

COUNTY GOVERNMENT OF MURANG'A



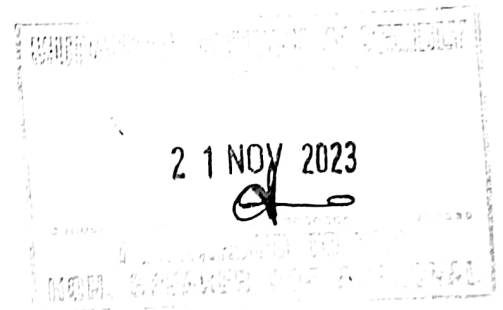
COUNTY ASSEMBLY OF MURANG'A

THIRD ASSEMBLY

SECOND SESSION

THE COMMITTEE ON BUDGET AND APPROPRIATIONS

DRAFT REPORT ON THE SUPPLEMENTARY BUDGET ESTIMATES NO. 1 OF THE
FY 2023/2024



Clerk's Chambers,
Murang'a County Assembly Buildings,
MURANG'A.

NOVEMBER 2023

Table of Contents	
EXECUTIVE SUMMARY.....	3
PREFACE	4
1.0 Committee Establishment and Mandate.....	4
1.1 Committee Membership.....	4
1.2 Committee Secretariat.....	4
2.0 BACKGROUND INFORMATION.....	5
3.0 SCRUTINY OF THE SUPPLEMENTARY ESTIMATES NO.1 FY 2023/2024.....	5
3.2 Justifications for Supplementary Budget No. 1 FY 2023-24.....	6
3.3 Sectoral Committee Views on the Respective Sector Supplementary No. 1 Estimates FY 2023-24	6
3.4 Consideration of the Sectoral Committee Recommendations.....	7
4.0 CHANGES MADE TO THE ESTIMATES OF REVENUE AND EXPENDITURE FY 2023-24	8
4.1 Revenue Changes.....	8
4.2 Total Additions and Reductions to the Budget FY 2023-24.....	9
4.3 Net Changes per Sector FY 2023-24.....	16
4.4 Overall Budget Change (Supplementary Estimates No. 1) FY 2023/24.....	17
5.0 COMMITTEE RECOMMENDATIONS.....	18
5.1 Financial Recommendations.....	18
5.2 Policy Recommendations.....	23
6.0 ADOPTION OF THE REPORT.....	24

EXECUTIVE SUMMARY

It is my pleasure to present to this Assembly the report on the Supplementary Budget Estimates of the FY 2023-24 that was submitted to the Assembly on 7th November 2023 and consequently tabled before the House on 8th November 2023. Upon tabling, the Estimates were committed to the Budget and Appropriations Committee as well as each sectoral committee to scrutinize and give recommendations Pursuant to Standing Order 224.

This supplementary budget has been prepared pursuant to Section 135 and Regulation 39 of the Public Finance Management Act 2012 where a County Treasury may revise estimates two months after the first withdrawal of money from the County Revenue Fund in a given fiscal year. The rationale for the Supplementary Estimates No. 1 of the FY 2023-24 is to address revenue shortages and allocate identified grants and balances from the previous fiscal year.

The Approved Budget Estimates FY 2023-24 amounted to Kshs. 10,758,970,425 where Kshs. 7,176,918,270 was for development expenditure and Kshs. 3,582,052,155 was for recurrent expenditure. The proposed supplementary budget estimates proposes to reduce the budget by Kshs. 350,604,379 where revenue estimates have been reviewed downwards to avoid pending bills at the end of the financial year. The recurrent budget has been increased by Kshs. 110,792,389 while development expenditure has reduces by Kshs. 461,396,768.

The Budget and Appropriations Committee recommends that the House do approve the proposed Supplementary Estimates No. 1 FY 2023-24 where the total budget shall be Kshs. 10,408,366,046 comprising of Kshs. 7,287,710,659 (70%) for recurrent expenditure and Kshs. 3,120,655,387 (30%) for development activities.

Signed.....
Date.....

HON. CHARLES MACHIGO KARINA

CHAIRPERSON, BUDGET AND APPROPRIATIONS COMMITTEE.

PREFACE

1.0 Committee Establishment and Mandate

Mr. Speaker, pursuant to Standing Order 200(3), the County Budget and Appropriation Committee is mandated among other functions to: -

- a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget,
- b) Discuss and review the estimates and make recommendations to the House; and;
- c) Examine Bills related to the County budget, including Appropriations Bills

1.1 Committee Membership

The County Budget and Appropriation Committee as currently constituted, comprises of the following Members:-

- | | |
|----------------------------------|--------------------|
| 1. Hon. Charles Machigo Karina | - Chairperson |
| 2. Hon. Julian Njiiri | - Vice Chairperson |
| 3. Hon. Francis Kamau | - Member |
| 4. Hon. Gerald Wambugu | - Member |
| 5. Hon. Grace Sharleen Wambui | - Member |
| 6. Hon. Caroline Wairimu Njoroge | - Member |
| 7. Hon. James Karanja Kabera | -Member |
| 8. Hon. Jeremiah Gichobe | - Member |
| 9. Hon. Naomi Nyambura Maina | - Member |
| 10. Hon. John Mwangi Kamau | - Member |
| 11. Hon. John Ngugi Kibaiya | - Member |
| 12. Hon. Dinah Muthoni Kagiri | - Member |
| 13. Hon. Samson Mukora Ngigi | - Member |
| 14. Hon. Edwin Mwangi Wairagu | - Member |
| 15. Hon. Peter Murigi Ngugi | - Member |
| 16. Hon. Liz Muthoni Mbugua | -Member |
| 17. Hon. Moses Mirara | -Member |

1.2 Committee Secretariat

- | | |
|---------------------|----------------------------|
| 1. John Kahari | -Principal Clerk Assistant |
| 2. Hellen Githinji | -Principal Hansard Editor |
| 3. Esther Ngamau | -Fiscal Analyst |
| 4. Mj. Esau Shilako | -Chief Sergent Art Arms |
| 5. Brian Kinyanjui | -Sergent Art Arms |

2.0 BACKGROUND INFORMATION

Mr. Speaker, this House is considering the review of the first budget estimates done under the New County Administration and the approved fiscal planning framework (CIDP) 2023-27. The budget estimates of the FY 2023-24 was approved in line with the policy objectives as set out in the County Fiscal Strategy Paper 2022 and the priorities in the Annual Development Plan 2023-24. The implementation of this budget would therefore be suited to give the initial score card for the Third Term County Government. The policy objectives guiding the execution of this budget revolve around transformation of Agriculture through subsidy products, achievement of Universal Health Care, provision of quality education and improvement of business environment.

