



Salaries & Remuneration
Commission
Rewarding productivity

Ref. No: SRC/TS/29 (81)

10th August, 2023

All County Governors

All County Secretaries

All Secretaries County Public Service Boards

REMUNERATION AND BENEFITS FOR PUBLIC OFFICER IN THE COUNTY GOVERNMENT EXECUTIVE FOR THE THIRD REMUNERATION REVIEW CYCLE 2021/2022 – 2024/2025

The Salaries and Remuneration Commission (SRC) in the discharge of its mandate under Article 230 (4) and Section 11(e) of SRC Act, set a four-year review cycle for remuneration and benefits in the public service. The first cycle covered the period 2013/2014 – 2016/2017, while the second covered 2017/2018 – 2020/2021.

The third cycle covers 2021/2022 – 2024/2025 as follows:

- (i) For the period 2021/2022 – 2022/2023, due to the COVID-19 ravaged economy, SRC in consultation with the National Treasury advised on a **freeze** of the basic salary structures, allowances and benefits paid in the public service vide Circular Ref. No: SRC/TS/JE/3/33 VOL XI (26) dated 17th June, 2021 (**copy attached**).
- (ii) For the period 2023/2024 – 2024/2025, SRC has reviewed the remuneration structure for public officers in Executive Arm of the county governments based on the principles of pay determination within the framework of affordability and fiscal sustainability taking into account the budgetary allocation to implement the reviewed salary structure.

SRC therefore advises on the review of remuneration structure and allowances for public officers (non-State Officers) in the County Governments as follows:

- (a) **Basic Salary:** To be paid within the parameters shown in **Table 1** with effect from 1st July, 2023 based on a budget ceiling of **KSh 3,791,451,767** and **Table 2** with effect from 1st July, 2024 and based on a budget ceiling of **KSh 3,119,144,421 for all the 47 Counties (Executive and Assembly)**. The basic salary should be implemented within the annual basic salary progression provided in **Table 3 and Table 4**;
- (b) **House Allowance:** To be paid within the parameters shown in **Tables 5** with effect from 1st July, 2023 based on a budget ceiling of **KSh 505,484,603** and **Table 6** with effect from 1st July, 2024 based on a budget ceiling of **KSh 1,247,597,440 for all the 47 Counties (Executive and Assembly)**;

- (c) **Commuter Allowance:** To be paid as shown in **Table 7**; and
- (d) **Other Remunerative items:** To be provided based on existing government circulars and guidelines and as reviewed and advised by SRC from time to time.
- (e) The County Attorney and County Secretary to be paid a gross consolidated remuneration as shown in **Table 1a**.

The purpose of this letter, therefore, is to convey the Commission's advice for your necessary action.

Yours



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Table 1a: Current and new Remuneration Structure for County Attorney and County Secretary

Designation	Basic Salary	House Allowance	Commuter Allowance	Salary Market Adjustment	Gross Salary
Current Remuneration					
County Attorney and County Secretary	242,550	80,000	Official	81,700	404,250
Advised Remuneration in FY 2023/24 with effect from 1st July, 2023 (KSh)					
County Attorney and County Secretary	247,847	80,000	Official	85232	413,079
Advised Remuneration in FY 2024/25 with effect from 1st July, 2024 (KSh)					
County Attorney and County Secretary	253,516	80,000	Official	89010	422,526

Table 1: Salary structure for County Executive in FY 2023/24 with effect from 1st July, 2023 (KSh)

