

MURANG'A COUNTY ASSEMBLY

THE HANSARD

Wednesday, 17th February 2016

The House met at 2:39p.m

(First Chair Hon. Bernard Kariuki in the Chair)

PRAYERS

MOTION

ADOPTION OF THE BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON THE MURANG'A COUNTY BUDGET OUTLOOK PAPER (CBROP)

Hon. Duncan Njuguna: Before I move the motion, on a point of order, even if the Chambers are hot, decorum should be observed. It is only last year that we adopted the Ethics and Integrity for Hon. Members in the House. Mr. Speaker is it in order for Hon. Ndung'u Njogu to be in the House without a tie?

First Chair: Though you rose to move the motion, member for Ichagaki is grossly out of order; you need to be in a tie member for Ichagaki

(Hon. Joseph Ndung'u walked out of the Chambers)

Hon. Duncan Njuguna: On behalf of the chair, I beg to move the following motion;- That, this Assembly adopts the report of the Budget and Appropriations committee on the Murang'a County Budget Outlook Paper laid on the table of the Assembly on Tuesday, February 16, 2016

Among the mandates of the Budget and Appropriations committee is to receive the County Budget Review Outlook Paper, as it was laid on the table of this House on 16th. As a budget committee we deliberated upon it and many among our findings is that the fiscal performance of the county in the FY 2016/2017 has not been presented in tabular for ease of understanding as prescribed in the national county budget appropriations manual and in a descriptive format.

On the tabular analysis, in the members file, I will not read the figures, the analysis shows the local projected revenue in three years and their differences, FY 2015/2016 minus FY 2013/2014 also 2016/2017 minus 2015/2016 it projects the revenue for the next three years and it starts with 2014/2015 up to 2016/2017, thereafter there is the national equitable share of revenue for the same number of years.

The years that follow as compared with budget expenditure of 2015/2016; comparison of the two financial years with FY 2015/2016 is notable since departmental projections of the latter have not been provided in the CBROP, the figures are there, each department and the years, plus the variance, whether negative or positive.

The same expenditure of 2015/2016 and the supplementary estimates of 2015/2016 as indicated on the table of approved budget expenditure projects for 2015/2016 is not provided for. Mr Speaker, departments starting with the office of the Governor, the County Assembly and the ministries are there plus the variances.

From the above, we have our recommendations; that the next County Budget Review Paper should be prepared in line with the guidelines in the National Treasury budget operations manual; this because we are supposed to be a replica of the national budget outlook, so their guidelines should guide the county budget office.

The Sessional paper from all departments and in most cases we do not receive them, and that is why we cannot get a comprehensive report in County Budget Review Outlook Paper (CBROP)

The other recommendation is that department of Agriculture, Livestock and Fisheries and as well as the department of Trade, Commerce and Industries should receive adequate allocation since they are the backbone of the Murang'a county economy. The mentioned departments especially Agriculture and Livestock, if well looked upon with good policies brought to this House, deliberated upon and then adopted and thereafter implemented, it would help the economy of Murang'a county in a great way.

The Ward projects with 17 million allocation per ward in the FY 2015/2016 should be audited before the approval of 2016/2017 budget estimates so that incomplete projects can be re-voted in the subsequent financial year.

Mr. Speaker, as you are aware, we are supposed to forward the projects that one intends in the ward for the FY 2016/2017 and the deadline was last week. Without auditing the projects done this year, you cannot tell which projects to start with, which are remaining and which ones are yet to be undertaken. It therefore becomes difficult to submit the said projects, so that is why we are recommending an audit of the 17 million ward projects so that it can now give us a picture of the undone projects.

Mr. Speaker, Kindly defend me from the Deputy Whip, I do not what he is lobbying in a loud way, those were not consultations.

On recommendation number five, that all departments should audit all programs which were not completed and provide a cost analysis and work in progress before 2016/2017. As I had stated earlier in order for us not to leave white elephants or uncompleted projects come 2017 or any other year, there should be an immediate follow up of the projects that are not finished so that we have them finished before forwarding another list to the relevant departments.

Number six, that when setting sector ceilings due considerations should be given to priority, regulations and reliability, particularly the recurrent expenditure should be as provided under Public Finance Management (PFM) Act 2015 where local revenue should be reasonable.

On local revenue you remember that we had four or five hon. members who went to Rwanda for bench marking and they had few officers from the executive so that we can come up with a way of enhancing revenue collection in our county. Because the way it is now---

.....(*Power interruption*).....
.....(*No recording*).....

