

# REPUBLIC OF KENYA

## NYANDARUA COUNTY ASSEMBLY

### 1<sup>ST</sup> ASSEMBLY- 5<sup>TH</sup> SESSION

#### OFFICIAL REPORT

Tuesday 14<sup>th</sup> February, 2017

*The Assembly met at the Assembly Chamber (P.C.E.A Hall) at 2:30 p.m.*

*[The Speaker (Hon. Ndegwa Wahome) in the Chair]*

#### PRAYER

#### QUORUM CALL AT THE COMMENCEMENT OF THE SITTING

*(The clerk-at-the table confirms that there is no quorum)*

**Speaker:** Very well, I will go ahead and invoke the provisions of our Standing Orders and direct that the quorum bell be rung for an initial ten minutes or until such a time within those ten minutes that the quorum will have been achieved.

*(Quorum bell is rung for one minute and quorum is achieved as confirmed by the clerk-at-the table)*

Hon. Members, quorum having been achieved, we can proceed with the business of this afternoon sitting.  
First order.

#### COMMUNICATION FROM THE CHAIR

##### NOMINATION APPROVAL HEARINGS

Hon. Members, I have a communication to make. It is as follows:

Hon. Members, this is to notify you that by a letter dated 3<sup>rd</sup> of February, 2017 H.E. the Governor nominated one, Mr. Samuel Karanja Njora to the position of the County Secretary. This letter was received by the Office of the Clerk on the same date of 3<sup>rd</sup> of February, 2017. On the instant date, the clerk also transmitted the information of the said nomination to my office. As you are aware, the House adjourned its sittings effective on the 2<sup>nd</sup> day of February 2017 to today which is the 14<sup>th</sup> day of February 2017 to allow for the processing of County Fiscal Strategy Paper (CFSP) which has strict statutory timelines.

In view of the above, the earliest this communication would have been relayed to the House was today, the 14<sup>th</sup> day February 2017 and total compliance with this reality in mind is duly acknowledged.

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Hon. Members, the appointment of a County Secretary is provided for under section 44 of the County Governments Act No. 17 of 2012 which provides inter alia that,

44. (1) There is established for each county the office of the county secretary who shall be secretary to the county executive committee.

(2) The county secretary —

(a) shall be competitively sourced from amongst persons who are university graduates with at least ten years experience in administration and management;

(b) shall be nominated from persons competitively sourced under paragraph (a) by the governor and, with the approval of the county assembly, appointed by the governor; and

(c) may, subject to the conditions and terms of appointment, be dismissed by the governor.

The appointing authority is further required to comply with the provisions of the County Public Appointments (Approval) Act 2016 and in particular, section 5 and 6 thereof.

The committee that will carry out the approval proceedings otherwise popularly known as vetting is therefore expected to thoroughly scrutinize the process to ensure there was total adherence and fidelity to the law in reaching at the nomination herein.

Hon. Members, the committee in carrying out this very onerous task will be required to also document strict compliance and adherence to the Nyandarua County Public Appointment (Approval) Act, 2016 and in particular sections 7, 8, 9, 10 and 11 thereof.

As you remember, the two previous approval hearings relating the office of the County Secretary were conducted by the House Business Committee. During the first such hearing, the general assumption was that a County Secretary being the secretary to the County Executive Committee a member thereof. This was obviously erroneous in view of the clear provisions of Article 179 (2) of the constitution. The second approval hearing relating to the office of the county secretary was also carried out by the House Business Committee but the Speaker sought the indulgence of the House to which the House acquiesced and obviously for good reasons at the time.

From the foregoing, it is my considered opinion guided by the constitution, the statutes, and our Standing Orders that this nomination is for committal to the committee on Legal, Justice and Public Service.

Standing Order No. 45 (1) provides that,

Upon receipt of a notification of nomination for appointment to an office as is under the Constitution or under any other legislation required to be approved by the Assembly, the nomination shall stand committed to the relevant Sectoral Committee of the Assembly for consideration

Further, our Standing Order No. 191 5(f) provides that,

The functions of a Sectoral Committee shall be to:

f) To vet and report on all appointments where the Constitution or any law requires the Assembly to approve.

Hon. Members, this communication having been received on the 3<sup>rd</sup> February, 2017, it follows that the 21 days provided for to conclude this process under section 11 (1) of the County Public Appointment (Approval) Act, 2016 will expire on Thursday, the 23<sup>rd</sup> day of February 2017. If this deadline is not met, it will not be without grave implications in that section 12 thereof will come into action and the same provides that;

‘...if after the expiry of the period for consideration specified in section 11, the County Assembly has neither approved nor rejected the nomination of a candidate, the candidate is deemed to be approved. ...’

As a House therefore, ours is only to wish the committee resourceful deliberations during the very important approval hearings characterized with structured engagement and crowned by professional outcome.  
That’s all. Next order!

### PAPER(S) LAID

#### 1. REPORT ON THE NYANDARUA COUNTY FISCAL STRATEGY PAPER (CFSP), 2017

Yes, Chairperson of the Committee on Budget and Appropriations, and Member for Njabini/Kiburu, Hon. James Kiiru Gachomba.