County Executive			Basic Salary		Monthly Allowances					Gross Salary (Nairobi)	
Rem. Grade	Salary Grade	Job Group Equiv.	Min.	Max.	House: Nairobi/C luster 1	House: Cluster 2	House: Cluster 3	House: Cluster 4	Com muter	Min.	Max.
E1	CPSB 02	S	137,070	203,010	60,000	56,000	52,000	49,206	20,000	217,070	283,010
D4	CPSB 03	R	124,630	172,350	50,000	35,000	25,000	21,508	16,000	190,630	238,350
D3	CPSB 04	Q	102,860	137,070	45,000	28,000	21,000	18,066	14,000	161,860	196,070
D2	CPSB 05	P	90,200	124,630	45,000	28,000	21,000	18,066	12,000	147,200	181,630
C5	CPSB 06	N	58,360	90,200	35,000	25,500	18,000	16,184	8,000	101,360	133,200
C4	CPSB 07	M	50,610	67,110	28,000	22,000	16,500	14,055	8,000	86,610	103,110
C3	CPSB 08	L	44,400	61,110	28,000	22,000	16,500	14,055	6,000	78,400	95,110
C2	CPSB 09	K	39,700	52,960	16,500	12,800	9,600	8,133	5,000	61,200	74,460
C1	CPSB 10	J	32,700	42,690	10,000	7,500	5,800	5,000	4,000	46,700	56,690
B5	CPSB 11	H	26,900	35,380	6,750	4,500	3,850	3,850	4,000	37,650	46,130
B4	CPSB 12	G	23,700	31,450	6,750	4,500	3,850	3,850	4,000	34,450	42,200
B3	CPSB 13	F	19,220	23,130	4,500	3,730	3,000	3,000	3,000	26,720	30,630
B2	CPSB 14	E	18,000	19,900	4,500	3,730	2,960	2,960	3,000	25,500	27,400
B1	CPSB 15	D	16,870	19,220	4,125	3,375	2,750	2,750	3,000	23,995	26,345
A3	CPSB 16	C	15,900	17,420	3,750	3,125	2,500	2,500	3,000	22,650	24,170
A3	CPSB 17	B	15,280	16,360	3,750	3,125	2,500	2,500	3,000	22,030	23,110

Table 2: Basic Salary structure for County Executive in FY 2024/25 with effect from 1st July, 2024 (KSh)

County Executive			Basic Salary		Monthly Allowances					Gross Salary (Nairobi)	
Rem. Grade	Salary Grade	Job Group Equiv.	Min.	Max.	House: Nairobi/Cluster 1	House: Cluster 2	House: Cluster 3	House: Cluster 4	Com muter	Min.	Max.
E1	CPSB 02	S	142,340	211,770	60,000	56,000	52,000	52,000	20,000	222,340	291,770
D4	CPSB 03	R	129,300	180,110	50,000	35,000	25,000	25,000	16,000	195,300	246,110
D3	CPSB 04	Q	107,130	142,340	45,000	28,000	21,000	21,000	14,000	166,130	201,340
D2	CPSB 05	P	94,170	129,300	45,000	28,000	21,000	21,000	12,000	151,170	186,300
C5	CPSB 06	N	60,580	94,170	35,000	25,500	18,000	18,000	8,000	103,580	137,170
C4	CPSB 07	M	52,550	69,500	28,000	22,000	16,500	16,500	8,000	88,550	105,500
C3	CPSB 08	L	46,240	63,500	28,000	22,000	16,500	16,500	6,000	80,240	97,500
C2	CPSB 09	K	41,320	55,010	16,500	12,800	9,600	9,600	5,000	62,820	76,510
C1	CPSB 10	J	33,900	44,530	10,000	7,500	5,800	5,800	4,000	47,900	58,530
B5	CPSB 11	H	27,900	36,680	6,750	4,500	3,850	3,850	4,000	38,650	47,430
B4	CPSB 12	G	24,700	32,600	6,750	4,500	3,850	3,850	4,000	35,450	43,350
B3	CPSB 13	F	20,370	24,280	4,500	3,730	3,000	3,000	3,000	27,870	31,780
B2	CPSB 14	E	19,150	21,050	4,500	3,730	2,960	2,960	3,000	26,650	28,550
B1	CPSB 15	D	18,020	20,370	4,125	3,375	2,750	2,750	3,000	25,145	27,495
A3	CPSB 16	C	17,050	18,570	3,750	3,125	2,500	2,500	3,000	23,800	25,320
A3	CPSB 17	B	16,430	17,510	3,750	3,125	2,500	2,500	3,000	23,180	24,260

