



REPUBLIC OF KENYA

MURANG'A COUNTY ASSEMBLY

THIRD ASSEMBLY

SECOND SESSION

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**THE BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON THE  
MURANG'A COUNTY SUPPLEMENTARY ESTIMATES NO. 2 FOR THE FY  
2022/2023**



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

APRIL 2023

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## 1.0 PREFACE

**Mr. Speaker**, on behalf of the Budget and Appropriations Committee, I present to this Assembly the Report on the Murang'a County Supplementary Estimates No. 2 of the FY 2022-23. Mr. Speaker, the supplementary estimates have been prepared to allocate new revenues that have arisen during budget implementation. Additionally, the county treasury has sought the authority to reallocate some estimates due to more funding requirements on some spending. The Budget and Appropriations Committee has scrutinized this supplementary estimates and its recommendations are as contained in this report.

### 1.2 Committee 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

### 1.3 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             | -Member            |


### 1.4 Acknowledgements

- a. The Committee wishes to sincerely thank the offices of the Speaker and the Clerk to the County Assembly for the support extended to it in the execution of its mandate.

- b. The Chairman further takes this opportunity to thank all the members for their participation and dedication during the scrutiny of the Supplementary Estimates No. 2 for the FY 2022-23.
- c. The Committee also applauds the efforts of the County Executive Committee Member for Finance and Economic Planning and all the County Executive Committee Members for their effort in providing required information during the scrutiny of the budget.
- d. Finally, the Committee wishes to extend special acknowledgement to the members of the secretariat for their fiscal analysis and technical support during the exercise.

It is now my pleasant duty on behalf of the Budget and Appropriations Committee to present this report for adoption by the Assembly.

**Thank you.**

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

HON. CHARLES MACHIGO KARINA  
**CHAIRPERSON, BUDGET AND APPROPRIATIONS COMMITTEE.**

## 2.0 INTRODUCTION

**Mr. Speaker,** this supplementary budget has been prepared in line with Section 135 of the Public Finance Management Act provides for a county government to spend money that has not been appropriated if the amount appropriated for any purpose under the County Appropriation Act is insufficient or a need has arisen for expenditure for a purpose for which no amount has been appropriated by the Act, or money has been withdrawn from the county government Emergency Fund. Further, the county government should submit a supplementary budget in support of the additional expenditure for authority of spending. The county government should describe how the additional expenditure relates to the fiscal responsibility principles and financial objectives. The approval of the county assembly should be sought within two months after the first withdrawal of the money.

**Mr. Speaker,** Pursuant to Regulation 39 (6) of the PFM ACT the County Treasury should prepare a supplementary budget and submit it with the following contents

- 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

### 3.0 Rationale for Supplementary II FY 2022-23

Mr. Speaker, the Budget and Appropriations Committee has verified the estimates and is satisfied with the reasons sought for it. Specifically, the Supplementary Estimates No.2 have been submitted for the following reasons;

- a) To allocate additional revenue amounting to Kshs. 162,096,353 that have arisen in the County Allocation of Revenue Act (CARA 2022).
- b) Reductions to some votes that cannot be implemented without a structured legal framework such as the Emergency Fund.
- c) To provide additional counter funding on some donor allocations requested for ongoing activities.
- d) To provide counter fund allocations that were previously not provided to enable implementation of the donor funds. i.e NARIGP
- e) Reductions made to votes that cannot be expended fully by 30<sup>th</sup> June 2023 to avail funds for more urgent activities.
- f) To avail additional funds as per BQ on some development expenditure that have already been committed.
- g) To provide additional allocations to clear pending bills in line with the Controller of Budget requirements.