**Hon. James Gachomba:** Thank you Mr Speaker. I wish to table the report of the Budget and Appropriations Committee on the Nyandarua County Fiscal Strategy Paper (CFSP), 2017.

**Speaker:** Very well. That paper is duly tabled and the House Business Committee shall give directions on how the same will be processed.  
Next order.

#### 2. CONTROLLER OF BUDGET’S REVIEW FOR NYANDARUA COUNTY GOVERNMENT REVENUE AND EXPENDITURE FOR THE HALF YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014.

Yes, Member for Githioro, and Chairperson of the Public Investments and Accounts Committee, Hon. Silvester Kagiri.

**Hon. Silvester Kagiri:** Thank you Mr. Speaker, I wish to table the report of the Public Investment and Accounts Committee on the Nyandarua County Government Revenue and Expenditure Review from the Controller of Budget for the Half Year ended 31<sup>st</sup> December, 2014.

**Speaker:** Very well. That paper is duly tabled and the House Business Committee shall give directions on how the same shall be processed.  
Next order.

### NOTICE OF MOTION

Yes, Chairperson of the Committee on Budget and Appropriations, and Member for Njabini/Kiburu, Hon. James Kiiru Gachomba.

**Hon. James Gachomba:** Thank you Mr Speaker. I wish to give notice of the following motion:

THAT this House does adopt the report on the Budget and Appropriations Committee on the Nyandarua County Fiscal Strategy Paper (CFSP), 2017, as a report of this House and the recommendations therein as the resolutions of the House.

**Speaker:** Very well. The notice of that motion is duly given.  
Next order.

### MOTION

## PROCEDURAL MOTION

**Speaker:** Yes, Member for Njabini Kiburu and Chairman, Committee on Budget and Appropriations, Hon. James Kiiru Gachomba.

**Hon. James Gachomba:** Thank you Mr Speaker Sir, I beg to move the following Motion:

THAT with the leave of the House, the Motion “THAT, the House does adopt the report of the Budget and Appropriations Committee on the Nyandarua County Fiscal Strategy Paper 2017 as a report of this House be exempted from the requirement of Article 46 (5) (b) of the Standing Orders which requires that a notice of motion to be given at least one (1) day before a Motion appears on the Order Paper.

This motion is necessitated by the strict timelines that we have been given. We only had 14 days after which the CFSP would be adopted with or without amendments and that is why, Mr. Speaker, we have to fast track this process. Thank you Mr. Speaker and I wish to call Hon. Sam Thuita to second.

**Speaker:** Member for Gathanji and Vice Chairperson of the Committee, Hon. Samuel Thuita.

**Hon. Samuel Thuita:** Thank you Mr Speaker; I rise second this motion because the Constitutional timelines require us to pass the CFSP by midnight today. Thank you Mr. Speaker, I second.

*(Question proposed)*

*(Question put and agreed to)*

**Speaker:** Next order.

**MOTION**

## COUNTY FISCAL STRATEGY PAPER

**Speaker:** Member for Njabini Kiburu and Chairman Committee on Budget and Appropriations, Hon. James Kiiru Gachomba

**Hon. James Gachomba:** Thank you Mr. Speaker Sir, I beg to move the following Motion:

THAT, the House does adopt the report of the Budget and Appropriations Committee on the Nyandarua County Fiscal Strategy Paper 2017 as a report of this House and the recommendations therein as a report of this House. In the budget making process the Standing Orders requires the Sectoral Committees to prepare written submissions with the recommendations from all the County departments.

Mr Speaker, let me acknowledge all the Sectoral Committees that worked tirelessly to prepare and submit their recommendations. The Committee is also grateful to the Office of the Speaker and Office of the Clerk to the County Assembly, for the support received as it discharged its mandate in reviewing and scrutinising the County Fiscal Strategy Paper 2017.

The Committee is also grateful to the members of the County Assembly who participated in the process, especially during the consultations with the County Executive.

It is therefore my pleasant duty and privilege, on behalf of the Budget and Appropriations Committee to table the report on the County Fiscal Strategy Paper 2017 and recommend it to the House for Adoption.

Mr Speaker, I believe the members have the reports in their files and I will go straight to the scrutiny of the County Fiscal Strategic Paper 2017. Upon submission of the recommendations to the Budget and Appropriations Committee on 11<sup>th</sup> and 12<sup>th</sup> February, 2017 the Committee held sittings at Sweet-lake Resort, Naivasha and harmonized the recommendations and pursuant to regulation 26 (3) of PFMA (County Government) regulations 2015 on 13<sup>th</sup> February, 2017 consulted with the County Executive Committee Member for Finance who gave his views on the recommendations of the committee.

Pursuant to regulation 32 (1) (d) of the PFMA (County Government) regulations 2015, the report includes a schedule of the ceilings recommended for the County Executive and the County Assembly. Arising from the above, upon consideration and approval of the County Fiscal Strategic Paper 2017 by the Assembly, the County Treasury shall consider any recommendations made when finalizing the budget proposal for the financial year concerned, that is, revenue and expenditure estimates for the FY2017/18 that will be submitted by the County Treasury within the stipulated planning framework.

The County budget process is guided by various legislations, that is, the Constitution of Kenya 2010, the County Government Act 2012, the Public Finance Management Act 2012 and the Public Finance Management (County Government) Regulations 2015.

