



REPUBLIC OF KENYA  
COUNTY GOVERNMENT OF MARSABIT  
DEPARTMENT OF REVENUE SERVICES AND  
RESOURCE MOBILIZATION  
P.O BOX 384-60500, MARSABIT, KENYA.

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# COUNTY REVENUE ENHANCEMENT STRATEGY

FY 2024 – 2025



REPUBLIC OF KENYA  
COUNTY GOVERNMENT OF MARSABIT



DEPARTMENT OF REVENUE SERVICES & RESOURCE MOBILIZATION.  
P.O BOX 384-60500, MARSABIT, KENYA.

EXECUTIVE REPORT:

27th May 2025

REVENUE ENHANCEMENT SUMMIT HELD IN MOYALE, TULLA  
REGENCY ON 23<sup>RD</sup> MAY 2025.

**1. Introduction**

Marsabit County Government convened a one-day Revenue Enhancement Summit on 23rd May 2025 at Moyale Tulla Regency. The meeting brought together key leadership including H.E the Governor, Deputy Governor, County Secretary, CECMs, CCOs, Directors, and other critical stakeholders. Marsabit County's OSR performance has remained consistently below potential, with the most recent annual collection standing at KES 167 million, less than 30% of the county's estimated potential of KES 565 million. Despite having diverse and promising revenue streams (e.g., land rates, single business permits, market fees, livestock movement permits), inefficiencies, poor compliance, and systemic gaps have significantly hindered performance.

The summit aimed to review the county's Own Source Revenue (OSR) performance, identify challenges, and deliberate on effective strategies for increasing internal revenue collection.

## **2. Objectives of the Summit**

- Conduct a self-assessment of the county's OSR performance.
- Identify challenges affecting revenue collection across departments.
- Develop a multi-sectoral strategy for improving OSR.
- Promote ownership of revenue generation beyond the Finance Department.
- Foster accountability and set departmental revenue targets.

## **3. Departmental presentation and findings**

The importance of enhanced revenue collections was emphasized by H.E. the Governor and other leaders during their remarks. The leadership gave a commitment to support all efforts to ensure that the county achieves its full potential in terms of OSR collection and that non-performance will not be tolerated. Each department was allowed to present its positions, from which the following general observations were drawn.

- Multiple/different departments generate revenue, but efforts remain fragmented.
- There is a persistent misconception that revenue generation is solely the responsibility of the Finance Department.
- The county must adopt a results-oriented approach and instill urgency in improving OSR.
- Improved OSR enhances access to additional funding from development partners, such as under KDSP.
- Serious revenue leakages exist and require urgent corrective measures
- Lack of Proper Staff Oversight: There is inadequate follow-up on revenue collection staff, leading to inconsistencies in performance tracking. Additionally, no monthly revenue targets are set for individual staff members, resulting in a lack of accountability and motivation.

- **Fraudulent Receipt Books:** Instances of receipt book duplication have been reported, with fake receipts being used in some areas. This practice leads to revenue losses and undermines the integrity of the collection process.
- **Absence of Automation:** Revenue collection across the county remains largely manual, creating loopholes that expose the system to inefficiencies, errors, and potential malpractice.
- **Undefined Roles and Responsibilities:** Revenue staff lack clear job descriptions, leading to confusion and inefficiencies in task allocation. A well-defined job structure should be established, assigning specific staff to handle distinct revenue sources such as livestock markets, shops, and services within trading centers.

#### 4. Key Departmental Challenges & Proposed Interventions

Department	Challenges	Interventions required
Trade & Cooperatives	Informal operations and low registration compliance.	Enhance public awareness and simplify registration
	Weak enforcement and regulations.	Conduct routine audits and enforce penalties.
	Poor data systems and limited infrastructure.	Introduce mobile registration, digital payment systems, and regular stakeholder engagements.
Roads and Public Works	Frequent breakdowns of hired equipment.	Modernize fleet and adopt digital tools.
	Aged fleet with limited spare part compatibility.	
	Legal gaps due to pending approval of the Public Works Bill.	Ensure legal frameworks are in place to support fee collection.
Agriculture & Livestock	Tractor service delays due to mechanical issues	Upgrade equipment and digitize revenue systems.
	Non-payment for inputs and permits.	Assign revenue focal persons in each sub-sector.
	Low awareness of levies and weak digitization	Conduct regular revenue performance reviews and community sensitization
Lands and Urban Planning	Fragmented revenue collection at town/municipality levels.	Centralize land transaction approvals and workflows
	Lack of valuation rolls and digitized land records.	Undertake valuation roll development.
	Weak coordination and compliance enforcement	Equip staff with GIS tools and strengthen collaboration with municipal units.
Municipality	Inadequate financial and human resources	Secure adequate financial support and legislate collection-at-source models.
	Lack of autonomy, automation, and supportive legal frameworks	Automate systems and improve staff welfare.
	Poor working conditions and staff motivation.	
	Community resistance due to unmet expectations	Establish legal backing for enforcement and service delivery.
Health	Low SHA (Social Health Authority) registration and reimbursement.	Scale up SHA registration and resolve HR-related concerns.
	Frequent staff strikes and supply shortages.	Ensure timely reimbursement follow-up and consistent supply chains. Motivate staff and improve hospital operations

	High waiver rates due to poverty.	Enhance SHA Registration
Revenue Department	Manual collection systems and weak enforcement.	Fully automate collection systems and equip staff with necessary tools.
	Decentralized receipting, staffing gaps, and data inconsistencies.	Train revenue officers, standardize pricing, and enforce centralized Monitoring & Evaluation.
	Poor coordination across departments and legal loopholes	Develop enabling legal frameworks and update valuation rolls.
	Inadequate Budget allocations to support collection efforts	Increase budgetary allocation to KES 20M and ensure accessibility of the funds on time