### 4.0 Changes Made to the Estimates of Revenue and Expenditure FY 2022-23

#### Schedule 1; Revenue Changes

No.	Revenue Type	Budget FY 2022-23 (Kshs.)	Movement (Kshs.)	Supplementary II FY 2022-23 (Kshs.)
1	Sharable Revenue	7,180,155,855	-	7,180,155,855
2	User Fees Foregone	20,138,691	-	20,138,691
3	Nutrition International	20,612,450	-	20,612,450
4	Leasing of Medical Equipment	153,297,782	-	153,297,782
5	Agricultural Sector	12,746,035	4,346,112	17,092,147
6	Balance	322,000,000	58,500,000	380,500,000
7	THSUCP	81,798,466	-	81,798,466
8	DANIDA	15,350,363	4,910,326	20,260,689
9	NARIGP	335,683,961	-	335,683,961
10	Local Revenue	1,000,000,000	-	1,000,000,000
11	IDA (WB) FLLOCA		22,000,000	22,000,000
12	IDA (WB)NAVCDP		70,000,000	70,000,000
13	IDA (WB) KUSP		2,339,915	2,339,915
14	Proceeds from sale	500,000,000	-	500,000,000
	<b>TOTAL</b>	<b>9,641,783,603</b>	<b>162,096,353</b>	<b>9,803,879,956</b>

**4.1 Total Additions and Reductions to the Budget FY 2022-23**  
**Schedule 2; Additions and Reductions**

<b>Additions</b>			
<b>Development</b>			
<b>VOTE</b>	<b>PROGRAM</b>	<b>SUB-PROGRAMME</b>	<b>AMOUNT (Kshs.)</b>
Agriculture	ASDP	ASDSP Counter Funding	3,000,000
		ASDSP Grant	4,346,112
	NARIGP	Counter Fund Arrears	155,000,000
	NAVCDP	NAVCDP Grant	70,000,000
Infrastructure	Road Development	Gravelling, Maintenance	50,000,000
Education	ECDE	ECDE Development	20,000,000
Health	Infrastructure Dev	Kangema Hospital	200,000
Lands, Housing	Estate Management	GIS LAB	5,000,000
Environment	Climate Change	FLLoCA	22,000,000
<b>Recurrent</b>			
Governorship	County Executive	Foreign Travel	4,000,000
	County Coordination	Legal Fees	5,000,000
		Security Operations	7,000,000
		Routine Maintenance	2,000,000
Finance	Administration	Electricity	5,000,000
		Accommodation	5,000,000
		Water Supplies	2,000,000
	Financial Management	Accommodation	2,000,000
	Economic Planning	Public Participation	10,000,000
Trade	Market Development	Accommodation	1,000,000
	Trade and Industry	Specialised Materials	2,000,000
		Accommodation	500,000
Health	Curative Health	Electricity	2,000,000
		Accommodation	4,000,000
		Universal Health Cover	2,000,000
		Maternal Health	2,000,000
		Medical Drugs	40,000,000
		Dressings and Other No	10,000,000
	Administration	Electricity	5,000,000
		Accommodation	2,000,000
		Publishing	1,000,000
		Office and General	1,000,000
		Danida	4,910,326
Lands	Administration	Specialised Materials	3,000,000
Municipality	Administration	Urban Institutional Grants	2,339,915
Public Service	Administration	Medical Insurance	10,000,000

		Training Expenses	2,000,000
Education	Education Interventions	Scholarship Programme	48,000,000
Youth	Sport Development	Accommodation	3,000,000
		Specialised Materials	1,000,000
County Assembly	Legislation and Representation		14,500,000
	Administration		5,160,000
		<b>Total Additions</b>	<b>537,956,353</b>
<b>REDUCTIONS</b>			
<b>Development</b>			
Finance	Administration	Emergency Fund	90,000,000
Infrastructure	Market Development	Urban Development	15,000,000
	Water Development	Water Development	5,000,000
Trade	Trade and Industry	Market Development Upgrade	2,000,000
	Cooperative Development	Effluent System	3,000,000
		Animal Feeds Production System	2,000,000
Youth	Culture	Culture Development	2,000,000
	PWD	People Living with Disability	6,000,000
	Gender	Gender Empowerment	35,000,000
	Social Service	Social Development	5,000,000
	Youth	Youth Empowerment	70,000,000
Health	Curative Health	Ambulances	20,000,000
	Preventive and Promotive	Community Health	20,000,000
	Reproductive	Development and Improvement of Dispensaries	200,000
Land	Administration	Valuation Roll	5,000,000
<b>Recurrent</b>			
Governorship	County Executive	Intergovernmental Relations	5,000,000
	County Coordination	Vehicle Leasing	6,000,000
Finance	Administration	KDSP	25,000,000
Education	ECDE Development	Feeding Programme-Porridge	40,000,000
County Assembly	Oversight		19,660,000
		<b>Total Reductions</b>	<b>375,860,000</b>