Hon. Speaker, revision the budget estimates is provided for under Section 135 of the Public Finance Management Act 2012 where 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 of 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.

These estimates Hon. Speaker have been prepared amid a period of global financial and debt crisis where Kenya is hampered by high inflation of both food and non-food items. The National Government policy strategy has raised interest rates whose ripple effects include reduced money supply in the economy and unfriendly business environment. Murang'a County Own Source Revenue has performed poorly during the First Quarter of the FY 2023-24 because of the decreasing economic activities thus necessitating the need to review the annual target downwards.

3.0 SCRUTINTY OF THE SUPPLEMENTARY ESTIMATES NO.1 FY 2023/2024

3.1 Alignment with Legal Provisions on the Contents of a Supplementary Budget

Hon. Speaker, Regulation 39 (6) of the PFM ACT provides the contents of a supplementary budget as follows;

- i. Inclusion of the Vote, sub-programme and broad expenditure category, which it is desired to supplement, the original sum voted thereon and any supplements which may have since been added.
- ii. The actual expenditure and the outstanding liabilities or commitments against the item on the date when the request is made;
- iii. The amount of the supplement required, the reasons why the supplement is necessary and why it has not been possible to keep within the voted provision;
- iv. The basis for the calculation underpinning the supplementary
- v. The proposed source of financing of the additional expenditure;
- vi. An analysis of the fiscal impact of the additional expenditure, or of the implications, if any, for the planned outputs and outcomes of the affected programmes;
- vii. Any implied deviation from the medium from the Medium-Term Expenditure Framework (MTEF) and the financial objectives; and
- viii. The latest fiscal projections

Hon. Speaker, the committee has verified that the contents of the Supplementary Estimates No. 1 of the FY 2023-24 fulfilled some of the provisions of Regulation 39 where vote, programme and sub-programme were provided. Additionally, the supplementary estimates were prepared in the Medium Term Expenditure Framework as is good practice in budgeting. However, there was lack of clarity on the actual expenditure and outstanding liabilities or commitments against each item sought for reduction or addition. Further, the basis of calculation underpinning the supplementary estimates was not provided to enable accurate estimation.

3.2 Justifications for Supplementary Budget No. 1 FY 2023-24

Hon. Speaker, the Budget and Appropriations Committee has found justifiable reasons for the preparation and approval of the Supplementary Estimates that include;

- i. To reduce Own Source Revenue target by Kshs. 360,000,000 in order to align the budget with achievable goals and reduce the stock of pending bills by 30th June 2024.
- ii. To allocate conditional grants that were not appropriated during the consideration of the budget of the FY 2023-24. They include balanced brought forward on DANIDA, FLLoCA and Nutrition International.
- iii. To allocate the level two FLLoCA grant amounting to Kshs. 137,500,000 that was realized during the approval of the County Allocation of Revenue Act (CARA).
- iv. To reduce the grant and counter funding for the Aggregated Industrial Parks by Kshs. 150,000,000 respectively given the inadequate time for project implementation.
- v. To reclassify the ECDE Feeding Programme (Uji) amounting to Kshs. 100,000,000 from development to recurrent expenditure in line with the Controller of Budget advisory.
- vi. To increase the County Assembly recurrent budget by Kshs. 17,000,000 to cater for pending bills that were not settled as at 30th June 2023.
- vii. To provide an allocation of Kshs. 15,000,000 for Street lighting and Floodlights in line with the sector demand that had not been detected during the consideration of the budget.

3.3 Sectoral Committee Views on the Respective Sector Supplementary No. 1 Estimates FY 2023-24

Hon. Speaker, pursuant to Standing Order no. 224 the supplementary estimates upon tabling were deemed to have been committed to all sectoral committees for scrutiny as recommendation to the Budget and Appropriations Committee. The following Schedule indicates key policy recommendations by the sectoral committees;

No.	Committee	Recommendation
1	Finance	<p>The committee agreed with the reallocations but recommended for;</p> <ul style="list-style-type: none"> • Effectiveness in local revenue collection and management to in order to achieve the set target • Emergency Program to be implemented as per the Emergency Fund Regulations 2023
2	Education	<p>The committee recommended that;</p> <ul style="list-style-type: none"> • The vote on Education Tours under the Education Intervention Programme be reduced by Kshs 2,000,000 to Kshs 5,500,000 • That the vote on Feeding program -Porridge be reduced by Kshs 7,500,000 to Kshs 112,500,000.