We have the former Chair of defunct municipality and county and they will bear me witness the revenue they were collecting---

..... (*Inaudible*).....

If well looked upon the revenue collection, it can even hit a billion. That is why we are insisting on following the PFM Act to enable the county government to spend the money allocated to it from the national government and what we collect as the revenue from the county.

The last one is that when setting the sector ceilings, consultations with assembly committees are inevitable, in addition, fund programs identified in the ADP. The recommendation is well explained there is sector ceiling in each and every department in this county and as tabulated in our files if you go through you will find that in some of the departments the ceilings are too low others are unimaginable. You will find that most of the money is not used in the targeted project; the same applies to ward projects.

We do have Annual Development Plans which is extracted from the county Integrated Development Plan and if they do not go in tandem with whatever the ministries are budgeting and the programs that we as people representatives have forwarded, then there is going to be a conflict between whatever is going to be implemented and what is not implemented.

That is why as you are aware we are supposed to receive the County Fiscal Strategy Paper before the end of this month; this is supposed to give us the details of the projects that are supposed to be undertaken during the year 2016/2017.

I will urge the House to be very alert especially on that so that the projects we are going to give and whatever we are going to receive from the executive as the County Fiscal Strategy Paper, we look at it in a very serious way so that when it comes to implementing or process of making budget since we cannot change much after adopting the County Fiscal Strategy Paper, we can be able to deal with the Fiscal Strategy Paper so that we can be able to pass the budget when it comes without hindrance.

With that I would like to rest my case and call upon Hon. James Kariuki who is a member of the Budget committee to second the motion. Thank you.

Hon. James Kariuki: Mr. Speaker, I rise to second the motion and as much as I agree with recommendations because I am one of the members of the Budget committee, my greatest worry is the ward project which was allocated Kshs.17 million.

Every ward was allocated Kshs.17 million in financial year 2015/2016; at the same time before the end of this month we are supposed to have the County Fiscal Strategy Paper in place for the year 2016.

In that County Fiscal Strategy Paper the projects that were supposed to be carried out in the wards will not have been carried out. My guess is that this amount will not be spent this year so the incomplete projects or the projects that has not been done at all will have to be re-voted for 2016/2017 financial year.

Mr. Speaker this is where Budget committee is in quagmire; as much as the members would like to give projects for 2016/2017, we are not sure that the ones we gave for 2015/2016 will be completed and audited. So that is where we have a bit of a problem but I hope going forward may be from next financial year once we allocate money for ward projects, all that money will be spent.

We are aware of the quarrel that we had with executive last year and this is why these projects might not be implemented in full. I think we shall have to re-vote and give more or less the same for the year 2016/2017 which is a bit unfortunate but I do not see any other way forward. I rise to second the motion.

(Question proposed)

Hon. Peter Kihungi: Thank you Mr. Speaker, mine is to support the Budget Outlook Paper but there is somewhere they have mentioned on setting the ceilings where the County Assembly should be involved and I fully support.

As I look at it, I think it will be tougher; we must be very strict on the County Fiscal Strategy Paper which is about to come and set ceilings because now the regulations have gone through.

Therefore, any budget that comes here, we cannot change it beyond 1% thus if you miss the point in the fiscal strategy paper while working on the percentage, you will not be able to do anything when it comes to the budget.

I want to support and emphasize on that point very much because the budget committee is the one responsible and I think we are about to 28th of February when we expect the ceilings to be brought to the Assembly.

As they have put it in consultations this is the only time we have to work on the budget. We do not have any other chance when the budget is brought on 30th April we can only work on it 1%, we cannot change beyond one per cent.

I support the Budget Outlook Paper and I call upon the Budget committee to be extremely strict mostly to make things work when it comes to setting of the ceilings of the budget. I support.

Hon. Joseph Njoroge: Mr. Speaker, I rise to support the motion. As the mover has said, our last agenda was on the Ward Development Fund that was allocated Kshs. 700 million and it is important to look back because we gave the projects but are not sure if they will be done bearing in mind how the budget is currently.

I suggest that we add the projects that we had submitted for the previous year to be done this year. We are heading towards the year of elections and it is good to be very careful of the projects that we are proposing to be done in this county of ours. I therefore support.

Hon. David Muhoro: Mr. Speaker, I have not read; I was engaged a bit.

