

REPUBLIC OF KENYA



COUNTY GOVERNMENT OF KITUI

THE COUNTY ASSEMBLY

FIRST ASSEMBLY – (THIRD SESSION)

BUDGET AND APPROPRIATIONS COMMITTEE
REPORT ON CONSIDERATION OF THE SUPPLEMENTARY
ESTIMATES FOR
THE COUNTY GOVERNMENT FOR FINANCIAL YEAR
2015/2016

JANUARY, 2016

Preamble

Mr. Speaker Sir,

Section 135 of the Public Finance Management Act, 2012 provides circumstances under which a County Government may submit to the County Assembly a supplementary budget for approval. Section 135 (1) and (2) of the Public Finance Management Act respectively provides that ***“a County government may spend money that has not been appropriated if the amount appropriated for any purpose under the County Appropriation Act is insufficient or need has arisen for expenditure for a purpose for which no amount has been appropriated by that Act, or money has been withdrawn from the county government Emergency Fund’.***

“A county government shall submit a supplementary budget in support of additional expenditures for authority for spending under subsection (1)”

In compliance to the provisions of this statute and the procedures as guided therein, the supplementary budgets for this financial year 2015/16 for both the County Executive and the County Assembly were submitted and laid to the Table of the Assembly on 27th January, 2016 for approval. Subsequently they were committed to this committee for consideration and recommendations pursuant to the provisions of Standing Order 187.

Mr. Speaker Sir,

The role of consideration of the budget is an absolute mandate of the Committee on Budget and Appropriations as conferred by the County Assembly’s Standing Order 187. The Committee is therefore mandated inter alia to;

- i. Investigate, inquire into and report on all matters related to coordination, control and monitoring of the county budget.
- ii. Discuss and review the estimates and make recommendations to the Assembly.

It was therefore the full responsibility of the Budget Committee to consider and ensure a report is laid on the Table of the Assembly for approval.

In considering these Estimates, the Committee exercised due diligence in ensuring prudence and utilization of public funds in the most cost efficient and equitable quality service delivery across the County.

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. Mary P. Ndumbu -	Member
Hon. Jackson N. Mwanduka -	Member
Hon. Deiys M. Mukala -	Member
Hon. Irene C. Muvea -	Member

Mr. Speaker Sir,

In reviewing these County Supplementary estimates, this committee burned mid night oil the whole of yesterday after its committal to come up with this report.

Acknowledgement

Mr. Speaker Sir

At this juncture, allow me to thank the County Executive Committee Member for Finance and Economic Planning who within a very short notice appeared before the Committee

to give highlights on the Budget amidst his tight schedule. I also sincerely express my gratitude to the members of this committee and the Staff of the Assembly who tirelessly worked throughout the night to accomplish this great mission.

Hon. Antony K. Muthui

Chairman, Budget & Appropriations Committee

January, 2016

Annexures

- I. Signed Committee Members List
- II. County Executive Supplementary budget as proposed.
- III. County Assembly Supplementary Budget as proposed.
- IV. Recommended overall County Government budget summery by vote.
- V. Schedule of additional Revenue Ceilings to County Assemblies.

Review and Consideration of the County Executive and the County Assembly Supplementary Budget 2015/2016

Mr. Speaker Sir,

The Constitution of Kenya provides in Article 201(d) that "***public money shall be used in a prudent and responsible way***". This means that we must make every effort to reduce misapplication of public resources and apply those to the most resourceful and productive activities. Indeed, Hon. Members, the principle that should guide budget making should therefore be "**achieving the greatest public good in the most cost-effective way**".

Mr. Speaker Sir,

In view of the above and guided by the spirit therein, the committee scrutinized these Supplementary estimates and has made a number of recommendations to the Assembly for consideration and approval as contained in this report.

In undertaking this task therefore, the committee took keen interest in analyzing the information as contained in the Estimates submitted and at the same time reviewing the achievements in implementing the approved budget 2015/2016 for the last six months. In coming up with the recommendations below, the Committee unanimously undertook a review of the budget performance, the supplementary proposals and the justifications given thereof during the explanations by the CEC Member for finance and Economic Planning.

a. Supplementary Estimates for the County Executive

Mr. Speaker,

The Supplementary Estimates presented by the County Executive Committee Member for Finance (**Annex II**) had a total additional expenditure of Kshs. 432,000,000.00 comprising of Kshs. 265,400,000.00 and Kshs. 166,000,000.00 for Recurrent and Development respectively. These funds were proposed to be spent as analyzed below:-