		<ul style="list-style-type: none"> • That the Vote on accommodation-domestic travel under Administration and Support be added Kshs 2,000,000 to become Kshs 3,200,000 • That the Vote on Back-to-School Items under Education Interventions be allocated Kshs 3,000,000(New Allocation) • That a New Sub-programme be added under the Programme Early Childhood Development named 'Digital Learning/ Tayari program and be allocated Kshs 7,500,000
3	ICT	The committee agreed with the movements and recommended that the ICT sector budget be separated from the Public Service to enable the committee do proper oversight and legislation
4	Lands	The committee was satisfied with the proposed reallocations proposed and recommended full implementation
5	Health	The 5,000,000 added for maternal and infant program be removed and added to the development of Kirwara hospital to have Kshs: 15,000,000
6	Energy	The committee agreed with the reallocations but sought clarification on the movements made for Specialized materials under Energy development and waste collection vehicles under waste management
7	Roads	Reinstate Kshs. 20 million back to Gravelling and Maintenance. Smart City programme to reduce by Kshs. 20 million.
8	Agriculture	The committee was satisfied with the reallocations but recommended that the CEC Agriculture to submit policy documents on Livestock Value Chain to enable implementation. In addition, implementation status report for ASDSP programme as at 30 th September should be submitted.
9	Trade	The committee recommended that policy framework be developed for the Small Traders Support Program to enable its allocation and implementation during the next financial year budget. Additionally, the department should put more emphasis on the tourism sub-sector to create value for money and foster growth.
10	Youth	The Committee recommended that; <ul style="list-style-type: none"> • The additional Kshs. 30, 000,000 to the Murang'a Youth Service be reduced by Kshs. 10, 000, 000. • That the Kshs. 10, 000, 000 deducted from Murang'a Youth Service be reallocated to Sports Development to provide for installation of field goal posts in all wards.
11	Water	The committee recommended for approval the proposed reallocations
12	Governance	The committee recommended for approval the proposed reallocations

3.4 Consideration of the Sectoral Committee Recommendations

The Committee adopted the following sectoral committee recommendations;

Youth

- Additional allocation of Kshs. 20 million to the Youth Service Empowerment Program instead of Kshs. 30 million
- Additional allocation of Kshs. 10 million to the Sports Development Program to provide for installation of field goal posts in all wards.

Education

- Reduction of the Education Tours sub-program under Education Intervention Program by Kshs. 2 million to fund other priority activities.
- Additional Allocation of Kshs. 92.5 million to the School Feeding Program instead of Kshs. 100 million in order to save for Digital Learning program.

- c) Additional allocation of Kshs. 3 million to the Teaching and Learning Materials sub-program under ECDE Development to be utilized for purchase of back to school items.
- d) Additional allocation of Kshs. 2 million for accommodation and domestic travel sub-program under Administration and Support to enable operations of the Department.
- e) New allocation of Kshs. 7.5 million for Digital Learning/Tayari program under ECDE Development.

Roads

- a) Reduction of Kshs. 10 million for Graveling and Maintenance instead of Kshs. 20 million so that the program can have Kshs. 43 million to enable maintenance of county roads.
- b) Additional allocation of Kshs. 30 million instead of Kshs. 40 million to save for other priority programs.

4.0 CHANGES MADE TO THE ESTIMATES OF REVENUE AND EXPENDITURE FY 2023-24

4.1 Revenue Changes

Schedule 1; Revenue Changes

No.	Revenue Type	Approved Budget FY 2023-24 (Kshs.)	Movement (Kshs.)	Supplementary FY 2023-24 (Kshs.)
1	Sharable Revenue	7,473,786,703	-	7,473,786,703
2	Livestock Value Chain Support	71,618,400	-	71,618,400
3	Nutritional International	20,000,000	-	20,000,000
4	Leasing of Medical Equipment	124,733,404	-	124,733,404
5	Agricultural Sector Deepening Support Program II	1,899,127	-	1,899,127
6	Balance Brought Forward -CRF(July 2022)	650,313,248	34,083,572	684,396,819
7	FLLoCA balance b/f	-	6,714,871	6,714,871
8	DANIDA b/f from 2022-23 (in special purpose Acc)	-	2,701,688	2,701,688
9	Finance for Locally Led Climate Action (FLLoCA)	22,000,000	25,542,924	47,542,924
10	FLLoCA Level Two Grant	-	137,500,000	137,500,000
11	DANIDA	11,492,250	-	11,492,250
12	NAVCDP	250,000,000	-	250,000,000
13	NARIGP 150m	197,147,434	(47,147,434)	150,000,000
14	Local Revenue	1,475,000,000	(360,000,000)	1,115,000,000
15	Conditional Grant for Fertilizer Subsidy	197,960,790	-	197,960,790
16	Transfer of Library Services	13,019,070	-	13,019,070
17	Aggregated Industrial Park	250,000,000	(150,000,000)	100,000,000
	Total	10,758,970,426	(350,604,379)	10,408,366,046

4.2 Total Additions and Reductions to the Budget FY 2023-24
Schedule 2; Additions and Reductions

Additions			
Recurrent Additions			
Department	Programme	Sub-Programme	Amount (Kshs.)
Governorship	Executive Coordination	Communication	6,000,000
		County Coordination	8,050,000
		Motor Vehicle Hiring	5,000,000
			19,050,000
Finance	Administration and Support	Electricity	2,500,000
		Water supply and sewerage	7,000,000
	Economic Planning	Printing and Advertising	1,500,000
			11,000,000
Roads	Road Development	Fuel, Oil and Lubricants	1,000,000
		Hire of Transport	825,000
		General Supplies	700,000
	Energy Development	Fuel, Oil and Lubricants	300,000
		Specialized materials	5,000,000
	Market and Urban Development	Publishing and Printing	1,000,000
			8,825,000
	Trade	Market Development	Subscriptions, fees
Tourism Development		Accommodation	1,000,000
		Hire of Vehicles	300,000
Trade and Industry Development		Hire of Transportation	8,000,000
		Domestic Travel	2,000,000
County Aggregated Industrial Parks		Public Participation	500,000
		Fuel	500,000
		Domestic Travel	500,000
Cooperative Development		General Supplies	500,000
			13,600,000
Education	Administration and Support	Vocational Trainers	5,000,000
		Domestic Travel	2,000,000
	Early Childhood Development	Feeding Program-porridge	92,500,000
		Digital Learning/Tayari Program	7,500,000
	Education Intervention	Scholarship Programme	7,000,000
		Motor Vehicle repair	500,000
		Fuel, Oil and Lubricants	1,100,000
		Event Management	2,900,000
	Talents, Innovations and local	Publishing and Printing	300,000
			118,800,000
Health	Health Administration	Electricity	5,000,000
		Medical Oxygen and other	1,000,000
		Dainda b/f	2,701,688

