

COUNTY GOVERNMENT OF BUNGOMA



COUNTY ASSEMBLY OF BUNGOMA

SECOND ASSEMBLY, FIFTH SESSION

**BUDGET AND APPROPRIATIONS COMMITTEE
REPORT ON THE FIRST SUPPLEMENTARY BUDGET
FY 2020/2021**



**Clerk's Chambers
County Assembly Buildings
PO BOX 1886,
BUNGOMA, KENYA**

March, 2021

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ACRONYMS

AiA	Appropriation in Aid
BCRH	Bungoma County Referral Hospital
CA	County Assembly
CASB	County Assembly Service Board
CG	County Government
CIDP	County Intergrated Developemnt Plan
CoK	Constitution of Kenya
CPSB	County Public Service Board
ECDEs	Early Childhood Development Education
EU	European Union
FY	Financial Year
JG	Job Group
KDSP	Kenya Devolution Support Programme
KUSP	Kenya Urban Support Programme
PBB	Programme Based Budget
PFMA	Public Finance Management Act
VTCs	Vocational Training Centres
WBPs	Ward Based Projects

CHAPTER ONE

1.0 BACKGROUND:

Mr. Speaker,

On behalf of the members of the Budget and Appropriation Committee and Pursuant to Article 118 (3)(a) of the Constitution of Kenya 2010 and the Standing Order No. 188, which gives the baseline on how the Estimates of Revenue and Expenditure will be dispensed with by the House, I hereby present to this Honorable House the Committee's report on the First Supplementary Budget FY 2020/2021.

COMMITTEE MEMBERSHIP:

The Committee as constituted currently has the following members:

- | | |
|----------------------------|------------------|
| 1) Hon. Jack Wambulwa | Chairperson |
| 2) Hon. Erick Wapang'ana | Vice Chairperson |
| 3) Hon. Joseph Juma | Member |
| 4) Hon. Meshack Simiyu | Member |
| 5) Hon. Joan Kirong | Member |
| 6) Hon. Jane Chebet | Member |
| 7) Hon. Martin Pepela | Member |
| 8) Hon. Paul Wamalwa | Member |
| 9) Hon. Grace Sundukwa | Member |
| 10) Hon. Sospeter Nyongesa | Member |
| 11) Hon. Violet Makhanu | Member |

1.1.1 MANDATE OF THE COMMITTEE:

The mandate of the Committee is derived in accordance to Standing Orders No 188 which states:

(1) There shall be a Select Committee to be known as the County Budget and Appropriations Committee.

(2) The Committee shall consist of a Chairperson and not more than ten other members who are not Chairpersons of any other Committee.

(3) **The functions of the Committee shall be 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 recommendation to the County Assembly;

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

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

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



(4) The County Budget and Appropriations Committee constituted by the County Assembly immediately following the general election shall serve for a period of three calendar years and that constituted thereafter shall serve for the remainder of the County Assembly term.

(5) Eight members of the Budget committee shall constitute a quorum.

(6) The Committee shall invite Chairpersons of all Sectoral Committees to make presentations during the considerations of the budget.

Mr. Speaker, the Budget and Appropriations Committee is further given legal backing under the Public Finance Management Act (PFM) 2012 and the Constitution of Kenya Article 221(4) and (5).

1.1.2 EXAMINATION OF THE FIRST SUPPLEMENTARY ESTIMATES OF REVENUE AND EXPENDITURE

In reviewing the 2020/2021 First Supplementary Estimates which was tabled in this honorable House on 9th February, 2021, the Committee retreated to Kisumu Joventure hotel from 2nd to 9th March, 2021. Further, the Committee invited the County Executive Committee (CEC) Members and Chief Officers from various departments who were to clarify on salient matters that came to the Committee's attention.

The Committee considered the review comments from the Controller of Budget on the FY 2020/21 Bungoma County Approved Budget Estimates as well as sector committees comments as per the interrogation exercise held between 23rd February to 1st March, 2021 as annexed herein.

1.1.3 ACKNOWLEDGEMENT

Mr. Speaker,

The Committee is grateful to the CEC Members and Chief Officers who appeared before the Sectoral as well as Budget Committee and clarified on the areas that seemed unclear.

The Committee is also particularly grateful to the Offices of the Hon. Speaker and that of the Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate in reviewing the 2020/21 First Supplementary Budget.

Mr. Speaker,



I wish to confirm that the recommendations of the Committee in this report were unanimous. It is now my pleasant duty and privilege, on behalf of the Budget and Appropriations Committee, to present to the County Assembly the report of the Committee on the First Supplementary Budget FY 2020/2021 for debate and adoption.

Signed:

HON. JACK WAMBULWA, MCA; KIMAETI WARD

DATE..... 22/03/2021.....SIGNATURE.....

CHAIRPERSON: BUDGET AND APPROPRIATIONS COMMITTEE.

CHAPTER TWO

2.0 ADHERENCE OF THE FY2020/2021 FIRST SUPPLEMENTARY BUDGET TO PREVAILING LEGISLATION

Mr. Speaker,

This is the first supplementary budget for the financial year 2020/2021 as submitted to the County Assembly for review, scrutiny and recommendations to pave way for enactment of the First Supplementary Appropriation Act for FY 2020/2021.

Supplementary budgets are prepared within the following guiding Public Finance Management law:

a) PFMA 2012

135. (1) A county government may spend money that has not been appropriated if the amount appropriated for any purpose under the County Appropriation Act is insufficient or a need has arisen for expenditure for a purpose for which no amount has been appropriated by that Act, or money has been withdrawn from the county government Emergency Fund.

(2) A county government shall submit a supplementary budget in support of the additional expenditure for authority for spending under subsection (1).

(3) In complying with subsection (2), a county government shall describe how the additional expenditure relates to the fiscal responsibility principles and financial objectives.

(4) Except as provided by subsection (5), the approval of the county assembly for any spending under this section shall be sought within two months after the first withdrawal of the money.

(5) If the county assembly is not sitting during the time contemplated in subsection (4), or is sitting but adjourns before approval has been sought, approval shall be sought within fourteen days after it next sits.

(6) When the county assembly has approved spending under subsection (2), a supplementary Appropriation Bill shall be introduced for the appropriation of the money spent.

(7) In any financial year, the county government may not spend under this section more than ten percent of the amount appropriated by the county assembly for that year unless that

A County Assembly has, in special circumstances, approved a higher percentage.

b) PFM Regulation 2015

39.(1) Each Accounting Officer shall within the guidelines of the supplementary budget circular and in conformity with budget guidelines issued by the County Executive Committee Member, prepare revised budget estimates in the format to be issued by the Cabinet Secretary.

(2) Prior to incurring any expenditure under paragraph (1), Accounting Officers shall seek the approval of the County Treasury, and if approval is granted by the County Executive Committee Member, it shall be communicated to the Accounting Officers through a notification which shall be copied to the Auditor-General and the Controller of Budget.

(3) The purpose for which approval is sought for a supplementary budget shall be—

- (a) unforeseen and unavoidable, in circumstances where no budget provision was made; or
- (b) unavoidable, in circumstances where there is an existing budgetary provision which, however, is inadequate.

(4) For purposes of paragraph (3), the following shall not be considered unforeseen and unavoidable expenditure—

- (a) expenditure that, although known when finalizing the estimates of the original budget, could not be accommodated within allocations; and
- (b) tariff adjustments and price increases.

(5) Accounting Officers may seek supplementary budget if the expenditure cannot be met by budget reallocation under section 154 of the Act.

(6) The request for supplementary budget in paragraph (5) shall be presented in a format that facilitates comparison with the original budget and shall contain all the information necessary to enable a decision on the application to be reached and shall include—

2.1 BASIS OF THE 1ST SUPPLEMENTARY BUDGET F/Y 2020/2021

The first supplementary budget was submitted and received in the office of the Clerk on 4th February, 2021 for onward submission to office of the Hon. Speaker for tabling on the floor of the house. The first supplementary budget was occasioned by a number of reasons as follows;

- a) Re-voting and re-appropriation of balances including conditional grants, from the previous financial year 2019/20
 - b) Compliance with the approved CARA,2020
 - c) Revision of the approved projections in Local Revenue and the Appropriation In Aid.
 - d) Regularization of the re-allocations done on specific budget lines.
 - e) Declaration of Pending Bills, and allocation of funds for payment
1. Re-voting balances from FY 2019/20 Kshs. **2, 562,534,120**
 - Equitable shares Kshs. 1,320,961,881
 - Grants Kshs. 1,241,572,239
 2. A reduction of Kshs. 100,090,000 million on the equitable share to comply with CARA 2020.
 3. A reduction in local revenue (Finance Act) projection by Kshs. 200 million.
 4. An increase of Appropriation In Aid in the department of health Kshs. 78,107,280
 5. Additional personnel requirement of Kshs. 168 million across departments.

Department	Amount
Agriculture	73,581,312.00
Water	5,293,422
Roads	8,960,951
Trade	7,389,968
Governor	10,419,490
Public admin	23,158,323
Finance	40,000,000
Total	168,803,466.15



6. Total Pending bills of Kshs. 733,484,226 million has been allocated in the first supplementary budget against an actual requirement of Kshs 1,263,717,220 billion. The breakdown of the pending bills per department is as shown below.

	Department	Rec	Dev	Total	Required
1	Agriculture	23,704,028	81,209,586	104,913,613	107,413,613
2	Water	-	64,859,374	64,859,374	180,369,675
3	Roads	1,843,858	21,412,465	23,256,323	275,521,606
4	Education	2,462,806	233,013,637	235,476,443	240,776,443
5	Health	49,297,582	44,238,214	93,535,796	70,735,796
6	Trade	6,027,720	21,394,208	27,421,928	27,421,928
7	Lands	1,796,240	48,187,423	49,983,663	109,608,099
8	Housing	500,000	190,432	690,432	690,432
9	Gender and Culture	15,942,725	3,200,000	19,142,725	19,142,725
10	Youth and Sports	1,192,920	6,130,166	7,323,086	7,323,086
11	Finance	44,528,375	28,135,043	72,663,418	121,663,418
12	Tourism	0	0	0	27,420,628
13	CPSB	0	0	0	11,616,636
14	Governor's office	9,995,412	0	9,995,412	9,995,412
15	Public Admin	24,222,013	0	24,222,013	47,881,613
16	County Secretary	0	0	0	17,757,685
	Total	181,513,679	551,970,547	733,484,226	1,263,717,220

7. Ward based projects reductions of approximately. Kshs.2.1million per ward in current year allocation.

The total approved allocation was Kshs. 765,000,000. This amount has been proposed for reduction by Kshs. 94,735,058. This translates to Kshs. 14,894,777 down from Kshs. 17,000,000 per ward in the approved budget. The reduction across the department is as shared below.

