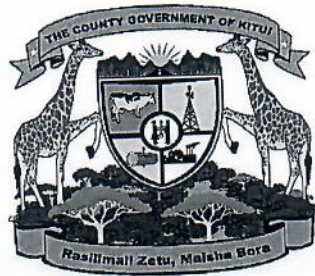


COUNTY GOVERNMENT OF KITUI



THE COUNTY ASSEMBLY

THIRD ASSEMBLY – (THIRD SESSION)

COUNTY BUDGET AND APPROPRIATIONS COMMITTEE

REPORT

ON CONSIDERATION

OF

THE KITUI COUNTY FISCAL STRATEGY PAPER

FOR THE FINANCIAL YEAR 2024/2025

CLERK OF ASSEMBLY CHAMBERS

P. O BOX 694-90200

KITUI

MARCH, 2024

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ABBREVIATIONS

ADP	Annual Development Plan
B	Billion
BPS	Budget Policy Statement
C/G	County Government
CARA	County Allocation of Revenue Act
CASB	County Assembly Service Board
CBAC	County Budget and Appropriations Committee
CBEF	County Budget and Economic Forum
CECM	County Executive Committee Member
CFSP	County Fiscal Strategy Paper
CFA	Cash For Asset
CGA	County Government Act
CIDP	County Integrated Development Plan
CLIDP	Community Level Infrastructure Development Program
CoK	Constitution of Kenya
CRA	Commission on Revenue Allocation
ECDE	Early Childhood Development Education
EIZs	Economic Investment Zones
ELRP	Emergency Locust Response Project.
FIF	Facility Improvement Fund
FLLCA	Finance Locally-Led Climate Action
FY	Financial Year
ICT	Information Communication Technology
KIMWASCO	Kiambere - Mwingi Water and Sanitation Company
KITWASCO	Kitui Water and Sanitation Company

KNEC	Kenya National Examination Council
KSHS	Kenya Shillings
M	Million
MCA	Member of County Assembly
MSMEs	Micro-Small and Medium-sized Enterprises
MTEF	Medium Term Expenditure Framework
NITA	National Industrial Training Board
O&M	Operations and Maintenance
OSR	Own Source Revenue
PE	Personal Emolument
PFM	Public Finance Management Act
PLWDs	People Living with Disabilities
PPP	Public-Private Partnerships
S.O.	Standing Order
SDGs	Sustainable Development Goals
VTCs	Vocational Training Centres

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1.0 PREAMBLE

Mr. Speaker,

On behalf of Members of the County Budget and Appropriations Committee (CBAC) and as required under Section 117 of the Public Finance Management (PFM) Act, 2012, as read together with Standing Order (S.O.) No. 205, I kindly take this opportunity to present to the Assembly the Committee's report and recommendations on consideration of the Kitui County Fiscal Strategy Paper (CFSP) for the Financial Year (FY) 2024/2025.

The CFSP is a statutory document in the budget making process that is critical in informing the Sector ceilings of revenue and expenditures within a FY. Thus, it is a document whose report concerns public finances and its consideration therefore was done in accordance with the provisions of Chapter Twelve of the Constitution of Kenya (CoK) that speaks on public finances, including other legislations but not limited to the following: -

- i. The Public Finance Management (PFM), Act 2012,
- ii. The County Governments Act (CGA), 2012,
- iii. The Public Finance Management (PFM), (County Governments) Regulations 2015, and
- iv. County Assembly Standing Orders (S.O).

The above notwithstanding, the Committee greatly relied on prudent financial norms and practices as applied within Public Sector budgeting.

Mr. Speaker,

The Constitution (CoK) envisages a decent principle in public resource mobilization, planning and management. Article 224 of the Constitution provides that every County Government (C/G) shall prepare and adopt its

own Annual Budget and an Appropriation Bill in the form, and according to the procedure prescribed in an Act of Parliament. In this regard, the C/Gs are guided by the PFM Act, 2012 (and its amendments thereof). Part 4 (four) of the PFM Act, 2012 articulates responsibilities with respect to the Management and Control of Public Finance.

Mr. Speaker,

The CoK, 2010 places significant responsibilities on the County Assemblies as relates to financial management in particular regarding resource mobilization, allocation, monitoring and control. It bestows the fundamental responsibility of the County Budget process and approval of relevant appropriation laws to the County Assemblies. The CFSP is a prerequisite to the County Budget and provides the ceiling of Revenues and Expenditures for a particular financial year. Its consideration and approval thereof are critical and statutory as outlined in the PFM Act, 2012.

Mr. Speaker,

Section 117 of PFM Act, 2012 inter alia provides that; -

“The County Ministry of Finance, Economic Planning and Revenue Management shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Ministry of Finance, Economic Planning and Revenue Management shall submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year”.

The aforementioned provision of the law and the S.Os requires the County Assembly to consider and approve the CFSP within 14 days from the date of receipt with or without amendments. The County Executive Committee Member (CECM) for the County Ministry of Finance, Economic Planning and

Revenue Management submitted to the C/A the Kitui CFSP for FY 2024/2025 on 28th, February, 2024 which was within the statutory timelines however the last date. It is imperative to note that the CECM should consider improving on time for submission to allow the County Assembly ample time to consider the document comprehensively while in observance of the statutory deadline. The CFSP submitted was subsequently laid for consideration and approval in a County Assembly during a sitting held on the same day 28th February, 2024 afternoon and was deemed to have been committed to each Sectoral Committees in accordance with S.O. 205 (3).

Mr. Speaker,

Section 117 (3) of the PFM Act, 2012 guides that in preparing the CFSP, the County Ministry in charge of Finance shall specify the broad strategic priorities and policy goals that will guide the C/G in preparing its budget for the coming financial year and over the medium term. Arising therefrom, the CFSP inevitably becomes the guide to the County budget. It is the document that looks at how the past and the present setting of the budget process can inform the future. It's comprehensive consideration by the Sectoral Committees and subsequent analysis by the CBAC thus is a very critical stage in ensuring a realistic, achievable and futuristic budget. This will entail undertaking a critical review of the four major CFSP components namely;

- i. Performance
- ii. Priorities
- iii. Projections, and
- iv. Ceilings.

2.0 THE COUNTY BUDGET AND APPROPRIATIONS COMMITTEE.

Composition and Mandate of the Committee

2.1 Composition of the Committee

Mr. Speaker,

The Committee as currently constituted comprises the following Members:

- | | |
|-----------------------------------|-------------------|
| 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. Malinga Munyao | -Member |
| 6. Hon. Sylvester Kitheka Munyalo | -Member |
| 7. Hon. Kyalo Kimuli | -Member |
| 8. Hon. Mary Mwendu Mutune | -Member |
| 9. Hon. Mercy Muliwa Muema | -Member |

2.2 Committee mandate

Mr. Speaker,

S.O. No. 186 establishes the County Budget and Appropriations Committee (CBAC) with Specific mandates as to 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.*
- iii. Examine the County Budget Policy Statement Presented to the County Assembly.*

The CFSP is an equivalent of the National Budget Statement Policy. It is the statutory document that mirrors the County Budget and thus its consideration

as highlighted in the above Standing Order is an explicit responsibility of the CBAC. In pursuit of her mandate, the committee has thus considered the CFSP for the FY 2024/2025 and has made some recommendations to the Assembly for consideration and Adoption.

3.0 BACKGROUND

Mr. Speaker,

The CFSP under consideration is the eleventh since devolution was ushered under the new Constitution and the second under the current administration. Its purpose is to build direct linkages between policies, plans and budgets, and present the County Fiscal framework for the FY 2024/2025 budget estimates and over the medium term. The CFSP underpins the County fiscal and budget framework by laying out strategic priorities, for the fiscal policy, and further indicates what the County plans to do regarding revenue, expenditure and debt management over the medium term.

