

REPUBLIC OF KENYA

COUNTY ASSEMBLY OF TRANS NZOIA

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KITALE

1. INTRODUCTION:-

This is the report of the County Budget and Appropriation Committee on **Trans Nzoia County Fiscal Strategy Paper 2015/2016** following its meeting held at the Eldoret Wagon Hotel on the 12th March 2015.

2. THE MEMBERS OF THE COMMITTEE ARE:-

- a. HON. DAVID KISAKA -----CHAIRPERSON
- b. HON.SIMON MAKHANU ----- VICE CHAIRPERSON
- c. HON. DAVID KABOLOMAN-----MEMBER
- d. HON. ALFRED WESWA-----MEMBER
- e. HON. HILLARY KEMEI-----MEMBER
- f. HON. EDWARD KITUR-----MEMBER
- g. HON. FRANCIS WERE-----MEMBER
- h. HON. GILBERT KITIYO-----MEMBER
- i. HON. JOEL MILIMO ----- MEMBER
- j. HON. JOHN LIKOVELE-----MEMBER
- k. HON. MUNENE MUKUHA-----MEMBER
- l. HON. ANDREW KUTITILA-----MEMBER
- m. HON. ANGELINE TOO -----MEMBER
- n. HON. MARGARET WANJALA-----MEMBER
- o. HON. SAMUEL YATOR-----MEMBER
- p. HON. BETTY KIPSONGOK-----MEMBER
- q. HON. PHILIP N. SAKONG-----MEMBER

3. CO-OPTED MEMBERS

- a. HON.MATHEWS NYARANGO
- b. HON. ROSE MALING'A
- c. HON. EVELINE NELIMA

4. MEMBERS WHO ATTENDED THE MEETING:-

- a. HON. DAVID KISAKA-----CHAIRPERSON
- b. HON. SIMON MAKHANU.....VICE CHAIRPERSON
- c. HON. BETTY KIPSONGOK.....MEMBER
- d. HON. FRANCIS WERE.....MEMBER
- e. HON. ANDREW KUTITILA.....MEMBER
- f. HON. ALFRED WESWA.....MEMBER
- g. HON. ANGELINE TOO.....MEMBER
- h. HON. PHILIP SAKONG.....MEMBER
- i. HON. KITIYO NDIEMA.....MEMBER
- j. HON. SAMUEL YATOR.....MEMBER
- k. HON. HILLARY KEMEI.....MEMBER
- l. HON. MAGARET WANJALA.....MEMBER
- m. HON. JOEL MILIMO.....MEMBER
- n. HON. JOHN LIKOVELE.....MEMBER
- o. HON. MATHEWS NYARANGO.....CO-OPTED
- p. HON. EVELINE NELIMA.....CO-OPTED
- q. HON. ROSE MALING'A.....CO-OPTED

5. THE SECRETARIAT

- a. KATAMA E. NGEYWA-----PRINCIPAL LEGAL COUNSEL
- b. LEONARD WEKESA-----HANSARD EDITOR
- c. MOSES WANYONYI-----COMMITTEE CLERK
- d. NICHOLAS NANDASABA-----SERGENT AT ARMS
- e. DENNIS PANYAKO-----BUDGET OFFICER
- f. MOSES LUPAO-----PRINCIPAL FINANCE OFFICER
- g. CHARLES MUSANDO-----INTERNAL AUDITOR
- h. HILLARY ALUNGONGO-----ACCOUNTANT
- i. HEZRON KIPLAGAT-----ACCOUNTANT

IN ATTENDANCE FROM COUNTY EXEDCUTIVE:

- a. DINA MAKOKHA
- b. IBRAHIM TELEWA

6. MANDATE OF THE COMMITTEE

- Under **Section 117** of the Public Finance Management Act, 2012, the County Treasury is required to prepare a County Fiscal Strategy Paper. This is in line with the constitutional requirements for Fiscal Responsibility Principles in the Public Financial Management Systems.

- **Section 117(1)** the County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly ,by 28th February of each Year.
- **Section 117(2)**, the County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
- **Section 117(3)**, in preparing the county Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the County government in preparing its budget for the coming financial year and over medium term.
- **Section 117(4)** the county treasury shall include in its Fiscal Strategy paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium.
- In preparing the Fiscal Strategy Paper the County Treasury shall seek and take into account the views of-
 - a. **The commission on Revenue Allocation**
 - b. **The public**
 - c. **Any interested persons or groups and**
 - d. **Any other forum that is established by legislation**
- Not later than 14 days after submitting the CFSP to the County Assembly, the County Assembly shall consider and may adopt it with or without amendments.