	Department	Amount
1	Water	14,800,000.00
2	Roads	16,435,058.00
3	Education	22,100,000.00
4	Youth and sports	1,300,000.00
5	Health	11,400,000.00
6	Agriculture	4,500,000.00
7	Lands	900,000.00
8	Trade	16,900,000.00
9	Sanitation	6,400,000.00
	Total	94,735,058.00
	Loss per ward	2,105,223.51



CHAPTER THREE

3.0 DEPARTMENTAL EXPENDITURE HIGHLIGHTS

3.1 AGRICULTURE, LIVESTOCK, FISHERIES AND CO-OPERATIVE DEVELOPMENT

Mr. Speaker,

The department had an approved budget of Kshs. 347,089,477 on recurrent and Kshs.594,844,820 on development.

The supplementary estimates has a net increase of Kshs. 111,458,164 on recurrent and a net addition of Kshs. 66,691,803 on development.

The changes in the budget are as detailed below:

3.1.1 Agriculture and Irrigation

Recurrent;



The Basic salary had an approved allocation of Kshs. 215,521,489 (Agriculture and Irrigation Kshs. 110,571,050, Livestock and Fisheries Kshs. 92,941,936 and Cooperatives Kshs. 12,008,503). In the supplementay budget, a request of Kshs.73, 581,312 has been proposed in order to cover for a salary deficit in the sub-department of Agriculture and Irrigation. The increase is meant to cater for the new employees whose recruitment commenced in March 2020 and joined the workforce in the month of August yet missed out in the Annual budget done in June 2020. Details of the new entrants were not provided by the department and in addition, reasons for not capturing the budget for the vacant positions to be filled in the FY 2020/21 were not availed.

The department provided an extract of payroll for the month of January that shows a gross payment of Kshs. 25,495,886.50 per month translating to Kshs.305,950,638 personnel requirement for a whole year.The payroll however, did not separate the staff under each of the sub-department yet while budgeting and as per PFM reg. 120(2), each employee should be linked to a program in the budget of a county government entity's vote. This committee thus did not

approve the additional funding of Kshs. 73,581,312 because it does not qualify to have been unforeseen during the preparation the annual budget for the FY 2020/21. PFM Regulations 119 elaborates on expenditures in relation to Human Resource with 119(2) stating:*The budgetary allocation for personnel costs shall be determined on the basis of a detailed costing of a human capital plan of a county government entity as approved by the responsible county department for public service management matters, the County Public Service Board and County Treasury.* **119(4) states:***The responsible county government department for Public Service Management matters, CPSB, shall only approve establishment of new public service positions after getting confirmation of availability of budgetary provision from the County Treasury.* In view of this laws, it was illegal for the department to issue out appointment letters yet they had not captured funds in the budget to fill the vacant positions.

Field allowance, trade shows and exhibitions has a reduction of Kshs. 1million and Kshs 3 million respectively due to the revenue loss.



Contracted professional and technical services has an increase of Kshs. 3million for preparation of the Agribusiness strategy.

Temporary committees has an increase of Kshs 6 million to provide for farm input vetting committees' facilitation in the 45 wards.

The supplier for credit has an allocation of Kshs. 23,704,028 to cater for pending bills and outstanding commitments. A detailed list of the pending commitments has been provided for Kshs. 20,265,158 hence Kshs 3,438,870 should be reallocated to the development pending bills to reduce the deficit.

Prefeasibility, feasibility and appraisal studies with an allocation of Kshs 1.5million has additional Kshs. 6million to fund CIDP mid- term review of departmental programs and stakeholders engagement of the sector plan.

Development;

Mr. Speaker,

NARIGP grant has a balance brought forward of Kshs.198, 697,581 from the FY 2019/20 and also a reduction of Kshs. 148,789,450 on the current year allocation as per CARA 2020.

Supplier for credit has an allocation of Kshs. 83,709,585 for development pending bills against outstanding commitments worth Kshs. 147,904,019.49. The major pending bills relates to; Supply and delivery of certified fertilizer Kshs. 29.2million, supply and delivery of certified seeds Kshs. 20.2 million, Supply and delivery of coffee seedlings Kshs. 4.9million, Construction of Bumula DFCs milk cooler House Kshs. 3.6million, Construction works of coffee beans store and fencing at Kimukungi Kshs. 8.6million, Construction of Chesikaki warehouse Kshs. 5.3 million, Completion of Musese warehouse Kshs. 7.8million, Completion of Chwele slaughter house Kshs. 5.7million and construction of a dairy processing plant at Kshs. 37.2million. The Kshs.37.2 million for the Dairy processing plant has an allocation in the current budget hence the correct pending bills figure is Kshs.110.7million and not Kshs.147million. In allocating funds on the supplier for credit vote, pending bills relating to the 3 sub- sectors were lumped together under the Agriculture and Irrigation sub- sector,yet each of the sub- sector has distinct budgets with accounting officers hence they should be separated in subsequent budgets.

Purchase of certified crop seed with an allocation of Kshs. 56,358,028 has been reduced by Kshs. 16.1 million by the department while purchase of fertilizers with an allocation of Kshs.86, 074, 180 has a reduction of Kshs. 17,974,739. The department in its submission indicated that procurement of the strategic stock had already been done and the reduction due to the revenue loss will affect payment of this essential commodity..

Purchase of animal and breeding stock with an allocation of Kshs. 453,261 has a cut of Kshs. 237,309.

Ward based projects with an approved allocation of Kshs.15,714,000 has been scaled down by Kshs. 4.5 million. The breakdown of the proposed jobs are detailed below but the extend to which the reduction has affected the projects has not been provided.The committee reinstated the funds to ensure execution of the projects in the wards.

Ward	Project name	Amount
Bukembe East	Set up Auction Ring	200,000.00
	Proposed purchase of dairy cows	3,000,000.00
Bukembe West	Tree planting	500,000.00
	Purchase of dairy cows	3,000,000.00
Kapkateny	Purchase of machines for Kapsacho factory	3,000,000.00
Mbakalo	Rehabilitation of Karima, Makunga cattle dips	1,500,000.00
Mukuyuni	Coperatives, Sichei, chenjeni and Kibisi	1,500,000.00
Malakisi/south kulisuru	proposed distilling and fencing of lukala dam	3,000,000.00
TOTAL		15,700,000.00



3.1.2 Cooperatives Development

Mr. Speaker,

On recurrent, the department had an additional Kshs.2million on the Kshs.1.2million meant for temporary committees to fund CIDP midterm review of department, relying on the sector committee report, Kshs. 3million was added to the vote to ensure stakeholder participation on the CIDP review.

On development, the Rehabilitation of 3 Coffee factories – Lukusi, Kapkosoobei and Misikhu at a cost of Kshs. 15,164,938 has been dropped in this supplementary due to the revenue loss.

Purchase of coffee seeds and seed tubes which had an allocation of Kshs. 3,626,085 has a reduction of Kshs. 1,353,970.

Purchase of agricultural machinery and equipment for Mabanga which had an allocation Kshs. 3,172,824 has been dropped.

3.1.3 Livestock and Fisheries

Prefeasibility, feasibility and appraisal studies has an additional Kshs.1.1million on the approved Kshs.1.5million for feasibility study of Chwele chicken slaughter house.

Supplies for production with an approved allocation of Kshs. 4,079,345 has a reduction of Kshs 3,308,605.

Establishment of a dairy processing plant allocation of Kshs. 40,340,190 has a reduction of Kshs. 2,589,042. The department submitted that only Kshs. 27.7million will be absorbed in the last quarter of the current FY2020/2021, hence the sector committee proposed the amounts to be redistributed on other votes as highlighted under the increases column.

3.2 EDUCATION AND VOCATIONAL TRAINING

Mr. Speaker,



The total approved budget for the department was Kshs. 1,493,993,354, comprising of Kshs. 1,167,649,602 recurrent and Kshs. 326,343,752 development.

Reverting of the balances brought forward from the previous financial year being one of the reasons for the preparation of the first supplementary budget, the department had balances totaling to Kshs. 356,579,714. The amount is broken down into equitable share of Kshs. 329,615,565 and conditional grant of Kshs. 26,964,149.

The FY 2019/20 grant for VTCs was Kshs.53,928,298 where Kshs. 28,073,046 was planned for construction of the 6 VTCs (Sinoko Kshs.7million, Lwandanyi Kshs.3million, Cheptais Kshs.6.6million, Sosio Kshs.6.9million,Muteremuko Kshs. 4million,Stabicha Kshs.457,000) and Kshs.26,964,149 for tuition payment which has already been disbursed to 35 VTCs; the schedule of payment was availed.

The overall changes proposed in the department has seen its total recurrent approved allocation reduced by Kshs. 52,994,232. However, the approved budget for development has a proposed increase by Kshs. 170,267,938.

Mr. Speaker, it should be noted that the department has not requested for any additional funding in this supplementary in regards to personnel budget; details of the payroll for the 3 months were shared showing; the names, job group, year of birth, gender and the gross pay per staff. A summary is indicated below with discrepancies shown on the number of staff paid in the 3 months.The total pay in the month of January was also not provided:

Month	No. of Staff	Total amount Paid
Nov-20	2398	76,325,385.00
Dec-20	2405	86,636,483.00
Jan-20	2399	

The proposed changes by the department in the first supplementary budget on recurrent budget includes; reduction on domestic travel with an allocation of Kshs. 37million by Kshs. 5million; allocation on foreign travel by Kshs. 1.2million dropped; reduction on purchase of furniture and fittings by Kshs. 45million. Its worthy noting that purchase of furniture and fittings at Kshs. 45 million(1million per ward) was meant to equip ECDE classrooms across the county to enable pupils learn in a conducive environment.The department was tasked to explain why such a key devolved function was not implemented by the 3rd quarter of the FY and they attributed the delay to a challenge in designing the standard specifications.

On Scholarship and bursary allocation of Kshs. 124million, the department has proposed a reduction by Kshs. 14.3million with Kshs.10.5million lost due to the unrealized revenue while Kshs 2.5million will be for procuring a new fund management system.

Mr. Speaker,



The department has increased allocation on fuel by Kshs. 1 million to enable it operate smoothly. Purchase of a motor vehicle which had no allocation in the current budget has been allocated Kshs. 6.5 million. A proposal has also been made to increase allocation on Contracted professional and Technical services from Kshs. 500,000 to Kshs. 3million to enable the department develop a fund management information system.