Mr. Speaker,

The CFSP provides an overview of recent economic development and outlook as well as expenditure ceilings for County Departments, Units and Agencies and detailed guidelines that are aimed at structuring County Government expenditure towards priority areas. These priorities are set based on the County development agenda, Sector proposals arising from feedback from the public and other stakeholders, the Annual Development Plan (ADP) for FY 2024/2025 as well as the County Integrated Development Plan (CIDP) for the period 2023-2027.

Mr. Speaker,

The CoK in Article 196, the CGA, 2012 and the PFM Act, 2012 underscores the essence of public participation in all matters of legislation touching the lives of the citizenry. The CFSP being a financial policy document cannot be exceptional from this process despite the few days the Assembly is required to approve the paper. The document must be subjected to public participation as provided under Articles 174 (c), 196 and 201(1) of the Constitution.

An advert to the general public to submit written memoranda on the CFSP for the FY 2024/2025 to the Office of the Clerk of Assembly was placed in Print media on 29th February, 2024 with a deadline for submission being 6th March, 2024 at the close of business hours a copy of which has been annexed to this report as **annex ii**. It is unfortunate that despite adherence to the public participation requirements as provided for in law, there was no memorandum received to that effect. The submission dates must be improved to allow the County Assembly to undertake public participation physically to ensure public input in its consideration.

Mr. Speaker,

The County Fiscal Strategy Paper (CFSP) FY 2024/25 has been prepared by taking cognizance of the 2024/2025 economic outlook and the sixteen-development agenda namely: Agriculture, Water, Health, Education, Urban Development, Roads and Construction, Trade and Investments, Micro Small and Medium Enterprises (MSMEs), Co-Operation Societies, Tourism and Hospitality, Women, Youth and PLWDs, Environment, Energy, Information and Communication; and Security.

Further, the paper seeks to give a framework for the implementation of programmes and projects prioritized by the citizens and ensure the same are aligned to Vision 2030. This policy paper has greatly benefited from feedback

from members of the public and other interested stakeholders. It will serve as a guide in the preparation of the budget estimates for the FY 2024/2025 as contemplated in Section 117 of the PFM Act, 2012. The paper highlights programmes, policies, strategies and activities while at the same time underlining the structural reforms required for actualization of the County Government's sixteen (16) development Agenda.

Mr. Speaker,

Section 117 (6) and (7) of the PFM Act, 2012 provides that;

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the county assembly, the county assembly shall consider and may adopt it with or without amendments.

(7) The County Treasury shall consider any recommendations made by the county assembly when finalizing the budget proposal for the financial year concerned.

Owing to the above provisions of the law, the Committee had to with strictness adhere to the timelines given to submit her report to allow the County Assembly time to approve the Paper whose resolutions are critical in finalizing the budget estimates for the FY, 2024/2025.

Mr. Speaker

The Committee undertook this exercise at Summer Springs Hotel Mwingi from 4th to 9th March, 2024. During this period, the Committee was able to analyse, consider and make recommendations on the submitted CFSP, for adoption by the Assembly.


4.0 ACKNOWLEDGEMENT

Mr. Speaker,

At this juncture, allow me to thank the Office of the Hon. Speaker and that of the Clerk of Assembly for the logistical support extended in successfully undertaking this exercise.

The Sectoral Committee's consideration of the Paper and recommendations to the Budget Committee was of essence in the entire process and I sincerely thank them for their valued input.

I also wish to express my gratitude to the Members of this Committee for their utmost commitment to timely deliver on their mandate. Finally, I will not hesitate to acknowledge the Staff of Assembly serving the Committee and the Officials from the County Executive led by for the CECM, Finance, Economic Planning and Revenue Management for their significant contribution in providing further information and clarity on the submitted CFSP.


Hon. Zacchaeus Ivutha Syengo

Chairman, County Budget & Appropriations Committee

March, 2024.

5.0 OVERVIEW AND EXAMINATION OF THE COUNTY FISCAL STRATEGY PAPER, 2024/2025.

Mr. Speaker,

In reviewing the CFSP for the FY 2024/2025, the CBAC held a total of six day's sittings as indicated above in this report. During the retreat, the Committee was able to analyse the CFSP and interrogate the Sectoral Committee recommendations submitted under provisions of S.O. 205. The Committee also had an opportunity to intensively interact with the CECMs invited whose input was invaluable in arriving at meaningful Committee recommendations as contained in this report.

5.1 Overview of the CFSP, 2024/2025

Mr. Speaker,

The CFSP is a statutory document with respect to the County Budget process as stipulated under the provisions of Section 125 of the PFM Act, 2012. Section 117 (3) and (4) of the PFM Act, 2012, provides that the CECM in charge of Finance in preparing the CFSP shall specify the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for the coming FY and over the medium term. The CECM shall further include in its CFSP the financial outlook with respect to County Government revenues, expenditures and borrowing for the coming FY and over the medium term. Therefore, the CFSP is a very important document for policymakers as it facilitates the evaluation and effectiveness of the existing policy. It offers policymakers and the government at large an opportunity to adjust its expenditures and revenue along more suitable lines for delivering services and development interventions to the citizenry.

5.2 Examination of the CFSP, 2024/2025

Mr. Speaker,

The submitted CFSP is aligned to the Vision 2030, the 4th Medium Term Plan, the United Nations Sustainable Development Goals (SDGs), National Government policies and other guidelines as communicated through various Government circulars. It is heavily informed by the Budget Policy Statement (BPS) by the National Treasury submitted to the National Assembly, the CIDP 2023-2027 and the County's Annual Development Plan (ADP) for FY 2024/2025. As explained above in this report, the policy paper has benefited from feedback from members of the public and other interested stakeholders. The Committee in reviewing the Paper has established that to a very large extent, the 2024/2025 CFSP complies with the provisions of the Law and has provided most of the requisite information.

Mr. Speaker,

An analysis of the submitted CFSP, 2024/2025 reveals that the County Government of Kitui is strategically committed to continue rolling out various programmes, projects and activities with the highest potential for high economic and social impact over the medium term. These development interventions will be in line with the Sixteen County development agenda namely;

- i. Agriculture,
- ii. Water,
- iii. Health,
- iv. Education,
- v. Urban Development,
- vi. Roads and Construction,

- vii. Trade and Investments,
- viii. Micro Small and Medium Enterprises (MSMEs),
- ix. Co-operative Societies,
- x. Tourism and Hospitality,
- xi. Women,
- xii. Youth and PLWDs,
- xiii. Environment,
- xiv. Energy,
- xv. Information and Communication; and
- xvi. Security.

Mr. Speaker,

It is anticipated that the County Government will receive a transfer of Kshs. **10,990,205,956** from the National Government as an equitable share in the FY 2024/25 and grants from Development Partners of Kshs. **1,122,790,697**. The allocations are indicative and are aligned to the National Treasury's Budget Policy Statement (BPS) 2024. The actual allocation will be provided in the County Allocation of Revenue Act (CARA), 2024 and County Government Additional Allocations (CGAA) Act, 2024. Own Source Revenue (OSR) is targeted at Kshs. **600,000,000** for the FY 2024/2025. Though indicative, there is a notable increase in the total grants to Kshs. **1,122,790,697** from the approved grant allocation of Kshs. **562,088,459** in the current FY 2023/2024.

