BCA|B&A|19|2015|15

REPUBLIC OF KENYA

COUNTY ASSEMBLY OF BOMET

FIRST ASSEMBLY- THIRD SESSION

BUDGET AND APPROPRIATION COMMITTEE

REPORT

ON THE BOMET COUNTY MTEF BUDGET 2015/16-2017/18 AND ANNUAL BUDGET FOR THE YEAR ENDING 30TH JUNE, 2016

MAY 2015

Laid on 23/06/2015
at 1.10 pm
23/06/15

BOMET COUNTY ASSEMBLY
CLERK
23 JUN 2015
P.O. Box 590-20400 BOMET

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1 PREFACE

1.1 Background

On behalf of the Members of the Budget Committee and as required under standing order No. 190, I take this opportunity to present to the House, the Committee's Report on the Medium Term Expenditure Framework Budget 2015/16-2017/18 and Annual Budget for the year ending 30th June, 2016 as submitted to the County Assembly by the Executive Committee Member for Finance and Clerk of the County Assembly.

Mr. Speaker Sir,

The constitution and the PFM Act placed significant responsibilities on the County Assembly over the management of public resources particularly with regard to resource mobilization, allocation, monitoring and control.

Mr. Speaker sir,

The Budget and Appropriation committee as currently constituted comprises of the following Honorable members:

1. Hon. BenardNgeno - Chairperson
2. Hon. Aurelia Rono – V. Chairpeson
3. Hon. Robert Metet
4. Hon. Cecilia Towett
5. Hon. TableleiRotich
6. Hon. SamwelBor
7. Hon. JosphatKirui
8. Hon. Sammy Kirui
9. Hon. Wilson Keter
10. Hon. Leah Kirui
11. Hon. Samson Towett
12. Hon. Julius Korir
13. Hon. Robert Serbai

1.2 Mandate of the Committee

The standing order No. 190 establishes the Budget and Appropriation Committee with specific mandate to:

a) *Investigate, inquire into and report on all matters related to coordination, control and monitoring of the County Budget.*
b) *Discuss and review the estimates and make recommendations to the County Assembly.*

c) Examine the County Budget Policy Statement presented to the County Assembly;

d) Examine Bills related to the county budget, including Appropriations Bills; and

e) Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

Mr. Speaker Sir,

In line with the provision of 129 (1), (2), (3) of the PFM Act 2012, the County Executive Committee Member for finance is required to submit the County Government Budget Estimates (excluding budget estimates for the assembly) to the County Assembly by the 30th April of each year. The Act alsoprovides that Each County Assembly Clerk shall prepare and submit to the County Assembly the budget estimates for the County Assembly and a copy submitted to the executive member for finance for his comments.

The Act under Section 131 further states that, the County Assembly shall consider the budget estimates with a view to approving them, with or without amendments in time for the relevant appropriation law required to implement the budget to be passed by 30th June in each year.

Mr. Speaker sir,

Section 207(5) of the Standing Orders states that,

"The Budget and Appropriations Committee shall discuss and review the Estimates and make recommendations to the County Assembly, taking into account the recommendations of the Sectoral Committees, the views of the County Executive Member for Finance and the public."

1.3 EXAMINATION OF THE BOMET COUNTY BUDGET ESTIMATE FY 2015/2016

Mr. Speaker Sir,

In line with the Constitution and the PFM Act, the budget estimates for the two arms of County Government, namely The County Executive and The County Assembly were submitted to the County Assembly on 30th April, 2015.

Mr. Speaker sir,

In reviewing the County Budget Estimatesthe committee went through a comprehensive consultative process. The Committee held six public hearing forums, one in each of the five Sub-Counties and one additional in Bomet County headquarters to engage the members of the Public in line with Article 201(a) of the Constitution.

The Committee managed to obtain views and recommendations of all Sectoral committees on the budget estimates. The sectoral committees initially sought clarifications from their respective C.E.Cs before submitting their views to the Committee on Budget and Appropriation.

The committee further held a final consultative meeting with the C.E.C for Finance and all members of the County Assembly on 19^{th}- 21^{st} June, 2015.

The views, **Mr. Speaker sir,** were required to allow the Committee members to make an informed decision on the budget estimates.

1.4 ACKNOWLEDGEMENT

Mr. Speaker sir,

I wish to thank the members of Budget and Appropriation Committee for their dedicated commitment to the end. The Committee is grateful to the Offices of the Speaker and the Clerk of County Assembly for the support received as it discharged its mandate of reviewing the Bomet County Government Budget Estimates 2015/2016. The Committee is also grateful to the Sectoral committees and the members of the County Assembly who actively participated in the process, especially during the Joint Committee Sittings. The Committee is also grateful to the budget office for their technical support. I also thank the members of the public and interest groups who took their time to participate especially public hearings and for their constructive views.

1.5 Affirmation and approval

Mr. Speaker sir,

It is therefore my pleasant duty and privilege, on behalf of the committee on Budget & appropriation to table this Report and recommend it to the House for adoption.

