

COUNTY GOVERNMENT OF KITUI



THE COUNTY ASSEMBLY

THIRD ASSEMBLY – (FIRST SESSION)

THE COMMITTEE ON BUDGET AND APPROPRIATIONS

REPORT ON

CONSIDERATION OF

**THE GOVERNOR'S MEMORANDUM ON THE KITUI COUNTY
SUPPLEMENTARY I APPROPRIATION BILL, 2022 (C/A BILL NO. 4, 2022)**

CLERK OF ASSEMBLY CHAMBERS

P. O BOX 694

KITUI

DECEMBER, 2022

ANNEXURES

1. Signed Committee Members List **(Annex i)**
2. Committee Minutes Adopting the Report **(Annex ii)**

1.0 PREAMBLE

Mr. Speaker,

The Constitution of Kenya (CoK), 2010 and the Public Finance Management Act (PFM), 2012 has both placed significant responsibilities on the County Assemblies as relates to financial management in particular regarding to resource mobilization, allocation, monitoring and control. Section 130 and 131 of the PFM Act, 2012 bestows the fundamental responsibility of the County Budget approval and the relevant appropriations law to the County Assemblies.

Mr. Speaker,

Further to the above provisions of the law, section 135(2) and (6) of the same Act describes specific responsibilities to the County Assembly for approval of a Supplementary budget and a supplementary appropriation law respectively. It is important to note that the PFM Act, 2012 and the County Assembly Standing Orders highlights the logical sequence of events as pertains to the budget processing, appropriation bills and their approvals thereof.

Mr. Speaker,

The Kitui County Supplementary I Budget Estimates for the Financial Year 2022/2023 and the Appropriation Bill were approved by the Assembly on 30th November and 6th December, 2022 respectively. The vellum on the Appropriation Bill was forwarded on 6th December, 2022 to the Governor for assenting pursuant to Standing Order No. 134(1).

Mr. Speaker,

Standing Order No. 134 inter-alia provides: -

the functions of the Committee. This is the first Committee constituted on inauguration of the Third Assembly with the following Membership: -

- | | |
|-----------------------------------|-------------------|
| 1. Hon. Zacchaeus Ivutha Syengo | -Chairperson |
| 2. Hon. Jacquelyne Cate Kalenga | -Vice Chairperson |
| 3. Hon. Alex Mutambu Nganga | -Member |
| 4. Hon. Boniface Mukwate Katula | -Member |
| 5. Hon. Sylvester Kitheka Munyalo | -Member |
| 6. Hon. Kyalo Kimuli | -Member |
| 7. Hon. Mary Mwendu Mutune | -Member |
| 8. Hon. Mercy Muliwa Muema | -Member |
| 9. Hon. Malinga Munyao | -Member |

2.2 The Committee's Mandate

Mr. Speaker,

Standing Order No. 186 (3) outlines the roles of the Committee on Budget and Appropriations as 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.*
- iii. Examine Bills related to the County budget, including Appropriations Bill; and budget outlay.*

Arising therefrom, the Committee has considered the Governor's Memorandum on the Kitui County Supplementary I Appropriation Bill, 2022 (C/A Bill, No. 4, 2022) in pursuit of her mandate as articulated in the above provisions of the Standing Orders.

1, 2022/2023. However, the same was returned with a memorandum by the Governor setting out the reasons for not assenting to the subject Bill.

Mr. Speaker,

It is against this backdrop that on committal of the Memorandum, the Committee was directed by the Speaker to hold a meeting on the rise of the morning sitting of 20th December, 2022 to consider and table a report on the Memorandum during the afternoon sitting of the same day.

5.0 ACKNOWLEDGEMENT

Mr. Speaker,

The Committee on Budget and Appropriations extends her gratitude to the Office of the Speaker of Assembly and that of the Clerk of Assembly for the worth leadership and the indispensable logistical support accorded during the entire consideration of the County Supplementary Budget.

The commitment to deliver by the Members of the Committee is immensely valued in the entire budget process. The desire to undertake their mandate as enshrined in the Constitution and the Standing Orders has been the driving force in the entire process.

The unmeasured support by the Members of the County Assembly to date can never be dispensed in the entire process, it can only be termed as a demonstration of true leadership.

