



COMMISSION ON REVENUE ALLOCATION

Promoting an equitable society

**CRA RECOMMENDATION TO THE SENATE
ON RECURRENT EXPENDITURE BUDGET
CEILINGS FOR COUNTY ASSEMBLIES AND
EXECUTIVES FOR THE FINANCIAL YEAR
2023/2024**

DECEMBER 2022

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NOTES ON THE RECURRENT EXPENDITURE BUDGET CEILINGS FOR COUNTIES FOR THE FINANCIAL YEAR 2023/2024

1. Introduction

The Commission on Revenue Allocation hereby makes recommendations to the Senate on the recurrent expenditure budget ceilings for both the county assemblies and the county executives for the financial year 2023/2024. The recommendations are in fulfillment of the requirement of Articles 216 (2) and (3) of the Constitution of Kenya 2010 and Section 107 (2) (a) of the Public Finance Management Act (PFMA) 2012.

The Commission has successfully made recommendations to the Senate on the County Governments' Recurrent Expenditure Budget Ceilings from FY 2014/15 to 2022/23. Over the years, the recommendations have been approved by the Senate with or without amendments.

2. The basis for County Recurrent Expenditure Budget Ceilings

The basis for developing County Recurrent Expenditure Budget Ceilings recommendations are **circulars and gazette notices from SRC issued from time to time, various court determinations, IEBC gazette notices on election outcomes and stakeholders' feedback.**

The County Recurrent Expenditure Budget Ceilings comprise both the county executive and county assembly.

a. County Assembly

The following circulars and items were taken into consideration in developing the ceilings for the County Assembly;

- i. Gazette Notice 8795 of 27th July 2022 on Remuneration and Benefits for State Officers in the County Assembly.
- ii. Gazette Notice No. 9956 dated 24th August 2022 on Elected Members of the County Assembly (MCAs).
- iii. Gazette Notice No. 10712 dated 9th September 2022 on Nominated MCAs.
- iv. SRC/TS/29 (35) dated 2nd September 2022 on House rent for County Governors, Deputy Governors and Assembly Speakers.
- v. SRC/TS/25/7/25 dated 31st October 2022 on Clarification on Mileage for Nominated MCAs.
- vi. SRC/TS/JE/CG/3/33/6 VOL.III (31) dated 8th July 2020 on Phase IV Salary Review for County Government Employees at the Assemblies.
- vii. SRC/TS/CAF/3/61/49 (46) dated 13th December 2017 on Salaries of Staff for the Governors', Deputy Governors' and Speakers' of the County Assembly.

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- viii. SRC/TS/MDP/3/1/2 (2) dated 11th August 2015 on implementation of the revised house allowance in the Public Service.
- ix. SRC/TS/TA/3/10 (86) dated 19th November 2014 on annual leave allowance for state officers and other public officers in County Government.
- x. Gazette notice No. 2690 dated 15th April 2016 on Audit Committees.
- xi. SRC /TS/CG/KIT/3/61/18/71 dated 15th January 2021 on Audit Committee Allowances.
- xii. SRC/TS/CGOVT/3/61 Vol. IV (49) dated 8th December 2017 on Remuneration and Benefits for Board Members of the County Assembly Service Board (CASB).
- xiii. *Motor Vehicle Reimbursement*: Provided as a one-off item at Kshs 2,212,000 per MCA in line with Gazette Notice 8795 dated 27th July 2022.
- xiv. *Feedback from stakeholder's engagement meeting held on 5th December 2022 at Safari Park Hotel, Nairobi.*
- xv. Other items in the ceilings;
 - a. *Insurance* – Retained at status quo of 2022/23 FY. Insurance covers Medical benefits, Group Life Insurance and Group Personal Accident for state officers as provided by Gazette Notice 8795. It also covers county assembly staff as per Phase IV Salary Review of July 2020 and SRC/TC/CGOVT/3/61 of 19th December 2014.
 - b. *Operations and Maintenance (O and M) costs* - The 70:30 rule was applied in determining the base of Operations and Maintenance for the financial year 2023/24. Further, these costs include public participation, training and induction costs.