Signed--

THE HON. BENARD NGENO

CHAIRPERSON, BUDGET & APPROPRIATION COMMITTEE

Date 23/06/15 --

We, honourable members of the committee on Budget & Appropriation, do hereby affix our signatures to this report to affirm our approval and confirm its accuracy, validity and authenticity:-

No.	Name	Position	Signature
1.	Hon. BenardNgeno	Chairperson	
2.	Hon. Aurelia Rono	Vice Chairperson	
3.	Hon. Cecilia Towett	Member	
4.	Hon. TapleleiRotich	Member	
5.	Hon. SamwelBor	Member	
6.	Hon. JosphatKirui	Member	
7.	Hon. Sammy Kirui	Member	
8.	Hon. Wilson Keter	Member	
9.	Hon. John Molel	Member	
10.	Hon. Leah Kirui	Member	
11.	Hon. Samson Towett	Member	
12.	Hon. Julius Korir	Member	
13.	Hon. Robert Serbai	Member	

1.6 COMPREHENSIVENES OF THE BUDGET ESTIMATES 2015/2016 AND ADHERENCE TO THE PUBLIC FINANCE MANAGEMENT ACT, 2012

Mr. Speaker sir,

The committee analyzed the budget estimates and realized the following;

As required by Section 12 of the second schedule of the PFM Act 2012 the County Governments should adopt Programme Based Budgeting during the preparation of MTEF budget Estimates.

Programme Based Budgeting aims to;

- Improve the prioritization of expenditure in the budget in order to help allocate limited county government resources to those programmes of greatest benefit to the community,
- Encourage departments to improve the efficiency and effectiveness of service delivery by changing the focus of public spending from-input to output and outcomes. In achieving these goals a Programme Based Budget also becomes an effective tool to help citizen understand the reasons behind policy decisions.

Under the PBB framework, government budgets are directly linked to defined public policy objectives through programs. The programs must have embedded in them measures for outputs and outcomes. A PBB will contain:

a) Mandate of a specific sector
b) Summary of programmes and the objectives
c) Summary of Programmes and sub programmes for financial year 2015/2016- 2017/18
d) Summary of expenditure by programme sub programme and economic classification for the MTEF period 2015/2016-2016/2017
e) Summary of the programme sub programme and performance indicators
f) Details of staff establishment by organization structure/ delivery unit
g) Itemized recurrent budget

Format for presenting the Summary of the programme sub programme and performance indicators is as follows;

Programm	Deliver y unit	Key Programm	Key performanc	Target (Baseline	Target 2015/1	Target 2016/1	Target 2017/1

e		e output	e indicators	) 2014/15	6	7	6

Format for presenting the itemized recurrent budget

Sector- trade tourism and cooperatives

Item code	Item name	Approved estimates for 2014/15	Budget estimates 2015/2016			Total for 2015/16
			Trade	Tourism	Cooperatives	
2210101	electricity	1,000,000	300,000	500,000	400,000	1,200,000

2 DETAILED ANALYSIS OF BOMET COUNTY GOVERNMENT MTEF BUDGET ESTIMATES;

2.1 REVENUE

The total revenue for Bomet County Government for the financial year 2015/16 is Kshs. 5,133,002,166 comprising of Kshs 4,674,885,819 from the national government, Kshs 312,697,640 from the local revenue and Kshs 145,418,819 as grants

The local revenue projected by the county government for the financial year 2015/2016 is Kshs 312.6 million. The revenue projected for 2014/2015 as per the supplementary budget was Kshs 190 million. This means that the county revenue will grow by 64.2%. The revenue target is ambitious and the county might not realize the targeted revenue. The implication of an ambitious revenue target is that if it is not realized the county might end up with budget deficits before the end of the financial year as a result some programmes are not implemented.

The revenue collected from water sector has not been factored as part of the local revenue. *Section 109(2) of the PFM Act 2012 states that The County Treasury for each* *county government shall ensure that all money raised or received by or on behalf of the county government is paid into the County Revenue Fund, except money that—*

(a) is excluded from payment into that Fund because of a provision of this Act or another Act of Parliament, and is payable into another county public fund established for a specific purpose;

(b) may, in accordance with other legislation, this Act or County legislation, be retained by the county government entity which received it for the purposes of defraying its expenses; or

(c) is reasonably excluded by an Act of Parliament as provided in Article 207 of the Constitution.