Total Additions	Kshs. 537,956,353
Total Reductions	Kshs. 375,860,000
<b>Additional Revenue</b>	<b>Kshs. 162,096,353</b>



## 5.0 COMMITTEE RECOMMENDATIONS

### 5.1 Financial Recommendations

The committee recommends that the Supplementary Estimates II FY 2022-23 be approved as per Schedule 3

#### Schedule 3; APPROVED BUDGET REALLOCATIONS PER PROGRAMME

VOTE	Programme	Sub-Programme	Budget FY 2022-23 (Kshs.)	Movement (Kshs.)	Supplementary II FY 2022-23 (Kshs.)
	<b>DEVELOPMENT</b>				
<b>4013</b>	<b>FINANCE</b>				
	Administration	Emergency Fund	92,000,000	(90,000,000)	2,000,000
			<b>92,000,000</b>	<b>(90,000,000)</b>	<b>2,000,000</b>
<b>4014</b>	<b>AGRICULTURE</b>				
	ASDSP	ASDSP Counter Funding	2,500,000	3,000,000	5,500,000
		ASDSP Grant	12,746,035	4,346,112	17,092,147
			<b>15,246,035</b>	<b>7,346,112</b>	<b>22,592,147</b>
	NARIGP	Counter Funding Arrears	-	155,000,000	155,000,000
				<b>155,000,000</b>	<b>155,000,000</b>
	NAVCDP	NAVCDP Grant	-	70,000,000	70,000,000
				<b>70,000,000</b>	<b>70,000,000</b>
<b>4015</b>	<b>ROADS</b>				
	Market and Urban Development	Urban Development	175,000,000	(15,000,000)	160,000,000
			<b>175,000,000</b>	<b>(15,000,000)</b>	<b>160,000,000</b>
	Road Development	Gravelling and Maintenance	50,000,000	50,000,000	100,000,000
			<b>50,000,000</b>	<b>50,000,000</b>	<b>100,000,000</b>
	Water Development	Water Development	85,000,000	(5,000,000)	80,000,000
			<b>85,000,000</b>	<b>(5,000,000)</b>	<b>80,000,000</b>
<b>4016</b>	<b>TRADE</b>				
	Trade, Industry and Investment	Market Developemnt Upgrade	22,000,000	(2,000,000)	20,000,000
			<b>22,000,000</b>	<b>(2,000,000)</b>	<b>20,000,000</b>
	Cooperative Development	Effluent System	4,705,000	(3,000,000)	1,705,000
		Animal Feeds Production	10,000,000	(2,000,000)	8,000,000
			<b>14,705,000</b>	<b>(5,000,000)</b>	<b>9,705,000</b>
<b>4017</b>	<b>EDUCATION</b>				
	Early Childhood Development	Early Childhood Development	-	20,000,000	20,000,000
			-	<b>20,000,000</b>	<b>20,000,000</b>