The development budget component has seen the allocation on Ward based projects reduced by Kshs. 22.1million; this amount was reinstated by this committee since implementation of the projects is ongoing.

Construction of Vocational Training Centres workshops with an allocation of Kshs. 90million i.e 2million per ward has a reduction of Kshs. 50.9million. Submissions fom the CECM Education shows the program is at BQs preparation stage, in view of the remaining period to the end of the FY the department might not absorb the amount hence the committee reallocated the balance of Khs. 39.05million to reduce the pending bills deficit.

Construction of Centres of Excellence with an approved allocation of Kshs. 29,104,858 has seen a reduction of Kshs 16.6 million affecting the allocations on the 3 VTCs as follows:

	VTC	Approved allocation	Proposed reduction	1st Supplementry estimate:
1	Chwele VTC	16,317,380.00	9,152,664.00	7,164,716.00
2	Lukhokhwe	3,269,006.00	1,510,289.00	1,758,717.00
3	Matulo	9,518,471.00	6,004,502.00	3,513,969.00
		29,104,857.00	16,667,455.00	12,437,402.00

The department has allocated Kshs. 2,462,806 towards recurrent pending bills and Kshs. 233,013,637 for payment of development pending bills. The breakdown for the development pending bills is detailed below:



FY	AMOUNT
2017/18	32,223,417.06
2018/19	43,751,158.00
2019/20	114,952,065.20
Total ward based projects pending bills	190,926,640.26
Construction of Chwele VTC	30,000,000.00
Total Pending bills	220,926,640.26
Allocation	233,013,637.00
Deficit/surplus	12,086,996.74

The surplus of Kshs.12.08million with an additional Kshs.18million were reallocated to other departments owing to the slow absorption of development funds in this department. Construction of Chwele VTC with an allocation of Kshs. 30million in the FY 2019/20 has reported no expenditures yet it has additional allocation of Kshs. 16.3million though reduced to Kshs.7.1million in the current FY.

3.3 ROADS, INFRASTRUCTURE AND PUBLIC WORKS

Mr. Speaker,

A total of Kshs. 1,456,422,877 comprising of a recurrent allocation of Kshs. 169,551,673 and Development allocation of Kshs. 1,286,871,204 was appropriated for implementation of programmes in the department, prior to the proposals in this first supplementary budget.

The department had a total of Kshs. 316,141,668 as balances brought forward from the previous financial year that has been proposed for revoting in the supplementary budget. Balances on equitable share was Kshs. 152,102,676 while the Roads Maintenance Levy Fund had a balance of Kshs. 164,038,992.

The department has a proposed overall positive change of Kshs. 72,300,655 in the proposed first supplementary budget. This change has led to the recurrent approved allocation increasing by Kshs. 9,955,983 while the development allocation has increased by Kshs. 62,344,672.

Mr. Speaker,



In the recurrent component, the department has proposed to increase the allocation on salaries by Kshs. 8,960,951 to enable it offset the deficit on the vote line. The payroll for the department was shared giving the positions, job groups and the gross pay for the 3 months but the names of the position holders were not provided hence the increment was not granted.

Month	No of staff	AMOUNT
Nov-20	63	6,024,890.00
Dec-20	63	6,946,493.40
Jan-20	63	5,949,570.00

The development component has various budget lines proposed for reductions to contribute towards share of losses occasioned by reductions in projections for both the equitable and local revenue. Equipping of Fire Station which had an approved allocation of Kshs. 12,934,348 has been reduced by Kshs. 8,201,225; Overhaul of roads which was meant for construction of Misikhu-Brigadier and Dual Carriage roads with an allocation of Kshs. 450 million is proposed for reduction by Kshs. 9,955,983. It was further established that Kshs. 343 million was paid

towards Sang'alo junction-Kanduyi dual carriage road and a total of Kshs. 96 Million paid on Misikhu-Brigadier road.

Ward based projects in the department with an allocation of Kshs. 410,349,355 has a proposed reduction of Kshs. 16,435,058. The amount was reinstated by the committee to avoid creation of pending bills at the end of the FY.

The Framework based roads programme which had an approved allocation of Kshs. 140 million for maintenance of specific roads within the county has been reduced by Kshs. 85,935,419 due to the revenue loss.



Further, Mr. Speaker, the department has proposed an allocation of Kshs. 1,843,858 towards payment of recurrent pending bills and Kshs.21,412,465 for payment of development related pending bills. It was however established that the department did not disclose all the pending bills since from their submissions the actual development pending bills were totaling to Kshs. 309,541,036.15 comprising of; Kshs. 24,136,475.70 for the FY 2017/18, Kshs. 106,600,852.60 for the FY 2018/19 and Kshs. 178,803,727.85 for the FY 2019/20. The bills relates to; box culverts, fire stations and ward based projects. In their submissions, the CEC-M and Chief Officer informed members that they declared all the pending bills worth Kshs. 309million yet the county treasury allocated Kshs. 21million only. Notably, in the FY 2019/20 first supplementary budget, a total of Kshs. 334million was appropriated to clear 2017/18, 2018/19 pending bills through the intervention of this hounourable house yet its not clear why pending bills for the two financial years remains outstanding.

The department does not conform to the PFM laws where pending bills are a first charge with funds worth Kshs. 101million previously meant for pending bills reallocated to the Dual carriage and Misikhu brigadier. The committee allocated Kshs.40million to reduce the ward based outstanding committments.

In view of the supplementary estimates, the department should scale down its scope of works especially in relation to the framework contracting to avoid creation of more pending bills.

3.4 HEALTH

Mr. Speaker,

The department's approved budget was Kshs. 3,194,759,522 on recurrent and Kshs. 251,214,726 on development.

The department has an increase of Kshs. 369,146,931 on recurrent and Kshs. 89,599,101 on development.

The increase on recurrent has been noted on the following items:

- World-bank grants for transforming health system for universal care has a balance brought forward worth Kshs. 95,298,051
- Re appropriation of Covid-19 grant of Kshs. 213,714,000
- Domestic travels and subsistence Kshs.3, 337,298
- Training expenses Kshs. 1million
- Hospitality supplies and services Kshs. 6,500,000
- Supplier of credit Kshs. 49,297,582



The following development items have been put on hold due to the revenue loss hence they should be prioritised in the FY 2021/22 allocations:

- a) Purchase of medical equipment has a reduction of Kshs. 44,123,610 on the Kshs. 79,576,893
- b) Construction of non-residential building has its allocation reduced from Kshs. 104,260,150 to Kshs. 48,758,001
- c) Refurbishment of non-residential building has a reduction of Kshs. 9,737,590 down from an allocation of Kshs. 16,383,322.
- d) Other infrastructure and civil works has a reduction of Kshs.2,488,940

Mr. Speaker,


The development projects affected by the reduction of Kshs 105million are as listed below:

- Completion of a ward at Chemwa dispensary

- Renovation of: Kaborom dispensary, Miluki Renovation of Ngalasia, Ndal Health centre, Kanga'ng'a dispensary, Rwanda dispensary and Kolani dispensary.
- Construction of: maternity ward at Lukhokwe dispensary; surgical ward in Naitiri Hospital; theatre at Mechimeru Health Centre; Maternity Wing at Mukhe dispensary; Talitia dispensary; staff house at Mihuu dispensary; ward at Kabula dispensary; ward in Mt. Elgon Hospital; Chwele Hospital; Cheptais Hospital; Renovation of Webuye mortuary
- Construction of: Maternity Wing at Mukuyuni dispensary; Renovation of Sango-Kabuyefwe dispensary.
- Construction of the blood bank at BCRH at Kshs. 10million, a county project which this committee reinstated since this is a key project/requirement for a referral hospital to function properly and also to bring an end to the lives lost due to lack of a blood bank.

Ward based projects allocation of Kshs 46,754,000 in the current FY has a reduction of Kshs.11, 400,000 an amount that has been restored since the funds had already been committed.

Additional allocation has been done on the following voteheads:

- The supplier for credit has an allocation of Kshs.44, 238,214 with a list of the pending bills attached. 
- Pending bills for the ward based projects has an allocation of Kshs. 140,106,887.
- Other capital grants (NHIF grant) has a balance brought forward of Kshs. 27,162,141.

The hospital budgets has an additional allocation of Kshs 77.6million fom AIA and Kshs. 18.8 million from the equitable share allocated as follows;

	Hospital	AIA	Equitable	
	BCRH	26,987,942.00	10,800,000.00	37,787,942.00
	Webuye	6,796,046.00	6,000,000.00	12,796,046.00
	Kimilili	9,741,689.00	-	9,741,689.00

	Mt. Elgon	196,300.00		196,300.00
	Naitiri	558,265.00	2,000,000.00	2,558,265.00
	Bumula	6,145,469.00	0	6,145,469.00
	Chwele	1,558,426.00		1,558,426.00
	Sirisia	8,429,655.00		8,429,655.00
	Cheptais	1,884,028.00		1,884,028.00
	Bokoli	8,893,248.00		8,893,248.00
	Sinoko	-		-
	Public health	6,483,050.00		6,483,050.00
	TOTAL	77,674,118.00	18,800,000.00	96,474,118.00

The committee made a reduction of Kshs 3.5million on the 21.9million electricity allocation at BCRH.

3.4.1 SANITATION

The department had Kshs 2,436,825 on recurrent and Kshs. 13,799,798 on development in the approved budget. There are no changes reported on the recurrent budget while development has a reduction of Kshs. 10,290,9222 among it Kshs. 6,400,000 for the ward based projects. The ward based allocation was restored by the committee.

3.5 TRADE, ENERGY AND INDUSTRIALIZATION

Mr. Speaker,

The total approved budget for the department of Trade, Energy and Industrialization was Kshs. 125,376,860 comprising of Kshs. 56,876,228 recurrent and Kshs. 68,500,632 development.

The department had equitable share balances brought forward from the previous financial year of Kshs. 22,912,340.



The overall changes proposed in the department has seen its total approved recurrent allocation increased by Kshs. 11,500,000. However, the approved development allocation has been proposed for reduction by Kshs. 35,258,424.

The changes proposed by the department in the first supplementary budget on recurrent programmes are among others; increase of Kshs. 5million towards electricity expenses; Domestic travel increased by Kshs. 3million while purchase of electrical equipment is proposed for increase by Kshs. 4million.

