

COUNTY GOVERNMENT OF KITUI



THE COUNTY ASSEMBLY

FIRST ASSEMBLY – (FIFTH SESSION)

**BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON
CONSIDERATION OF THE KITUI COUNTY FISCAL STRATEGY
PAPER
FOR FINANCIAL YEAR
2017/2018**

**CLERK OF ASSEMBLY
CHAMBERS
P. O BOX 694
KITUI**

JANUARY, 2017

Preamble

Mr. Speaker Sir,

The submitted Kitui County Fiscal Strategy Paper (CFSP) 2017/18 is the fourth to be prepared by the County Government since the inception of devolved structure of governance. It sets out the priority programs to be implemented in the Medium Term Expenditure Framework (MTEF) period 2017/2018 - 2019/2020.

Section 117 of the Public Finance Management Act, 2012 (PFMA) inter alia provides that:-

“the County Executive Committee Member (CECM) for Finance shall submit the County Fiscal Strategy Paper (CFSP) as adapted by the County Executive Committee (CEC) to the County Assembly by 28th February of each year for approval”.

Mr. Speaker Sir,

Notwithstanding the above provisions and recognizing this is an election year, the budget calendar/cycle has slightly been changed by the Cabinet Secretary National Treasury through Circular No. 14/2016 dated July 13th, 2016. In adherence to this National circular, the County Executive Committee Member (CECM) for Finance and Economic Planning issued a circular no. 1/2017/2018 dated 22nd August 2016 that required this CFSP to be submitted to the Assembly on 14th November, 2016.

Mr. Speaker Sir,

In compliance with the above provisions and that of **Standing Order 205 (1)**, the CECM for Finance and Economic Planning submitted to the County Assembly the Kitui CFSP for financial year 2017/18 on 16th January, 2017. To fast-track its approval therefore, and in ensuring compliance with **Section 117 (6) of PFMA, 2012**, the CFSP was laid on the Table of the Assembly on 18th January, 2017 and subsequently committed to the Sectoral Committees pursuant to **Standing Order 205 (3)** who were able to submit their sector recommendations within Six days from such committal.

Mr. Speaker Sir,

The role of consideration of the CFSP is mandated to the Committee on Budget and Appropriations as conferred by the County Assembly's **Standing Order 205 (3), (4) and (5)**.

The Budget and Appropriations Committee is a select Committee established under Standing Order 186 with specific mandate as to inter alia;

- i. Investigate, inquire into and report on all matters related to coordination, control and monitoring of the county budget.
- ii. Examine the County Budget Policy Statement presented to the County Assembly.

It was therefore the full responsibility of the Budget and Appropriations Committee to consider and ensure a report is tabled for approval by the Assembly.

Composition of the Committee.

Mr. Speaker sir,

The Budget and Appropriations committee as constituted comprises of the following Members as contained in **Annex I:-**

Hon. Antony K. Muthui -	Chairman
Hon. Beatrice V. Musyoka -	Vice Chairman
Hon. Felix K. Kauvi -	Member
Hon. Anastasia M. Mutunga -	Member
Hon. James M. Munuve -	Member
Hon. Jennifer N. Munuve -	Member
Hon. Mary P. Ndumbu -	Member
Hon. Deiys M. Mukala -	Member
Hon. Kalovo Musau -	Member

Mr. Speaker Sir,

In reviewing the CFSP 2017/2018, the Budget and Appropriations committee had a total of four days retreat at Prideinn Paradise Hotel Mombasa. During this period, the Committee interrogated the Sectoral Committee recommendations which had been submitted to the Budget and Appropriations Committee pursuant to the provisions of *Standing Order 205 (3)* in order to compile up this report which carries the Committee recommendations for approval by the Assembly.

Acknowledgement

Mr. Speaker Sir

At this juncture, allow me to thank the Office of the Hon. Speaker and that of the Clerk of Assembly for immediately facilitating this Committee to retreat for this exercise. I also thank the Sectoral Committees who worked tirelessly within five days weekend inclusive to come up with the sector recommendations which were vital elements of this report. Last but not least, I sincerely thank the members of this committee and the Staff of the Assembly who tirelessly worked amid a very tight schedule to compile this report in time to allow the Assembly adhere to the statutory deadline.