The County Fiscal Strategic Paper 2017 specifies:-

- i. the county's broad strategic priorities and policy goals that will guide in preparation of its budget for the financial year 2017/2018 and over the medium term;
- ii. the county's financial outlook with respect to revenues, expenditures and borrowing for the financial year 2017/2018 and over the medium term;
- iii. revenues targets, aggregate expenditure for the financial year 2017/2018 and the medium term;

*(Hon. Wahome Kamoche rises on a point of order)*

**Speaker:** What is it Member for Rurii?

**Hon. Wahome Kamoche:** Is the Member for Kaimbaga in order, coming into this House dressed inappropriately?

*(Hon. Kimani Njiraini bows and exits the chamber)*

**Speaker:** The horse has already bolted so the Standing Order cannot be upheld. Further the Speaker hadn't, and isn't supposed to see unless his attention is drawn to the object. Proceed member for Njabini Kiburu

**Hon. James Gachomba:** Thank you Mr. Speaker;

- iv. resources allocated to individual programmes within a sector indicating the outputs expected from specific programme during that period; and

- v. Criteria applied in apportioning the scarce public resources among the various programmes.

Further, Section 107(2) of the Public Finance Management Act, 2012 sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. In this regard, the County Fiscal Strategy Paper 2017 among others upholds that:-

- i. the County Government's recurrent expenditures shall not exceed the County Government's total revenue;
- ii. over the Medium Term , a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditures;
- iii. the County Government's expenditures on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the Executive Committee Member for Finance in regulations and approved by County Assembly;
- iv. the county debt shall be maintained at sustainable level as approved by the county assembly;
- v. the fiscal risks shall be maintained prudently; and
- vi. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained taking into account any tax reforms that may be made in the future.

Guided by these fiscal responsibility principles, the Sectoral Committees held Consultations with the respective departments and made the following observations and recommendations.

The theme of the County Fiscal Strategy Paper 2017 is "Achieving Sustained Development and Economic Empowerment of the People", pegged on the following pillars:-

- i) continuous improvement of the infrastructural facilities to transform the County economy;
- ii) investing in quality and accessible health care services and quality education;
- iii) offering quality and accessible services to the people;
- iv) improvement in resource mobilization for sustained development; and
- v) Tapping the under exploited and unexploited resources.

Mr Speaker, The County's budget framework is set against the background of the medium-term fiscal framework and the strategic objectives as outlined in the County Integrated Development Plan for period 2013-2017, the County Annual development Plan FY2017/2018 and the forecast as contained in the County Budget Review and Outlook Paper 2016.

For the last four years, Counties have solely relied on the National Government transfers of funds. The projected resources accruing from the National government for the financial year 2017/2018 will be Kshs.4, 959,688,612. Additionally, it's projected that revenue from local collections will amount to Kshs.371,000,000 which include monies collected from issue of business permits, payment for land rates, royalty fees and produce inspection fees among others.

Mr. Speaker, the County also expects to receive funds from Fuel Levy Fund (Kshs130, 725,000) and conditional grants from the National government. In total, the County's projected resource envelope for the financial year 2017/2018 will be Kshs. 5, 687,773,679.

The following is the tabulation for Nyandarua County Fiscal Framework for total revenue for 2017/2018 and the Medium Term

REVENUE			
	2015/16 (actual)	2016/17 Revised	2017/18 projected
Balance B/F	591,051,795	296,375,595	0
National Transfers	4,307,070,831	4,647,384,382	4,959,688,612
Local Collections	281,941,469	390,000,000	371,000,000
CONDITIONAL GRANTS			
Fuel levy fund	54,714,122	71,407,030	130,725,000
Maternal health care	30,690,000	46,514,879	50,716,400
User fees foregone	13,898,986	13,122,329	13,898,986
Leasing of medical equipment	95,744,681	95,744,681	95,744,681
DANIDA (Donor grant)	18,860,000	9,430,000	0
European Union ((Donor grant)	0	0	66,000,000
IDA grant (county capacity building)	0	26,689,751	0
Maternal health World bank		10,000,000	0
<b>TOTAL</b>	<b>5,393,971,884</b>	<b>5,606,668,647</b>	<b>5,687,773,679</b>

Mr Speaker, Counties have been making policies to ensure revenue sustainability. In this case, the County Fiscal Strategic Paper 2017 has highlighted the following Fiscal Structural Reforms to promote revenue enhancement.

#### Improvement in County Revenue Collection and Administration

Nyandarua County has great potential to improve its revenue collection and administration. This will be achieved by improving efficiency in collection, enforcement of revenue collection guidelines and employing new methods to enhance revenues through:-

- i. legislation;
- ii. policies/guidelines on Waiver of Fees, Payment of Fees and Charges and Banking of Revenue collected
- iii. computerization and automation by improvement of the management information system; Establishment of a data base of all tax payers; Provision of remote payment options; use of mobile automated mobile devices revenue collection devices; and provision of avenues for Customer self-service.
- iv. leverage and maximize on the role of auditing (internal and external);

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- v. unique coding of all payments;
- vi. enforcement; and
- vii. Harmonization of revenue collection from all devolved functions which further requires sensitization in order to enhance efficiency in revenue collection.