Table 3: Annual Basic Salary Progression for County Executive in FY 2023/24

Salary Grade	Basic Salary Annual Progression (KSh)									
	Min	1	2	3	4	5	6	7	8	9
CPSB 02	137,070	143,640	150,410	157,370	164,530	172,350	186,030	203,010	-	-
CPSB 03	124,630	130,700	137,070	143,640	150,410	157,370	164,530	172,350	-	-
CPSB 04	102,860	107,930	113,230	118,790	124,630	130,700	137,070	-	-	-
CPSB 05	90,200	93,420	97,940	102,860	107,930	113,230	118,790	124,630	-	-
CPSB 06	58,360	61,110	64,030	67,110	70,650	74,340	78,230	82,130	86,140	90,200
CPSB 07	50,610	52,960	55,510	58,360	61,110	64,030	67,110	-	-	-
CPSB 08	44,400	46,320	48,320	50,610	52,960	55,510	58,360	61,110	-	-
CPSB 09	39,700	41,170	42,690	44,400	46,320	48,320	50,610	52,960	-	-
CPSB 10	32,700	34,000	35,380	36,770	38,230	39,700	41,170	42,690	-	-
CPSB 11	26,900	28,010	29,130	30,280	31,450	32,700	34,000	35,380	-	-
CPSB 12	23,700	24,740	25,810	26,900	28,010	29,130	30,280	31,450	-	-
CPSB 13	19,220	19,900	20,600	21,380	22,180	23,130	-	-	-	-
CPSB 14	18,000	18,580	19,220	19,900	-	-	-	-	-	-
CPSB 15	16,870	17,420	18,000	18,580	19,220	-	-	-	-	-
CPSB 16	15,900	16,360	16,870	17,420	-	-	-	-	-	-
CPSB 17	15,280	15,580	15,900	16,360	-	-	-	-	-	-

Table 4: Annual Basic Salary Progression for County Executive in FY 2024/25

Salary Grade	Basic Salary Annual Progression (KSh)									
	Min	1	2	3	4	5	6	7	8	9
CPSB 02	142,340	149,210	156,280	163,740	171,600	180,110	195,290	211,770	-	-
CPSB 03	129,300	135,670	142,340	149,210	156,280	163,740	171,600	180,110	-	-
CPSB 04	107,130	112,300	117,700	123,360	129,300	135,670	142,340	-	-	-
CPSB 05	94,170	97,490	102,110	107,130	112,300	117,700	123,360	129,300	-	-
CPSB 06	60,580	63,500	66,420	69,500	73,160	76,970	81,080	85,200	89,610	94,170
CPSB 07	52,550	55,010	57,660	60,580	63,500	66,420	69,500	-	-	-
CPSB 08	46,240	48,160	50,160	52,550	55,010	57,660	60,580	63,500	-	-
CPSB 09	41,320	42,900	44,530	46,240	48,160	50,160	52,550	55,010	-	-
CPSB 10	33,900	35,250	36,680	38,180	39,740	41,320	42,900	44,530	-	-
CPSB 11	27,900	29,010	30,180	31,380	32,600	33,900	35,250	36,680	-	-
CPSB 12	24,700	25,740	26,810	27,900	29,010	30,180	31,380	32,600	-	-
CPSB 13	20,370	21,050	21,750	22,530	23,330	24,280	-	-	-	-
CPSB 14	19,150	19,730	20,370	21,050	-	-	-	-	-	-
CPSB 15	18,020	18,570	19,150	19,730	20,370	-	-	-	-	-
CPSB 16	17,050	17,510	18,020	18,570	-	-	-	-	-	-
CPSB 17	16,430	16,730	17,050	17,510	-	-	-	-	-	-

Table 5: House Allowance for County Executive in FY 2023/24 with effect from 1st July, 2023 (KSh)