b. County Executive

The following circulars and items were taken into consideration in developing the ceilings for the County Executive;

- i. Gazette Notice No. 8794 dated 27th July 2022 on Remuneration and Benefits for State Officers in County Executive.
- ii. SRC/TS/29 (35) dated 2nd September 2022 on House rent for County Governors, Deputy Governors and Assembly Speakers.
- iii. SRC/TS/JE/CG/3/33/6VOL.III (30) dated 8th July 2020 on Phase IV Salary Review for County Government Employees at the Executive.
- iv. SRC/TS/NPSC/3/35/VOL.II(115) dated 10th November 2020 on Audit Committee Allowances.
- v. SRC/TS/CG/NYA/3/61/35(64) dated 11th March 2020 on the County Attorney
- vi. SRC/TS/CGOVT/3/61/VOL.IV(42) dated 30th June 2020 on remuneration for County Public Service Board Members.



- vii. SRC/TS/CGOVT/3/61VOL.IV(49) dated 8th December 2017 on remuneration and benefits for County Public Service Board
- viii. Letter Ref. No SRC/TS/25/7(24) of 13th October 2022 on Guidelines on Allowances for CBEF non-state actors
- ix. Feedback from stakeholder's engagement meeting held on 5th December 2022 at Safari Park Hotel, Nairobi.
- x. Other Items in the Ceilings;
 - a. *The salaries and allowances for Village Administrators* as per function 14 under the fourth schedule.
 - b. *PFM Staff*: Provision has been made for the CECM, County Chief Officer and seven (7) Directors under the County Treasury.
 - c. *County Chief Officers*; provided for fourteen (14) for every County in line with fourteen (14) functions under the fourth schedule.
 - d. *Insurance* – Retained at status quo of 2022/23 FY. Insurance covers Medical benefits, Group Life Insurance and Group Personal Accident for state officers as provided by Gazette Notice 8795. It also covers county executive staff as per Phase IV Salary Review of July 2020 and SRC/TC/CGOVT/3/61 of 19th December 2014.
 - e. *Operations and Maintenance costs (O and M)* - The 70:30 rule was applied in determining the base O and M for the financial year 2023/24. Further, these costs includes training and induction costs.

3. Recommendation for FY 2023/2024 County Recurrent Expenditure Budget Ceilings

The proposed recommendation for the County Recurrent Expenditure Budget Ceilings for 2023/24 is **Kshs. 65,148,285,386.00**. comprising of **Kshs. 39,322,728,990.00** for County Assemblies and **Kshs. 25,825,556,396.00** for County Executives.

The County Assemblies ceilings includes Kshs **4,819,948,000.00** which is a one-off item to cater for motor vehicle reimbursement for Members of County Assemblies (MCAs) in line with Gazette Notice 8795 dated 27th July 2022.

The proposed recurrent expenditure ceilings for the county assemblies as per **Table 1** attached amounting to **Kshs. 39,322,728,990.00** includes:-

- Salaries, Allowances, Mileage, Insurance & Gratuity for Speakers and MCAs.
- Salaries, Allowances, Insurance and pension for County Assembly staff.
- Salaries, allowances and Gratuity for the County Assembly Service Board and Secretariat.
- Salaries and allowances for partisan staff for all the MCAs.
- Provision for Operations and Maintenance.



- Provision for Public Participation.
- Provision for the training and induction costs.
- Provision for the operationalization of an Audit Committee based on SRC circular.
- Provision for one-off payment of motor vehicle reimbursement.