Recurrent

Ministry of Health and Sanitation	- Kshs. 141,400,000.00
Towns (Kitui/Mwingi) wages 15M and Street light Bills 10M=	- Kshs. 25,000,000.00
Administration (Vehicles for Ministers)	- Kshs. 70,000,000.00
Governor's Office (rewards to the best performing ministries)	- Kshs. 14,000,000.00
Daily Subsistence allowance, insurance for (CS Office)	- Kshs. 13,000,000.00
Revenue casuals pay – Finance	- Kshs. <u>2,000,000.00</u>
Subtotal -	- Kshs. <u>265,400,000.00</u>

Development

LIUD – Purchase of Graders and Excavator	- Kshs. 90,000,000.00
Kitui Town Street Lights	- Kshs. 43,000,000.00
Mwingi Town Street Lights	- Kshs. <u>33,600,000.00</u>
Subtotal -	- Kshs. <u>166,600,000.00</u>
Grand Total -	-Kshs. <u>432,000,000.00</u>

The County Executive proposed to finance the above expenditures by the following savings from the approved budget:-

Recurrent

Personnel emoluments savings -	329,750,000.00
Purchase of motor vehicles -	17,750,000.00
Foreign travels -	20,000,000.00
Temporary Committees –	<u>5,000,000.00</u>
Subtotal-	<u>372,500,000.00</u>

Development

Kitui Town Car Park –	5,000,000.00
Cultural resource centers –	10,000,000.00
LIUD & Mwingi Town purchase of vehicles –	9,500,000.00
Environment-survey and design –	19,000,000.00

Tourism – Nzambani Eco Tourism –	<u>16,000,000.00</u>
Subtotal –	<u>59,500,000.00</u>
Grand Total -	-Kshs. <u>432,000,000.00</u>

Revote

The amount of actual revote went down by Kshs. 111,441,809.00 reducing the overall budget for the County from Kshs. 10,225,791,176.00 to Kshs. **10,114,349,367.00**.

b. Supplementary Estimates for the County Assembly

Mr. Speaker,

The Supplementary Estimates presented by the County Assembly Service Board (**Annex III**) had a total additional expenditure of Kshs. 45,763,982.00 for Recurrent. These funds were proposed to be spent as analyzed below:-

Basic salaries for Assembly Members –	696,582.00
Water and Sewerage Charges –	70,000.00
Domestic travel and Accommodation –	21,657,400.00
Publishing and printing services –	300,000.00
Rent of non-residential building -	1,440,000.00
Catering services –	8,000,000.00
Membership fees and subscription to professional bodies –	400,000.00
Maintenance expenses for motor vehicles –	1,200,000.00
Purchase of motor vehicle –	3,500,000.00
Purchase of ICT Networking –	4,000,000.00
Income Tax –	<u>4,500,000.00</u>
Total –	<u>45,763,982.00</u>

These expenditures were proposed to be financed with the following savings from the approved County Assembly Budget as follows:-

Basic Salaries to Civil servants –	7,397,212.00
Domestic Servant Allowance –	360,000.00

County Assembly Attendance Allowance –	11,000,000.00
Employer contribution to NSSF –	356,400.00
Ward Office Operations –	400,000.00
Purchase of Air Conditioners –	<u>1,400,000.00</u>
Total –	<u>20,913,612.00</u>

The difference between the savings and the additional expenditure above of Kshs. 24,850,370.00 was to be financed from the additional revenue ceiling allocated to the Assembly by the Senate in the County Allocation of Revenue Act, 2015 (**Schedule attached as Annex V**) which was not factored in the approved budget. The proposed Supplementary Estimates increases the County Assembly Budget from Kshs. 857,800,425.00 to Kshs. 882,650,795.00.

General observations on the Supplementary Estimates

The committee scrutinized these estimates and after doing intensive consultations observed the following:-

- a. The County Executive Budget

Mr. Speaker Sir,

The Supplementary Estimates under review as submitted by the Executive was found to be in total compliance with the approved County Fiscal Strategy Paper and the Annual Development Plan for this financial year as provided under Section 135 (3) of the Public Finance Management Act, 2012 which states that;

"In complying with section (2), a County Government shall describe how the additional expenditure relates to the fiscal responsibility principles and financial objectives"

Mr. Speaker Sir,

It is worth to note that Kshs. 107,000,000.00 saved from the approved recurrent budget has been proposed in this Supplementary Estimates to be spent on development expenditure. This is a clear indication of prudence in application of public finances on the

part of the County Executive as anchored in Article 201 (d) of the Constitution where items such as foreign travel has been reduced by Kshs. 20M among other recurrent items.