Job Grade	Salary Grade	Job Group	Cluster 1	Cluster 2	Cluster 3	Cluster 4
E1	CPSB 02	S	60,000	56,000	52,000	49,206
D4	CPSB 03	R	50,000	35,000	25,000	21,508
D3	CPSB 04	Q	45,000	28,000	21,000	18,066
D2	CPSB 05	P	45,000	28,000	21,000	18,066
C5	CPSB 06	N	35,000	25,500	18,000	16,184
C4	CPSB 07	M	28,000	22,000	16,500	14,055
C3	CPSB 08	L	28,000	22,000	16,500	14,055
C2	CPSB 09	K	16,500	12,800	9,600	8,133
C1	CPSB 10	J	10,000	7,500	5,800	5,000
B5	CPSB 11	H	6,750	4,500	3,850	3,850
B4	CPSB 12	G	6,750	4,500	3,850	3,850
B3	CPSB 13	F	4,500	3,730	3,000	3,000
B2	CPSB 14	E	4,500	3,730	2,960	2,960
B1	CPSB 15	D	4,125	3,375	2,750	2,750
A3	CPSB 16	C	3,750	3,125	2,500	2,500
A2	CPSB 17	B	3,750	3,125	2,500	2,500

Table 6: House Allowance for County Executive in FY 2024/25 with effect from 1st July, 2024 (KSh)

Job Grade	Salary Grade	Job Group	Cluster 1	Cluster 2	Cluster 3	Cluster 4
E1	CPSB 02	S	60,000	56,000	52,000	52,000
D4	CPSB 03	R	50,000	35,000	25,000	25,000
D3	CPSB 04	Q	45,000	28,000	21,000	21,000
D2	CPSB 05	P	45,000	28,000	21,000	21,000
C5	CPSB 06	N	35,000	25,500	18,000	18,000
C4	CPSB 07	M	28,000	22,000	16,500	16,500
C3	CPSB 08	L	28,000	22,000	16,500	16,500
C2	CPSB 09	K	16,500	12,800	9,600	9,600
C1	CPSB 10	J	10,000	7,500	5,800	5,800
B5	CPSB 11	H	6,750	4,500	3,850	3,850
B4	CPSB 12	G	6,750	4,500	3,850	3,850
B3	CPSB 13	F	4,500	3,730	3,000	3,000
B2	CPSB 14	E	4,500	3,730	2,960	2,960
B1	CPSB 15	D	4,125	3,375	2,750	2,750
A3	CPSB 16	C	3,750	3,125	2,500	2,500
A2	CPSB 17	B	3,750	3,125	2,500	2,500

Note: Cluster 1: Nairobi City. **Cluster 2:** Mombasa, Kisumu and Nakuru cities, Nyeri, Eldoret, Thika, Kisii, Malindi and Kitale municipalities. **Cluster 3:** Other Former municipalities. **Cluster 4:** All other areas.

Table 7: SRC Advised Commuter Allowance

Job Group Equiv.	Civil Service Grade	Rate
S	CPSB 02	20,000
R	CPSB 03	16,000
Q	CPSB 04	14,000
P	CPSB 05	12,000
M-N	CPSB 06- 07	8,000
L	CPSB 08	6,000
K	CPSB 09	5,000
G-J	CPSB 10-12	4,000
B-F	CPSB 13- 17	3,000

Implementation Notes:

1. Place County Executive jobs in the rightful job evaluation grades, salary structure and annual basic salary progression notches in FY 2023/24 and in FY 2024/25 respectively.
2. The House allowance provided in **Table 5** and **Table 6** is to be paid to County Executive serving in the respective regions.
3. Commuter Allowance to be retained at current rates as shown in **Table 7**.
4. The remuneration structure advised herein shall be implemented with effect from **1st July, 2023 in two (2) phases of financial years 2023/2024 and 2024/2025** as shown in the Tables above.
5. The salary structure for unionizable staff to be implemented through the Collective Bargaining Negotiations process.
6. The job group CPSB 17 and CPSB 18 have been merged into CPSB 17 since their relative worth as determined through job evaluation is equal.
7. Early Childhood Development Education (ECDE) teachers to be placed within the remuneration structure advised herein.
8. A County employee from the defunct Local Authorities may voluntarily opt to be placed on the remuneration structure advised herein that is applicable to the employees absorbed from the National Government and those recruited by the County Government. Such an employee who opts to adopt the remuneration structure under reference, shall do so voluntarily and in so doing forfeit all remuneration and benefits obtaining in the defunct Local Authority.
9. This letter supersedes any other advice on remuneration structure for County Executive on the remunerative items provided herein that are currently in use.



