



LEGAL NOTICE NO.....

THE KENYATTA NATIONAL HOSPITAL ORDER, 2026

Arrangement of Paragraphs.

Paragraph

PART I—PRELIMINARY PROVISIONS

1—Citation.

2—Interpretation.

3— Purpose of the Hospital.

PART II- KENYATTA NATIONAL HOSPITAL

4—Establishment of the Hospital.

5— Headquarters of the Hospital.

6— Functions of the Hospital.

PART III -BOARD OF DIRECTORS OF THE HOSPITAL

7— Powers of the Board.

8— Board of Directors of the Hospital.

9— Qualification for appointment as Chairperson or Member of the Board.

10— Term of office.

11— Vacation of office.

12— Committees of the Board.

13—Meetings of the Board.

14—Delegation by the Board.

PART IV- CHIEF EXECUTIVE OFFICER AND STAFF OF THE HOSPITAL

15—The Chief Executive Officer of the Hospital.

16— Removal from office of the Chief Executive Officer.

17— Staff of the Hospital.

18— Remuneration.

PART V- FINANCIAL PROVISIONS

19— Funds of the Hospital.

20— Financial year.

21— Annual estimates.

22— Accounts and Audit.

23— Annual report.

PART VI- MISCELLANEOUS PROVISIONS

24— Protection from personal liability.

25— Liability for damages.

26— Common seal

27— Policies

PART VII- TRANSITIONAL AND SAVINGS PROVISIONS

28— Transitional provisions.

29— Staff of the former Hospital.

30— Agreements, contracts and other binding instruments.

31— Assets and liabilities.

32— Administrative decisions.

33— Preservation of pending proceedings.

34— Disciplinary proceedings.

35— Pension.

THE STATE CORPORATIONS ACT

(Cap. 446)

IN EXERCISE of the powers conferred by Section 3 (1) of the State Corporations Act, I, William Samoei Ruto, President of the Republic of Kenya and Commander-in-Chief of the Kenya Defence Forces, make the following Order—

THE KENYATTA NATIONAL HOSPITAL ORDER, 2026

Citation. **1.**This Order may be cited as the Kenyatta National Hospital Order, 2026.

Interpretation. **2.**In this Order, unless the context otherwise requires—

“Act” means the State Corporations Act;

“Board” means the Board of Directors of the Kenyatta National Hospital appointed under paragraph 8;

“Cabinet Secretary” means the Cabinet Secretary responsible for matters relating to health;

“chief executive officer” means the chief executive officer appointed under paragraph 15;

Cap. 241.

“healthcare services” has the meaning assigned to it under section 2 of the Health Act; and

“Hospital” means the Kenyatta National Hospital. established under paragraph 4.

Purpose of the Hospital.

3. The purpose of the Hospital shall be to provide highly specialized referral healthcare services, and to serve as a national centre for teaching, training, research and innovation in healthcare.

Establishment of the Hospital.

4. (1) There is established a state corporation to be known as the Kenyatta National Hospital.

(2) The Hospital shall be a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of—

(a) suing and being sued;

(b) taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property;

- (c) receiving, investing, borrowing and lending money; and
- (d) doing or performing all other things or acts, including entering into such contracts as may be necessary or expedient, for the furtherance of the provisions of this Order, which may be lawfully done or performed by a body corporate.

Cap. 241. (3) The Hospital shall be a level 6 tertiary hospital within the meaning of section 25(1) as read with the First Schedule of the Health Act.

Headquarters
of the Hospital.

5.(1) The headquarters of the Hospital shall be in Nairobi.

(2) Despite subparagraph (1), the Hospital may establish and operate satellites, units and specialized centers as it considers necessary for the discharge of its **functions**.

Functions of
the Hospital.

6. The functions of the Hospital shall be to—

- (a) receive patients on referral from other health facilities within or outside Kenya for specialized healthcare;
- (b) provide multi-specialty referral healthcare services including public and private healthcare services, out-patient and in-patient diagnostic services, treatment, surgical treatment and other related medical services;
- (c) provide facilities for medical education for the University of Nairobi, training and research in medical and related services directly or in collaboration with health facilities and academic institutions within and outside Kenya;
- (d) train healthcare professionals in medical and health care related disciplines including through providing postgraduate training and internships;
- (e) contribute to and participate in national health planning, as appropriate;
- (f) collaborate with the National Government in training, research, development of health care and other related services;
- (g) provide technical assistance and support to health facilities that are located near the Hospital, as may be appropriate;

- (h) conduct research on matters related to the provision of healthcare services;
- (i) provide policy advice and make recommendations to the Cabinet Secretary on matters related to the provision of healthcare services and specialized healthcare services; and
- (j) perform such other functions as may be prescribed in any other written law or as necessary for the performance of the functions of the Hospital.