Mr. Speaker Sir,

The Committee appreciates that the Supplementary Estimates had addressed the budget deficit in the Ministry of Health and Sanitation for purchase of drugs worth Kshs. 75M. It is worth noting that this House had noted this deficit and had recommended the same to be addressed in the supplementary budget. These estimates has further provided funds for Food rations Kshs. 26M, Personnel Emoluments for new 15 Medical Doctors already posted to the County Kshs. 30.6M and Dental Equipment Kshs. 9.8M under this Ministry.

Mr. Speaker Sir,

This Committee also appreciates the fact that the Executive has finally seen the need, which this House saw two years ago, to provide a grader to every sub county to address the poor state of our roads. Towards this end, the Ministry of LIUD has proposed in this supplementary Budget to acquire two more graders and an excavator to ensure each sub county gets a grader. This will enable the County to effectively address the effects of El-nino rains on the County roads.

Mr. Speaker Sir,

This Committee notes that the Executive has embraced Street Lighting in the County's Major Towns including ward Headquarters. This has significantly improved the state of security and increase of business potential within the town suburbs. This Committee however recommends that this program should be extended to cover the residential areas which are densely populated and prone to insecurity. This Committee also encourages use of LED Bulbs and Solar lighting to save on the cost of Electricity.

Mr. Speaker Sir,

The approved budget for 2015/2016 provided for six double cabin vehicles at a total cost of Kshs 27,250,000 which were to be distributed as follows;- Ministry of LIUD, Ministry of Culture, Youth, Sports & Social Services, Ministry of Environment, Energy & Mineral

Resources, Ministry of Finance & Economic Planning and Mwingi Town Administration. In this supplementary estimates, the Executive is proposing to buy ten vehicles to be used by the CEC Members and suspend buying of earlier budgeted vehicles. The CEC Members will release the vehicles they are currently using to the Ministries that were to buy vehicles in the approved budget. This Committee considers this to be a noble idea as it is an improvement bearing in mind that one of the pillars of quality control management is continuous improvement which the Executive is embracing.

Mr. Speaker Sir,

This Committee notes that the Executive plans to reward the best performing Ministries in the performance contracts. Of worth noting is that the Executive has not put in place a policy guideline to guide these rewards. However, in a meeting with the CEC Member for Finance, he explained that they borrowed this from the National Government. We therefore stress the need for such policy formulation to guide such a process moving forward.

Mr. Speaker Sir,

One of the functions of the County Government under Part 2 of the Fourth Schedule of the Constitution of Kenya is to ensure and coordinate participation of communities and locations in governance at the local levels by assisting them to develop administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level. This will enlighten our citizens to see the need in participating in governance issues such as National Identity Cards and Voter registration and electing eligible leaders. This Committee notes with concern that both the approved budget for 2015/2016 and this Supplementary Budget do not have any allocation for this very noble mandated by the Constitution. To this end therefore, this Committee recommends that the County Executive finds it necessary to make an allocation of at least Kshs. 1.5M for every Ward to carry out this noble exercise.

b. The County Assembly Budget

Mr. Speaker Sir,

This Committee notes that the County Assembly has for the five Months to November, 2015 absorbed its budget 33% and 26% on the Recurrent and Development Budgets respectively. On the recurrent expenditure this could be associated to prudence and elimination in wastage on the part of the County Assembly while the low absorption on the Development could be associated with the ongoing court case.

Mr. Speaker Sir,

The Committee also appreciates that the County Assembly Service Board has been able to identify budget items which could not be able to absorb the allocated amounts during the year totaling to savings of Kshs. 20,913,612.00. These funds have been proposed to partly finance this supplementary budget which clearly is an indication of prudence application of public finances.

Mr. Speaker Sir,

It is worth noting that the County Assembly Service Board has enhanced the budget item on Domestic Travel and Accommodation with Kshs. 21, 657,400.00. This is an indication that the board is placing much emphasis on the County Assembly's oversight role which is a constitutional mandate as set out under Article 185(3) of the Constitution.

Specific Committee Recommendations on the Supplementary Estimates

a. County Executive budget

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

1. **Purchase of motor vehicles-** while the executive had proposed to spent Kshs.70M on this item, this Committee recommends a reduction of Kshs. 33M to leave a balance of 37M to purchase seven (7) enclosed motor vehicles for CEC Members at a cost of 5.2M each and the other three motor vehicles be considered

in the next financial year's budget. Out of this reduction, Kshs. **24,850,370.00** be transferred to the County Assembly Budget to cater for the additional allocation to the County Assembly Ceiling by the Senate in the County Allocation of Revenue Act, 2015 and the balance of Kshs. 8,149,630 be transferred to the Ministry of LIUD for fueling the newly acquired plant and machinery and murraming of roads.