If the revenue from water is used defray the day to day expenses in the sector then the revenue collected should be declared as appropriation in aid (A.I.A) The revenue from Red Cross should be managed as per section 138, 139 of the PFM Act 2012 and it should not be part of the revenue to be appropriated since it does not go through the county revenue fund

2.2 RESOURCE ALLOCATION

The resource allocation between the recurrent and development expenditure is as follows:

Recurrent-		
Personal emoluments	38%	1,966,110,127
Operations and maintenance	16%	841,569,352
Development	45%	2,325,322,686

The resource allocation to the development is commendable as it complies with the fiscal responsibility principles in section 107; 2(b) of the PFM Act 2012.it states that over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure; Personal emoluments are at 38% the PFM Act provides that wages shall not exceed a percentage of total revenues prescribed by regulations: as discussed above neither the national nor county regulations have been passed, however the draft national regulations proposes a ratio of 35 percent of the total revenues.

2.3 COMPARISON OF THE COUNTY FISCAL STRATEGY PAPER CEILINGS AND BUDGET ESTIMATES CEILINGS.

Section 129 2(a),(b) states that; following approval by the County Executive Committee, the County Executive Committee member for finance shall—

(a)Submit to the county assembly the budget estimates, supporting documents, and any other Bills required to implement the budget, except the Finance Bill, by the 30th April in that year; and

(b) that the CEC member for finance shall ensure that the estimates submitted are in accordance with the resolutions adopted by the county assembly on the county fiscal strategy paper. The table below presents the ceilings for various sectors as per 2015/16 budget estimates and as per the County Fiscal Strategy Paper for 2015/2016

Spending Units	BUDGET ESTIMATES		
VOTE	BUDGET CEILING (Ksh. Millions)	CFSP CEILING (Ksh. millions)	VARIATION
OFFICE OF THE GOVERNOR, ADMINISTRATION AND PUBLIC SERVICE, COUNTY EXECUTIVES	382.8	292.8	90
ADMINISTRATION	449.4	270.6	178.8
FINANCE AND ECONOMIC PLANNING	374.3	323.2	51.1
PUBLIC HEALTH AND	158.2	28.4	129.8

ENVIRONMENT			
AGRI-BUSINESS, COOPERTIVES& MARKETING	435.8	454.1	-18.3
SOCIAL SERVICES	462.5	411.3	51.2
MEDICAL SERVICES	849.1	911.2	-62.1
LANDS, HOUSING AND URBAN PLANNING	145.7	129	16.7
WATER AND IRRIGATION	344.5	295.4	49.1
EDUCATION AND VOCATIONAL TRAININGS	519.03	653.1	-134.07
ROADS AND PUBLIC WORKS	469.9	570.5	-100.6
TRADE, ENERGY, TOURISM AND INDUSTRAILIZATION	95.4	80.5	14.9
COUNTY ASSEMBLY	446.07	612.92	-166.85
TOTAL	5,133.002	5,033.02	99.98

The table above shows that,none of the sectors complied with the budget ceilings in the fiscal strategy paper during the preparation of 2015/2016 budget estimates. The total revenue allocation in the fiscal strategy paper and the budget estimates varies by Kshs 99.98 million.

2.4 PUBLIC PARTICIPATION

Articles 118,119,196 and 201 of the Constitution 2010 requires all county governments to conduct public participation in various issues so as to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level. This means that the budget estimates must provide funds for public participation. Most sectors have provided for public participation in their budgets.

2.5 ISSUES CUTTING ACROSS ALL THE SECTORS

That the budget estimates as presented although programmed based did not adhere to the format as per the guidelines for the preparation of the medium term expenditure framework (MTEF) budget for the period 2015/16 – 2017/18 as required by the Public Finance Management Act, 2012. Details of the development projects were not given making it difficult to identify the cost, location and completion dates of the projects. Disclosure of location of development projects is very crucial for monitoring and evaluation as well as project planning. Targets, outputs and performance indicators were not clearly articulated under the County Budget Estimates 2015/2016; in fact most sectors provided deadlines instead of the indicator targets. Furthermore, various departments could not differentiate between indicators and outputs. Various departments seemed to interpret this parameters differently indicating serious inconsistencies. The recommendations of the County Assembly in the County Fiscal Strategy Paper and approved ceilings were not adhered to in the Budget Estimates. This is against the provision of the PFM Act section 129 2(b) that the Executive member forFinance should ensure that the ceilings as provided for by the County Fiscal Strategy Paper are adhered to in the County Budget

Solutions Taken

Sectoral Committees in consultation with their relevant C.E.Cs addressed the issues and the C.E.C for Finance amended the Estimates to correct the noted issues and shared with the committee.

3 VIEWS AND SUBMISSIONS BY THE MEMBERS OF THE PUBLIC AND OTHER INTEREST GROUPS

Mr. Speaker Sir,

Six public participation forums were held in the County at the sub-county levels from 26th -28th May, 2015 in Chemaner Market, Olbutyo Market, Ndanai Market, Kapset Market, KapkorosMarket and Bomet Town. The impressive turn out by the members of the public, Mr. Speaker sir, their active participation and constructive views is an indication of the confidence that the public has in this house and the significance of budgeting to the county's development agenda.