Hon. Antony K. Muthui

Chairman, Budget & Appropriations Committee

January, 2017

Annexures

- I. Signed Committee Members List
- II. County projected revenues for the period 2017/2018 to 2019/2020
- III. Recommended ceilings of expenditure for the County Government entities/ministries

Overview of the County Fiscal Strategy Paper 2017/2018

Mr. Speaker Sir,

The CFSP is a statutory document in respect to County Budget process as stipulated under the provisions of **Section 125** of the Public Finance Management Act, 2012. It is a Paper which mandatorily must have a relative reflection to the approved County Development Plan stating the broad priorities, broad strategic objectives and the proposed projects and programs.

This being the fourth CFSP to be prepared by the County Government of Kitui, it tries to address the challenges encountered in implementation of the previous Budgets as was set out in the CFSP for 2016/2017. This CFSP is anchored on the following pillars:-

Pillar I: Creating a Conducive Business Environment for job creation;- under this pillar, the County Government will implement structural reforms aimed at removing impediments in establishing/doing business with the County. Particularly, the County Government will;-

- Review business permits required to start and operate business within the county. This process is intended to bring in fairness, transparency and accountability in the licensing process. The review of licensing bundles will also help bring fairness to small scale traders.
- The implementation of community level infrastructure programme will continue which mainly targets local contractors.
- The County Government will provide incentives to establish and operate business such as land rates negotiation for new investors, power connection arrangement where investors will be assisted through rural electrification program funded by the county government.
- Expand and maintain existing road networks in the county, and install street lights in major towns and urban centers to improve security, access to markets as well as lower the cost of business operations.

- Expand and renovate various markets to improve sanitation as well as value addition initiatives for bee keepers, dairy and horticulture farming and fruit processing through provision of necessary equipment and processing machines.
- The county government will also work closely with investors to ensure accessibility and utility services (water and electricity) to their business premises. This is intended to attract business enterprises anywhere investors feel opportunities exist.
- The County Government is also working closely with investors to ensure accessibility and utility services (water and electricity) to their business premises (incentivizing business operations). This is intended to attract business enterprises anywhere investors feel opportunities exist.
- To enhance the culture of entrepreneurship among the youth and women, a program of youth saving and entrepreneurship (Youth Infrastructure Savings and Enterprise Program – YISEP) was established and intended to benefit 10,000 youths in every ward. Eventually, 150 women and 200 youths were trained on access to government procurement opportunities. So far, 398 youth groups with 9,914 members have benefited from the programme. Kshs 95,839,100 has been disbursed to the groups for implementation of various Income Generating Activities (IGAs).

To harness the potential of ICT in improving business productivity and reducing cost, the County Government is investing in information technology to ensure that services offered electronically such as licensing, revenue collection, financial management, topographic mapping etc. are available to citizens. In this regard, the County Government has initiated the following projects:-

- Community Resource Centres which will be equipped with the necessary IT facilities to enhance business communication, facilitate community training and provide conference facilities.
- Installation of Local Area Networks (LAN) and Wide Area Networks (WAN) in community resource centres, county and sub county administration centres to facilitate communication, reduces cost of government services and other enhances growth of other ICT enabled businesses.

- Establishment of data centres and ICT centres within the county where data banks for important information can be backed up to minimize the risk of data loss in the events of fire in our central data bank. This will also enhance centres of Research and Development (R&D) in the county.

Pillar II: Investing in Sectorial transformation to ensure broad based and sustainable economic growth;- the County Government will invest in sector transformation such as;-

Agricultural transformation - The County is investing a sizeable share of its budget in crop and livestock production to address the food security concern and sustainable land management. A number of initiatives have been implemented over the last four years to transform agriculture and increase farmers benefit from agricultural production. These initiatives will continue to be implemented in the medium term and include:

- Identification of suitable sites and provision of drip kits for kitchen gardening and farm input support.
- Equipping Agricultural Mechanization Services (AMS): Purchase of 2 D6 Crawler which will enhance AMS service delivery and improve food production in the county.
- Increase the area under irrigated agriculture. This will be implemented through establishment of 10 irrigation projects and construction of 72 water ponds.
- The County Ministry of agriculture, Water and Irrigation has undertaken input subsidy program that is intended to increase yield per hectare, support by extension services to ensure right crops are grown in various areas. The ministry is also undertaking a breed improvement programmes aimed at addressing livestock productivity.
- The ministry in collaboration with European Union is implementing a program in Kitui East targeting to increase production of drought tolerant crops.
- Livestock extension and production, efforts will be put to ensure bee keeping and honey production especially in the suitable economic and Investment zones designated for such activities. Pasture and fodder improvement and conservation will be implemented to ensure that livestock get the necessary nutrition.

