2025 estimating the interest at approximately Kshs.285billion violating the duplum rule. The Committee observed that there is need for any such write offs to be properly supported to ensure they are not challenged in the future. The Committee noted the submissions by the County Treasury on the lack of deed agreements and loan schedules by the National Treasury but was doubtful on whether the same could invalidate obligations of the County Government. The Committee emphasizes that the same be further pursued.

5. **Mr. Speaker Sir**, the Committee notes that based on the strategies implemented in the current financial year, amounts owed as statutory deductions present a positive outlook and urges the County Treasury to consider the huge penalties related to the LAPTRUST with a view to ensure that amounts owed do not go against the duplum rule. Further, the Committee noted that subject to the outcome of the ongoing court process, there is need

for consensus on the disputed amounts of Kshs.336million demanded by the National Bank of Kenya. **Mr. Speaker Sir**, to balance the scale of the county debt, the paper reports that the account receivables stand at Kshs.57billion from Kshs. 1.5trillion reported in 2025 casting doubt on the accuracy of reporting. The Committee noted that the land rates reduced from Kshs.1.5trillion to Kshs.54billion a reflection of the County's inability to ensure such receivables are collected.

6. **Mr. Speaker Sir**, the Committee concluded the consideration of the DMSP by stressing to the County Treasury on the need to remain afloat given that the paper has rightly pointed out that for every Kshs.1 collected the County owes about Kshs.2 implying the county owes almost twice what it collects in any one financial year. Likewise, the current debt liabilities to asset ratio is 1.0 indicating high risk and potential distress. In summary the Committee echoed its past stand and reiterated that the following action points approved in the past year be implemented with immediate effect to attain the debt management roadmap: -

- Borrowing solely for long term development
- Public Private Partnerships
- Averting escalation of decretal sums
- Budget augmentation through grants support
- Debt Restructuring
- Enhanced Revenue Mobilization
- Debt Swaps and settlement arrangements
- Establishment of a dedicated Debt Collection Unit
- Establishment of Debt Oversight Committee

III. SCRUTINY OF THE NAIROBI CITY COUNTY FISCAL STRATEGY PAPER FOR THE FY 2026-27

A. INTRODUCTION

1. **Mr. Speaker Sir**, the provisions of Standing Order 227 of the Nairobi City County Assembly stipulate that the report of the Finance, Budget and Appropriations Committee on the County Fiscal Strategy Paper must comprehensively present a schedule outlining the overall projected revenues, as well as the recommended expenditure ceilings for both the County Government and the County Assembly. Further, where necessary, the report is required to provide detailed allocations, including the total sums assigned to each Vote and the corresponding distribution of resources across individual programmes for the financial year under consideration.
2. **Mr. Speaker Sir**, it is therefore evident that the consideration of the County Fiscal Strategy Paper for the coming financial year is not merely a procedural exercise, but a critical process that anchors the County's fiscal planning framework. This process is central to ensuring that limited resources are aligned with the County's strategic priorities across all sectors. Consequently, the Assembly's deliberations focus on striking a balance between policy priorities and available resources, while at the same time ensuring that the proposed budgetary ceilings are realistic, sustainable, and capable of supporting effective service delivery and the achievement of the County's development objectives.
3. **Mr. Speaker**, the legal framework guiding the preparation of this document requires that the County Treasury actively seeks and incorporates the views of key stakeholders, including the Commission on Revenue Allocation, the National Treasury, members of the public among others. This consultative process is intended to enhance the credibility, inclusivity and soundness of the County's fiscal strategy by ensuring that the resulting policies, projections and priorities are well-informed, balanced and responsive to the needs of the people. The County Assembly has been passionate that during the submission of the Papers there needs to be sufficient proof that deliberations were undertaken but the

Committee noted that the same was not fully availed. It is noted that such engagements are fundamental in laying a solid foundation for the effective implementation of the County budget, as they help to develop robust strategies and realistic fiscal projections that can withstand scrutiny and guide prudent financial management.

4. **Mr. Speaker Sir**, the Committee therefore reiterates its earlier position and emphasizes the need for the County Treasury to comply with this requirement. It strongly recommends that comprehensive evidence of all stakeholder engagements be included in subsequent budget documents to enhance transparency, promote accountability, and strengthen the Assembly's oversight role in the budget-making process.

5. **Mr. Speaker Sir**, Parts III of the PFM Regulations 2015 provide a number of issues to consider during the preparation and approval of the CFSP for any financial year. In summary, the provisions provide the following among others: -
 - a. *Expenditure on wages and salaries shall not exceed 35% of total county revenues;*
 - b. *The County public debt shall never exceed 20% of county governments total revenue at any one time;*
 - c. *The approved expenditures of the CA shall not be lower than 7% of total county revenues or twice personnel emoluments (overridden by legal advisory)*
 - d. *County Government development expenditure shall be not less than 30% of total county budget; and*
 - e. *The ceiling for the development and personnel spending of the County government budget shall be approved by the County Assembly and shall be binding for the next two budget years.*

6. **Mr. Speaker Sir**, the County Fiscal Strategy Paper (CFSP) for 2026 is organized into five key chapters that collectively provide a comprehensive framework for the County's fiscal planning. Chapter one sets the foundation by outlining the rationale for financial planning and the legal framework guiding the preparation of the CFSP for the Financial Year 2026/2027. It further explains the process undertaken by the County Executive in

developing the document, the legal provisions that informed this process and the critical role of the CFSP within the County's annual budget cycle.

