

How Much Does it Cost to Run My County?

Kenyan are engaged in ongoing debate about the “cost” of the new constitution, particularly the new government structures it created. There is also considerable interest in the overall costs of government, particularly the wage bill. While many worry about these costs, there is surprisingly little information available about them.

Perhaps one of the most central questions in these debates is: how much does it cost to run a county government? While there are official estimates of the various components of the cost of running a county, these have not been consolidated in one place and broken down by county. We fill that gap in this pamphlet. Table 1 below provides an estimate of 2015/16 running costs for each individual county. This also represents the average cost over the five year period from 2013-2018.

What did we find?

From our estimates the totals running costs for counties in 2015/16 is Ksh 48.5 billion (Ksh 27.4 billion for the assembly and Ksh 21.1 billion for the executive). At the individual county level, Lamu and Isiolo had the lowest costs at Ksh 695 million while Nairobi had the highest cost at Ksh 1.80 billion. On average, we estimate that it costs about Ksh 1.03 billion to run a county. The differences between counties in their costs are mainly driven by the relative size of their assemblies.

Total county costs are approximately 19% of what counties are to receive from the equitable share in 2015/16. The basic amount that all counties need, regardless of their size, is equal to what the county with the lowest running costs receives times 47. This is equal to Ksh 32.7 billion and represents approximately 13% of the equitable share of roughly Ksh 260 billion in 2015/16. Beyond this basic share, counties with larger populations and larger land areas tend to have larger assemblies and higher administrative costs, and those costs are best measured using variables like population and area rather than an equal share for running costs.

There is one thing our analysis does not include, which is the full value of the expanded car loan and mortgage scheme created by SRC in December 2014. That scheme essentially now includes all public sector workers. The potential cost of setting up such a scheme is massive and is not likely to be implemented immediately, so we do not include it in our estimates here. However, we did try to estimate how much

it would cost to provide the scheme to all of the workers we measured in this analysis (which does not include, for example, service delivery workers like doctors). Our estimate of the cost of the scheme for all workers (excluding the MCAs and CEC members originally granted that benefit and already counted here), is Ksh 120 billion. That is more than two and a half times the running costs we have calculated.

How did we estimate these costs?

County running costs refer to two main categories of expense: those related to core personnel and those related to administration. We looked at the core personnel and administrative costs in both the executive and the assembly. The core personnel included salaries and benefits of officers who run the counties such as the governors, county executive committee members, assembly speakers, and members of the county assemblies. Support services and related “back office” staff were grouped under administration. This included the county treasury, County Public Service Boards and administrative staff in the sub-counties and the wards. The bulk of the data was obtained from Salaries and Remuneration Commission circulars and from Commission on Revenue Allocation estimates.

For all the categories, operation and maintenance estimates were also calculated as an additional 30% of total recurrent costs (excluding health insurance costs). We separately added the cost of car loans and mortgages for County Executive Committee members and for Members of the County Assembly (MCAs) as approved by the SRC. We estimated the cost of these loans as a cash benefit and calculated the cost in 2015/16 as 1/5 of the cost over the five year term of the government.

Table 2 shows the items that went into these cost items and also shows the total number of officials under each cadre with staff. The number of leadership positions in the assembly is based in part on the fact that if an MCA holds two leadership positions, they should only receive the higher of the two remuneration packages (including allowances) associated with that position. This is why there appear to be fewer than 47 of certain leadership positions like the Deputy Majority Leader. It is not because counties lack these positions, but because in smaller counties, they should be held by MCAs that also hold other higher paying positions. To avoid double counting, we included the cost of the higher salary only.

Table 1: Total Estimated Running Costs By County 2015-16 (Kshs.)

