



## **COUNTY GOVERNMENT OF KERICHO**

# **KERICHO COUNTY IMPLEMENTATION PLAN OF INTERNAL AUDIT RECOMMENDATIONS ON OWN SOURCE REVENUE**

**FY 2025/26**

**Table of Contents**

Foreword .....iii

Executive Summary ..... 1

Implementation Plan for Internal Audit Recommendations on Own Source Revenue Administration ... 2

1. Objective ..... 2

2. Key Interventions and Timeline..... 2

2.1 Establishment of Revenue Enhancement Committee ..... 2

2.2 Policy Directive on Single Business Permits ..... 2

2.3 Rapid Results Initiative (RRI)..... 3

3. Scope of Enforcement..... 3

4. Implementation Approach ..... 3

5. Monitoring and Reporting..... 4

6. Expected Outcomes ..... 4

7. Risks and Mitigation Measures..... 4

8. Success Indicators (by June 30, 2026) ..... 5

## **FOREWORD**

The implementation plan for the Internal Audit Recommendations on Own Source Revenue Administration presents a structured and practical approach to addressing gaps identified in revenue collection and compliance within the County.

The proposed establishment of a Revenue Enhancement Committee, chaired by H.E. the Governor, underscores the County's commitment to providing high-level leadership and strategic oversight in strengthening own source revenue performance. The Committee will play a critical role in guiding policy direction, enhancing coordination across departments, and ensuring accountability in implementation.

The introduction of a policy directive linking the issuance of Single Business Permits (SBPs) to the clearance of land rates is a significant reform measure aimed at improving compliance and broadening the revenue base. This integrated approach is expected to enhance efficiency in revenue administration and promote fairness among taxpayers.

Further, the Rapid Results Initiative (RRI) to be undertaken across all sub-counties demonstrates the County's commitment to achieving measurable outcomes within a defined timeframe. The multi-agency enforcement teams will ensure a coordinated and comprehensive approach to compliance, covering key revenue streams and regulatory areas.

This plan provides a clear roadmap for implementation, monitoring, and evaluation, with well-defined roles, timelines, and performance indicators. Its successful execution will significantly improve revenue collection, strengthen institutional coordination, and enhance service delivery.

I therefore support the adoption and implementation of this plan and urge all departments and stakeholders to fully cooperate in its execution.



**Hon. Jackson K Rop**

County Executive Committee Member (CECM) – Finance and Head of Treasury

## **Executive Summary**

This implementation plan outlines strategic measures to strengthen own source revenue administration through enhanced compliance, coordinated enforcement, and targeted policy interventions in response to internal audit recommendations.

A **Revenue Enhancement Committee**, comprising six County Executive Committee Members (CECMs) and chaired by H.E. the Governor, will be established by 18th December 2024 to provide strategic oversight and policy direction. The Committee will guide revenue enhancement initiatives, approve enforcement strategies, and ensure effective coordination across departments.

As part of immediate policy action, an Executive Directive will be issued requiring that all applications and renewals of Single Business Permits (SBPs) between January and March 2026 be conditional upon clearance of land rates by property owners. This measure is intended to improve compliance and integrate revenue streams, particularly linking business permits to land rates performance.

To accelerate results, a Rapid Results Initiative (RRI) will be implemented from April to June 2026 across six sub-counties. Six multi-sectoral enforcement teams, each led by a CECM and supported by technical officers from relevant departments, will conduct joint compliance operations focusing on land rates, SBPs, public health regulations, and weights and measures standards.

The plan emphasizes coordinated inspections, enforcement of compliance, stakeholder sensitization, and structured monitoring through weekly reporting, mid-term review, and final evaluation. Key performance indicators will include improvements in revenue collection, compliance levels, and the number of businesses adhering to regulatory requirements.

Overall, the implementation is expected to enhance revenue performance, strengthen interdepartmental collaboration, and establish a more effective and sustainable enforcement framework, while addressing potential risks through stakeholder engagement, clear coordination mechanisms, and adequate resource allocation.

# IMPLEMENTATION PLAN FOR INTERNAL AUDIT RECOMMENDATIONS ON OWN SOURCE REVENUE ADMINISTRATION

## 1. Objective

To strengthen own source revenue collection through enhanced compliance, coordinated enforcement, and policy directives arising from internal audit recommendations.

## 2. Key Interventions and Timeline

### 2.1 Establishment of Revenue Enhancement Committee

- **Activity:** Appointment of a Revenue Enhancement Committee
- **Composition:** Six County Executive Committee Members (CECMs)
- **Chair:** H.E. The Governor
- **Timeline:** By **18th December 2024**
- **Responsibility:** Office of the Governor

#### Mandate:

- Provide strategic oversight on revenue enhancement initiatives
- Approve enforcement strategies and compliance frameworks
- Issue policy directives to improve revenue performance

### 2.2 Policy Directive on Single Business Permits

- **Activity:** Issuance of an Executive Directive
- **Directive:**  
All applications and renewals for Single Business Permits (SBPs) between **January and March 2026** shall be conditional upon:
  - Clearance of land rates by property owners (landlords)
  - Verification that tenants operating businesses are in compliant premises
- **Responsibility:**
  - Revenue Department
  - Lands and Housing Department

#### Expected Outcome:

- Improved land rates compliance
- Integration of revenue streams (land rates and business permits)

### **2.3 Rapid Results Initiative (RRI)**

- **Activity:** Implementation of a Rapid Results Initiative
- **Timeline:** April to June 2026
- **Coverage:** Six Sub-Counties

#### **Structure:**

- Formation of **six enforcement teams**, each assigned to one sub-county

#### **Team Composition:**

- Team Leader: One CECM (from the appointed committee)
- Members:
  - Revenue Officers
  - Public Health Officers
  - Trade Officers
  - Weights and Measures Inspectors
  - Enforcement Officers

### **3. Scope of Enforcement**

Each team will ensure compliance in the following areas:

- Land rates payment
- Single Business Permit (SBP) compliance
- Public health regulations
- Weights and measures standards
- Any other applicable county levies and regulations

### **4. Implementation Approach**

- Conduct joint inspections and compliance checks
- Issue compliance notices and enforce penalties where necessary
- Sensitize business owners and landlords on regulatory requirements
- Provide daily and weekly progress reports

## 5. Monitoring and Reporting

- Weekly performance reports submitted to the Revenue Enhancement Committee
- Mid-term review at the end of May 2026
- Final evaluation report in June 2026

### Key Performance Indicators (KPIs):

- Increase in land rates collection
- Increase in SBP compliance rates
- Number of businesses inspected and compliant
- Revenue growth compared to previous periods

## 6. Expected Outcomes

- Enhanced own source revenue collection
- Improved interdepartmental coordination
- Increased compliance across key revenue streams
- Strengthened enforcement mechanisms

## 7. Risks and Mitigation Measures

- **Resistance from landlords/business owners**  
→ Conduct stakeholder engagement and sensitization
- **Operational coordination challenges**  
→ Clear team structures and reporting lines
- **Capacity constraints**  
→ Deploy adequate technical officers and logistical support

## **8. Success Indicators (by June 30, 2026)**

- % increase in land rates collection (vs. Q1 2026)
- % increase in SBP issuance (after Jan–Mar restriction period)
- % of businesses with valid public health & weights/measures certificates
- Total additional OSR realized during RRI (April–June 2026)