The proposed recurrent expenditure ceilings for the county executives as per **Table 2** attached amounting to **Kshs. 25,825,556,396.00** includes:-

- Salaries, Allowances, Insurance & Gratuity for Governor and Deputy Governor.
- Salaries, Allowances, Insurance & Gratuity for County Secretary and the County Executive Committee members.
- Salaries, Allowances & Gratuity for the County Attorney.
- Salaries, Allowances, Insurance and Pension for County Administration staff.
- Salaries and allowances Governor and Deputy Governor's allocated staff.
- Salaries, allowances and Gratuity for the County Public Service Board.
- Provision for the operationalization of an Audit Committee based on SRC circular.
- Provision for Operations and Maintenance.
- Provision for the training and induction costs.
- Provision for operationalization of the County Budget Economic Forum (CBEF) based on National Treasury and SRC guidelines.

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The table below shows the recurrent expenditure ceilings for the county governments for the last eight years;

FISCAL YEAR		CRA CEILING	SENATE / CRA ADJUSTMENT	TOTAL PROVIDED
2015/16	AMOUNTS IN KSHS. MILLIONS			
	EXECUTIVE	20,663	0	20,663
	ASSEMBLY	24,993	2,500	27,493
	TOTAL	45,656	2,500	48,156
2016/17	EXECUTIVE	20,843	0	20,843
	ASSEMBLY	28,986	74	29,060
	TOTAL	49,829	74	49,903
2017/18	EXECUTIVE	25,886	0	25,886
	ASSEMBLY	28,897	0	28,897
	TOTAL	54,783	0	54,783
2018/19	EXECUTIVE	26,779	0	26,779
	ASSEMBLY	31,031	1,752	32,783
	TOTAL	57,810	1,752	59,562
2019/20	EXECUTIVE	26,708	0	26,708
	ASSEMBLY	33,248	0	33,248
	TOTAL	59,956	0	59,956
2020/21	EXECUTIVE	26,708	0	26,708
	ASSEMBLY	33,248	0	33,248
	TOTAL	59,956	0	59,956
2021/22	EXECUTIVE	26,708	0	26,708
	ASSEMBLY	33,248	2,409	35,656
	TOTAL	59,956	2,409	62,364
2022/23	EXECUTIVE	28,487	0	28,487
	ASSEMBLY	34,493	183	34,576
	TOTAL	62,980	183	63,063
2023/24	EXECUTIVE Proposed	25,826		
	ASSEMBLY Proposed	39,323		
	TOTAL	65,149		