### 5. Way forward for Revenue department (Enhancing OSR)

Task	Description	Budget proposed	Actors	Timelines	Remarks
Legal Framework	<p>Review and harmonize laws and policies which enhances revenue collections.</p> <ol style="list-style-type: none"> <li>1. Finance bill 2025</li> <li>2. Municipal bylaws and regulation</li> <li>3. Formulation of data protection guidelines/policy</li> </ol>	2M	Finance and Municipality	30 <sup>th</sup> June 2025	Funding for stakeholder engagement required.
Revenue Automation, valuation Roll and Land Registry digitization	<ol style="list-style-type: none"> <li>1. Automate collection process,</li> <li>2. Update valuation rolls</li> <li>3. Digitize Land records-Basic</li> <li>4. Undertake GIS-based asset and property mapping.</li> </ol>	<p>1. 80M</p> <p>2. 80M,</p> <p>3. 10M,</p> <p>4. 10M</p>	Finance and Lands department	30 <sup>th</sup> Sept. 2025	Modest Budget required to initiate these critical tasks in phases
Rationalize and Capacity Build revenue staff	<ol style="list-style-type: none"> <li>1. Revenue staff Audit to ascertain skills gap, roles &amp; responsibilities</li> <li>2. Train for effective delivery</li> </ol>	500K	Finance , HR	30 <sup>th</sup> Sept.	Get rid of excess and unproductive staff

Task	Description	Budget proposed	Actors	Timelines	Remarks
	3. Assign individual targets				
Public Engagement & Compliance	Launch civic education campaign on tax compliance and service delivery	1M	Finance & Sub-County admin.	30 <sup>th</sup> June 2025	Through local media, Public barazas;
Revenue Targets & Monitoring	Share agreed targets of 370M for 2025/26 Two months stretched targets follow up		All departments	30 <sup>th</sup> June 2025	Sign targets with CCOS
Engage non-tax compliant corporate investors	KPLC, REREC, KETRACO & TELCOS to pay way-leave compensation and other charges for their infrastructure		Finance, Land and Roads Depart.	30 <sup>th</sup> June 2025	Letters sent to respective organization
Enhance internal controls on accountable documents	Centralize management of accountable documents (Procurement, storage and issuance)	3M	Finance department	30 <sup>th</sup> June 2025	Procure new receipts and control issuance.
Enforcement activities	Frequent enforcement in urban towns to check on compliance for payments; Single Business permits, Property rates and Liquor Licensees	1M Monthly, 2 vehicles & two motor cycles	Revenue staff	By 30 <sup>th</sup> June and frequently	Facilitation for staff movements, Fuel required.
Branding & working tools	uniforms/badges/signage /barrier spikes/ clamps	2M	Revenue staff	30 <sup>th</sup> June 2025	Funding required

## 6. Key action points and deliverable

### a) Automation of Revenue Collection

- Implement a digital revenue management system to eliminate manual processes and reduce fraud.
- Introduce electronic payment platforms to enhance efficiency and transparency.
- Ensure real-time tracking of revenue collection across all departments and integrate with IFMIS
- Align automation with National treasury guidelines

### b) Strengthening Oversight and Accountability

- Conduct regular audits to identify and eliminate fraudulent receipt books.
- Establish a centralized revenue monitoring unit to oversee collections and enforce compliance.
- Implement strict penalties for fraudulent activities and revenue leakages.
- Prioritize payments of facilitation for activities related to revenue collections and fuel
- Standardize revenue collection processes countywide; Revenue streams, Fees charged, and receipting

### c) Capacity Building and Staff Training

- Provide specialized training for revenue collection staff on ethical practices and compliance.
- Develop clear job descriptions to ensure staff are assigned specific revenue streams (e.g., livestock markets, shops, trading centres).
- Foster a culture of accountability by setting individual and departmental revenue targets.

### d) Expanding Revenue Streams

- Diversify revenue sources by reviewing and optimizing existing fees and charges.

- Introduce new revenue-generating initiatives, such as licensing, tourism levies, and land-use fees.
- Strengthen public-private partnerships to enhance investment in revenue-generating sectors.

e) Enhancing Public Awareness and Compliance

- Launch taxpayer education programs to improve compliance and reduce resistance to revenue collection.
- Promote public participation in revenue matters to foster transparency and trust.
- Establish feedback mechanisms to address concerns and improve service delivery.

f) Develop policies that guide the revenue collection

- Formulating a Policy or Cabinet Memo to establish guidelines on Urban areas (Revenue Management) guidelines. This will guide how municipalities can collect fees e.g. parking, signage, use of open spaces by businesses.
- Developing a Policy Framework to regulate county planning and development control guidelines; This will guide approval of buildings, Environmental considerations, Design standards and fees charges by the county.

By implementing these strategies, Marsabit County can significantly enhance revenue collection, minimize fraud, and ensure sustainable funding for essential services.

## 7. Strategic Recommendations

- Promote a whole-of-government approach to revenue generation.
- Prioritize investment in automation, legal reform, and infrastructure.
- Assign revenue collection targets per department and hold quarterly review summits.
- Institutionalize taxpayer education and public participation in revenue matters.
- Enhance transparency and accountability in the entire revenue collection cycle.

## 8. Conclusion

The Revenue Enhancement Summit emphasized the urgent need to unlock Marsabit County's revenue potential through coordinated, technology-driven, and results-based strategies. All departments must own the responsibility of revenue mobilization. **With political goodwill, adequate resources, and staff commitment, the county can significantly improve its OSR and fund essential services sustainably.**

Chief officer Revenue  
**Marsabit County Government**