7. **Mr. Speaker Sir**, second chapter provides an overview of the macroeconomic policy framework and situates the County's economic outlook within both national and global contexts. It highlights key economic indicators such as GDP growth, inflation, interest rates, and exchange rates, all of which influence the County's fiscal space. The Chapter also underscores the strategic importance of Nairobi City County, noting its significant contribution to the national economy and calls for strong collaboration with the National Government to ensure optimal performance, recognizing that the success of Nairobi is integral to the success of the country as a whole.
8. **Mr. Speaker Sir**, the succeeding chapter presents a summary of the achievements recorded by various County departments during the Financial Year 2024/2025 and the first half of the Financial Year 2025/2026. It also identifies potential challenges to budget implementation and proposes mitigation measures to enhance efficiency and ensure effective delivery of planned programmes.
9. **Mr. Speaker Sir**, the fourth chapter outlines the Resource and Expenditure Framework for the period 2026/2027 to 2028/2029, detailing the County's expenditure policies, projected revenues, and resource allocation priorities. The chapter provides for allocation criteria of the resources with emphasis placed on non-discretionary expenditures, ongoing projects, development programmes and key policy priorities such as the Governor's manifesto and the County Integrated Development Plan. The Chapter affirms the County's commitment to allocating at least 30 percent of the budget to development, while also pursuing strategies to strengthen expenditure management, control the wage bill, manage public debt, and enhance revenue mobilization. Notably, it has once again focused on some innovative approaches to supplementing its own source and equitable share of revenues through green financing, including municipal green bonds, climate financing, and

partnerships with development agencies. It also highlights challenges affecting revenue performance and budget absorption, alongside proposed measures to address them.

10. **Mr. Speaker Sir**, final chapter focuses on fiscal responsibility and risk management, outlining the principles that guide prudent and transparent use of public resources in line with Section 107 of the Public Finance Management Act, 2012. It identifies key risks such as revenue shortfalls, high wage bills, low development absorption, and debt pressures, and proposes appropriate mitigation measures to safeguard the County's financial stability and ensure effective service delivery.

B. REVIEW OF COMPLIANCE OF THE SUBMITTED COUNTY FISCAL STRATEGY PAPER 2026 TO THE PREVAILING LEGISLATION.

11. **Mr. Speaker Sir**, the Courts have made precedent setting rulings that have had far reaching consequences on entities that have by passed some critical budget making processes while at the same time raising the bar on the need for stakeholder engagements on matters that have any impact on the public. The County Assembly has made strides on such matters and enacted a law to guide the consultation of the public. At the same time, the County Assembly has made resolutions aimed at ensuring that budget making processes are stakeholders centered and it is important to note that such engagements have borne fruit leading to general acceptance of budget documents. While this Assembly has consistently underscored the importance of comprehensive consultations and stakeholder engagement, the submitted paper, despite alluding to such processes does not provide evidence to support these claims other than the responses of 140 online participants whose views have been annexed. The number of participants in itself raises concerns on the adequacy of public participation and the Committee therefore reiterates the need for proper documentation of public views and their incorporation in future submissions to enhance transparency and accountability.

- 12. Mr. Speaker Sir**, with regard to the timelines for submission of the County Fiscal Strategy Paper, the Committee notes that the document was submitted within the stipulated deadline of 28th February 2026. This notwithstanding, the Committee was unable to ascertain the level of involvement of the respective County Executive Committee Members from the various sectors during its preparation, as no supporting documentation was attached to demonstrate that such consultations and engagements indeed took place. This like in the past has a ripple effect of Sectors through their respective Sectoral Committees disowning submitted documents and seeking additional requests of funds whenever they make submissions before the Budget Committee.
- 13. Mr. Speaker Sir**, the provisions of the Public Finance Management Act advocates for programme-based budgeting which enables stakeholders to effectively link resource inputs to expected outputs and outcomes thereby ensuring that budget implementation remains focused on achieving the desired goals. The Committee observed that the submitted County Fiscal Strategy Paper did not disaggregate sector ceilings by programmes, which significantly constrained the ability of Sectoral Committees to undertake meaningful scrutiny. The Committee strongly urges the County Treasury to consistently adhere to this standard practice by including programme-based breakdowns in all budget documents submitted to the County Assembly for consideration and approval.
- 14. Mr. Speaker Sir**, Section 117 of the Public Finance Management Act, 2012, requires that the County Fiscal Strategy Paper outlines the broad strategies and policy goals guiding budget preparation, provides a financial outlook on County revenues, expenditures, and borrowing for the coming year and medium term, specifies resources allocated to programmes and projects across sectors, sets proposed expenditure ceilings for the two arms of government, identifies fiscal risks and their potential effects, and assesses the current economic environment of the County. The Committee applauds the County Treasury for providing to a large extent such information but was concerned that expenditure on wages and salaries supersedes the 35% of total revenues and that public debt has also gone beyond 20% of total revenues. The Committee notes that the Paper

largely meets the minimum statutory requirements of the PFM Act, with areas requiring improvement highlighted in other sections of this report for amendments. On the wage bill debate, the Committee agrees with the submissions made by the Council of Governors to the National Assembly that there is need to review the threshold in line with the Country's changing factors like inflation, population growth and revenue trends as compared to the expenditure needs. The Committee emphasizes that Nairobi City County being service oriented such factors need to be considered more keenly.

C. BUDGET CEILINGS FOR THE FY 2026-27.

- 15. Mr. Speaker Sir,** the overall County budget for the Financial Year 2026-27 is proposed to equal Kshs. 47.56billion, with Kshs. 33.12billion earmarked for recurrent expenditures and Kshs. 14.54billion allocated for development projects. The proposed budget is an increase of approximately Kshs. 2.9billion compared to the approved Budget for FY 2025-26 and the personnel emoluments are projected to account for Kshs. 18.9billion, equivalent to about 39.7% of the overall budget. The budget for the County Assembly is projected at Kshs. 2.8billion which is an increase of about Kshs.200million in comparison to the figure of Kshs.2.6billion contained in the approved budget estimates for the current financial year.
- 16. Mr. Speaker Sir,** in the coming financial year, the Paper has provided a financing fiscal framework, the revenue raising measures and the accompanying strategies. This will involve not only traditional approaches, such as maintaining accurate statistical data, but also exploring alternative financing mechanisms, including Public-Private Partnerships, green financing initiatives, capital market instruments, as well as grants and donor funding. The County's internal revenue for FY 2026-27 is projected at Kshs. 21.94billion, representing an increase of approximately Kshs. 1.99billion compared to the annual budget estimates for FY 2025-26.
- 17. Mr. Speaker Sir,** CFSP has set the individual sector expenditure limits as well as the criteria for resource allocations. In this regard, substantial allocations have been proposed

towards key development initiatives in the wards through Ward Development Programmes, disaster preparedness and mitigation through Emergency Fund, sustaining of School Feeding Programme and continuous rolling of Bursaries programme. The County Treasury has proposed that the Health and Wellness Sector receive the largest allocation in the budget, amounting to Kshs. 13.8billion. This allocation aims to enhance the efficiency of health services by upgrading health infrastructure, strengthening community health initiatives, ensuring adequate medical supplies, and addressing child nutrition through the school feeding programme. Additionally, the Ward Development Programme proposed allocation amounts to Kshs. 1.83billion while the Emergency Fund funding has been capped at Kshs. 150 million while that of Liquor Licensing Board has been set at Kshs. 400million being Appropriation-in-Aid.