3.1 Submissionson Ward Development

i. The public recommended that the County Assembly should establish **ward development fund** and allocate between 10%-30% of the total budget to implement ward specific projects at the ward level

ii. Consideration should be made on allocations to the sectors to be devolved to the ward level i.e. the County to consider devolving functions to ward level so that the residents can appreciate devolution

iii. Consider itemizing the budget to indicate specific projects to be implemented and their locations i.e. allocation of funds to public toilets and toilets to schools should indicate specific schools and the number of toilets to be constructed

3.2 Submissions on Office of the Governor, Administration and Public Service

i. County should shift away from using Land rovers and consider more cost effective and economically efficient vehicles to cut down expenditure on operations and maintenance

ii. Reduce allocations for construction of ward offices and encourage sharing of available offices

iii. Reduce allocations for policy development from Ksh. 1M to Ksh. 500,000

iv. Re-allocate Ksh.3M meant for setting up of Bomet Broadcasting Station to bursaries and postpone the project as it was not a priority at the moment. County should encourage private investment on the same that will ultimately yield revenue

3.3 Submissions on the Finance and Economic Planning

i. That Ksh. 10.7million allocated to ICT Network was inadequate and should be increased

3.4 Submissions on Medical services, Public Health & Environment;

i. Budgeting for Public Health, Environment and medical services should be lumped together to avoid confusion and duplication

ii. Increase allocations to complete on-going constructions in medical facilities

iii. Increase allocations for Nutrition interventions by Ksh. 2M to Ksh. 7M
iv. Allocate additional Ksh. 1M for environmental management since Ksh 3.1M was not enough to ward level
v. Increase allocations for purchase of medical drugs to Ksh. 170M to address the shortages
vi. That the medical services sector should reallocate more funds to prevention of diseases within their vote head
vii. That Ksh. 2M allocated for communicable disease prevention and control-HIV/AIDS, Malaria, TB be increased to Ksh. 5M and personnel recruited to administer the fund since they were no longer reaching the beneficiaries
viii. Reduce emergency allocations from Ksh. 30M to Ksh. 25M and allocate Ksh. 2M to enhance preventive and promotive health services for diseases such as cancer

3.5 Submissions on Lands, Housing and Urban Planning

i. Increase allocations to the department from 3% to 6% for purchase of plots for market centers, construction of market stalls, public toilets, installation of security lights and enhancement of sanitation in trading centers
ii. Ksh.35.6M allocations for acquisition of lands be increased to 50M
iii. Construction of shopping malls was not a function of county government and therefore should be re-allocated
iv. Increase allocations for land surveys

3.6 Submissions on Agri-business and Marketing

i. That Ksh. 269 million allocated to Agribusiness and marketing was inadequate and should therefore be increased from 8% to 12% since agriculture was the backbone of the County's economy. This increment should be re-allocated from allocations to old age persons.
ii. Allocations to agricultural extension services and recruitment of more agricultural extension officers should be increased

iii. Re-allocate Ksh 123.4M forLivestock & Veterinary Services to promote Tea programmes

iv. Consider allocations for construction and installation of cold rooms

v. Reduce allocations for irrigation and re-allocate to promote tea programmes

3.7 Submissions on Water and Irrigation

i. Increase allocations for supply of clean drinking water to homesteads

ii. Critically review allocations to Bomet Water Company

iii. Increase allocations for development of water infrastructure

3.8 Submissions on Education and Vocational Training

i. Increase allocations for infrastructure development

3.9 Submissions on Roads and Public Works

i. That allocation of 30 million to urban roads maintenance was not necessary as the program was being implemented by national government through KURRA

ii. Increase allocations for roads from 11% to 15% or 20% as it was a key concern for the residents

iii. Increase allocations for opening up of new roads

3.10 Submissions on Trade, Energy, Tourism and Industry

i. That more allocation should be considered for electricity generating projects

ii. That 1 million allocated to entrepreneurship training or capacity building should be increased to 2 million

3.11 Submissions on Culture and Social Services

i. Reduce allocations for old age fund since National government had increased from 300,000 to 400,000 beneficiaries and re-allocate to sustainable programmes in agri-business and co-operatives. Consideration for allocations for construction old persons homes

These recommendations, Mr. Speaker Sir,were taken into consideration by the committee while making their final decision. This will uphold public confidence that their views and requests are being considered and are therefore part and parcel of County's development.