Powers of the Board.

6.(1) The Board shall have all the powers necessary for the proper performance of its functions under this Order and any other written law.

(2) The Board shall have the power to—

Cap. 412C.

- (a) manage, control and administer the assets of the Hospital in accordance with the Public Procurement and Asset Disposal Act;
- (b) open such bank accounts for the funds of the Hospital as may be necessary;
- (c) determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Hospital;
- (d) with the approval of the Cabinet Secretary for the time being responsible for matters relating to the National Treasury, invest any surplus funds of the Hospital not immediately required for the purposes of this Order, as the Board may determine;
- (e) receive gifts, grants, donations or endowments made to the Hospital or any other monies in respect of the Hospital and make legitimate disbursements therefrom in accordance with the provisions of this Order;
- (f) levy or charge fees for the services rendered by the Hospital as may be determined from time to time by the Board;
- (g) enter into association, collaboration or partnerships with such other bodies or organizations, within or outside Kenya, as it may consider desirable or appropriate and in furtherance of the purposes for which the Hospital is established; and

- (h) undertake any activity necessary for the performance of any of its functions.

PART III- BOARD OF DIRECTORS OF THE HOSPITAL

Board of the Hospital.

7. (1) The management of the Hospital shall vest in a Board of Directors comprising of —

- (a) a non-executive Chairperson appointed by the President;
- (b) the Principal Secretary in the Ministry responsible for matters relating to health or a representative designated in writing;
- (c) the Principal Secretary for the National Treasury or a representative designated in writing;
- (d) the Attorney-General or a representative designated in writing;
- (e) the Dean of the Faculty/College of Health Sciences of the University of Nairobi;
- (f) the Director – General of Health;
- (g) three other members, not being public officers, appointed by the Cabinet Secretary; and
- (h) a Chief Executive Officer who shall be an *ex officio* member of the Board.

(2) The appointment of the Chairperson and the members of the Board under subparagraph 1(g) shall be by notice in the *Gazette*.

Qualification for appointment as Chairperson or Member of the Board.

8. A person shall qualify for appointment as the Chairperson or member of the Board, where the person—

- (a) holds a master’s degree from a university recognized in Kenya;
- (b) has professional knowledge and experience of at least ten years in matters relating to finance, management, economics, law or any other relevant field;
- (c) has served in a senior management level for a period of at least five years;
- (d) has not served in KNH as an employee in the preceding five (5) years; and

(e) meets the requirements of Chapter Six of the Constitution

Tenure of the chairperson and members of the Board.

9(1) The chairperson or a member of the Board appointed under paragraph 7(1)(g) shall hold office for a term of three years and shall be eligible for re-appointment for one further term of three years.

(2) The members appointed under paragraph 7(1)(b),(c),(d),(e) and (f) shall hold office during their tenure of office unless removed from office by the appointing authority.

Vacation of office.

10) A person shall cease to be a chairperson or member of the Board, where that person —

- (a) is unable to perform the functions of the office by reason of prolonged physical or mental illness;
- (b) is otherwise unable or unfit to discharge his or her duties;
- (c) is adjudged bankrupt by a court of competent jurisdiction;
- (d) is convicted of an offence and sentenced to imprisonment for a term exceeding six months, without the option of a fine;
- (e) is absent from three consecutive meetings of the Board without lawful cause;
- (f) resigns by notice in writing to the appointing authority;
- (g) dies; or
- (h) is removed from office in accordance with the provisions of the Constitution or any other written law.

Powers of the Board.

11. (1) The Board shall have all the powers necessary for the proper performance of its functions under this Order and any other written law.