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Table: 1

RECOMMENDED RECURRENT EXPENDITURE CEILINGS FOR COUNTY ASSEMBLIES				
	COUNTY	2022-23	2023-24	VARIANCE
1.	Baringo	712,229,059	828,250,102	116,021,043
2.	Bomet	621,143,848	735,832,256	114,688,408
3.	Bungoma	873,284,854	1,030,966,304	157,681,450
4.	Busia	765,019,229	890,557,352	125,538,123
5.	Elgeyo-Marakwet	592,408,337	688,567,522	96,159,185
6.	Embu	594,786,279	655,164,072	60,377,793
7.	Garissa	815,801,264	880,822,377	65,021,113
8.	Homa-Bay	872,842,726	951,617,005	78,774,279
9.	Isiolo	451,013,358	478,134,722	27,121,364
10.	Kajiado	699,076,887	801,365,718	102,288,831
11.	Kakamega	1,097,653,117	1,335,821,103	238,167,986
12.	Kericho	708,995,621	828,466,755	119,471,134
13.	Kiambu	1,114,698,533	1,269,783,227	155,084,694
14.	Kilifi	779,167,171	893,031,550	113,864,379
15.	Kirinyaga	582,922,761	673,319,674	90,396,913
16.	Kisii	940,958,856	1,112,890,743	171,931,887
17.	Kisumu	718,886,210	827,121,358	108,235,148
18.	Kitui	862,047,458	1,042,409,957	180,362,499
19.	Kwale	617,790,583	667,712,409	49,921,826
20.	Laikipia	467,754,457	505,677,108	37,922,651
21.	Lamu	419,261,939	493,148,394	73,886,455
22.	Machakos	865,126,181	1,021,331,660	156,205,479
23.	Makueni	729,754,316	857,052,960	127,298,644
24.	Mandera	864,090,152	903,911,204	39,821,052
25.	Marsabit	678,317,733	714,092,325	35,774,592
26.	Meru	938,478,295	1,105,946,626	167,468,331
27.	Migori	857,185,385	1,003,508,709	146,323,324
28.	Mombasa	674,783,021	764,582,283	89,799,262
29.	Murang'a	753,378,653	830,709,033	77,330,380
30.	Nairobi City	1,446,962,393	1,694,120,608	247,158,215
31.	Nakuru	1,006,312,104	1,160,413,432	154,101,328
32.	Nandi	666,771,490	796,999,461	130,227,971
33.	Narok	734,655,062	911,202,495	176,547,433
34.	Nyamira	610,515,511	703,010,773	92,495,262
35.	Nyandarua	651,697,338	770,438,804	118,741,466
36.	Nyeri	692,693,761	776,126,610	83,432,849
37.	Samburu	517,964,444	593,254,286	75,289,842
38.	Siaya	683,152,880	775,678,151	92,525,271
39.	Taita-Taveta	620,545,692	681,840,554	61,294,862
40.	Tana-River	582,990,790	571,922,609	(11,068,181)
41.	Tharaka-Nithi	434,745,770	517,563,626	82,817,856
42.	Trans-Nzoia	643,357,859	685,259,476	41,901,617
43.	Turkana	818,680,328	845,060,153	26,379,825
44.	Uasin-Gishu	703,027,730	796,524,510	93,496,780
45.	Vihiga	637,128,800	714,071,318	76,942,518
46.	Wajir	853,371,986	853,813,146	441,160
47.	West Pokot	603,044,748	683,634,469	80,589,721
	TOTAL	34,576,474,969	39,322,728,990	4,746,254,021

