The Early Childhood Development Systems Evaluation Study

Strengthening Early Childhood Systems through Financing: The Kenya National and County-Level Review (2020–2024)

Report Prepared by

The Early Childhood Development Network for Kenya

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Finally, we recognize the contribution of the ECDNeK Secretariat in supporting the study. We hope that the evidence presented will inform collective efforts to secure adequate, equitable and sustainable financing for services benefiting young children and their families in Kenya.



Professor Teresa Mwoma
National Coordinator, ECD Network for Kenya &
Principal Investigator, ECD systems Study

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LIST OF ABBREVIATIONS

Abbreviation	Full meaning
BIRR	Budget Implementation Review Reports
Co-PI / Co-PIs	Co-Principal Investigator / Co-Principal Investigators
COVID-19	Coronavirus Disease 2019
ECD	Early Childhood Development
ECDE	Early Childhood Development and Education
ECDNeK	Early Childhood Development Network for Kenya
ECE	Early Childhood Education
KES	Kenya Shillings
KNBS	Kenya National Bureau of Statistics
KSH / KSHs / KSHS	Kenya Shillings
M&E	Monitoring and Evaluation
MOE	Ministry of Education
MOH / MoH	Ministry of Health
NBIRR	National Budget Implementation Review Reports
NCF	Nurturing Care Framework
PBB	Programme Based Budgeting
PHC	Primary Health Care
PI / PIs	Principal Investigator / Principal Investigators
RMNCAH	Reproductive, Maternal, Newborn, Child and Adolescent Health
SDGs	Sustainable Development Goals
UHC	Universal Health Coverage
UNICEF	United Nations Children's Fund
US	United States

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EXECUTIVE SUMMARY

Kenya has made progress in financing early childhood services, but uneven prioritization, fluctuating allocations and incomplete utilization of available funds continue to constrain equitable service delivery. This report examines financing for Early Childhood Education (ECE), Primary Health Care (PHC), and social welfare programmes targeting children aged 0–5 years and their families. Conducted by the Early Childhood Development Network for Kenya in collaboration with Mathematica, with funding from the Conrad N. Hilton Foundation, the review provides evidence to strengthen financing, accountability and coordination across national and county governments.

The study employed a quantitative desk review of government budget and expenditure documents, covering allocations for the financial years 2020/2021–2023/2024 and expenditure principally for 2020/2021–2022/2023. It examined budget shares, nominal allocations, per capita investment and budget absorption across Kenya's 47 counties, with detailed comparisons of Mombasa, Tharaka-Nithi, Trans Nzoia, Kajiado, Siaya, Nairobi City and Garissa. Standardized data extraction, reviewer training and quality checks supported the analysis. However, variation in reporting coverage, programme classifications and the availability of separately itemized expenditure limits some comparisons across counties and years.

Early Childhood Education financing increased in nominal terms, but its share of county education budgets remained largely unchanged. Counties allocated an average of approximately 34% of their education department budgets to ECE. Total county allocations rose from KES 8.27 billion in 2020/2021 to KES 11.12 billion in 2023/2024. Reported average allocation per child aged 4–5 years reached KES 5,138 in 2023/2024, following fluctuations in earlier years. County budget absorption improved from 65% in 2020/2021 to 72% in both 2021/2022 and 2022/2023, although substantial resources remained unspent and some counties recorded no expenditure in particular years. National ECE allocations represented approximately 0–1% of the Ministry of Education budget, reflecting the devolved nature of service delivery. The absence of separately itemized national allocations in the first two years should not be interpreted as an absence of ECE funding.

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Primary Health Care financing showed declining national prioritization and inconsistent county investment. The national allocation to PHC fell from 25% of the Ministry of Health budget in 2020/2021 to 18% in 2023/2024. National nominal funding also declined, while per capita allocations fell after an initial increase. At county level, PHC allocations ranged from 11% to 16% of health department budgets, ending at 12% in 2023/2024. Reported county absorption rates were approximately 72–73%, masking substantial differences between counties. The analysis used programme-based proxies for PHC, particularly promotive and preventive services. The findings raise concerns about the predictability of financing for essential community-level services and progress towards universal health coverage.

National social welfare allocations increased, while county funding and expenditure remained uneven. National allocations for programmes targeting young children and their families rose from 9% to 16% of the Department of Children Services budget. Nominal funding more than doubled, from KES 3.07 billion in 2020/2021 to KES 6.28 billion in 2023/2024, while reported per capita allocations increased from KES 425 to KES 869. National absorption rates varied from 101% to 87% and 95% across the three expenditure years. At county level, the average share of relevant departmental budgets allocated to these programmes declined from a peak of 27% in 2021/2022 to 20% in 2023/2024. County absorption remained low at 64%, 64% and 61%, respectively, indicating persistent difficulties in translating allocations into expenditure.

Across the three sectors, the report identifies delayed disbursements, administrative and procurement bottlenecks, limited financial management capacity, fragmented responsibilities and inconsistent reporting as barriers to effective financing. Differences in allocations and utilization create risks to the continuity, quality and equitable reach of services. Higher allocations alone are therefore insufficient without stronger budget execution and accountability.

The report recommends sustained and progressively increased ECE funding, a comprehensive PHC financing strategy with clear targets, and predictable financing for child-focused social welfare programmes. Priority actions include timely fund disbursement, streamlined procurement, stronger county planning and implementation capacity, and standardized expenditure reporting. National and county governments should strengthen coordination, direct additional support towards underserved counties, and improve monitoring of both resource utilization and service

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delivery. For social welfare, the report also proposes earmarked funding and minimum allocation thresholds. Together, these measures would help translate public investment into more reliable and equitable services for young children and their families.

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1.0 BACKGROUND

Investing in Early Childhood Development (ECD) is essential for building human capital, promoting equity, and achieving sustainable development. In Kenya, the Constitution of 2010 introduced a devolved system of governance that assigned specific responsibilities for ECD service delivery, primary health care (PHC), and social welfare programs to county governments, while the national government retained roles related to policy formulation, standard setting, and resource mobilization. This shift aimed to enhance responsiveness, promote equity, and improve service delivery outcomes for children aged 0–5 years and their families.

Despite these reforms, financing for ECD-related services remains inconsistent and inadequately tracked across both national and county levels. Early Childhood Education (ECE), although fully devolved, continues to experience disparities in budget allocation and utilization, while PHC and child-focused social welfare programs face similar challenges in funding prioritization and expenditure efficiency. The limited capacity of counties to plan, allocate, and utilize resources effectively undermines the potential of these critical services to support child survival, growth, and development.

In response to these gaps, a comprehensive desk review was undertaken to assess key financial indicators related to ECE, PHC, and social welfare programs targeting children aged 0–5. The review covered the period 2020 to 2024 and sought to generate data-driven insights on budget allocation, expenditure trends, and per capita investment across national and county governments. By focusing on these indicators, the report provides an evidence base to guide policy reforms, improve public financial management, and strengthen accountability mechanisms for ECD service delivery in Kenya. The findings are expected to inform efforts to enhance the effectiveness, equity, and sustainability of investments in early childhood, in line with Kenya's development goals and international commitments such as the Sustainable Development Goals (SDGs).

1.1 Objectives of the Review

1. To assess budget allocation trends for Early Childhood Education (ECE), Primary Health Care (PHC), and social welfare programs targeting children aged 0–5 years at both national and county government levels between 2020 and 2024.

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2. To analyze expenditure patterns and budget absorption rates within the ECE, PHC, and social welfare sectors, identifying efficiencies, gaps, and disparities across counties.
3. To examine per capita investment trends in ECD-related services, providing insights into equity and adequacy of financing for children under five across Kenya's 47 counties.
4. To compare national and county-level financial commitments and highlight disparities in prioritization, resource allocation, and utilization for child-focused programs.
5. To inform evidence-based policy recommendations aimed at improving public financial management, enhancing resource efficiency, and strengthening accountability for ECD service delivery in Kenya.

2.0 METHODOLOGY

The study employed a quantitative research design to assess financial indicators, enabling the generation of measurable data on budget allocation and expenditure trends. A desk review was conducted to collect, analyze and validate relevant information on Early Childhood Development financing at both national and county levels. To support this process, a customized data extraction template was developed to systematically capture key data from financing documents.

2.1 Document search and downloading

The review process began with a systematic search for documents, reports and datasets relevant to financial indicators in Early Childhood Development. Targeted keywords and predefined criteria were employed to filter and identify pertinent documents from various sources, including databases, websites and institutional repositories. The primary search focused on the e-repository for Kenyan government documents from government ministries of Health; Education; Gender, Children, and Social Services; Labor, Social Protection, Home Affairs websites, as well as County websites and National Council of Governors' website. Search terms included; financing early childhood education, Budget Review Paper, Program Based Budgets, Fiscal Strategy Paper, Budget Implementation Review Report and Budget Estimates. The documents downloaded included Programme Based Budgeting (PBB) reports from 2020 to 2024, Budget Implementation Review Reports (BIRR) 2020 to 2024, and additional materials addressing ECD and components of the Nurturing Care Framework (NCF) for children under five years. All documents reviewed were published in English.

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2.2 Inclusion and exclusion criteria

The analysis included national and county level budget review documents covering the period from 2020 to 2024. Eligible documents were those that provided financial data relevant to Early Childhood Development (ECD). Once identified, these documents were systematically downloaded and organized into dedicated folders for each county and for the national level to facilitate easy access and reference. Documents were excluded from the analysis if they fell outside the specified 2020–2024 timeframe, lacked relevance to ECD financing or NCF components or were inaccessible due to restricted access to the public.

2.3 Finance documents downloaded for review

Finance documents that met the inclusion criteria were selected for the main desk review, while those that did not were excluded from the analysis. Out of a total of 731 documents downloaded for finance indicator assessment, covering the financial years 2020/2021 to 2023/2024, the team reviewed eight documents deemed relevant and eligible as illustrated in Figure 2.31.

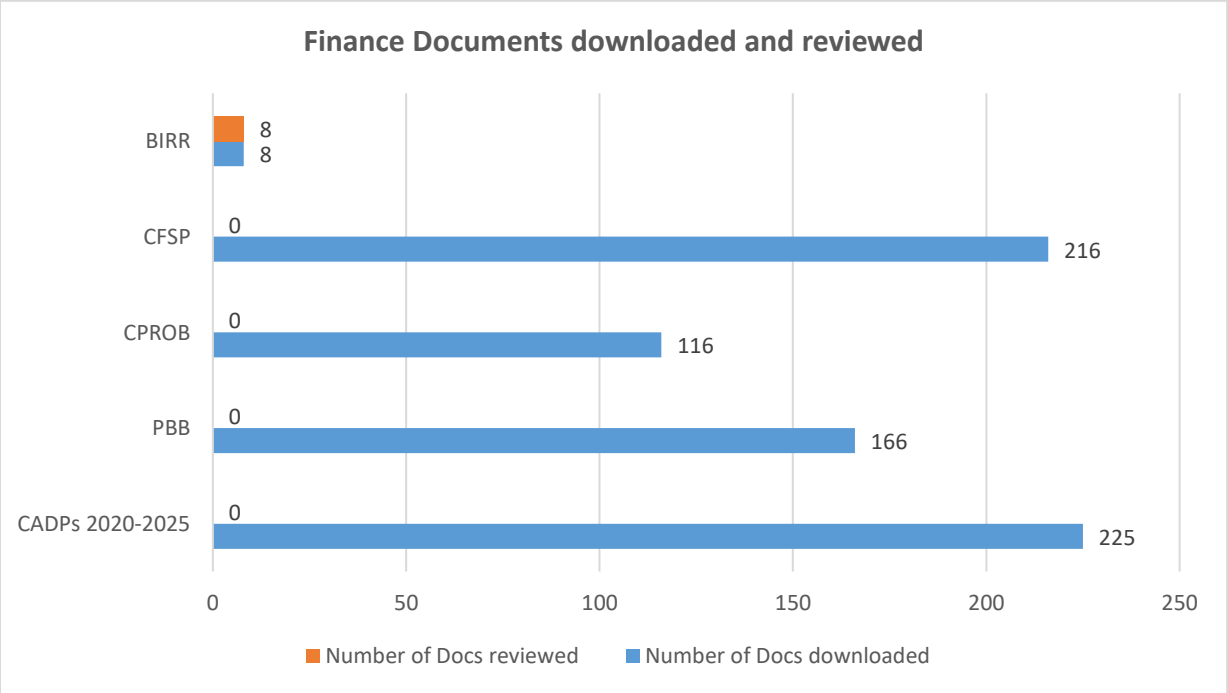


Figure 2.3.1: Summary of the Finance Documents

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2.4 Pre-desk review of the downloaded documents

Following the initial document search, a pre-desk review was conducted on a subset of the downloaded documents by the Principal Investigator (PI), two Co-Principal Investigators (Co-PIs), and two research assistants. This preliminary assessment aimed to assess the relevance, accuracy, availability of required information, and comprehensiveness of the data in relation to the review objectives. The team conducted a detailed reading of selected documents, extraction of key information, and evaluation of data quality. The finance indicators reviewed focused on budget allocation and expenditure related to child health under preventive and promotive services, early childhood education and social protection. These indicators were reviewed in depth by the Co-PI responsible for Monitoring and Evaluation (M&E). Insights from the pre-desk review informed the effectiveness of the document review process and the broader quantitative data collection strategy. The exercise also highlighted strengths and gaps in the collected data, prompting adjustments to the criteria for document selection.

2.5 Training of data collectors

To ensure the success of the desk review, data collectors underwent a two-day training focused on reviewing documents that met the established inclusion criteria. The training was guided by a manual developed following the pre desk review, and it provided a hands-on experience as the data collectors were taken through various sessions covering the objectives of the desk review, outlining the methods of data extraction and categorization, and guidelines for maintaining data accuracy and integrity. Additionally, the training included instructions on using data management tools, and standardized template to capture and record information extracted from the finance documents.

Following the training, each data collector was assigned one county to populate data independently. This exercise served to help the PI and Co-PIs assess consistency in data extraction across data collectors. The trial template included a column identifying the reviewer, enabling the PIs to trace findings from each data collector and evaluate them. Discussions were held to reflect on the experience, with each data collector sharing insights and challenges encountered during document review and template population. These sessions allowed the PIs to provide targeted guidance, including terms to use in searching for information. This led to a second round of

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reviewing documents for additional counties individually by each data collector and populating an online document that PIs were able to see the progress and guide accordingly.

2.6 Desk review and data abstraction

Once the PIs were confident that data collectors had mastered the skill of reviewing documents, five data collectors were allocated eight counties each to review finance documents while the PIs reviewed documents for seven counties. Information from desk review was populated to data abstraction template for finance indicators as shown on Figure 2.6.1. The finance indicators focused on budget allocation for early childhood education, primary healthcare, and social protection targeting children aged 0-5 years. It also sought to explore expenditure for the allocated budget for the three thematic areas outlined.

	A	B	C	D	E	F	G	
1	Name of Reviewer	Geographic Unit	Year	Total social welfare programmes budget allocation Targeting children 0-5 years	Total County department of children services budget (KSH)	% budget allocation on social welfare programmes	Total County department of children services budget line items	To
160	R01	C03	2023-2024	15,341,000.00	242,574,362	6.32%	Administration Services, Heritage Conservation	So
161	R01	C20	2023-2024	4,784,000	59,728,017	8.01%	Culture, sports, youth and children services	Ch
162	R01	C22	2023-2024	40,500,000.00	1,532,748,958.00	2.64%	Gender, culture and social services	so
163	R01	C35	2023-2024	20,035,537.00	942,588,041.00	2.13%	Gender, culture and social services	So
164	R01	C37	2023-2024	66,240,000.00	97,516,418.00	67.93%	Social services and sports development	Su
165	R01	C12	2023-2024	577,500.00	105,357,301	0.55%	Sports, Culture, Gender & Youth Affairs	Pl
166	R01	C45	2023-2024		209,567,320	0.00%	Culture and social services	So
167	R02	C17	2020-2021	7,334,190	261,621,513	2.80%	General Administration & Support Services	Re
168	R02	C47	2021-2022	9143160	355985767	2.57%	General Administration & Support Services, Gender and	Re
169	R02	C17	2022-2023	3923867	240,446,452	1.63%	General Administration & Support Services, Gender and	Ge
170	R03	C17	2023-2024	2,750,000	131148766	2.10%	General Administration & Support Services, Social welfare and	Ge
171	R04	C13	2020-2021	534,125	3,509,975	15.22%	Gender, PWDs and Social Services, Culture and Arts Promotion	Ge
172	R04	C13	2021-2022	14,257,200	78,901,828	18.07%	Culture, Arts, and Social Services, General Adminis-	Ge
173	R04	C13	2022-2023	5,364,100	10,551,950.00	50.84%	Culture andArts Promotion, Gender, PWDs	Ge
174	R04	C13	2023-2024		26,975,200	0.00%	Culture, Arts and Social Services	Nc

Figure 2.6.1: Finance Indicators data abstraction template

2.7 Quality check during desk review

Quality checks were performed on the collected data to ensure the accuracy, consistency, and completeness of the data entry. Each day, the PIs and one research assistant, sampled counties from each data collector to check for the correctness of the data extracted. This step involved cross-referencing extracted data with the original documents, verifying the correct application of templates, and checking for any discrepancies or missing information. The quality check process also included a peer review, where a second reviewer examined the data to identify and correct potential errors. Regular meetings with data collectors were held after every two days for one hour to discuss any bottlenecks experienced, clarify any gaps present and to gauge the status of data collection. Through these meetings the dataset was validated for accuracy and reliability, ensuring that the information was ready for analysis. This step was crucial in confirming that the data would be confidently used to inform policy recommendations and contribute to effective decision-making.

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2.8 Analysis plan for finance indicators

The analysis plan outlined in Appendix1 provides a structured approach employed for analyzing extracted data on finance indicators across three critical domains: Early Childhood Education (ECE), Primary Health Care (PHC), and Social Welfare programs. The analysis plan was designed to assess both budget allocations and actual expenditures at national and county levels.

3.0 FINDINGS

The findings present insights from the desk review and analysis of finance indicators across Early Childhood Education, Primary Health Care, and Social Welfare programs. They reveal trends in budget allocations and expenditures at both national and county levels. Results are thematically organized and directly linked to the indicators outlined in the analysis plan.

3.1 FINDINGS ON EARLY CHILDHOOD EDUCATION FINANCING

Indicators:

1. *Budget allocation to Early Childhood Education as a percentage of total National Ministry of Education/County Department of Education*
2. *Expenditure on Early Childhood Education as a percentage of total budget allocation of ECE in the Ministry of Education / County Department of Education*

3.1.1 Introduction

Early Childhood Education is widely recognized as a foundational component of lifelong learning, human capital development, and social equity. In Kenya, the enactment of the 2010 Constitution marked a significant policy shift through the devolution of pre-primary education to the 47 county governments under Article 56. County governments assumed responsibility for ECE service delivery, including infrastructure development, teacher employment and training, and ensuring the health, safety, and well-being of learners (Republic of Kenya, 2010). At the national level, the Ministry of Education through the State Department for Early Learning and Basic Education

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retains key functions related to policy formulation, standard-setting, curriculum development, and teacher training.