**Salaries & Remuneration
Commission**
Rewarding productivity

Ref. No: SRC/TS/JE/3/33 VOL XI (26)

17th June, 2021

Chairperson, Parliamentary Service Commission
The Chief Justice and President of the Supreme Court
Chairperson, Judicial Service Commission
Chairperson, Public Service Commission
Chairperson, Teachers Service Commission
Chairperson, National Police Service Commission
Chairperson, Independent Electoral and Boundaries Commission
Chairperson, Ethics and Anti-Corruption Commission
Chairperson, Commission on Administrative Justice
Chairperson, National Land Commission
Chairperson, Commission on Revenue Allocation
Chairperson, Kenya National Commission on Human Rights
Chairperson, National Cohesion and Integration Commission
Chairperson, National Gender and Equality Commission
Chairperson, Inter Governmental Relations Technical Committee
Chairperson, Independent Police Oversight Authority
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Controller of Budget
Director of Public Prosecutions
Data Protection Commissioner
Registrar of Political Parties
All Principal Secretaries and All Accounting Officers
All Chairpersons of Boards & Accounting Officers/CEOs, All State Corporations & Statutory Bodies
All Chairpersons of Councils & Vice Chancellors of all Public Universities
All Chairpersons, of all County Public Service Boards
All Chairpersons, of all County Assembly Service Boards

**THE THIRD PUBLIC SECTOR REMUNERATION AND BENEFITS REVIEW CYCLE
2021/2022-2024/2025 FOR ALL OTHER PUBLIC OFFICERS**

1.0 Preamble

The Salaries and Remuneration Commission (SRC) is established under Article 230 of the Constitution of Kenya 2010 with the mandate to set and regularly review the remuneration and benefits of State officers, and to advise on the remuneration and benefits of all other Public officers.

The SRC, while setting and advising on remuneration and benefits payable in the public sector is guided by the constitutional principles set out in Article 230 (5) of the Constitution and Section 12 of the SRC Act, 2011. The principles are:

- (a) The need to ensure that the total public compensation bill is fiscally sustainable;
- (b) The need to ensure that the public services are able to attract and retain the skills required to execute their functions;
- (c) The need to recognize productivity and performance;
- (d) Transparency and fairness; and
- (e) Equal remuneration to persons for work of equal value (Equity).

In addition, within the context of the above principles, the SRC considers the following factors:

- (a) **Comparability:** This is the relationship between remuneration and benefits obtaining for similar jobs within and across institutions in the same sector.
- (b) **Cost of Living Adjustment (COLA):** This is a periodic increase in wages or salaries to cushion against loss in purchasing power of money due to inflation. The SRC considers Consumer Price Index (CPI) to cushion for COLA.

Pursuant to Section 11(e) of the SRC Act, the SRC set a four (4)-year review cycle of remuneration and benefits in the Public Service with the first cycle running for the period between the years 2013/2014–2016/2017 and the second cycle between the years 2017/2018–2020/2021. The third remuneration and benefits review cycle is for the period 2021/2022–2024/2025, and will commence in the financial year 2021/2022.

The Remuneration and benefits Review Cycle under reference is undertaken within the following context:

2.0 Context

(a) Economic Outlook

The outbreak of the COVID-19 pandemic and the resultant containment measures have and continue to impact the global economy. The World Economic Outlook, January 2021, as published by the International Monetary Fund (IMF), estimates that the global economy slowed down by 3.5 per cent in 2020, from a growth rate of 2.8 per cent in 2019. The current economic slowdown is worse than the slowdown reported in the 2008–2009 global financial crisis.