18. Mr. Speaker Sir, to support the effective implementation of key programmes in environmental sustainability, solid waste management and provision of clean and safe water to residents, the Environment, Water, and Natural Resources Sector is slated to receive an allocation of Kshs. 3.76billion. The Finance and Economic Planning Sector, which holds the critical mandate of ensuring prudent management of public resources, is expected to utilize Kshs. 3.86billion to strengthen financial oversight, enhance revenue mobilization and support evidence-based policy and planning across County departments. Furthermore, the County Assembly, in its continued effort to fulfill its triple mandate of legislation, oversight and representation has been allocated Kshs. 2.8billion.

19. Mr. Speaker Sir, for continuous retention and development as well as transformation of the County's human resource capital and maximization of employee performance the Public Service Management and its counterpart Public Service Board will be allocated about Kshs.1.4billion. The Boroughs and Public Administration will see an allocation of Kshs.5.7billion intended to enhance service delivery within Office of the County Secretary, run smoothly the Office of the Governor and his Deputy, provide audit assurances, undertake inspectorate and investigative functions as well as enhance response to disasters. To enhance trade within the County an allocation of Kshs.1.7billion

has been proposed with a further Kshs.5.3billion earmarked for infrastructural developments in Mobility and Works Sector. Nairobi Revenue Authority allocation has been enhanced to Kshs.325million in a bid to support the sector in enhancing the revenues of the County.

20. Mr. Speaker Sir, full financing of the County budget has continued to be a significant challenge over the years, with the persistent underperformance in own-source revenue (OSR) being the major constraint since the inception of the devolved system of government. The Half Year Revenue and Expenditure Report revealed that the County had managed to collect Kshs. 4.3billion of its target of Kshs.19.9billion translating to a 22% performance. In the last financial year, the County managed to hit Kshs.13.5billion that reflected about 67% of revised revenue figures. To mitigate this, the County Assembly has in the past recommended a range of strategies aimed at strengthening internal revenue collection and the Committee emphasizes that the effective implementation of these measures will be the game changer if the County is to hit its desired targets in the current and next financial years. The Committee will not tire in its clarion call to all the sectors that any funding request be supported by commensurate revenue generation to avoid misses experienced in the past. **Mr. Speaker Sir,** arising from the foregoing and to ensure that the Sectors ceilings are not only realistic but also within the available County resources, the Committee would be making recommendations in regards to the matter to this House for adoption.

D. SUBMISSIONS FROM THE MEMBERS OF THE PUBLIC

21. Mr. Speaker Sir, Article 196 (1) (b) of the Constitution and the County Assembly Standing Orders require that the Assembly takes into account the views of the public in its legislative processes. In compliance with these provisions, the County Assembly placed advertisements in newspapers inviting members of the public to submit their views on the CFSP. To ensure masses are reached at the grassroots, the Committee conducted public participation on the document across all the sub counties on Wednesday, 1st and Thursday,

2nd April 2026. The Committee applauds the County Treasury for a historical move that saw the CFSP translated to Kiswahili in order to reach other members of the public in the language of their choice. The views and submissions received from members of the public have been duly considered and incorporated into this report, with a separate detailed report outlining the public's views also submitted to this House for noting.

E. SUBMISSIONS FROM SECTORAL COMMITTEES

22. Mr. Speaker Sir, the Nairobi City County Standing Order 205 (6) and 227 (4) requires that the Budget Committee shall invite Chairpersons of all Sectoral Committees to make presentation during consideration of the budget. The Sectoral Committees of the County Assembly have an essential duty of not only ensuring that the resources allocated to departments within their watch are adequate for the intended sector priorities but also to confirm to this Assembly that there is value for money in all such undertakings. Further the Sectoral Committees are expected to verify the sector achievements and the viability of any mitigating measures. After considering the contents of the Nairobi City County Fiscal Strategy Paper 2026-27, the Committees are then required to submit their recommendations to the Finance, Budget and Appropriations Committee. In this regard, therefore the Budget Committee commends all those Sectoral Committees who diligently reviewed their Sector programmes, priorities and budget ceilings in the County Strategy Paper for FY 2026-27.

The following were the key recommendations of the Sectoral Committees.

a) Labor & Social Affairs Committee

- **County Public Service Board**

— That the Committee approves an upward revision of the budget ceiling by Kshs. 318million to effectively implement its strategic priorities for the Financial Year 2026/27.

- **Public Service Management**

— That the Committee approves the Sector’ request for additional funding amounting to Kshs. 4.15billion.

- **Gender and Inclusivity Sector**

— That the Committee approves an additional funding of Kshs. 202million.

- **Youth Affairs**

— That the Sub-Sector be allocated an additional allocation of Kshs. 47.5million.

- **Social Welfare**

— That the Sub Sector gets an additional funding of Kshs. 100milliom under Family and Social Welfare Sub programme.

b) Water and Sanitation Committee

— That the Sector be allocated an additional amount of Kshs. 59.77million for recurrent expenditure and Kshs. 503million towards development expenditure.

c) Health Services Committee

— That the strategic priorities for the Health, Wellness and Nutrition Sector be approved as contained in the CFSP for the financial year 2026/27.

— That the total ceilings for the Health, Wellness and Nutrition Sector are Kshs. 13billion and should be approved as proposed with recurrent budget at Kshs. 11.37billion and Development budget at Kshs. 2.041billion.