Despite this clear division of roles, financing for ECE remains a persistent challenge. The national government's allocations to ECE between 2020 and 2024 remained marginal fluctuating between 0% and 1% of the total Ministry of Education budget reflecting its limited mandate in a devolved function. Conversely, county governments allocated an average of 34% of their education budgets to ECE during the same period, with gradual increases in nominal terms and per capita funding (Final Financing Indicators Report, 2024). However, disparities in allocation trends, budget absorption rates, and county-level prioritization have affected the consistency and quality of ECE service delivery across the country.

These variations highlight the need for improved financial accountability, strategic planning, and targeted support to strengthen ECE systems in Kenya. By analyzing data from national and county budget documents, this section of the report provides a comprehensive assessment of ECE financing trends, gaps in implementation, and opportunities for reform to enhance the effectiveness and equity of early learning services nationwide.

3.1.2 National level ECE Budget Allocation

As presented in Figure 3.1.2.1, between 2020 and 2024, the national government’s allocation for pre-primary education remained minimal, fluctuating between 0% and 1% in the four years of study. However nominally as presented in Figure 3.1.2.2, there was an increase in allocation of about 2 billion shillings in 2023. In both 2020 and 2021, there were no direct budgetary allocation specifically designated for Early Childhood Education (ECE), as funding for this segment was grouped together with the broader primary education budgets. This does not imply that there were no budgets at all for ECE during these two years; rather, the allocations were not distinctly itemized in the National Budget Implementation Review Reports (NBIRR).

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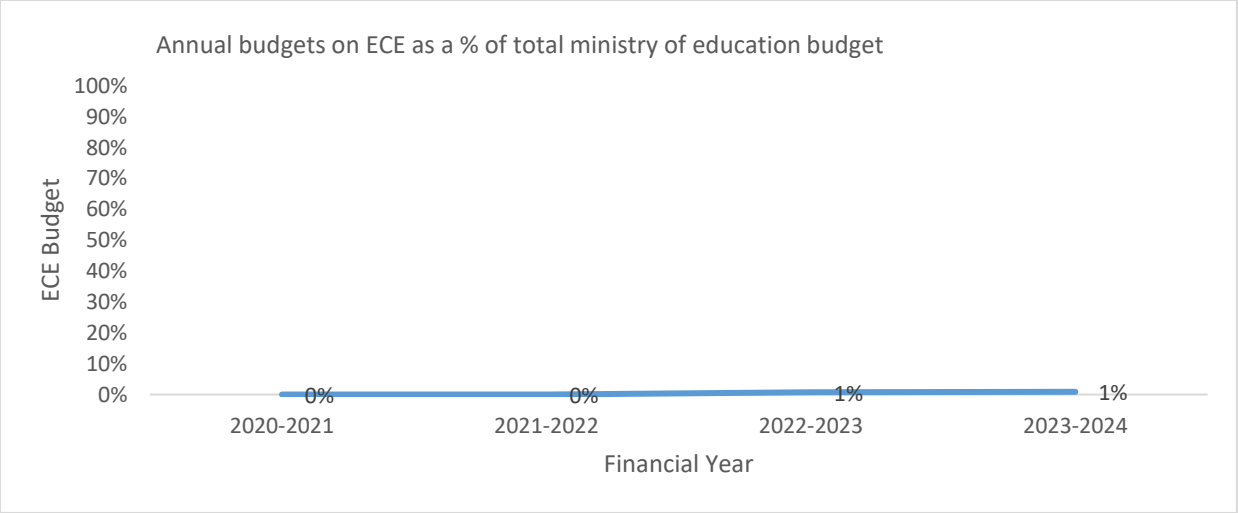


Figure 3.*1.2.1*: *National annual budget on ECE as a % of total Ministry of Education budget*

The consistently low levels of percentage budgetary allocation despite an increase in nominal education by the national government reflect its limited mandate over pre-primary education. The function was fully devolved to county governments under the 2010 Constitution. The national government's primary role in ECE focuses on policy formulation, capacity building, and ensuring equitable access and consistency in standards across counties. This approach aligns with its oversight responsibilities rather than direct implementation or funding.

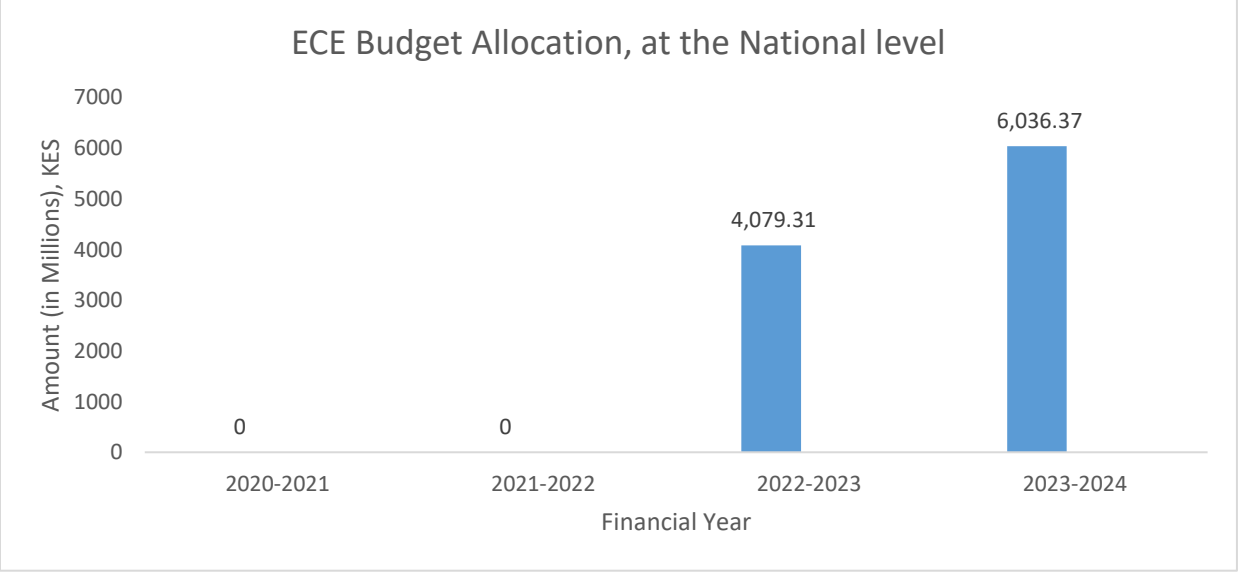


Figure 3.*1.2.2: Nominal Budget Allocation for ECE Programmes (2020-2024), at National level*

By taking on these roles, the national government seeks to guide and support county governments, which hold the primary responsibility for implementing ECE programs. The limited financial

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commitment from the national government underscores the reliance on counties to fund and execute pre-primary education initiatives, highlighting the importance of strengthening county-level governance and budgetary prioritization to ensure the success of implementing the ECE programs across the country.

3.1.3 National ECE Budget Absorption

All the funds allocated for the 2022–2023 fiscal year were fully utilized as indicated in Figure 3.1.3.1. This indicates a high level of efficiency in the expenditure of the allocated budget for that year. However, due to the lack of data for the first two years, it is not possible to identify a trend in budget absorption over time. Without data from the 2020-2021 and 2021-2022 fiscal years, any analysis of trends would be incomplete and potentially misleading. Therefore, while the full utilization of the 2022-2023 budget is a positive outcome, it is essential to have consistent data across multiple years to accurately assess and understand the patterns and effectiveness of budget absorption in the long term.

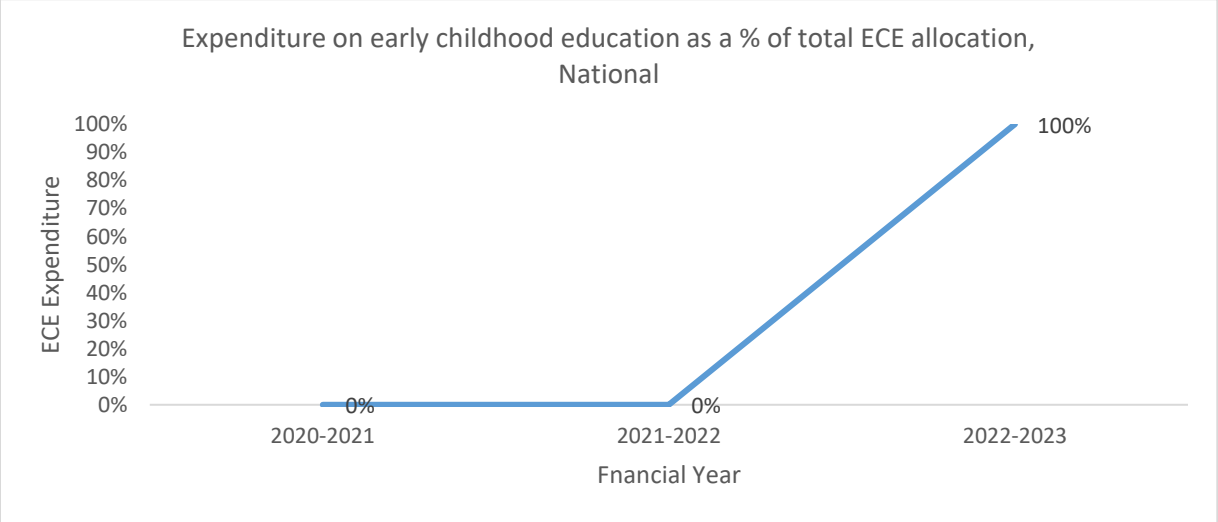


Figure 3.1.3.*1*: *National Expenditure as a Percentage of Allocated Budget for ECE Programmes (2020-2023)*

3.1.4 County-Level ECE Budget Allocation

Between 2020 and 2024, counties allocated an average of approximately 34% of their education department budgets to pre-primary education as indicated in Figure 3.1.4.1. Within the education departments, budgets were shared among three key areas: technical and vocational training, general administration and support services, and early childhood education. This means that, on

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average, a third of the total budget under the education departments was directed specifically to ECE during the four years under review.

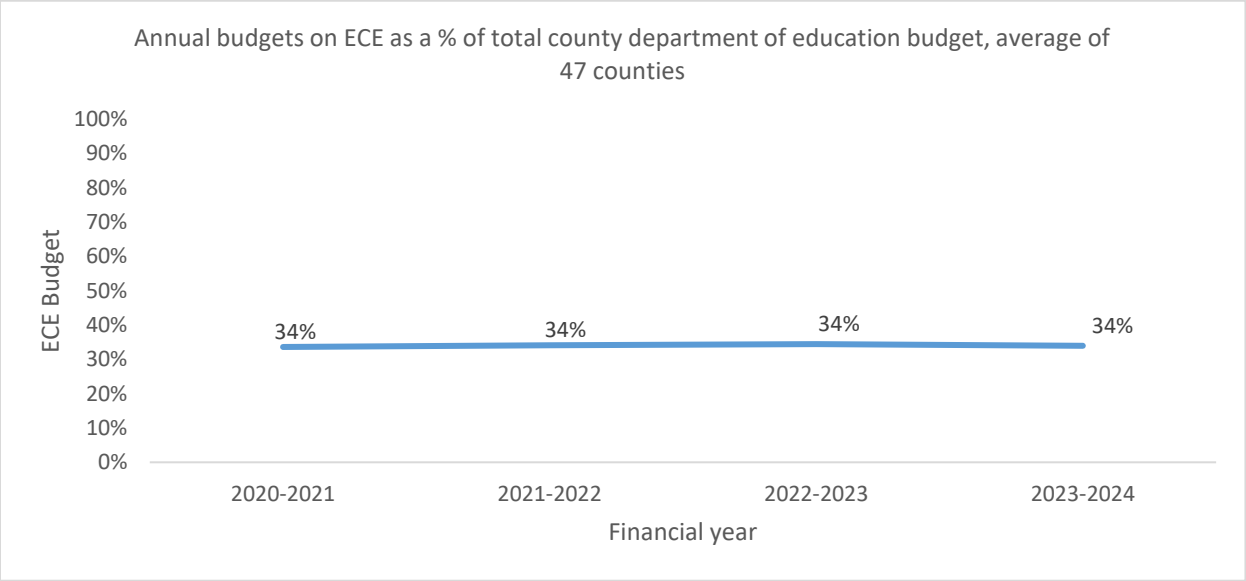


Figure 3.1.4.1*: Average County Budget Allocation for ECE Programmes (2020-2024)*

Though not itemized in all the counties, in some counties allocations were primarily used to construct and equip pre-primary classrooms in public primary schools across counties. The consistency in funding reflects a recognition by counties of the critical role early childhood education plays in their development agendas. However, the lack of significant growth in allocations over the years highlights stagnation in prioritizing ECE amidst other competing demands, such as healthcare, agriculture, and infrastructure development.

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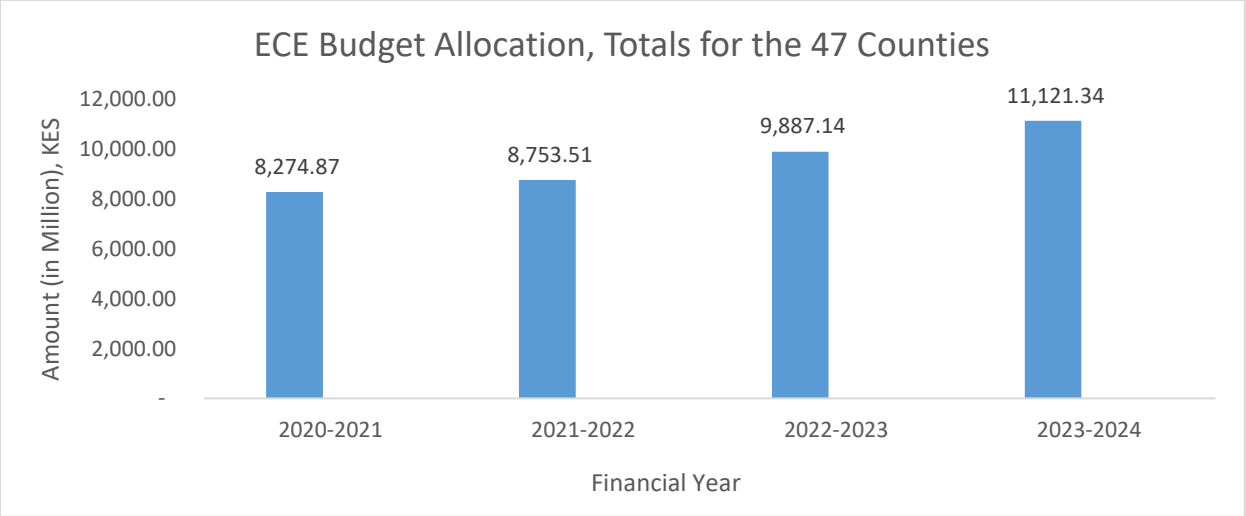


Figure 3.1.4.2: Total Nominal Budget Allocation across 47 Counties (2020-2024)

In terms of nominal budget allocations, there was a general upward trend in ECE funding over the four-year period under review (2020-2024). As illustrated in Figure 3.1.4.2, the total budget allocation across the 47 counties increased from KES 8,274.87 million in 2020-2021 to KES 11,121.34 million in 2023-2024, representing a significant growth in nominal terms. This growth demonstrates the counties' gradual efforts to allocate more resources toward Early Childhood Education, reflecting a recognition of its importance in laying the foundation for lifelong learning.

However, when assessed relative to the total department of education budgets, the allocations for ECE remained relatively stable on average across the four years, as presented in Figure 3.1.4.1. This consistency suggests that, while nominal funding increased, the proportion of county resources directed toward ECE compared to other departments such as vocational training, administration, and support services did not significantly shift. This stability in proportional funding may indicate that ECE budgets are growing in line with the overall increase in county budgets, rather than being prioritized over other competing sectors.

3.1.5 County Per Capita Trend for ECE Budget Allocation

The per capita allocation of ECE budgets provides a valuable lens for assessing the equity and adequacy of resources allocated to children aged 4–5 years across counties in Kenya. These calculations provide a measure of how much funding was allocated per child, enabling a deeper understanding of the financial commitment to ECE at the county level over the four financial years from 2020 to 2024.

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The children population used in these calculations was extracted from the 2019 National Census data (KNBS, 2019), providing a reliable basis for determining the per capita allocation. By linking budget data to the census population Figures, the analysis captures variations in resource distribution across counties and identifies trends in prioritizing ECE funding as presented in Figure 3.1.5.1

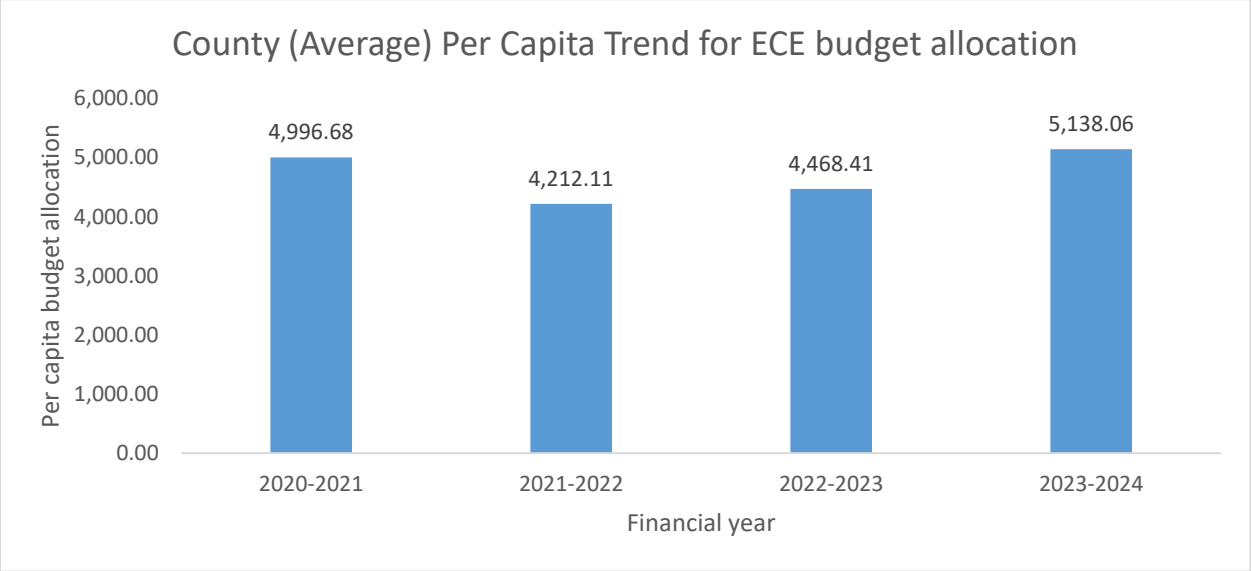


*Figure 3.*1.5.*1: Total per capita Budget Allocation across 47 Counties (2020-2024)*

In the 2023-2024 financial year, counties allocated the highest per capita funding for ECE, averaging 5138.06 Kenya shillings per child as shown in Figure 3.1.5.1. This significant commitment to ECE reflects the counties' recognition of the importance of early learning in shaping long-term educational and developmental outcomes. The substantial allocation likely supported key areas such as infrastructure development, recruitment of teaching staff, and provision of learning materials. This represents a 15% increase compared to the previous year, signaling a renewed focus on ECE funding by county governments.