4018	<b>YOUTH</b>				
	Culture	Culture Development	10,000,000	(2,000,000)	8,000,000
			<b>10,000,000</b>	<b>(2,000,000)</b>	<b>8,000,000</b>
	Persons Living with Disabilities	PWDs	20,000,000	(6,000,000)	14,000,000
			<b>20,000,000</b>	<b>(6,000,000)</b>	<b>14,000,000</b>
	Gender	Gender Empowerment	50,000,000	(35,000,000)	15,000,000
			<b>50,000,000</b>	<b>(35,000,000)</b>	<b>15,000,000</b>
	Social Service	Social Development	18,000,000	(5,000,000)	13,000,000
			<b>18,000,000</b>	<b>(5,000,000)</b>	<b>13,000,000</b>
	Youth	Youth Empowerment	100,000,000	(70,000,000)	30,000,000
			<b>100,000,000</b>	<b>(70,000,000)</b>	<b>30,000,000</b>
4019	<b>HEALTH</b>				
	Curative Health	Ambulances	30,000,000	(20,000,000)	10,000,000
			<b>30,000,000</b>	<b>(20,000,000)</b>	<b>10,000,000</b>
	Preventive and Promotive Health	Community Health Services	58,000,000	(20,000,000)	38,000,000
			<b>58,000,000</b>	<b>(20,000,000)</b>	<b>38,000,000</b>
	Infrastructure Development	Development and Improvement	13,610,000	(200,000)	13,410,000
		Kangema Hospital	4,600,000	200,000	4,800,000
			<b>18,210,000</b>	<b>-</b>	<b>18,210,000</b>
4020	<b>LAND</b>				
	Urban Development	GIS Lab	-	5,000,000	5,000,000
			<b>-</b>	<b>5,000,000</b>	<b>5,000,000</b>
	Land Administration	Valuation Roll	15,000,000	(5,000,000)	10,000,000
			<b>15,000,000</b>	<b>(5,000,000)</b>	<b>10,000,000</b>
4022	<b>ENVIRONMENT</b>				
	Climate Change	FLOCCA	-	22,000,000	22,000,000
			<b>-</b>	<b>22,000,000</b>	<b>22,000,000</b>
	<b>RECURRENT</b>				
4012	<b>GOVERNORSHIP</b>				
	County and Executive Coordination	Foreign Travel and Subsidiaries	21,500,000	4,000,000	25,500,000
		Intergovernmental Relations	5,000,000	(5,000,000)	-
			<b>26,500,000</b>	<b>(1,000,000)</b>	<b>25,500,000</b>
	County Coordination	Legal Fees	11,400,000	5,000,000	16,400,000
		Vehicle Leasing	8,000,000	(6,000,000)	2,000,000
		Security Operations	20,000,000	7,000,000	27,000,000
		Routine Maintenance	500,000	2,000,000	2,500,000
			<b>39,900,000</b>	<b>8,000,000</b>	<b>47,900,000</b>
4013	<b>FINANCE</b>				

	Administration and Support	Electricity	28,000,000	5,000,000	33,000,000
		Accommodation	5,000,000	5,000,000	10,000,000
		Water Supplies	3,700,000	2,000,000	5,700,000
		KDSP	52,000,000	(25,000,000)	27,000,000
			<b>88,700,000</b>	<b>(13,000,000)</b>	<b>75,700,000</b>
	Financial Management	Accommodation	800,000	2,000,000	2,800,000
			<b>800,000</b>	<b>2,000,000</b>	<b>2,800,000</b>
	Economic Planning	Public Participation	18,000,000	10,000,000	28,000,000
			<b>18,000,000</b>	<b>10,000,000</b>	<b>28,000,000</b>
4016	<b>TRADE</b>				
	Market Development	Accommodation	2,000,000	1,000,000	3,000,000
			2,000,000	1,000,000	3,000,000
	Trade and Industry Development	Specialised Materials	1,760,000	2,000,000	3,760,000
		Accommodation	1,000,000	500,000	1,500,000
			2,760,000	2,500,000	5,260,000
4019	<b>HEALTH</b>				
	Curative Health	Electricity	5,500,000	2,000,000	7,500,000
		Accommodation	3,000,000	4,000,000	7,000,000
		Universal Health Cover	165,000,000	2,000,000	167,000,000
		Maternal Health	-	2,000,000	2,000,000
		Medical Drugs	300,000,000	40,000,000	340,000,000
		Dressings and other Non-Pharm	80,000,000	10,000,000	90,000,000
			<b>553,500,000</b>	<b>60,000,000</b>	<b>613,500,000</b>
	Health Administration	Electricity	5,500,000	5,000,000	10,500,000
		Accommodation	3,300,000	2,000,000	5,300,000
		Publishing	1,210,000	1,000,000	2,210,000
		Office General	605,000	1,000,000	1,605,000
		DANIDA	15,350,363	4,910,326	20,260,689
			<b>25,965,363</b>	<b>13,910,326</b>	<b>39,875,689</b>
4020	<b>LANDS</b>				
	Administration and Support	Specialised Materials	550,000	3,000,000	3,550,000
			<b>550,000</b>	<b>3,000,000</b>	<b>3,550,000</b>
4020	<b>MURANG'A MUNICIPALITY</b>				
	Administration and Support	Urban Institutional Grant	-	2,339,915	2,339,915
			-	<b>2,339,915</b>	<b>2,339,915</b>
4023	<b>PUBLIC SERVICE ADMINISTRATION</b>				
	Administration and Support	Medical Insurance	80,000,000	10,000,000	90,000,000
			<b>80,000,000</b>	<b>10,000,000</b>	<b>90,000,000</b>