(2) Despite the generality of sub-paragraph (1), the Board shall have the power to—

- (a) manage, control and administer the assets of the Hospital in accordance with the Public Procurement and Asset Disposal Act;
- (b) open such bank accounts for the funds of the Hospital as may be necessary;
- (c) determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Hospital;
- (d) with the approval of the National Treasury, invest any surplus funds of the Hospital not immediately required for the purposes of this Order, as the Board may determine;
- (e) receive gifts, grants, donations or endowments made to the Hospital or any other monies in respect of the Hospital and make legitimate disbursements therefrom in accordance with the provisions of this Order;
- (f) levy or charge fees for the services rendered by the Hospital as may be determined from time to time by the Board;
- (g) enter into association, collaboration or partnerships with such other bodies or organizations, within or outside Kenya, as it may consider desirable or appropriate and in furtherance of the purposes for which the Hospital is established; and
- (h) undertake any activity necessary for the performance of any of its functions.

Committees of the Board.

12 (1) The Board may establish committees for the effective performance of its functions and the exercise of its powers under this Order.

(2) The Board may co-opt into the membership of a committee any person whose knowledge and expertise may be necessary for the effective performance of the functions of the Hospital in accordance with Government directives.

(3) A person co-opted into a committee under subparagraph (2), may attend the meetings of the committee and participate in its deliberations, but shall not vote at such meetings.

Meetings of the Board.

13 (1) The Board shall meet at least four times in every financial year and not more than four months shall elapse between the date of one meeting and the date of the next meeting.

(2) The Chairperson shall preside over all meetings of the Board and in the absence of the Chairperson, the other members present at the meeting shall appoint one of the members to act as Chairperson for the purpose of that meeting.

(3) The quorum for the meetings of the Board shall be five members.

(4) Subject to the provisions of this Order, the Board may regulate its own procedure.

Delegation by the Board.

14 The Board may, by resolution either generally or in any particular case, delegate to any committee of the Board or to any member in writing and by name the exercise of any of the powers or the performance of any of the functions or duties of the Board under this Order.

PART IV- CHIEF EXECUTIVE OFFICER AND STAFF OF THE HOSPITAL

The Chief Executive Officer of the Hospital.

15 (1) The Board shall appoint a qualified person to be the Chief Executive Officer of the Hospital through an open, transparent and competitive recruitment process.

(2) A person shall qualify for appointment as the Chief Executive Officer of the Hospital, where the person—

- (a) holds a Master's degree from a university recognized in Kenya;
- (b) has had a distinguished career in a senior management position in the private or public sector for at least ten years;
- (c) holds at least ten years' post qualification professional experience; and
- (d) meets the requirements of Chapter Six of the Constitution.

(3) The Chief Executive Officer shall serve on such terms and conditions as the Board may determine.

(4) The Chief Executive Officer shall hold office for a period of three years and shall be eligible for re-appointment for one further term of three years.

(5) The Chief Executive Officer shall be responsible to the Board in the performance of the functions and duties of the office.

(6) The Chief Executive Officer shall—

- (a) be the accounting officer of the Hospital;
- (b) implement the decisions of the Board;
- (c) be responsible for the day-to-day administration and management of the affairs of the Hospital; and
- (d) coordinate and supervise the staff of the Hospital; and
- (e) perform any other duties as may be assigned by the Board under this Order or any other written law.

Removal from office of the Chief Executive Officer.

16 (1) The Board may remove the Chief Executive Officer from office in accordance with the terms and condition of service, for—

- (a) inability to perform the functions of the office arising out of physical or mental infirmity;
- (b) gross misconduct or misbehaviour;
- (c) incompetence or neglect of duty;
- (d) conviction for an offence relating to the functions of the Hospital with a sentence to imprisonment for a term exceeding six months, without the option of a fine;
- (e) being adjudged bankrupt by a court of competent jurisdiction;
- (f) violation of the Constitution or any other written law; or
- (g) breaching any other grounds specified in the terms and conditions of service of the Chief Executive Officer.

(2) Where the question of the removal of the Chief Executive Officer under subparagraph (1) arises, the Board shall act in accordance with the principles of fair administrative action prescribed under Article 47 of the Constitution and the Fair Administrative Action Act.

Cap. 7L.

Staff of the Hospital.

17 The Board shall employ officers, agents and other staff necessary for the proper discharge of the Hospital's functions through a competitive and transparent process, upon such terms and conditions of service as the Board may determine on the advice of the Salaries and Remuneration Commission.

Remuneration. 18 The chairperson, members of the Board and staff of the Hospital shall be paid such remuneration, fees, allowances and such other reimbursements as may be approved by the Cabinet Secretary on the advice of the Salaries and Remuneration Commission.