In 2020-2021, per capita of 4996.68 Kenya shillings was slightly higher than the subsequent years. The following year 2021-2022, the per capita allocation dropped to 4,212.11 Kenya shillings, a decline of approximately 15.7% compared to the previous year. This reduction in funding may be attributed to resource constraints or shifting budget priorities within county governments. The per capita allocation witnessed a modest increase in 2022-2023, rising to 4,468.41 Kenya shillings per

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child, representing a 6% improvement from the previous year. However, the recovery was not sufficient to match the higher funding levels observed in 2020-2021 and 2023-2024.

3.1.6 County ECE Budget Absorption

The study aimed to assess how allocated budgets for Early Childhood Education (ECE) were expended across all 47 counties in Kenya. The analysis, as presented in Figure 3.1.6.1, revealed significant variability in budget utilization, with trends and patterns differing distinctly among the counties. These disparities highlight the varying degrees of financial management, resource prioritization, and implementation efficiency at the county level, reflecting the unique challenges and approaches adopted by individual counties in addressing the needs of ECE programs.

In the 2020-2021 financial year, counties utilized 65% of their allocated budgets for Early Childhood Education (ECE) programs, based on an average from 45 counties. Two counties; Elgeyo/Marakwet and Busia did not spend their budgets during the financial year. This relatively moderate absorption rate suggests that while a significant portion of the allocated funds was spent, challenges such as inefficiencies in fund disbursement, bureaucratic delays, and difficulties in program implementation likely hindered full utilization. Despite these hurdles, the majority of counties demonstrated a reasonable ability to execute ECE-related programs and projects.

The following year, 2021-2022, saw an improvement in budget absorption, with 72% of the allocated funds utilized across an average of 44 counties. Three counties; Mombasa, Machakos and Busia did not spend their budgets during the financial year. This increase indicates progress in the effective use of allocated resources, reflecting improved planning, execution, or administrative efficiencies. The trend of a steady absorption rate continued into the 2022-2023 financial year, with counties maintaining a 72% absorption rate based on an average from 43 counties. Four counties; Isiolo, Trans-Nzoia, Uasin Gishu and Busia did not spend their budgets during the financial year. It is important to note a concerning trend in the number of counties failing to absorb their allocated budgets. In 2020-2021, two counties were reported not to have utilized their allocations, increasing to three counties in 2021-2022, and further to four counties in 2022-2023. This gradual rise in the number of counties with unutilized funds highlights persistent challenges in financial management and program implementation at the county level.

Generally, inability to fully utilize allocated budgets can have far-reaching consequences, including delays in equipping and resourcing pre-primary classrooms, inadequate teacher support,

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and reduced service delivery. These challenges ultimately affect the quality and reach of ECE services, potentially disadvantaging young learners who rely on public pre-primary education programs. This significant drop in budget utilization underscores the importance of addressing systemic inefficiencies and ensuring timely disbursement and expenditure of funds. Qualitative data from interviews with county officials revealed that delays in fund disbursement and bureaucratic hurdles are major barriers to effective budget utilization. Without these improvements, counties risk under-delivering on their mandate to provide quality ECE services, which is a critical foundation for lifelong learning and development. Strengthening financial accountability, streamlining administrative processes, and enhancing capacity building for county governments will be key to reversing this trend and ensuring effective utilization of resources for the benefit of young learners.

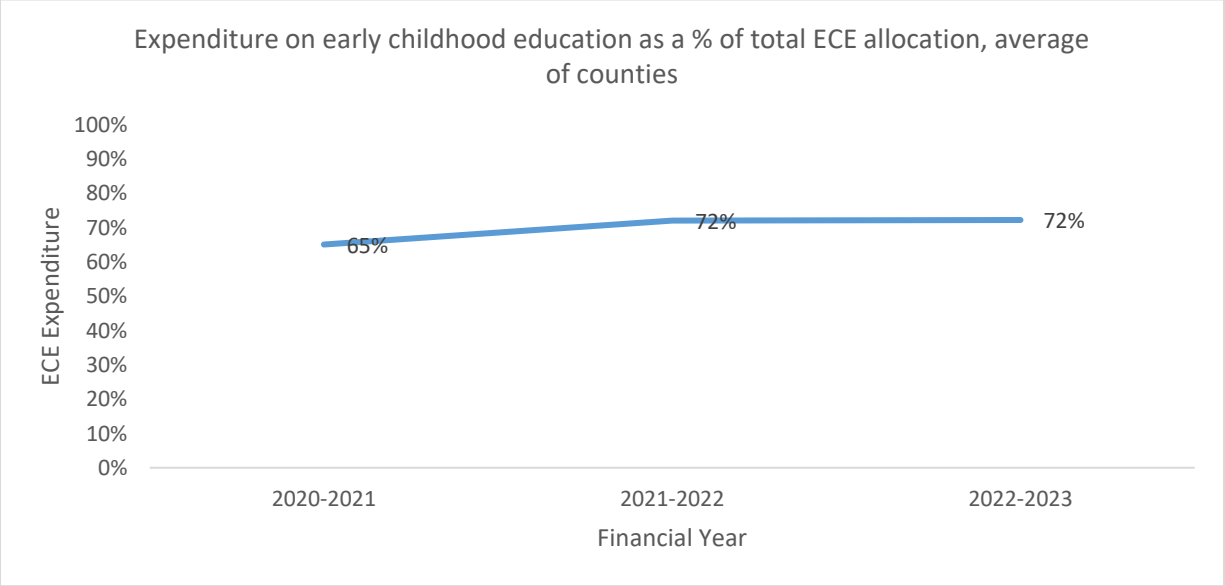


Figure 3.1.6.*1: Budget Absorption for ECE Programmes across 47 Counties (2020-2023)*

3.1.7 Budget Allocation in the Sampled Seven Counties

Data from seven counties analyzed shows varying trends in budget allocation, reflecting diverse priorities and resource capacities as indicated in Figure 3.1.7.1.

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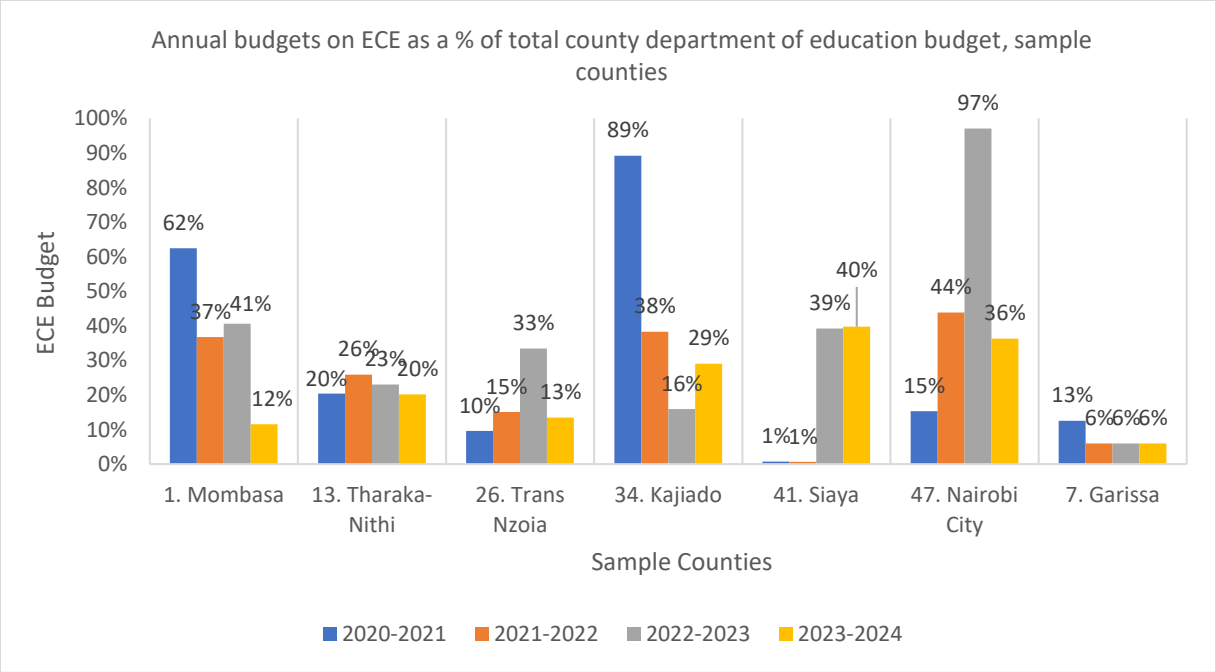


Figure 3.1.7.1: Budget Allocation to ECE Programmes in Sample Counties (2020-2024)

Figure 3.1.7.1 shows that, in Mombasa County, the allocation for ECE, referred to as childcare/pre-primary education, exhibited a downward fluctuation over the review period. In the 2020–2021 financial year, Mombasa allocated 62% of its Department of Education budget to ECE programs. However, this allocation decreased to 37% in 2021–2022 and saw a slight increase in 2022–2023 to 41%, reflecting a renewed but modest commitment to ECE. By 2023–2024, the allocation dropped significantly to 12%, indicating a sharp reduction in financial support for ECE. The Department of Education in Mombasa oversees three main sub-programs: general administration and support services, the Elimu Fund, and childcare services, which includes ECE.

Tharaka-Nithi County exhibited a different pattern almost consistent in the percentage allocation in the study period among the sampled counties with about 6% variation between the lowest and the highest allocation. In the county, the department runs three programs including Promotion of Basic Education ECDE, Youth Training and Capacity Building, Administration Planning and Support Services. In 2020-2021, the county allocated 20% of its budget to ECE programs. This allocation increased to 26% in 2021-2022, showing a positive trend. In 2022-2023, the allocation dropped to 23%, and further dropped to 20% in 2023-2024 fiscal year.

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Like Mombasa and Tharaka Nithi counties, Trans Nzoia County showed notable inconsistency, and the allocation for the four years were towards ECDE infrastructure. There was the lowest budget allocation for ECE in 2020-2021, a steady increase in 2021-2022 and 2022-2023 with allocation of 10%, 15%, and 33% respectively and a decrease to 13% in 2023-2024.

Kajiado County had the highest allocation in 2020-2021 financial years of up to 89% of its budget on education department going to ECE. The allocation decreased to 38% in 2021-2022 and further reduced to 16% in 2022-2023. However, there was a slight increase in allocation for 2023-2024, with the allocation surging to 29%.

Siaya County's budget allocation also varied. In 2020-2021 and 2021-2022, Siaya County allocated 1% of its budget to ECE. The budget increased to 39% and 40% in 2022-2023 and 2023-2024 respectively, indicating a substantial rise in financial commitment. In Nairobi City County, there was an increase trend in the first three years from 15% in 2020-2021 to 97% in 2022-2023, highest among the 7 sampled counties. The allocation slightly decreased to 36% in 2023-2024.

Garissa County allocated 13% of its education department's budget to ECE in 2020-2021. The allocation decreased to 6% in 2021-2022 and was consistent in the two subsequent years, indicating a reduced focus on early childhood Education. Amongst the seven sampled counties, Garissa maintained consistently low allocations, with only 6-13% of its budget dedicated to ECDE, potentially reflecting systemic barriers in resource mobilization or prioritization.

3.1.8 Budget Absorption in the Sampled Seven Counties

The study assessed how the allocated budget were expended in the seven sampled counties. The analysis presented in Figure 3.1.8.1 for ECE indicate significant variability specific to each sampled county.

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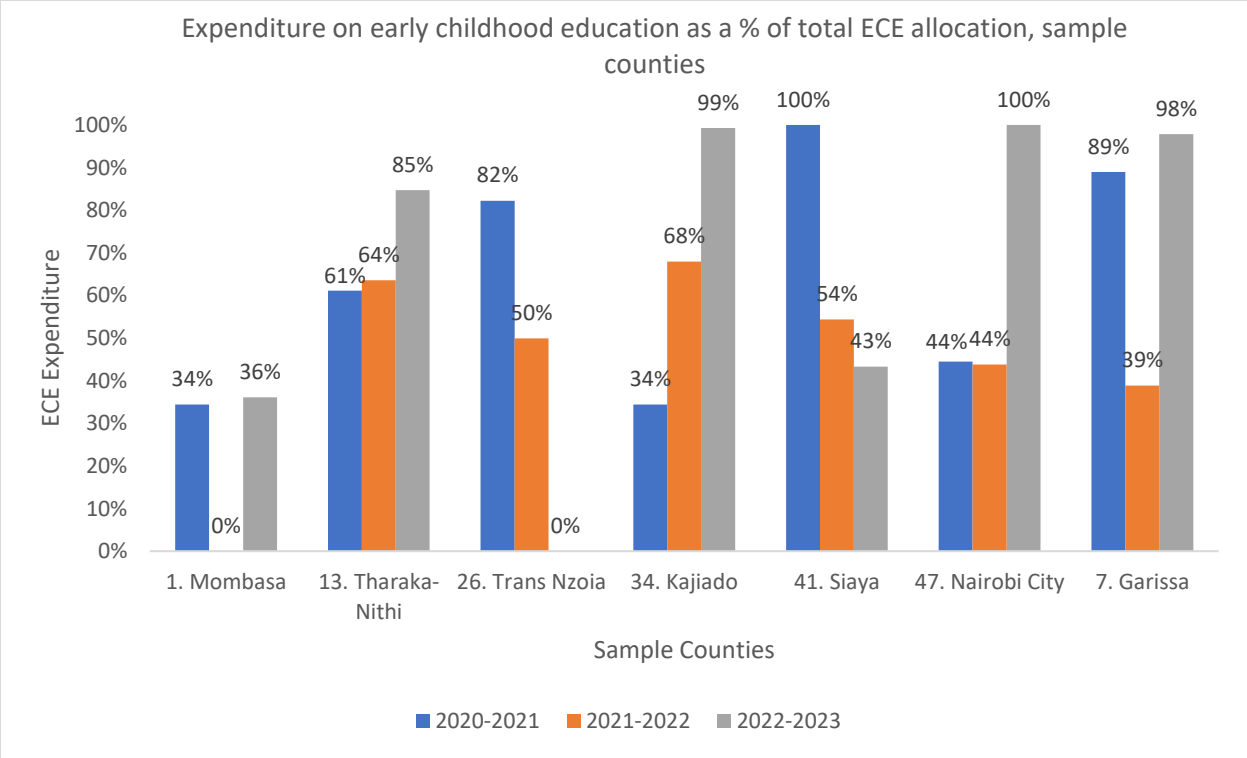


*Figure 3.*1.8.*1: Budget Absorption for ECE Programmes in Sample Counties (2020-2023)*

During the four years under review, Mombasa County exhibited consistently low levels of budget absorption for its ECE programs. Across all financial years, the county failed to utilize more than 50% of the allocated budgets. The highest recorded absorption rate was 36% in the 2022–2023 financial year, while no funds allocated for ECE were expended in the 2021–2022 fiscal year. This trend implies significant inefficiencies in the utilization of resources, possibly due to a shift of funds toward other sectors within the department or a reallocation to entirely different departments. Such challenges in budget absorption may hinder the county's ability to deliver essential ECE services, impacting the overall quality and accessibility of early childhood education.

Tharaka-Nithi County displayed a more positive trend in the utilization of ECE budgets during the first three financial years. Generally, in the first three years the county had expended more than 50% of the allocated amounts in 2020–2021, the county achieved a 61% budget absorption rate, which increased slightly to 64% in 2021–2022. A significant improvement was observed in 2022–2023, with an increase of approximately 21 percentage points, resulting in an 85% budget absorption rate. Despite showing improvements in budget utilization over the years, none of the

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financial year under review recorded full absorption of the allocated funds, indicating room for improvement in financial management and utilization.

In contrast, Trans Nzoia County exhibited a declining trend in budget absorption for ECE programs. In 2020–2021, the county utilized 82% of its allocated ECE budget, demonstrating effective use of resources during that financial year. However, this trend declined significantly in subsequent year, with no funds absorbed in 2022–2023 fiscal year. This complete lack of budget utilization in the latter year raises concerns about systemic challenges, such as delays in fund disbursement, administrative inefficiencies, or a lack of prioritization of ECE programs.

Kajiado County demonstrated an overall increasing trend in the absorption of allocated budgets for ECE over the first three years of the study period. In 2020–2021, the county utilized only 34% of its allocated funds. However, the situation improved notably in 2021–2022, with a budget absorption rate of 68%. This upward trajectory peaked in 2022–2023, with the county achieving an up to 99% expenditure rate, indicating near-complete utilization of the allocated ECE funds.

Siaya County, in contrast, exhibited a declining trend in budget absorption over the three years. In 2020–2021, it achieved a 100% budget absorption rate, fully utilizing the funds allocated to ECE programs. However, this performance diminished significantly in subsequent years, with absorption rates dropping to 54% in 2021–2022, and 43% in 2022–2023. The declining absorption rates highlight the need for the county to address systemic inefficiencies to ensure resources allocated for early childhood education are fully utilized.

Nairobi City County's budget absorption pattern presented a mixed picture. During the first two years, 2020–2021 and 2021–2022, the county utilized only 44% of its allocated funds, reflecting less-than-half performance in budget execution. However, the county demonstrated remarkable improvement in the latter year, achieving a 100% absorption rate in 2022–2023.

Garissa County displayed a concerning pattern of budget absorption for ECE programs. In 2020–2021, the county utilized 89% of its allocated funds, reflecting an almost complete of expenditure on ECE programs for that year. The utilization dropped in 2021–2022, with an expenditure rate of 39% which increased to 98% in 2022-2023 financial year.

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3.1.9 Conclusion

It is apparent from the findings that there is varying degrees of budget allocation and absorption by different counties and nationally. Allocation of funds means early childhood education services will be availed to children who deserve preprimary education. However, when allocated funds are not utilized for the intended purposes, then the quality of the services provided is compromised. The reason why most children can't access ECE centers is that some counties don't guarantee this. Most counties have made tremendous efforts to improve the sector by constructing classrooms, providing micronutrient supplements, deworming drugs and vitamin A, employing more teachers, and paying water and electricity bills. Much needs to be done to improve the services provided in the sector.

The analysis of ECE budget allocation and expenditure across Kenya's counties reveals that, while counties have made notable efforts to allocate funds to ECE programs, budget absorption rates and per capita allocation reveal inconsistencies in financial management, utilization and prioritization. Counties such as Tharaka-Nithi showed relatively consistent commitment to ECE funding, while others like Trans Nzoia and Garissa exhibited minimal or erratic expenditures, reflecting systemic barriers. Additionally, the national government's minimal role in direct ECE funding aligns with its limited mandate in this devolved function. However, the lack of growth in overall allocation and absorption rates poses a significant challenge to achieving equity and quality in early childhood education. These findings emphasize the need for a more strategic and coordinated approach to ensure sustainable financing and implementation of ECE programs across the country.

3.1.10 Recommendations

1. There is need to improve budget absorption and financial accountability: Counties should enhance their capacity to utilize allocated funds effectively. Streamlining financial processes, reducing bureaucratic hurdles, and strengthening monitoring mechanisms will help maximize the impact of ECE budgets.
2. Increase and sustain funding for ECE: Counties should prioritize consistent and incremental increase in ECE budgets to meet growing demands for infrastructure, teacher training, and learning materials. This will ensure sustained improvements in access and quality.