	New	Underage Support (Consumables)	5,000,000
	Curative Health	Food rations	3,000,000
		Medical Drugs	47,400,000
		Dressings and other	50,000,000
		Lab Reagents	10,000,000
			124,101,688
Lands	Administration and Support	Maintenance of vehicles	100,000
		Hire of Motor Vehicle	300,000
	Land Leasing Committee	Boards and Committees	4,000,000
			4,400,000
CPSB	National Value and Governance	Motor vehicle repair	300,000
			300,000
Youth	Culture Development	GIKUYU Festival	5,000,000
	Library Services NEW	Salaries	7,000,000
		Domestic Travel	2,000,000
		Purchase of general office	1,000,000
		Purchase of books -specialized	2,000,000
		Utility bills	1,019,070
	Social Development	Pending bills	6,000,000
		Food rations-children homes	1,000,000
	Sport Development	Training Expenses NEW	1,000,000
			26,019,070
Environment	Environmental Administration	Pending bills-waste collection	1,000,000
	Waste Management	Casual wages	1,500,000
		Consumables	1,000,000
		Fuel	1,500,000
			5,000,000
PSA	Administration and Support	Pension and statutory arrears	50,000,000
		Medical Insurance-Employee Scheme	8,000,000
		Printing and Stationery	845,001
		Christmas Holiday Gifts	10,000,000
			68,845,001
Municipality	Administration and Support	Specialized materials	500,000
	Urban Management	2 municipalities induction	2,000,000
		Pending bills-waste collection	2,000,000
			4,500,000
Assembly	Administration and Support	Pending Bills-Domestic Travel	17,000,000
			17,000,000
		Total Recurrent Additions	421,440,759
Development Additions			
Finance	Administration and Support	Emergency Fund	3,000,000
			3,000,000
Agriculture	Administration and Support	ASDSP b/f	3,178,000
			3,178,000
Roads	Market and Urban Development	Smart Cities	30,000,000

	Energy Distribution	Street lighting and Floodlights	15,000,000
			45,000,000
Trade	Trade and Industry	Market Development upgrade	18,800,000
			18,800,000
Education	Youth Polytechniques	Tools and Equipment NEW	8,000,000
			8,000,000
Health	Nutritional International	Nutrition International b/f	25,542,924
	Preventive and Promotive	Maternal and Infant Support	5,000,000
	Infrastructure Development	Kenol Hospital	54,000,000
			84,542,924
Land	Land Administration	GIS	5,000,000
			5,000,000
Youth	Youth	Murang'a Youth Service	20,000,000
	Sport Development	Sports Equipment	10,000,000
			30,000,000
Environment	Environmental Conservation	FLLoCA Level Two Grant	137,500,000
		FLLoCA	6,714,871
		Funding Locally Led Climate	17,814,871
			162,029,742
PSA	ICT Development	Call centre	10,000,000
			10,000,000
Municipality	Urban Management	Karii pending bill	3,400,000
			3,400,000
		Total Development Additions	372,950,666
		Total Additions	794,391,425
Reductions			
Recurrent Reductions			
Governorship	County Coordination	General Supplies	1,000,000
		Foreign Travel	5,000,000
		Training Expenses	1,000,000
	Communication	Motor vehicle Maintenance	500,000
		Legal Fees	25,000,000
		Pending Bills general supplies	20,000,000
		Purchase of Uniforms	1,000,000
	Coordination	Vehicle Maintenance	150,000
	Disaster Control	Purchase of Uniforms	1,000,000
		Specialized materials	1,000,000
		Maintenance Expenses-Motor	4,000,000
	Internal Audit	Printing	300,000
	Compliance and Enforcement	Purchase of Uniforms	650,000
			60,600,000
Finance	Administration and Support	Telephone, Telex	500,000
		Accommodation	1,000,000
		Foreign Travel	2,000,000
		Publishing and Printing	500,000

		Training Expenses	500,000
		Insurance Costs	2,000,000
		Legal Fees	3,000,000
		Maintenance Expenses-Motor	1,000,000
	Financial Management	Training Expenses	1,000,000
	Economic Planning	Hospitality Supplies	3,000,000
		Domestic Travel	4,000,000
	Budgeting	Printing	400,000
		Public Participation	1,000,000
	Monitoring and Evaluation	Accommodation	1,000,000
	Public Participation	Accommodation	5,000,000
	Resource Mobilization	Accommodation	2,000,000
		Publishing and Printing	1,000,000
			29,000,000
Agriculture	Administration and Support	Supplies and Accessories	3,000,000
		Pending Bills general supplies	10,000,000
	Food Security	Fuel, Oil and Lubricants	1,000,000
	Veterinary Services	Advertising, Awareness	150,000
			14,150,000
Roads	Road Development	Maintenance of PPE	1,000,000
	Market and Urban Development	Maintenance of PPE	1,000,000
			2,000,000
Commerce	Market Development	Advertising, Awareness	250,000
		Rent and Rates Non-Residential	2,000,000
		Research, Feasibility Studies	800,000
		Training Expenses	500,000
		Accommodation	240,000
		Pending Bills general supplies	5,000,000
	Consumer Protection and Regulation	Advertising, Awareness	700,000
		Fuel, Oil and Lubricants	1,000,000
	Tourism Development	Specialized materials	450,000
		Maintenance Expenses-Motor	200,000
		Advertising, Awareness	150,000
	Trade and Industries	Contracted Technical Services	1,100,000
		Research, Feasibility Studies	1,100,000
		Specialized materials	1,760,000
		Advertising, Awareness	2,000,000
		Publishing and Printing	1,500,000
		Advertising, Awareness	550,000
	Cooperative Development	Telephone, Telex	310,000
		Hospitality Supplies	300,000
		Publicity and awareness	500,000
		Routine Maintenance	2,000,000
		Public Participation	200,000

