

# Ajenda Kenya

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To  
The CECM,  
Finance and Economic Planning,  
County Government of Mombasa,  
PO BOX 90440-80100,  
Mombasa, Kenya.

## RE: MEMORANDUM ON PROGRAMME BASED BUDGET ESTIMATES 2025/2026

The Public Finance Management Act, 2012, requires the County Executive for Finance to submit the county government's Budget Estimates for the following financial year by 30 April in the format and content prescribed, along with other information and documents supporting the submitted estimates. Following the call for public comments, Ajenda Kenya is pleased to submit its view on the Mombasa County Program-Based Budget Estimate 2025/2026

Ajenda Kenya is a Youth-Serving organisation that promotes good governance, social accountability, and community-driven development. The organisation believes that informed and engaged citizens are essential for sustainable progress and promotes this through advocacy, policy influence, and capacity building. Ajenda Kenya empowers communities across Kenya.

### RECOMMENDATIONS

#### 1. Overall Own Source Revenue Performance

Financial Year	OSR Target (KSH)	OSR Achieved	OSR Achievement %
2019/20	6.96 B	3.26B	68.9%
2020/21	6.46B	3.31B	51.3%
2021/22	4.96B	3.61B	72.8%
2022/23	5.00B	4.00B	79.9%



2023/24	7.38 B	5.59B	75.7%
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Source: COB CBIR, 19/20, 20/21, 21/22, 22/23, 23/24

Mombasa County has consistently fallen short of its Own Source Revenue (OSR) targets, with achievement rates ranging from 51% to 79% over the past five years. This fiscal gap is further threatened by the proposed changes in the equitable revenue sharing formula, which is highly likely to reduce the county's share of national transfers from 2.04% to 1.98%. Such a shift poses a serious risk of shrinking development expenditure, funds critical for infrastructure, service delivery, and long-term socioeconomic growth.

**Recommendation:** To ensure that development expenditure is not compromised, the County Government should enhance Own-Source Revenue collection by sealing revenue gaps, fully automating revenue collection, and considering additional streams. Additionally, the County should rationalize development projects by prioritizing high-impact, low-cost initiatives that align with the County Integrated Development Plan (CIDP). Where funding gaps exist, adopting phased implementation to spread costs over multiple fiscal years without stalling progress would ensure development expenditure is not compromised, thus increasing service delivery.

## 2. VOTE 3030; Public Service Administration, Youth, Gender, Sport, and Social Services

- a) Reduced development expenditure for Youth Affairs and Sports Development and increased recurrent expenditure.

Programme	Baseline 2024/2025	Allocated 2025/2026	Change	% Change
Youth Affairs & Sports Development(Development)	270,000,000	210,200,000	-60,000,000	-22.2%
Youth Affairs & Sports( Recurrent)	13,400,000	18,934,991	+5,534,991	+41.3%
Total	283,400,000	229,134,991	-54,265,009	-19.1%

Source: Msa County PBB 2025/2026

Under Programme 4, Youth Affairs and Sports Development, the County government has reduced development expenditure from 270,000,000 in FY 2024/2025 to 210,200,000 in 2025/26 (Pg 94), with no achievements listed to justify the reduction. The National Crime Research Centre recently studied criminal gangs, and Mombasa was ranked number 1 with 73 gangs. The expected outcomes for this programme point to sports development, with no specific outcome for youth affairs, further exposing the underserved and vulnerable youth to the risk of joining criminal gangs.

**Recommendation:** The County government should maintain the budget at 270 million and prioritise youth empowerment, resilience, and rehabilitation to mitigate the youth's involvement in criminal activities and create opportunities. The county government can also prioritise the establishment of youth empowerment centres in Kisauni and Likoni Sub-Counties to accommodate at-risk youth.

**b) Low absorption rate for development expenditure as of 30 December 2024.**

PUBLIC SERVICE ADMINISTRATION, YOUTH, GENDER, SOCIAL SERVICES & SPORTS							
Programme 9	Administration planning and support services	692,517,956	0	138,803,135		20.04	
	Human Resource Management & Development	54,300,000	0	1,241,400		2.29	0.00
	Public Service Reforms	45,700,000	0			0.00	
	Youth Affairs & Sports Development	13,400,000	270,000,000	500,000	68,228,617	3.73	25.27
	Gender, PWD Integration and Social Services	15,600,000	0	124,400		0.80	
	<b>Sub-Total</b>	<b>821,517,956</b>	<b>270,000,000</b>	<b>140,668,935</b>	<b>68,228,617</b>	<b>17.12</b>	<b>25.27</b>