#### Medium Term Expenditure Framework

Mr Speaker, the County Governments allocation of funds is done to cater for the functions of the County Government as stipulated in Part 2 in the fourth schedule of the Constitution of Kenya 2010. These functions are:-

- Agriculture Sector-
  - a) crop and animal husbandry;
  - b) livestock sale yards;
  - c) county abattoirs;
  - d) plant and animal disease control; and
  - e) Fisheries.
- County health services, includes, in particular
  - a) county health facilities and pharmacies;
  - b) ambulance services;
  - c) promotion of primary health care;
  - d) licensing and control of undertakings that sell food to the public;
  - e) veterinary services (excluding regulation of the profession);
  - f) cemeteries, funeral parlours and crematoria; and
  - g) Refuse removal, refuse dumps and solid waste disposal.

#### Control of air Pollution, Noise Pollution, other Public Nuisances and Outdoor Advertising.

1. Cultural activities, public entertainment and public amenities, including—
  - a) betting, casinos and other forms of gambling;
  - b) racing;
  - c) liquor licensing;
  - d) cinemas;
  - e) video shows and hiring;
  - f) libraries;
  - g) museums;
  - h) sports and cultural activities and facilities; and
  - i) County parks, beaches and recreation facilities.

#### County transport, including

- a) County roads;
- b) Street lighting;
- c) Traffic and parking;
- d) Public road transport; and

- e) Ferries and harbours, excluding the regulation of international and national shipping and matters related thereto.

Animal control and welfare, including

- (a) Licensing of dogs; and
- (b) Facilities for the accommodation, care and burial of animals.

Trade Development and Regulation, Including;

- (a) Markets;
- (b) Trade licences (excluding regulation of professions);
- (c) Fair trading practices;
- (d) Local tourism; and
- (e) Cooperative societies.

County planning and development, including

- (a) Statistics;
  - (b) Land survey and mapping;
  - (c) Boundaries and fencing;
  - (d) Housing; and
  - (e) Electricity and gas reticulation and energy regulation.
- Pre-primary education, village polytechnics, home-craft centres and childcare facilities.
  - Implementation of specific national government policies on natural resources and environmental conservation, including—
    - (a) Soil and water conservation; and
    - (b) Forestry.
  - County public works and services, including
    - (a) Storm water management systems in built-up areas; and
    - (b) Water and sanitation services.
  - Fire fighting services and disaster management.
  - Control of drugs and pornography, and
  - Ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level.

Mr Speaker, in the medium term, the County Government has not fully implemented all the functions; the following remain largely unattended and needs prioritization:-

- agriculture: construction of County Abattoirs including upgrading of slabs is behind schedule;

- county health services: policy and legal framework for solid waste management to address refuse removal, refuse dumps and solid waste disposal;
- County Transport: development of county traffic and parking.
- Trade development including regulations for local tourism.
- county planning and development especially setting up of statistics department, land survey and mapping and spatial planning
- Fire fighting and disaster management measures, and
- Harnessing revenue collection from the Devolved units.

Mr Speaker, there is need to greatly focus on the implementation of the fourteen (14) functions under the County Government/devolved functions.

### 2.2 2.3 Sectoral Committee Recommendations

#### 2.3 2.3.1 Roads, Public Works and Transport

After scrutiny and consideration of the set budget in the last financial years, the Committee recommended that:

- The funds allocated for development and maintenance of public transport should be reduced to Kshs. 15M and the rest of the amount that is Kshs. 18,323,400 added to development and maintenance of county roads, bridges and drainage works;
- The allocation of Kshs. 39,204,000 set for fire fighting and emergency response services should be scrapped out and the amount added to development and maintenance of county roads, bridges and drainage works;
- Kshs. 9,801,000 for environmental impact assessment and audit for road works should be scrapped out and instead the funds should be added for development and maintenance of county roads, bridges and drainage works; and
- An allocation of 2% should be set aside for project supervision.

Programme	FY 2017/2018 Ceiling in Kshs.	Recommendation by the Committee
General administration planning and support services.	-	-
Development and maintenance of County roads, bridges and drainage works	318,964,300	318,964,300+18,323,400 +39,204,000+9,801,000 =Kshs.376,888,740
Development and maintenance of public transport	33,323,400	Kshs.15,000,000 (Allocation of Kshs. 18,323,400 reduced and added to road maintenance)
Flagship projects (County headquarters)	150,000,000	.....
County Lighting programme	-	-
Public works services (Governor's residence)	78,408,000	.....

Fire fighting and Emergency response services	39,204,000	No allocation for the programme (Allocation scrapped out and added to road maintenance)
Roads maintenance levy funds	130,725,000	Kshs.130,725,000
Environmental Impact Assessment and audit for road works	9,801,000	No allocation for this program (Allocation scrapped out and added to road maintenance)

#### 2.4 2.3.2 Lands, Housing and Physical Planning

The Committee recommended that:-

- County Spatial Planning And Digitization

Section 104(1 & 2) of County Governments Act 17 of 2012 provides that:

A county government shall plan for the county and no public funds shall be appropriated outside a planning framework developed by the county executive committee and approved by the county assembly.

The county planning framework shall integrate economic, physical, social, environmental and spatial planning.