			22,610,000
Education	Administration and Support	Publishing and Printing	500,000
		Pending bills	2,000,000
	Early Childhood Development	ECDE New Hires-Internship	6,000,000
		Accommodation	1,000,000
		Teaching/Learning Materials	2,000,000
	Education Intervention	Administration of Scholarship	1,100,000
	Transfer of Library Services	Library	13,019,070
		Education Tour	4,500,000
	Talents, Innovations and local	Identification of Talents	550,000
		Training/Capacity Building	500,000
			31,169,070
Health	Administration and Support	Community Health Volunteers	35,000,000
		Nurses Arrears	10,000,000
		Accommodation	1,000,000
		Foreign Travel	1,089,000
		Publishing and Printing	150,000
		Advertising, Awareness	400,000
		Rent and Rates Non-Residential	4,000,000
		Training Expenses	1,000,000
		Medical Insurance	1,815,000
		Sanitary and Cleaning Materials	1,000,000
		Contracted Technical Services	1,750,000
		Maintenance Expenses-Motor	1,500,000
		Maintenance of Buildings	1,500,000
		Research, Feasibility Studies	2,420,000
	Alcohol Program	Accommodation	1,500,000
	Curative Health	Contracted Professional services	2,200,000
			66,324,000
Lands	Administration and Support	Legal Fees	1,800,000
		Accommodation	1,900,000
		Foreign Travel	600,000
		Publishing and Printing	1,200,000
		Advertising, Awareness	2,500,000
		Boards and Committees	1,200,000
		Specialized materials	1,380,429
		General Supplies	500,000
		Office and general supplies	500,000
		Maintenance Expenses-Motor	500,000
	Urban Development	Acquisition of Kenol Bus Park	4,700,000
			16,780,429
CPSB	Administration and Support	Mortgage	9,000,000
		Boards and Committees	1,000,000
		Office Maintenance	800,000
	National Value and Governance	Purchase of Motor Vehicle	5,800,000

		Boards and Committees	1,000,000
			17,600,000
Youth	Administration and Support	Publishing and Printing	1,000,000
		Pending bills	3,000,000
		Routine Maintenance	1,000,000
	Sport Development	Specialized materials	2,000,000
			7,000,000
Environment	Environmental Conservation	Environment days commemoration	17,814,871
	Administration and Support	Vehicle Maintenance	500,000
	Irrigation	Accommodation	500,000
		Fuel, Oil and Lubricants	500,000
		Boards and Committees	500,000
	Water Development	Boards and Committees	300,000
		Maintenance of PPE	200,000
		Hire of Transport and Equipment	500,000
			20,814,871
PSA	Administration and Support	Other entitlements and allowance	2,000,000
		Pending bills(KSG and insurance)	2,000,000
		Training Expenses	12,000,000
		Boards and Committees	1,000,000
		General Supplies	1,000,000
		Performance Management	1,000,000
			19,000,000
Municipality	Administration and Support	Accommodation	1,000,000
		Advertising, Awareness	100,000
		Fuel, Oil and Lubricants	500,000
		Maintenance Expenses-Motor	500,000
	Urban Development	Public Participation	1,000,000
	Enforcement	Procurement of Uniforms	500,000
			3,600,000
		Total Recurrent Reductions	310,648,370
Development Reductions			
Governorship	Administration and Support	Fire Station	2,000,000
		Sub-County Offices	8,000,000
			10,000,000
Agriculture	Subsidy programme	Agricultural subsidy-mango and milk	10,000,000
	Cash Crop Development	Avocado Upgrading	2,000,000
	Food Security	Fertilizer, Hybrid seeds	2,000,000
		NARIGP Grant	47,147,434
	Livestock Development	IT Systems	5,000,000
		Vaccination program	10,000,000
		A.I Program	5,000,000
			81,147,434
Roads	Road Development	Gravelling, Maintenance	10,000,000
		NAMATA Support	2,000,000

			12,000,000
Trade	Trade, Industry and Investment	Small Traders Support	20,000,000
		Establishment of Special Economic Zones	150,000,000
		Aggregated Industrial Park	150,000,000
	Tourism Development	Tourism mapping and support	3,500,000
		Tourism Marketing Promotion Product	5,000,000
	Cooperative Development	Co-operative Societies	17,500,000
		Animal Feeds Production System	20,000,000
			366,000,000
Education	Early Childhood Development	Early Childhood Development	115,000,000
	Education Intervention	Mentorship	10,000,000
	Youth Polytechniques	Infrastructure Development	5,000,000
			130,000,000
Health	Curative Health	Ambulances	20,000,000
	Preventive and Promotive	Community Health Outreach program	15,000,000
		Communicable diseases	4,000,000
		Occupational Therapy	2,000,000
	Universal Health	Underage Pregnancy Support	10,000,000
	Reproductive Health services	IT Systems	1,000,000
	Infrastructure Development	Development of Kirwara Hospital	10,000,000
		Kigumo Sub-County Hospital	5,000,000
		Kandara Hospital	5,000,000
		Maragua Hospital	13,000,000
		Muriranja	2,000,000
		Mathioya Hospital	2,000,000
		Ithanga Hospital	2,000,000
		Level 5-Referral Hospital construction wards	30,000,000
			121,000,000
Land	Urban Development	Land Purchase -bus park	1,000,000
	Land Administration	Valuation Roll	8,000,000
		Physical Planning -PDP	5,000,000
		Land Succession	17,000,000
		Digitization of Land	5,000,000
		Survey Vehicle	7,000,000
			43,000,000
Youth	Culture	Culture Development-Mukurwe	5,000,000
	Gender	Gender Empowerment	5,000,000
			10,000,000
Environment	Waste Management	Waste Collection vehicle	30,000,000
	Environmental Conservation	Purchase of tree seeds -pending bills	3,000,000
		Purchase of specialized materials	3,200,000
			36,200,000
County Assembly	Administration and Support		25,000,000
			25,000,000