Subsequently, the development vote lines affected includes a proposal to reduce the allocation on ward based projects by Kshs. 16,900,000 as well as dropping the allocation of Kshs. 21.5million on purchase of Lighting equipment

Mr. Speaker,

The department has allocated Kshs. 6,027,720 towards recurrent pending bills while development pending bills has Kshs. 21,394,208 against an actual of Kshs. 31,236,728 pending bills that are development in nature. The schedules for both recurrent and development pending bills were provided to the committee for confirmation.

In consideration of the sector committee recommendations, this committee upheld the proposed changes on recurrent budget with an additional proposal to move Kshs 1.5 million from basic salary vote to staff promotion vote in order to complete the promotion exercise, but made some amendments on the proposed changes on development. The proposed reduction of Kshs. 21.5million meant for purchase of Lighting equipment was declined by the committee and the

allocation reinstated due to the fact that most market centres in the county still require lights installation and general repairs to the existing installed ones.

The reduction on the approved allocation towards ward based projects in the department of Kshs. 16.9million was declined by the committee and the funds reinstated.

3.5.1 LANDS, URBAN/ PHYSICAL PLANNING

Mr. Speaker,

The department had a total budget estimate for the FY 2020/21 of Kshs 87,997,721, Kshs 57, 295,485 on Recurrent with a net increase of Kshs 641,194 and Kshs 30,702,236 on Development.

The following changes have been made under the recurrent estimates;

Basic salary has a reduction of Kshs 3,930,213 where Kshs. 2, 598, 973 was due to losses in revenue due to the county and Kshs.1, 331,240 to cater for pending bills.

A reduction of Kshs 100,000 from Electricity Expenses, with Kshs.50, 000 reallocated to water and sewerage services and Kshs 50,000 on catering services, receptions.

There is an additional Kshs 910,435 on Daily subsistence allowances and accommodation to curb shortage on the vote.

Subscription to newspapers has a reduction of Kshs 84,000 reallocated to catering services and reception.

Committees boards and conferences has an increment of Kshs 1,629,732 to cover for the shortage on the vote.

The recurrent pending bills has an allocation of Kshs. 1,796,240 with the list of outstanding payments attached and fully catered for.

Mr. Speaker,

The department's proposed changes on Development include:

Supply for credit had an allocation of Kshs 49,187,423 to pay pending bills against a total outstanding pending bills worth Kshs. 56,150,385. The pending bills have not been fully provided for leaving a deficit of Kshs. 6,962,962. Among the pending bills is Kshs.33 million for Chepkube land to clear the outstanding payment on the transaction. The ward based projects has pending bills totalling to Kshs. 48,219,474 from the the FY 2017/18 to FY 2019/20. The CECM and Chief officer Lands submitted that the payment towards acquisition of land meant for ward based projects can not be done due to lack of valuation rolls to complete the process. The department has engaged the services of both a government and private valuer but due to an outstanding amount of Kshs. 1.5million to settle the valuers, the reports can not be released to the department. To unlock this impasse, this committee has allocated Kshs.2million on preafisibility and appraisal vote in order for the payment to be done to the valuers and reports submitted as planned. The committee has also reduced the ward based projects pending bills by Kshs. 6million.

Development /physical planning and purchase of survey equipment has the entire allocation of Kshs 3,348,203 and Kshs. 4,470,610 respectively removed in order to sort out pending bills.

Acquisition of Land vote with an approved allocation of Kshs. 18,130,423 allocated for payment of Chepkube land has seen a reduction of Kshs. 9,130,423 since the outstanding amounts has been captured under the supplier of credit vote. Ward based projects has a reduction of Kshs. 900,000 the amount has been restored for the ongoing projects.

3.5.2 Bungoma Municipality

The approved budget was Kshs., 14,831,158 on recurrent and Kshs. 109,887,700 on development.

The supplementary estimates has an additional Kshs.8,500,118 which is a balance brought forward on the KUSP recurrent.

The Board had pending bills worth Kshs.300,000 which have been sorted within its own budget through reallocation on the votes.

The development budget has a balance brought forward of Kshs.118, 198,774 to fund the ongoing KUSP programmes.

The projects status are as highlighted below:

	Project	Value of the projet	Actual expenditue	Implementation status
1	Upgrading of wings to Wambiya road	52,870,749.12	17,655,485.00	55%
2	Upgrading of Marell road and other roads	48,255,065.40	27,730,800.80	60%
3	Kanduyi-Makutano Road	52,880,518.00	52,837,552.10	100%
4	Shariff centre-police-prison-khetia stores	48,389,766.76	48,327,252.20	100%
		202,396,099.28	146,551,090.10	



3.5.3 Kimilili Municipality

The Board had an approved budget of Kshs. 12,831,159 on recurrent and Kshs. 191,089,400 on development.

The recurrent vote has an increment of Kshs. 7,808,110, Kshs. 7,573,639 is amount brought forward from the FY 2019/20 as KUSP recurrent grant.

The KUSP development grant brought forward was Kshs. 223,386,003.

The status of the projects are detailed in the table below:

	Project	Contract Sum	Actual payment	
1	Upgradig of DC(c33)to Kimilili mkt	70,103,590.45	70,090,217.00	completed
2	upgading of Riziki to DC (c33) to slaughter house	88,082,969.81	88,055,038.00	completed

3	Upgrading of Monday mkt and business park	159,264,700.00	76,266,345.46	ongoing
4	Upgrading of KIE Chetambe Road	49,136,782.00	34,959,384.30	ongoing
5	Consultancy services for feasibility studies and detailed designs for proposed roads and mkts	13,900,000.00	5,826,975.85	ongoing
	TOTAL	380,488,042.26	275,197,960.61	

This supplementary budget will also have the personnel emoluments of staff seconded to the municipalities retrieved from the various source departments and voted under municipalities in order to comply with the conditions of the grant.

3.5.4 HOUSING

Mr. Speaker,



The approved allocation was Kshs. 21,301,631 and Kshs. 2,719,563 on recurrent and development respectively.

The supplementary budget has a reduction of Kshs.1,141,045 on recurrent and Kshs.1,667,661 on development this amounts were reinstated due to the meagre budget of the department.

The basic salaries has a reduction of Kshs. 3,648,245 and Kshs. 350,000 on motor vehicle insurance. The increment of Kshs.520,000 has been done on committee boards and conferences, and Kshs. 200,000 on water and sewerage service. There is allocation towards pending bills worth Kshs. 500,000 on recurrent and Kshs. 190,432 on development.

The committee notes that the budget of this department is very minimal hence restored all its reduction and made an additional Kshs.4 million to complete the Housing Bill.

3.6 TOURISM AND ENVIRONMENT

Mr. Speaker,

The department had an approved budget of Kshs 198,275,801 on recurrent and Kshs. 16,882,637 on development.

The supplementary budget has a net increase of Kshs. 43,852,275 on recurrent and a net reduction of Kshs. 16,882,637 on development.

The following changes have been proposed in the supplementary:

Basic salary has a reduction of Kshs. 753,574 on the approved Kshs. 24,334,574.

Domestic travel has a reduction of Kshs. 1.1million on the Kshs 7.4million allocation.

Hospitality supplies and services has a reduction of Kshs.1million on the Kshs 7.5million.

Contracted Guards and cleaning services has an additional allocation of Kshs 49,055,849 on the approved Kshs. 144million. This is due to the increase in the number of the markets to be cleaned, from 29 to 50 markets.



Prefeasibility, feasibility and appraisal studies has a reduction of Kshs. 1million on the Kshs 7 million.

On development, the department had only one project- the ongoing dumpsite development and management with an allocation of Kshs.16,882,637 which was dropped in this supplementary. The committee resolved to reinstate the allocation to avoid stalling the project.

3.6.1 WATER AND NATURAL RESOURCES

Mr. Speaker,

The department has an approved allocation of Kshs. 62,663,989 on recurrent and Kshs.276,401,104 on development. The supplementary budget has a net increase of Kshs. 25,235,448 on recurrent and a net reduction of Kshs. 41,232,171 on development.

Mr. Speaker, the proposed changes are as follows:

Basic salary has an increase of Kshs. 5,293,422 on the vote to cover up deficit.

Plant, equipment and machinery insurance has an additional Kshs. 1,500,000 for insuring the rig.

Maintenance of water projects has Kshs. 2million. The committee made an additional Kshs 3million to enable maintain more water projects that ceased operating.

Maintenance of motor vehicle has a reduction of Kshs. 1.3million from the Kshs 10.5million for the rig.



Engineering & design plans and prefeasibility and appraisal (KOICA FUNDING) has Kshs 2,159,516 and Kshs. 17,050,146 respectively reallocated from development to recurrent since their operations are recurrent in nature.

Mr. Speaker, the development vote has had the following changes:

Purchase of workshop tools, spares and small equipment with provision of Kshs. 12,673,165 has a reduction of Kshs.6, 111,600 due to revenue loss.

Extension of Chesikaki water project to Sirisia and Bumula Sub-county which had an allocation of Kshs.36, 260,845 has a proposed reduction of Kshs.17, 183,688.

Supplier for credit allocation is Kshs. 64,859,374 to cater for development pending bills.

Ward based projects with an approved budget of Kshs.86, 193,645 has seen a reduction of Kshs. 14,800,000. The committee restored the amount since the projects had already been committed.

Rehabilitation and augmentation of Kaberwa, Maeni, Kamenyu and Chesamisi & Kamukuywa water supply with an approved allocation of Kshs. 36,064,613 has a proposed reduction of Kshs.17,080,948.

Purchase of tree seedlings and seedlings (EU FUNDING) has a reduction of Kshs. 27,434,085 on the Kshs 80 million to reflect the CARA 2020.

3.7 GENDER AND CULTURE

Mr. Speaker,

The department had an allocation of Kshs. 100,171,362 on recurrent and Kshs. 5,925,674 on development.

The 1st supplementary has a net reduction of Kshs 13,767,273 on recurrent and Kshs. 1,793,545 on development.

The allocations on personnel emolument has a reduction of Kshs. 14,676,555 with Kshs. 7 million reallocated to the Youth and Sports to pay salaries.

The allocation of Kshs 13million for KICOSCA/EALSCA has been reduced by Kshs 2.5million and a look at the vote book shows Kshs.9 million has been expended on the vote yet the activity has not been done.The budget for purchase of KICOSCA uniforms has the entire amount of Kshs 2million removed.

The department has also allocated Kshs. 15.9million towards settlement of pending bills however, the details of the unpaid suppliers were not provided hence the committee declined the allocation.