Finally, the Committee is indebted to the staff of Assembly for the technical support in the entire exercise and the service to the Committee in successively compiling this report.

6.0 CONSIDERATION OF THE GOVERNOR'S MEMORANDUM ON THE KITUI COUNTY SUPPLEMENTARY I APPROPRIATION BILL, 2022 (C/A BILL NO. 4, 2022).

Mr. Speaker,

The Memorandum on the Kitui County Supplementary I Appropriation Bill, 2022 (C/A Bill No. 4, 2022) sought to revert the names of the Ministries (Votes) to the way they appeared in the approved County Budget Estimates, 2022/2023 and the County Appropriation Act, 2022. The National Treasury had advised that it was not possible to change the names of the Ministries in the middle of the financial year as contained in the approved Supplementary Appropriation Bill due to the following reasons: -

- i. The risk of loss of data on the original approved budget since the Ministries had already incurred expenditure and commitments in the Integrated Financial Management Information System (IFMIS; and
- ii. The possibility of having difficulty in moving the Supplementary Budget reallocations on IFMIS ledger once Ministries are renamed.

The Memorandum had indicated that it would be impossible for the Budget to be cleared by both the Controller of Budget (CoB) and the IFMIS department for uploading without harmonizing the Votes (Ministries) both in IFMIS and Appropriations Act.

Mr. Speaker,

The approved Supplementary Budget I, 2022/2023 had incorporated the new administration of the County Executive structure as follows: -

- 1. Office of the Governor**
 - a) Public Service Management & General Administration
 - b) Governor's Service Delivery Unit & Public Communication

9. Agriculture & Livestock

- a) Agriculture and Fisheries
- b) Livestock Development and Apiculture

10. Water & Irrigation

- a) Water
- b) Irrigation

11. Energy, Environment, Forestry, Natural & Mineral Resources

- a) Environment & Forestry
- b) Energy, Minerals & Natural Resources

12. Finance, Economic Planning & Revenue Management

- a) Finance, Revenue Management and Accounting
- b) Economic Planning & Budgeting

Mr. Speaker,

The Memorandum had appealed to the Assembly to retain the title votes (Ministries) as contained in the table below: -

TABLE 1: PROPOSED NAME OF VOTES ON THE SUPPLEMENTARY BUDGET.

VOTE CODE	VOTE TITLE – ORIGINAL APPROVED FY 2022/2023 BUDGET (TO BE RETAINED)	VOTE TITLE – APPROVED FY 2022/2023 SUPPLEMENTARY I (TO BE REMOVED)
3711	Office of the Governor	Office of the Governor
3728	(To be Created Afresh)	Office of the Deputy Governor
3712	Department of Public Service Management and Administration	Department of Public Service Management & Administration
3713	Ministry of Agriculture, Water & Irrigation	Ministry of Water & Irrigation
3714	Ministry of Basic Education, ICT & Youth Development	Ministry of Education, Training & Skills Development

- ii. The Memorandum only sought to retain the names of the votes (Ministries) as contained in the approved County Budget Estimates, 2022/2023 to be in line with the records held in the National Treasury – IFMIS department and the CoB’s office.

1.0 COMMITTEE RECOMMENDATIONS

Mr. Speaker,

The Committee having duly considered the proposed changes as contained in the Memorandum recommended the change in the names of the votes (Ministries) to appear as contained in the approved County Budget Estimates, 2022/2023.

Thus, the Ministerial names for the affected Ministries will appear in the Bill under Schedule I and II as follows: -

FIRST SCHEDULE				
ADDITIONS				
(1)	(2)	(3)	(4)	
Vote No.	Service or Purpose	Programmes	Supply	Committee Recommendations
	Recurrent Expenditure		KSh.	Replace the struck words with the following
R3713	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Water and Irrigation including general administration, planning and support Services	0111003710 P8: Water Resources Management	323,438	Ministry of Agriculture, Water & Irrigation
		Total	323,438	
R3714	The amount required in the year ending 30th June, 2023 for salaries and	0501003710 P1: General Administration, Planning and Support Services	82,897,913	Ministry of Basic Education, ICT & Youth Development