County	County Executive			Total
	Core Personnel	Administration	Car Loans and Mortgages (CECs)	
BARINGO	143,586,691	295,817,842	10,000,000	449,404,534
BOMET	143,586,691	285,287,704	10,000,000	438,874,395
BUNGOMA	143,586,691	327,408,258	10,000,000	480,994,949
BUSIA	143,586,691	306,347,981	10,000,000	459,934,672
ELGEYO - MARAKWET	143,586,691	274,757,565	10,000,000	428,344,257
EMBU	143,586,691	274,757,565	10,000,000	428,344,257
GARISSA	143,586,691	295,817,842	10,000,000	449,404,534
HOMA-BAY	143,586,691	316,878,119	10,000,000	470,464,811
ISIOLO	114,258,817	253,697,289	7,000,000	374,956,105
KAJIADO	143,586,691	285,287,704	10,000,000	438,874,395
KAKAMEGA	143,586,691	358,998,673	10,000,000	512,585,364
KERICHO	143,586,691	295,817,842	10,000,000	449,404,534
KIAMBU	143,586,691	358,998,673	10,000,000	512,585,364
KILIFI	143,586,691	306,347,981	10,000,000	459,934,672
KIRINYAGA	143,586,691	274,757,565	10,000,000	428,344,257
KISII	143,586,691	327,408,258	10,000,000	480,994,949
KISUMU	143,586,691	306,347,981	10,000,000	459,934,672
KITUI	143,586,691	316,878,119	10,000,000	470,464,811
KWALE	143,586,691	274,757,565	10,000,000	428,344,257
LAIKIPIA	124,034,775	264,227,427	8,000,000	396,262,202
LAMU	114,258,817	253,697,289	7,000,000	374,956,105
MACHAKOS	143,586,691	319,663,354	10,000,000	473,250,045
MAKUENI	143,586,691	301,388,311	10,000,000	454,975,003
MANDERA	143,586,691	295,817,842	10,000,000	449,404,534
MARSABIT	143,586,691	280,328,035	10,000,000	433,914,726
MERU	143,586,691	313,482,085	10,000,000	467,068,776
MIGORI	143,586,691	316,878,119	10,000,000	470,464,811
MOMBASA	143,586,691	295,817,842	10,000,000	449,404,534
MURANGA	143,586,691	306,347,981	10,000,000	459,934,672
NAIROBI	143,586,691	411,649,365	10,000,000	565,236,057
NAKURU	143,586,691	348,468,535	10,000,000	502,055,226
NANDI	143,586,691	295,817,842	10,000,000	449,404,534
NAROK	143,586,691	295,817,842	10,000,000	449,404,534
NYAMIRA	143,586,691	274,757,565	10,000,000	428,344,257
NYANDARUA	143,586,691	285,287,704	10,000,000	438,874,395
NYERI	143,586,691	295,817,842	10,000,000	449,404,534
SAMBURU	133,810,733	264,227,427	9,000,000	407,038,160
SIAYA	143,586,691	295,817,842	10,000,000	449,404,534
TAITA - TAVETA	143,586,691	274,757,565	10,000,000	428,344,257
TANA RIVER	133,810,733	264,227,427	9,000,000	407,038,160
THARAKA - NITHI	124,034,775	264,227,427	8,000,000	396,262,202
TRANS-NZOIA	143,586,691	285,287,704	10,000,000	438,874,395
TURKANA	143,586,691	295,817,842	10,000,000	449,404,534
UASIN GISHU	143,586,691	295,817,842	10,000,000	449,404,534
VIHIGA	143,586,691	285,287,704	10,000,000	438,874,395
WAJIR	143,586,691	295,817,842	10,000,000	449,404,534
WEST - POKOT	143,586,691	274,757,565	10,000,000	428,344,257
Total	6,631,262,995	13,987,679,699	458,000,000	21,076,942,694
County Average				448,445,589
Total Basic Share as a multiple of lowest county				
Equitable Share 2015/16				
% of Basic Share to Equitable Share				

Our assessment is fairly comprehensive, but it misses some costs for which we lacked estimates, such as the cost of “extra mileage allowance” for MCAs that travel more than 90 kms to their wards. On the other hand, we also included some costs

at their maximum possible values, such as for gratuity, which may be too high.

The number of committees in the assemblies also play a role in determining county costs due to the number of