2. **Rewarding for best performing ministries**- these estimates proposes a cost of 14M to reward the best performing ministries under performance contracting which was an estimated figure before actual evaluation. However, the actual cost established after evaluation was Kshs. 10M which this Committee recommends for approval. The balance of Kshs 4M is hereby recommended to be transferred to the Ministry of LIUD for fueling the newly acquired plant and machinery and murraming of roads.
3. **Provision for additional insurance costs** – this supplementary budget proposes additional Kshs. 12M for insurance costs. This Committee feels that this was an arbitrary high figure bearing in mind that this was an addition to the already approved budget of Kshs 15.7M. It is for this reason that this Committee recommends a reduction of Kshs. 2,850,370.00 from this item and be transferred to the Ministry of LIUD for fueling the newly acquired plant and machinery and murraming of roads.
4. All the other items in this supplementary Estimates are recommended for approval as proposed.

b. County Assembly Budget

1. **Purchase of ICT Networking** – the Board had proposed a budget of Kshs. 4M to complete networking of the renovated offices. As much as this Committee appreciates the need for the intended networking, it is the feeling of this Committee that the same will be affected by the ongoing constructions, thus non prudence in public finance application. For this reason therefore, this Committee proposes suspension of this item and apply the same to increase the **ward office**

operations cost by Kshs. 20,000.00 per ward per month with effect from February, 2016.

2. The difference between the savings and the additional expenditure of Kshs. 24,850,370.00 as proposed by the Board will be financed from the additional revenue ceiling allocated to the Assembly by the County Allocation of Revenue Act, 2015 which the Committee recommended as savings from the Executive budget above.
3. All the other items in this supplementary Estimates are recommended for approval as proposed.

Mr. Speaker Sir,

The above adjustments in both the County Executive and County Assembly budgets as recommended above will therefore reduce the overall County Budget by **Kshs. 111,441,809.00** to Kshs. **10,114,349,367.00** due to reduction in revote as contained in attached annex marked **Annex IV**.

Mr. Speaker Sir,

It is therefore my pleasant duty and privilege, on behalf of the Budget and Appropriations Committee to table this Report for adoption by the Assembly.

ANNEX I

SIGNED LIST OF MEMBERS OF THE BUDGET AND APPROPRIATIONS COMMITTEE

- | | | |
|--------------------------------|------------------|-------|
| 1. Hon. Antony K. Muthui - | Chairman | |
| 2. Hon. Beatrice V. Musyoka - | Vice Chairperson | |
| 3. Hon. Anastasia M. Mutunga - | Member | |
| 4. Hon. James M. Munuve - | Member | |
| 5. Hon. Mary P. Ndumbu - | Member | |
| 6. Hon. Jackson N. Mwanduka - | Member | |
| 7. Hon. Irene C. Muvea - | Member | |
| 8. Hon. Felix K. Kauvi - | Member | |
| 9. Hon. Deiys M. Mukala - | Member | |