Mr. Speaker,

The anticipated resource envelope for the FY 2024/2025 is therefore Kshs. **12,712,996,653**. The County is a going concern, CFSP 2024/2025 should

therefore observe the Medium-Term Expenditure Framework (MTEF) principle of a rolling three-year expenditure planning cycle. The resource envelope is set to finance the departmental expenditure ceilings as contained in Table 1 below;

Table 1: Ministerial expenditure ceilings as submitted

Spending Entity	Recurrent	Development	Total Expenditure
Office of the Governor	1,086,461,930	822,555,163	1,909,017,093
Office of the Deputy Governor	158,355,306	23,702,808	182,058,114
Ministry of Water & Irrigation	139,813,158	556,280,836	696,093,994
Ministry of Education, Training & Skills Development	934,584,772	87,981,493	1,022,566,265
Ministry of Roads, Public Works & Transport	220,470,324	656,160,581	876,630,905
Ministry of Health & Sanitation	3,644,577,958	177,774,729	3,822,352,686
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	172,301,944	538,589,631	710,891,575
Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	123,041,344	202,519,447	325,560,791
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	120,830,924	53,560,406	174,391,330
Ministry of Finance, Economic Planning & Revenue Management	506,850,579	37,500,000	544,350,579
County Public Service Board	65,396,658	5,000,000	70,396,658
County Assembly Service Board	1,095,630,000	5,000,000	1,100,630,000
Kitui Municipality	80,196,569	92,261,711	172,458,280
Mwingi	56,171,759	34,400,000	90,571,759
Town Administration			
Ministry of Agriculture & Livestock	350,509,713	333,504,084	684,013,797
Ministry of Lands, Housing and Urban Development	91,469,103	239,543,725	331,012,828
Total Voted Expenditure	8,846,662,040	3,866,334,613	12,712,996,653
Percentage of the Total Budget	69.59	30.41	100.00

Source: County Ministry of Finance, Economic Planning and Revenue Management

The total expenditure ceiling for the next FY 2024/2025 is seen to be higher than the current FY 2023/2024 of Kshs. **11,976,575,394** without revote.

6.0 REVIEW AND CONSIDERATION

Mr. Speaker,

In reviewing the FY 2023/2024 CFSP, the Committee undertook a keen analysis of the document guided by the following principles as explained below;

- i. The budget performance,
- ii. Proposed priorities in the submitted,
- iii. Revenue and expenditure projections, and
- iv. Sector ceilings.

Mr. Speaker,

Performance is an indicator that provides a piece of up-to-date sector-based information on County Government expenditure and revenue collection. This helps the Committee to determine whether the decisions made on revenue collection and expenditure are realistic. The CFSP should indicate how much revenue the County expects to receive from the National Government as an equitable share and what to raise from its OSR. It should also indicate the expected revenue from donor funding, grants, and internal or external borrowing in the next financial year.

The expenditure **projections** should show items like recurrent expenditure, capital or development expenditure, and debt repayment, among others (if any).

The Committee looked at the **Priorities** that inform the needs to be funded and the distribution of needs across sectors. This involved the identification of priority spending areas and the rationale for the amount allocated.

Mr. Speaker,

The **ceilings** represent the sector's budget limits. Therefore, the Committee evaluated the allocations for each sector vis-a-vis the total projected resource envelope for the County in the next financial year. This will go along with the amount of money the County will spend on actualising the identified priorities. The Committee undertook a keen review of the same to ensure and confirm that the allocated expenditure ceilings correlate with the priority spending areas. The figures provided in the budget ceilings should match with the narrative under priorities.

Mr. Speaker,

Further, for the Committee to come up with an informed decision, an analysis was done on the following items/areas;

- i. Compliance with the approved ADP for FY 2024-25,
- ii. Implementation status of the FY 2022-23 and 2023-24 County Budgets across the Ministries,
- iii. Equitability in the distribution of projects by County ministries across the forty (40) wards.
- iv. Performance of the Ministries towards realising their revenue targets and achieving the Kshs. 585M OSR target for the FY 2023/2024.
- v. Engagement with the Officials from the County Ministries, and
- vi. Interrogation of the Sectoral Committees' reports on consideration of the CFSP.

7.0 COMMITTEE'S OBSERVATIONS

7.1 General observations

Mr. Speaker,

The Committee having taken ample time to analyse the submitted CFSP for the FY 2024/2025 and also having rigorously interacted with invitees from the County Executive who had been requested to offer more highlights on the submitted CFSP, thus made the following observations: -

1. That the submitted CFSP, 2024/2025 was submitted to the CRA as required of it by the PFM Act, 2012 for their comments.
2. That the CFSP submitted was to a great extent compliant with the approved ADP 2024/2025 save for a few projects which missed.
3. That the projected County resource envelope in the approved ADP for FY 2024/2025 of Kshs 13,269,491,165 was higher than the CFSP proposed revenues of Kshs. 12,712,996,653. From the foregoing, some proposed projects in the approved ADP were shelved as a result of the reduced resource envelope.
4. The proposed resource envelope in the submitted CFSP for the FY 2024/25 comprises of the following: -
 - Equitable share: Kshs. 10,990,205,956
 - Grants: Kshs. 1,122,790,697
 - Own Source Revenue: Kshs. 600,000,000
5. The submitted CFSP for the FY 2024/25 was prepared in observance of the Budget Policy Statement (BPS) 2024 as required of it by Section 117(2) of the PFM Act, 2012. The BPS prepared by the National Treasury and adopted by the National Parliament sets out the national broad strategic

priorities and policy goals guiding budget preparation for the next FY at the national level.

6. The submitted CFSP has proposed expenditures that are commensurate to the revenue projected for FY 2024/25.
7. That the submitted CFSP has to a certain extent identified specific projects, their costs and location which is against the law and the practice in preparing the Paper. This undermines the statutory good principle of public participation in budget budget-making process during which details for projects to be undertaken are identified.
8. That there is a proposed programme (Development of projects/programmes tracking tool under the office of the Governor – Governor’s service delivery unit which lacks cost allocation.
9. The County targets to generate OSR of Kshs. 600 million for the next FY, 2024/2025.
10. The CFSP proposes a total grant of Kshs. 1,122,790,697 which is higher than the current FY 2023-24 by Kshs. 560,702,238. However, the grants proposed are suggestive and actual grant allocation shall be determined by the CGAA, in 2024.
11. The development expenditure is projected at Kshs. 3,866,334,613. This accounts for 30.4% of the overall budget. This is an increase from the current financial year’s development budget of Kshs. 3,716,654,927 which is 30%. The CFSP projected recurrent expenditure at Kshs. 8,846,662,040 being 69.6% of the County resource envelop.
12. The wage bill is projected at Kshs. 5.54B in the CFSP under consideration as compared to Kshs. 5.28B in the current FY 2023/24 which is a 5% increment. The wage bill is at 43% of total revenues hence a non-compliance to regulation 25(1) (b) of the PFM (County Governments)

Regulations, 2015 which sets out the limit at 35% of the total County revenue.

13. The CFSP indicated pending bills totalling to Kshs. 1,605,092,713 as of February, 2024. However, the CECM County Ministry of Finance, Economic Planning and Revenue Management offered a further expiation that a waiver on interest was granted of Kshs. 98,975,833.40 leaving a net outstanding bill of Kshs. 1,506,116,879.60.