- More funds will be allocated specifically for Agriculture sub-sector in the effort to achieve the Maputo declaration of 10% allocation of the annual budget. The budgetary allocation will strive to ensure food security in the county.

Tourism, Sports, Culture and Arts - The county government has undertaken a number of initiatives geared towards improving tourism, culture, arts and sports in the county. Some of projects initiated in these subsectors include:

- Sports improvement program targeting sports stadia all the wards in the county to facilitate games and sports
- Construction of heritage and cultural centre in Kyuso to promote Kamba culture and preserve Lower Eastern Cultural and Heritage Centre.
- Construction of four resource centres – currently being undertaken in Kitui town (Manyenyoni), Mutonguni, Kyoani and Mwingi.
- Wildlife conservation and management – construction of gates and roads in Mwingi and South Kitui game reserves to improve tourists experience.

In order to improve the income from tourism sector, the county government has embarked on an exercise to activate the dormant tourists' circuit that runs from the southern part of the county to the northern part, through the county headquarter. In this regard, the tourism department has initiated a number of infrastructural projects in roads expansion and maintenance, site development promotion and tourism, which include construction of the George Adamson bridge revenue gate and Masyungwa revenue gate and development of management plans for South Kitui game reserve and Mwingi game reserve.

Supporting Value Addition for Growth and Employment Creation - The county government has identified a number of areas with potential for mineral resources as well as other raw materials that require processing or change of form to increase their value. Even though mining policies and concession are left to the national government, the county government has made efforts to ensure that those interested in investing in the county are adequately supported.

To ensure the County benefits from its large deposits of various minerals, necessary process will be undertaken to ensure approvals required from the County Government by prospecting companies are granted within reasonable time. The county government will also fast track the process of land adjudication in mineral rich areas. Three out of six zones in the Kitui Vision for Economic and Social Transformation (KIVEST) have mineral resources as the main potentials. These are Mui Coal Basin, Kyuso-Tseikuru-Mumoni and Mutomo-Ikutha-Kanziko investment and economic zones. The County Government has formed liaison committees to work with the County and National Governments on land adjudication and other land related issues that arise in mining areas.

Pillar III: Investing in infrastructural development to facilitate and sustain economic growth.

In order to achieve this goal of facilitating and sustaining economic growth, the County Government has over the medium term allocated a huge proportion of its budget to the development of roads, power distribution, water infrastructure and urban development. In order to enhance competitiveness for private sector investment, similar allocation has been made to continue the momentum on investment in infrastructure expansion and rehabilitation.

In the year 2013/14-2016/17 various projects were implemented under this pillar. These includes:

- Road maintenance works which included, grading, gravelling, re-carpeting and installation of drifts and culverts. These developments are expected to improve security, and link economic and investment zones as well as productive areas and markets.
- To increase access to electricity in the rural areas the County Government embarked on the accelerated rural electrification programme. This project is being implemented in collaboration with Rural Electrification Authority (REA) and is expected to continue over the medium term to ensure the rural population has access to electricity.

To unlock economic growth the county will allocate more funds for infrastructure development especially drifts, slabs and culverts on roads opened and graded using county machinery.

In order to drive economic growth over the medium term and ensure that a strong foundation to economic stability exist, a comprehensive plan of road network development has been developed under the KIVEST, Kitui County Government's development blue print for the next ten years.

The County Government is in partnership with Rural Electrification Authority (REA) in a programme to expand rural coverage of electricity. The last mile connectivity programme being implemented by the National Government is expected to improve coverage in the county. Under this program, the County Government jointly with the National Government have embarked on:

- An ambitious project to connect all primary and secondary schools
- Installation of solar power panels to schools and other government facilities that are far off the grid as a stop gap measure
- Roll out of the last mile connectivity at reduced rates to ensure access to electricity for all.