ANNEX II

KITUI COUNTY GOVERNMENT - 2015/16 SUPPLEMENTARY BUDGET

	County Ministry	Recurrent	Recurrent	Recurrent Changes	Development (Printed Estimates)	Development (Supplementary)	Development Changes	TOTAL Budget Estimates (Printed)	TOTAL (Supplementary Budget 1)	Printed %	Revised %
		(Printed Estimates)	Supplementary Estimates								
1	Office of the Governor	434,331,776	455,932,384	21,600,608	1,193,508,984	1,193,153,049	(355,935)	1,627,840,761	1,649,085,433	16%	16%
2	Ministry of Administration and Coordination Affairs	496,086,877	338,807,375	##### #	238,894,935	241,583,598	2,688,663	734,981,812	580,390,973	7%	6%
3	Ministry of Agriculture, Water & Irrigation	390,815,256	389,574,870	(1,240,386)	887,290,845	858,077,244	(29,213,601)	1,278,106,101	1,247,652,114	12%	12%
4	Ministry of Basic Education, Skills & Development	362,653,228	361,412,842	(1,240,386)	262,254,720	236,454,640	(25,800,080)	624,907,948	597,867,482	6%	6%
5	Ministry of Lands, Infrastructure & Urban Development	253,431,659	228,619,060	(24,812,599)	711,590,793	735,025,051	23,434,258	965,022,452	963,644,111	9%	10%
6	Ministry of Health & Sanitation	1,565,115,555	1,619,009,210	53,893,655	739,108,621	734,754,026	(4,354,595)	2,304,224,176	2,353,763,236	23%	23%
7	Ministry of Trade, Industry, IT & Cooperatives	61,490,426	60,250,040	(1,240,386)	272,374,669	295,225,622	22,850,953	333,865,095	355,475,662	3%	4%
8	Ministry of Culture, Youth, Sports & Social Services	61,843,936	56,103,550	(5,740,386)	218,727,526	206,946,500	(11,781,026)	280,571,462	263,050,050	3%	3%
9	Ministry of Environment, Energy & Mineral Resources	40,629,282	34,388,896	(6,240,386)	280,533,559	261,928,624	(18,604,935)	321,162,841	296,317,520	3%	3%
10	Ministry of Natural Resources & Tourism	44,529,980	43,362,000	(1,167,979)	93,517,630	79,673,805	(13,843,825)	138,047,610	123,035,805	1%	1%
11	Ministry of Finance & Economic Planning	256,121,252	247,630,866	(8,490,386)	64,773,560	64,026,394	(747,166)	320,894,813	311,657,261	3%	3%
13	County Assembly	678,238,011	678,238,011	-	179,562,414	179,562,414	-	857,800,425	857,800,425	8%	8%
12	County Public Service Board	60,648,075	58,921,145	(1,726,930)	-	-	-	60,648,075	58,921,145	1%	1%
14	Kitui Town Administration	50,629,691	70,629,691	20,000,000	192,905,941	221,223,136	28,317,195	243,535,632	291,852,827	2%	3%
15	Mwingi Town Administration	34,382,251	39,382,251	5,000,000	99,799,725	124,453,072	24,653,347	134,181,976	163,835,323	1%	2%
	TOTALS	4,790,947,255	4,682,262,193	##### #	5,434,843,921	5,432,087,174	(2,756,746)	10,225,791,176	10,114,349,367	100%	100%
		46.85	46.29		53.15	53.71		100	100		

Summary

1.
Recu
rrent

Sources		Application	
	Kshs		Kshs
PE savings	329,750,000	Health & Sanitation Towns (Kitui: 10m for wages and 10m for street light electricity bills; Mwingi 5m for casual wages)	141,400,000
Purchase of Motor Vehicles	17,750,000	Administration (Vehicles for ministers)	25,000,000
Foreign Travel	20,000,000	Office of the Governor: (Reward for best performing ministries based on 2014-2015 PC's)	70,000,000
Temporary Committees	5,000,000	Daily Subsistence Allowance, Insurance (CS Office)	14,000,000
		Revenue casuals pay -Finance	13,000,000
			2,000,000
Total	372,500,000		265,400,000
Kitui Town -Parking	5,000,000	LIUD Kitui Town - Street lights	90,000,000
Culture - resource centres LIUD & Mwingi Town - Purchase of Motor Vehicles	10,000,000		43,000,000
Environment - Survey & design	9,500,000	Mwingi Town - Street lights	33,600,000
Tourism - Nzambani Eco Tourism	19,000,000		
	16,000,000		

2.
Deve
lopment

	59,500,000
	432,000,000

	166,600,000
	432,000,000

3. Revote

The amount of actual revote went down by KES 111m, reducing the total budget from Kes 10,225,791,176 down to Kes 10,114,349,367.

Notes

Office of the Governor

Recurrent

Increase of Kshs **21.6m**

due to:

- (i) Provision for rewards for 3 best performing ministries based on 2014-2015 performance contracts (Kshs 14m)
- (ii) Provision for additional funds for Insurance (Kshs 12m)
- (iii) provision for legal fees (Kshs 8.2m)
- (iv) provision for daily Subsistence Allowance (Kshs 4.5m)
- (v) Reduction of PE for budgeted recruitments (Kshs 6.7m)
- (vi) Reduction of foreign travel (Ksh 5.8m)
- (vi) Reduction of temporary committees (Ksh 5 m)

Development

Decrease to adjust revoted amount to actual (Kshs 0.35m)

Ministry of Coordination

Recurrent

Decrease in Kshs 157.2m
as result of:

- (i) PE reduction for budgeted recruitments (Kshs 226m). Now defferred to July 2016
- (ii) A reduction of foreign travel (Kshs 1.2m)
- (iii) Provision for purchase of ministers vehicles (Kshs 70m)

Development

An increase to adjust revote to actual (Kshs 2.6m)

Ministry of Agriculture**Recurrent**

A reduction of foreign travel (Kshs 1.2m)

Development

Decrease to adjust revoted amount to actual (Kshs 29m)