4 SUBMISSIONS BY SECTORAL COMMITTEES

4.1 Joint Committee on Administration, Peace, Justice & Legal Affairs and Labour& Public Service

Mr. Speaker Sir, The joint committee on Administration, peace, Justice & Legal Affairs and Labour& Public Service having consulted their respective line department clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. The executive were planning to build other ten ward offices in the financial year 2015/16 but the committee recommends that whole remaining 15 wards offices be completed in the same period

ii. The committee noted that allocation for county headquarters in the previous financial year were diverted to the construction of store for procurement to 4.2million and the software for human resource to a tune of 4.2 million and thus justifying funding in the f/y 2015/16

4.2 Committee on Finance, ICT and Economic Planning

Mr. Speaker Sir, The committee on Finance, ICT and Economic Planning submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. The programs in the 2015/16 budget estimates should reflect those in the County Fiscal Strategy Paper (E-Government and Revenue Automation) and be clearly defined

ii. Each department should budget and purchase its own furniture, fuel, purchase and maintenance of computers, internet connections and insurance

iii. The allocations to P.E should be explained and justify why it is seven times higher than the allocations for development

4.3 Committee on Gender, Culture and Social Services

Mr. Speaker Sir, The committee on Gender, Culture and Social Services having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. The allocation on programme 2 (Social Protection and Services) should be increased because it covers vulnerable groups, persons with disabilities, elderly persons, HIV/AIDS infected and affected street families, orphans and vulnerable children and marginalized groups in the entire county. The amount should also be sufficient enough to cater for the old persons who were in the waiting list in the FY 2014/2015.
ii. The allocation on Culture, Music and Library Services should be increased this is because the committee noted that a lot has not been done in terms of promotion of the Kipsigis Culture. The county even lack museums.

4.4 Committee on Education, Sports and Youth Affairs

Mr. Speaker Sir, The committee on Education, Sports and Youth Affairs having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. Members proposed Ksh. 500,000 be allocated to polytechnics in the Wards to buy their respective tools and equipment
ii. There is need to specify the total number of polytechnics to be funded by the County
iii. More allocations for completion of the ongoing ECDE centers
iv. The members felt the allocation of Ksh. 15,000 per student per year is inadequate as per the budget

Committee on Trade, Energy, Tourism and Industrialization

Mr. Speaker Sir, The committee having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. Members suggested to allocate less funds to Miss Tourism activity and transfer from the vote head to developing animal sanctuary
ii. Engage Committee on Urban Planning to get more land for Animal Development Projects. They further suggested ATC to be transferred to Kipsegon
iii. Branding and marketing the County as a choice for investments and promotion of establishment of various industries

4.5 Committee on Lands, Housing and Urban Development

Mr. Speaker Sir, The committee on Lands, Housing and Urban Development having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. Members proposed that materials from demolished structure be utilized to reduce wastage of resources
ii. Members proposed that BodaBoda riders be trained and their motor bikes be of one color for identification
iii. Members proposed that uncompleted project be given priority
iv. Members proposed that the completed project be launched e.g. Public toilets
v. Members proposed that firefighting equipment be given the first priority
vi. The member proposed that the C.E.C create a land bank to encourage investors

4.6 Committee on Health Services

Mr. Speaker Sir, The committee on Health Services having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. That the uncompleted projects be given priority;
ii. That the completed projects be launched e.g completed toilets in Siongiroi, Sotik and e.t.c
iii. That one hospital be upgraded to level 4 in each Sub County
iv. That efficiency of public officers should improve since much of the funds have been allocated to preventive health both in medical services and public health & environment.

4.7 Committee on Roads, Transport and Public Works

Mr. Speaker Sir, The committee on Roads, Transport and Public works having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. The committee noted that the amount allocated was inadequate as confirmed by the C.E.C and should be increased

ii. The committee recommended that some funds should be set aside to engage youths at ward level to clean drainages, culverts and bush clearing especially during rainy seasons

iii. The committee noted that some contractors were doing shoddy work and the county should terminate their contracts.

4.8 Committee on Water, Energy, Environment, Forestry and Natural Resources

Mr. Speaker Sir, The committee on Water, Energy, Environment, Forestry and Natural resources having consulted their respective C.E.Cs clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

4.8.1 Committee Recommendations: Water and Irrigation

i. The approval and operationalization of BWC must be in conformity with the Bomet County Agency Act so as to legalise the allocation of Ksh.209.4 million. • Justify the A.I.A allocated to upgrading of Bomet Water Project.

ii. The programs on protection of water springs, dams and pans must be done to completion in the FY 2015/16 especially in areas which have these springs.

iii. The organizational structure (including staff establishment) of BWC should be availed to the committee.

iv. That the allocations of Ksh. 5.68 m to environment and Natural Resources is not adequate to address the listed programs therefore the allocation should be increased to Ksh. 21.5 million as per the County Fiscal Strategy Paper 2015/16

4.8.2 Committee Recommendations: Energy

i. The ksh.10million allocated for low cost energy should be shared equally across the 25 Wards where each is expected to get ksh.400, 000.

ii. The CEC or chief officer in charge should forward the structure, policies and Regulations guiding the formation of BPECo. Also the regulations with the partners especially REA and KPLC should be availed to the committee.

iii. The legality of the proposed BEPCo. should be confirmed as per the Bomet County Agency Act if its establishment requires Assembly approval.