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3. Enhance national government support on ECE: While ECE is a devolved function, the national government should provide targeted support through policy guidance, capacity building, and supplementary funding to ensure uniformity and equity in service delivery across counties.
4. Focus on equity in resource distribution: Counties with low allocations, such as Garissa, should implement strategies to increase funding and resource allocation to underserved areas. Equitable distribution of resources is essential to close gaps in access to quality education.

3.2 FINDINGS ON PRIMARY HEALTH CARE FINANCING

Indicators:

1. Budget allocation to Primary Health Care as a percentage of total National Ministry of health/County Department of Health budget
2. Expenditure on Primary Health Care as a percentage of total National Ministry of health / County Department of Health budget

3.2.1 Introduction

Primary Health Care (PHC) is the backbone of a strong and equitable health system, providing essential services that promote health, prevent disease, and ensure early detection and treatment. In Kenya, the 2010 Constitution devolved health service delivery to county governments while retaining critical policy and regulatory functions at the national level through the Ministry of Health (MoH). The national government remains responsible for setting standards, formulating health policies, and allocating resources to national health programs, while counties are mandated to manage and deliver primary, secondary, and selected tertiary health services within their jurisdictions (Republic of Kenya, 2010).

Despite PHC being a constitutional priority, recent trends in budget allocation and expenditure raise concerns about its financing sustainability. Between 2020 and 2024, national budgetary allocation to PHC declined from 25% to 18%, signaling a waning emphasis on promotive and

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preventive care as highlighted in this report. Similarly, nominal and per capita PHC budgets followed a downward trajectory, potentially undermining the government's commitment to Universal Health Coverage (UHC).

At the county level, allocations to PHC averaged between 11% and 16% of total health budgets across the 47 counties. However, inconsistencies in year-to-year funding and significant disparities in per capita spending and budget absorption were evident. These challenges point to systemic issues in financial planning, resource prioritization, and implementation efficiency. Given the centrality of PHC in achieving health equity and resilient health systems, a sustained and coordinated financing approach is critical to reversing current trends and strengthening service delivery at both national and county levels.

3.2.2 National Level PHC Budget Allocation

Figure 3.2.2.1 presents a clear downward trend in the allocation of the national Ministry of Health (MOH) budget to PHC over a four-year period. PHC is measured here using a proxy indicator that captures investments in promotive and preventive health services. The data shows that between 2020–2021 and 2021–2022, PHC allocation declined from 25% to 23%, indicating an early sign of reduced prioritization. This allocation remained unchanged in 2022–2023, reflecting a period of stagnation in PHC investment. However, the situation worsened significantly in 2023–2024, when the allocation dropped sharply to 18%. This substantial reduction raises serious concerns about the government's commitment to supporting PHC, especially amid rising healthcare demands. The persistent decline suggests a shift in national health financing away from preventive and community-level care, which could undermine efforts to strengthen health systems, advance equity, and achieve universal health coverage.

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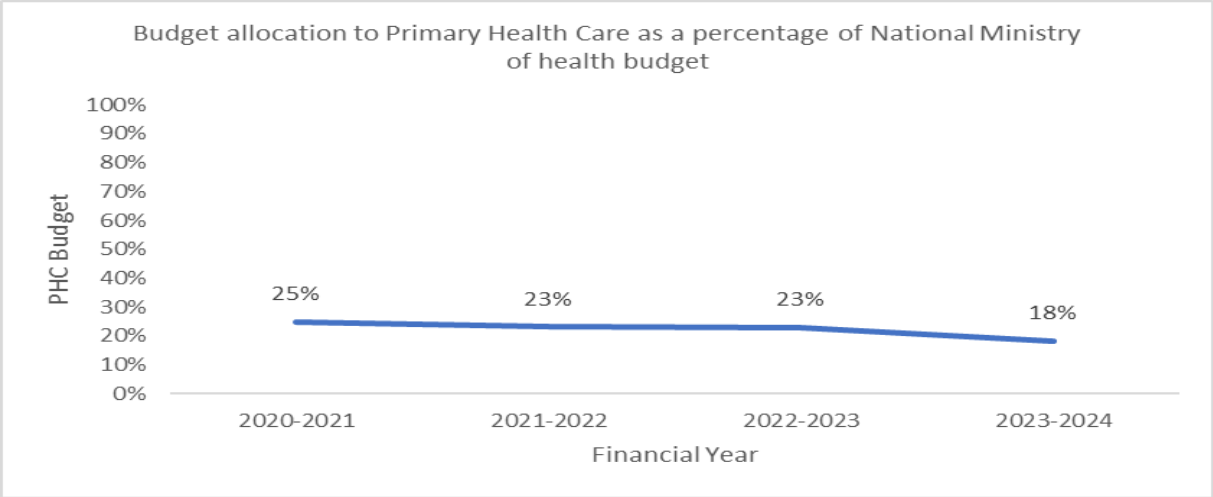


Figure 3.2.2.1: Proportion of National Budget Allocated to Primary health care

Figure 3.2.2.2 illustrates the nominal budget allocation for PHC programs at the national level between 2020 and 2024. The data shows a gradual decline in the nominal budget over the four fiscal years, indicating a reduction in the actual amount of financial resources allocated to PHC programs without adjusting for inflation. This downward trend suggests diminishing investment in the delivery of essential PHC services. The continued decrease in nominal funding is likely to constrain the capacity of the health system to provide accessible, equitable, and quality primary health care, particularly in underserved areas. As PHC forms the foundation of a resilient and inclusive health system, reduced budgetary support may hinder progress toward achieving universal health coverage and meeting the growing health needs of the population.

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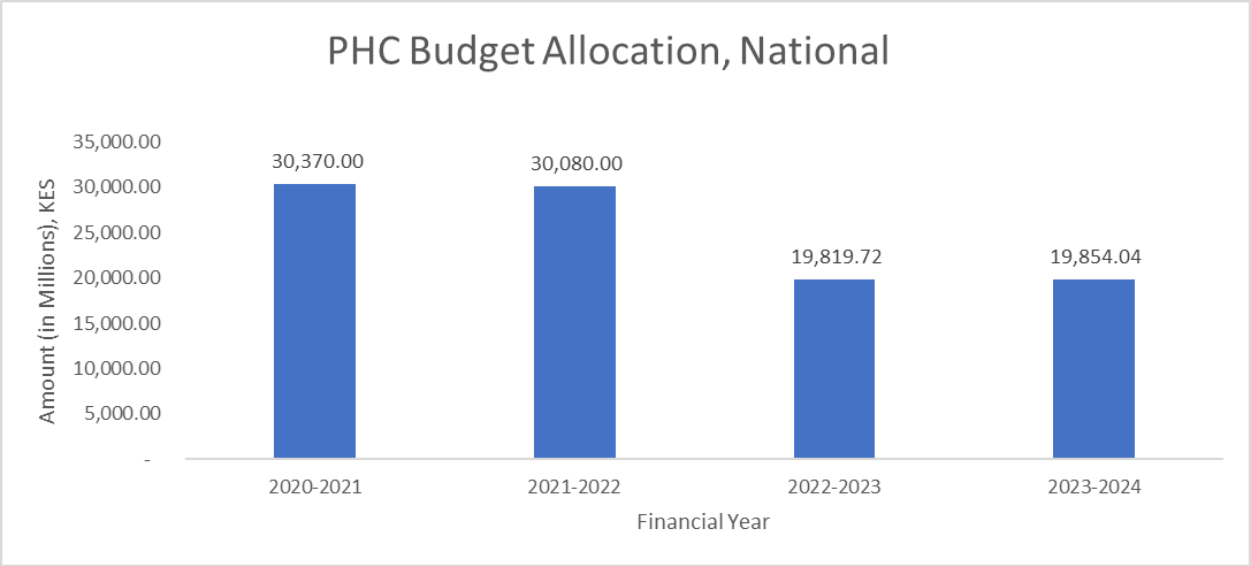


Figure 3.2.2.2: Nominal Budget Allocation for PHC Programs (2020-2024), at National level

3.2.3 National Per capita trend for PHC budget allocation

Figure 3.2.3.1 presents the national per capita budget allocation for PHC across four fiscal years. The data reveals a modest increase in per capita allocation between 2020–2021 and 2021–2022, suggesting a potential policy emphasis on strengthening PHC services during that period. However, this upward trend was not sustained. From 2021 to 2024, there is a marked decline in per capita allocation, indicating a significant reduction in the financial resources dedicated to PHC on a per-person basis. This downward trend implies diminished investment in preventive and community-level health services, which may affect the accessibility and quality of care, especially for vulnerable populations. The reduction in per capita funding raises concerns about the ability of the health system to adequately meet individual healthcare needs and may hinder progress towards achieving universal health coverage.

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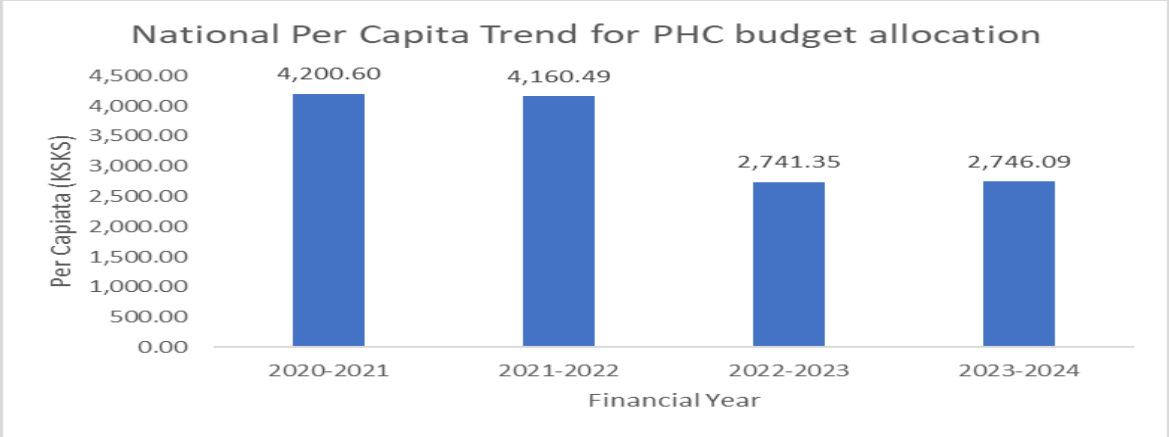


Figure 3.2.3.1: National Per capita Trend for PHC budget allocation

3.2.4 National PHC Budget Absorption

Figure 3.2.4.1 illustrates the expenditure on Primary Health Care (PHC) as a percentage of the total national Ministry of Health (MOH) budget over the three fiscal years from 2020 to 2023. The data reveals notable fluctuations in PHC spending at the national level, with expenditure percentages ranging from a low of 42% to a high of 68%. This significant variability highlights an inconsistent commitment to PHC funding over the period. Such fluctuations may reflect shifting national priorities, emergency health responses, or broader fiscal constraints. The lack of consistency in allocating funds to PHC raises concerns about the sustainability of investments in preventive and community-level health services, which are critical to improving overall health outcomes and achieving universal health coverage.

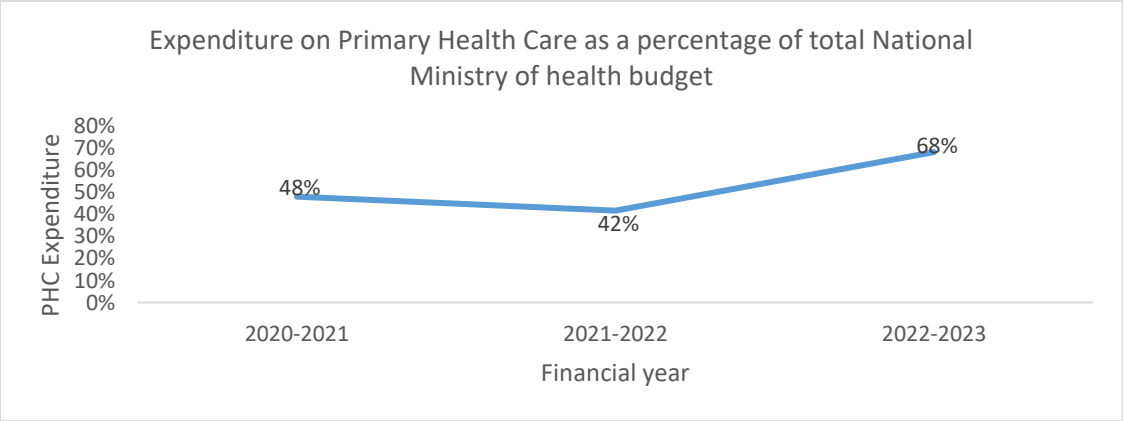


Figure 3.2.4.1: Expenditure on PHC as a percentage of total National MOH budget

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3.2.5 County PHC Budget Allocation

The data in Figure 3.2.5.1 shows the budget allocation to Primary Healthcare (PHC) as a percentage of the total county health department budgets, averaged across the 47 counties for four fiscal years.

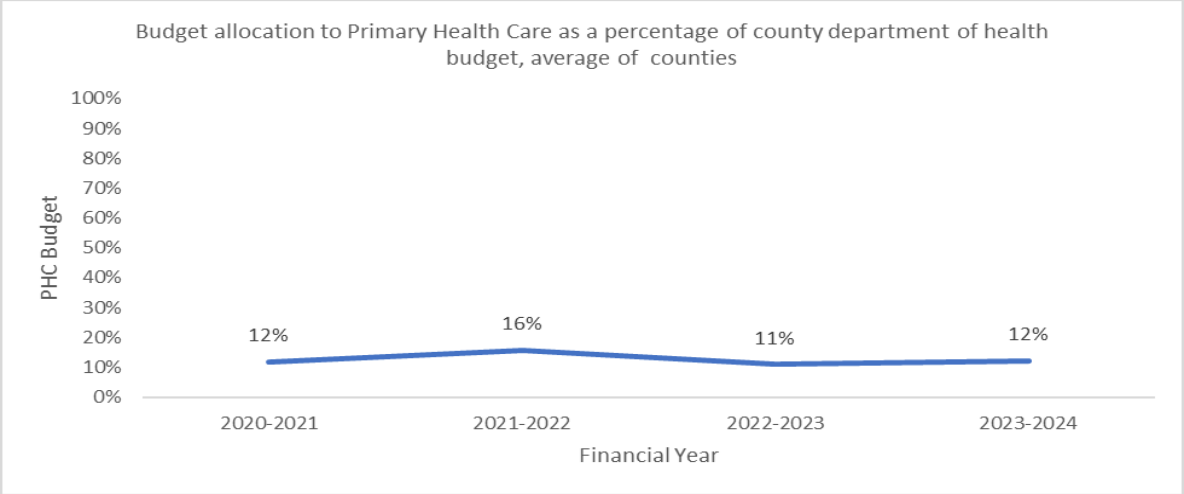


Figure 3.2.5.1: Budget allocation for Primary Health Care across 47 Counties (2020-2024)

Figure 3.2.5.1 presents the budget allocation to PHC as a percentage of the total county health department budgets, averaged across 47 counties over four fiscal years. The data reveals notable fluctuations in PHC budget prioritization during this period. In the 2020–2021 fiscal year, 43 out of 47 counties allocated an average of 13% of their health budgets to PHC. This figure rose to a peak of 16% in 2021–2022, again based on data from 43 counties, suggesting a heightened focus on strengthening PHC services during that time.

However, this progress was not sustained, as the allocation dropped sharply to 11% in 2022–2023, even though data was available from 44 counties. A modest recovery to 12% was observed in 2023–2024, with the same number of counties reporting. Overall, PHC allocations remained within a range of 11% to 16% of county health budgets over the four years. While this indicates that PHC is acknowledged as a priority area, the relatively small and inconsistent portion of resources devoted to it suggests that other areas such as curative services and administrative functions may be receiving more substantial attention and funding. The allocation in 2023–2024 mirrors that of 2020–2021, pointing to a stagnation in efforts to elevate PHC within county health spending priorities.

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3.2.6 Per capita Allocation of PHC budgets at County level

Figure 3.2.6.1 illustrates the per capita allocation trends for the counties.

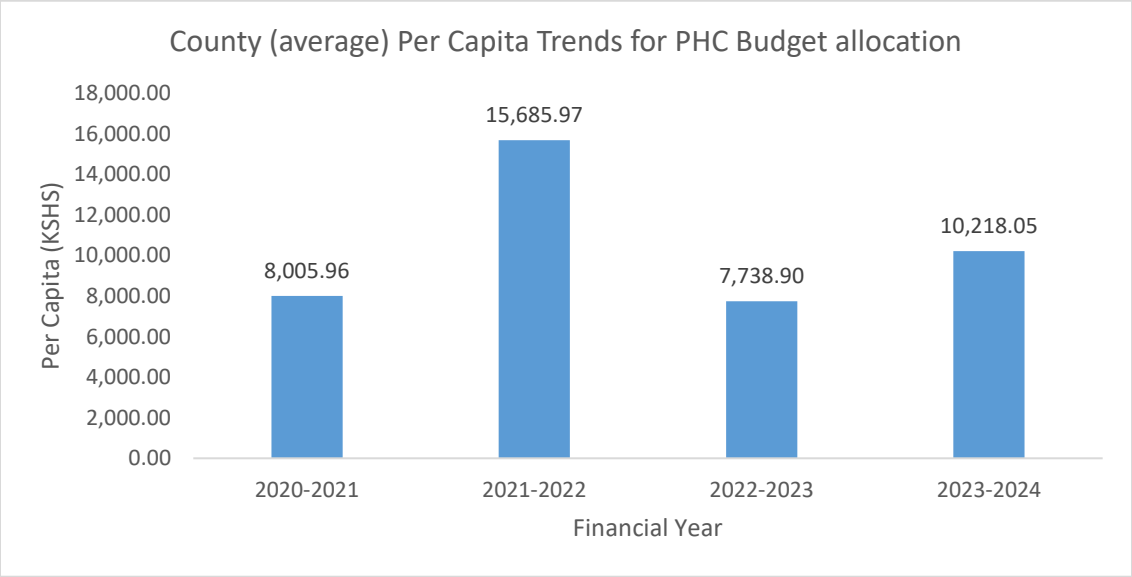


Figure 3.2.6.1: County average per capita trends

Figure 3.2.6.1 illustrates the average per capita allocation trends for counties, revealing significant year-to-year fluctuations. The data shows a pronounced peak in per capita allocation in the 2021–2022 fiscal year, followed by a sharp decline in the years that followed. This volatility in allocation levels suggests potential inconsistencies in funding priorities or challenges in resource distribution at the county level. Such irregular trends may reflect shifts in policy focus, external funding influences, or broader fiscal constraints. The decline in per capita allocation is particularly concerning, as it may compromise the delivery and accessibility of essential Primary Health Care (PHC) services, disproportionately affecting vulnerable and underserved populations. Sustained and equitable per capita investment is crucial to ensure the continuity and quality of PHC across all counties.