County Assembly				Total		
Core Personnel	Administration	Car Loans and Mortgages (MCAs)	Total	Total Core Personnel	Total Administration	Grand Total
348,055,417	192,366,185	48,000,000	588,421,601	491,642,108	488,184,027	1,037,826,135
273,636,588	187,001,579	35,000,000	495,638,167	417,223,279	472,289,282	934,512,562
437,745,696	229,296,332	63,000,000	730,042,028	581,332,388	556,704,590	1,211,036,977
369,306,158	197,730,791	52,000,000	619,036,949	512,892,849	504,078,771	1,078,971,621
242,034,362	181,636,973	30,000,000	453,671,334	385,621,053	456,394,538	882,015,591
260,995,697	181,636,973	33,000,000	475,632,670	404,582,389	456,394,538	903,976,927
348,055,417	192,366,185	48,000,000	588,421,601	491,642,108	488,184,027	1,037,826,135
437,745,696	223,931,726	63,000,000	724,677,422	581,332,388	540,809,845	1,195,142,233
168,829,909	130,971,463	20,000,000	319,801,371	283,088,725	384,668,751	694,757,476
309,431,420	187,001,579	41,000,000	537,432,998	453,018,111	472,289,282	976,307,394
559,937,458	245,390,150	86,000,000	891,327,608	703,524,150	604,388,823	1,403,912,972
342,742,732	192,366,185	47,000,000	582,108,916	486,329,423	488,184,027	1,031,513,450
565,250,144	245,390,150	87,000,000	897,640,293	708,836,835	604,388,823	1,410,225,658
374,618,843	197,730,791	53,000,000	625,349,634	518,205,535	504,078,771	1,085,284,306
235,713,916	181,636,973	29,000,000	446,350,889	379,300,608	456,394,538	874,695,146
480,247,179	229,296,332	71,000,000	780,543,511	623,833,870	556,704,590	1,261,538,460
353,368,102	197,730,791	49,000,000	600,098,893	496,954,794	504,078,771	1,060,033,565
405,869,585	223,931,726	57,000,000	686,801,310	549,456,276	540,809,845	1,157,266,121
260,995,697	181,636,973	33,000,000	475,632,670	404,582,389	456,394,538	903,976,927
187,791,244	136,336,069	23,000,000	347,127,313	311,826,019	400,563,496	743,389,515
168,829,909	130,971,463	20,000,000	319,801,371	283,088,725	384,668,751	694,757,476
416,494,955	223,931,726	59,000,000	699,426,681	560,081,647	543,595,080	1,172,676,726
342,742,732	192,366,185	47,000,000	582,108,916	486,329,423	493,754,496	1,037,083,919
348,055,417	192,366,185	48,000,000	588,421,601	491,642,108	488,184,027	1,037,826,135
260,995,697	181,636,973	33,000,000	475,632,670	404,582,389	461,965,007	909,547,396
469,621,808	229,296,332	69,000,000	767,918,140	613,208,500	542,778,417	1,234,986,917
427,120,326	223,931,726	61,000,000	712,052,052	570,707,017	540,809,845	1,182,516,862
332,117,361	192,366,185	45,000,000	569,483,546	475,704,052	488,184,027	1,018,888,079
363,993,473	197,730,791	51,000,000	612,724,263	507,580,164	504,078,771	1,072,658,935
797,757,556	306,940,395	127,000,000	1,231,697,951	941,344,247	718,589,761	1,796,934,008
496,185,235	240,025,544	74,000,000	810,210,779	639,771,926	588,494,078	1,312,266,004
348,055,417	192,366,185	48,000,000	588,421,601	491,642,108	488,184,027	1,037,826,135
342,742,732	192,366,185	47,000,000	582,108,916	486,329,423	488,184,027	1,031,513,450
260,995,697	181,636,973	33,000,000	475,632,670	404,582,389	456,394,538	903,976,927
303,666,335	187,001,579	40,000,000	530,667,913	447,253,026	472,289,282	969,542,308
342,742,732	192,366,185	47,000,000	582,108,916	486,329,423	488,184,027	1,031,513,450
206,752,580	136,336,069	26,000,000	369,088,649	340,563,313	400,563,496	776,126,809
348,055,417	192,366,185	48,000,000	588,421,601	491,642,108	488,184,027	1,037,826,135
273,636,588	181,636,973	35,000,000	490,273,561	417,223,279	456,394,538	918,617,817
206,752,580	136,336,069	26,000,000	369,088,649	340,563,313	400,563,496	776,126,809
194,111,690	136,336,069	24,000,000	354,447,758	318,146,465	400,563,496	750,709,960
297,901,249	187,001,579	39,000,000	523,902,828	441,487,941	472,289,282	962,777,223
342,742,732	192,366,185	47,000,000	582,108,916	486,329,423	488,184,027	1,031,513,450
326,180,676	192,366,185	44,000,000	562,546,860	469,767,367	488,184,027	1,011,951,394
297,901,249	187,001,579	39,000,000	523,902,828	441,487,941	472,289,282	962,777,223
332,117,361	192,366,185	45,000,000	569,483,546	475,704,052	488,184,027	1,018,888,079
254,675,252	181,636,973	32,000,000	468,312,225	398,261,943	456,394,538	896,656,481
16,065,316,014	9,108,436,571	2,222,000,000	27,395,752,585	22,696,579,009	23,096,116,270	48,472,695,279
			582,888,353	482,905,936	491,406,729	1,031,333,942
						32,653,601,389
						259,775,000,000
						13%