The government will extend electricity to an Irrigation Scheme along Tana River. The project targets to irrigate 405 acres with an estimated 15,000 beneficiaries. The project has 8 clusters spread across Mumoni, Kyuso, Tseikuru, and Tharaka wards. The project has been using diesel power to pump water to the farms. To reduce the cost of pumping, the County Government in partnership with Kenya Red Cross is supplying electricity at an estimated cost of Kshs. 29 million. This cost will be shared equally, each partner contributing Kshs. 14.5 million. This is meant to increase agricultural productivity by availing power to pump water to irrigation farming areas.

In order to address the perennial shortage of water both for domestic and agricultural production, there is need to develop and maintain water infrastructure adequate to

provide water to Kitui populace. In this regard, de-silting of dams and construction of new ones, sinking of boreholes to address domestic and livestock needs, as well as undertaking extensive water pipelines to ensure equitable distribution.

To facilitate the above initiatives, the County Government has acquired borehole drilling equipment as well as dam de-silting equipment over the last three financial years to equip its water resources management department.

In order to improve access to water both for domestic and agricultural use, a number of initiatives have been started. These include pipeline extensions and repair of existing ones to enhance distribution of existing water resources; rehabilitation of stalled boreholes and silted dams and expansion of water supply systems to enhance capacity to accommodate population growth.

Accessibility and security facilitates urbanization. The 2 towns in the county have embarked on street lighting and roads construction within the towns. This would ensure the 24-hour economy and hence boost the county economy.

The effects of devolution on urbanization is rapidly spreading across the country and urban planning increasingly falling under pressure to organize towns and urban centres to avoid the sporadic growth of slums. Towns are also threatened by poor drainage systems that cause floods every time heavy down pours are experienced in any part of the country. In this regard, County Government is engaging University of Nairobi for a collaboration in urban planning for towns and urban centres in the county to ensure all urban developments are anchored on town plans as required by Urban Areas and Cities Act, 2011.

Pillar IV: Social Sector

The constitutional mandate of County Governments as pertains the education function under the devolved system of governance comprise of pre-primary education, village polytechnics, home craft centres and childcare facilities. In this regard, the County Government is required to construct and equip ECDE centres and Polytechnics; develop

policies and operating guidelines on the same and hire and manage the ECDE teachers and Youth polytechnics tutors and instructors. In the education sector, the County Government implemented the following projects:

- A mentorship program that was recommended by a county taskforce has been implemented with commendable results on the transition rates from primary to secondary and secondary to institutions of higher learning.
- Provision of desks, teaching and learning materials to ECDE centres.
- Recruitment of 2,156 ECDE teachers in order to reduce the burden from the parents and enhance enrolment.
- Construction of modern ECDE classrooms and youth training and skills enhancement workshops.
- Equipping of youth polytechnics with dress making, carpentry, joinery and construction tools and equipment.

The County Government will continue ensuring ECDE, home craft, childcare centres, and youth polytechnics are fully functional with teachers/ instructors, infrastructure and equipment. The County Government is well aware of the challenges the youth are facing and will create link between education and employment driven by knowledge and technology.

The health sector transformation agenda is hinged on the Kenya Health Policy (2014-2030) and Kenya Health Sector Strategic and Investment Plan (2014-2018). Key strategy in this policy is the up scaling of maternal and child health program; increase subsidies to the poor and vulnerable groups; modernize and equip facilities; and reduce health sector workers' burden and strengthen health research.

In the medium term, the county has implemented a number of projects intended to address various challenges impeding service delivery in health care facilities in the county. These include:

- Provision of drugs and non-pharmaceuticals to all public health care facilities in the county. The objective of this program is to ensure that patients have access to

essential drugs at the lowest level possible.

- In order to improve access to medical and referral services across the county and to the regional referral health facilities, the County Government has increased the number of ambulances and acquired 3 mobile clinics.
- The County Government has also embarked on expansion, equipping, renovations and rehabilitation of health facilities across the county. Under this program, wards, outpatient units, theatres, mortuaries and other facilities are targeted for construction and equipping.
- In collaboration with the National Government, a new branch of Kenya Medical Training College (KMTC) was opened in Mwingi in FY 2015/16. This program is aimed at providing support to KMTC-Mwingi through Mwingi level four hospital.

The ministry of Health is also rolling out a program on preventive health care, targeting to create awareness on public health through engagement of community health workers based in each village. This is expected to reduce substantially the number of people visiting health facilities to seek information on public health related issues.