3.2.7 County PHC Budget Absorption

Figure 3.2.7.1 presents the expenditure on PHC as a proportion of the total county health department budgets, averaged across 47 counties over a four-year period. The data reveals a relatively stable trend in PHC expenditure during the first three fiscal years, with allocations consistently ranging between 72% and 73%. This stability reflects a strong and sustained focus on PHC services, aligning with national and county-level efforts to prioritize community-based

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healthcare and preventive interventions. Such a high proportion of health budgets dedicated to PHC suggests that counties recognized its critical role in improving population health outcomes and reducing the burden on higher-level health facilities. Over the four years, the number of counties that reported PHC expenditure were 39 in the first year, 41 in the second and third years, and 39 again in the final year. While these figures indicate broad participation in PHC budgeting, the slight variation in reporting counties may affect the comparability of annual averages and highlights the need for improved consistency in financial reporting across all counties.

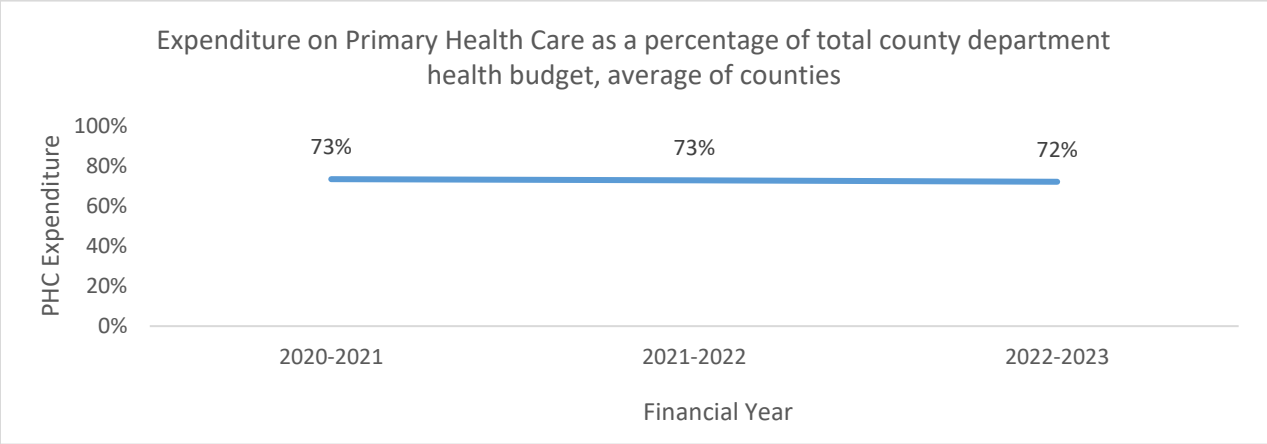


Figure 3.2.7.1: Average County Budget Expenditure for Primary Health Care (2020-2023)

3.2.8 County PHC Per Capita Budget Absorption

Figure 3.2.8.1 presents the county per capita budget expenditure for PHC.

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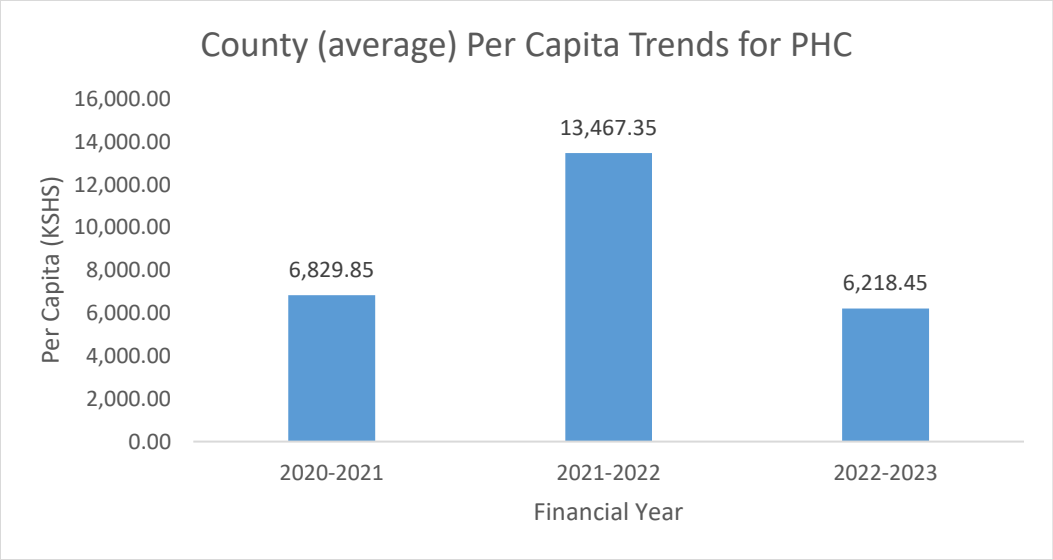


Figure 3.2.8.1: County per capita trends for PHC expenditure

Figure 3.2.8.1 illustrates the trends in county per capita expenditure on PHC, revealing notable fluctuations over the observed period. A significant rise in per capita PHC allocation is evident between the 2020–2021 and 2021–2022 fiscal years, indicating a period of increased attention and investment in county-level PHC services. This upward shift may reflect targeted efforts to strengthen PHC, possibly in response to heightened healthcare needs or policy priorities during that time. However, the subsequent sharp decline in per capita expenditure from 2021–2022 to 2022–2023 signals a concerning reduction in financial commitment to PHC. This downward trend suggests diminished support for essential health services, which could have adverse effects on the accessibility and quality of care, particularly in rural and marginalized communities that rely heavily on public health facilities. The variability in per capita PHC spending underscores the need for more consistent and sustained investment to ensure equitable health outcomes across all counties.

3.2.9 Sample Counties PHC Budget allocation

An analysis of Primary Health Care (PHC) budget allocations across seven selected counties over a four-year period reveals considerable variability, underscoring differences in county priorities

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and resource capabilities. The data, as illustrated in Figure 3.2.9.1, presents PHC allocations as a percentage of the total county department budgets.

Mombasa County consistently allocated a relatively low proportion of its budget to PHC. Although there was a notable increase to 7% in the 2021–2022 fiscal year likely due to targeted healthcare interventions this was not sustained, with the allocation sharply falling to 2% by 2023–2024. This pattern suggests minimal prioritization of PHC, raising concerns about the potential impact on healthcare service delivery.

In contrast, Tharaka-Nithi County maintained relatively stable and higher allocations to PHC, ranging between 15% and 17% over the review period. This consistency points to a strong and sustained commitment to healthcare, with PHC clearly positioned as a central component of the county's health strategy.

Trans Nzoia County recorded its highest PHC allocation at 26% in 2021–2022, indicating a significant focus on primary healthcare during that period. However, this emphasis waned in the following years, with allocations dropping to 16% and then to 15%. While still comparatively high relative to other counties, the downward trend signals a potential decline in prioritization.

Kajiado County exhibited a marked and continuous reduction in PHC budget allocation, decreasing from 9% in 2020–2021 to just 2% in 2023–2024. This trend reflects a substantial de-prioritization of PHC, which could hinder access to essential healthcare services and negatively affect health outcomes.

Siaya County showed a gradual but steady increase in its PHC budget allocation, reaching 11% in 2023–2024. This trajectory suggests a growing recognition of the importance of PHC, which, if sustained, may lead to improved healthcare delivery and outcomes in the county.

Nairobi City County displayed extreme fluctuations in its PHC funding. The allocation surged to 59% in 2021–2022, possibly in response to extraordinary circumstances such as the COVID-19 pandemic. However, this was followed by a drastic decline to 5% and further down to 1% in the subsequent years, indicating limited long-term investment in PHC.

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Garissa County demonstrated a moderate but notable commitment to PHC, with allocations peaking at 17% in both 2021–2022 and 2023–2024. Although there was a dip to 10% in 2022–2023, the subsequent recovery suggests efforts to restore focus on primary healthcare.

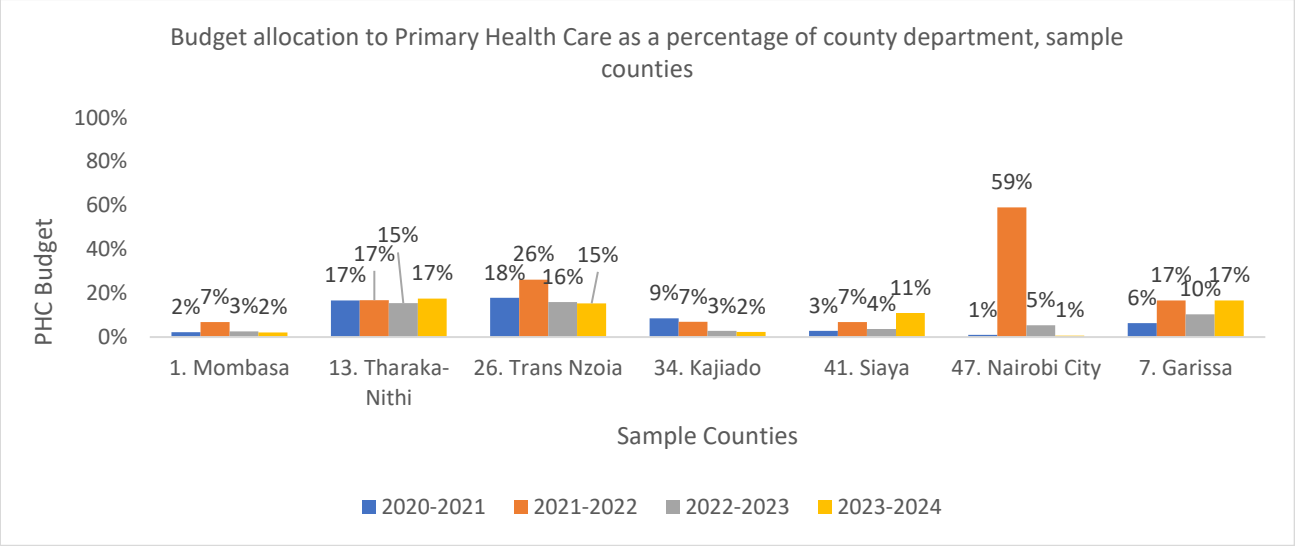


Figure 3.2.9.1: Budget Allocation to Primary Health Care in Sample Counties (2020-2024)

Overall, the analysis highlights significant disparities in PHC funding patterns, reflecting each county's strategic orientation and the extent to which primary healthcare is prioritized within their broader health agendas.

3.2.10 Sampled Counties PHC Budget Absorption

Figure 3.2.10.1 presents data on PHC expenditure as a percentage of the total county health departments' budgets across seven sampled counties. The findings reveal significant variations in PHC spending patterns, reflecting differing levels of commitment to primary healthcare.

In Mombasa County, PHC expenditure in 2020–2021 exceeded the budget allocation by 13%, indicating an initial overcommitment to PHC. However, this level of investment was not maintained in subsequent years, with expenditures declining sharply, suggesting a reduced and unsustained financial commitment to PHC. Tharaka-Nithi County exhibited consistently high levels of PHC expenditure, peaking at 94% in 2022–2023. This pattern demonstrates the county's strong and stable prioritization of PHC in its healthcare spending.

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Trans Nzoia County initially recorded high PHC expenditure, with figures surpassing 70% in the first two fiscal years. However, a sharp drop to 26% in 2022–2023 reflects a significant decline in PHC focus, which could undermine earlier gains in service delivery. Kajiado County maintained high PHC expenditure levels, with 99% recorded in 2020–2021 and 81% in 2022–2023, indicating a consistent and strong commitment to PHC during this period.

Siaya County also demonstrated a consistent prioritization of PHC, with expenditure levels remaining close to or above 80% across all three fiscal years under review, suggesting a sustained focus on primary healthcare services. In stark contrast, Nairobi City County reported no expenditure on PHC for the entire three-year period, highlighting a critical gap and chronic underinvestment in this essential sector. This lack of spending poses serious concerns about access to basic health services for the county's large urban population.

Garissa County showed significant fluctuations in PHC expenditure. It allocated 100% of its health budget to PHC in 2020–2021 and 97% in 2022–2023. However, in the intervening year, spending dropped dramatically to 40%. This inconsistency may compromise the continuity and effectiveness of healthcare delivery, limiting progress in achieving long-term health outcomes.

Overall, the analysis reveals uneven commitment to PHC across counties, with some showing strong and sustained investment, while others exhibit erratic or negligible expenditure. These disparities highlight the need for strengthened accountability and more consistent financial prioritization of PHC to ensure equitable health service delivery across the country.

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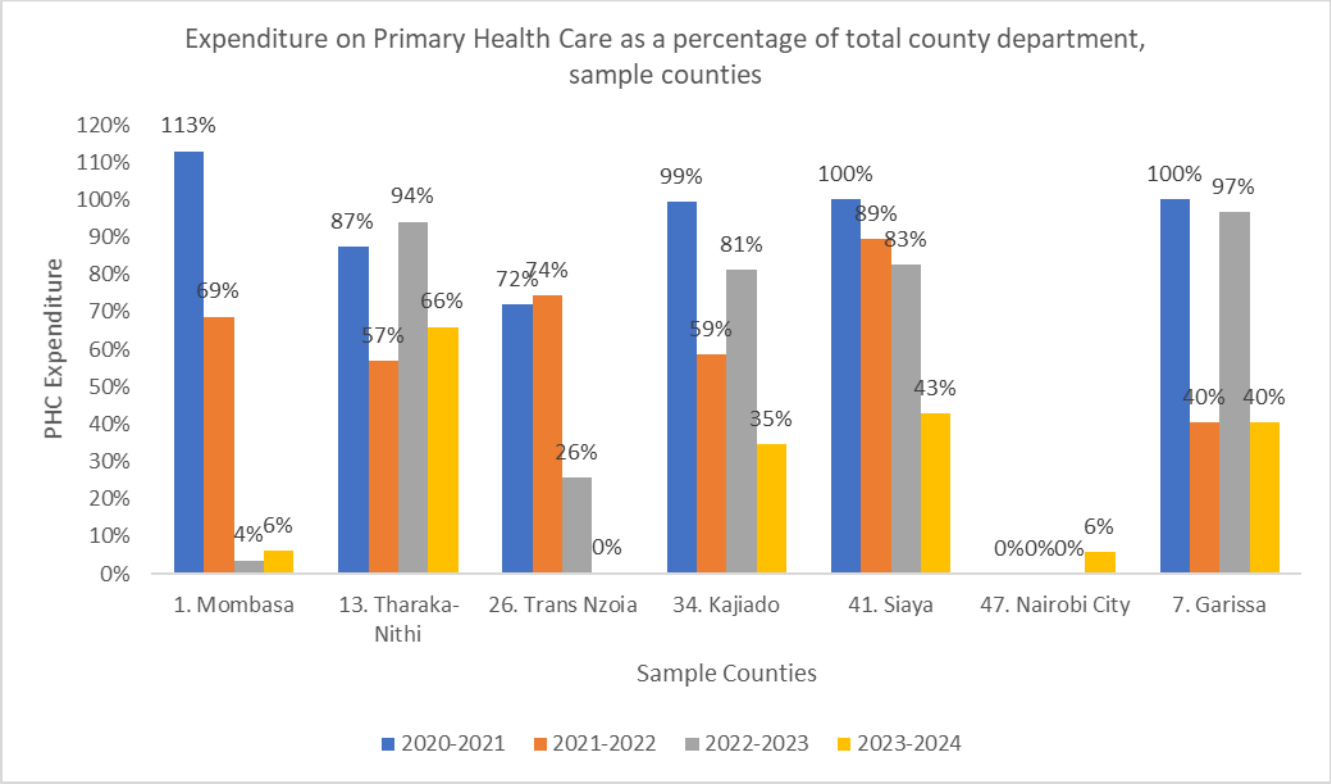


Figure 3.2.10.1: Budget Absorption for Primary Health Care in Sample Counties (2020-2023)

3.2.11 Conclusion

The analysis of Primary Health Care financing in Kenya presents a complex and evolving landscape marked by both progress and persistent challenges. While notable efforts have been made to allocate and expend resources on PHC at both national and county levels, several critical issues undermine the effectiveness and sustainability of these investments.

Firstly, there is a marked inconsistency in budget allocation to PHC across fiscal years at both levels of government. These fluctuations hinder long-term planning and the establishment of reliable, sustainable health service delivery systems. Secondly, underutilization of allocated funds is evident, particularly in some counties during the later years of the review period. This suggests gaps in budget execution and possible inefficiencies in health system management.

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Thirdly, there is significant variation in PHC funding and expenditure among counties. While some counties consistently prioritize PHC through robust and sustained investment, others demonstrate erratic or minimal commitment, resulting in inequitable access to primary healthcare services.

At the national level, a declining trend in PHC budget allocation raises concerns about the government's commitment to promotive and preventive healthcare. This downward trajectory may undermine national efforts to strengthen health systems and achieve universal health coverage.

Finally, county-level challenges remain prominent. Despite decentralization, many counties struggle to effectively absorb and utilize allocated PHC funds. Some experience sharp reductions in PHC expenditure, which may compromise service delivery and stall progress toward improved health outcomes.

Collectively, these findings underscore the need for stronger fiscal planning, accountability mechanisms, and targeted capacity building to ensure that both national and county governments can prioritize, allocate, and utilize PHC resources more effectively and equitably.

3.2.12 Recommendations

1. **Strengthen National-Level Policy and Coordination:** To enhance the effectiveness of Primary Health Care (PHC) financing, the national government should develop a comprehensive PHC strategy that outlines clear goals, measurable targets, and sustainable funding mechanisms. A robust monitoring and evaluation framework should be established to track PHC performance, budget execution, and resource utilization. Additionally, intergovernmental coordination between the national and county governments must be strengthened to ensure alignment of policies, planning, and implementation, thereby fostering a unified approach to PHC delivery across the country.
2. **Improve County-Level Financial Management:** County governments should reinforce their financial management systems by adopting transparent and accountable practices. This includes developing realistic, data-informed, and sustainable PHC budget plans tailored to local health needs. There is a need to enhance the efficiency of fund utilization by minimizing administrative costs and ensuring that resources are directed towards

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essential PHC services. Capacity building for county health and finance teams will also be critical in strengthening budgeting, procurement, and expenditure tracking processes.

3. **Prioritize PHC in Budget Allocations:** Both national and county governments must consistently prioritize PHC in their annual budget cycles. Adequate and predictable funding should be allocated to PHC to guarantee the uninterrupted delivery of essential promotive, preventive, and curative services. Prioritizing PHC in resource allocation will contribute significantly to the realization of universal health coverage, improved health outcomes, and reduced health inequities across the population.

3.3 FINDINGS ON SOCIAL WELFARE FINANCING

Indicators:

3. Budget allocation to social welfare programmes targeting children (0-5) and/or their families as a % of National department/County department of Children Services budget
4. Expenditure on social welfare programmes budget allocations targeting children (0-5) and/or their families as a % of the total allocation on National/County department of children services

3.3.1 Introduction

Social welfare plays a critical role in safeguarding the well-being of vulnerable populations, particularly young children and their families. The Constitution of Kenya (2010) establishes a shared mandate between the national and county governments in promoting social protection. While the national government is tasked with formulating policy and providing funding, county governments are responsible for adapting these policies to local contexts and delivering services directly to communities (Republic of Kenya, 2010).