Prior to the outbreak of the COVID-19 pandemic, Kenya's economy was resilient in spite of the challenging global environment. The economic growth for 2018 and 2019 averaged 5.4 per cent. In 2020, the economy was adversely affected by the outbreak of the pandemic, which affected lives and livelihoods, and to a greater extent, businesses and economic activities. As a result, the economy has slowed down to around 0.6 per cent in the year 2020, from a growth of 5.4 per cent in 2019.

The economy is projected to recover and grow to around 6.6 per cent in 2021 on account the base effect and government investments. The growth will be supported by ongoing investments in strategic priorities of the government under the 'Big Four' Agenda and

implementation of the economic recovery strategy. To jump start the COVID-19 ravaged economy, more resources must be made available for investment in these priority areas.

(b) The Impact of COVID-19 Pandemic on Jobs and Income

Due to COVID-19 restrictions across countries, the International Labour Organization (ILO) estimates that 8.8 per cent of global working hours were lost in 2020 relative to 2019. This is equivalent to 255 million Full-Time Equivalent (FTE) jobs, which were about four times greater than during the 2009 global financial crisis. Global labour income in 2020 is estimated to have declined by 8.3 per cent, translating to 4.4 per cent of the global Gross Domestic Product (GDP).

A continued loss in working hours and labour income is projected in 2021 with a modest recovery. Workers globally have had to accept shorter working hours and wage cuts in different industries. Wage cuts have also been negotiated within collective bargaining agreements. Several countries, including South Africa, Rwanda, Burkina Faso, India, Argentina, Australia, Brazil, the United Kingdom, the United State of America, and Canada, took measures to rearrange their expenditures during the COVID-19 pandemic and in a bid to share the economic burden.

The measures undertaken in the above countries include, but not limited to:

- (i) Introducing basic salary cuts;
- (ii) Withholding annual increment and freezing of minimum wage;
- (iii) Freezing inflation-linked increases in basic salary and pension;
- (iv) Suspending all planned salary increases effective financial year 2020/2021; and
- (v) Mandatory donations of portions of the salaries of some employees to finance the pandemic response.

In Kenya, in the spirit of social dialogue, Kenya's Social Partners entered into a Memorandum of Understanding detailing a joint approach to managing Labour Relations during the pandemic period.

3.0 Review of Remuneration and Benefits in the Third Remuneration and Benefits Review Cycle

The SRC has reviewed remuneration and benefits, guided by the constitutional principles set out in Article 230(5) of the Constitution and Section 12 of SRC Act, 2011, as follows:

(a) Affordability and Fiscal Sustainability of the Wage Bill

The current Public Sector Wage bill consumes a larger percentage of revenue than the target set in the Public Finance Management Act 2012 and a larger percentage of GDP compared to average for developing countries.

Table 1: Affordability and sustainability ratios

Item Description	2015/16.	2016/17	2017/18	2018/19	2019/20	Target %
Total wage bill (KShs Billion)	615	664	733	795	827	
Wage bill to ordinary revenue	53.3	50.8	53.5	48.1	51.7	35
Wage bill to GDP	9.2	8.7	8.3	7.9	8.3	7.5

To release resources for investment in the priority areas, the wage bill to revenue and to GDP ratios must take a trajectory towards achievement of the target ratios.

(b) Equity and Fairness

The SRC addresses equity and fairness through job evaluation, harmonisation of salary structures and streamlining allowances and benefits. Consequently, the SRC has undertaken:

- (i) Job evaluation of the current remuneration and benefits review cycle to determine the relative worth of jobs and to harmonise job grades within and across sectors;
- (ii) A review of salary structures to determine the extent of harmonization; and
- (iii) A study on allowances and benefits payable in the public sector, resulting in development of allowances and benefits policy which will streamline allowances to ensure equity and fairness in total pay.