7.2 Specific Ministerial Observations

Office of the Governor

1. That the department has a total expenditure ceiling of Kshs. 1,909,017,093.
2. That implementation of the pro-poor program has been transferred from the Office of the Governor to the Ministry of Basic Education, Training and Skills Development. This was explained to have been necessitated by the need to undertake activities in the program effectively, with ease in monitoring & evaluation and as advised by the County Budget and Economic Forum (CBEF).
3. That the allocation for CLIDP has been proposed at Kshs. 690M and a pending bill of Kshs. 31M totalling to Kshs. 721M. The amount is below the approved amount of Kshs. 854,984,077 by Kshs. 164,984,077.
4. That the CFSP proposes an allocation of Kshs. 4M Refurbishment of Governors Administration Block and Kitchen on 1st floor notwithstanding an allocation of Kshs 12M in the current budget which had been resolved as final for the budget activity.
5. That the CFSP has a huge allocation of Kshs. 35M for Litigation yet there is a fully pledged legal department headed by the County Attorney to represent the County Executive in Court matters.

6. That to enhance security within the county, the CFSP has a proposed allocation of Kshs. 25M for the completion of the construction of Police stations at (Konakaliti), Voo/Kyamatu (Imumba), Endau/Malalani (Twambui), Ngomeni (Mandongoi), and Nguni (Katumba).
7. To improve local governance, the CFSP proposes an allocation of Kshs. 20M for completion of ward offices.

Office of the Deputy Governor

1. That the department has a total expenditure ceiling of Kshs. 182,058,114.
2. To ensure a prompt, coordinated, and effective response to emergencies to minimize the impact on life, property, and the environment, the CFSP proposes an allocation of Kshs. 8.5M
3. Under the tourism sector, the proposed broad priorities are Tourism Infrastructure development, and Enhancing Wildlife conservation for tourism growth which have been allocated Kshs. 13,352,808. The amount includes pending bills of Kshs. 1,052,808.
4. The Committee noted it as unfortunate that the activities and programs suggested to be put in place to actualize the broad strategic objectives are many and can never be financed adequately with the proposed budget.
5. That owing to the low budgeting in the department, 100% of the proposed projects and activities in the CFSP are repetitive.

Agriculture, Water and Irrigation

1. That to improve water availability and accessibility by enhancing accessibility and availability of safe water, the CFSP proposes programs and activities estimated at a cost of Kshs. 262,727,045. The amount will undertake the construction & desilting of small & mega dams, Drilling

and/or Equipping of Boreholes and Construction/Extension of water pipelines including Spring Water Supplies among other activities.

2. For efficient utilization and management of water supplies and ensuring sustainability and reliable water services, the County plans to undertake activities estimated at a cost of 81,401,951. These will include subsidies to Kitui Water and Sanitation Company (KITWASCO) & Kiambere Water and Sanitation Company (KIMWASCO) and water supplies repairs, rehabilitation and maintenance.
3. The department proposes to participate in the improvement of livelihoods by undertaking a Cash for Assets (CFA) Water Pipeline Extension at a cost of Kshs. 40M.
4. That for improvement of water availability and accessibility for food production, the county proposes to enhance accessibility and availability of quality water for irrigated agriculture by undertaking various activities at a cost of Kshs. 172,151,840 which shall include promoting cluster irrigation schemes, construction of sand dams, farm ponds and solar-powered irrigation.

Education, Training & Skills Development

1. That the county plans to increase the rate of access, transition and retention of learners from financially disadvantaged backgrounds through school bursary support (Education support programme (Pro-poor) 75%) at a cost of 90M. the function was transferred from the office of the governor.
2. That to improve the teaching and learning environment in ECDE centres in all 40 wards, the county plans to undertake activities worth Kshs. 13,423,575. These will include promotion of hygiene, capacity building of teachers and purchase of furniture for institutions.

3. To increase the rate of access, transition and retention of learners from financially disadvantaged backgrounds through school bursary support the ministry has proposed activities costing Kshs. 30M being education support programme (Pro-poor)- pro-poor infrastructure support programme 25% of the program fund and pending bills of Kshs. 4,737,123.
4. That to support Training and Skills Development at the County Vocational Training Centres (VTCs), the CFSP proposes face-lifting of VTCs and examination fees support and certification for VTC Trainees (Payment of national examination fees to NITA/KNEC for VTC Trainees) at a cost of Kshs. 20,625,207.

Roads, Public Works & Transport

1. The department has proposed Improving Infrastructure within the County by undertaking construction and maintenance of roads, box culverts, slabs and drifts with Road Maintenance Fuel Levy/ Construction Kshs. 445,098,850. The department has further provided for pending bills amounting to Kshs. 37,367,270. This notwithstanding the in-house grading, dozing and road opening estimated at a of Kshs. 42,792,000.
2. The Cash for Assets (CFA) Programme - Bush and Road Clearance is proposed at Kshs. 40M.
3. To Enhance efficient transport and support effective service delivery through construction, maintenance and rehabilitation of the road network in the county, the department plans to purchase one grader at a cost of 35M.
4. The department plans to undertake Boda boda Sector Reforms through capacity building and economic empowerment of people involved in the Sector by developing a policy, construction of boda boda shades,

training and issuance of smart licences through the National Transport Safety Authority all at a cost of Kshs. 45,500,000.

Health and Sanitation

1. The submitted CFSP for the Ministry has itemized projects and programs whose names, locations and costs are indicated. This offends the standardized format for a CFSP which only provides for broad priorities, broad strategic objectives and proposed programmes and projects to estimate costs to obtain expenditure ceilings.
2. The CFSP for the Sector proposes to address the following: -
 - Increasing access to healthcare quality, timely and responsive healthcare services,
 - Improving maternal, newborn and child health care,The department plans to undertake this by improving the quality of healthcare, specialized healthcare, minimising maternal mortalities and child mortalities, enhancing General Administration Planning and Support Services and enhancing the quality of healthcare services, improving the nutritional status and reducing of burden of communicable diseases.
3. That out the total expenditure ceiling for the Ministry of Kshs. 3,822,352,686, only Kshs. 177,774,729 is proposed for development.

Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives

1. That the department has broad objectives to undertake: -
 - Development of market support infrastructure,
 - Promote ease-to-do business culture,
 - To promote fair trade practices,

- To promote Co-operative development; create Market linkages and Enhance value addition through organized co-operatives,
- To operationalization and marketing of the county's six Economic and Investment Zones (EIZs), and
- To promote Investment and Industry.

That the department proposes to undertake among other projects the following: -

- Improving the business environment and promoting active investment climate,
 - Enhancing fair trade and economic empowerment,
 - Undertaking cooperative education and promotion of new Cooperative societies,
 - Undertaking cooperative Governance, Formulation of county Cooperative governance, bills, audits and policies,
 - Operationalization and marketing of the county's six Economic and Investment Zones (EIZs),
2. That the programmes and projects to actualize the broad priorities in the sector shall be undertaken through a total development expenditure of Kshs. 538,589,631.
 3. The department proposes to establish industrial parks at the six economic and industrial zones aggregated and established- by allocating Kshs. 150M as Matching Fund to County Aggregation and Industrial Parks (CAIP) Programme – Grant of Kshs. 250M.
 4. That Kshs. 16M has been proposed for the maintenance of market infrastructure to facilitate 24-hour economic activities.

5. That Kshs. 22M has been proposed to undertake Market Security Lights to improve the business environment and promote an active investment climate.

Ministry of Energy, Environment, Forestry, Natural & Mineral Resources

1. That Kshs. 35.5M has been proposed to be utilized to operationalize the County Sand Management Committee, Basin-based Co-operatives and site-based Community (sand) groups (meetings) and put in place enforcement mechanisms.
2. Institution and operationalization of Kitui County Climate Change Fund has been allocated Kshs. 52,636,701 to undertake several activities associated thereto. This accounts for 1.5% of the County Development budget which should be utilized for funding climate adaptation and mitigation projects.
3. Cash For Assets Programme (CFA) for tree growing Kshs. 40M.
4. That the department has Kshs. 11M. for World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA), however, the CGAA Bill under consideration by the National Parliament does not contain the grant.
5. To promote the utilization of electricity, and alternative/renewable sources of energy within the County the department has allocated a total of Kshs. 85,735,228 for undertaking Rural electrification of institutions and households in partnership with REREC and Kenya power Kshs. 40M, Installation of solar security lights in the upcoming markets in the county Kshs. 27M, Maintenance solar security light in the upcoming markets in the county Kshs. 14M and Installation of solar-powered water pumping systems Kshs. 4,735,228.