The Department of Children Services, under the Ministry of Labour and Social Protection, leads national-level efforts by allocating resources to social welfare programs focused on children under five years of age and their families. At the county level, program administration varies, with some

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counties placing children's services under education or gender departments. This decentralization has led to inconsistencies in how social welfare services are structured and financed across counties (Final Financing Indicators Report, 2024).

Between 2020 and 2024, national budget allocations to child-focused social welfare programs increased significantly from 9% to 16% of the department's budget with corresponding gains in total and per capita funding. However, budget absorption rates fluctuated, indicating gaps in implementation and fund utilization. Similarly, county level allocations and spending patterns varied widely. Some counties demonstrated strong commitment, while others failed to allocate or utilize any resources for child-focused welfare. These disparities highlight the urgent need for enhanced planning, coordination, and accountability to ensure equitable and effective delivery of social welfare services to Kenya's youngest citizens.

3.3.2 National Level Social Welfare Budget Allocation

The analysis of budget allocation for social welfare programmes targeting children under the age of five and their families demonstrates a notable upward trend in national investment through the Department of Children Services. As illustrated in Figure 3.3.2.1, the proportion of the department's budget dedicated to these programmes increased from 9% in the 2020–2021 financial year to 16% in 2023–2024. This growth reflects an increasing recognition of the critical importance of early childhood welfare in shaping long-term developmental outcomes. It also signals a strengthened national commitment to supporting vulnerable young children and their families through targeted social protection measures. The trend aligns with broader policy goals aimed at enhancing early childhood development and promoting equity from the earliest stages of life.

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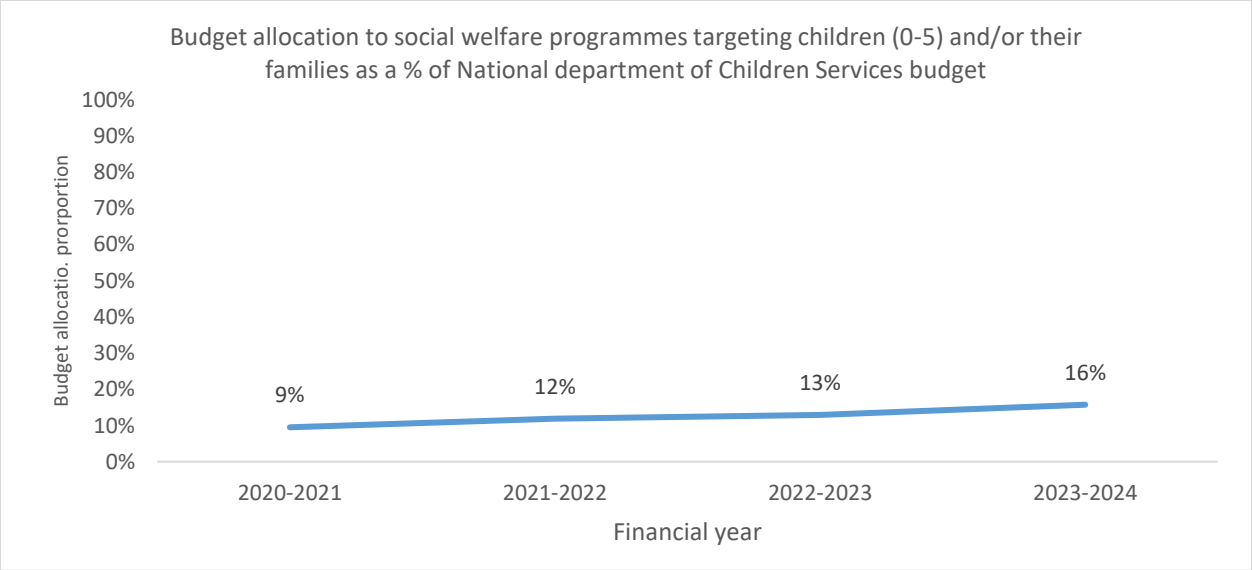


Figure 3.3.2.1: Proportion of National Budget Allocated to Social Welfare Programmes for Children (0-5)

In addition to the proportional increase, the nominal budget allocations for social welfare programmes targeting children under five and their families also rose significantly between 2020 and 2024. As shown in Figure 3.3.2.2, the actual allocation more than doubled from KES 3,070 million in the 2020–2021 financial year to KES 6,279.66 million in 2023–2024. This substantial rise in funding underscores the government's growing commitment to early childhood development. It reflects a deliberate policy shift toward prioritizing the welfare of young children and investing in their foundational years. The increased allocation not only enhances the capacity to deliver essential services to vulnerable families but also aligns with national goals of improving child well-being and reducing intergenerational poverty.

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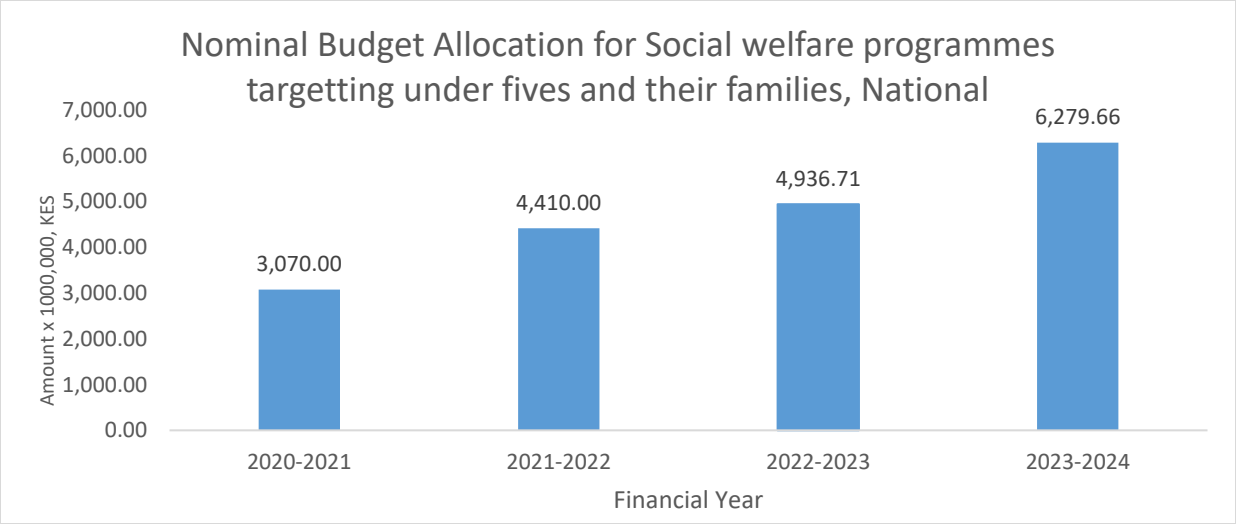


Figure 3.3.2.1: Nominal Budget Allocation for Child Social Welfare Programmes (2020-2024), at National level

The rise in nominal budget allocation for social welfare programmes between 2020 and 2024 translated into a significant and positive impact on per capita funding for children under five years of age. As illustrated in Figure 3.3.2.3, the per capita budget allocation increased from KES 425 in 2020 to KES 869 in 2024 nearly doubling within the four-year period. This upward trend reflects an enhanced commitment to ensuring that more financial resources are directed toward each child, thereby strengthening the capacity of social welfare programmes to deliver quality services and targeted support to vulnerable families. The growth in per capita allocations underscores the government's recognition of the foundational role early childhood welfare plays in human development and national prosperity.

Despite this progress, the overall level of social protection spending in Kenya remains low. According to a 2018 UNICEF report, social protection expenditure accounts for only about 2% of the national budget. While there is no explicitly defined benchmark for allocations targeting children under five, the report emphasizes the need for substantially higher investment in social welfare to effectively reduce poverty and improve child and family well-being. The current trends in increased per capita allocation are encouraging, but sustained and expanded investment is

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necessary to meet the growing needs of young children and to align with international best practices in social protection.

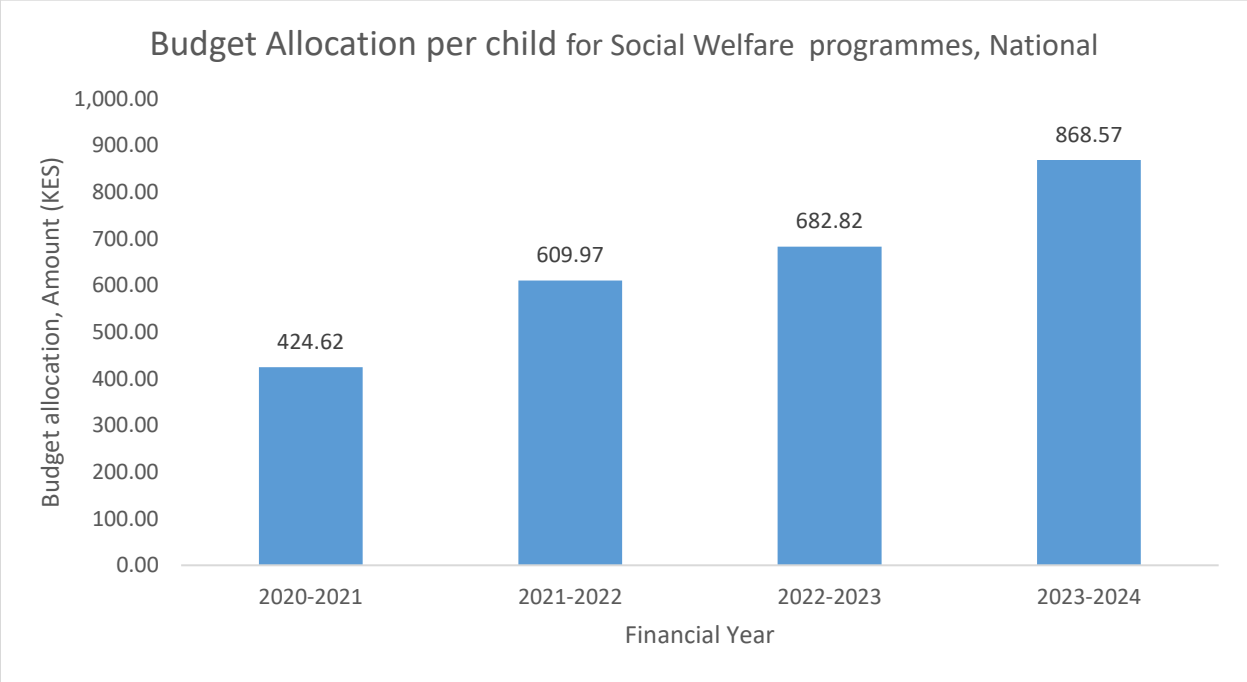


Figure 3.3.2.2: Per Capita Budget Allocation for Social Welfare Programmes (2020-2024), at National level

3.3.3 National Social Welfare Budget Absorption

The analysis of budget absorption for social welfare programmes targeting children under five and their families reveals notable fluctuations in the utilization of allocated funds over the four-year period from 2020 to 2023. As shown in Figure 3.3.3.1, the percentage of the budget actually spent varied significantly year by year, reflecting inconsistencies in financial execution.

In the 2020–2021 financial year, expenditure exceeded the allocated budget, reaching 101%. This over-expenditure suggests either an underestimation of resource needs during the planning phase or the emergence of unforeseen demands that necessitated additional spending. However, this trend did not persist. In the 2021–2022 fiscal year, budget absorption dropped sharply to 87%, indicating that a substantial portion of the allocated funds remained unused. The situation improved slightly in 2022–2023, with a budget absorption rate of 95%, but it still fell short of full utilization.

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These fluctuations in budget absorption have significant implications for the efficiency and reliability of social welfare programme delivery. Inconsistent spending can disrupt service continuity, undermining the quality and reach of interventions aimed at supporting vulnerable children and families. Low absorption rates may point to systemic inefficiencies, such as delays in fund disbursement, administrative bottlenecks, or implementation challenges at various levels of government. On the other hand, over-expenditure, as seen in 2020–2021, can strain public resources and potentially create fiscal imbalances if not properly managed.

To enhance the effectiveness of social welfare programming, there is a need for improved planning, timely disbursement, streamlined processes, and stronger accountability mechanisms to ensure that budgeted funds are fully and efficiently utilized for their intended purposes.

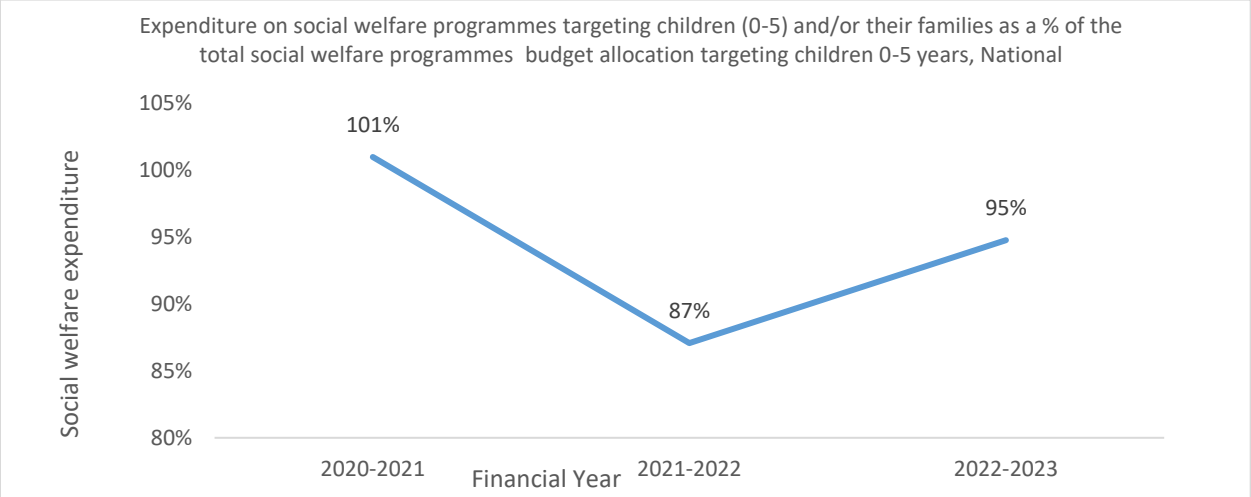


Figure 3.3.3.1: National Expenditure as a Percentage of Allocated Budget for Social Welfare Programmes (2020-2023)

3.3.4 County- Social Welfare Budget Allocation

Figure 3.3.4.1 illustrates the average budget allocation for social welfare programmes as a percentage of the County Department of Children Services budgets across a four-year period from 2020 to 2024. The data reveals notable variability in county-level prioritization of early childhood welfare.

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In the 2020–2021 financial year, the average allocation stood at 25%, based on data from 38 counties. This rose to 27% in 2021–2022 from 37 counties, indicating a positive shift towards increased investment in social welfare programmes for young children and their families. However, this upward trend was not sustained. The average allocation slightly declined to 26% in 2022–2023, based on 40 counties, and fell more sharply to 20% in 2023–2024, based on data from 41 counties.

These fluctuations suggest that while there was an initial effort to enhance financial support for early childhood welfare at the county level, maintaining consistent investment has proven difficult. The declining trend in recent years raises concerns about the sustainability of county-level social welfare initiatives and the ability of counties to meet the needs of vulnerable children and families. It underscores the need for strengthened commitment, improved planning, and sustained budgetary prioritization to ensure the effective delivery of child-focused social protection programmes.

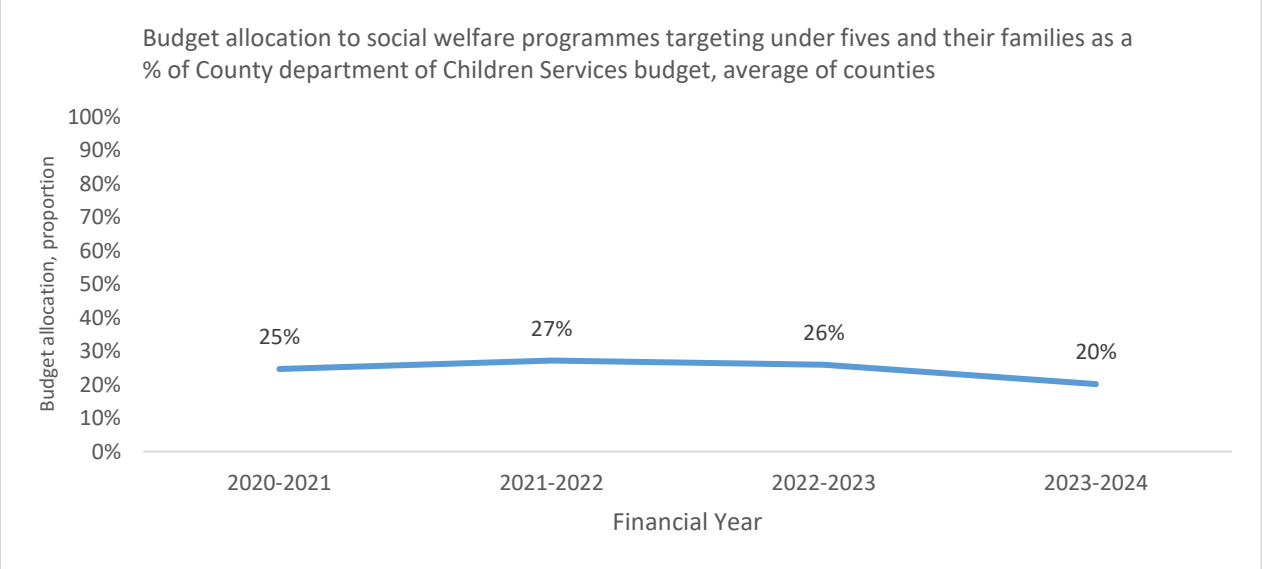


Figure 3.3.4.1: Average County Budget Allocation for Social Welfare Programmes (2020-2024)

Figure 3.3.4.2 presents the total nominal budget allocation for social welfare programmes across Kenya's 47 counties over the period from 2020 to 2024. The data shows a general upward trend in total allocations, albeit with notable fluctuations, reflecting the diverse levels of financial commitment and capacity among counties.

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In the 2020–2021 financial year, the total county allocation stood at KES 1,171.21 million. This increased to KES 1,436 million in 2021–2022, indicating a positive shift toward strengthening social welfare support for children and families. However, this progress was interrupted in 2022–2023, when the total allocation declined to KES 1,222.22 million, suggesting a temporary reduction in county-level investment. Encouragingly, the trend reversed in 2023–2024, with allocations rising significantly to KES 1,678.20 million the highest level recorded during the four-year period.

These variations highlight the ongoing challenges counties face in maintaining consistent funding for social welfare programmes. While the overall increase in nominal allocations is a positive sign, the fluctuations suggest that sustained investment is contingent on factors such as fiscal space, political will, and administrative capacity. To ensure reliable service delivery and long-term impact, counties must work towards stabilizing and progressively increasing their support for child-focused social welfare initiatives.