The funds allocated for County Spatial Planning and Digitization to be increased to 120 million for the County to come up with a spatial plan.

- Housing Development And Management
  - County Ardhi House

The amount that was proposed for construction of County *Ardhi* House at Ol'kalou to be increased to Kshs.101 million, the additional to construct another *Ardhi* house at Engineer Town to bring services to people.

- Land use administration and management

The amount that was proposed for this programme was Kshs24, 502,500 and the committee agreed the money remain as proposed.

- Urban development

The amount that was proposed for this programme was Kshs19, 602,000 and the committee agreed the allocation remain as proposed.

- County Lighting Programme

The amount that was proposed for the new programme was Kshs24, 502,500 where the committee agreed the amount remains as proposed.

- Survey and Mapping services

The amount that was proposed for the programme was Kshs 29,403,000 and the committee agreed the amount remain as proposed.

### I.C.T and e-Government

Mr Speaker, the Committee made the following recommendations;

- The Revenue Automation be completed within the financial year in order to increase revenue collection.

Mr. Speaker you are aware that this House appropriated about 20 million for revenue automation so that we could increase revenue collection. There are no improvements toward the same.

- Allocation of funds for establishment of hotspots within the county for creating a platform for the youth

### Health Services

Mr. Speaker, having analysed the ongoing projects and their additional allocations in the ADP for the FY2017/2018 and the Ceilings provided for various programmes in the CFSP for FY2017/2018, the Committee recommended as follows;

- That the ceilings provided for Health Department on infrastructure and equipment, preventive and promote health care, Curative Health Care, Solid Waste Management and Cemeteries be reviewed upwards to ensure adequate service provision as provided for in the table below.

Programme	Ceiling as per the CFSP for FY 2017/2018	Proposed as per the ADP for FY2017/2018	Proposed Additional on the Ceilings
Health Infrastructure and equipment	221,934,700	282 million	60, 065,300
Preventive and promote health care	7,840,000	31 million	23, 160, 000
Solid waste management and cemeteries	27,403,000	48 million	20, 597, 000
Curative health care	240, 124,500	382 million	141, 875, 500

Programme	Ceiling as per the CFSP for FY 2017/2018	Proposed as per the ADP for FY2017/2018	Proposed Additional on the Ceilings
Facility Improvement Fund	52,925,400	74,000,000	21, 074, 600
User fees foregone	13,898,986	13,898,986	13,898,986
Free maternity	50,716,400	50,716,400	50,716,400

- That a high dependency unit (HDU) should be captured in JM Hospital as a flagship project.
- That equipping of the complete dispensaries and maternities should be captured as a flagship projects.
- That upgrading of Bamboo and Ndaragwa health centres to Level 4 hospitals should be considered as flagship projects.
- That the dispensaries surrounding J. M Hospital for instance, Rurii, Mukindu, Tumaini and Kaimbaga and serve high workload should be furnished with laboratory and maternity. This will aid in decongesting the hospital which is mainly meant for referral services, and
- That the health work force should be increased to ensure efficient service delivery to the people.

#### Justice, Legal Affairs and Public Service

The Committee made the following recommendations:

- That the County Public Service Board should be allocated an extra Kenya shillings 20,000,000 for the recruitment of a professional secretariat.
- That the County Public Service Board should be allocated money for offices or alternatively the county headquarters should house the County Public Service Board offices.
- That the department of Finance should provide a breakdown of the salaries of all the departments.

Mr Speaker if this is not done this county will continue paying ghost workers. We ask the department to furnish this committee with that breakdown.

- That the Office of the County Secretary should be allocated funds for public participation and civic education as per the Public Participation and Civic Education Act, 2016.
- That the directorate of enforcement should be allocated funds for the purchase of vehicle.

Mr Speaker, we have enforcement officers all over the county and they should be empowered and given resources. Revenue collection in the county is still little.

- That the County Secretary shall ensure that all the ward administrators have fully operational offices, and

The county government employed ward administrators but they do not have offices and other facilities. This is a major problem and we need to focus on it. When they are allocating bursaries they come to do that from our offices. I request the county secretary to see to it that they have operational offices.

- That the legal directorate/ County Attorney should be allocated about sixty million (60m) shillings.

## 2.5 Water, Energy, Environment and Natural Resources

The Committee made the following recommendations that:-

- The ceiling for the department's development vote be raised to enable the department complete the ongoing projects. The amount should exceed the previous years, and
- The recurrent vote should be increased to enable the department achieve the first stated function, that is, to strengthen the management capacity of community managed water projects to ensure that there are professionally and sustainably managed

Mr Speaker sir there are so many water projects that are incomplete and it is prudent to add more money to that department so that those projects can be funded to completion.

## Agriculture, Livestock Development and fisheries

The Committee recommended that;

- The ceilings for the Department of Agriculture, Livestock and fisheries be raised to a total of Kshs.575, 663,790 which will enable the 10% target set by Maputo Declaration on Agriculture and Food Security. The amount will raise the percentage allocation to the Agriculture Department to 10.12% of the total projected county budget.