		Total Development Reductions	834,347,434
		Total Reductions	1,144,995,804
		Net Additions	(350,604,379)

4.3 Net Changes per Sector FY 2023-24

Schedule 3; Recurrent Net Changes per Sector FY 2023/24

No.	Department	Approved Budget FY 2023-24 (Kshs.)	Reduction (Kshs.)	Addition (Kshs.)	Net (Kshs.)	Supplementary 1 FY 2023-24 (Kshs.)	% Change
R-01	Governorship	399,906,886	(60,600,000)	19,050,000	(41,550,000)	358,356,886	(10)
R-03	Finance	366,669,107	(29,000,000)	11,000,000	(18,000,000)	348,669,107	(5)
R-04	Agriculture	263,065,350	(14,150,000)	-	(14,150,000)	248,915,350	(5)
R-05	Roads	22,135,387	(2,000,000)	8,825,000	6,825,000	28,960,387	31
R-06	Trade	98,043,600	(22,610,000)	13,600,000	(9,010,000)	89,033,600	(9)
R-10	Education	698,117,284	(31,169,070)	118,800,000	87,630,930	785,748,214	13
R-07	Health	3,059,401,373	(66,324,000)	124,101,688	57,777,688	3,117,179,061	2
R-08	Lands	36,059,460	(16,780,429)	4,400,000	(12,380,429)	23,679,031	(34)
R-13	CPSB	57,815,881	(17,600,000)	300,000	(17,300,000)	40,515,881	(30)
R-11	Youth	83,367,168	(7,000,000)	26,019,070	19,019,070	102,386,238	23
R-12	Environment	139,737,500	(20,814,871)	5,000,000	(15,814,871)	123,922,629	(11)
R-09	PSA	1,027,520,241	(19,000,000)	68,845,001	49,845,001	1,077,365,242	5
R-14	Municipality	69,370,000	(3,600,000)	4,500,000	900,000	70,270,000	1
R-02	Assembly	855,709,033	-	17,000,000	17,000,000	872,709,033	2
	Total	7,176,918,270	(310,648,370)	421,440,759	110,792,389	7,287,710,659	2

Schedule 4; Development Net Changes Per Sector FY 2023/24

No.	Department	Approved Budget FY 2023-24 (Kshs.)	Reduction (Kshs.)	Addition (Kshs.)	Net Change (Kshs.)	Supplementary 1 FY 2023-24 (Kshs.)	% Change
D-01	Governorship	10,000,000	(10,000,000)	-	(10,000,000)	-	(100)
D-03	Finance	20,000,000	-	3,000,000	3,000,000	23,000,000	15
D-04	Agriculture	1,014,125,751	(81,147,434)	3,178,000	(77,969,434)	936,156,317	(8)

D-05	Roads	660,000,000	(12,000,000)	45,000,000	33,000,000	693,000,000	5
D-06	Trade	613,500,000	(366,000,000)	18,800,000	(347,200,000)	266,300,000	(57)
D-10	Education	145,000,000	(130,000,000)	8,000,000	(122,000,000)	23,000,000	(84)
D-07	Health	590,726,404	(121,000,000)	84,542,924	(36,457,076)	554,269,328	(6)
D-08	Lands	61,000,000	(43,000,000)	5,000,000	(38,000,000)	23,000,000	(62)
D-13	CPSB	-	-	-	-	-	
D-11	Youth	160,000,000	(10,000,000)	30,000,000	20,000,000	180,000,000	13
D-12	Environment	162,700,000	(36,200,000)	162,029,742	125,829,742	288,529,742	77
D-09	PSA	80,000,000	-	10,000,000	10,000,000	90,000,000	13
D-14	Municipality	20,000,000	-	3,400,000	3,400,000	23,400,000	17
D-02	Assembly	45,000,000	(25,000,000)	-	(25,000,000)	20,000,000	(56)
	Total	3,582,052,155	(834,347,434)	372,950,666	(461,396,768)	3,120,655,387	(13)

4.4 Overall Budget Change (Supplementary Estimates No. 1) FY 2023/24
Schedule 5; Overall Budget Change

	Approved Budget FY 2023-24 (Kshs.)	Movement (Kshs.)	Supplementary 1 FY 2023-24 (Kshs.)	% Change	30:70 Rule
Recurrent	7,176,918,270	110,792,389	7,287,710,659	2	70.0
Development	3,582,052,155	(461,396,768)	3,120,655,387	(13)	30.0
Total	10,758,970,425	(350,604,379)	10,408,366,046		

5.0 COMMITTEE RECOMMENDATIONS

5.1 Financial Recommendations

The committee recommends that;

- The Supplementary Estimates No. 1 of the FY 2023-24 be approved as per Schedule 6 (Recurrent Supplementary Budget per Programme) and Schedule 7 (Development Supplementary Budget per Programme)
- That the Supplementary Estimates of Revenue FY 2023-24 be approved as per schedule 1 of this report
- That reallocations (additions and reductions) be approved and implemented as per Schedule 2 of this report
- That Aggregate Sector Supplementary Estimates FY 2023-24 be approved as per Schedule 3 and 4 of this report