Gender disability mainstreaming with an allocation of Kshs.4million has the whole amount removed due to the revenue loss.

Development expenditures has a reduction of Kshs. 4,993,545 on the Kshs. 5,925,674 allocated for the construction of Sang'alo multipurpose hall. The status of the project was not shared.

3.8 YOUTH AND SPORTS

Mr. Speaker,

The department had an approved budget of Kshs.34, 936,000 on recurrent and Kshs. 183,466,379 on development budget.

The 1st supplementary estimates has an additional Kshs. 26,999,698 on recurrent and a net reduction of Kshs.24, 167,289 on development.

The increment on recurrent budget is as follows:

Payment of staff salary has an increase of Kshs. 7million which is a new item since previously, salaries for the youth and sports staff was budgeted for and paid under Gender and culture. Since the half year expenditures had already been incurred under the Gender and Culture department personnel vote, this Committee was furnished with a copy of the staff list and their emoluments for 6 months totaling to Ksh. 6,821,412 and Ksh. 179,000 to take care of the salary increments.

Domestic travels and subsistence vote has an increment of Kshs 7million with Kshs. 3million to be spent on talent development search and Kshs. 4million additional expenditure incurred on the sports tournament in wards.

Hospitalities supplies and services has an increase of Kshs. 7,644,166 to be spent on talent development search.



Under other operating expenses, the vote on temporary committee expenses which had an approved allocation of Kshs. 1.7million has an increase of Kshs. 4million to be spent on talent development search.

From the sectoral report, the department elaborated that the additional Kshs. 18million was to fund the following activities;

Ksh. 4million was meant for Ward Games; this was to pay the debt that had been borrowed from Public Administration department. The committee declined this allocation since inter-departmental borrowing is not allowed as it contravenes PFM Act 149 and the reallocation of the funds was done without the approval of the county treasury.

Kshs. 10million was for the Talent Development programme; a concept paper for the programme was submitted to the Committee. The programme was however declined by the committee in reference to PFM reg.39 (8) where budget allocations for new policy options and service delivery initiatives shall only be considered when introduced in the annual estimates of budget.

Kshs. 3million for office operation and Kshs. 1million for catering services.

Maintenance of computers, software and networks has an additional allocation of Kshs.162, 612.

There is also a new item on supply for credit vote to cater for recurrent pending bills worth Kshs. 1,192,920. But from the list of pending bills provided by the department, the total recurrent pending bills is Ksh 1,411,920 hence a deficit of Ksh. 219,000. The Committee recommended all the pending bills to be offset in this supplementary budget therefore the proposed allocation to be increased by Ksh. 219,000.

The development vote has a net reduction of Kshs 24,167,289 with the following changes:

Supply for credit has an increase of Kshs.6, 130,166 to cater for development pending bills (list of the pending bills was provided).

Ward based projects has a reduction of Kshs. 1,300,000; that was meant for the construction of metallic stand at Mbakalo Stadium. This is the only ward based project in the department therefore the amount was retained.

Completion of phase 2 of High altitude centre with an allocation of Kshs. 20million has a reduction of Kshs.14, 853,398. This committee rejected the reduction by Ksh14,853, 398 since the amount had already been committed with the contractor having done the works awaiting payments. As per the fact finding report on the status of phase 2 of the High Altitude center, which was adopted by this house, phase two of the High Altitude centre needs Kshs 18million for its completion. This is a project that was initiated in 2014 hence need to be completed.

Masinde Muliro Stadium and Nalondo Stadium has a reduction of Kshs. 4,144,057 and Kshs 10million respectively. From the submission of the Chief Officer, the Nalondo Stadium contract had been awarded and the contractor had already taken over the site hence the amount was restored.

In consideration of the remaining period, this committee allocated Kshs 36.4 million towards completion of Masinde Muliro stadium in addition to the 40 million for outstanding certificates.

3.9 FINANCE AND ECONOMIC PLANNING

Mr. Speaker,

The total approved budget for the department was Kshs. 1,008,077,79 for recurrent programmes only. The headquarter office had a total approved allocation of Kshs. 825,656,248 while directorates had a total of Kshs. 182,421,547 allocated towards implementation of their programmes in the financial year 2020/21.



The department had balances brought forward from the previous financial year of Kshs. 196,381,803 stemming from the equitable share.

The overall changes proposed in the department has seen its total approved recurrent allocation increased by Kshs. 314,803,638. This amount is spread across budget lines in the headquarter and directorates within the department.

The changes proposed by the department in the first supplementary budget on recurrent programmes are among others ; increase of Kshs. 40million towards employer contribution to staff pension scheme; Hospitality supplies and services increased by Kshs. 41million in the headquarter office; Kshs. 8million increased for facilitation of public participation activities; Review of the second generation CIDP has been allocated Kshs. 10million while allocation on Emergency Fund has been proposed for increase by Kshs. 80million.

The directorates have equally proposed to increase their approved allocations on various budget lines to enable them have sufficient funds for operation purposes till the end of the financial year.

The department is also seeking to appropriate Kshs.8,769,449 as the retention monies retained in the CRF account in the year 2014/15 and 2015/16.The funds cannot be withdrawn until its appropriated and the funds transferred to Bungoma county deposit account for retention. The list of the beneficiaries is attached and the funds will appropriated on Contractors retention money code 7330101.

Mr. Speaker,

The department has allocated Kshs. 44,528,375 towards recurrent pending bills and Kshs. 28,135,043 for payment of development pending bills.

However, it was established that the correct position on pending bills in the department was Kshs. 58,135,043 in respect of recurrent and Kshs. 14,528,375 relating to development pending bills. The committee after scrutinizing the submitted schedules agreed to the proposal.

The sector committee recommended that the proposed increases should be upheld only on priority programmes with insufficient balances that may not enable the department to operate smoothly until the end of the financial year.

In concurrence with the sector committee's recommendations, this committee made some amendments to the proposed departmental first supplementary budget. The proposed additional Kshs. 80 million on Emergency Fund was declined since replenishment of Emergency fund in a supplementary budget as per PFMA 114(3) is done to the extent of the expenditures incurred on the approved allocation, a look at the vote book shows the Kshs.70 million is intact with no expenditures drawn on it.

Reductions on some budget lines as proposed by the department was also reduced further as per the attached schedule of decreases and increases.

The department is further directed to ensure compliance with section 43 and 135 of the Public Finance Management Act, 2012 in relation to re-allocations in approved departmental budgets. Departments wishing to make budget re-allocations should do so procedurally by first making a formal request to the CEC-M in charge of Finance and Economic Planning for approval.

3.10 PUBLIC SERVICE MANAGEMENT AND ADMINISTRATION.

Mr, Speaker,



The department had an approved budget Kshs.331, 511,329 on recurrent with no allocation on development.

The department's 1st supplementary estimates has an additional Kshs.64, 943,024 for recurrent.

The proposed increment on the recurrent vote is as follows:

Payment of staff salary has an increase of Kshs.23, 158,323 million for the new staff. (i.e. 4 Sub County Administrators, Director Public Participation and Civic Education, Deputy Director Public Participation and Civic Education, Assistant Director Public participation and Civic

Education, 7 Ward Administrators, Assistant Director County Administrative Services, Deputy Director County Administrative Services, Deputy Director Enforcement, Assistant Director Inspectorate in the department of Public Service Management and Administration

Under the Office of the County Secretary, we have the following vacant positions to be filled;

County Director Human Resource Management and Development, County Deputy Director Records Management, County Deputy Director Human Resource Management and Development, Assistant Director Human Resource Management, Principal Human Resource Management Officer, Assistant Director Records and Management and Village administrators.

The County Executive has been unable to adhere to the fiscal responsibility principles provided in law. 48% of the County revenue being spent on personnel emoluments contrary to the provisions of Regulation 25(1) (b) of the PFM Regulations, 2015 and Section 107(2) (c) of the PFM Act, 2012; and a contravention of Sec. 59 (1) (g) of the County Governments Act, 2012 on wage bill management.

In the Second quarter expenditure report and financial statements for FY 2020/21, the department of Public Service Management and Administration reported 44.7 % absorption of funds with regard to personnel emoluments in the half year. Out of the total personnel budget of Kshs.240, 907,510, only a cumulative expenditure of Kshs. 107,647,935 was realized. The request of Kshs. 23million in 1st supplementary budget on the salary is purely for recruitment of new staff including the Village Administrators which in view of the sector committee's report, it was resolved that wages and benefits for the proposed village administrators be expunged in *toto* given that the House has not yet approved their employment. Inter alia, the village administrative units are yet to be delineated/demarcated hence the request was declined. The surplus of Kshs. 29 million explains why the department did not absorb 50% of the personnel budget but less in the first half hence the amount should be appropriated to pending bills in other departments.

Field operational allowance vote has an increase of Kshs 2,672,000 being reallocation following attainment of 50% expenditure.

Tuition/training fees vote had an increment of Kshs.2million being supplementary towards training of newly recruited staff (above)

Contracted guards and cleaning services had an increase of Kshs.13, 562,688 being 1st supplementary addition to cater for budgetary deficiency.

Kshs.24, 222, 0163 has been provided for in the 1st supplementary to cater for recurrent pending bills. The pending bills in the department dates back to FY 2013/14 with recurrent at Kshs. 36.9 million and development Kshs. 20.2 million. This supplementary budget does not have allocation for pending bills in respect to development.

PENDING BILLS	
Recurrent	
2013/14	25,469,055
2018/19 supporting documents availed	2,854,040
2018/19 no supporting documents	6,006,015.00
2019/20	2,642,464
Total Recurrent	36,971,574
Development	
Ward office todate	19,794,644
Partitioning of county offices	418,953
Total dev.	20,213,597
Total pending bills	57,185,171

- Committee Boards and Conferences had an increase of Kshs.4, 401,377 in the 1st supplementary to cater for shortage in office operation for the 9 sub counties and 45 wards.

3.10.1 OFFICE OF THE GOVERNOR

Mr. Speaker,

The department had an approved budget of Kshs.414, 003,816 on recurrent with no allocation on development.