Ministry of Basic Education**Recurrent**

A reduction of foreign travel (Kshs 1.2m)

Development

Decrease to adjust revoted amount to actual (Kshs 25.8m)

Ministry of Lands, Infrastructure and Urban Development**Recurrent**

Decrease of Kshs 24.8m
due to:

- (i) PE reduction for budgeted recruitments (Kshs 23.6m). Now defferred to June 2016
- (ii) A reduction of foreign travel (Kshs 1.2m)

Development

An increase of Kshs

23.4m due to:

- (i) Provision for purchase of two graders (Kshs 70m)
- (ii) Provision for purchase of D7 Excavator (Kshs 20m)
- (iii) Decrease to adjust revoted amount to actual (Kshs 62.6m)
- (iv) Decrease due to consolidation of vehicles budget in Co ordination (Kshs 4m)

Ministry of Health and Sanitation

Recurrent

An increase of Kshs 53.8

due to:

- (i) Increase to finance budget deficit for medical drugs (Kshs 75m)
- (i) Increase to finance budget deficit for medical drugs & food rations (Kshs 26m)
- (ii) Increase in PE being provision for new doctors (Kshs 30.6m)
- (iii) PE reduction for budgeted recruitments (Kshs 73.4m). Now defferred to April 2016
- (iv) A reduction of foreign travel (Kshs 1.2m)
- (v) Transfer of funds to development from purchase of medical records (Kshs 3m)

Development

A decrease of Kshs 4.3m

due to:

- (i) Decrease to adjust revoted amount to actual (Kshs 17.1m)
- (ii) Provision for budget deficit for medical and dental equipment (Kshs 9.8m)
- (iii) Transfer from medical records for purchase of generator (Kshs 3m)

Ministry of Trade, Industry, IT and Cooperatives

Recurrent

A reduction of foreign travel (Kshs 1.2m)

Development

Increase due to adjustment of revoted amount to actual (Kshs 22.8m)

Ministry of Culture, Youth, Gender and Social Services

Recurrent

Decrease of Kshs 5.7m

due to:

(i) A reduction of foreign travel (Kshs 1.2m)

(ii) Decrease due to consolidation of vehicles budget in Co ordination (Kshs 4.5m)

Development

A decrease of Kshs 11.7

due to:

(i) Transfer to LIUD for purchase of D7 bulldozer (Kshs 10m)

(ii) Decrease due to adjustment of revoted amount to actual (Kshs 1.7m)

Ministry of Environment, Energy and Mineral Resources Investment Development

Recurrent

Decrease of Kshs 6.2 due

to:

(i) A reduction of foreign travel (Kshs 1.2m)

(ii) Decrease due to consolidation of vehicles budget in Co ordination (Kshs 5m)

Development

A decrease of Kshs 18.6m

due to:

(i) Transfer from Rural electrification to finance street lights (Kshs 19m)

(ii) Increase due to adjustment of revote to actual (Kshs 0.4m)

(iii) Transfer of funds from electricity distribution to solar lights within upcoming towns (this transfer does not entail physical movement of funds - **Kshs 63m**)

**Ministry of Tourism and
Natural Resources**

Recurrent

A reduction of foreign
travel (Kshs 1.2m)

Development

A decrease of Kshs 13.8m
due to:

- (i) Increase due to adjustment of revote to actual (Kshs 2.15m)
- (ii) Transfer from Nzambani Eco tourism to finance street lights (Kshs 16m)

**Ministry of Finance and
Economic Planning**

Recurrent

A decrease of Kshs 8.4
due to:

- (i) Decrease due to consolidation of vehicles budget in Co ordination (Kshs 9.2m)
- (ii) Increase/Provision for Casual wages (Kshs 2m)
- (iii) A reduction of
foreign travel (Kshs 1.2m)

Development

Decrease due to adjustment of revote to actual (Kshs 0.7m)

**Kitui County Public Service
Board**

Recurrent

A reduction of foreign
travel (Kshs 1.7m)

Kitui Town Administration

Recurrent

An increase of Kshs 20m
due to:

- (i) Provision for street light electricity bills (Kshs 10m)
- (ii) Increase in casual pay to cover budget deficit (Kshs 10m)

Development

An increase of Kshs
28.3m due to:

- (i) Transfer from car park budget to LIUD for purchase of D7 bulldozer (Kshs 5m)
- (ii) Decrease due to adjustment of revote to actual (Kshs 9.6m)
- (iii) Provision for street lights (Kshs 43m)
- (iv) Internal transfer from road construction to Street lighting (Kshs 22m)
- (v) Internal transfer from construction of pedestrian walkway to Street lighting (Kshs 13m)
- (vi) Internal transfer from training expenses to Street lighting (Kshs 6.5m)