Source: COB CBIRR, HY 2024/2025

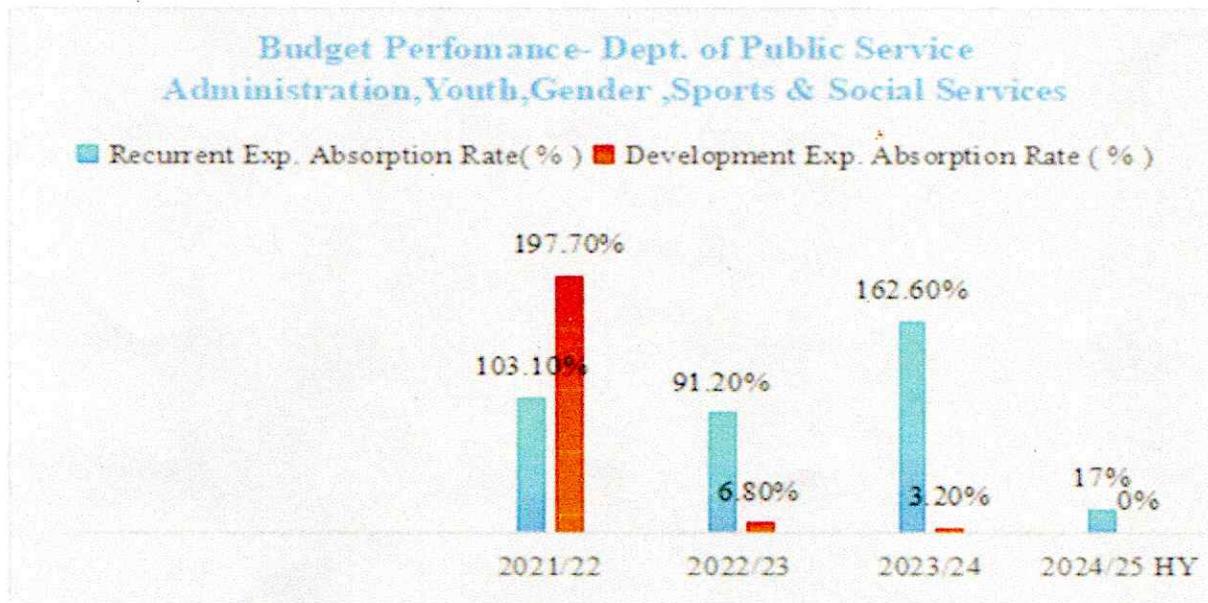
The implementation report by the controller of budget showed a 25.27 % absorption rate for development expenditures in the Department of Public Service Administration, Youth, Gender, Sports, and Social Services as at 31 December 2024. This could translate to inefficiency in implementing development projects and reducing accessibility to service delivery.

**Recommendation:** The Department should undertake a comprehensive review of implementation challenges. Priority should be placed on improving project planning, procurement efficiency, and inter-departmental coordination. Additionally, future budget allocations should be tied to clear county annual implementation plans and realistic timelines to ensure funds translate into tangible outcomes, particularly in youth empowerment and crime prevention.

**c) Budget Performance Over the Years**

Year	Recurrent Expenditure (Ksh)	Development Expenditure (Ksh)	Recurrent Exp. Absorption Rate( % )	Development Exp. Absorption Rate ( % )
2021/22	2,869.48 M	358.98 M	103.1%	197.7%
2022/23	123.37 M	500.00 M	91.2%	6.8%
2023/24	1440.22 M	225.00 M	162.6%	3.2%
2024/25 HY	821.52 M	270.00 M	17%	0%

Source: COB, CBIR 21/22, 22/23, 23/24, 24/25 HY



Over the past four years, the Department of Public Service Administration, Youth, Gender, Sports, and Social Services has shown a troubling pattern of budget underperformance, particularly in the development expenditure segment. From a high absorption rate of 197.7% in FY 2021/22, development absorption fell drastically to just 6.8% in 2022/23, 3.2% in 2023/24, and plummeted to 0% by the first half of FY 2024/25. This pattern reveals systemic issues in planning, procurement, and execution of development projects.

**Recommendation:** The County Government should initiate a comprehensive performance audit within the department to uncover the root causes of project delays and non-implementation. Furthermore, development funding should be tied to performance metrics such as timely procurement, project completion rates, and community impact. Building the technical capacity of departmental staff on public procurement procedures, project management, and financial planning will also be crucial.