4.9 Committee on Trade, Tourism & Co-operatives

Mr. Speaker Sir, The committee on Trade, Tourism, Tourism & Co-operatives having consulted their respective C.E.Cs clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. Committee recommended that allocation to Miss Tourism should be reduced and amount re-allocated to development of animal sanctuary

ii. The department should engage committee on Urban Planning to get more land for Animal Development projects. The committee also suggested that ATC to be transferred to Kipsegon

iii. Allocations should be made for branding and marketing of the County as a choice for investments and promotion of establishment of various industries

4.10 Committee on Agriculture, Livestock and Fisheries

Mr. Speaker Sir, The committee on Agriculture, Livestock and Fisheries having consulted their respective C.E.C clarified on the issues which arose in the MTEF Budget Estimates and submitted the following raft of recommendations for consideration by the Budget and Appropriation Committee;

i. That the allocation for the sector should be increased to at least 10% of the total revenue to meet the minimum threshold as per Maputo declaration

ii. That the proposed construction of the 21 fish ponds need to be equitably distributed in all wards

iii. That allocations should be made for promotion of poultry and beekeeping

iv. There is need to value add certain agricultural produce in the County. Value addition should also be carried out on livestock products

v. The department should focus on improving production

vi. Consideration for adequate allocation for operationalization and utilisation of Bomet ATC so as to benefit the farmers

vii. The department should put in place policies on crops development, veterinary services and livestock production.

viii. The committee noted that the department needs Ksh. 350 million to fund 587 tea buying centers and therefore Ksh. 70million should be allocated so as to be implemented in phases. Each phase should be allocated Ksh. 70M for a period of five years

5 RECOMMENDATIONS BY THE COMMITTEE ON BUDGET AND APPROPRIATION

Mr. Speaker Sir,

The Budget and Appropriation having considered submissions from the public and sectoral committee, CFSP ceilings and expendituremade the following raft of recommendations;

5.1 Local Revenue Strategies

The committee recommended the following strategies that the C.E.C for finance needs to put in place to enhance local revenue collections;

i. There is need to introduce infrared technology in slaughter facilities to enhance slaughter fees
ii. The county should collect revenue from Sotik Tea
iii. All revenue collections should be automated to guard against leakages and pilferages

5.2 Areas of Adjustments

5.2.1 Office of the Governor, Administration and Public Service

The committee proposes a scale down of allocations to a number of items as follows;

5.2.1.i Executive

- Ksh.7.8 Million be reduced from Vote 2210400 Foreign Traveland SubsistenceAllowanceas a cost cutting measure on Operations and Maintenance
- Ksh 12 Million be reduced from Vote 2210600 Rent & Rates-Non Residential (Inter Governmental)

- Ksh 1.2 million be reduced from Vote 2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks as a cost cutting measure on Operations and Maintenance
- Ksh 1 million be reduced on Vote 2220212Maintenance of Communication Equipment as a cost cutting measure on Operations and Maintenance
- Ksh 30 million be reduced on Vote 3110701 Purchase of Motor vehicles as the department already has adequate number of vehicles for their operations

5.2.1.2 Administration

- Ksh 2 million be reduced on Vote 22111399 community participation as Ksh. 15 million had been allocated for the same Vote in the Executive
- Ksh 5.2 million be reduced on Vote 3110701 Purchase of Motor Vehicles as the County already had adequate vehicles for operations

The total amount saved in the department is Ksh.59.2Million

5.2.2 FINANCE AND ECONOMIC PLANNING

The committee recommends that allocations to a number of items be scaled down as follows;

- Ksh 3 millionbe reduced from Vote 2210399 Budget preparation process. The allocation made is way above the previous financial year expenditure. The department capacity to prepare budget has also significantly improved.
- Ksh 200,000be reduced on Vote 2210505 Trade shows and exhibitions as explanation was inadequate and the same item has been budgeted in the relevant department of Trade, Energy, Tourism and Industrialization.
- Ksh 20 Millionbe reduced on Vote 2211201 Refined fuel and Lubricants for transport since strong austerity measures needs to be implemented to cut down on recurrent expenditure to release more resources for development. Further, Fleet management will in result reduction in fuel consumption due to tight control. The County government should develop a transport policy for proper management of all government vehicles.
- Ksh 5,500,000be reduced on Vote 3110701 Purchase of Motor Vehicle and the balance be used to purchase one vehicle for programme under planning and Monitoring services.

The total amount saved in the department is Ksh.28, 700,000

The committee was however concerned that Ksh. 15,000,000 allocated to Vote 3111112 Purchase of Software was clearly inadequate to complete the intended programme despite explanation that it would be phased.

5.2.3 PUBLIC HEALTH AND ENVIRONMENT

The committee recommends that adjustments be made on various items as follows;

- Ksh 2 million be reduced from Vote 2210504 Advertising, Awareness and Publicity Campaigns comprising of Ksh. 1 million reduction in each of the two programmes namely preventive &Promotive services and Environmental management

Retentions

- Ksh. 500,000 be retained in Vote 2210499 Foreign travel and subsistence-others to enable the officers in the department to benefit from international exposures. The proposed amendment scraping the earlier allocation for the same should be therefore disregarded.