Ginnery-Wikililye- Mulango (6 Kms)	22,000,0 00	
Wikilye-Chuluni (4.2Kms), The Junction - Yumbisye Sec - Back Mulango line (0.950km)		19,200,000
Tourist Hotel - St Thomas Aquinas (Kalawa) Secondary (1.2 Kms), - Kalawa Market (0.6km)		7,300,000
Syongila-Kwa Mumo (4 kms), Tarmac - polytechnic - Syongila tarmac junction (0.6km)		17,300,000
Ngiini Primary - St. Angelas (3.4km)	12,800,0 00	
Kwa Ngindu - Museve shrine (6km)	22,000,0 00	
Total	100,600, 000	

Mwingi Town Administration

Recurrent

An increase of Kshs 5m

due to:

(ii) Increase in casual pay to cover budget deficit (Kshs 5m)

Development

An increase of Kshs

24.6m due to:

(i) Decrease due to consolidation of vehicles budget in Co ordination (Kshs 4.5m)

(ii) Decrease due to adjustment of revote to actual (Kshs 4.4m)

(iii) Provision for streets

lights (Kshs 33.6m)

From end of Current lighting to New Hotel's gate (Extend from cottage to new hotel) - (1.75km)			6,600,000
From end of Current lighting to Southern end of Kalisasi Market (Musila garden to Kalisasi) - (4.4km)			16,700,000
From end of Current lighting to Kanginga Oasis gate (Extend from Tyaa to Kavuvuani junction) - (0.87 km)			3,300,000
Garissa Stage - Mui turn off (1.1km)	4,200,00 0		
Mwingi Town Centre - Livestock Market (0.75km)		2,800,000	
Total	33,600,0 00		

ANNEX III

COUNTY ASSEMBLY OF KITUI NOTES TO THE SUPPLEMENTARY BUDGET 2015/2016

S. NO.	DETAILED DESCRIPTION	AMOUNT OF INCREASE/ DECREASE
	ITEMS TO BE INCREASE	
1	Basic Salaries - County Assembly Members	
	Increase in Responsibility Allowances	1,800,000
	Decrease in Salary for Nominated MCA who never reported for six months	(1,103,418)
	Total	696,582
2	Water and Sewerage Charges	
	Average monthly expenditure to December was Kshs 19,600 thus we approximately require Kshs 250,000 to end of year.	70,000
3	Domestic Travel and Accommodation	
	Average monthly expenditure to December was Kshs 6,745,038 thus we approximately require Kshs 80,940,456 to end of year.	21,657,400
4	Publishing and Printing Services	
	Average monthly expenditure to December was Kshs 63,345 thus we approximately require Kshs 760,000 to end of year.	300,000
5	Rents of Non-Residential Buildings	
	This caters for rent paid to KEFRI for use of their hall as Chambers at Kshs 120,000 per month that was not factored in the budget	1,440,000
6	Catering Services	
	This will cater for payment of Staff late duty Meals and Allowances	8,000,000

7	Membership Fees and Subscriptions to Professional Bodies	
	This will cater for the CAF subscription arrears	400,000
8	Maintenance Expenses for Motor Vehicles	
	This is as a result of the major repairs done to the Land Rover and the Volkswagen that spent the entire approved budget thus necessitating an additional budget for normal services	1,200,000
9	Purchase of Motor Vehicle	
	We had budget to buy a Costa Van at a cost of Kshs 6,500,000. The invoice already received is for Kshs 9.4M. Thus taking into account the insurance for the vehicle, we have increased the budget to Kshs 10M	3,500,000
10	Purchase of ICT Networking	
	We need to complete the networking of the renovated offices	4,000,000
11	Income Tax (Fridge Benefit Tax)	
	This is a tax payable by the employer for loans provided to employees at low interest rate compared to market interest rate. This thus is the tax on MCAs and Staff car and mortgage loans	4,500,000
	TOTAL INCREASE	45,763,982
	ITEMS TO BE REDUCED	
1	Basic Salaries to Civil Servants	
	This is the saving from the advertised posts that have not been filled and had been budgeted for full year now budgeted from February, 2016	(7,397,212)
2	Domestic Servant Allowance	
	These are the staff for Speaker who have not been employed now budgeted from January, 2016	(360,000)