— That the Sector gets an additional budget allocation of Kshs. 3.67billion as follows:

- i. Human Resources for Health: To recruit 2,000 staff at Kshs. 1billion;
- ii. Ensure availability of health products and technologies by Kshs. 600million;
- iii. To expand mortuary services and infrastructure in Nairobi Funeral Home and level 5 hospitals by Kshs. 1.5billion;
- iv. To expand medical waste management by Kshs. 250million;
- v. To strengthen and operationalize emergency and referral services by Kshs. 250million; and

vi. Security of health facilities - installation of CCTV by Kshs. 70million.

d) Agriculture, Livestock and Fisheries Committee

— That the Committee approves an additional of recurrent operations and maintenance budget from Kshs. 53.77million to Kshs. 94.8million.

— That the Committee considers an additional allocation of Kshs. 25million on Personnel to facilitate recruitment of 30 Technical staff for effective service delivery.

— That the Sector's development budget to be increased from Kshs. 70million to Kshs. 85million to undertake the following projects:

i. Establishment of a Model farm (Phase 1) at Kshs. 12million.

ii. Rehabilitation of the Dog Pound (Pangani) at Kshs. 25million.

iii. Pig Project at Kshs. 48million.

e) Trade, Tourism and Cooperatives Committee

— That the Committee allocates additional resources of Kshs. 2.82billion being recurrent budget at Kshs. 848million and development budget at Kshs. 1.97billion.

— That the Committee allocates additional funds of Kshs. 165million for Tourism Department with recurrent budget proposed an allocation of Kshs. 120million and development budget at Kshs. 45million.

f) Planning and Housing

— That the Committee approves the recurrent and development budget priorities and strategies for the Built Environment and Urban Development Sector.

— That the Committee approves the revision of the Sector budget ceilings with additional of Kshs. 564million towards recurrent and Kshs. 880million for development budget.

— That the County Executive Committee Member for Finance and Economic Affairs to prioritize allocation of lumpsum funds towards the offsetting of pending bills in Sectors to enhance contractor and supplier confidence in the County.

g) Children, Early Childhood Education and Vocational Training Committee

- That the Committee reviews the budget for the Sub-Sector of Early Childhood Education and Vocational Training budget to Kshs. 200million as well as allocation for street children be reviewed up from Kshs.50 million to Kshs. 100million.

h) Energy and Information Communication Technology Committee

- That the recurrent ceilings for the Innovation and Digital Economy Sector be approved as proposed in the CFSP 2026/2027.
- That the development ceilings for the Innovation and Digital Economy Sector be approved as proposed in the CFSP 2026/2027.

i) Transport and Public Works Committee

- That the County Executive formulates policy measures that will ensure expeditious procurement and financial processes for quick payments to address slow procurement processes, pending bills and stalled projects;
- That each Sector be allocated a vote for fuel and fleet management in their budget since in the current status, the money allocated to Mobility & Works is being utilized by all Sectors hence interfering with the Sector ceilings.
- That the ceiling for the Mobility and Works Sector be approved as follows:
 - Development expenditure at Kshs. 3.68billion.
 - Recurrent Expenditure at Kshs. 1.65billion and
 - Approves the implementation of the Capital Projects of Kshs. 3.69billion.

j) Environment and Natural Resources Committee

- That the Environment Sub Sector budget ceilings be increased by Kshs. 1.56billion for Recurrent as follows;
 - Kshs. 85million for Purchase of Uniforms and PPEs for the staff.
 - Kshs. 120million for recruitment of additional 1000No. support staff.
 - Kshs. 1billion for the newly on boarded contracted guards for Solid Waste Management.
 - Kshs. 200million for Fuel, Lubricants and other specialized materials

- Kshs. 120million for Environmental protection
 - Kshs. 35million for daily subsistence allowances, hotel and conference
- That the Environment Sub Sector budget ceilings be increased by Kshs 882million for Development as follows;

- Kshs. 250million for construction of offices and auxiliary amenities in Kangundo road.
- Kshs. 160million for procurement of 4No. bulldozers.
- Kshs. 150million for procurement of 5No. excavators.
- Kshs. 110million for procurement of 2No. Landfill Compactors.
- Kshs 20million for construction of an office block at Dandora dumpsite.
- Kshs. 49million for procurement of 7No. of 30meter high mast flood lights
- Kshs. 43million for retrofication of Jevanjee gardens.
- Kshs. 100million Landscaping of open spaces, streets and claimed illegal dumpsites.

k) Ward Development Fund Committee

- That the Committee approves the Sector budget ceilings of Kshs.2.05billion as being Recurrent at Kshs. 100Million and Development at Kshs. 1.955billion
- The Committee considers additional allocation to the recurrent and development allocations by Kshs. 41.67million and Kshs.186million respectively to new figures of Kshs. 100million for recurrent and Kshs. 1.955billion. for development.

l) Culture and Community Services Committee

- **City Culture, Arts and Tourism Sub-Sector**

— That a recurrent budget of Kshs. 250million and a development budget of Kshs. 70million be approved as proposed in the submissions.

- **Talent, Youth & Sports Sub-Sector**

— That a development budget of Kshs. 890million and recurrent of Kshs. 230million be approved as proposed in the submissions.

- **Public Participation, Civic Engagement & Customer Service Sub-Sector**

— That a development budget of Kshs. 120million and Kshs. 43million on recurrent budget be approved as proposed together with the additional funding of the following sub- programmes as justified in the submissions;

1. Administration by Kshs. 50million.
2. Public Participation & Citizen Engagement by Kshs. 70million.
3. Customer Services by Kshs. 140million.
4. Public Communication by Kshs. 40million.

- **Nairobi City County Alcoholic Drinks Control and Licensing Board**

— That the Liquor Licensing Board's Budget Ceiling of Kshs. 400million be approved as proposed with recurrent at Kshs. 280million and development at Kshs. 120million

- **Disaster Management**

— That the ceiling of Kshs. 4.59billion be approved as proposed

— That the Funds that are allocated for Emergency Fund be domiciled in the Disaster Management and Coordination.

- **Social Services**

— That a recurrent budget of Kshs. 722million and development of Kshs. 126million be approved as proposed.