The total amount saved in the department is **Ksh. 1.5 million.**

- Ksh 5millionallocated to vote 3111305 Purchase of Tree seeds and seedlings should be distributed and implemented as per the following schedule;

5.2.4 SOCIAL SERVICES

The committee recommends that deductions be made on various items as follows;

- Ksh 45 Millionbe reduced on vote **3110604 Overhaul of Other infrastructure and Civil worksas** the total cost of the project has not been determined.Some amount on the balance of Ksh. 5.5 million on the same voteshould be used to purchase sports equipment for persons with disabilities and support for Paralympic games
- Ksh. 24,740,462 be allocated to a new programme; Social Development to cover youth, women and PWDs development and should be implemented as scheduled in Annex 2

The total amount saved in the department is **Ksh.45 million**

5.2.5 MEDICAL SERVICES

The committee recommends that adjustments be made on various items as follows;

- Ksh 5.75 Millionbe reduced on vote **3110701 Purchase of motor vehicles.** The committee has alreadyallocated for the purchase of a motor vehicle for public Health and therefore the borrowed vehicle will be returned to the department concerned.
- Ksh. 5 millionbe reduced on vote 2210604 Hire of Transport. The department should retain the number of Ambulance already leased. The vote should also be renamed "Lease of Ambulances"

New Additions

- **Mr. Speaker Sir**, found a need to check against pilferages in our medical facilities. In this regard, the committee recommends that **Ksh. 5 million** be allocated for acquisition of a drugs dispensing and inventory control system to monitor flow of drugs and check against pilferages.

The total amount saved in the as a surplus department is **Ksh.5, 750,000**

5.2.6 LAND, HOUSING AND URBAN PLANNING

The committee recommends that Adjustments be made on various items as follows;

- Ksh 2.327 Million meant for salaries to enforcement officers attached to the department be reduced as their salaries was budgeted for in Administration.

5.2.7 AGRI-BUSINESS, COOPERATIVES AND MARKETING

The committee recommends that adjustments be made on the following items;

- Ksh 8.45 Million budgeted for purchases of motor vehicle **vote 3110701** should be reduced
- **Ksh 120,000** be reduced on **Vote 3111001 Purchase of office furniture and fittingsas** the item was collectively budgeted for by Finance and Economic Planning department
- **Ksh 2.1 million** be reduced on **Vote 3111002 Purchase of Computers, printers and other I.T equipment** as the item was collectively budgeted for by Finance and Economic Planning department
- **Ksh 13.4 million** allocated to **Value addition in programme 2 sub-programmes 2.1** should be distributed as follows; **Ksh. 6.7 million** for value addition of Tomatoes in Sotik Sub-county and **Ksh. 6.7 million** for value addition of onions in Youth farmers -Bomet East Sub-county.

The total amount saved as surplus in the department is **Ksh. 10.67 million**

5.2.8 WATER AND IRRIGATION

The committee recommends that the budgeted allocations for the department should be adjusted as follows;

- Ksh. 150,000 be reduced on vote 2210801 Catering services (receptions) accommodations, gifts, food and drinks.
- **Ksh. 209, 400,000** meant for Capital grants to Semi-autonomous government agencies should be suspended forthwith and the programmes under which be implemented by the parent department pending necessary legislation and approval of its establishment thereof. Further, use of revenue at source by the

department should be suspended forthwith and provision of Section 109(2) should be adhered to.

- Ksh. 10 million allocated to Vote 3110602 **Overhaul of Water supplies and Sewerage** should be increased to Ksh. 25 million and be re-allocated to a new programme to be known as spring protection and water pans and purchase of pipes. This should be financed by re-allocating **Ksh. 15 millionfrom Ksh. 209,400,000** that had been budgeted for Capital grants to semi-autonomous government agencies and should be distributed in all the wards as in Annex 1

Total amount saved is **Ksh. 150,000**

5.2.9

5.2.10 EDUCATION, VOCATIONAL TRAINING, YOUTH AND SPORTS

The committee recommends that adjustments be made on various items as follows;

- That out of Ksh. 148,720,000, Ksh. 73,720,000 should be allocated for construction of new ECD Centres. The balance of Ksh. 75 million should be allocated for construction of temporary ECD classrooms in all the wards with each ward being allocated Ksh. 3 million to be implemented as scheduled in Annex 1;

- That **Ksh. 30million** on vote 3110202 **Infrastructure development and expansion** meant for Technical colleges be equitably distributed in all the wards except Chebchabas ward which has no space for construction of Technical college and should be distributed as scheduled in Annex 1;

- That Ksh. 10million on vote 3110901 Furniture in ECD be distributed in all the wardsto be implemented asscheduled in Annex 1;

5.2.11 ROADS, PUBLIC WORKS AND TRANSPORT

The committee recommends that adjustments be made on various items as follows;