The department's 1st supplementary estimates has an additional Kshs. 63,714,902. The increase is on the following elements:



- Payment of salary for proposed employment of personnel (26) at a total sum of Kshs.10, 419,490.
- The personnel officers are : 6 Chief Officers (Finance, Water, Economic Planning, Trade and Energy, Public Service, Lands, Urban & Physical Planning Kshs. 20,643,280, Secretary Investment Resource Mobilization Kshs. 2,949,040, County Deputy Director Research (JG Q), Development and Assistant Director Research (JG P) and Development and Research and Development (JG N) Kshs. 5,945,289, 9 Research officers (JG K) Kshs.5, 918,454, County Assistant Director –Events (JG P) Kshs. 1,743,929, County Assistant Director- Protocol (JG P) Kshs 1,743,925, 2 Principal Protocol Officer (JG N) Kshs 2,222,940, Chief Protocol Officer (JG M) Kshs. 989,064
- The above will require Kshs, 41,718,878 of personnel emolument exclusive of gratuity in the entire year hence Kshs. 10,429,719.58 is required for the remaining 3 months. Due to the ballooning wage bill, the committee declined allocations to the recruitment of new staff and considered Kshs. 5,160,819 required to pay the Chief Officers for the remaining 3 months.
- On the submitted payroll, the sector committee observed that the following officers were still on the County payroll despite a resolution of the house recommending disciplinary action against them for misappropriating funds meant for Covid-19 activities in the County in the Year 2019/20 and for contravening Transition Authority Circular REF: TA/2/1 dated 10th March, 2015. They are; Ms. Carolyne Buyela; Mr. Martin N. Wafula and Ms. Pamela Serut. The implementation committee should ensure execution of house resolutions.

- An increase in the travel costs (airlines, bus, railways) Kshs 15million being reallocation from code 22210603 following National Treasury lock to facilitate approved activities. A look at the vote book shows Kshs 10m (140%) was added to the 7.1million through a reallocation beyond the 10% allowed by the PFM reg 39(9). Expenditures on the vote stood at 136% in the 1st half of the FY Contravening PFMA 154 (2) (c).The reasons for the additional Kshs.5million has not been provided hence the vote will not be supplemented.



- Daily subsistence allowance and accommodation had an increase of Kshs 12million being reallocation from code 2210603 in 1st supplementary to provide for inadequate allocation on the vote.
- Kshs. 20million which has been provided for field allowances for stakeholder engagement is a new vote introduced to cater for stakeholder engagements. The itemized budget however, shows an allocation of Kshs. 10 million. In the approved budget, Kshs 9 million was approved on code 2210310 (Field operational allowance) for stakeholders engagement with the following groups as captured in the PBB; Sacco officials, Business community, PLWDs, Women representation, Youth leaders, Boda boda operators and Matatu operators. The stakeholders to be engaged by the new allocation has not been enumerated hence the allocation was declined.
- Advertising, awareness and publicity campaigns increased by Kshs.6million being reallocation from code 2210710 for inadequate allocation on the vote.
- Tuition /training fees had an increase of Kshs 5million to provide for inadequate allocation on the vote.
- Catering services reception had an increase of Kshs 5million while Committee Boards and conferences had an increase of Kshs 5million being 1st supplementary addition to provide for inadequate allocation on the vote. These hospitality votes had a total allocation of Kshs. 58,485,384 to be spent in the whole FY, but the 2nd quarter expenditure report revealed absorption of Kshs. 51.8million representing 88.5% absorption rate as opposed to 50%. Lack of a work plan in the office of the Governor led to implementation of programmes not planned for hence misapplication of funds.
- General office supply had an increase of Kshs.700, 000 being an additional to provide for inadequate allocation on the vote.

- Maintenance expenses -motor vehicles had an increase of Kshs1.6million.
- Purchase of office furniture and fittings had an increase of Kshs.1million likewise to Purchase of computers, printers and other IT equipment had an increase of Kshs 1million.
- Supply for credit had an allocation of Kshs.9, 995,412 in the supplementary budget. Creditors with sufficient documentation was provided as follows:
 - Travel cost by air Kshs. 7million African Touch Safaris
 - Refined fuel & lubricants Kshs 2.5million by M-big LTD
 - Maintenance of Motor vehicle Kshs. 495,412 by Terranova Auto spares

The following pending bills still lack sufficient documentation hence the department did not allocate funds to them:



CONTRACTOR/SUPPLIER	AMOUNT OUTSTANDING AS AT 30TH JUNE 2019	ITEM CODE	STATUS
Sulwe FM	683,240.00	2210504	Sufficient supporting documents missing.
Kenya Institute of Supplies Management	27,560.00	2210711	
Sulwe FM	87,000.00	2210504	
Asembo Motor Vehicle Auto Garage	50,000.00	2220101	
Bungoma West Medical Services	171,230.00	2211101	
The Standard	385,120.00	2210504	
Great Lounge Resort	45,000.00	2210801	
CMC motors	1,372,074.00	2220101	
CMC Motors ltd	543,115.00	2220101	
CMC Motors ltd	121,183.00	2220101	
CMC Motors ltd	181,943.00	2220101	
Kika Hotel	410,000.00	2210801	
TOTAL	4,077,465.00		

3.10.2 DEPUTY GOVERNOR'S OFFICE

Mr. Speaker,

The department had an allocation of Kshs.26, 996,184 in the approved budget on the recurrent with none on the development. The department has proposed an increase of Kshs.6, 350,842 in the 1st supplementary budget.



The following changes have been observed:

Domestic travel and subsistence had an increase of Kshs.2, 884,837.

Committee Boards and conference had an increase of Kshs.2, 466,005 being an addition to provide for inadequate allocation on the vote. The increment was declined due to the slow absorption trend in the first half.

Catering services has an increase of Kshs. 1 million shillings

3.10.3 COUNTY PUBLIC SERVICE BOARD

The department had an approved budget of Kshs.47, 102,840 on the recurrent vote with none on the development vote.

The department had a net recurrent reduction of Kshs. 1,163,519 in the 1st supplementary budget with changes in the following votes:

- Honoraria/Gratuity reduced by Kshs. 163,519. The Board has requested for the amount to be retained on the gratuity vote but instead source the amount on the code 2211201 Refined Fuel and Lubricants.
- Internet connection has a reduction of Kshs. 200,000.
- Advertising, awareness and publicity Kshs.800, 000 reduced from the Kshs 1 million due to revenue loss.
- Sanitary and cleaning materials, supplies and services allocation of Kshs. 200,000 was dropped to cater for revenue loss.

- Maintenance expenses –Motor Vehicles an increase of Kshs.300, 000 to take care of repair and servicing of KBZ 969 D which has an accumulated bill of Kshs.700,419.
- Maintenance of computers software and network had a decrease of Kshs. 100,000 due to revenue loss.
- The department had petitioned the sector committee for an allocation for outstanding commitments (Pending bills) at the close of the FY 2019/20 which was considered by the committee except for the provision of consultancy for development of BQs and building plans which should be captured in the next FY.

	Supplier/Contractor	Details/work performed	outstanding amount
1	MLS Sedishery collection and varied supply	Supply of office stationery	424,510.00
2	Nyikuli,Shifwoka & co. Advoates	Povision of legal representatic	6,879,355.00
3	Victoria suites	catering services	60,000.00
4	Joventure Hotel	catering services	205,000.00
5	Hotel perch	catering services	532,800.00
6	Elegant Hotel	catering services	109,600.00
7	M/S West End Consultant	Povision of cosultancy services for devt of BQS and building plans	3,405,371.00
	TOTAL		11,616,636.00

- Further, the Board petitioned the committee for an additional funds to conduct a sensitization on the approved code of conduct in the public service and sensitization of the gazetted administrative procedures for wealth declaration and sensitization audits and evaluations on compliance to national values & principles as per article 10 and 232 of the Constitution of Kenya 2010 at a cost of Kshs. 12,868,770. In view of time limit to end the FY, the committee recommends Kshs 6 million instead of Kshs. 12million to enable the activity on code of conduct and wealth declaration to be done in phases by implementing a work plan up to the FY 2021/22. The amount should also be spent to complete the promotion intents across all the departments.
- The Board also made another petition seeking for the revision of its ceiling from Kshs 47,102,840 to Kshs 81million and this issue can only be given consideration while interrogating the CFSP 2021.

3.10.4 OFFICE OF THE COUNTY SECRETARY & ICT

The department had an allocation of Kshs.155, 373,657 on the recurrent vote in approved budget for the year under review and allocation of Kshs.212, 537,789 on development which was a grant from Kenya Devolution Support Programme (KDSP)

The department has proposed an increase on the recurrent vote of Kshs.129, 194,305 and Kshs.85, 556,142 on the development.

The following were changes administered in the supplementary estimates:

Domestic Travel cost (airlines, bus and railways) had an increase of Kshs 1.3million to cater for the inadequate allocation on the vote while Subscription to Newspapers had an increase of Kshs.684, 000.



Tuition/training fees had an increase of Kshs.1million to cater for training for the officers in the office the County Attorney.

An increase on votes 2210801 and 2210802 of Kshs.2.7million and 1million respectively.

Management fees had an allocation of Kshs.10million to cater for litigation fees. The committee was concerned why litigation fee allocation is on this vote as opposed to the vote on legal dues, arbitration and compensation payments. Submission from the County Attorney indicated that the county government is in the process of setting up a fully fledged County Attorney office after competitively filling the position. The office will handle all the legal cases as opposed to hiring lawyers to defend the county government which has become an expensive affair. The office of the County Attorney provided the workplan on the Kshs 10million though their requirement was Kshs 57million which the committee resolved it can only be considered in the annual budget not supplementary budget. The Kshs.10million will be spent on;

Court expenses- payment of court filing fee and facilitation of witnesses to attend court Kshs. 500,000.

Payment of pending court awards(damages against the defunct municipal council and county Government cases Kshs. 5million.

Induction programme for the Justice and Legal Affairs committee, Legal departments in both arms of government Kshs. 3million.

Procurement of law library material Kshs. 1,500,000.

Medical cover NHIF had an increase in allocation of Kshs.83, 353,305 in addition to the Kshs 64 million in the approved budget bringing the total to Kshs.147 million.The department submitted the contract agreement between the CGB and and NHIF and it shows a medical cover of 5,124 staff with a total premium of Kshs 159,353,305.The department should endeavour to capture the correct figure during CFSP and annual budget instead of supplementing with an amount which is far much more than the approved allocation.

Purchase of office furniture and fittings had an increase on allocation of Kshs.750, 000 for the office the County Attorney. Purchase of air conditioners, fans and heat appliances (KPLC) had an allocation of Kshs.500, 000 for the office the County Attorney.

Development vote had an increase of Kshs.85, 556,142 being balance brought forward on KDSP grant.



3.10.5 ICT AND RECORDS MANAGEMENT

The department had an allocation of Kshs.13,352,400 on the recurrent vote in the approved budget for the year under review and allocation of Kshs 17,890,473 on development.