— That an additional funding of Kshs.9million be approved as justified in the submissions.

m) Justice and Legal Affairs Committee

— That the following policy measures be initiated under the Boroughs and Sub-County Administration Sector in the FY 2026/27 to improve budget execution;

- i. The County to develop policy measures where procurement of development projects be done in the first quarter of the Financial Year;

- ii. The County Procurement Department be decentralized to Sector levels to avoid the long procurement processes that impede timely implementation of projects;
 - iii. The County Treasury should timely disburse funds to the Sector to avoid delays in completion of the Sector projects;
 - iv. The Sector to establish measures to reduce roll over projects in every Financial Year;
 - v. Donor and Stakeholder Engagement Directorate be the only central point of Public-Private Partnerships in the County and produce quarterly reports on how and what the Directorate has added to the revenue basket;
 - vi. That the projects to be rolled over from the current FY be given first priority;
 - vii. Ensure realization of the projected and targeted revenues;
 - viii. Enhance Monthly and quarterly reviews of programmes implementation;
 - ix. Reduce accumulation of legal fees and decrees; and
 - x. Reduce allocations in areas where National Government is investing and allocate in other projects (alignment of CFSP ceilings with joint projects).
- That the coordination of all donor engagements be undertaken by the Office of the Governor through the Donor and Stakeholder Engagement Directorate to improve accountability. The Sub-Sector declared all donors under the Health, Wellness and Nutrition Sector, Green Nairobi Sector, Mobility and Works Sector and Built Environment and Urban Planning Sector within seven days after adoption of this report.
- That all conveyancing functions and attendant budgetary allocations be domiciled in the Office of the County Attorney.
- That the ceilings of the Boroughs, Sub-County Administration and Personnel Sector be approved as proposed.

F. GENERAL OBSERVATIONS ON THE FISCAL STRATEGY PAPER AND THE BUDGET CEILINGS

1. **Mr. Speaker Sir**, the Committee in desiring that the final output captures the needs of various stakeholders ensured that there was extensive engagement with the County Treasury, Chairs of Sectoral Committees, and various sector representatives with the objective of identifying sector-specific priorities and determining appropriate budget ceilings. Arising from these deliberations, the Committee made several key observations, identified existing gaps, and proposed possible mechanisms to address the challenges noted. The Committee further observed that the demand for increased resource allocation was a consistent and cross-cutting issue across all sectoral submissions with most sectors expressing the need for additional funding to effectively implement their respective mandates and priorities. This notwithstanding and having carefully considered the available resource envelope and competing demands, the Committee notes that it is not feasible to accommodate all the proposed priorities within the current financial framework and therefore would be recommending that some of the priorities be deferred and considered in subsequent financial year(s) subject to the availability of additional resources.
2. The CFSP as submitted, **Mr. Speaker Sir**, projects the total County budget to be an equivalent of **Kshs.47.55billion** with recurrent accounting for Kshs.33.1billion and development set to receive Kshs.14.5billion. The County Assembly's budget is expected to amount to Kshs.2.8billion being Kshs.1.8billion and Kshs.1 billion for recurrent and development expenditures respectively. The Committee noted that the development allocation accounts for about 30.4% of the overall budget thus meeting the minimum threshold set in law but was concerned that despite this allocation being legally compliant, actual expenditures on development have historically fallen short of legal expectations.

3. **Mr. Speaker Sir**, the Committee applauds the County Treasury for ensuring that the CFSP for 2026 has been themed, *“Sustaining the gains towards a city of order, dignity, hope and opportunities for all”* unlike the previous year. The theme almost likened that of the National Government Budget Policy Statement *“Accelerating gains under the Bottom- Up Economic Transformation Agenda for Inclusive and Sustainable Growth”*. The BPS notes that the Kenya Kwanza Government with the gains made will now be transitioning into a more targeted phase of transformation focused on scaling capital, talent, technology, and infrastructure as the principal drivers of Kenya’s next growth frontier. Over the medium term, policy emphasis will be placed on agricultural transformation, MSME economy through expanded access to affordable credit, enhanced health care, affordable housing and settlement and digital superhighways and creative economy. Reviews of the CFSP made the Committee infer that there seems to be correlations with the BPS but observed that there is no clear monitoring and evaluation framework for measuring or quantifying the anticipated gains towards achieving a city of order, dignity, hope, and opportunities for all.

4. **Mr. Speaker Sir**, the Committee observed that the submitted CFSP contained notable arithmetic inconsistencies in the sector ceilings with unreconciled summations as evidenced by the total figure being indicated as Kshs. 47.557 billion instead of the Kshs. 47.468 billion resulting in an overstatement of the overall ceilings by Kshs. 89 million. The comparative figures presented alongside the ceilings under the heading *“2025/26 Approved Budget”* were also noted to be erroneous having been indicated as Kshs. 44.326 billion instead of the correct approved estimates of Kshs. 44.62 billion. Consequently, these discrepancies have led to imbalances in the fiscal framework, with expenditure and revenue projections in Annex 1 and Annex 2 not aligned as required and contrary to the principle that budgets must be balanced. The Committee has in a section to this report recommended that the same be rectified.

5. **Mr. Speaker Sir**, the path to containing the wage bill within prescribed limits has remained a slippery one and the Committee observed that the submitted CFSP failed to

provide strategies to tame the same and also noted that the paper did not detail and disaggregate information on personnel emoluments across sectors, unlike in 2025 when such projections were clearly outlined at Kshs. 19.4 billion, reflecting an increase from Kshs. 17.38 billion in 2024. During an oral submission, the County Executive Committee Member for Finance alarmed the Committee that the Salaries and Remuneration Commission had approved a pay rise for the employees that would see the wage bill increase by about Kshs. 300million per month. He further testified that the increment, if implemented, would see the County utilize 100% of its equitable share on settlement of wages and salaries. He noted that the County must check on its appetite for new recruitments in line with the recommendations made in the past. The Committee noted that it was not possible to ascertain the Sectors' specific changes in the wage bill which is a critical cost driver and a performance appraisal tool to the overall county service delivery. Further, the Paper only indicated an aggregate wage bill projection of Kshs. 18.88 billion, representing approximately 40% of the total projected County budget of Kshs. 47.5 billion, a level that poses a risk to the County's planned trajectory of achieving the recommended 35% wage bill ratio by June 2028, as espoused during the 2024 National Wage Bill Conference themed "*Transforming Kenya's Economy through a Fiscally Sustainable Public Wage Bill.*" In as much as the efforts made by the County Treasury to curtail the ballooning wage bill is appreciated, the Committee remains skeptical on the implementation of the past strategies fronted in the past budget documents and urges the County Treasury to implement such without further delay. In other parts of this report the Committee has emphasized that these strategies be immediately rolled out and report on their implementation be periodically shared with the relevant Sectoral Committee.