Harmonisation of basic salary structures, implementation of job evaluation results and implementation of the allowances and benefits policy will be undertaken within the framework of affordability and fiscal sustainability.

(c) Attraction and Retention

Remuneration and benefits are key drivers of attraction and retention. The SRC ensures that remuneration and benefits in the public sector enables attraction and retention of requisite skills through labour market salary surveys in the public sector and the private sector.

A study by the SRC in 2018 revealed a high retention rate of 95 per cent of employees within the public sector. The SRC carried out another salary survey in the public sector in 2020 to establish compensation levels and trends, and which revealed 90 per cent retention rate of employees in the public sector. The high retention in the public sector is attributable to high job security, opportunities for growth and a good work environment.

Further, the SRC undertook labour market salary surveys in the private sector in 2021 to gauge remuneration and benefits levels and ensure a fair balance in the private and public sector remuneration and benefits. Implementation of the findings of the labour market salary surveys is subject to affordability and fiscal sustainability.

(d) Recognition of Performance and Productivity

The SRC has developed a draft framework to recognise performance and productivity and has received stakeholder input. This constitutional principle will be operationalised within the context of affordability and fiscal sustainability once the framework is finalised.

4.0 Outcome of the Remuneration and Benefits Review for all Other Public Officers in the Third Remuneration and Benefits Review Cycle 2021/2022-2024/2025

The 3rd remuneration and benefits review cycle 2021/2022-2024/2025 which is undertaken by the SRC entails; job evaluation and grading, labour market salary surveys and a review of the current salary structures in the public sector. Implementation of the outcome of the third remuneration and benefits review cycle is projected to cost Kshs. 82 billion over a four-fiscal-year period.

Pursuant to the constitutional principle of affordability and fiscal sustainability, the SRC engaged the National Treasury on the projected cost. The National Treasury advised the SRC that due to the effect of COVID-19 pandemic on the performance of the revenue and the expected slow economic recovery:

- (i) The SRC to consider postponing the review of remuneration and benefits for the next two fiscal years with effect from FY 2021/22 until the economy improves; and
- (ii) The National Treasury will review the performance of the economy and advise the SRC as/and when remuneration and benefits can be reviewed based on the prevailing circumstances to ensure affordability and fiscal sustainability.

Notwithstanding the need to enhance equity and fairness through harmonization of salary structures and implementation of job evaluation results, and the need to review salary structures;

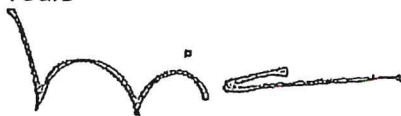
Cognisant of the government's financial constraints, the current wage bill ratios and the need to release resources for investment in the priority areas, to jump start the COVID-19 ravaged economy, the SRC has deliberated on the review of remuneration and benefits for the third public sector remuneration and benefits review cycle, taking into account the constitutional principles, Section 12 of the SRC Act, 2011 and the advice of the National Treasury. Consequently:

- (i) There will be no review of the basic salary structures, allowances and benefits paid in the public sector in the financial year 2021/2022 – 2022/2023;
- (ii) Annual salary notch adjustments in existing salary structures, as set or advised by the SRC, will continue to be applied within budget allocation;
- (iii) No additional funding will be provided for implementation of the job evaluation results in the FY 2021/2022 and 2022/2023;
- (iv) Public sector institutions may implement job evaluation results, by placing jobs in their rightful job evaluation grading, within the existing salary structures and approved budget subject to confirmation to the SRC that the funding is provided for in the current budget;
- (v) Public sector institutions will be required to fully implement the allowances and benefits policy; and
- (vi) The SRC will review the situation after two fiscal years and based on the status of the economy, guide on the way forward for the remaining period of the third remuneration and benefits review cycle.

5.0 The Purpose

The purpose of this letter therefore, is to convey the Commission's advice on the remuneration and benefits for all other public officers for your necessary action.

Yours



Mrs. Lyn C. Mengich
CHAIRPERSON

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