	administration, planning and support services			
R3720	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Culture, Gender, Youth, ICT, Sports and Social Services including general administration, planning and support services	0301003710 P1: General Administration, Planning and Support Services	18,842,770	Ministry of Gender, Sports & Culture
		021000 P5 ICT Infrastructure Development	7,995,000	
		0504003710 P6: Youth Training and Development	10,990,528	
		Total	37,828,298	
R3721	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Finance, Economic Planning & Revenue Management including general administration, planning and support services	0701003710 P1: General Administration, Planning and Support Services	3,539,423	The County Treasury
		Total	3,539,423	
R3726	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Agriculture & Livestock including general administration, planning and support services	0101003710 P1: General Administration Planning and Support Services	216,372,615	Ministry of Livestock, Apiculture and Fisheries Development
		0102003710 P5: Crop Development and Management	5,705,446	
		0103003710 P6: Agribusiness and Information Management	14,205,453	
		0101020000 P7: Agricultural Extension Services and Training	26,179,999	
		Totals	262,463,513	

	including general administration and planning.			
D3720	The amount required in the year ending 30th June, 2023 for Ministry of Culture, Gender, Youth, ICT, Sports and Social Services for capital expenditure including general administration and planning.	0903003710 P3: Sports	9,039,208	Ministry of Gender, Sports & Culture
		0904003710 P4: Culture	15,150,000	
		0905003710 P7: Social Development and Children Services	23,000,000	
		Total	47,189,208	
D3721	The amount required in the year ending 30th June, 2023 for Finance, Economic Planning and Revenue Management for capital expenditure including general administration and planning.	0701003710 P1: General Administration, Planning and Support Services	21,807,837	The County Treasury
		Total	21,807,837	
D3726	The amount required in the year ending 30th June, 2023 for Ministry of Agriculture & Livestock for capital expenditure including general administration and planning	0102003710 P5: Crop Development and Management	355,809,872	Ministry of Livestock, Apiculture and Fisheries Development
		0103003710 P6: Agribusiness and Information Management	20,000,000	
		0101020000 P7: Agricultural Extension Services and Training	61,507,673	
		Total	437,317,545	
D3727	The amount required in the year ending 30th June, 2023 for Ministry of Lands, Housing & Urban Development for	0107003710 P3: Housing Development and Human Settlement	15,023,045	Ministry of Lands and Physical Planning
		Total	15,023,045	

	ending 30th June, 2023 for salaries and expenses of the Ministry of Roads, Public Works & Transport including general administration, planning and support services	Development and Human Settlement		Housing, Transport and Public Works
		0109003710 P4: Government Buildings	(19,286,960)	
		0110003710 P5: Road Transport	(50,527,902)	
		Total	(79,525,738)	
R3717	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Trade, Industry, MSMEs, Innovations & Cooperatives including general administration, planning and support services	0301003710 P1: General administration and support-H/Qs	(40,069,909)	Ministry of Trade, Cooperatives & Investment
		0303003710 P2: Trade development and Promotion	(13,679,871)	
		Total	(53,749,780)	
R3719	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Energy, Environment, Forestry, Natural & Mineral Resources including general administration, planning and support services	1002003710 P2 Environment Management and Protection	(9,144,813)	Ministry of Environment, Tourism & Natural Resources
		0305003710 P2: Tourism Development and Promotion	(34,197,305)	
		1005003710 P3 Power Transmission and Distribution	(3,833,604)	
		1006003710 P4 Alternative Energy Technologies	(3,983,724)	
		1008003710 P5 Mineral Resources Management	(10,127,885)	
		Total	(61,287,331)	
R3720	The amount required in the year ending 30th June, 2023 for salaries and expenses of the Ministry of Culture, Gender, Youth, ICT, Sports and Social Services	0902003710 P2: Gender	(9,256,347)	Ministry of Gender, Sports & Culture
		0903003710 P3: Sports	(10,099,910)	
		0904003710 P4: Culture	(5,860,500)	
		0905003710 P7: Social Development and Children Services	(7,548,836)	