Table: 2**RECOMMENDED RECURRENT EXPENDITURE CEILINGS FOR COUNTY EXECUTIVES**

	COUNTY	2022-23	2023-24	VARIANCE
1.	Baringo	607,049,529	628,507,168	21,457,639
2.	Bomet	588,023,141	525,981,274	(62,041,867)
3.	Bungoma	664,128,690	593,145,551	(70,983,139)
4.	Busia	626,075,916	565,353,297	(60,722,619)
5.	Elgeyo-Marakwet	568,996,754	540,143,817	(28,852,937)
6.	Embu	568,996,754	470,665,205	(98,331,549)
7.	Garissa	607,049,529	517,163,240	(89,886,289)
8.	Homa-Bay	645,102,303	612,652,603	(32,449,700)
9.	Isiolo	492,255,576	384,717,582	(107,537,994)
10.	Kajiado	562,230,871	543,625,285	(18,605,586)
11.	Kakamega	721,207,850	702,976,417	(18,231,433)
12.	Kericho	607,049,529	574,171,331	(32,878,198)
13.	Kiambu	721,207,850	689,615,145	(31,592,705)
14.	Kilifi	626,075,916	552,882,777	(73,193,139)
15.	Kirinyaga	556,100,619	463,453,685	(92,646,934)
16.	Kisii	664,128,690	635,010,868	(29,117,822)
17.	Kisumu	626,075,916	548,429,020	(77,646,896)
18.	Kitui	645,102,303	787,239,883	142,137,580
19.	Kwale	568,996,754	436,816,651	(132,180,103)
20.	Laikipia	524,178,098	429,430,142	(94,747,956)
21.	Lamu	492,255,576	349,978,277	(142,277,299)
22.	Machakos	645,102,303	618,887,863	(26,214,440)
23.	Makueni	607,049,529	597,330,868	(9,718,661)
24.	Mandera	616,986,522	537,192,934	(79,793,588)
25.	Marsabit	568,996,754	477,791,217	(91,205,537)
26.	Meru	664,128,690	802,472,137	138,343,447
27.	Migori	645,102,303	609,089,597	(36,012,706)
28.	Mombasa	607,049,529	414,726,825	(192,322,704)
29.	Murang'a	626,075,916	633,050,405	6,974,489
30.	Nairobi City	816,339,786	640,180,465	(176,159,321)
31.	Nakuru	702,181,463	703,777,688	1,596,225
32.	Nandi	607,049,529	647,212,948	40,163,419
33.	Narok	607,049,529	545,667,285	(61,382,244)
34.	Nyamira	568,996,754	458,194,685	(110,802,069)
35.	Nyandarua	588,023,141	533,107,285	(54,915,856)
36.	Nyeri	607,049,529	605,347,631	(1,701,898)
37.	Samburu	533,708,983	482,789,720	(50,919,263)
38.	Siaya	607,049,529	540,322,777	(66,726,752)
39.	Taita-Taveta	568,996,754	439,488,905	(129,507,849)
40.	Tana-River	537,074,233	436,641,663	(100,432,570)
41.	Tharaka-Nithi	524,178,098	445,463,668	(78,714,430)
42.	Trans-Nzoia	588,023,141	427,107,865	(160,915,276)
43.	Turkana	607,049,529	526,961,505	(80,088,024)
44.	Uasin-Gishu	607,049,529	474,407,171	(132,642,358)
45.	Vihiga	588,023,141	487,678,963	(100,344,178)
46.	Wajir	597,112,535	599,569,960	2,457,425
47.	West Pokot	568,996,754	589,135,145	20,138,391
	TOTAL	28,486,731,667	25,825,556,396	- 2,661,175,271