Hon. Duncan Njuguna: Thank you Mr. Speaker, it is unfortunate that the Minority Whip only read about decorum of one of the hon. members. All the same, I thank the two hon. members and the House for supporting this County Budget Outlook Paper (CBROP) for the year 2015.

As Hon. James Kariuki who has seconded this motion has said, we are going to give the implementers of the ward development projects the benefit of doubt since there was nothing done for the better part of the fiscal year- from July to December.

The implementation is already on-going and, maybe, some of the projects will be rolled out in the month of March. We believe that by June, we will be in a position to know the projects which will have been carried out and those that will have not.

As I said earlier and as the Leader of Majority has commented, we are going to receive the County Fiscal Strategy Paper (CFSP) 2016, next week. As per our standing orders, we are supposed to work on it within 14 days after being laid on this Table.

I, at this juncture, urge the chairpersons of the sectoral committees to look out so that we will give a report back as per the specified period. As the Majority Leader has stated, we will not be in a position to adjust the budget estimates more than 1% after that. That is provided for in the Public Finance Management Act that he has just cited. The regulations that are in place currently were amended and adopted by the National Assembly last year.

We therefore have new regulations which members should also familiarise themselves with because the changes are very tough and if we do not check them very well, we will be caught unaware. Having said that, I once again thank the House for supporting our report and I pray that they will adopt it so that it can be of help to the Executive. Thank you Mr. Speaker.

(Question put and agreed to)

Hon. Members, before we move to the supplementary business, I also want to give a little comment to the mover of the motion in relation to the budget. The Budget committee, led by the chair and the mover, should consult legal notice no. 35 if it is still alive because it is the one that contains the Public Finance Management Regulations. So far, it has been gazetted and it outlines how the budget process ought to be conducted.

Therefore, by moving this motion, the Budget committee has commenced the budget process. However, as the Majority Leader has said, the most fundamental regulations to note are 29 to 40 that have very serious implications on the budget process; most importantly, regulations 32 and 37.

For example, regulation 32 sets the concerns that the County Fiscal Strategy Paper is supposed to do with regards to sector ceilings. Regulation 37 provides that when the Assembly sits to approve or amend the annual budget estimates, any vote cannot be changed by 1% of the whole ceiling. Therefore, the Budget committee ought to be alive to those challenges so that you do not tell members to wait until 30th April for the ward programs to be done. Next order.

SUPPLEMENTARY ORDER PAPER PAPER LAID

PLACEMENT OF MEMBERS TO THE HOUSE BUSINESS COMMITTEE

Hon. Peter Kihungi: Thank you Mr. Speaker, pursuant to Standing Order 155 (1), I wish to lay the following paper on the Table of the Assembly; the list of the members nominated to the House Business committee.

Thank you Mr. Speaker.

(Hon. Peter Kihungi laid the paper on the Table)

NOTICE OF MOTION

ADOPTION OF MEMBERSHIP TO THE HOUSE BUSINESS COMMITTEE

Hon. Peter Kihungi: Thank you Mr. Speaker, I hereby wish to give a notice of motion on the placement of members to the House Business Committee. Pursuant to Standing Order No. 155 (1) (e) and in the consultation with the Leader of Majority in the county, the following members have been appointed as members in the House Business committee for the fourth session of the Murang'a County Assembly:-

Hon. Leonard Nduati Kariuki	- Chairman
Hon. Moses Gachui Mungai	-Vice-Chairman
Hon. Peter Irungu Kihungi	-Member
Hon. David K. Gachuru	-Member
Hon. Bernard W. Kariuki	-Member
Hon. Duncan M. Njuguna	-Member
Hon. Caroline W. Njoroge	-Member
Hon. Catherine W. Mugo	-Member
Hon. Mary W. Kariuki	-Member
Hon. David Muhoro Njeri	-Member
Hon. Rebecca Wanjiru Mwicigi	-Member
Hon. Lucy Wangechi Njoroge	-Member
Hon. Jane Wanjiku Ndegwa	-Member
Hon. Erick Kamande Kimani	-Member
Hon. Samuel Ndehi Mwangi	-Member
Hon. Beth Wanjiku Ngugi	-Member
Hon. Florence Wangechi	-Member

Thank you Mr. Speaker.

ADJOURNMENT

First Chair: Hon. Members, the House is adjourned until tomorrow 2:30 p.m. Thank you.

The House rose at 3:12 p.m.