Looking forward, the County will structure its health care infrastructure around the identified economic zones. This will form a cluster of facilities around each level four facility. To support these level four facilities, the County plans to upgrade Kitui and Mwingi Hospitals to level 5 status to reduce referral cases to Machakos and Embu level five Hospitals and support referral services for all the facilities in the county.

The South Eastern Kenya University plans to establish a medical school and partner with the County Government to use Kitui Hospital for training and internship of doctors. This will help the county address the challenges of meeting Vision 2030 and SDGs targets.

The county in conjunction with development partners will implement a programme which will be termed as “*Kitui County Health Volunteer Mentorship Programme*” in which graduates from medical institutions within the county will be attached to different health facilities. The main purpose of this venture will be to enable graduates gain valuable medical professional skills.

The World Bank in Liaison with the county plans to implement a matching fund termed as “*the Kitui County NHIF Uptake Accelerated programme*” to register vulnerable households to benefit from the National Hospital Insurance Fund (NHIF).

Under social safety net program, the county plans to reinforce what the National Government is doing to address the needs of the aged through introduction of cash transfer program for the persons aged 65 and above.

The following interventions will be carried out to adequately address the needs of special groups i.e. youth, women and persons living with disability:-

- Programmes aimed at strengthening the social safety net has been rolled out in the county in 2015/16. These include the pro-poor programme which has provided bursaries to over 35,000 needy students and the Youth Infrastructure Saving and Enterprise Programme (YISEP) in which 398 youth groups with 9,914 members have benefited from the programme. The Infrastructure Savings and Enterprise Programme (YISEP) has been implemented in the county for the last three consecutive financial years. The goal of this program is to create the culture of saving for investment while still creating job opportunities. The County Government provides matching grants to the equivalent amount saved by the youth, which is transferred to the youth groups.

Pillar V: Further Entrenching Devolution to the Decentralized Structures of Governance for Better Service Delivery and Enhancing Rural Development

In order to ensure the poor in the rural areas benefit from devolution, the County Government will continue to support the establishment and operationalization of sub county units that include sub county offices, ward and village offices. The County Government will also constitute the necessary institutions to midwife devolution. The government is in the process of constructing 40 ward administration offices to take county services closer to the people.

To ensure devolution bears the intended fruits to the residents, the County Government will build the capacity of the institutions in the devolved units. Efforts will be put to ensure that the accounting officers understand and cascade downwards the principles of the Public Finance Management Act, 2012 through adequate capacity building. It will also ensure that the principle of inclusiveness in the constitution is implemented e.g. through public participation in decision making and ensuring the one third gender rule is adhered to.

The County Government is rolling out civic education to all the 247 villages in a bid to ensure public participation is mainstreamed in our development agenda. This is intended to enlighten the citizenry on the duties and responsibilities of the County Government in ensuring service is delivered to the people as well as bringing to the attention of the people their roles and responsibilities in ensuring the County Government has performed its duties as required by Kenya Constitution 2010. The main objective of the civic education programme is to equip the people of Kitui with the requisite knowledge of the processes involved in registering for National Identity cards and voter's cards and other thematic areas.

In order to achieve this noble agenda of delivering services down to the people, it has become necessary to; recruit, train and develop human resources and put county staff under performance contracting. This training and development is intended to enhance efficiency in services delivery, capacity to draft bills and policies necessary for county legislations.

Broad Sector Priorities for 2017/2018

In the period 2016/2017, the County Government initiated and implemented various programs, some of which will continue to receive funding in the financial year 2017/2018.

The specific key county sector priorities are identified as follows:-

- i. Water and Food Security
- ii. Education
- iii. Infrastructure
- iv. Health

- v. Governance
- vi. Environmental Management and Conservation

Resource Envelop

The county resource envelop for the FY 2017/18 is based on a revenue projection of Kshs 9,647,405,731 (**see annex II**) up from Kshs 8,892,828,722 revenue for the FY 2016/17. This amount comprise of funds expected from the national government, development partners (grants) and the County Government of Kitui own resources generated locally. The grants comprise of:-

- i. Compensation for user fee foregone of Kshs 23,606,211
- ii. Free maternity services of Kshs 63,610,400 and
- iii. Road maintenance fuel levy of Kshs 220,500,000.

Also included in this projection is a total of Kshs 269,220,781 being grants from development partners (World Bank and DANIDA) for health sector support programme.