Table: 3

COMPARISON BETWEEN RECURRENT CEILINGS FOR FY 2022/23 AND 2023/24

COUNTY	COUNTY ASSEMBLY			COUNTY EXECUTIVE		
	2022-23	2023-24	VARIANCE	2022-23	2023-24	VARIANCE
Baringo	712,229,059	828,250,102	116,021,043	607,049,529	628,507,168	21,457,639
Bomet	621,143,848	735,832,256	114,688,408	588,023,141	525,981,274	(62,041,867)
Bungoma	873,284,854	1,030,966,304	157,681,450	664,128,690	593,145,551	(70,983,139)
Busia	765,019,229	890,557,352	125,538,123	626,075,916	565,353,297	(60,722,619)
Elgeyo-Marakwet	592,408,337	688,567,522	96,159,185	568,996,754	540,143,817	(28,852,937)
Embu	594,786,279	655,164,072	60,377,793	568,996,754	470,665,205	(98,331,549)
Garissa	815,801,264	880,822,377	65,021,113	607,049,529	517,163,240	(89,886,289)
Homa-Bay	872,842,726	951,617,005	78,774,279	645,102,303	612,652,603	(32,449,700)
Isiolo	451,013,358	478,134,722	27,121,364	492,255,576	384,717,582	(107,537,994)
Kajiado	699,076,887	801,365,718	102,288,831	562,230,871	543,625,285	(18,605,586)
Kakamega	1,097,653,117	1,335,821,103	238,167,986	721,207,850	702,976,417	(18,231,433)
Kericho	708,995,621	828,466,755	119,471,134	607,049,529	574,171,331	(32,878,198)
Kiambu	1,114,698,533	1,269,783,227	155,084,694	721,207,850	689,615,145	(31,592,705)
Kilifi	779,167,171	893,031,550	113,864,379	626,075,916	552,882,777	(73,193,139)
Kirinyaga	582,922,761	673,319,674	90,396,913	556,100,619	463,453,685	(92,646,934)
Kisii	940,958,856	1,112,890,743	171,931,887	664,128,690	635,010,868	(29,117,822)
Kisumu	718,886,210	827,121,358	108,235,148	626,075,916	548,429,020	(77,646,896)
Kitui	862,047,458	1,042,409,957	180,362,499	645,102,303	787,239,883	142,137,580
Kwale	617,790,583	667,712,409	49,921,826	568,996,754	436,816,651	(132,180,103)
Laikipia	467,754,457	505,677,108	37,922,651	524,178,098	429,430,142	(94,747,956)
Lamu	419,261,939	493,148,394	73,886,455	492,255,576	349,978,277	(142,277,299)
Machakos	865,126,181	1,021,331,660	156,205,479	645,102,303	618,887,863	(26,214,440)
Makueni	729,754,316	857,052,960	127,298,644	607,049,529	597,330,868	(9,718,661)
Mandera	864,090,152	903,911,204	39,821,052	616,986,522	537,192,934	(79,793,588)
Marsabit	678,317,733	714,092,325	35,774,592	568,996,754	477,791,217	(91,205,537)
Meru	938,478,295	1,105,946,626	167,468,331	664,128,690	802,472,137	138,343,447
Migori	857,185,385	1,003,508,709	146,323,324	645,102,303	609,089,597	(36,012,706)
Mombasa	674,783,021	764,582,283	89,799,262	607,049,529	414,726,825	(192,322,704)
Murang'a	753,378,653	830,709,033	77,330,380	626,075,916	633,050,405	6,974,489
Nairobi City	1,446,962,393	1,694,120,608	247,158,215	816,339,786	640,180,465	(176,159,321)
Nakuru	1,006,312,104	1,160,413,432	154,101,328	702,181,463	703,777,688	1,596,225
Nandi	666,771,490	796,999,461	130,227,971	607,049,529	647,212,948	40,163,419
Narok	734,655,062	911,202,495	176,547,433	607,049,529	545,667,285	(61,382,244)
Nyamira	610,515,511	703,010,773	92,495,262	568,996,754	458,194,685	(110,802,069)
Nyandarua	651,697,338	770,438,804	118,741,466	588,023,141	533,107,285	(54,915,856)
Nyeri	692,693,761	776,126,610	83,432,849	607,049,529	605,347,631	(1,701,898)
Samburu	517,964,444	593,254,286	75,289,842	533,708,983	482,789,720	(50,919,263)
Siaya	683,152,880	775,678,151	92,525,271	607,049,529	540,322,777	(66,726,752)
Taita-Taveta	620,545,692	681,840,554	61,294,862	568,996,754	439,488,905	(129,507,849)

Table: 3

COMPARISON BETWEEN RECURRENT CEILINGS FOR FY 2022/23 AND 2023/24

COUNTY	COUNTY ASSEMBLY			COUNTY EXECUTIVE		
	2022-23	2023-24	VARIANCE	2022-23	2023-24	VARIANCE
Tana-River	582,990,790	571,922,609	(11,068,181)	537,074,233	436,641,663	(100,432,570)
Tharaka-Nithi	434,745,770	517,563,626	82,817,856	524,178,098	445,463,668	(78,714,430)
Trans-Nzoia	643,357,859	685,259,476	41,901,617	588,023,141	427,107,865	(160,915,276)
Turkana	818,680,328	845,060,153	26,379,825	607,049,529	526,961,505	(80,088,024)
Uasin-Gishu	703,027,730	796,524,510	93,496,780	607,049,529	474,407,171	(132,642,358)
Vihiga	637,128,800	714,071,318	76,942,518	588,023,141	487,678,963	(100,344,178)
Wajir	853,371,986	853,813,146	441,160	597,112,535	599,569,960	2,457,425
West Pokot	603,044,748	683,634,469	80,589,721	568,996,754	589,135,145	20,138,391
TOTAL	34,576,474,969	39,322,728,990	4,746,254,021	28,486,731,667	25,825,556,396	- 2,661,175,271



COMMISSION ON REVENUE ALLOCATION

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