The use of historical costing in the budgetary allocation setting should be discouraged in order for funds to be allocated to factors that will enable the economy to grow. With more resources being allocated to this sector, and to projects that impact directly on Wanjiku, It will continue to help expand the county GDP, thereby resulting in more employment opportunities, high earnings to the producers and value adders as well as increase local revenue generation.

- Subsidized fertilizer and A.I funds regulations be brought to the House for scrutiny and approval.

In line with the above recommendations, the committee thus recommended that Kshs.348, 200,000 as more funds should be allocated to the department as follows:

PROGRAM	CURRENT ALLOCATIONS IN THE CFSP	ADDITIONS	TOTAL	JUSTIFICATION
Livestock Production Development	20,243,045	36,600,000	56,843,045	To sufficiently cater for the recurrent expenditures
Crops Development (inclusive of 110M EU grant which will be allocated 66M in 2017/18)	135,036,380	61,700,000	196,736,380	-To facilitate on-site and e-extension services. - enable availability of funds for drought recovery /famine relief support. -110 M is for potato tissue culture laboratory and storage facility.
Fisheries Development	4,998,510	10,000,000	14,998,510	More fishing boats will be bought and allotted fishing gears. Currently there are only two boats. Dams will also be restocked.
Veterinary Services	27,001,755	30,000,000	57,001,755	-Vaccines need to be procured for ongoing vaccinations to avoid outbreak of livestock diseases. -Tulaga vet in Kinangop subcounty lab will also be rehabilitated for use by the county vets to diagnose and treat livestock diseases.
Inputs Subsidy	19,602,000	81,600,000	101,202,000	This will enable purchase of at least 1,200 bags of fertilizer per ward.
Subsidized A.I	14,701,500	31,700,000	46,401,500	The target is to purchase at least 55,200 straws of semen and 36,800 litres of liquid

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PROGRAM	CURRENT ALLOCATIONS IN THE CFSP	ADDITIONS	TOTAL	JUSTIFICATION
				nitrogen in order to serve as many cows as possible and generate more revenue for the county.
Agricultural Institutions Support	5,880,600	46,600,000	52,480,600	These will enhance their ability to serve as model farms for livestock and crop production. Agricultural exhibitions will be a daily activity such that any farmer with a query or area he wants to research on will have live demonstration of how they work.
Agricultural Mechanisation	-	50,000,000	50,000,000	These include 3 forage harvesters worth 3M each, 3 sets of 4M baler, 3 sets of 1.5 M wheeled rake, 3 sets of 1.5 M side mower, 3 sets of 600,000 disc plough, 2 tractors worth 5M.
Totals	227,463,790	348,200,000	575,663,790	

## 2.6 Industrialization, Trade, Co-operatives and Enterprise Development

In respect to the CFSP, the Committee made the following recommendations unanimously;

1. That the budget ceilings for the department in reference to the CFSP FY 2017/18 are not sufficient.

The committee strongly recommends that the Cooperatives sector allocation be increased by Kes42M for Infrastructure Development for Milk Coolers and Kshs 4M for

Capacity Building and the Trade sector's allocation be increased by Kshs.22.5M for upgrading of the Market Sheds.

The justifications are as follows;

a) Milk Coolers

At least Kshs.42M (Kshs 1.2M \* 35 Coolers) is required for infrastructural development in preparation of the 35 milk coolers promised by H.E the President. The promise is live, with a delegation having visited the county early in the year to ascertain the need for the milk coolers taking into consideration the volume of milk produced. It is expected that the coolers will be delivered in the month of June-July.

We have stated doing the milk cooler stations.

b) Upgrade of market sheds

Most of the market sheds that were constructed in the FY2014/15 by the Finance Department remain non-operational following the poor workmanship in the construction. Traders using the sheds are prone to bad weather conditions such as rain and strong winds attributed to the designing of the sheds. Some of the floors and walls have cracks hence need renovation. The department has also found it prudent to have table tops and/or lockers where the traders can lay and safely store their goods.

These sheds were poorly done. For example the one in Nyakio is like a toilet or a chicken pen.

c) Capacity Building for Cooperatives

To ensure that the cooperatives sector remains vibrant and sustainable, the department has to strengthen promotion, revival, audit, ethics and governance of cooperative societies. There is a need to capacity build the officers in the department in order to empower them to adequately address the issues that they are faced with when dealing with the various societies under their jurisdictions. The department requires Kshs. 4M to effectively carry out this function.

## 2.7 Tourism, Youth Affairs, Sports and Wildlife

The Committee recommended that;

- The construction of the main stadia in Ol'kalou be fast tracked. This will ensure more allocation to the project is justified.
- The committee proposed that in future more allocations should be given to the department to ensure that standard stadias are constructed in the wards as envisioned in the CIDP.

## 2.8 Education, Labour, Culture and Social Services

The Committee recommended that;

- It was recommended that the capitation fee for the youth polytechnic be factored in the 17/18 budget to ease the burden of the parents.

### Compensation and other Benefits to Employees

Mr Speaker, the total projected allocation on compensation to employees for the financial year 2017/2018 is Ksh1,616,289,330, however, it's is expected to increase to Kshs2 billion after factoring in the Nursing allowances, the outcome of the on-going negotiation on doctors salaries, numerous promotion of staff by the County Public Service Board, Absorption of Casuals Workers and the implementation of civil servants evaluation report by Salaries and Remuneration Commission.