Schedule 6; APPROVED RECURRENT SUPPLEMENTARY BUDGET REALLOCATIONS PER PROGRAMME

VOTE	DEPARTMENT	PROGRAMME	APPROVED BUDGET FY 2023-24 (Kshs.)	MOVEMENT (Kshs.)	SUPPLEMENTARY 1 FY 2023-24 (Kshs.)
	RECURRENT				
4012	GOVERNORSHIP	County and Executive Coordination	182,044,209	(7,000,000)	175,044,209
		Communication	15,000,000	5,500,000	20,500,000
		County Coordination	170,275,677	(32,950,000)	137,325,677
		Project Coordination and management	3,600,000	(150,000)	3,450,000
		Disaster Control Management	16,421,000	(6,000,000)	10,421,000
		Internal Audit	5,670,000	(300,000)	5,370,000
		Compliance and Enforcement	6,896,000	(650,000)	6,246,000
		Sub-Total	399,906,886	(41,550,000)	358,356,886
4013	FINANCE	Administration and Support	258,717,923	(1,000,000)	257,717,923
		Automation and Revenue System	500,000	-	500,000
		Financial Management	3,550,000	(1,100,000)	2,450,000
		Economic Planning	33,071,184	(5,500,000)	27,571,184
		Budgeting	7,460,000	(1,400,000)	6,060,000
		Monitoring and Evaluation	3,320,000	(1,000,000)	2,320,000
		Public Participation	38,740,000	(5,000,000)	33,740,000
		Resource Mobilization	20,430,000	(3,000,000)	17,430,000
			365,789,107	(18,000,000)	347,789,107
4014	AGRICULTURE	Administration and Support	244,320,350	(13,000,000)	231,320,350

		Agricultural Training Centers	3,850,000	-	3,850,000
		Cash crop Development	2,970,000	-	2,970,000
		Food Security	4,850,000	(1,000,000)	3,850,000
		Livestock and Fisheries	1,705,000	-	1,705,000
		Veterinary Services	5,370,000	(150,000)	5,220,000
			263,065,350	(14,150,000)	248,915,350
4015	ROAD	Road Development	17,384,487	1,525,000	18,909,487
		Energy Development	1,100,000	5,300,000	6,400,000
		Market and Urban Development	3,650,900	-	3,650,900
			22,135,387	6,825,000	28,960,387
4016	TRADE	General Administration and Support	13,980,706	-	13,980,706
		Market Development	54,202,894	(8,490,000)	45,712,894
		Consumer Protection and Regulation	3,220,000	(1,700,000)	1,520,000
		Tourism Development	2,060,000	500,000	2,560,000
		Trade and Industry Development	16,160,000	1,990,000	18,150,000
		County Aggregated Industrial Parks	-	1,500,000	1,500,000
		Cooperative Development	8,420,000	(2,810,000)	5,610,000
			98,043,600	(9,010,000)	89,033,600
4017	EDUCATION	Administration and Support	350,086,214	4,500,000	354,586,214
		Early Childhood Development	68,562,000	91,000,000	159,562,000
		Education Intervention	271,219,071	(7,119,071)	264,100,000
		Youth Polytechniques and Vocational	5,600,000	-	5,600,000
		Talents, Innovation and local industry	2,650,000	(750,000)	1,900,000
			698,117,285	87,630,929	785,748,214
4018	HEALTH	Health Administration, planning support	2,328,306,373	(48,922,312)	2,279,384,061
		Alcohol Program	5,010,000	(1,500,000)	3,510,000
		Curative Health	720,640,000	108,200,000	828,840,000
		Infrastructure Support	1,815,000	-	1,815,000
		Reproductive Health	3,630,000	-	3,630,000
			3,059,401,373	57,777,688	3,117,179,061
4019	LANDS	Administration and Support	31,059,460	(11,680,429)	19,379,031
		Urban Development	5,000,000	(4,700,000)	300,000
		Land Leasing Committee	-	4,000,000	4,000,000
			36,059,460	(12,380,429)	23,679,031

4020	CPSB	General Administration and Support	49,045,881	(10,800,000)	38,245,881
		National Value and Governance	8,770,000	(6,500,000)	2,270,000
			57,815,881	(17,300,000)	40,515,881
4022	YOUTH	Administration and Support	55,063,668	(5,000,000)	50,063,668
		Culture Development	1,570,000	5,000,000	6,570,000
		Library Services	-	13,019,070	13,019,070
		Social Development	2,450,000	7,000,000	9,450,000
		Sport Development	23,623,500	(1,000,000)	22,623,500
		Youth Empowerment	660,000	-	660,000
			83,367,168	19,019,070	102,386,238
4023	ENVIRONMENT	General Administration and Support	91,193,128	-	91,193,128
		Environmental Conservation	25,700,000	(17,814,871)	7,885,129
		Environmental Administration and support	8,250,000	(500,000)	7,750,000
		Waste Management	6,074,872	5,000,000	11,074,872
		Irrigation	3,000,000	(1,500,000)	1,500,000
		Water Development	4,319,500	(1,000,000)	3,319,500
			138,537,500	(15,814,871)	122,722,629
4024	PSA	Administration and Support	1,027,520,241	49,845,001	1,077,365,242
			1,027,520,241	49,845,001	1,077,365,242
4026	MUNICIPALITY	Administration and Support	65,420,000	(1,600,000)	63,820,000
		Performance Management	500,000	-	500,000
		Urban Management	2,150,000	3,000,000	5,150,000
		Enforcement	1,300,000	(500,000)	800,000
			69,370,000	900,000	70,270,000
4010	ASSEMBLY	Administration and Support	855,709,033	17,000,000	872,709,033
			855,709,033	17,000,000	872,709,033
		Total Recurrent	7,174,838,271	110,792,388	7,285,630,659