3	County Assembly Attendance Allowance	
	Average monthly expenditure to December was Kshs 4,770,000 thus we approximately require Kshs 57,240,000 to end of year.	(11,000,000)
4	Employer Contribution to NSSF	
	The current budget was based on the proposed NSSF rates of Kshs 1,080 that has not been implemented. We are therefore reducing this to the actual Kshs 200 that we have paid for the period up to December 2015.	(356,400)
5	Ward Office Operations	
	The valuation exercise conducted on the ward offices reduced the total rent payable to ward offices by Kshs 47,000 per month with effect from October 2015	(400,000)
6	Purchase of Air Conditioners	
	This was budgeted to pay for the additional air conditioners that were installed late previous financial year. However, the same happen to have been paid in the same financial year and thus we are reallocating these funds to other purpose	(1,400,000)
	TOTAL REDUCTION/SAVINGS	(20,913,612)
	VARIANCE BETWEEN SAVINGS AND ADDITIONS	24,850,370

This variance is as a result of amount added to the County Assembly Ceiling by the Senate in the County Allocation of Revenue Act, 2015 that was not factored in the approved budget. We therefore expect that the Executive will provide this money to the Assembly or the Budget and Appropriations Committee will allocate this money to the Assembly.

ANNEX IV

KITUI COUNTY GOVERNMENT 2015/16 SUPPLEMENTARY BUDGET SUMMARY

	County Ministry	Recurrent Printed Estimates	Recurrent Supplementary Estimate	Recurrent Changes	Development Printed Estimates	Development Supplementary Estimates	Development Changes	Total Printed Estimates	Total Supplementary Estimates	Printed %	Revised %
1	Office of the Governor	434,331,776	449,082,014	14,750,238	1,193,508,984	1,193,153,049	(355,935)	1,627,840,761	1,642,235,063	16%	16%
2	Ministry of Administration and Coordination Affairs	496,086,877	305,807,375	(190,279,501)	238,894,935	241,583,598	2,688,663	734,981,812	547,390,973	7%	5%
3	Ministry of Agriculture, Water & Irrigation	390,815,256	389,574,870	(1,240,386)	887,290,845	858,077,244	(29,213,601)	1,278,106,101	1,247,652,114	12%	12%
4	Ministry of Basic Education, Skills & Development	362,653,228	361,412,842	(1,240,386)	262,254,720	236,454,640	(25,800,080)	624,907,948	597,867,482	6%	6%
5	Ministry of Lands, Infrastructure & Urban Development	253,431,659	228,619,060	(24,812,599)	711,590,793	750,025,051	38,434,258	965,022,452	978,644,111	9%	10%
6	Ministry of Health & Sanitation	1,565,115,555	1,619,009,210	53,893,655	739,108,621	734,754,026	(4,354,595)	2,304,224,176	2,353,763,236	23%	23%
7	Ministry of Trade, Industry, IT & Cooperatives	61,490,426	60,250,040	(1,240,386)	272,374,669	295,225,622	22,850,953	333,865,095	355,475,662	3%	4%

8	Ministry of Culture, Youth, Sports & Social Services	61,843,936	56,103,550	(5,740,386)	218,727,526	206,946,500	(11,781,026)	280,571,462	263,050,050	3%	3%
9	Ministry of Environment, Energy & Mineral Resources	40,629,282	34,388,896	(6,240,386)	280,533,559	261,928,624	(18,604,935)	321,162,841	296,317,520	3%	3%
10	Ministry of Natural Resources & Tourism	44,529,980	43,362,000	(1,167,979)	93,517,630	79,673,805	(13,843,825)	138,047,610	123,035,805	1%	1%
11	Ministry of Finance & Economic Planning	256,121,252	247,630,866	(8,490,386)	64,773,560	64,026,394	(747,166)	320,894,813	311,657,261	3%	3%
13	County Assembly	678,238,011	703,088,381	-	179,562,414	179,562,414	-	857,800,425	882,650,795	8%	9%
12	County Public Service Board	60,648,075	58,921,145	(1,726,930)	-	-	-	60,648,075	58,921,145	1%	1%
14	Kitui Town Administration	50,629,691	70,629,691	20,000,000	192,905,941	221,223,136	28,317,195	243,535,632	291,852,827	2%	3%
15	Mwingi Town Administration	34,382,251	39,382,251	5,000,000	99,799,725	124,453,072	24,653,347	134,181,976	163,835,323	1%	2%
	TOTALS	4,790,947,255	4,667,262,193	(148,535,433)	5,434,843,921	5,447,087,174	12,243,254	10,225,791,176	10,114,349,367	100%	100%

46.9%

46.1%

53.1%

53.9%

100%

Change in total budget explained by reduction in actual revote

(111,441,809)

Supplementary Budget Total

10,114,349,367