The proposed supplementary estimates has an increase of Kshs.3,816,868 on recurrent and reduction of Kshs. 5,561,581 on development.The development reduction was reinstated since the projects are ongoing and funds committed.

The increment on recurrent is on committees, boards and conference which had an allocation of Kshs. 1,480,000 by Kshs. 2million and on purchase of computer, printers and other IT equipment which did not have an allocation by Kshs.1,816,868.

3.11 COUNTY ASSEMBLY

Mr. Speaker,

The total approved budget for the whole FY 2020/21 was Kshs. 867,697,315 comprising of Kshs. 852,697,315 for recurrent and Kshs. 15million on development.

On the County Assembly, the recurrent reallocations are within the recurrent ceiling. This committee in considering sector views recommends reinstating the Kshs. 208million that was due for the County Assembly as per the CEC Finance 1st supplementary circular and not Kshs. 150million in order to ensure completion of the administration block.

The following were the proposals by the CASB that were considered by the committee:

Personnel emoluments had Kshs 49million expended on PAYE that was used to settle taxes due to the Kenya Revenue Authority as per the demand notice, amounting to Kshs.97million and an additional 1.5million occasioned by delay in remittance of PAYE as a result of the stalemate in the passage of CARA, 2020.The amounts were sourced fom the allocation for the vacant positions.



The County Assembly Hon. Members Car Loan and Mortgage fund has an allocation of Kshs 54.3 million. Following the presidential decree that gave the Members a car grant, the revolving fund was depleted requiring replenishment as per the existing regulations.

A reduction on code 2211325 of Kshs.15, 473,160 to cater for salaries of contractual employees (in wards offices) for the remainder of the financial year.

An allocation of Kshs. 23,894,628 to cater for pending payment for the Hansard system and Kshs 3,550,419 to cater for pending payment of an Internal Audit system

An increase of Kshs 10million to cater for the procurement of a fixed assets register to clear an existing query that has been in existence for the last financial years.

An allocation of Kshs. 116million as the balance brought forward towards completion of the ongoing administration block. A status report was shared to the committee.The amount includes a refund of an allocation for the preliminary works for the new chambers.

An allocation of Kshs. 25million to cater for replenishment of the allocation towards statutory undertakings by committees of the County Assembly with Kshs.10million to be set aside for the execution of the CFSP and annual budget.



The committee also noted that quarterly reports and financial statements for both the car and mortgage for staff and Honorable members have never been tabled in the House as required by PFMA law governing fund administration, they hence directs the Clerk who is the administrator to ensure the 3rd quarter financial statements of the funds are tabled together with the County Assembly's expenditure report.


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CHAPTER FOUR

4.0 COMMITTEE OBSERVATIONS, RECOMMENDATIONS AND CONCLUSION:

4.1 COMMITTEE'S OBSERVATIONS

Mr. Speaker, the committee made the following observations in respect to the 1st Supplementary Budget FY 2020/21


1. Looking at the reasons for this supplementary, the supplementary ought to have been done in the 1st quarter of the FY and not in the 3rd quarter in order to ensure prompt service delivery to the Citizens of Bungoma and also to guarantee absorption of development funds. Most on-going projects stalled awaiting supplementary budget. The Supplementary budget was submitted at the time when the County Assembly was expecting the CFSP 2021. 
2. The resource envelope is shrinking with all the revenue sources estimates downsized in this supplementary as seen with the loss of Kshs 200million on the local revenue, Kshs.100million on the equitable share and reduction in the grant figures from development partners: EU funding in Tourism and NARIGP in Agriculture.
3. Vote book balances show high absorption of recurrent budgets with very low absorption on development vote.
4. Personnel emoluments are a first charge but this supplementary budget has revealed that most departments are not allocating sufficient funds for compensation of employees. It's been a challenge determining the actual allocations since the departments do not submit their payroll during budget preparation.
5. Total Pending bills by end FY 2019/20 reported in this supplementary stands at Kshs. 1,263,717,220 with only pending bills worth Kshs 733,484,226 receiving an appropriation leaving pending bills of Kshs.530 million without funding. This supplementary budget is also creating more pending bills with funds deducted from awarded/on-going and committed projects. Most of the funds have since been restored/ reinstated to avoid a case of digging one hole to fill the other.
6. The ward based projects as a strategy to implement the county projects and a means to devolve resources has not been embraced by most departments with low absorption of

ward based funds reported showing most 2017/18 projects up-to date not implemented. The ward based projects are appearing as pending bills across the departments.

7. Departmental vote-books shows most reallocations were done beyond the 10% rule as outlined in the section 154 (2c) of the PFMA 2012. With some departments reallocating as much over 100% on a vote as seen in Finance and Governor's office contravening PFMA 149 where resources are supposed to be used in a lawful and authorised manner.

4.2 COMMITTEE RECOMMENDATIONS:

Mr. Speaker, upon scrutiny of the First Supplementary budget FY2020/21, the committee recommends as follows:

1. **THAT**, County Treasury to be timely when submitting fiscal documents to the County Assembly.
2. **THAT**, Personnel emoluments to be provided for fully in the annual budget and not in a supplementary as per PFM Regulations 119 elaborates on expenditures in relation to Human Resource with 119(2) stating: *The budgetary allocation for personnel costs shall be determined on the basis of a detailed costing of a human capital plan of a county government entity as approved by the responsible county department for public service management matters, the County Public Service Board and County Treasury. 119(4) states: The responsible county government department for Public Service Management matters, CPSB, shall only approve establishment of new public service positions after getting confirmation of availability of budgetary provision from the County Treasury.*
The human capital plan includes the promotions to be done, gratuity and vacant positions to be filled. 
3. **THAT**, on the resource envelope, the County Treasury should enhance local revenue collection by introducing more revenue streams and reducing leakages. Departments should adhere to the conditions set by the development partners since non-compliance can lead to termination of the grant or reduced figures allocated to Bungoma.
4. **THAT**, all sector committees should further purpose to oversight the FY2020/21 departmental programmes to ensure compliance as per the approved budgets. They should in addition, ensure that budget implementation reports have been interrogated together with the expenditure reports.
5. **THAT**, pending bills worth Kshs. 530million with no appropriation should be captured in the CFSP 2021 to form part of the ceiling and prioritised in the annual budget of the FY 2021/22. The County Assembly will not approve any new project/programme in the next FY year until the pending bills are cleared and on-going projects properly funded.
6. **THAT**, the County government should abide by the PFM laws that guide preparation of the supplementary budget. Subsequently, the County Treasury should develop regulations to guide budget reallocations by departments. There should be no further reallocations on

departmental approved budgets until such regulations are developed and approved by the County Assembly as required by PFM Act 2012 sect 54 (3).

4.3 BUDGET COMMITTEE'S PROPOSED DECREASES AND INCREASES ON DEPARTMENTAL BUDGET IN THE 1ST SUPPLEMENTARY BUDGET FY2020/2021

Mr. Speaker, the following are the committee's proposed decreases and increases on the departmental budget in this first supplementary budget FY 2020/2021. (annexed).

Name of Sector	BUDGET COMMITTEE RECOMMENDATIONS, SUMMARY ALLOCATION DECREASES AND INCREASES						COMMITTEE'S RECOMMENDED TOTAL	
	TREASURY INITIAL TOTAL	RECURRENT	Increase/Decrease	NET RECURRENT	DEVELOPMENT	Increase/decrease		NET DEVELOPMENT
1 Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development	178,149,967	111,458,164	-73,142,893	38,315,271	66,691,803	-5,500,000	61,191,803	99,507,074
2 Education and Vocational training	117,273,706	-52,994,232	0	-52,994,232	170,267,938	-46,957,607	123,310,331	70,316,099
3 Health	560,650,150	465,651,049	6,500,000	472,151,049	94,999,101	23,400,000	118,399,101	590,550,150
4 Public Administration	64,943,024	64,943,024	-52,158,323	12,784,701	0	0	0	12,784,701
5 ICT	(1,744,713)	3,816,868	0	3,816,868	-5,561,581	5,561,581	0	3,816,868
6 Office of the County Secretary	214,750,447	129,194,305	(6,000,000)	123,194,305	85,556,142	0	85,556,142	208,750,447
7 Sub County Administration	4,401,377	4,401,377	-	4,401,377	0	0	0	4,401,377
8 Roads and Public Works	72,300,655	9,955,983	-8,960,951	995,032	62,344,672	56,435,058	118,779,730	119,774,762
9 Trade, Energy and Industrialization	(23,758,424)	11,500,000	1,000,000	12,500,000	-35,258,424	38,441,773	3,183,349	15,683,349
10 Lands, Urban and Physical Planning	30,979,381	641,194	5,000,000	5,641,194	30,338,187	6,900,000	37,238,187	42,879,381
11 Bungoma Municipality	126,698,892	8,500,118	0	8,500,118	118,198,774	0	118,198,774	126,698,892
12 Kimilili Municipality	231,194,113	7,808,110	0	7,808,110	223,386,003	0	223,386,003	231,194,113
13 Housing	(1,667,661)	-1,141,045	4,000,000	2,858,955	-526,616	3,891,645	3,365,029	6,223,984
14 Sanitation	(10,290,992)	0	0	0	-10,290,992	6,400,000	-3,890,992	-3,890,992
15 Tourism and Environment	26,969,638	43,852,275	2,000,000	45,852,275	-16,882,637	16,882,637	0	45,852,275
16 Water and Natural Resources	(15,996,723)	25,235,448	-2,293,422	22,942,026	-41,232,171	14,800,000	-26,432,171	-3,490,145
17 Gender and Culture	(15,560,818)	-13,767,273	-15,942,725	-29,709,998	-1,793,545	0	-1,793,545	-31,503,543
18 Youth and Sports	2,832,409	26,999,698	-16,644,166	10,355,532	-24,167,289	102,553,398	78,386,109	88,741,641
19 Finance and Economic Planning	314,803,638	286,668,595	-102,393,332	184,275,263	28,135,043	-13,606,668	14,528,375	198,803,638
20 Governor's Office	63,714,902	63,714,902	-20,300,000	43,414,902	0	0	0	43,414,902
21 Office of the Deputy Governor	6,350,842	6,350,842	-2,466,005	3,884,837	0	0	0	3,884,837
22 County Public Service Board	(1,163,519)	-1,163,519	14,600,000	13,436,481	0	0	0	13,436,481
23 County Assembly	150,156,286	54,397,656	0	54,397,656	95,758,630	58,000,000	153,758,630	208,156,286
Total	2,095,986,577	1,256,023,539	-267,201,817	988,821,722	839,963,038	267,201,817	1,107,164,855	2,095,986,577