It is envisaged that the growth in revenue collection in 2017/18 financial year will be anchored on the following:-

- i. Revenue mapping planned for 2016/17 to establish the county optimal levels of revenue potentials rationalization of revenue administration to seal off leakages.
- ii. Continuation of automation process – this process started in 2014/15 financial year with the aim of eliminating revenue leakages in improving efficient revenue management.
- iii. Capacity building of staff – the staff in revenue collection will be capacity build in order to foster attitude change towards revenue collection and public relation/ communication skills. It will serve as morale booster to the collectors
- iv. Operationalization of Finance Act – continuous review of the Finance Act to revenue administration cost effective and customer friendly. This is expected to increase the revenue generation over the period.

- v. Supervision and logistical support – in order to ensure continuous improvement in revenue collection, adequate supervision and necessary support to revenue staff is essential and shall be provided.

Expenditure Projections

In the FY 2017/18, total expenditure is projected to be Kshs. 9,647,405,731. This is 8.5 per cent above the previous year's budget of Kshs. 8,892,828,722. Recurrent expenditure will be 64 per cent compared to 62 per cent in 2016/17 FY. Development expenditure on the other hand will be 36 per cent compared to 38 per cent in 2016/17 FY.

In order to address the risks associated with wage bill and other operational expenses crowding out development, the proportion shall be managed in a manner that it should decrease or remain constant as the total expenditure increases. In this CFSP, the personnel cost has been capped at 35 per cent and operations and maintenance at 27 per cent.

Committees General Observations

The committee scrutinized the County Fiscal Strategy Paper alongside the sectoral committee reports and after doing intensive interrogations made the following observations:-

- i. The committee on Agriculture, Water and Irrigation had recommended for termination of some programs such as Fish Farming and Provision of Improved Livestock Breeds (Gala Billy Goats and Ken Bro Chicks). It was the feeling of this committee that this was not a good idea despite the programs' failure in most of the areas implemented and thus the same should be retained. These programs had failed due to universal application across the county without due regard to viability, sustainability and poor partnership with the community.
- ii. The committee appreciates the idea to increase extension officers especially in the ministry of Agriculture, Water and Irrigation. Nevertheless, this committee raised a lot of concern on the performance of the already existing officers carried over from the national government who were said to be very reluctant and unwilling to offer any useful services to the residents despite the county having previously budgeted

huge sums for these programs. This committee will be making some recommendations in regard to restructuring the services.

- iii. This committee observes that despite allocations in the previous budgets to the Early Childhood Development (ECDE) and Youth Polytechnics programs, a lot is yet to be done considering these are the core functions of the county governments as relates to education sector. Quite a number of ECDE teachers are still working on contract and a lot of infrastructure is required in our polytechnics to enable absorption of the large number youths who are unable to join tertiary institutions after leaving class eight and form four.
- iv. The Ministry of Basic Education, Training and Skills Development is not need driven in procuring and distribution of equipment to the Youth Polytechnics. This has seen some institutions being supplied with equipment that they do not require since they do not offer such courses. The county needs to become of age and embrace equity/need based policy in resource distribution as opposed to the policy of equal distribution.
- v. This committee appreciates the fact that there has been a remarkable improvement in service delivery in the Ministry of Health and Sanitation. This can be attributed to a reasonable funding over the years and commitment by the sectoral committee in its oversight role. Nevertheless, the Ministry should also look into modalities of upgrading some overwhelmed dispensaries into health centers to allow effective service delivery.
- vi. The committee on Trade, Industry, ICT and Co-operatives had recommended for termination of provision of boda boda sheds. Noting that the same has been of great help to passengers as well, it is important to retain the same project but in targeted designated areas.
- vii. The committee has noted that the Emergency, Relief and Refugee Assistant programme has been retained under the Office of the Governor in the submitted CFSP despite the same having been moved to the Ministry of Finance and Economic Planning in the previous budgets. The committee feels that this is an error that needs to be corrected.

viii. Tourism sector over the period has been receiving some allocations which among other achievements has enabled construction of two gates at Mwingi North game reserve and Kitui South game reserve respectively including employment of game rangers with no economic benefit so far.