Pursuant to this mandate the Committee held Sittings at the Eldoret Wagon Hotel on 12th March 2015 to consider the County Fiscal Strategy Paper 2015.

7. FINDINGS AND AMENDMENTS

1. **FISCAL OUTLOOK OF THE COUNTY-** at **page 6** thereof delete the word “collections” and replace it with “collected and received” between “revenue” and “through” However the Budget Officer from County Executive clarified that “**COLLECTION**” means both local revenue and funds received from the National Treasury
At page 7 explanations were required for the figures Ksh.500 Million under expenditure and Ksh 893,310,433; the county Budget Officer explained that the figure Ksh 500Million was a topographical error and the correct figure should be Ksh 800 Million.
2. **STRUCTURAL REFORMS** not STRUSTURAL

3. **PUBLIC EXPENDITURE AND FINANCIAL MANAGEMENT REFORMS**-an explanation is required for “other” units in item 2.5. It was explained that IFMIS program shall cover all departments of the County Government.
4. **EDUCATION**- the provision should include ECD caretakers/teachers and Village Polytechnic instructors.
5. **HEALTH**-provision should include improvement of infrastructure, hiring of Medical and other staff.
6. **REVENUE POLICY**-The negative effects ought to be outlined in the document. It was explained that such effects are the factors that negatively impacted on the County Budget.
7. **WAGE BILL**-The same should include actual figures and projections. It was proposed that the Labour Committee follows up the matter.
8. **REDUCING STOCK OF PENDING BILLS AND CREDITORS**-These should be itemized with specific figures indicated for each item
9. **DEVELOPMENT EXPENDITURE**-an explanation is required on the entire item
10. **COST CONTAINMENT MEASURES**-To cut on fuel expenditure, fuel cards should be introduced for all county government vehicles
11. **ENHANCING PARTICIPATION OF THE YOUTH**-replace “Presidential Decree” with “policy” and include women and persons with disabilities.
12. **GOVERNANCE AND RULE OF LAW**-item III was found to irrelevant for the time being.
13. **MEDIUM-TERM SECTORAL RESOURCE ALLOCATION**-where allocation is to be done with regard to decentralized units including sub-counties,

wards and villages such factors such as demographic trends, poverty levels e.t.c shall be put into account

14. BREAKDOWN OF DEPARTMENTS EXPECTED EXPENDED

EXPENDITURES-Details for each of the projected allocations should be provided to explain the discrepancies from the 2014/2015 allocations.

15. EXPENDITURE FORECAST-30% of the capital development allocations shall be allocated towards the Ward Development Fund.

16. DELAYS IN IMPLEMENTING THE AGREED REFORMS-Delete the sentence,

”The rate at which Assembly conducts business has delayed the enactment or amendment of crucial laws to support County Government reform process”

It was noted that the statement was made in bad faith. It was noted that such delays have been occasioned by departments at the executive especially the Finance Department. For example the County Fiscal Strategy Paper was received on Thursday 27th February 2015, a day to the deadline.

17. SECTORS ANALYSIS-It was explained that the original figures for recurrent expenditure given by the Transitional Authority for the 2013/2014 in terms of say staff capacity were not accurate .The current projections are, however ,based on actual figures as found out by the County Government hence the discrepancies in the projected recurrent figures for 2015/2016.

The Sector Analyses from pages 27 to 30 require clarification on the various items.

THE LIST OF BUDGET AND APPROPRIATION COMMITTEE MEMBERS WHO ATTENDED AND APPENDED THEIR SIGNATURES AT WAGON WHEEL HOTEL IN ELDORET ON 12TH OF MARCH 2015.

- a. HON. DAVID KISAKA-----CHAIRPERSON
- b. HON. SIMON MAKHANU.....VICE CHAIRPERSON
- c. HON. BETTY KIPSONGOK.....MEMBER.
- d. HON. FRANCIS WERE.....MEMBER
- e. HON. ANDREW KUTITILA.....MEMBER
- f. HON. ALFRED WESWA.....MEMBER
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