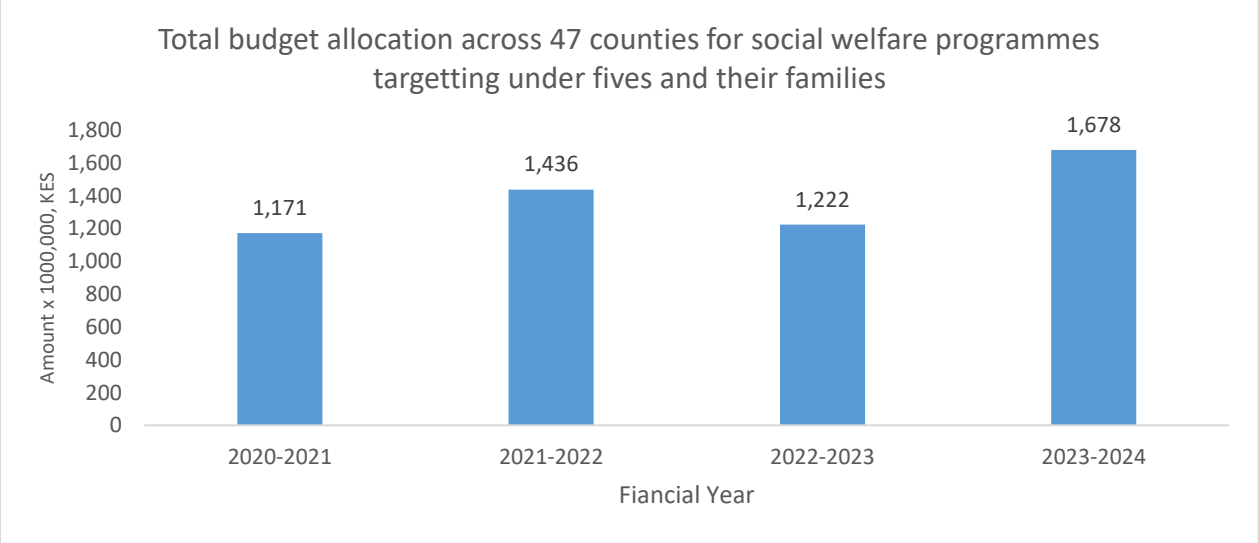


Figure 3.3.4.2.: Total Nominal Budget Allocation Across 47 Counties (2020-2024)

Figure 3.3.4.3 highlights the per capita budget allocation for social welfare programmes across Kenya's 47 counties between 2020 and 2024, reflecting the average amount of money allocated per child under the age of five. The data reveals significant variability both over time and across counties, underscoring disparities in financial support for early childhood welfare.

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In the 2020–2021 financial year, the per capita allocation was KES 741.05, which rose considerably to KES 989.36 in 2021–2022 indicating a strong commitment during that period. However, this upward trend was not sustained. In 2022–2023, the per capita allocation declined sharply to KES 692.78, and further decreased to KES 676.20 in 2023–2024. Across the four years, the average per capita allocation stood at KES 775, though this figure masks wide disparities among counties.

These fluctuations suggest that while some counties were able to enhance financial support per child, others faced difficulties maintaining or increasing their allocations. The variability in per capita spending may be attributed to differing fiscal capacities, competing budgetary priorities, or administrative challenges within counties. Such inconsistencies in funding levels can significantly impact the quality, continuity, and reach of social welfare services for young children. This highlights the need for counties to adopt more stable and equitable financing approaches to ensure all children, regardless of location, benefit from adequately funded welfare programmes.

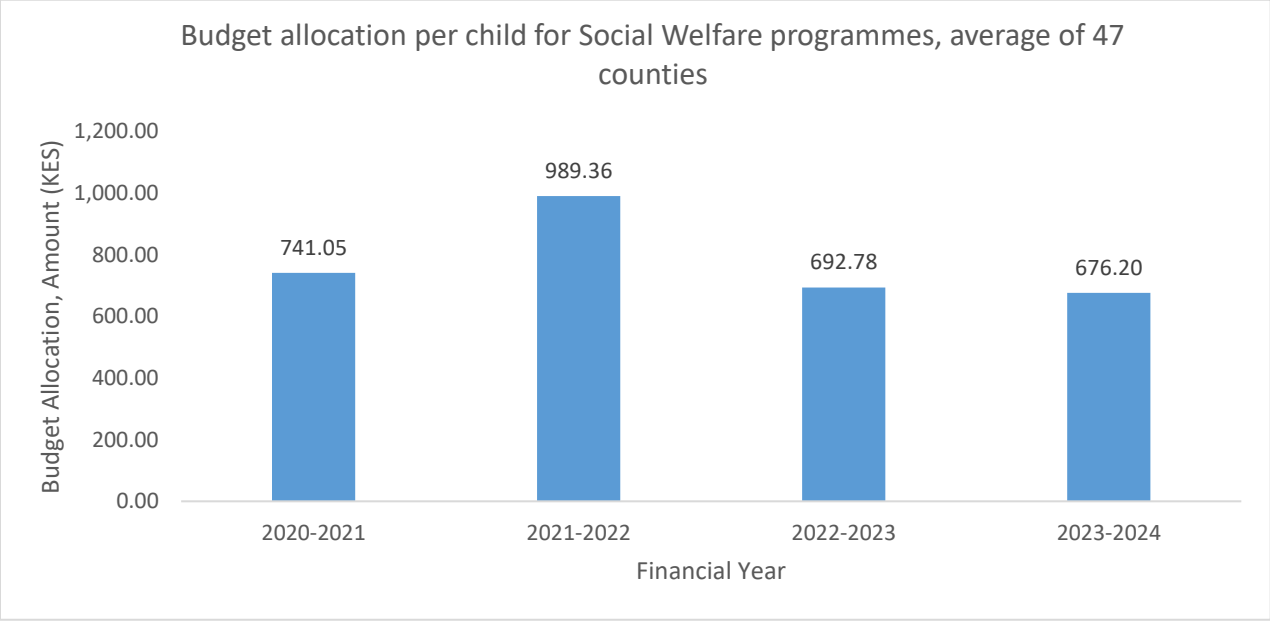


Figure 3.3.4.3: Per Capita Budget Allocation Across the 47 Counties (2020-2024)

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3.3.5 County Social Welfare Budget Absorption

Figure 3.3.5.1 illustrates budget absorption rates for social welfare programmes targeting children under five years and their families across Kenya's counties from 2020 to 2023. The data reveals consistently low levels of budget utilization, reflecting persistent challenges in the implementation of these programmes.

In the 2020–2021 financial year, counties utilized only 64% of their allocated budgets, based on an average of 32 reporting counties. This indicates that nearly one-third of the available funds remained unspent, likely due to inefficiencies in fund disbursement, bureaucratic delays, or difficulties in programme execution. A similar pattern persisted in 2021–2022, where counties again recorded a 64% absorption rate, this time based on an average of 28 counties. The situation slightly worsened in 2022–2023, with the absorption rate dropping to 61%, based on data from the same number of counties.

This downward trend in budget absorption highlights ongoing systemic issues at the county level that hinder the effective delivery of social welfare services. The inability to fully utilize allocated funds may compromise the scale, quality, and consistency of interventions, ultimately limiting the intended impact on young children and their families. These findings underscore the need for strengthened financial management, improved capacity in programme planning and implementation, and enhanced accountability mechanisms to ensure that allocated resources are fully and efficiently used to support early childhood welfare.

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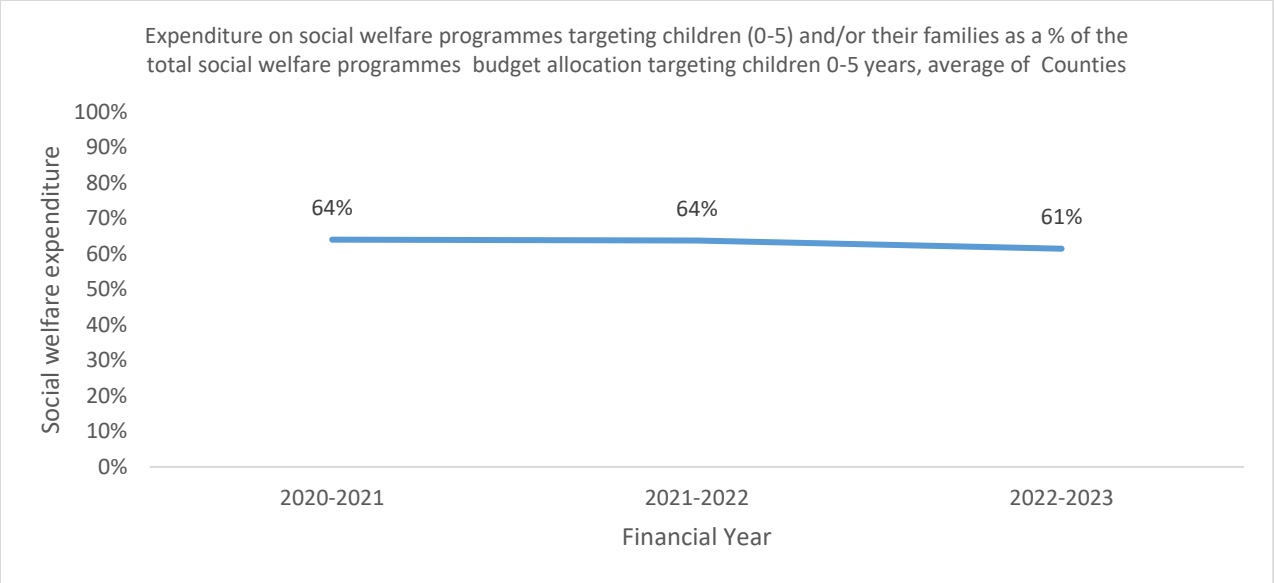


Figure 3.3.5.1: Budget Absorption for Social Welfare Programmes Across 47 Counties (2020-2023)

3.3.6 Sampled Counties Budget allocation

Figure 3.3.6.1 presents the trends in budget allocation to social welfare programmes targeting children under five years and their families across seven sampled counties Mombasa, Tharaka-Nithi, Trans Nzoia, Kajiado, Siaya, Nairobi City, and Garissa over a four-year period from 2020 to 2024. The analysis reveals significant variability in financial commitment among counties, reflecting differing priorities, capacities, and policy focus.

In **Mombasa County**, allocations fluctuated markedly. The county dedicated 5% of its Department of Children Services budget to social welfare programmes in 2020–2021, rising to 10% in 2021–2022 and peaking at 15% in 2022–2023. However, this upward trend was reversed in 2023–2024, with a sharp drop back to 5%, indicating a significant reduction in financial support for early childhood welfare.

Tharaka-Nithi County showed a different pattern, with a steady rise in allocation from 15% in 2020–2021 to 18% in 2021–2022, and a dramatic surge to 51% in 2022–2023 the highest allocation recorded among the sample counties during the period. Surprisingly, there was no allocation to social welfare programmes in 2023–2024, reflecting a sudden halt in financial commitment.

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Trans Nzoia County did not allocate any budget to social welfare programmes targeting children under five throughout the four-year period, indicating a persistent lack of prioritization of these services.

Kajiado County consistently allocated a substantial portion of its budget to social welfare programmes, although the trend showed a steady decline. Starting at 68% in 2020–2021 the highest allocation that year among the sampled counties the county's allocation decreased to 41% in 2021–2022, then to 39% in 2022–2023, and further to 37% in 2023–2024. Despite the decline, the figures suggest Kajiado has remained comparatively committed to early childhood welfare.

Siaya County exhibited significant variation in its allocations. The county began with a modest 2% in 2020–2021, which jumped to 31% in 2021–2022, indicating a marked increase in prioritization. However, the allocation declined to 24% in 2022–2023 and further to 16% in 2023–2024, suggesting reduced emphasis in recent years.

Nairobi City County maintained a relatively low and stable allocation. It allocated 3% of its budget to social welfare programmes in both 2020–2021 and 2021–2022, with a slight decline to 2% in 2022–2023, which remained constant through 2023–2024. This consistent but minimal investment signals limited prioritization of early childhood welfare in the capital.

Garissa County demonstrated a gradual increase in its financial commitment. From a low of 1% in 2020–2021, the allocation rose marginally to 1.07% in 2021–2022, increased to 2% in 2022–2023, and then climbed to 7% in 2023–2024. This upward trend indicates a growing recognition of the importance of investing in early childhood welfare.

Overall, the data reveals a mixed picture of county-level support for social welfare programmes. While some counties have shown consistent or growing commitment, others exhibit erratic or minimal investment, highlighting the need for more equitable and sustained prioritization of early childhood development across all counties.

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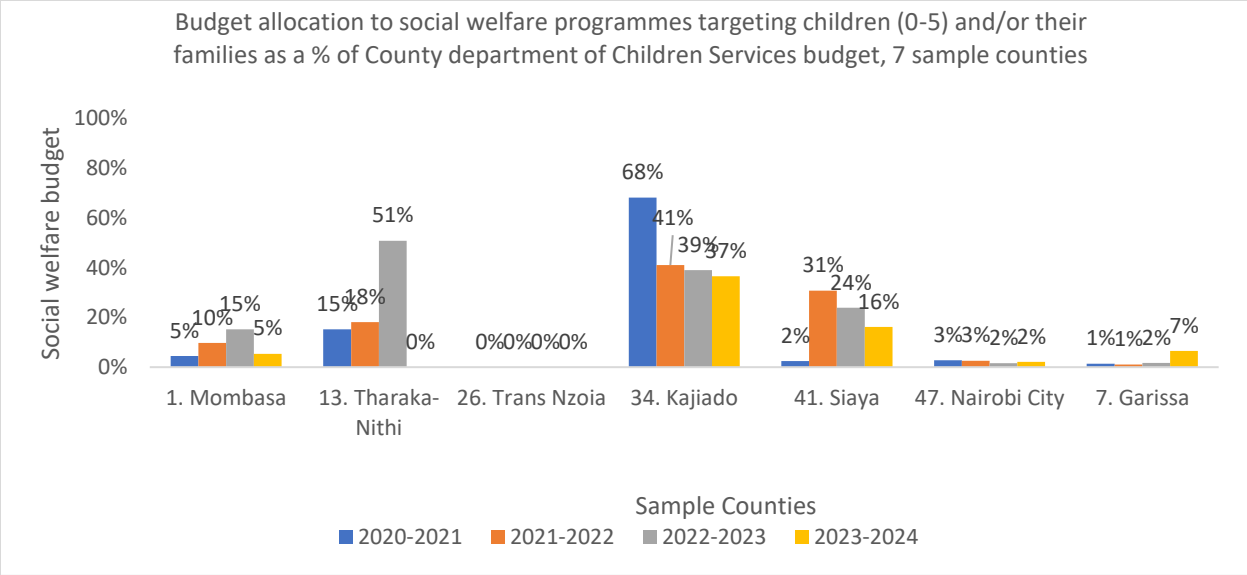


Figure 3.3.6.1: Budget Allocation to Social Welfare Programmes in Sample Counties (2020-2024

3.3.7 Sampled Counties Budget Absorption

Figure 3.3.7.1 presents the budget absorption trends for social welfare programmes targeting children under five years and their families across a sample of seven counties Mombasa, Tharaka-Nithi, Trans Nzoia, Kajiado, Siaya, Nairobi City, and Garissa over three financial years. The analysis reveals substantial variability in the utilization of allocated funds, pointing to inconsistencies in programme implementation and financial execution.

In **Mombasa County**, budget absorption was notably high in 2020–2021, with 99% of the allocated funds utilized, indicating efficient financial management. However, in 2021–2022, there was a complete halt in expenditure (0%), suggesting significant disruptions or reallocation of funds. The situation reversed in 2022–2023, with a remarkable recovery as the county recorded 100.2% expenditure, indicating a slight over-utilization of its allocation.

Tharaka-Nithi County demonstrated a fluctuating trend. The county achieved a relatively strong absorption rate of 84% in 2020–2021. This performance deteriorated sharply in 2021–2022, with the expenditure rate falling to 24%. However, in 2022–2023, the county recovered significantly, reaching a 94% absorption rate, reflecting improved financial execution.

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Trans Nzoia County showed a complete lack of expenditure over the three years. No funds were allocated or utilized for social welfare programmes in 2020–2021, 2021–2022, or 2022–2023. This consistent non-utilization indicates a sustained neglect or deprioritization of social welfare support for young children and families.

In **Kajiado County**, no expenditure was recorded in 2020–2021. This changed in 2021–2022, when the county achieved an absorption rate of 81%, indicating a significant improvement. However, this was not sustained, as the rate declined to 69% in 2022–2023, showing a moderate drop in budget utilization.

Siaya County recorded full utilization of allocated funds in 2020–2021 with a 100% absorption rate. This declined substantially to 28% in 2021–2022, indicating implementation challenges or shifting priorities. By 2022–2023, the absorption improved to 67%, suggesting partial recovery in fund utilization.

Nairobi City County recorded a moderate absorption rate of 65% in 2020–2021. However, no expenditures were reported in 2021–2022 or 2022–2023, pointing to a complete lack of implementation in subsequent years, which may reflect administrative or political constraints.

Garissa County also exhibited inconsistencies. There was no expenditure recorded in 2020–2021, but the county improved in 2021–2022, with 61% of the allocated budget utilized. This progress was short-lived, as no expenditure was reported in 2022–2023.

Overall, the analysis reveals a pattern of erratic budget absorption across the sample counties. While some counties achieved high levels of fund utilization in certain years, none demonstrated consistent, year-on-year efficiency in executing social welfare budgets. The frequent underutilization or complete lack of utilization of allocated funds undermines the effectiveness of social welfare programmes and limits their impact on vulnerable children and families. These findings underscore the urgent need for improved financial planning, strengthened implementation capacity, and enhanced accountability mechanisms at the county level to ensure that allocated resources are fully and effectively used to support early childhood development.

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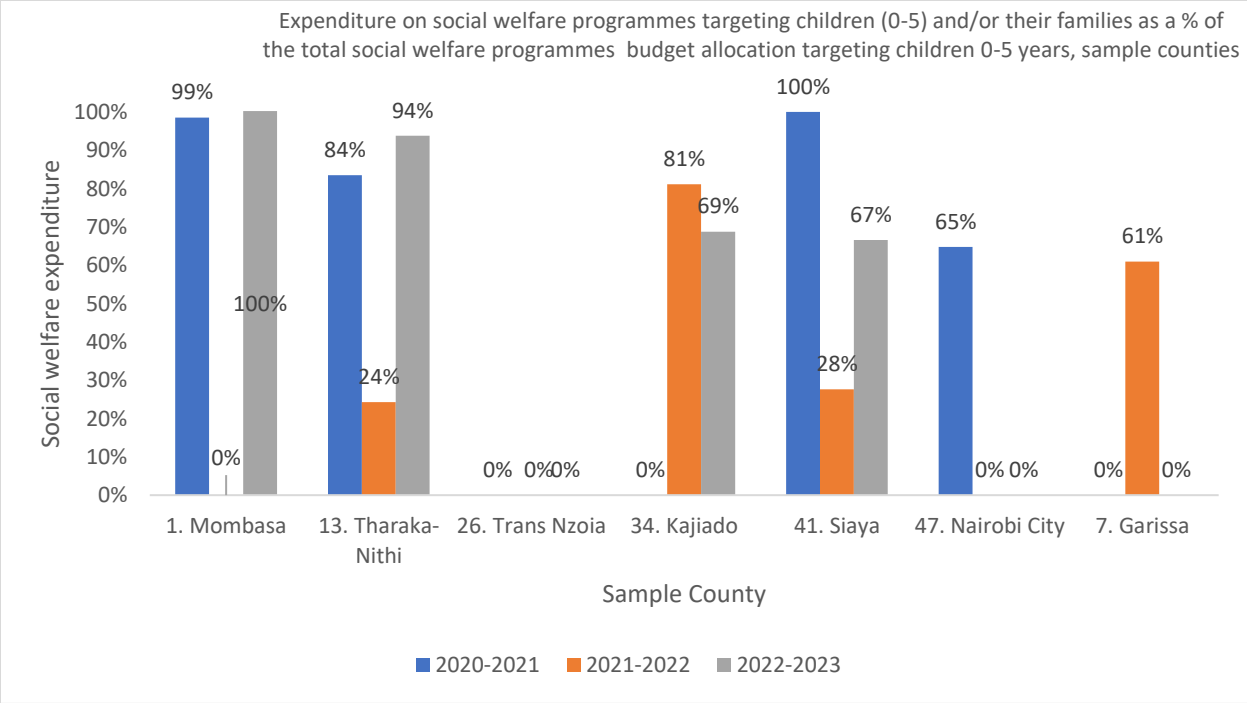


Figure 3.3.7.1: Budget Absorption for Social Welfare Programmes in Sample Counties (2020-2023)

3.3.8 Conclusion

The analysis reveals a notable increase in budget allocations for social welfare programmes targeting children under five years and their families at the national level. This upward trend, reflected in both total and per capita allocations, signals growing recognition of the critical role early childhood support plays in national development. It also demonstrates a commendable commitment to expanding the reach and improving the quality of services for young children and their families. However, despite these gains, national expenditure on these programmes has fluctuated significantly over the three-year period, suggesting underlying challenges in consistent budget execution.