- That **Ksh 31, 500,000** be reduced on vote **2220201 for maintenance of plant, Machinery and equipment** (including lifts)
- That Ksh 1 million be reduced on vote 3111112 for Roads safety
- That Ksh. 5.5 million be reduced on vote 3110701 Purchase of motor vehicle
- That **Ksh 131 millionbe** reduced on vote 3110499 for construction of Roads. Ksh. 6 million be used for consultancy and the balance of Ksh 125 million be distributed as scheduled in annex 1, opening up of new roads and culverts;

- That Ksh. 25 million on vote 3110501- Allocation for Culverts and Foot bridges be distributed in all the wards as scheduled in annex 1;

The total amount saved from the department is **Ksh.38 million**

5.2.12 TRADE, ENERGY, TOURISM AND INDUSTRIALISATION

The committee recommends that adjustments be made on the following items;

- Ksh. 8 million meant for Capital grants to Semi-autonomous government agencies should be suspended forthwith and the programmes under which be implemented by the parent department pending necessary legislation and approval of its establishment thereof.

5.2.13 COUNTY ASSEMBLY

Mr. Speaker sir,

The committee recommends that adjustments be made on the following items;

- That Ksh 2 million be reduced on vote 22100802 Board allowance
- That Ksh 15,252,674 be reduced on item "Gratuity 2013/14/15"
- That Ksh 12,324,834 be reduced on item "Gratuity"
- That Ksh 9 million be reduced on Vote 2430103 Pension Scheme Staff
- That Ksh 1 million be reduced on item "Operations expenses for the Board"
- That Ksh 205,869 million be reduced on item "Advertising and Awareness"
- **That Ksh 1 million be reduced** on Vote 2210599 **Media and Communication**
- **That Ksh 1 million** be reduced on Vote 2210704 Hire of training facilities/fees-staff
- That **Ksh 2 million** be reduced on item "**office of the Speaker**" under Hospitality Supplies and services and be renamed "**Members welfare**".
- That **Ksh 2 million be increased** on Vote 2210801 Official Entertainment celebration of official ceremonies
- That **Ksh 2.2 million** be increased on Vote 3110701 Purchase of Uniform clothing
- That **Ksh 20,934,098** be increased on item "**Mortgage and car loan**"
- That **Ksh. 1,021,600** be increased on vote 2210401 Foreign Travel to bring the total on the Vote to Ksh. 7,021,600
- That Ksh. 6 million be increased on vote 2210402 Accommodation to bring the total on the Vote to Ksh. 17,978,400
- That **Ksh 6 million** be reduced on item "**Public participation/Hearing expenses**"
- That Ksh 3,934,098 be reduced on item "Ward administrative exp"
- That item "**Legislative development, drafting and publication**" be deleted
- That **Ksh 100,000** be increased on item "Solar panels"
- That **Ksh 1 million** be increased on item "**perimeter wall (phase one)**"

- That item "Construction of committee rooms/offices" be deleted
- That Ksh 10 million be reduced on item "Construction of speakers residence(phase one)"
- That Ksh. 16 million be reduced on vote 3110302 construction of assembly chamber and be renamed "construction of assembly chamber/committee roms"

Mr. Speaker Sir,

The total proposed budget estimates for the County Government after adjustment shall be as follows;

VOTE TITTLE		SUBMITTED ESTIMATES 2015/16	PROPOSED CHANGES	COMMITTEE PROPOSED ESTIMATES 2015/16 AFTER ADJUSTMENTS
OFFICE OF THE	COUNTY EXECUTIVES	368,353,346	-52,000,000	316,353,346
	ADMINISTRATION	441,288,918	-7,200,000	434,088,918
FINANCE AND ECONOMIC PLANNING		373,374,035	-28,700,000	344,674,035
PUBLIC HEALTH & ENVIRONMENT		155,461,940	-1,500,000	153,961,940
AGRI-BUSINESS, COOPERTIVES AND N		400,530,500	-10,670,000	389,860,500
SOCIAL SERVICES		452,920,539	-45,000,000	432,661,001
MEDICAL SERVICES		810,148,683	-5,750,000	804,398,683
LANDS, HOUSING AND URBAN PLANN		126,220,000	-2,327,000	123,893,000
WATER SERVICES		329,270,000	-150,000	329,120,000
EDUCATION AND VOCATIONAL TRAI		474,632,874	0	474,632,874
ROADS, PUBLIC WORKS AND TRANSP		466,445,404	-38,000,000	428,445,404
TRADE, ENERGY, TOURISM AND INDU		75,853,800	0	75,853,800
COUNTY ASSEMBLY		699,316,038	-86,693,500	612,622,538
TOTAL		5,173,816,077		4,920,566,039

CONCLUSIONS

Mr. Speaker Sir,

I therefore take this opportunity to urge the House to approve the proposed budget by the Budget and Appropriation Committee by adopting this report.