6. **Mr. Speaker Sir**, to finance the priorities, the paper as submitted projects that the County intends to collect Kshs.21.9billion, receive Kshs. 21.68billion from revenues raised nationally as equitable share, Kshs.400million from liquor fees, Kshs.2.7billion from hospitals facilities improvement fund and Nairobi Funeral Home and Kshs.835million from conditional grants. The CFSP projects an increase in own source

revenue of approximately Kshs. 2 billion (excluding Hospitals and Liquor) from Kshs. 19.9 billion to Kshs. 21.9 billion. The paper has proposed measures to ensure additional revenues to the County coffers which include data collections, broadening tax base, enhanced compliance and enforcement, automation while also exploring alternative financing models to supplement the county's budget key being issuance of green bonds, public private partnerships, grants and donations among others. The Committee, however, noted that the strategies and the alternative funding models had been fronted in the past with no material change and urges the County Treasury to be innovative given the dynamic economic environment.

7. **Mr. Speaker Sir**, the Committee observed that the County Treasury's revenue-raising strategies in the submitted CFSP largely mirror those proposed in the previous CFSP, suggesting a continuation of past approaches without significant impact. The Treasury continues to propose exploring options such as Public-Private Partnerships (PPPs), green financing and venturing into the capital markets without demonstrating how these will meaningfully address existing revenue gaps. Similarly, the persistent challenges cited for low own source revenue performance including an incomplete revenue database, narrow revenue base, enforcement difficulties, inadequate automation, legal and policy gaps and limited institutional capacity have been highlighted repeatedly over time without substantial corrective action. The Committee opined that the underlying issues remain largely unresolved and may continue to hinder revenue mobilization if not urgently addressed.
8. **Mr. Speaker Sir**, the Committee observed that the CFSP clearly outlines the criteria for resource allocation including non-discretionary items, ongoing projects, allocations toward development and CIDP priorities, and public participation which effectively demonstrates the County's funding priorities and ought to serve as a wake-up call for the County Treasury to intensify revenue mobilization efforts in order to adequately finance development projects. The Paper also attributes the slow pace of procurement of goods and services to delays in the implementation of the electronic procurement system (e-GP), but the

Committee was quick to point out that similar procurement slowdowns have occurred in the past even when e-GP was not in place an indicator that other structural and operational factors may also be contributing lackluster absorption of funds and remedial approaches must be put in place.

9. On individual sector allocations, **Mr. Speaker Sir**, the Committee noted that the paper as submitted failed to quantify specific allocations for key flagship projects like School feeding programme as well as bursaries and scholarships and capitation for ECDs. The Committee also observed during this scrutiny that the budget the ceilings had not expressly provided the allocations for medical insurance with the allocation for WDP also proposed for downward revision. Further, the Committee observed that the separate submissions by the County Assembly Service Board placed proposed Assembly ceilings at over Kshs. 7billion compared to Kshs. 2.8billion contained in the tabled CFSP as submitted by the County Executive Committee Member for Finance.
10. **Mr. Speaker Sir**, while the Committee appreciates the existing Cooperation Agreement between the National Government and the Nairobi City County Government, it notes that CFSP has not attempted to forecast the level of funding expected for the functions under consideration. It is the view of the Committee that such information on costings could have significant implications on sector ceilings and planning assumptions. The Committee therefore notes that it is imperative to provide such critical information to guide the budget preparation and shall be making further recommendations in this regard.
11. **Mr. Speaker Sir**, on projected cash balances to be carried forward from the current financial year the Committee noted that the same had not been included in the ceilings. The Committee noted the trend across years on the same and past data indicates that the figure for Cash Balances brought forward averages about Kshs. 1billion and the rationale for not providing the same has not been provided despite the County always being unable to utilize

all the funds by 30th June of each year. The Committee shall be making recommendations on the same.

12. Finally, **Mr. Speaker Sir**, the CFSP has indicated that in the coming financial year the County Government shall prioritize enhancement of road infrastructure, strengthening community health, increasing access and retention in early childhood development and education (ECDE), policies on expenditure management, ensuring value for money in procurement, strengthening internal financial controls, management of County wage bill to fall below the 35% legal threshold, full implementation of debt management strategy paper and vigorous resource mobilization strategies. The paper further aspires to mitigate fiscal risks through automation, data collection, expand revenue base, enhance enforcement and implement the Public Investment Management to improve absorption for development budget among other strategies. The Committee opines that if these measures are implemented then the County stands to be at vintage point in accelerating growth.

G. RECOMMENDATIONS

a) POLICY MEASURES

Cross-cutting measures

1. That the Nairobi City County Government implements and finalizes previously budgeted for projects before initiating new ones.
2. That the targets across all Sectors be harmonized to be in tandem with the resources available for their realization.
3. That the Nairobi City County Government through the Procurement Department shall ensure that all procurement of good services is undertaken within the first quarter of any financial year.
4. That in order to facilitate (3) above, all preliminary activities related to procurement including feasibility studies, preparation of BQs, market surveys among others shall be undertaken prior to inclusion of development priorities in the draft budget estimates submitted to the County Assembly for approval.

5. That going forward the County Executive Committee Member for Finance shall submit as part of budget documents for approval by the County Assembly information on engagement of stakeholders required by the relevant Sections of the PFM Act, evidence of approval of the relevant document by the County Executive Committee and evidence of engagement by the various Sectors in preparation of the documents.