At the county level, the findings indicate substantial variability in both budget allocations and expenditures. While some counties have increased their financial commitment to child-focused social welfare, others show erratic or minimal investment. This inconsistency contributes to

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disparities in service delivery and undermines the overall effectiveness of the programmes. Furthermore, the analysis across all 47 counties reveals that budget absorption rates vary widely, with some counties underutilizing or failing to spend their allocated funds, while others report over-expenditure.

These fluctuations in budget absorption point to systemic inefficiencies, including delays in fund disbursement, bureaucratic hurdles, and capacity gaps in programme implementation. Inadequate use of allocated resources can lead to missed opportunities to support vulnerable populations, while over-expenditure may strain available resources and create fiscal imbalances.

Overall, the findings underscore the need for more stable, equitable, and coordinated financing mechanisms at both national and county levels. Strengthening budget planning, improving financial management systems, and enhancing implementation capacity are essential to ensure that social welfare programmes effectively support young children and contribute to long-term social and economic development.

3.3.9 Recommendation

To ensure consistent and effective support for social welfare programmes targeting children under five years and their families, the following actions are recommended:

1. **Increase and Stabilize Budget Allocations:** National and county governments should ensure adequate and predictable funding for child focused social welfare programmes. Stable allocations across all counties will enhance long-term planning, improve service delivery, and reduce disparities in access to essential services for young children and their families.
2. **Ring-Fence Funds for Social Welfare Programmes:** Governments should earmark specific portions of their budgets exclusively for social welfare interventions targeting children under five. Ring-fencing these funds will prevent diversion to other sectors and guarantee that resources are used solely for their intended purposes, thereby enhancing the effectiveness and impact of these programmes.
3. **Advocate for a Minimum Budget Allocation Threshold:** Establishing and institutionalizing a minimum percentage of county and national budgets to be allocated to

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child social welfare programmes can reduce variability in funding. A standardized threshold will ensure more equitable and consistent support across all counties, regardless of local political or fiscal dynamics.

4. **Improve Budget Planning and Utilization:** Counties should adopt robust budgeting practices, including realistic forecasting, timely fund disbursement, and the use of performance-based monitoring tools. Strengthening budget execution and reporting mechanisms will enable timely identification and resolution of implementation challenges, minimizing underutilization or over-expenditure.
5. **Strengthen Coordination and Oversight:** Enhanced coordination between national and county governments, as well as among departments responsible for social welfare, is critical. Stronger oversight and accountability mechanisms through internal audits, expenditure reviews, and stakeholder engagement will ensure that funds are efficiently managed and programmes are effectively implemented to reach the intended beneficiaries.

4.0 OVERALL CONCLUSIONS

4.1 Conclusion for Early Childhood Education (ECE)

The review revealed that Early Childhood Education has increasingly been prioritized at the county level, with counties allocating an average of 34% of their education budgets to pre-primary education between 2020 and 2024. This reflects a positive trend in recognizing ECE as a critical component of foundational learning and human capital development. However, while nominal allocations and per capita funding increased over time, the share of county education budgets devoted to ECE remained relatively stable, suggesting limited growth in prioritization relative to other education sub-sectors. Furthermore, significant disparities were observed across counties, both in allocation levels and in budget absorption rates. Several counties failed to utilize any of the allocated ECE funds in specific years, pointing to administrative inefficiencies, delayed disbursement of funds, and inadequate planning processes. At the national level, the financial commitment to ECE remained marginal below 1% of the Ministry of Education's total budget owing to the devolved nature of ECE. This minimal national investment reflects the limited direct

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role of the central government, although its responsibilities in policy formulation, standard setting, and teacher training remain critical. Overall, while progress has been made, sustained and equitable investment, stronger financial accountability, and enhanced coordination are necessary to ensure all Kenyan children have access to quality early learning opportunities.

4.2 Conclusion for Primary Health Care (PHC)

The analysis of Primary Health Care financing in Kenya indicates a concerning downward trend at the national level, where allocations declined from 25% of the Ministry of Health budget in 2020 to just 18% in 2024. This decline suggests diminishing prioritization of promotive and preventive health services, which are essential for achieving Universal Health Coverage (UHC). The per capita budget allocation for PHC also declined over the review period, signaling inadequate investment in essential health services at the community level. At the county level, budget allocations to PHC fluctuated between 11% and 16% of total county health budgets, with notable disparities in per capita investment and prioritization across counties. While counties demonstrated relatively stable budget absorption rates averaging 72%, this masked considerable variations, with some counties showing strong commitment to PHC while others consistently underinvested. The inconsistencies in both budget allocation and utilization point to weaknesses in planning, coordination, and execution. Furthermore, erratic funding trends undermine the effectiveness of health systems and reduce access to primary care for the most vulnerable populations. To reverse this trend, both national and county governments must reinforce their commitment to PHC through sustained investment, improved financial management, and robust monitoring mechanisms.

4.3 Conclusion for Social Welfare for Children and Families

The review of social welfare financing for children aged 0–5 years and their families revealed some progress at the national level, where budget allocations by the Department of Children Services increased from 9% to 16% between 2020 and 2024. This increase in proportional allocation was matched by a doubling in nominal funding and per capita investment, reflecting an encouraging shift toward prioritizing early childhood welfare. However, national budget absorption varied significantly from year to year, highlighting ongoing challenges in fund

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utilization, planning accuracy, and administrative efficiency. At the county level, the picture was more uneven. Some counties made strong financial commitments to child-focused welfare programs, while others consistently failed to allocate or utilize resources. On average, county allocations declined from a peak of 27% in 2021–2022 to 20% in 2023–2024, and absorption rates remained low, averaging between 61% and 64%. These findings suggest systemic weaknesses in planning, capacity, and execution at the county level, which ultimately compromise the delivery and quality of social protection services for young children and their families. Furthermore, wide disparities in both allocation and per capita spending underscore the persistent equity gaps across counties. Moving forward, there is a need for stronger national guidance, capacity building, and accountability mechanisms to ensure that all counties can effectively plan, fund, and deliver comprehensive social welfare services for children in the critical early years.

5.0 OVERALL RECOMMENDATIONS

5.1 Recommendation for Early Childhood Education

To strengthen Early Childhood Education financing and delivery, county governments should increase and sustain budget allocations by incrementally raising funding levels in response to rising demand for infrastructure, teaching personnel, and learning materials. Consistent financial commitment will ensure continued expansion and improvement of ECE services, particularly in under-resourced areas. At the same time, counties must improve budget absorption by addressing systemic bottlenecks such as delayed fund disbursements, weak procurement systems, and limited technical capacity in planning and financial management. Strengthening monitoring and evaluation systems, alongside building the capacity of county officials, will enhance accountability and support more efficient use of resources. Although ECE is a devolved function, the national government should enhance its support role by providing robust policy guidance, technical assistance, and targeted funding to promote uniformity and equity in ECE service delivery across counties. Emphasis should also be placed on equitable distribution of resources, with counties exhibiting persistently low allocations such as Garissa prioritized for capacity support and resource enhancement to bridge regional disparities in access and quality.

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5.2 Recommendation for Primary Health Care

In light of the declining national budget allocation to Primary Health Care (PHC), the national government should develop and implement a comprehensive PHC financing strategy that includes clear targets, sustainable resource mobilization mechanisms, and a robust monitoring framework. This will help to reinforce PHC as a cornerstone of Universal Health Coverage and ensure continuity of essential services such as promotive and preventive health care. At the county level, efforts must be made to increase the share of health budgets dedicated to PHC, reduce volatility in funding trends, and improve the quality and consistency of expenditure reporting. County governments should also adopt transparent and data-driven financial planning processes, enhance the capacity of health and finance teams, and streamline procurement and budget execution systems to improve efficiency. Moreover, stronger coordination between national and county governments is critical to harmonize health financing priorities, align planning processes, and ensure that resources are equitably distributed and effectively utilized to improve health outcomes, especially in underserved regions.

5.3 Recommendation for Social Welfare for Children and Families

To enhance the impact of social welfare programs targeting children aged 0–5 years and their families, both national and county governments should work toward increasing and stabilizing budget allocations to these services. The national government, through the Department of Children Services, should maintain and scale up its investments in early childhood welfare, ensuring that per capita funding continues to rise in line with population growth and service needs. At the county level, governments must prioritize these programs in annual budget planning, and adopt strategies to improve budget absorption, such as timely disbursement of funds, better coordination among departments, and improved administrative efficiency. The persistent underutilization of allocated budgets in many counties underscores the urgent need for capacity building in program design, implementation, and financial management. In addition, policy harmonization is essential to address the fragmentation of social welfare responsibilities across different county departments. A unified framework supported by both levels of government can help standardize service delivery, strengthen accountability, and ensure that all young children regardless of geography benefit from robust and reliable social protection systems.

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APPENDICES

Appendix 1 Analysis plan

Indicator	**Analysis Plan**	**Type of measure**
Annual budgets on early childhood education as a % of total National Ministry of Education budget	**Numerator:** Annual budget allocation for ECE (KSHs), at National Ministry of Education. **Denominator:** Total budget allocation to the National Ministry of Education. Trend analysis for period 2020-2024; ✓ Trend analysis for annual budget allocation on ECE at National Ministry of Education as a % total budget allocation to the National Ministry of Education budget.	Percentage and trend

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Annual budget allocation on early childhood education as a % of total county department of education budget	**Numerator:** Annual budgets on ECE (KSHs), at County level **Denominator:** Total County Department of Education budget (KSHs) Trend analysis for period 2020-2024; ✓ Trend analysis for county annual budget allocations on ECE as a % of total county department of education budget, by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for county annual budget allocations on ECE as a % of total county department of education budget, comparing the county-level budget allocation proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions. ✓ Trend analysis for county annual budget allocations on ECE as a % of total county department of education budget, comparing the county-level budget allocation proportions of the 7 sample counties. ✓ Trend analysis for county annual budget allocations on ECE as a % of total county department of education budget, comparing the county-level budget allocation proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions and to county-level budget allocation proportion of the 7 sample counties	Percentage, comparison and trend
Expenditure on early childhood education as a % of total ECE allocation at National MOE	**Numerator:** Expenditure on ECE (KSHs), at National Ministry of Education. **Denominator:** Annual budget allocation for ECE (KSHs), at National Ministry of Education. Trend analysis for period 2020-2023;	Percentage and trend

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	✓ Trend analysis for annual expenditure on ECE at National Ministry of Education as a % of Annual budget allocation for ECE (KSHs), at National Ministry of Education.	
Expenditure on early childhood education as a % of total ECE budget allocation at the county	**Numerator:** Expenditure on ECE (KSHs), at County level **Denominator:** Total ECE budget allocation (KSHs), at Department of Education at County level Trend analysis for period 2020-2023; ✓ Trend analysis for expenditure on ECE as % of total ECE budget allocation, by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for expenditure on ECE as % of total ECE budget allocation, comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions. ✓ Trend analysis for expenditure on ECE as % of total ECE budget allocation, comparing the expenditure proportions of the 7 sample counties. ✓ Trend analysis for expenditure on ECE as % of total ECE budget allocation, comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions and to expenditure proportions of the 7 sample counties	Percentage, comparison and trend
Budget allocation to Primary Health Care as a percentage of total National	**Numerator:** Promotive, preventive health, and Reproductive maternal, newborn, child and adolescent health (RMNCAH) budget allocation (KSHs), at National level **Denominator:** Total budget allocation to Ministry of Health (KSHs) Trend analysis for period 2020-2024;	Percentage and trend

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Ministry of health budget	✓ Trend analysis for Promotive, preventive health and RMNCAH budget allocation as a % of total budget allocation to Ministry of Health	
Budget allocation to Primary Health Care as a percentage of county department of health budget	**Numerator:** Promotive & preventive budget allocation (KSHs), at County level **Denominator:** Total County department of health budget (KSHs) Trend analysis for period 2020-2024; ✓ Trend analysis for promotive & preventive budget allocation as a % of total County department of health budget, by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for promotive & preventive budget allocation as a % of total County department of health budget, comparing the county-level budget allocation proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions. ✓ Trend analysis for promotive & preventive budget allocation as a % of total County department of health budget, comparing the county-level budget allocation proportions of the 7 sample counties. ✓ Trend analysis for promotive & preventive budget allocation as a % of total County department of health budget, comparing the county-level budget allocation proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions and to county-level budget allocation proportion of the 7 sample counties	Percentage, comparison and trend

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Expenditure on Primary Health Care as a percentage of total National Ministry of health budget	**Numerator:** Expenditure on Promotive, Preventive health and RMNCAH (KSHs), at National level **Denominator:** Promotive, preventive health, and Reproductive maternal, newborn, child and adolescent health (RMNCAH) budget allocation (KSHs), at National level Trend analysis for period 2020-2023; ✓ Trend analysis for expenditure on Promotive, Preventive health and RMNCAH as % of total Promotive, preventive health and RMNCAH budget allocation (KSHs), at National level	Percentage and trend
Expenditure on Primary Health Care as a percentage of total county department of health budget	**Numerator:** Promotive & Preventive expenditure (KSHs), at county level **Denominator:** Promotive & preventive budget allocation (KSHs), at county level Trend analysis for period 2020-2023; ✓ Trend analysis for county expenditure on promotive & preventive as % of county promotive & preventive budget allocation, by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for county expenditure on promotive & preventive as % of county promotive & preventive budget allocation, comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions. ✓ Trend analysis for county expenditure on promotive & preventive as % of county promotive & preventive budget allocation, comparing the expenditure proportions of the 7 sample counties.	Percentage, comparison and trend

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	✓ Trend analysis for county expenditure on promotive & preventive as % of county promotive & preventive budget allocation, comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions and to expenditure proportions of the 7 sample counties	
Budget allocation to social welfare programmes targeting children (0-5) and/or their families as a % of National department of Children Services budget	**Numerator:** Budget allocation to Social Development and Children Services, at National level **Denominator:** National department of children services budget (KSH) Trend analysis for period 2020-2024; ✓ Trend analysis for budget allocation to Social Development and Children Services as a % of National department of Children Services budget, at National level.	Percentage and trend
Budget allocation to social welfare programmes targeting children (0-5) and/or their families as a % of County department of Children	**Numerator:** Budget allocation to social welfare programmes targeting children 0-5 years/or their families (KSHs), at County level **Denominator:** County department of children services budget (KSH) Social welfare programmes targeting children 0-5 years and/or their families vary across counties, including: *Children services; Social services; Gender, culture and youth Affairs; Disability Mainstreaming; Child Rehabilitation and Custody; Community development; Child care and protection; Social*	Percentage, comparison and trend

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Services budget	*Empowerment & Inclusion; Social Protection; Social Assistance to Vulnerable Groups; Social development and promotion; Social Resources; Women Empowerment; Children development, protection and participation; Rescue and Rehabilitation of Children Services; Promotion of Library and Information Services. The programmes are housed in different departments for different counties. In some counties, they are housed in department of education, in others, they are housed in department of gender.* Trend analysis for period 2020-2024; ✓ Trend analysis for budget allocation to social welfare programs targeting children aged 0-5 years and/or their families as a % of County department of Children Services budget, by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for budget allocation to social welfare programs targeting children aged 0-5 years and/or their families as a % of County department of Children Services budget, comparing the county-level budget allocation proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions. ✓ Trend analysis for budget allocation to social welfare programs targeting children aged 0-5 years and/or their families as a % of County department of Children Services budget, comparing the county-level budget allocation proportions of the 7 sampled counties. ✓ Trend analysis for budget allocation to social welfare programs targeting children aged 0-5 years and/or their families as a % of County department of Children Services budget, comparing the county-level budget allocation	

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	proportions (average of the 47 counties in Kenya) to national-level budget allocation proportions and to county-level budget allocation proportion of the 7 sample counties.	
Expenditure on social welfare programmes targeting children (0-5) and/or their families as a % of the total allocation on National department of children services	**Numerator:** Expenditure on Social Development and Children Services, at National level. **Denominator:** Budget allocation to Social Development and Children Services, at National level Trend analysis for period 2020-2023; ✓ Trend analysis for expenditure on Social Development and Children Services as % of budget allocation to Social Development and Children Services (KSHs), at National level.	Percentage and trend
Expenditure on social welfare programmes targeting children (0-5) and/or their families as a % of the total allocation on County department of children services	**Numerator:** Expenditure on social welfare programmes targeting children (0-5) and/or their families, at County level. **Denominator:** Budget allocation to social welfare programmes targeting children 0-5 years/or their families (KSHs), at County level Social welfare programmes targeting children 0-5 years and/or their families vary across counties, as outlined in the budget allocation. Trend analysis for period 2020-2023; ✓ Trend analysis for expenditure on social welfare programmes targeting children (0-5) and/or their families as % of budget allocation to social welfare programmes	Percentage, comparison and trend

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	targeting children 0-5 years/or their families (KSHs), by county and averaged across the 47 counties in Kenya. ✓ Trend analysis for expenditure on social welfare programmes targeting children (0-5) and/or their families as % of budget allocation to social welfare programmes targeting children 0-5 years/or their families (KSHs), comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions. ✓ Trend analysis for expenditure on social welfare programmes targeting children (0-5) and/or their families as % of budget allocation to social welfare programmes targeting children 0-5 years/or their families (KSHs), comparing the expenditure proportions of the 7 sample counties. ✓ Trend analysis for expenditure on social welfare programmes targeting children (0-5) and/or their families as % of budget allocation to social welfare programmes targeting children 0-5 years/or their families (KSHs), comparing the county-level expenditure proportions (average of the 47 counties in Kenya) to national-level expenditure proportions and to expenditure proportions of the 7 sample counties.	

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