

**REPUBLIC OF KENYA**



**COUNTY GOVERNMENT OF KITUI**

**THE COUNTY ASSEMBLY**

**FIRST ASSEMBLY – (THIRD SESSION)**

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**BUDGET AND APPROPRIATIONS COMMITTEE**

**REPORT ON CONSIDERATION OF THE SECOND SUPPLEMENTARY**

**ESTIMATES FOR**

**THE COUNTY GOVERNMENT FOR FINANCIAL YEAR**

**2014/2015**

**MAY, 2015**

## **PREAMBLE**

**Mr. Speaker Sir,**

The Second Supplementary Estimates for the County Executive was received and committed to this Committee on the Thursday of 14<sup>th</sup> May, 2015 afternoon sitting pursuant to provisions of Section 135 (2) of the Public Finance Management Act and Standing Order (S.O) 215 (1).

**Mr. Speaker Sir,**

The role of consideration of the budget is conferred to the Committee on Budget and Appropriations by this Assembly's Standing Order 187 which further gives this committee the mandate to, inter alia;

- 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.

Considering the short period to the end of this financial year, the Committee had to work over the weekend in order to table a report on the same as scheduled for approval by the Assembly.

This is aimed at facilitating the executive to re-allocate the funds to the programs which can absorb the funds before the end of the financial year and also to harmonize the budget with the withdrawals to date from the County Revenue Fund as per the Office of the Controller of Budget letter ref. COB/KTU/002/2/1 dated 7<sup>th</sup> April, 2015.

## **Composition of the Committee.**

**Mr. Speaker sir,**

The Budget and Appropriations committee as constituted comprises of the following Members:-

Hon. Antony K. Muthui -	Chairman
Beatrice V. Musyoka -	Vice Chairman
Hon. Felix K. Kauvi -	Member
Hon. Anastasia M. Mutunga -	Member

Hon. Joseph N. Ngwele -	Member
Hon. James M. Munuve -	Member
Hon. Stanislaus M. Mulongo -	Member
Hon. Joyce M. Mutemi -	Member
Hon. Mary P. Ndumbu -	Member
Hon. Jackson N. Mwanduka -	Member
Hon. Mwove Kinyala -	Member
Hon. George S. Kililiku -	Member
Hon. Irene C. Muvea -	Member

**Mr. Speaker Sir,**

In reviewing these estimates and writing this report, the committee held a total of three day's sittings held at Pride Inn Hotel in Nairobi during the weekend of 16<sup>th</sup> to 18<sup>th</sup> May, 2015. This Mr. Speaker shows the commitment that this Committee has in undertaking its mandate.

**Acknowledgement**

**Mr. Speaker Sir**

At this juncture, allow me to thank your office for allowing the committee an opportunity to retreat to a conducive and quiet place with minimal interruptions to urgently consider these Estimates. Further, I thank the County Executive Committee Member for Finance and Economic Planning who appeared before the Committee to Clarify on issues raised by the Members at the Committee.

Finally, I sincerely express my gratitude to the Members of this committee and Staff of the Assembly who for those days have volunteered to work tirelessly and beyond the sitting hours to accomplish this great mission.

**Mr. Speaker Sir,**

In reviewing these Estimates, the Committee was guided by the principle to achieving the greatest public good in the most cost-effective way. Therefore the

Committee took keen interest in scrutinizing these Estimates and came up with the recommendations in this report which I hereby table for approval by this Assembly.

**Hon. Antony K. Muthui**  
**Chairman, Budget & Appropriations Committee**  
**April, 2015**

**Annexures**

- I. Signed Committee Members List
- II. County Government Supplementary Budget Summary sheet as recommended by the Committee.
- III. County Government Second Supplementary Budget explanation notes.

**REVIEW AND CONSIDERATION OF THE SECOND COUNTY GOVERNMENT  
SUPPLEMENTARY BUDGET 2014/2015**

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 Budget implementation to date.

In coming up with the recommendations below, the Committee undertook budget performance review taking into account the remaining period to the end of financial year 2014/15 bearing in mind the need to harmonize the budget with the withdrawals from the County Revenue Fund as per the Office of the Controller of Budget.

**Mr. Speaker Sir,**

The approved first Supplementary budget for the executive comprised of Kshs 3,803,947,228 in recurrent expenditure and Kshs 4,912,472,926.00 in development expenditure translating to a total budget of Kshs 8,716,420,154.00. This second supplementary Budget has an equal overall budget of Kshs. 8,716,420,154.00 comprising of Kshs 3,793,947,228.00 in recurrent expenditure and Kshs 4,922,472,926.00 in development expenditures. In overall, this Second Supplementary Budget reduces the recurrent expenditures by Kshs. 10,000,000.00 and increasing the Development expenditure with the same amount.