County Treasury/ Finance and Economic Affairs Sector

1. That the arithmetic errors affecting the budget ceilings in the Paper be corrected.
2. That the County Executive Committee Member for Finance complies and submits together with the budget estimates for the FY 2026-27, list of PPPs for the FY 2026-27.
3. The County Treasury to come up with realistic revenue targets going by the past trends.
4. That the conditional grants details be provided before the submission of proposed annual estimates for FY2026-27.
5. That the County Executive Committee Member for Finance develops and makes available guidelines for proper costing of government policies, programmes and projects thereby limiting differences between planned and actual resources requirements.
6. That the County Executive Committee Member prepares and submits to the County Assembly report on rolling out of the E-GP.
7. That the County Executive Committee in consultation with other Sectors prepares and submits to the County Assembly, together with the budget estimates for the FY 2026-27, a financial report on the implementation of the Cooperation Agreement between the National Government and the Nairobi City County Government.
8. That in compliance with the provisions of Section 127 of the Public Finance Management Act, 2012, the County Executive Committee Member for Finance shall submit to the County Assembly as part of budget documents required under Section 130 of the Public Finance Management Act, 2012 the Annual Cash Flow Plan segregated by quarters in the financial year.

9. That the County Treasury continues the comprehensive audit of the authenticity of pending bills/ debts with a view of determining the actual stock of unpaid bills and that the report be shared with the County Assembly in the first quarter of the next financial year.

Public Service Management and County Public Service Board

1. That not later fourteen days after adoption of this report and prior to the formulation of the budget estimates for the FY 2026-27, the Public Service Management Sub Sector, the County Public Service Board and the County Treasury shall rationalize the costs for compensation of employees with a view of determining actual payroll expenses based on actual number of employees.
2. That the Public Service Management Sub- Sector and the County Public Service Board shall not later than 30th September 2026 submit to the County Assembly a report on the extent of implementation of the following wage bill management strategies contained in the CFSP 2025: -
 - Freeze on new recruitments for non-core areas
 - Functional review of departments
 - Human resource audit
 - Voluntary early retirement programme
 - Strengthening internal control on payroll payments
 - Enhanced budgetary control around recruitments

b) REVENUE PROJECTIONS

1. That the overall revenue figures be approved as contained in Schedule I including additional Kshs. 1.5billion as projected cash balances from the current financial year.

c) EXPENDITURE CEILINGS

1. That taking into consideration the following amendments on the individual Sector priorities and corresponding allocations, the revenue and expenditure ceilings on Schedule I and II attached to this report forms the basis for the FY 2026-27 budget.

- That an additional Kshs. 386million be provided for Ward Development Programmes.
- That an additional Kshs. 1billion be provided for County Assembly Service Board.
- That an additional Kshs. 700million be provided for the Environment Sector.
- That an additional Kshs. 28million be provided for County Public Service Board

d) MEDIUM TERM DEBT MANAGEMENT STRATEGY

1. That the Assembly approves the debt management strategies underpinning the County Fiscal Strategy Paper 2026 and the budget estimates for the FY 2026-27 as contained in the Debt Management Strategy Paper 2026 subject to the following: -
 - The County Executive Committee Member for Finance shall develop and submit to the County Assembly a framework for settlement of pending bills.
 - That the County Executive Committee Member for Finance shall prior to approval of the budget estimates for the FY 2026-27 submit to the County Assembly a report on the audited and verified historical pending bills.

Mr. Speaker Sir, in conclusion and pursuant to the provisions of Section 117 (6), Section 123 of the Public Finance Management Act 2012 and Standing Order 227 (7) the County Finance, Budget and Appropriations Committee recommends that:

“This County Assembly adopts the Nairobi City County Fiscal Strategy Paper for the FY 2026-27 and the Nairobi City County Debt Management Strategy Paper for the FY 2026-27”

SCHEDULE I: REVENUE PROJECTIONS FOR THE FY 2026-27

		Approved	Submitted	FBAC Recommendations
		FY 2025/2026 Estimates	FY 2026/2027 Estimates	FY 2026/2027 Estimates
1	Equitable Share	21,417,000,000	21,685,009,954	22,185,009,954
2	Conditional Grants	625,838,750	835,922,072	835,922,072
	TOTAL EXTERNAL REVENUES	22,042,838,750	22,520,932,026	23,020,932,026
	Own Source Revenues To CRF			
3	Land Rates	6,750,000,000	7,425,000,000	7,425,000,000
4	Parking fees (total)	3,000,000,000	3,300,000,000	3,300,000,000
5	Unified Business Permits	3,200,000,000	3,520,000,000	3,520,000,000
6	Plans and Inspections (Building Permits)	3,070,500,000	3,377,550,000	3,377,550,000
7	Billboards and advertisements	1,212,000,000	1,333,200,000	1,333,200,000
8	House Rents and stalls	606,000,000	666,600,000	666,600,000
9	Fire Inspection Certificates	36,360,000	39,996,000	39,996,000
10	Food Handlers Certificates	303,000,000	333,300,000	333,300,000
11	Markets	565,600,000	622,160,000	622,160,000
12	Other Incomes	1,198,590,589	1,318,449,648	1,318,449,648
	OWN SOURCE REVENUES TO CRF	19,942,050,589	21,936,255,648	21,936,255,648
13	Liquor Board Revenue	400,000,000	400,000,000	400,000,000
14	Hospitals Facilities Improvement Fund & Nairobi Funeral Home	1,236,000,000	2,700,000,000	2,700,000,000
	Appropriations In aid	1,636,000,000	3,100,000,000	3,100,000,000
15	Cash Balances	1,000,000,000	0	1,500,000,000
	TOTAL RESOURCE ENVELOPE	44,620,889,339	47,557,187,674	49,557,187,674




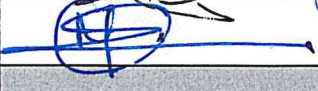


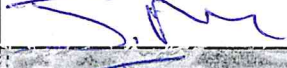

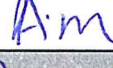
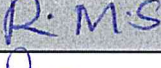


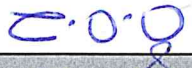
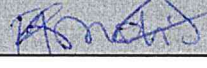
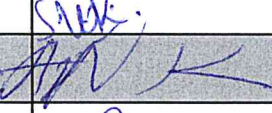
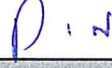
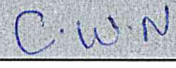
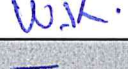
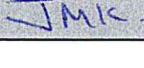
SCHEDULE II: COUNTY FISCAL STRATEGY PAPER 2026 -27 EXPENDITURE CEILINGS