The Office of the County Secretary and Human resource department is required to timely inform the relevant County Government authorities on the implication of the inter-alia. County Gratuity Fund, County gratuity fund arrears, County Pension fund and Medical Insurance.

Mr. Speaker, the CFSP has set ceilings for the above funds in order to cater for the existing and new staff gratuity and pension. In addition, there is an allocation of Kshs85m for Medical insurance in anticipation that the National Treasury may not continue with the payment of insurance for devolved staff in the FY2017/2018.

Mr Speaker, the Committee considered the Sectoral Committees recommendations and the views of the County Executive Committee Member for Finance and therefore recommends the following departmental ceilings for adoption by the County Assembly. The member can read through it. Arising from the above, the Committee recommends that;

1. Annex I on departmental ceilings be the base for preparation of the Programme Based Budget for the financial year 2017/2018 as per Regulation 26 (4) of the PFMA (County Government) Regulations 2015 which shall serve as the basis of expenditure ceilings specified in the fiscal framework.

Mr Speaker, in conclusion The Committee therefore urges the House to adopt the report of the Budget and Appropriations Committee on the County Fiscal Strategy Paper 2017 as a report of the House and the specific recommendations therein as the resolutions of the House.

Mr. Speaker the County Fiscal Strategy Paper is the one that will form the basis of the budget estimates and we are urging both the Executive and the Assembly to focus on the priority areas. This will be a medium term program that will outline the medium term framework which is openness, transparency, accountability and responsiveness.

We need to make prudent use of the funds from the National Government as well that from the local resources. Let the objectives of the CFSP be followed as well as the principles of Public Finance Management Act.

Mr Speaker, we have borrowed heavily from the County Budget Outlook Paper to see whether much has been achieved for the people. I urge the executive to ensure that the budget estimate be programme based especially on all the sectors. This House has no capacity to change the budget. This is the only chance that this House has to make amendments. With those few remarks, I call upon Hon. Thuita to second.

**Speaker:** Very well, Member for Gathanji, Hon. Sam Thuita.

**Hon. Samuel Thuita:** Thank you Mr Speaker, I rise to second the report by the Budget and Appropriations Committee.

Mr Speaker, the County Fiscal Strategy Paper read by the Chairman is vetted by the functions under the County Government schedule four of the constitution, the CIDP and AIDP. When the committee was considering all this, it was guided to make some recommendations, deductions and increments of the departments as allowed by law in the budget committee. One thing that the committee observed is that the local revenue is targeted to be Kshs371 million.

This Kshs371 million is targeted from the local collection. Although it is minimal, from previous collections, the county has never hit the target as it was put in previous budgets. The issue of revenue automation arose and functions that this House has approved money for and in about two consecutive years this has not happened, the county is left to go and stretch the little that come from the CRA for budgeting of the county.

The committee also observed that we have to invest a lot in the development sector especially in the departments that directly affect the *wananchi* of this county. From the report, the Agriculture sector was not funded appropriately, it was given around Kshs227 million, but with the wisdom of the committee and on looking at what can create employment for the youth of this county, it is the Agriculture sector.

There was this Maputo declaration that the budget made, at least ten percent of this amount should go to Agriculture. And the committee observed that we should give this department the ten percent and see how much we will transform our county. Get to increase this budget from 227 million to 575 million. In our arguments Mr Speaker, we got to know that this department has the most people being paid and most of them being the extension workers, but their output to the economy is minimal. And one factor that has contributed to this is because the workers are not well facilitated to go to the ground and advise our farmers on the way to go. This sector is now well funded.

Another sector we noted was the Water sector. We realised that there is need to have it well funded. We also realised that we should get away from rain fed farming. If we have enough water, everybody can have a kitchen garden and this will create wealth to the families.

Mr Speaker, in this report on page 9, the committee removed Kshs39 million from the fire fighting department for lack of justification as they have always been given money but nothing came from it. We also found that the youth department has been neglected, it had been underfunded, and since it is a youth department, we found it prudent to add some money or maintain the same since the youth are important and should be included in the development of this county because they are the people the county will rely on in future. I second the report

*(Question Proposed)*

**Speaker:** Member for Shamata, Hon. Kinyanjui Gachari.

**Hon. John Gachari:** Thank you Mr Speaker. I rise to support the Budget and Appropriation report. Knowing that the report on the budget has increased the money in the Agriculture sector and Agriculture is the backbone of this county, it is a good thing. I congratulate the Chairman of the committee because they got to realise that. Another department is that of Water, right now in Nyandarua there is a water shortage, even in my ward, Shamata, there is no water and residents are forced to walk for more than 5 kilometres to go and get water and for the committee to remember that department, I truly congratulate them.

The other department that should be considered is the department of Energy. If you go to other counties like Kiambu, everybody has accesses electricity, in our county, we have no good connection to electricity and everywhere is dark. Our people are suffering and I would urge that the committee to consider it so that we can install electricity. A person like me has no electricity in his home and am only using the solar. I therefore stand to support and congratulate them for their thinking and working to enrich Nyandarua.

