COUNTY GOVERNMENT OF NYERI

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Nyeri.

OFFICE OF THE COUNTY EXECUTIVE COMMITTEE MEMBER FOR FINANCE, ECONOMIC PLANNING AND ICT / HEAD OF COUNTY TREASURY

BRIEF ON THE PROPOSED FIRST SUPPLEMENTARY BUDGET FY 2025_26 FOR UPLOADING

1. Introduction

The County Government of Nyeri proposes to prepare the first supplementary budget for FY 2025/26. This proposal is informed by the following objectives;

- Appropriation of All balances (Cash and Bank) Carried Forward into the current budget for FY 2024/25.
- To provide for the proposed County Government equitable share allocation.
- Provision for Previous years' commitments and pending bills.
- Review of the projected own source revenues in the FY 2025/26 budget to reflect the current economic trends.
- Realignment of programmes within the reviewed budgetary allocation by county entities.
- Alignment of strategic projects and programmes.

2. Budget Financing

The original approved budget for FY 2025/26 was Kshs. **8,515,847,948** comprising of **Kshs. 5,829,633,973 and Kshs. 2,686,213,975** for recurrent and development expenditures, respectively. However, the resource basket for the proposed supplementary budget has increased to **9,441,731,334** on account of the inclusion of the balance brought down from FY 2024/25, CRF balance and balances in the various special purpose accounts, inclusion of changes as reflected in the County Allocation of Revenue Act 2025, and the County Government's Additional Allocations Act (No.2), 2025. **Table 1** below depicts the change in the resource basket

Table I: RESOURCE BASKET

Classification	Description	Original Budget		Supplementary 1 Budget			
		Amount	Other Sources	Balance Brought Forward	Other Changes	Proposed Supplementary 1 Resource Envelop	Source
Equitable Share	Equitable Share	**6,518,609,255**		285,064,165	377,523,418	**7,181,196,838**	CARA,2025 - 22nd July,2025
Loans and Grants	Doctors Salaries Arrears	55,172,326			-	**55,172,326**	Amendment to CGAAA,2025 - 30 September,2025
	Community Health Promoters	74,250,000			-	**74,250,000**	

Classification	Description	Original Budget		Supplementary 1 Budget			
		Amount	Other Sources	Balance Brought Forward	Other Changes	Proposed Supplementary 1 Resource Envelop	Source
	Aggregated Industrial Parks Programme (CAIP)	250,000,000		6,835,020	-	**256,835,020**	
	ABDP	16,769,367			-	**16,769,367**	
	IDA (World Bank) Credit - National Agricultural Value Chain Development Programme (NAVCDP)	231,250,000			-	**231,250,000**	
	DANIDA	8,721,000		1,669	-	**8,722,669**	
	KISIP II				52,000,000	**52,000,000**	
	KDSP II (Level I)	37,500,000		1,120	35,409,500	**72,910,620**	
	Court Fines	76,000			-	**76,000**	Senate Bill no. 8 of 2025(CGAAA,2025) passed 23rd July,2025
	Roads Maintenance Fuel Levy (RMFL)			4,313	100,348,699	**100,353,012**	As per letter dated 28th Sept,2025 from KRB This is covered in the b/d of equitable
	IDA (World Bank) Credit - Financing Locally - Led Climate Action (FLLoCA) program - County Climate Institutional Support (CCIS) Grants Level 2	136,000,000		50,823,040	(11,000,000)	**175,823,040**	To be determined on the basis of criteria in the various sections of the CGAAA,2025
	KUSP UIG	35,000,000		28,868,406		**63,868,406**	
	KUSP UDG			4,036		**4,036**	
	KDSP II (Level II)	352,500,000			-	**352,500,000**	
	Subtotal	**1,197,238,693**	**-**	**86,537,604**	**176,758,199**	**1,460,534,496**	
Own Source Revenue	Own Source Revenue	**800,000,000**				**800,000,000**	
A-in-A	Nyeri Health Fund		**850,000,000**				
Total		**8,515,847,948**	**850,000,000**	**371,601,769**	**554,281,617**	**9,441,731,334**	

In absolute terms, the budget is expected to increase by **Kshs. 925,883,386.** The Resource Envelop above has changed as follows.

A. Equitable Share

According to the County Allocation of Revenue Act 2025, the Equitable Share for Nyeri County increased by Kshs. 377,523,418. Additionally, this component of the resource envelope was supplemented by a balance carried forward from FY 2024/25 of Kshs. 285,064,165 resulting from the balances held in the CRF account at the closure of FY 2024/25. The net effect to the equitable share component was an increase of **Kshs. 662,587,583** to **Kshs. 7,181,196,838.**

B. Loans and Grants

The changes to the loans and grants components resulted from variations arising from the review of the County Government's Additional Allocations Act (No.2), 2025, and the inclusion of the Special Purpose Account Balances from FY 2024/25. The major adjustments to the loans and grants amounts included the addition of the Road Maintenance Levy Fund of Kshs. 100.34 million, Kshs. 52 million for KISIIP II, and Kshs. 35.40 million for KDSP II level I. Additionally, Kshs. 11 million for FIloca CCIS was excluded for FY 2025/26.

The projected loans and grants for FY 2025/26 increased by Kshs 176,758,199. Including the SPA balances for various conditional loans and grants worth Kshs 86,537,604, the net increase for this component of the resource basket was Kshs 263,295,803, bringing the total amount for loans and grants in the first supplementary budget to Kshs 1,460,534,496.

C. Own Source Revenue

Own source revenue was maintained at Kshs 800,000,000. The amount of Kshs. 850 million for the health service funds has also been included as an appropriation-in-aid.