Ministry of Culture, Gender, Youth, ICT, Sports & Social Services

1. The department plans to undertake the conservation of Culture & Heritage through the promotion and preservation of culture. The main activity shall be hosting a cultural festival (Exhibitions and performances on Kamba culture) proposed at Kshs. 4.5M among other correlating activities.
2. There is a proposed construction of sump wells and solarisation at the Lower Eastern Heritage Centre at Kshs. 10,185,000.
3. The department also proposes to undertake other activities that also include supporting to observance of National days and celebrations.
4. The department plans to develop 6 Ward playgrounds which shall include Grading, levelling, chain link fencing, erection of two gates, installation of football goal posts, volleyball posts for boys and girls and construction of 4-door pit latrine all at a cost of Kshs. 21M.
5. Construction of two stadia (Kyoani & Kivou) as heightened in HE. State of the County Address at a cost of Kshs. 10M.

Ministry of Agriculture & Livestock

1. To increase agricultural output & productivity and reduction of pre- and postharvest crop losses, the county plans to achieve this by: -
 - Promotion of food crop production at Kshs. 12M,
 - Promote pests and disease management in fruit farming at Kshs. 3M,
 - Promotion of horticulture production at Kshs. 3M, and
 - The department anticipates receiving grants from; the National Value Chain Development Programme (NAVCDP) and Emergency Locust Response Project (ELRP) of Kshs. 151,515,152 and Kshs.

121,025,000 respectively. The two are made to support the increased agricultural outputs and to mitigate against effects of desert locusts.

2. To enhance the adoption of tractor-ploughing technology, the department set aside Kshs. 4,619,106 for Subsidized tractor ploughing/Ripping.
3. For increased farmer knowledge and skills through enhanced extension service delivery, the department plans to undertake activities estimated at a cost of Kshs. 23,305,938.
4. For increased livestock productivity and profitability, the department plans to undertake improvement of livestock health through:
 - Support in procurement of vaccines (with Vaccination services) at 2M, and
 - Constructing and equipping a laboratory at Kshs. 2M.

Ministry of Lands, Housing and Urban Development

1. The department has proposed the following broad priorities namely;
 - Draft Supplementary Valuation Roll,
 - Equipping and updating of County Land registry,
 - Support for Land titling and adjudication,
 - Plot verification,
 - Develop 8 Geo geo-referenced market layouts (1 in each of the 8 sub-counties),
 - Urban Planning,
 - Construction of Civil Works, and
 - Solid Waste Management.

2. To actualize the above broad priorities, the department proposes to undertake various activities key among them the following: -

- Data collection, preparation of a base map, advertisement, survey works and approval at Kshs. 4.5M,
- Prepare Integrated urban development Plans for upcoming urban areas at Kshs. 8M,
- Installation, repair and maintain 300 integrated solar energy street lights in upcoming urban areas at Kshs. 40M,
- Dustless Towns Programme at Kshs. 100M,
- Installation of cabro paved walkways and parking slots in the upcoming urban areas at Kshs. 11.5M,
- Walkways, culverts, and Storm water drains in the upcoming urban areas at Kshs. 10M,
- Construction of Transfer stations and installation of assorted dust bins in the upcoming Urban Areas. (Solid Waste Management) at Kshs. 5M,
- Kenya Urban Support Project (UIG)- World Bank (Grant) of Kshs. 35M.

County Assembly Service Board (CASB)

1. To undertake her functions of oversight, legislation and representation, CASB has planned to undertake the following broad priorities: -

- Ensuring effective and efficient coordination of County Assembly services as well as providing adequate and conducive working environment for both members and staff through; construction of modern office block, Training and Development, Purchase of office equipment, PE & OM, and

- Facilitating members to achieve their core mandate as outlined in the Constitution through the construction of Speakers Residence, Installation of lift in the chamber, Training and Development, Construction of Recreational facility, Construction of Ward Offices, Putting up a Parking Space, Issuance of car loans and mortgage as well as PE & OM.

2. Some of the activities and programs to be implemented include: -

- To upgrade Assembly to a Virtual and digital Assembly- Kshs. 30M,
- To procure a Nissan X-trail, Isuzu Mux (7-seater), Toyota Land cruiser (13-seater) Toyota Fortuner, and Motorbike – Kshs. 22M,
- Training and Development for both Members of the County Assembly and Members of Service - Kshs 17M,
- To provide members and staff of county assembly with legislative skills for formulation of bills Kshs. 25M,
- To purchase at least 10 Motorbikes for use by the ward office assistants across all the wards in Kitui County –Kshs. 5M, etc.

8.0 COMMITTEE'S RECOMMENDATIONS

Mr. Speaker,

The Committee took ample time to ensure that every aspect and contribution to the exercises was taken into consideration. Careful consultations were done as the Members adequately deliberated on emerging issues of concern while taking into account the available resource envelope. As guided by Section 117 of the PFM Act, 2012 and the County Assembly Standing Order 205, the Committee to this end makes the following recommendations: -

A. THE RECOMMENDED RESOURCE ENVELOP

Mr. Speaker,

The submitted resource envelope for the CFSP 2024/2025 FY was Kshs. 12,712,996,653. However, the County Government Additional Allocation Bill 2024 under consideration by the National Parliament does not contain the grant (World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA) of Kshs. 11,163,250, thus the resource envelope is reduced with a similar amount to Kshs. 12,702,160,934. This comprises of the following: -

- i. Equitable share Kshs. 10,990,205,956.
- ii. Own Source Revenue Kshs. 600,000,000.
- iii. Grants Kshs. 1,111,954,976.

The table below shows the revenue projections for the FY 2024/2025;

Table 2: revenue projections for the FY 2024/2025;

COUNTY GOVERNMENT OF KITUI
RECOMMENDED OVERALL PROJECTED REVENUE FOR FY 2024/2025

S/No	Source	Actual Revenue 2021/22	Actual Revenue 2022/23	Revenue Estimates	Projected Revenue Estimates	Projected Estimates
		Kshs	Kshs	2023/24 (Kshs)	2024/25 (Kshs)	2025/26 (Kshs)
1	Equitable share	9,562,452,779	10,393,970,413	10,824,785,855	10,990,205,956	11,153,310,186
	Transfer of Library Services			4,701,081		
	Sub-Total Equitable Share	9,562,452,779	10,393,970,413	10,829,486,936	10,990,205,956	11,153,310,186
2	Grants					
	County aggregation and industrial parks			-	250,000,000	253,710,218
	World Bank (Universal Health)	23,942,835				
	Road Maintenance Fuel Levy				445,098,850	451,704,505
	World Bank (Agriculture - Rural Growth)	150,349,620	227,100,709	150,000,000		
	World Bank (Emergency Locust Response Project (ELRP))	14,076,914	68,522,528	133,683,244	121,025,000	122,821,116
	IDA (World Bank) credit (National Agricultural Value Chain Development Project (NAVCDDP))		67,192,729	250,000,000	151,515,152	153,763,769
	HSSP/HSPS - (DANIDA/IDA)		28,405,688	16,112,250	13,601,250	13,803,104
	World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)		11,000,000	11,000,000		11,163,250