Schedule 7: APPROVED DEVELOPMENT SUPPLEMENTARY BUDGET REALLOCATIONS PER PROGRAMME

VOTE	DEPARTMENT	PROGRAMME	APPROVED BUDGET FY 2023-24 (Kshs.)	MOVEMENT (Kshs.)	SUPPLEMENTARY 1 FY 2023-24 (Kshs.)
	DEVELOPMENT				
4012	GOVERNORSHIP	Administration and support	10,000,000	(10,000,000)	-
			10,000,000	(10,000,000)	-
4013	FINANCE	Administration and support	20,000,000	3,000,000	23,000,000
			20,000,000	3,000,000	23,000,000
4014	AGRICULTURE	Subsidy Programme	447,960,790	(10,000,000)	437,960,790
		Cash crop Development	2,000,000	(2,000,000)	-
		Administration and support-ASDSP	4,399,127	3,178,000	7,577,127
		Food Security-NARIGP	453,147,434	(49,147,434)	404,000,000
		Livestock and Fisheries Development	106,618,400	(20,000,000)	86,618,400
			1,014,125,751	(77,969,434)	936,156,317
4015	ROAD	Market and Urban Development	150,000,000	30,000,000	180,000,000
		Roads Development	510,000,000	(12,000,000)	498,000,000
		Energy Distribution-Street lighting	-	15,000,000	15,000,000
			660,000,000	33,000,000	693,000,000
4016	TRADE	Trade, Industry and Investment	545,000,000	(301,200,000)	243,800,000
		Tourism Development	8,500,000	(8,500,000)	-
		Cooperative Development	60,000,000	(37,500,000)	22,500,000
			613,500,000	(347,200,000)	266,300,000
4017	EDUCATION	Early Childhood Development	130,000,000	(115,000,000)	15,000,000
		Education Intervention-mentorship	10,000,000	(10,000,000)	-
		Youth Polytechnique	5,000,000	3,000,000	8,000,000
			145,000,000	(122,000,000)	23,000,000
4018	HEALTH	Curative Health	164,726,404	(20,000,000)	144,726,404
		Preventive and Promotive	79,000,000	(16,000,000)	63,000,000
		Nutrition International	41,000,000	25,542,924	66,542,924
		Universal Health	10,000,000	(10,000,000)	-
		Reproductive Health	30,000,000	(1,000,000)	29,000,000
		Infrastructure Development	266,000,000	(15,000,000)	251,000,000
			590,726,404	(36,457,076)	554,269,328
4019	LAND	Urban Development	2,000,000	(1,000,000)	1,000,000
		Land Administration	59,000,000	(37,000,000)	22,000,000
			61,000,000	(38,000,000)	23,000,000

4022	YOUTH	Culture Development- Mukurwe	5,000,000	(5,000,000)	-
		Persons Living with Disability	5,000,000	-	5,000,000
		Gender Empowerment	5,000,000	(5,000,000)	-
		Social Empowerment	5,000,000	-	5,000,000
		Sport Development - Mumbi stadium	5,000,000	10,000,000	15,000,000
		Youth Service-Youth Empowerment	135,000,000	20,000,000	155,000,000
			160,000,000	20,000,000	180,000,000
4023	ENVIRONMENT	Waste Management	49,000,000	(30,000,000)	19,000,000
		Environmental Conservation	13,700,000	155,829,742	169,529,742
		Climate Change Fund	65,000,000	-	65,000,000
		Water Development	35,000,000	-	35,000,000
			162,700,000	125,829,742	288,529,742
4024	PSA	ICT Development	80,000,000	10,000,000	90,000,000
			80,000,000	10,000,000	90,000,000
4026	MUNICIPALITY	Public Works and Infrastructure	10,000,000	-	10,000,000
		Urban Development	10,000,000	3,400,000	13,400,000
			20,000,000	3,400,000	23,400,000
4010	ASSEMBLY	Administration and Support	45,000,000	(25,000,000)	20,000,000
			45,000,000	(25,000,000)	20,000,000
		Total Development	3,582,052,155	(461,396,768)	3,120,655,387

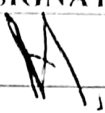
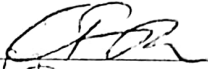
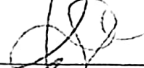

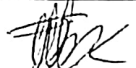
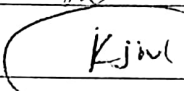



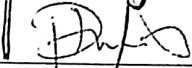

5.2 Policy Recommendations

Having considered the above matters, the Committee recommends the following policy interventions;

- a. The County Executive Committee Member for Finance and Economic Planning should ensure that going forward supplementary budgets fulfill the requirements of the Public Finance Management Act in purpose and Regulation 39 in content.
- b. The County Executive Committee Member for Finance and Economic Planning should streamline revenue collection and administration to ensure that Kshs. 1.1 billion is achieved as at 30th June 2024. The Department of Revenue should expedite the implementation of revenue recommendations submitted by the Finance and Economic Planning Committee. In addition, the Finance Bill 2023 should be submitted before the end of the calendar year 2023.
- c. That upon approval of the Supplementary Budget No. 1 for the FY 2023/2024, all County departments should revise the outputs and performance targets to realign with the increase or decrease in budgetary allocations for various programmes.

6.0 ADOPTION OF THE REPORT

Mr. Speaker the following Members adopted the report;

No.	NAME	SIGNATURE
1	HON. CHARLES MACHIGO	
2	HON. JULIAN NJIRI	
3	HON. FRANCIS KAMAU	
4	HON. GERALD WAMBUGU	
5	HON. CAROLINE WAIRIMU	
6	HON. JAMES KABERA	
7	HON. SHARLEEN WAMBUI	
8	HON. JEREMIAH GICHOBE	
9	HON. NAOMI MAINA	
10	HON. DINAH MUTHONI	
11	HON. JOHN MWANGI	
12	HON. SAMSON MUKORA	
13	HON. JOHN KIBAIYA	
14	HON. EDWIN WAIRAGU	
15	HON. PETER MURIGI	
16	HON. MOSES MIRARA	
17	HON. LIZ MUTHONI	