Vote	Submitted CFSP Kshs (Millions)			FBAC Recommendations Kshs (Millions)		
	Recurrent	Development	Total	Recurrent	Development	Total
	5311000000 COUNTY PUBLIC SERVICE BOARD	122	42	164	150	42
5314000000 FINANCE & ECONOMIC PLANNING	2,909	949	3858	2,909	949	3,858
5320000000 PUBLIC SERVICE MANAGEMENT	1,314	8	1322	1,314	8	1,322
5321000000 AGRICULTURE, LIVESTOCK DEVT, FISHERIES & FORESTRY	207	70	277	207	70	277
5323000000 ENVIROMENT, WATER, ENERGY & NATURAL RESOURCES	3,065	694	3759	3,665	769	4,434
5325000000 WARD DEVELOPMENT PROGRAMMES	58	1,769	1827	58	2,155	2,213
5326000000 :EMERGENCY FUND	150	-	150	150	-	150
5327000000; LIQOUR LICENSING BOARD	280	120	400	280	120	400
5329000100 Office Of County Secretary	317	185	502	317	185	502
5329000700 Office of Governor & Deputy Governor	366	-	366	366	-	366
5329001100 Boroughs, Sub County Administration	941	476	1417	941	476	1,417
5329001300 Security and Compliance	2,571	121	2692	2,571	121	2,692

5329001700 Disaster Management & Coordination	444	267	711	444	267	711
5329002100 Audit	77	2	79	77	2	79
5329000000; BOROUGHS AND PUBLIC ADMINISTRATION	520	12	532	520	12	532
5330000000 COUNTY ATTORNEY	318	220	538	318	220	538
5331000000 INNOVATION AND DIGITAL ECONOMY	11,561	2,210	13771	11,561	2,210	13,771
5332000000 HEALTH, WELNESS AND NUTRITION	615	475	1090	615	475	1,090
5333000000 BUILT ENVIROMENT & URBAN PLANNING	1,658	3,698	5356	1,658	3,698	5,356
5334000000; MOBILITY AND WORKS	2,379	1,015	3394	2,379	1,015	3,394
5335000000 TALENT SKILLS DEVT & CARE	837	911	1748	837	911	1,748
5336000000; BUSINESS & HUSTLER OPPORTUNITIES	274	116	390	274	116	390
5337 000000;INCLUSIVITY PUBLIC PARTICIPATION,& CITIZEN ENGAGEMENT	250	75	325	250	75	325
5338000000; NAIROBI REVENUE AUTHORITY	31,233	13,435	44,668	31,861	13,896	45,757
TOTAL COUNTY EXECUTIVE	1,800	1,000	2,800	2,000	1,800	3,800
COUNTY ASSEMBLY	33,033	14,435	47,468	33,861	15,696	49,557
TOTAL						

DATE	TIME	LOCATION	WIND	TEMP	REL HUM	SEA	WAVE	VIS	REMARKS
2014	0800	SEA	10	25	80	1	1	10	SEA
2014	0900	SEA	10	25	80	1	1	10	SEA
2014	1000	SEA	10	25	80	1	1	10	SEA
2014	1100	SEA	10	25	80	1	1	10	SEA
2014	1200	SEA	10	25	80	1	1	10	SEA
2014	1300	SEA	10	25	80	1	1	10	SEA
2014	1400	SEA	10	25	80	1	1	10	SEA
2014	1500	SEA	10	25	80	1	1	10	SEA
2014	1600	SEA	10	25	80	1	1	10	SEA
2014	1700	SEA	10	25	80	1	1	10	SEA
2014	1800	SEA	10	25	80	1	1	10	SEA
2014	1900	SEA	10	25	80	1	1	10	SEA
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2014	0300	SEA	10	25	80	1	1	10	SEA
2014	0400	SEA	10	25	80	1	1	10	SEA
2014	0500	SEA	10	25	80	1	1	10	SEA
2014	0600	SEA	10	25	80	1	1	10	SEA
2014	0700	SEA	10	25	80	1	1	10	SEA

We the undersigned Members of the Finance, Budget and Appropriations Committee affirm that this is the approved report of the Committee on the Consideration of the County Fiscal Strategy Paper for FY 2026-2027 as adopted by the Committee on the 7th day of April 2026

NAME	SIGNATURE
1) Hon. Wilfred Oluoch Odalo, MCA	
2) Hon. Emily Oduor, MCA	
3) Hon Anthony Kiragu, MCA	
4) Hon. Moses Ogeto, MCA	
5) Hon Mark Mugambi, MCA	
6) Hon. Jeckoniah Onyango, MCA	
7) Hon. Catherine Apiyo Okoth, MCA	
8) Hon. Jane Muasya, MCA	
9) Hon. Jane Wanjira, MCA	
10) Hon. Asli Muhamed, MCA	
11) Hon. Rosemary Masitsa, MCA	
12) Hon. Perpetua Mponjiwa, MCA	
13) Hon. Peter Overa Oluoch, MCA	
14) Hon. Colins Ogenga, MCA	
15) Hon. Fathiya Abdillahi Mohamed, MCA	
16) Hon. Sam Kago, MCA	
17) Hon. Anthony Ngaruiya Jasho, MCA	
18) Hon. Paul Ndung'u, MCA	
19) Hon Ciciliah Wairimu Njathi, MCA	
20) Hon. Waruguru Kanyi, MCA	
21) Hon. Joyce Kamau Muthoni, MCA	
22) Hon. Waithera Chege, MCA	

Faint header text at the top of the page, possibly containing a title or page number.

Handwritten notes in the upper section of the page, including a large, faint number '1' and some illegible scribbles.

Handwritten notes in the middle section of the page, featuring a large, faint number '2' and some illegible scribbles.

Handwritten notes in the lower-middle section of the page, featuring a large, faint number '3' and some illegible scribbles.

Handwritten notes in the bottom section of the page, featuring a large, faint number '4' and some illegible scribbles.