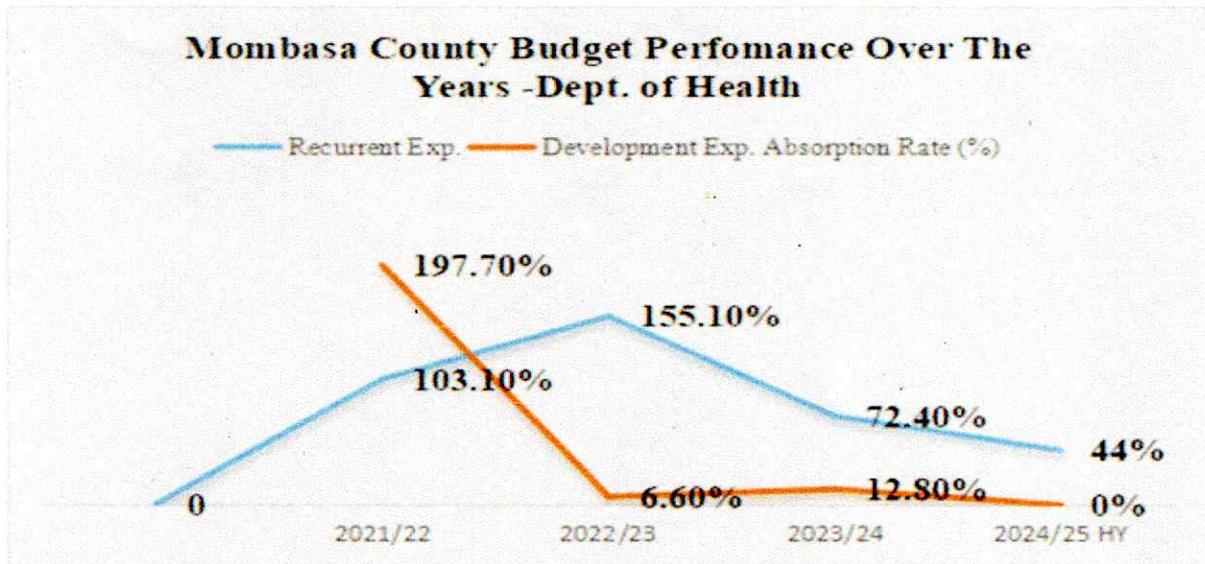
### 3. VOTE 3017: Health

#### a) Overall Budget Performance Over the Years

Year	Recurrent Expenditure (Ksh)	Development Expenditure (Ksh)	Recurrent Exp. Absorption Rate (%)	Development Exp. Absorption Rate (%)

2021/22	2869.48 M	358.98 M	103.1%	197.7%
2022/23	3156.21M	123.37M	155.1%	6.6%
2023/24	4002.83M	663.79M	72.4%	12.8%
2024/25 HY	4237.32M	600.00M	44%	0%

Source: COB CBIR, 21/22, 22/23, 23/24, 24/25 HY



The health sector in Mombasa County, despite being consistently prioritized in policy documents like the County Integrated Development Plan and the Annual Development Plan, continues to suffer from low budget absorption rate, particularly for development expenditure. The absorption rate dropped to an alarming 0% in the first half of FY 2024/25, despite significant allocations amounting to KES 600 million. Recurrent expenditure performance has also declined, with the rate falling from 103.1% in FY 2021/22 to just 44% in the most recent half-year. These figures point to severe inefficiencies in budget execution, project planning, and fund disbursement.

**Recommendation:** The County Government should consider reviewing the implementation of the Taskforce Report on Health system and adopt the remaining recommendations. Key reforms should include the adoption of multi-year budgeting for infrastructure projects to allow for better planning and continuity, and the timely release of development funds to avoid mid-year implementation challenges.

#### b) Slight Budget Reduction Despite Sector Priority

The total allocation for the Department of Health has slightly decreased from KES 4.83 billion in FY 2024/2025 to KES 4.78 billion in FY 2025/2026, as outlined on Page 52 of the PBB. This

reduction occurs despite health being consistently prioritized as a key driver of human capital development in the County Integrated Development Plan (CIDP) and the ADP 2024/2025. Additionally, the development budget remains stagnant at KES 600 million, which is significantly low given the growing demand for infrastructure, equipment, and service delivery capacity.

*Recommendation:* The County Government should restore or increase the total health allocation to at least KES 5 billion to sustain essential services, implement Universal Health Coverage (UHC), and address increased operational costs. The development expenditure should be scaled up to reflect needed investments in facilities and staff welfare.