**Speaker:** Yes County Member from Ol'kalou, Hon Patricia Njoroge.

**Hon Patricia Njoroge:** Thank you Mr Speaker, for giving me this chance to support this report. Am a member of the budget committee and I strongly feel I should say a word in support of it though much has already been discussed. I only have a few issues to emphasise on. First is the issue on the revenue automation which should be completed. People need to pay the taxes and I think if this revenue automation is completed, a lot of revenue will be collected

and the people will not suffer. We will be in a position to add more projects which will benefit the *mwananchi*. The other issue is on special planning, we have a lot of problems arising within the County Headquarters.

Our county is faced by the problem of double allocations and this discourages would-be investors in the county. I urge the people concerned to expedite the process of doing special planning. It will encourage investors to invest in our county and subsequently more job opportunities will be created.

The other thing is lack of clean water this, especially during this season. Many households have access to only dirty water for various domestic usage. People, for example, are travelling from far to fetch water from clean water sources in Ol'kalou town. Consumption and usage of dirty water may lead to many cases of ailments, thereby leading to an exodus of patients to hospitals. Remember doctors are currently on strike and patients, most of whom do casual jobs, are forced to seek medical attention in private hospitals or clinics, which offer expensive services. I therefore urge the County Government to put sufficient provision of clean water to county residents as the first priority.

More ECDE teachers are needed. The county government should consider employing more ECDE teachers. Many pupils who attend ECDE classes are children to the youth; and you know the youth comprise a high percentage of those citizens who lack employment. Mr Speaker, if you visit the town centres in our county you will find idle youths. Due to the idleness, they engage in vices such as alcoholism and illegal drug taking. Consequently, they fail to educate their children and, when they grow up, the latter would also engage in social vices.

**Speaker:** Very well. Yes, Member for Githioro, Hon. Silvester Kagiri.

**Hon. Silvester Kagiri:** Thank you Mr Speaker. I rise to support the report and commend the Committee on Budget and Appropriations for the good work they it has done in coming up with the report at hand.

This is the last fiscal strategy paper whose report we are approving this term. Through the process of adopting the fiscal strategy paper, we, the County Assembly, stamp our authority. This is in view of the Treasury regulations granting county assemblies the authority to amend only one percent of budget vote heads.

I can see that only the Chairperson and one Member of the Budget and Appropriations Committee are present. The other Members are not present, I do not wish to conclude that the reason for their absence is that they do not own the report. All the Members of the Committee are supposed to be present.

I have gone through the report and found that the Budget and Appropriations Committee found it prudent to prioritize the Executive's departmental needs. According to the report, the county government needs to improve health services to the people, construct and upgrade roads, and supply clean water to the people. The Committee has also reviewed downwards the recurrent expenditure, especially for the County Executive.

I once again wish to say that the Budget and Appropriations Committee did a very good job; but I urge the Chairperson of the Committee to ensure that all Members of the Committee are present in the House any other time he moves a report such as this. This will portray the cohesiveness within the Committee.

I now call the mover to respond.

**Speaker:** Yes the mover — the Chairperson of the Committee on Budget and Appropriations Committee, Hon. James Gachomba

**Hon. James Gachomba:** Thank you Mr Speaker. I thank the Members who have contributed on the motion. The fiscal strategy paper sets the budget ceilings. In view of this, it is not wise for some Members of the Budget and Appropriations Committee to be absent when

such a noble business is being transacted. We should urge the County Executive to focus on key priority areas in budget implementation.  
Thank you Mr Speaker.

*(Question put and agreed to)*

**Speaker:** Hon. Members, I would like to quickly make a comment; I am happy that in passing the Fiscal Strategy Paper, you have worked within the timelines set by the law. However, I am overly disappointed that not the whole membership of the Budget and Appropriations Committee is here to pass this critical document that informs the budgetary operations of a whole financial year go through. I am more disappointed as the Speaker, that the said membership sought to be added more time to sit in Naivasha to prepare the report yet they would not come to the House to ensure it passes.

It is not fair that you want to stay in Naivasha for three more days to prepare a report but you do not want to sit in the House for two hours to pass the same. This is a very critical document and I think the Chairperson of the Budget and Appropriations Committee, this is the high time you urged your Members to be cooperative. I expected the Members of the Budget and Appropriations Committee to discuss various aspects of the report on the floor of the House.

The Member for Gathanji and the County Member from Karau, for example, have stood and discussed critical issues that the Chairperson did not mention. For record and posterity, we would have wished to hear what the Members of the Committee did on the report that they wanted us to adopt together with the recommendations therein. It is unfortunate and I wish that this will not happen again. Chairperson of the Budget and Appropriations Committee, I would like to say that it has been a problem with your Committee; whereby, its Members want all the time to sit out there and prepare reports but when the reports come to the House, they are not present. It is not fair at all to this Assembly.

Otherwise the resolutions of this House emanating from this report will be communicated effectively to the relevant authorities. We wish the Governor and the relevant CECM, and actually the entire Executive, to take into account the resolutions of this House that comprises the representatives of the people. Any input we made on this report was in a bid to speak for the people that we represent.  
Next order.

### ADJOURNMENT

The business for today having been exhausted, Hon. Members, this House will adjourn to tomorrow, Wednesday, the 15<sup>th</sup> day of February, 2017 at 9.00 a.m.

*(The House rose at 3.52 p.m.)*