**Mr. Speaker Sir,**

This is an evidence of prudence in utilization of funds on development.

**Committee Recommendations on the Supplementary Budget**

After a thorough scrutiny and consideration of the estimates submitted the following were the recommendations made by this Committee:-

**Office of the governor**

The Committee observed that the projects funded by the 25% of the CLIDP for ward cross cutting projects were not sourced through active stake holders involvement. For this reason therefore, this Committee recommends that the stakeholders should be

fully involved in the identification of these projects and that the next budget should focus on the Sub Counties and Wards which have not benefited from this program.

### **County Ministry of Administration and Co-ordination of County Affairs**

#### Purchases of 5 ton canter vehicle Kshs 7M

The committee noted that the 3 ton canter vehicle that was recently bought for transporting the reception equipment during the County functions outside the headquarters was unable to effectively traverse the county due to the terrain. This Committee therefore recommends a trade in with the proposed 5 ton canter vehicle from the same company to reduce the budget from 7M to 4.5M. The balance from this item of Kshs 2.5M be transferred to County Ministry of Land, Infrastructure and Urban Development (LIUD) for construction of drifts.

### **County Ministry of Agriculture, Water and Irrigation**

#### Transfer of 21M from Other Civil Works

It was noted with a lot of concern by this Committee that this Ministry had no adequate funds to equip the boreholes which have already been sunk and yet it is transferring money to LIUD for construction of Drifts. Therefore, this Committee recommends to retain these funds within the Ministry to equip those Bore holes.

### **County Ministry of Lands, Infrastructure and Urban Development**

#### Construction of Drifts Kshs 170M

The Committee noted that the identified drifts for construction in these estimates were not costed and it was difficult to establish whether the amount provided was sufficient for the 35 drifts. The Committee therefore makes the following recommendations;-

- i. That the County Ministry should only procure works to construct drifts equivalent to Kshs 151.5M which is the net balance in the item after rescinding the proposal to transfer Kshs. 21M from the Ministry of Agriculture, Water and

Irrigation to LIUD and adding 2.5M being savings recommended for transfer from County Ministry of Administration and Co-ordination of County Affairs (purchase of 5 ton canter)

- ii. The drifts to be constructed to be identified on a priority bases from the list provided.
- iii. The next budget should provide for more drifts which should be identified across all the county wards equitably.

### **County Ministry of Health and Sanitation**

It was noted that this supplementary budget and the preceding one had provided for construction, upgrading and completion of several health facilities in the County. Of importance to note no provision for additional staffing has been made. The Committee therefore recommends that the next budget should provide for adequate staffing to effectively operationalize these facilities.

### **County Ministry of Culture, Youth, Sports and Social Services**

The Committee expressed concern that this Ministry was transferring funds to other Ministries notwithstanding its minimal share of the County Budget and the numerous activities it should be carrying out. It was therefore recommended that the Ministry should come up strongly in ensuring that the department is busy and vibrant in provision its services.

### **County Ministry of Environment, Energy and Mineral Investments Development.**

The Committee recommended the following:-

- i) That the department should come up with a comprehensive policy for street lighting in all the County Major Towns.

- ii) That the department should encourage energy saving lighting to reduce the power cost
- iii) That the county should create a lighting maintenance unit to ensure sustainability of the program

**Mr. Speaker Sir,**

The adjustments in the County Government budget will therefore not affect the overall budget total and still remains at total of Kshs. 9,569,719,519.00. However, the supplementary Estimates as proposed and recommended by this Committee will finally re-align the vote totals to appear as indicated in the Supplementary Budget Summary annexed to this report **(Annex II)**.

**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 as this will then form basis for the Appropriation Bill.

## **ANNEX I**

### **SIGNED LIST OF MEMBERS OF THE BUDGET AND APPROPRIATIONS COMMITTEE**

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|---------------------------------|------------------|-------|
| 1. Hon. Antony K. Muthui -      | Chairman         | ..... |
| 2. Hon. Beatrice V. Musyoka -   | Vice Chairperson | ..... |
| 3. Hon. Anastasia M. Mutunga -  | Member           | ..... |
| 4. Hon. Joseph N. Ngwele -      | Member           | ..... |
| 5. Hon. James M. Munuve -       | Member           | ..... |
| 6. Hon. Stanislaus M. Mulongo - | Member           | ..... |
| 7. Hon. Joyce M. Mutemi -       | Member           | ..... |
| 8. Hon. Mary P. Ndumbu -        | Member           | ..... |
| 9. Hon. Jackson N. Mwanduka -   | Member           | ..... |
| 10. Hon. Mwove Kinyala -        | Member           | ..... |
| 11. Hon. George S. Kililiku -   | Member           | ..... |
| 12. Hon. Irene C. Muvea -       | Member           | ..... |
| 13. Hon. Felix K. Kauvi -       | Member           | ..... |