#### **c) Over-Reliance on Output Indicators Instead of Outcome Measures**

The PBB (Pages 53–56) continues to emphasize output indicators such as the number of ambulances procured, beds added, and personnel deployed under Program 1: Curative and Rehabilitative Health Services and Program 2: Preventive and Promotive Health Services. However, there is insufficient focus on impact-level indicators such as reduction in maternal mortality, control of non-communicable diseases (NCDs), service utilization rates, and SHIF enrollment uptake.

*Recommendation:* The Department should revise its indicator framework to integrate outcome-based KPIs, including maternal and child mortality rates, SHIF coverage rates, NCD case management outcomes, and client satisfaction metrics. This will support more transparent, citizen-focused health planning and performance monitoring.

#### **d) Mental Health Services Severely Underprioritized**

The PBB (Page 54) shows that only Coast General Teaching and Referral Hospital (CGTRH) and Portreitz Sub-County Hospital currently provide mental health services, despite the country having six sub-counties. There is no allocation for expanding community-based mental health programs, and no new sub-county mental health units are planned in FY 2025/2026. This contradicts the ADP 2024/2025's stated intention to expand mental health outreach.

*Recommendation:* Allocate at least KES 50 million for the establishment of mental health units in sub-counties such as Likoni, Chagamwe, and Kisauni, where service gaps persist. Funding should also support mobile mental health clinics, school-based awareness campaigns, and the recruitment of psychologists or psychiatric nurses.

#### **e) Reduced Recurrent Funding for Coast General Teaching and Referral Hospital**

The recurrent allocation to CGTRH, Mombasa's key referral hospital serving the county and surrounding regions, has dropped from KES 650 million in FY 2024/2025 to KES 500 million in FY 2025/2026 (Page 54, Programme 1). This reduction is highly likely to undermine service

delivery in emergency response, chemotherapy, radiotherapy trauma care, maternal and neonatal units, and specialized surgeries.

*Recommendation:* Reinstate the recurrent funding for CGTRH to at least KES 700 million, factoring in the rising cost of medical supplies, staff wages, and patient load. Additional funds should be allocated for high-volume units such as emergency, ICU, and renal services. CGTRH attends to a primary catchment population of over 700,000 and secondary population of about 2 Million (<https://cgtrh.go.ke/index.php/en/about>)

**f) No Budgetary Allocation for Community Health Workers (CHWs) and SHA Rollout**

Despite the formalization of Community Health Promoters (CHPs) under the national UHC strategy and the enactment of the Social Health Insurance Act, the PBB (Pages 53–55) fails to allocate funds for the SHA rollout or CHW stipends, training, and digital tools. The SHA is the designated body to manage the new Social Health Insurance Fund (SHIF), and counties are expected to align with this transition.

Yet, the CBIRR 2024/2025 already warned that Mombasa County’s lack of SHA preparedness could jeopardize SHIF onboarding. The absence of a dedicated budget line leaves the County vulnerable to implementation delays, especially for vulnerable and informal sector populations.

*Recommendation:* Ring-fence at least KES 50 million under Programme 2: Preventive and Promotive Health for SHA readiness, CHW recruitment, monthly stipends, mobile phones/tablets for data reporting, and training. Integrating CHWs into the formal health system is essential for achieving early disease detection, health education, and household enrollment into SHIF.

**g) Neglected Infrastructure Development in Informal Settlements**

Despite the PBB identifying health infrastructure needs in underserved areas (Page 55), there is no new funding allocated to upgrade health centers in Bangladesh, Miritini, Mwakirunge, or Ziwa la Ng’ombe, areas previously identified in public participation forums and health assessments. This omission undermines equity and access to healthcare services in informal settlements with higher disease burdens.

*Recommendation:* Allocate development funds under Programme 3: Health Infrastructure to rehabilitate and equip at least four primary care facilities in informal areas, with an emphasis on maternal, child, and emergency care units. Priority should also be given to facility electrification, water supply, and sanitation.

#### **h) Weak Linkage Between ADP Priorities and Budgeted Outputs**

The ADP 2024/2025 proposed several initiatives, including upgrading maternity theatres, digitizing patient records, and scaling up outreach immunization campaigns. However, these are either not reflected or inadequately funded in the PBB 2025/2026 (cross-referenced between Pages 44–46 of the ADP and Pages 53–56 of the PBB). This weakens the credibility of the planning and budgeting process.

*Recommendation:* Strengthen alignment between ADP priorities and PBB outputs by ensuring that each ADP commitment has a corresponding budget line and output indicator in the PBB. Use quarterly reviews to verify and adjust budget implementation to match evolving community needs.

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