PART V- FINANCIAL PROVISIONS

Funds of the Hospital. 19 (1) The funds of the Hospital shall comprise of—

- (a) monies appropriated by the National Assembly;
- (b) monies or assets as may accrue to the Hospital during the exercise of its powers or performance of its functions;
- (c) monies from fees paid to the Hospital in respect of the services offered by it;
- (d) monies as may be payable to the Hospital under this Order or under any other written law;
- (e) gifts, grants, donations or endowments as may be lawfully given to the Hospital; and
- (f) monies from any other lawful source provided for the Hospital.

Cap. 412A. (2) All the funds donated, lent or issued to the Hospital under this Order shall be accounted for and appropriated in accordance with the Public Finance Management Act.

Financial year. 20 The financial year of the Hospital shall be the period of twelve months ending on the thirtieth day of June in each year.

Annual estimates.

21 (1) The Board shall, within three months after the end of the financial year, cause to be prepared estimates of the revenue and expenditure of the Hospital for that financial year.

(2) The estimates prepared under sub-paragraph (1) shall make provision for the estimated expenditure of the Hospital for the financial year concerned, and in particular shall provide for the—

- (a) payment of salaries, allowances and other charges in respect of the staff of the Hospital;
- (b) payment of allowances and any other emoluments to the members of the Board;
- (c) payment of pensions, gratuities and other charges in respect of retirement benefits payable out of the funds of the Hospital;
- (d) proper maintenance of buildings and grounds of the Hospital;
- (e) acquisition, maintenance, repair and replacement of the equipment and other movable property of the Hospital; and
- (f) creation of such reserve funds to meet future or contingent liabilities in respect of retirement benefits, insurance or replacement of buildings or equipment, or in respect of such other matters as the Board may consider appropriate.

(3) The annual estimates shall be approved by the Board before the commencement of the financial year to which they relate and after the approval, the annual estimates shall not be increased without prior consent of the Board.

(4) No expenditure shall be incurred for the purposes of the Hospital except in accordance with the annual estimates approved under sub-paragraph (3).

Accounts and Audit.

22 (1) The Board shall cause to be kept all proper books and records of accounts of the income, expenditure, assets and liabilities of the Hospital.

(2) Within three months at the end of each financial year, the Board shall submit to the Auditor-General, the accounts of the Hospital together with—

- (a) a statement of income and expenditure of the Hospital during the year; and
- (b) a statement of the assets and liabilities of the Hospital on the last day of that year.

Cap. 412A.
Cap. 412B. (3) The accounts of the Hospital shall be audited and reported upon in accordance with the provisions of the Public Finance Management Act and the Public Audit Act.

Annual report. 23 The Board shall, within three months after the end of each financial year, prepare and submit to the Cabinet Secretary, a report on the operations of the Hospital for the immediately preceding year, containing—

- (a) the accounts of the Hospital and statements referred to under paragraph 22(2);
- (b) the Hospital's performance indicators and any other related information;
- (c) information on the operations of the Hospital during that year; and
- (d) such other information as the Cabinet Secretary may request.

PART VI-MISCELLENEOUS PROVISIONS

Protection from personal liability. 24 No matter or thing done by a member of the Board or an officer, employee or agent of the Hospital shall, where the matter or thing was done in good faith in the execution of the functions or powers of the Hospital, render the member, officer, employee or agent personally liable for any action, claim or demand whatsoever.

Liability for damages. 25 The provisions of this Order shall not relieve the Hospital of the liability to pay compensation or damages to any person for any injury to that person or that person's property or any of that person's interests caused by the exercise of any of the power conferred by this Order or by failure, whether wholly or partially, of any action.

Common seal. 26 (1) Subject to this Order, the common seal of the Hospital shall be kept in the custody of the Chief Executive Officer and shall not be used except on the direction of the Board.

(2) The affixing of the seal of the Hospital shall be authenticated by the signatures of the Chairperson and the Chief Executive Officer and any document required by law to be made under seal and all decisions of the Board may be authenticated by the signatures of the Chairperson and the Chief Executive Officer.

(3) The Board shall, in the absence of either the Chairperson or Chief Executive Officer, in any particular matter, nominate one member to authenticate the seal of the Hospital on behalf of either the Chairperson or the Chief Executive Officer.

(4) The common seal of the Hospital when affixed to a document and duly authenticated, shall be judicially and officially noticed, and unless the contrary is proved, any necessary order by the Hospital under this section shall be presumed to have been duly given.

Policies.