S/No	Source	Actual Revenue 2021/22	Actual Revenue 2022/23	Revenue Estimates	Projected Revenue Estimates	Projected Estimates
	Kenya Urban Support Project (UIG)- World Bank		2,339,915		35,000,000	35,519,430
	Kenya Urban Support Project - World Bank				58,050,445	58,911,964
	Community Health Promoters					
	ASDSP	16,926,637	11,636,683	1,292,965		
	Allocation for Court fines				50,000	50,742
	Allocation for 20% Share of Mineral Royalties				114,279	115,975
	Grants from world bank KDSP		-		37,500,000	38,056,533
	Sub-Total Grants	205,296,006	416,198,252	562,088,459	1,111,954,976	1,139,620,606
	Total Revenues from National Government and Development Partners	9,767,748,785	10,810,168,665	11,391,575,395	12,102,160,932	12,292,930,792
3	Own Source Revenue				-	-
	County Ministry/ Entity				-	-
	Office of the Governor	9,128,100	12,461,000	14,468,391	14,839,376	15,059,605
	Office of the Deputy Governor			107,173	109,921	111,553
	Ministry of Finance, Economic Planning & Revenue Management	64,270,545	80,039,139	87,798,589	90,049,834	91,386,252
	Ministry of Health and Sanitation	188,550,071	270,153,643	350,500,824	359,488,027	364,823,142
	Ministry of Education, Training & Skills Development	6,030,092	21,014	107,173	109,921	111,553
	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	3,963,257	1,746,994	3,268,785	3,352,600	3,402,355

S/No	Source	Actual Revenue 2021/22	Actual Revenue 2022/23	Revenue Estimates	Projected Revenue Estimates	Projected Estimates
	Ministry of Roads, Public Works & Transport	3,468,925	1,690,980	3,457,410	3,546,061	3,598,688
	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	72,000	111,000	214,347	219,843	223,105
	Ministry of Water and Irrigation	3,867,163	2,420,250	2,163,121	2,218,585	2,251,511
	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	1,823,310	525,200	6,182,327	6,340,848	6,434,952
	Kitui Municipality	35,805,225	48,451,197	53,160,532	54,523,622	55,332,800
	Mwingi Town Administration	21,707,796	25,207,847	27,016,074	27,708,793	28,120,016
	Ministry of Agriculture & Livestock	21,104,722	3,224,055	10,484,458	10,753,290	10,912,878
	Ministry of Lands, Housing & Urban Development	1,480,136	18,302,149	26,070,796	26,739,278	27,136,112
	Sub Total Own Source Revenue	361,271,342	464,354,468	585,000,000	600,000,000	608,904,522
	TOTAL PROJECTED REVENUE	10,129,020,127	11,274,523,133	11,976,575,395	12,702,160,931	12,901,835,314

Source: Author

B. THE RECOMMENDED MINISTERIAL PROGRAMMES AND REALIGNMENTS

Office of the Governor

1. That increase the proposed allocation for CLIDP with Kshs. 110,744,000. This raises the total amount for the program from Kshs. 690M to Kshs. 800,744,000. Though the amount was below the program cost in the approved ADP for FY 2024/2025, it was a reasonable growth from the current allocation (FY, 2023/2024) of 12,420,000 to 14,313,392 per ward. The amount proposed in the approved ADP was unallowable due to other competing needs.
2. That drop in entirety the amount proposed for construction of additional office space Kshs. 30M. It was the feeling of the Committee that the priority could be considered in future budgets due to financial constraints and other top-priority needs.
3. That drop the proposed allocation of Kshs. 2M for the construction of the enforcement office and ablution block. The activity can be funded in future budgets and the allocation to be utilized in other priority projects.
4. That drop in its entirety the proposed allocation of 4M for the refurbishment of the governor's administration block and kitchen on 1st floor. The budget item has an allocation of Kshs. 12M in the current budget for this FY 2023/2024.
5. That reduce by Kshs. 20M, the amount proposed for maintaining a broad panel of competent lawyers. The balance of Kshs. 15 can suffice since the County Government (Executive) has an Office of the County Attorney which should be adequately utilized in County litigations.

6. That drop in its entirety of the proposed allocation of 2M for the tracking programme for county projects and programmes and utilize the internal staff who can as well competently undertake the task.
7. That reduce the proposed allocation of Kshs. 4M for enhancing internal and external communication by Kshs. 2 million and the department to use the remaining balance of Kshs. 2M to perform the planned activities to allow consideration of other emerging priorities.
8. That drop in entirety the proposed allocation of Kshs. 0.5M for the governor's diary management. The task can competently be handled by the existing staff considering the limited resources available.
9. That reduce the proposed allocation for support to protocol unit operations by Kshs. 2.5M and effectively utilize the balance available for the planned purposes.
10. That reduce the proposed allocation for training and capacity building of 372 Decentralised Unit staff by Kshs. 1.2M and the remaining allocation be used for the intended purposes.
11. That reduce the proposed allocation for civic education (advertising, awareness and public campaigns) by Kshs. 1.7M and the remaining allocation to be used for the intended purposes. This allows an opportunity for the County to fund other top priorities.
12. That reduce the proposed allocation for the operationalization of Kitui County Alcohol Drinks Control Act 2014 by Kshs. 3.6 M. The budget item has been previously funded in preceding budgets.

13. That reduce the proposed costs for completion of ward administration offices by Kshs. 5 million. The construction of the ward administration offices has been a multi-year project. It thus shall get further funding in the subsequent budgets and with justification of works to be undertaken.

Office of the Deputy Governor

1. That reduce by Kshs. 3M the proposed allocation for response to emergencies and the balance will be used for the intended purposes.
2. That reduce the proposed allocation of Kshs. 6.5M for completion and operationalization of Mutomo reptile park by Kshs. 3 million. This is because the same programme has been receiving allocations in the previous budgets and thus the Committee requests to be furnished with a detailed report on the status of the said programme.

Ministry of Water and Irrigation

1. That reduce the allocation proposed for subsidies to Water Service Providers (KIMWASCO & KITWASCO) by Kshs. 10M. The water service providers should strive to be self-reliant. Management of the companies should put the necessary efforts to seal revenue leakages.
2. That drop in entirety the amount proposed for Cash for Assets (CFA) Water pipeline extension of Kshs. 40M.
3. That reduce the proposed amount for the construction of sand dams by Kshs. 40M. This is to allow funding for other priority needs.

Ministry of Education, Training & Skills Development

1. That reduce the proposed allocation of Kshs. 5,823,575 for capacity building of the ECDE teachers by Kshs. 2 million and the ministry to

undertake the exercise with the remaining allocation of Kshs. 3,823,575 million.

2. That reduce the proposed allocation of Kshs. 3.6M for the purchase of ECDE furniture by 2M and the ministry to undertake the exercise with the remaining allocation of Kshs. 1.6M since there was a similar allocation for the same programme in the current budget of FY 2023/2024.
3. That allocate Kshs. 40M for the construction of ECDE classrooms across the wards. This is one of the devolved function that requires utmost attention from the County government as most of the mother schools do not have ECDE classes.

Ministry of Roads, Public Works & Transport

1. Increase the proposed allocation for grading works by Kshs. 18.256M. There are many areas in this County where roads have been affected by the El-Nino rains. Therefore, the additional allocation will go a long way to ensure such roads are in usable conditions where 70 kilometres will be done per ward.
2. That reduce the proposed allocation of Kshs. 35M for the purchase of 1 grader by Kshs. 10M and the remaining allocation be used for the intended purpose.
3. That reduce the proposed allocation of Kshs. 8M for the Development of boda boda policy Kshs. 5M. This is because the policy is not a priority and therefore the remaining balance be used for the intended purposes.