Kitui County is endowed richly with a wide tourism potential which includes game reserves, good cultural sites, religious history etc. This committee feels that at this pace, full realization of the benefits will never be enjoyed taking into account the bottle necks which includes intensive human activities and outstanding historical boundary disputes with the neighboring counties such as Tana River. The committee will recommend engagement of expert consultants to this sector who can do a comprehensive professional advisory towards achieving full benefits in the sector.

ix. It was observed that although the CFSP had outlined the programs and projects for the County Assembly, no allocation of funds had been made for such in the year 2017/2018 only funds for recurrent expenditure had been provided which was in line with the ceilings set out by the Commission on revenue allocation (CRA).

Specific Committee Recommendations on the County Fiscal Strategy Paper 2017/2018

To this end, this Committee hereby proposes the following recommendations to this House:-

- i. The committee has noted that some programs such as Fish Farming, irrigation and Provision of Improved Livestock Breeds (Gala Billy Goats and Ken Bro Chicks) had failed in most of the areas implemented. The failure could be attributed to universal application across the county without due regard to viability, sustainability and partnership with the community. For future success of these programs, this committee recommends that these activities should be implemented to areas endowed with suitable resources. For instance, irrigation and fish farming should be done at place with sufficient water such as areas along River Tana and Athi and other water reservoirs. Improved livestock breeding should be undertaken in areas where livestock keeping is practiced. The committee also recommended that the

county should embrace community partnering and involvement to ensure ownership and sustainability.

ii. The committee appreciates the idea to increase extension officers especially in the ministry of Agriculture, Water and Irrigation. Nevertheless, this committee raised a lot of concern on the performance of the already existing officers carried over from the national government who were said to be very reluctant and unwilling to offer any useful services to the residents despite the county having previously budgeted huge sums for these programs. To this end this committee recommends that the following:-

- That a comprehensive personnel data of all employees carried over from the national government and where the same are stationed.
- That the extension services should be fully restructured to bring in effective supervision and targets set for each employee.
- As contained in this CFSP, the extension services should be enhance by employing more staff and undertaking capacity building to ensure effective service delivery.

iii. To ensure a notable success to this sector of Basic Education, Training and Skills Development, the committee recommends that the County concentrates more on funding the programs under the devolved sector function that is ECDE and Youth Polytechnics. The Ministry should ensure the following:-

- Employing the ECDE Teachers who are in the government institutions and are still on contract basis.
- Provide funds for operations costs for Youth polytechnics which should be based on students' population as the case for national government in primary and secondary schools. This should be achieved by reducing the allocation to mentorship program which this committee feels is not a core function of the sector.
- Bottom up approach should be embraced in acquisition and distribution of equipment to polytechnics to ensure demand driven supply.
- Adequate instructors should be hired commensurate to the course offered by the youth polytechnics.

All these provisions will ensure rapid growth of these institutions in readiness to enroll the growing number of unskilled school leavers.

- iv. This committee appreciates the fact that there has been a remarkable improvement in service delivery in the Ministry of Health and Sanitation. This can be attributed to a reasonable funding over the years and commitment by the sectoral committee in its oversight role. Nevertheless, this committee recommends that the Ministry should look into modalities of upgrading some overwhelmed dispensaries into health centers to allow effective service delivery.
- v. The committee has noted that the Emergency, Relief and Refugee Assistant programme has been retained under the Office of the Governor in the submitted CFSP despite the same having been moved to the Ministry of Finance and Economic Planning in the previous budgets. The committee recommends correction of this error by placing the same under the ministry of finance and economic planning.
- vi. Kitui County as explained in the general observations above is richly endowed with a wide tourism potential which includes game reserves, good cultural sites, religious history etc. This committee feels that at this pace, full realization of the benefits will never be enjoyed taking into account the bottle necks which includes intensive human activities and outstanding historical boundary disputes with the neighboring counties such as Tana River. The committee recommends engagement of expert consultants to this sector who can do a comprehensive professional advisory towards achieving full benefits in the sector.
- vii. The committee recommends removal of the project construct, equip and furnish the County Public Service Board (CPSB) office block placed under the ministry of Basic Education, Training and Skills Development on page 36 of the submitted CFSP and place it correctly under The County Public Service Board (CPSB)

Mr. Speaker Sir,

In compliance to Standing Order number 205 (5) and (6), this Committee hereby recommends the following schedule of ceilings of expenditure for the County Government entities/ministries as contained in the attached **annex III**.