COUNTY ASSEMBLY OF BUNGOMA

FIRST SUPPLEMENTARY BUDGET ESTIMATES 2020/21

BUDGET COMMITTEES' RECOMMENDED DECREASES AND INCREASES

TOURISM AND ENVIRONMENT

	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	Other Infrastructure and civil works (Dump site)	3111504	(16,882,637)	0	16,882,637	
	Sub-Total			0	16,882,637	16,882,637

B TOURISM AN ENVIRONMENT						
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	Committees, Boards and conferences	2210802	(1,000,000)	0	2,000,000	
	Sub-Total			0	2,000,000	2,000,000

C WATER AND NATURAL RESOURCES						
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	Basic Salaries	2110101	5,293,422	5,293,422		
2	Maintenance of Projects		2,000,000		3,000,000	
	Sub-Total			5,293,422	3,000,000	-2,293,422



WATER AND NATURAL RESOURCES						
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	WBP	3110599	(14,800,000)	0	14,800,000	
	Sub-Total			0	14,800,000	14,800,000

D ROADS AND PUBLIC WORKS						
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	Basic Salaries	2110101	8,960,951	8,960,951	0	
	Sub-Total			8,960,951	-	-8,960,951

ROADS AND PUBLIC WORKS						
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASES	INCREASES	
1	WBP	3110599	-16,435,058	0	16,435,058	
2	Supplier credits (Pending bills)	2410104	21,412,465		40,000,000	
	Sub-Total			0	56,435,058	56,435,058

E EDUCATION AND VOCATIONAL TRAINING						
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	Other Infrastructure and Civil works (Construction of VTC workhops)	3110504	39,057,607	39,057,607		
2	WBP	3110599	-22,100,000		22,100,000	
3	Supplier credits (Pending bills)	2410104	233,013,637	30,000,000		
	Sub-total			69,057,607	22,100,000	-46,957,607

F YOUTH AND SPORTS					
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Field operations	2210310	2,000,000	2,000,000	0
2	Field allowance	2210309	2,000,000	2,000,000	0
3	Temporary committees expenses	2210320	4,000,000	2,000,000	0
4	Daily subsistence allowance	2210303	3,000,000	3,000,000	0
5	Catering services	2210801	2,000,000	2,000,000	0
6	Boards, committees and conferences	2210802	5,644,166	5,644,166	0
	Sub-total			16,644,166	0
					-16,644,166
YOUTH AND SPORTS					
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	WBP	3110599	-1,300,000		1,300,000
2	Other Infrastructre and civil works (High Altitude Training centre)	3110604	-14,853,398	0	14,853,398
3	Other Infrastructre and civil works (Nalondo Stadium)	3111504	-10,000,000		10,000,000
4	Supplier Credits (Pending bills)	2410104	6,130,166		40,000,000
5	Other Infrastructre and civil works (Kanduyi Stadium)	3111504	-4,144,057	0	36,400,000
	Sub-total			0	102,553,398
					102,553,398
G GENDER AND CULTURE					
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Supplier credits (Policies)	2410104	15,942,725	15,942,725	-
	Sub-total			15,942,725	-
					-15,942,725
H HEALTH					
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Electricity (BCRH)	2210101	9,900,000	3,500,000	
2	Daily subsistence Allowance	2210303	2,500,000		5,000,000
3	Boards, committees and conferences	2210802	6,500,000		5,000,000
	Sub-total			3,500,000	10,000,000
					6,500,000
HEALTH					
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Other infrastructure and civil works(Construction of Blood bank)			0	10,000,000
2	WBP	3110599	-11,400,000		11,400,000
3	Supplier credit	2410104	44,238,214		2,000,000
	Sub-total			0	23,400,000
					23,400,000
SANITATION					
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	WBP	3110599	-6,400,000		6,400,000
	Sub-total			0	6,400,000
					6,400,000
I AGRICULTURE					
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Salaries (Agric and Irrigation)	2110101	73,581,312	73,581,312	0
2	Contracted professional and technical services (Agric and Irrigation)	2211311	3,000,000	3,000,000	3,000,000

3	Pre-feasibility studies (Agric and Irrigation)	3111401	6,000,000	6,000,000	3,438,419	
5	Temporary committee expenses (Co-operatives)	2211320	2,000,000	-	3,000,000	
	Sub-total			82,581,312	9,438,419	-73,142,893

AGRICULTURE

	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	Other Infrastructure and Civil works (Dairy Plant)	3110504	0	10,000,000		
2	WBP	3110599	-4,500,000		4,500,000	
	Sub-total			10,000,000	4,500,000	-5,500,000

J LANDS, URBAN AND PHYSICAL PLANNING

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	Research	3111403	0	2,000,000	0	
2	Pre-feasibility studies	3111401	0		2,000,000	
3	Boards, Committees and conferences	2210802	0		5,000,000	
	Sub-total			2,000,000	7,000,000	5,000,000

LANDS, URBAN AND PHYSICAL PLANNING

	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	WBP	3110599	-900,000	0	900,000	
2	SupplierCredits (Pending Bills)	2410204	48,187,423		6,000,000	
	Sub-total			0	6,900,000	6,900,000



K COUNTY PUBLIC SERVICE BOARD

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	SupplierCredits (Pending Bills)	2410204	10,000,000	-	8,000,000	
2	Management fees	2210309	-	-	3,000,000	
3	Committees, Boards and conferences	2210802	-	-	3,600,000	
	Sub-total			-	14,600,000	14,600,000

L TRADE, ENERGY AND INDUSTRIALIZATION

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE	
1	Field allowance	2210309	1,500,000	-	1,000,000	
	Sub-total			-	1,000,000	1,000,000

TRADE, ENERGY AND INDUSTRIALIZATION

DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
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1	Purchase of lighting Equipment	3111011	(21,541,773)	-	21,541,773
2	WBP	3110599	(16,900,000)		16,900,000
	Sub-total			-	38,441,773

38,441,773

M GOVERNOR'S OFFICE

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Salaries	2110101	10,419,490	5,300,000	0
2	Field allowance (Stakeholders eng)	2210309	10,000,000	10,000,000	0
3	Travel costs	2210301	15,000,000	5,000,000	0
	Sub-total			20,300,000	-

-20,300,000

N COUNTY SECRETARY (COUNTY ATTORNEY OFFICE)

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Management fees (Litigation expenses)	2211309	10,000,000	-	5,000,000
2	Medical cover (NHIF)		83,353,305	11,000,000	
	Sub-total			11,000,000	5,000,000

-6,000,000



O DEPUTY GOVERNOR'S OFFICE

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Committees, Boards and conferences	2210802	2,466,005	2,466,005	0
	Sub-total			2,466,005	0

-2,466,005

P PUBLIC ADMINISTRATION

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Salaries (Proposed increase)	2110101	23,158,323	23,158,323	0
2	Salaries (Surplus)			29,000,000	0
	Sub-total			52,158,323	0

-52,158,323

ICT

	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Purchase of ICT networking and communications equipment	3111111	-5,561,581		5,561,581
	Sub-total				5,561,581

5,561,581

Q FINANCE AND ECONOMIC PLANNING

	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Publishing and printing services (Hqtr)	2210502	3,000,000	3,000,000	
2	Advertising, awareness and Publicity campaigns (Hqtr)	2210505	10,000,000	5,000,000	
3	Boards, committees and conferences(Hqtr)	2210802	32,000,000	5,000,000	
4	Catering services (Hqtr)	2210801	9,390,000	5,000,000	

5	Emergency Fund (Hqtr)	2810205	80,000,000	80,000,000	
6	Contracted professional and technical services (Hqtr)	2211310	6,000,000	6,000,000	
7	Daily subsistence allowances and accomodation (Revenue)	2210301	3,000,000	3,000,000	
8	Daily subsistence allowances and accomodation (Planning)	2210303	6,500,000	2,500,000	
9	Catering services (Budget)	2210801	5,600,000	4,000,000	
10	Tuition/ Training fees (Budget)	2210711	2,000,000	1,000,000	
11	Daily subsistence allowances and accomodation (M&E)	2210303	1,500,000	1,500,000	
12	Supplier Credit (Pending bills)	2410204	44,528,375		13,606,668
	Sub-total			116,000,000	13,606,668
FINANCE AND ECONOMIC PLANNING					
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Supplier Credit (Pending bills)	2410204	28,135,043	13,606,668	
2				0	0
	Sub-total			13,606,668	0
R	HOUSING				
	RECURRENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Committees, Boards and conferences	2210802	520,000	0	2,000,000
2	Research	3111404	1,637,200	0	1,000,000
3	Daily subsistence allowance and accomodation	2210303	0	0	1,000,000
	Sub-total			0	4,000,000
	HOUSING				
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Refurbishment-Residential buildings	3110504	-478,032		3,891,645
	Sub-total				3,891,645
S	COUNTY ASSEMBLY				
	DEVELOPMENT (PROGRAMMES)	ITEM CODE	ALLOCATION	DECREASE	INCREASE
1	Other Infrastructure and Civil works	3111504	58,313,584		58,000,000
	Sub-total				58,000,000
	GRANT TOTAL			429,511,179	429,511,179

-102,393,332

-13,606,668

4,000,000

3,891,645

58,000,000




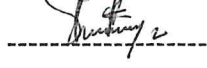




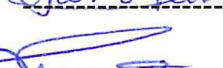


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CHAPTER FIVE

5.0 ADOPTION SCHEDULE & ANNEXTURES:

We the undersigned members of the Budget and Appropriations Committee append our signatures adopting this report with the contents therein.

NAME	DESIGNATION	SIGNATURE
1. Hon. Jack Wambulwa	Chairperson	
2. Hon. Ercik Wapang'ana	Member	
3. Hon. Joseph Juma	Member	
4. Hon. Meshack Simiyu	Member	
5. Hon. Jane Chebet	Member	
6. Hon. Martin Pepela	Member	
7. Hon. Paul Wamalwa	Member	
8. Hon. Grace Sundukwa	Member	
9. Hon. Joan Kirong	Member	
10. Hon. Sospeter Nyongesa	Member	
11. Hon. Violet Makhanu	Member	



5.1 ANNEXTURES

1. BUDGET COMMITTEE'S PROPOSED DECREASES AND INCREASES ON DEPARTMENTAL BUDGET CEILINGS
2. FIRST SUPPLEMENTARY BUDGET ESTIMATES FOR FY 2020/2021.

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