Ministry of Health and Sanitation

1. That the submitted CFSP for the Ministry has been has itemized projects and programs whose name, location and costs are indicated as observed above.

This offends the standardized format for a CFSP which only provides for broad priorities, broad strategic objectives and proposed programmes. The Committee therefore recommends that all specified project with names and location be dropped and the costs thereto be summed under programs. Specified projects and locations shall be indicated in the budget estimates prepared from the approved CFSP.

2. That reduce the amount proposed for improvement of quality health care by Kshs. 10M in the department of medical services. The item can receive more funding in the subsequent budgets.

Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives

1. That reduce the proposed allocation of Kshs. 3M for Co-operators Training by Kshs. 2M allow funding of other priorities.

Ministry of Energy, Environment, Forestry, Natural and Mineral Resources.

1. That reduce by Kshs. 30M the allocation earmarked for Cash for Assets programme (CFA) Tree Growing. This is because there is no well-established procedure and process on how these trees will be taken care of to maturity. The Committee recommends that the remaining allocation be utilized for the intended purpose. The County should consider partnering with public institutions such as primary and secondary schools, churches and any other formal institutions. This will ensure that the trees are taken care of to grow to maturity thus prudence in the use of public funds.
2. That reduce by Kshs. 20M, the allocation earmarked for Rural Electrification of institutions and households in partnership with REREC and Kenya Power and the remaining allocation be used for the intended purposes.

3. That drop in entirety the allocation of Kshs. 6M earmarked for the establishment of mineral testing and gemmology laboratory since the current budget for FY 2023/2024 has an allocation for the budget item.
4. That Kshs 46M being part of this reduction be utilized in the same ministry as follows: -
 - i. That increase the allocation earmarked for the installation of solar security lights in the upcoming markets in the County by Kshs. 20M to bring the item cost to Kshs. 47M and be used for the intended purposes.
 - ii. That increase the allocation of Kshs. 14M earmarked for maintenance of solar security lights in the upcoming markets in the County by 6M such that the allocation for the programmes becomes Kshs. 20M.
 - iii. That increase the allocation for installation of solar-powered pumping systems by Kshs. 15M.

Ministry of Culture, Gender, Youth, ICT, Sports & Social Services

1. That drop in entirety the proposed allocation of Kshs. 2M Intended for purchase of land for construction of Kyuso stadia. The Committee opined that this was not a priority.
2. That drop in entirety the proposed allocation of Kshs. 0.5M intended for the purchase of land for the construction of Kyuso Social Hall. The Committee opined that this was not a priority at the moment.
3. That drop in entirety the proposed allocation of Kshs. 5M Intended for construction of Kyuso Social Hall. The County should at first endeavour to complete the already constructed Social Halls and further equip them for the intended use.

Ministry of Lands, Housing and Urban Development

1. That reduce the allocation earmarked for the Dustless Towns Programme by Kshs. 50M. The Committee affirms that the programme has been of great benefit in uplifting the faces of County towns, especially sub-county headquarters. However, the projects are costly and should be implemented in gradual phases to allow funding for other County priorities.

County Assembly Service Board

1. That reduce the allocation earmarked for upgrading the Assembly to a Virtual and digital Assembly by Kshs. 10M and the remaining allocation of 20M be used for the intended purpose.
2. That increase the proposed allocation earmarked for the purchase of motorbikes for Ward offices by Kshs. 10M to bring the allocation to Kshs. 15M which should be utilized to purchase 40 Motorbikes for all the wards.
3. That include the following County Assembly priorities that were approved in the ADP 2024/2025 and missing in the submitted CFSP: -
 - i. Purchase of the following vehicles: -
 - Nissan X-trail.
 - Isuzu mux (7seater).
 - Toyota cross (1800 cc).
 - One (1) Assembly bus.
 - Three (3) Toyota Land Cruiser (13) seaters.
 - Two (2) Assembly vans – 16-seaters.
 - Two (2) double cabin pickups.
 - Two (2) Toyota Fortuner vehicles.
 - Forty (40) motorbikes for the forty Ward Offices.

- Five (5) motorbikes for the Assembly Head Office.

This is to be catered for by the allocation of Kshs. 22M proposed for the purchase of motor vehicles and motorcycles for the County Assembly.

- ii. Purchase of at least 3 acres of land within Kitui Municipality for Construction of other Assembly amenities e.g., MCAs Lounge and recreation centre.
- iii. Purchase of at least 3 acres of land for construction of MCA's ward office to be allocated Kshs. 50M.
- iv. Construction of Modern Ward offices for MCAs in all wards to be allocated Kshs. 50M.
- v. Completion of office block.
- vi. Completion of Speaker's residence.
- vii. Drilling and equipping of County Assembly borehole to be allocated Kshs. 5M.

4. OTHER RECOMMENDATIONS

4. The above realignments vary some of the County entities expenditure ceilings. It is therefore recommended that the County entities readjusts their priorities to fit within the recommended expenditure ceilings as contained in Table 3 below;

Table 3: Recommended Ministerial Ceilings for FY 2024/2025;

**COUNTY GOVERNMENT OF KITUI
RECOMMENDED RECURRENT AND DEVELOPMENT EXPENDITURE CEILINGS FOR FY 2024/2025**

VOTE	County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	%
		PE	O&M				
3711	Office of the Governor	508,750,023	544,261,907	1,053,011,930	892,299,163	1,945,311,093	15.31%
3728	Office of the Deputy Governor	67,995,241	90,360,065	158,355,306	17,702,808	176,058,114	1.39%
3729	Ministry of Water & Irrigation	92,191,299	47,621,859	139,813,158	466,280,836	606,093,994	4.77%
3730	Ministry of Education, Training & Skills Development	788,141,583	146,443,189	934,584,772	123,981,493	1,058,566,265	8.33%
3731	Ministry of Roads, Public Works & Transport	155,338,312	65,132,012	220,470,324	659,416,581	879,886,905	6.93%
3716	Ministry of Health & Sanitation	2,634,866,339	1,009,711,619	3,644,577,958	167,774,729	3,812,352,687	30.01%
3732	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	85,147,508	87,154,436	172,301,944	536,589,631	708,891,575	5.58%
3733	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	51,627,213	71,528,410	123,155,623	176,519,447	299,675,070	2.36%
3734	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	69,159,768	51,671,156	120,830,924	46,060,406	166,891,330	1.31%

VOTE	County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	%
		PE	O&M				
3735	Ministry of Finance, Economic Planning & Revenue Management	221,180,851	285,669,728	506,850,579	37,500,000	544,350,579	4.29%
3736	Ministry of Agriculture & Livestock	260,189,070	90,320,643	350,509,713	333,504,084	684,013,797	5.39%
3737	Ministry of Lands, Housing and Urban Development	56,983,440	34,485,663	91,469,103	189,543,725	281,012,828	2.21%
3722	County Public Service Board	29,665,152	35,731,506	65,396,658	5,000,000	70,396,658	0.55%
3723	County Assembly Service Board	458,006,357	637,623,643	1,095,630,000	110,000,000	1,205,630,000	9.49%
3724	Kitui Municipality	33,636,755	46,559,814	80,196,569	92,261,711	172,458,280	1.36%
3725	Mwingi Town Administration	31,360,891	24,810,868	56,171,759	34,400,000	90,571,759	0.71%
	TOTALS	5,544,239,802	3,269,086,518	8,813,326,320	3,888,834,614	12,702,160,934	100.00%
	PERCENTAGES	43.65%	25.74%	69.38%	30.62%	100.00%	

Source: Author

- i. All the other proposals in the submitted CFSP for FY 2024/2025 not affected by the above recommendations are to be adopted as proposed.