		0111003710 P8: Water Resources Management	(210,960,132)	
		Total	(491,201,857)	
D3715	The amount required in the year ending 30th June, 2023 for Ministry of Roads, Public Works & Transport for capital expenditure including general administration and planning	0107003710 P3: Housing Development and Human Settlement	(58,500,000)	Ministry of Infrastructure, Housing, Transport and Public Works
		0109003710 P4: Government Buildings	(7,881,055)	
		0110003710 P5: Road Transport	(106,426,353)	
		Total	(172,807,408)	
D3717	The amount required in the year ending 30th June, 2023 for Ministry of Trade, Industry, MSMEs, Innovations & Cooperatives for capital expenditure including general administration and planning	0303003710 P2: Trade development and Promotion	(26,618,236)	Ministry of Trade, Cooperatives & Investment
		Total	(26,618,236)	
D3719	The amount required in the year ending 30 th June, 2023 for Ministry of Energy, Environment, Forestry, Natural & Mineral Resources Development for capital expenditure including general administration and planning	0305003710 P2: Tourism Development and Promotion	(17,969,525)	Ministry of Environment, Tourism & Natural Resources
		1005003710 P3 Power Transmission and Distribution	(2,500,000)	
		1008003710 P5 Mineral Resources Management	(16,659,560)	
		Total	(37,129,085)	
D3720	The amount required in the year ending 30th June, 2023 for Ministry of Culture, Gender, Youth, ICT, Sports and Social Services for capital expenditure including general	0902003710 P2: Gender	(3,500,000)	Ministry of Gender, Sports & Culture
		Total	(3,500,000)	

ANNEX I

SIGNED LIST OF MEMBERS OF THE COMMITTEE ON BUDGET AND APPROPRIATIONS CONFIRMING LEGITIMACY OF THE REPORT ON CONSIDERATION OF THE GOVERNOR'S MEMORANDUM ON THE KITUI COUNTY SUPPLEMENTARY I APPROPRIATION BILL, 2022 (C/A BILL NO. 4, 2022).

We, the Honourable members of the Committee on Budget and Appropriations, do hereby affix our signatures to this report to affirm its accuracy, validity and authenticity; -

- | | | |
|-----------------------------------|-------------------|--|
| 1. Hon. Zacchaeus Ivutha Syengo | -Chairperson | |
| 2. Hon. Jacquelyne Cate Kalenga | -Vice Chairperson |
 |
| 3. Hon. Alex Mutambu Nganga | -Member | |
| 4. Hon. Boniface Mukwate Katula | -Member |
 |
| 5. Hon. Sylvester Kitheka Munyalo | -Member | |
| 6. Hon. Kyalo Kimuli | -Member | |
| 7. Hon. Mary Mwendu Mutune | -Member |
 |
| 8. Hon. Mercy Muliwa Muema | -Member |
 |
| 9. Hon. Malinga Munyao | -Member |
 |

ANNEX II

MINUTES OF THE BUDGET AND APPROPRIATIONS COMMITTEE MEETING HELD AT COMMITTEE ROOM 1, ON 20TH DECEMBER, 2022 STARTING AT 10.00 A.M.

PRESENT

MEMBERS PRESENT

- | | |
|---------------------------------|-------------------------------|
| 1. Hon. Jacquelyne Cate Kalenga | -Vice Chairperson (Presiding) |
| 2. Hon. Boniface Mukwate Katula | -Member |
| 3. Hon. Mary Mwendu Mutune | -Member |
| 4. Hon. Mercy Muliwa Muema | -Member |
| 5. Hon. Malinga Munyao | -Member |

ABSENT WITH APOLOGY

1. Hon. Zacchaeus Ivutha Syengo
2. Hon. Alex Mutambu Nganga
3. Hon. Sylvester Kitheka Munyalo
4. Hon. Kyalo Kimuli

IN ATTENDANCE:

- | | |
|-------------------|---|
| A. Mulandi Kavali | -First Clerk Assistant (Taking Minutes) |
| Chris Mwangangi | - Second Clerk Assistant |

MIN. (BAC) 012/2022 PRELIMINARIES

The meeting started with a word of prayer.

The Chairperson thanked and welcomed the Members to the meeting. He wished them good deliberations as the Committee embarked on consideration of the H.E. The Governors Memorandum on the Kitui County Supplementary 1, Appropriations Bill, 2022 (C/A Bill No. 4, 2022).