27 (1) The Board may make policies for the better carrying out of the provisions of this Order.

(2) The policies shall make provision for—

- (a) the procedure for the appointment, discipline, and dismissal of the staff of the Hospital;
- (b) performance parameters and targets for a department, section or member of staff of the Hospital;
- (c) the levies, fees or charges to be imposed by the Hospital with respect to its services; and
- (d) anything that is required to be made for the effective performance of the functions of the Hospital.

PART VII- TRANSITIONAL AND SAVINGS PROVISIONS

Transitional provisions.

28 (1) For purposes of this paragraph—

“Former Hospital” means the Kenyatta National Hospital established before the commencement date of this Order.

Staff of the former Hospital.

29 (1) A person who immediately before the commencement date of this Order holds or is acting or is an employee or staff of the former Hospital shall be deemed to hold the same office or its equivalent under the former Hospital on the terms and conditions as may be determined by the Board.

Agreements, contracts and other binding instruments.

30 (1) Any agreement, contract, project, memorandum of understanding or any other binding instrument entered into under or in respect of the former Hospital before the commencement of this Order shall continue to hold and be implemented by the former hospital.

Assets and liabilities.

31 (1) The funds, assets and other property, both movable and immovable, which immediately before the commencement of this Order were vested in the former Hospital shall, by virtue of this paragraph vest in the former Hospital.

Rights, obligations, powers and liabilities of the Hospital

32 All rights, obligations, powers and liabilities which immediately before the commencement of this Order were vested in, imposed on or enforceable against the former Hospital shall on the commandment of this Order be vested in, imposed on or enforceable against the former Hospital.

Administrative decisions.

33 The administrative decisions made under or in respect of the former Hospital which are in force immediately before the coming into operation of this Order shall on or after such date have force as if they were decisions made by the former Hospital under this Order.

Preservation of pending proceedings.

32 Any proceedings pending before the former Hospital, a tribunal or a court of competent jurisdiction immediately before the coming into operations of this Order to which the former Hospital was a party shall be continued as if the proceedings relate to the former Hospital under the provisions of this Order.

Disciplinary proceedings.

33 (1) Where the coming into operation this Order, any disciplinary proceedings against any officer, employee or member of staff of the former Hospital were in the course of being heard, or have been heard or investigated by the former Hospital but no order or decision has been made thereon, the former Hospital shall carry on and complete the hearing or investigation and make an order or render a decision, as the case may be.

(2) Where the coming into operation this Order, any such officer or member of staff of the former Hospital is interdicted or suspended, the former Hospital shall deal with such officer, employee or member of staff in such manner as may be appropriate in the circumstances having regard to the reason for interdiction or suspension including the completion of any disciplinary proceedings that may have been commenced that officer, employee or member of staff.

(3) Where the coming into operation this Order, any penalty, other than dismissal, has been imposed on an officer, employee or member of staff of the former Hospital pursuant to disciplinary proceedings and the penalty had not been, or remained to be, served by that officer, employee or member of staff, that officer, employee or member of staff shall upon transfer to the former Hospital, serve or continue to serve the penalty to its full extent as if it had been imposed by the former Hospital, where applicable.

(4) Despite the generality of subparagraph (1) and (2), the provisions on discipline in the human resource instruments of the former Hospital shall continue to apply until the conclusion of any disciplinary process.

Pension.

34 (1) An employee or a member of staff of the former Hospital who becomes an employee or member of staff of the former Hospital shall continue to be governed by the existing Government pension arrangements or any other statutory voluntary pension scheme.

(2) Any person whose services were transferred to the Hospital, on the coming into operation of this Order, and who was a member of any statutory voluntary pension scheme or provident fund, shall;

a) for the purposes of this Order, continue to be governed by the same regulations under those schemes or funds, as if the person had not been so transferred, and

b) for the purposes of the regulations governing those schemes or funds, service with the Hospital shall be deemed to be service in the former Hospital.

(3) The Board may, by order in writing, make provisions with respect to pension or provident funds benefits of the employees or members of staff of the Hospital and with respect to the pension scheme and provident fund of the former Hospital.

(4) This paragraph shall apply to the employees and members of staff of the former Hospital with the necessary modifications.

35. The Kenyatta National Board Order L.N. 109 OF 1987 is revoked and repealed.

Revocation and
Repeal of L.N
109 OF 1987

Made on the....., 2026.

WILLIAM SAMOEI RUTO,
President.