leadership positions that attract certain allowances. Our main calculations were based on the average number of assembly committees across all counties, which is 20. However, the actual number of committees in the assembly varied from a high of 26 to a low of 16 in some counties.

The full analysis underlying these tables is available as Budget Brief #32 at www.internationalbudget.org/kenya.

Table 2: Breakdown of Total Personnel Costs - All counties (Kshs.)

County Executive						County Assembly						Total
County Executive Officials	Annual Basic Salary (Year 3)	Allowances and Gratuity	Number of Persons	Total Compensation	County Assembly Officials	Annual Basic Salary (Year 3)	Allowances and Gratuity	Number of Persons	Total Compensation	Total Estimated Costs (County Executive+County Assembly)		
Governors	11,088,000	3,142,368	47	668,827,296	Speaker	3,675,000	3,611,550	47	342,467,850			
Deputy Governors	7,365,132	2,227,915	47	450,873,188	Deputy Speaker	2,520,000	3,739,056	47	294,175,632			
CEC Members	3,675,000	743,550	458	2,023,695,900	Leader of Majority	1,732,500	2,738,181	32	143,061,792			
County Secretaries	3,150,000	585,900	47	175,587,300	Deputy Majority Leader	1,732,500	2,702,181	30	133,040,430			
Chief Officers	1,805,580	1,295,838	458	1,420,449,389	Chief Whip	1,732,500	2,702,181	29	128,605,749			
Chief of Staff	1,805,580	1,295,838	47	145,766,640	Deputy Chief Whip	1,732,500	2,666,181	28	123,163,068			
Chair County Public Service Boards	3,150,000	585,900	47	175,587,300	Leader of Minority	1,732,500	2,738,181	32	143,061,792			
Vice Chair County Public Service Boards	2,520,000	468,720	47	140,469,840	Minority Whip	1,732,500	2,666,181	28	123,163,068			
Member County Public Service Boards	2,520,000	468,720	235	702,349,200	Chairpersons (excl the Speaker)	1,732,500	3,664,581	752	4,058,604,912			
Secretary County Public Service Board	2,157,540	401,302	47	120,265,595	Vice Chairpersons (Average Committee number)	1,732,500	3,129,381	817	3,972,156,777			
Advisors	1,524,102	955,483	188	466,161,975	Speakers Panel	1,732,500	2,594,181	54	233,640,774			
Sub-County Administrators	1,260,108	882,380	290	621,321,546	All other MCAs (Average Committee number)	1,732,500	2,354,181	373	1,524,332,013			
Ward Administrators	680,880	510,644	1,450	1,727,709,336	County Assembly Staff			4,150	5,542,997,870			
Support Staff Governor's Office, of which					County Assembly Ward Staff			4,350	1,196,719,800			
• Cooks	147,060	105,353	47	11,863,419	County Assembly Service Board				266,772,000			
• Tea Person	147,060	105,353	47	11,863,419								
• Gardener	141,120	101,848	47	11,419,511								
• Security	-	360,000	282	101,520,000								
Sub-Total (Governor's Support Staff)	435,240	672,555	423	136,666,348	Sub-Total for County Assembly Staff				18,225,963,527	33,725,150,214		
PFM Systems				6,523,455,835	Operations and Maintenance (including insurance)				6,947,789,058	12,067,545,064		
Sub-Total for County Executive Staff			3,784	15,499,186,687	Car Loans and Mortgages (MCAs only)				2,222,000,000	2,680,000,000		
Operations and Maintenance (including insurance)				5,119,756,006	Total for County Executive				27,395,752,585	48,472,695,279		
Car Loans and Mortgages (CECs only)				458,000,000								