9.0 CONCLUSION

Mr. Speaker,

In compliance with S.O. 205 (5) and (6), the Committee hereby recommends to the Assembly the schedules of the proposed revenues and expenditure ceilings for the County Government at **Kshs. 12,702,160,934** as contained in tables 2 and 3 respectively.

Mr. Speaker,

The Committee therefore requests this House to resolve as follows;

That: -

- a) The House adopts this report;
- b) The recommended departmental expenditure ceilings in Table 3 become the departmental budgets for the financial year 2024/2025.

Report Compiled by Mr. Charles N. Nyaga (Senior Fiscal Analyst I), Mr. Mulandi Kavali (First Clerk Assistant), Mr. Benjamin Muimi (Second Clerk Assistant), and Ms. Margaret Muthami (Fiscal Analyst II).

ANNEX I

ADOPTION OF THE REPORT BY THE COMMITTEE

We, the honourable members of the County Budget and Appropriations Committee, do hereby affix our signatures to the report on consideration of the County Fiscal Strategy Paper for the financial year 2024/2025 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. Malinga Munyao | -Member |  |
| 7. Hon. Kyalo Kimuli | -Member |  |
| 8. Hon. Mary Mwendu Mutune | -Member |  |
| 9. Hon. Mercy Muliwa Muema | -Member |  |



ANNEX II



COUNTY GOVERNMENT OF KITUI

THE COUNTY ASSEMBLY

THIRD ASSEMBLY- (THIRD SESSION)

SUBMISSION OF MEMORANDA ON THE KITUI COUNTY FISCAL STRATEGY PAPER (CFSP) 2024/2025

Pursuant to the provisions of Article 196(1)(b) of the Constitution of Kenya, the County Assembly of Kitui hereby informs the general public that public participation on the **KITUI COUNTY FISCAL STRATEGY PAPER FY 2024/2025** will be conducted through submission of **written memoranda**.

The document was committed to the County Budget and Appropriations Committee pursuant to the provisions of the Kitui County Assembly Standing Order No. 205 for consideration. Members of the general public, civil society, NGOs, professional groups, youths, women groups, person living with disability, traders and faith-based organizations are encouraged to participate.

A copy of the Kitui County Fiscal Strategy Paper 2024/2025 can be downloaded from the County Assembly website www.kituiassembly.go.ke

Views or memoranda on the CFSP may be hand delivered to the Office of the Clerk of Assembly P.O Box 694-90200 Kitui, or emailed to kituiassembly@gmail.com to be received on or before **Wednesday 6th March, 2024** by **5.00 p.m.** (soft copies of written memoranda through the provided email address are most preferable).

L. WAEMA
FOR: CLERK,
COUNTY ASSEMBLY OF KITUI.



ANNEX III

COUNTY ASSEMBLY OF KITUI

MINUTES OF THE COUNTY BUDGET AND APPROPRIATIONS COMMITTEE MEETING HELD AT SUMMER SPRINGS HOTEL MWINGI ON 12TH MARCH, 2024 AT 9.00 AM.

MEMBERS PRESENT

- | | |
|-----------------------------------|-------------------|
| 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. Malinga Munyao | -Member |
| 7. Hon. Kyalo Kimuli | -Member |
| 8. Hon. Mary Mwendu Mutune | -Member |
| 9. Hon. Mercy Muliwa Muema | -Member |

IN ATTENDANCE:

- | | |
|-----------------------|------------------------|
| 1. Charles Nyaga - | Senior Fiscal Analyst |
| 2. Mulandi Kavali | First Clerk Assistant |
| 3. Benjamin Muimi – | Second Clerk Assistant |
| 4. Margaret Muthami - | Fiscal Analyst II |

AGENDA

- 1) Prayer
- 2) Communication from the chair
- 3) Adoption of Committee report on consideration of the Kitui County Fiscal Strategy Paper for Financial Year, 2024/2025.

MIN (BAC) 001/2024: PRAYER

The proceedings commenced with a prayer at 4.00 PM.

MIN (BAC) 002/2024: COMMUNICATION FROM THE CHAIR

The Chairperson thanked and welcomed the Members to the meeting convened to adopt the report on the Kitui County Fiscal Strategy Paper for Financial Year, 2024/2025 as envisaged in Standing Order 179(4). He applauded the Members for working smart and hard within the time allowed in order to adhere to the strict timelines set for approval of the paper by the law.

MIN (BAC) 003/2024: ADOPTION OF THE COMMITTEE REPORT ON CONSIDERATION OF THE KITUI COUNTY FISCAL STRATEGY PAPER FOR FINANCIAL YEAR, 2024/2025.

The Members were taken through the draft report, deliberated and adopted the same as the final copy for onward transmission to the Office of Speaker for approval. The members affixed their signatures to the report and finally the Chairperson in readiness for submission to the Office of the Speaker for approval for tabling.

MIN (BAC) 004/2024: ADJOURNMENT

There being no other business, the meeting was adjourned at 12.45 PM



MULANDI KAVALI
For: CLERK OF ASSEMBLY
COUNTY ASSEMBLY OF KITUI.

CONFIRMED BY:


HON. ZACCHAEUS IVUTHA SYENGO
CHAIRPERSON, COUNTY BUDGET AND APPROPRIATIONS COMMITTEE.
COUNTY ASSEMBLY OF KITUI.



**COUNTY ASSEMBLY OF KITUI
OFFICE OF THE CLERK
THIRD ASSEMBLY - (THIRD SESSION)**

CALENDAR OF THE COUNTY ASSEMBLY FOR 2024 (REGULAR SESSIONS)

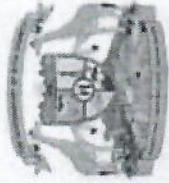
IT IS NOTIFIED for general information to the public that, pursuant to provisions of Standing Order No. 25(2) of the County Assembly of Kitui Standing Orders, by a resolution made on 21st February, 2024, the County Assembly of Kitui approved the Assembly Calendar of its Regular sessions for the Third Session (2024) as set out below:

Sitting Dates	Sitting Days	Recess Dates
Sitting Days Tuesday 13th February, 2024 To Wednesday 10th April, 2024	Tuesdays- 9:00 a.m. and 2:30 p.m.	Thursday 11th April, 2024. to Monday 6th May, 2024 Short recess
Tuesday 7th May, 2024 To Wednesday 7th August, 2024	& Wednesdays- 9:00 a.m. and 2:30 p.m.	Thursday 8th August, 2024. to Monday 2nd September, 2024 Short recess
Tuesday 3rd September, 2024 To Wednesday 4th December, 2024		Thursday 5th December, 2024. to Monday 10th February, 2025 Long recess

Disclaimer:

- The County Assembly shall sit from 9:00 a.m. to 12:30 p.m. and from 2:30 p.m. to 6:30 p.m. on Tuesdays and Wednesdays but more than one sitting may be directed during the same day.
- The County Assembly may however resolve to hold sittings on other days outside this published Calendar.
- The County Assembly may by a resolution, alter its Calendar or the Adjournment date.
- Special sittings of the County Assembly shall be notified through the Kenya Gazette notices, as per Standing Order No. 26 of the County Assembly of Kitui Standing Orders.

L. WAEMA
FOR CLERK, COUNTY ASSEMBLY OF KITUI



**COUNTY GOVERNMENT OF KITUI
THE COUNTY ASSEMBLY
THIRD ASSEMBLY- (THIRD SESSION)**

**SUBMISSION OF MEMORANDA ON THE KITUI
COUNTY FISCAL STRATEGY PAPER (CFSP)
2024/2025**

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L. Waema
For Clerk, County Assembly of Kitui