	Human Resource and Development	Training Expenses	2,000,000	2,000,000	4,000,000
			<b>2,000,000</b>	<b>2,000,000</b>	<b>4,000,000</b>
4017	<b>EDUCATION</b>				
	Early Childhood Development	Feeding Programme-Porridge	60,000,000	(40,000,000)	20,000,000
			<b>60,000,000</b>	<b>(40,000,000)</b>	<b>20,000,000</b>
	Education Interventions	Scholarship Programme	260,000,000	48,000,000	308,000,000
			<b>260,000,000</b>	<b>48,000,000</b>	<b>308,000,000</b>
4018	<b>YOUTH</b>				
	Sport Development	Accommodation	5,000,000	3,000,000	8,000,000
		Specialised Materials	2,000,000	1,000,000	3,000,000
			7,000,000	4,000,000	11,000,000
4011	<b>COUNTY ASSEMBLY</b>				
	Oversight		300,756,000	(19,660,000)	281,096,000
	General Administration, Planning and Support		282,344,000	5,160,000	287,504,000
	Legislation and Representation		343,900,000	14,500,000	358,400,000
		<b>TOTAL CHANGE</b>		<b>162,096,353</b>	

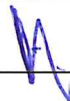
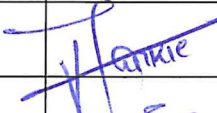


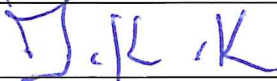
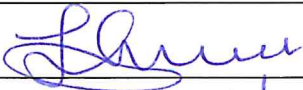






## **5.2 Policy Recommendations**

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

- a. The County Treasury should ensure the budget estimates FY 2023-24 is provided as per the fiscal planning framework and that proper estimation is done in both revenue and expenditure to avoid many reallocations during budget implementation.
- b. The County Treasury should not overestimate local revenue as identified in previous budgets where many projects have been left incomplete due to inadequate resources during budget implementation. Revenue collection enhancement however should be the focus of the department in order to strengthen the fiscal capacity of the county.
- c. That upon approval of the Supplementary Budget No. 2 for the FY 2022/2023, 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 Karina	
2	Hon. Julian Njiri	
3	Hon. Francis Kibe Kamau	
4	Hon. Gerald Wambugu	
5	Hon. Caroline Wairimu Njoroge	
6	Hon. James Karanja Kabera	
7	Hon. Grace Sharleen Wambui	
8	Hon. Jeremiah Gichobe	
9	Hon. Naomi Nyambura Maina	
10	Hon. Dinah Muthoni Kagiri	
11	Hon. John Mwangi Kamau	
12	Hon. Samson Mukora Ngigi	
13	Hon. John Ngugi Kibaiya	
14	Hon. Edwin Mwangi Wairagu	
15	Hon. Peter Murigi Ngugi	
16	Hon. Liz Muthoni	