

**KERICHO COUNTY ASSEMBLY**

**THE HANSARD**

**Second Assembly**

**Sixth Session**

**Wednesday 9<sup>th</sup> March, 2022**

*(The House met at 2.30 p.m.)*

*[The Deputy Speaker (Hon. Josphat Ruto) in the Chair]*

**PRAYER**

**The Deputy Speaker (Hon. Josphat Ruto):** Welcome honourable members to this afternoon session.

**NOTICES OF MOTION**

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Chairman Budget and Appropriation Committee!

**Hon. Albert Kipkoech (Chairman Budget and Appropriation Committee, Member for Soliat Ward):** Thank you Mr Speaker I wish to give notice of the following motion that this House approves the report of the Budget and Appropriation Committee on the Kericho Fiscal Strategy paper for the year 2022/2023. Thank you.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Chairman Finance and Economic Planning!

**Hon. Alex Bett (Chairman Finance and Economic Planning, Member for Litein Ward):**

Thank you Mr Speaker. I wish to give notice of the following motion that this house approves the Report of the Kericho Finance and Economic Planning committee on the Kericho pending bills. Thank you.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Thank you.

**THE KERICHO COUNTY FOOD SECURITY BILL, 2022  
(FIRST READING)**

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Honourable Alex!

**Hon. Alex Bett (Chairman Finance and Economic Planning, Member for Litein Ward):**

Thank you Mr Speaker I wish to request the house that the Kericho County Food Security Bill, 2022 be read for the first time.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin):** Thank you.

**THE KERICHO COUNTY AGRICULTURAL  
MECHANIZATION SERVICES BILL, 2022(FIRST READING)**

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Honourable Alex!

**Hon. Alex Bett (Chairman Finance and Economic Planning Committee, Member for Litein Ward):** Thank you Mr Speaker I wish to request the House that the Kericho County Agricultural Mechanization Services Bill, 2022 be read for the first time. Thank you.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Thank you.

**MOTION BY THE CHAIRMAN BUDGET AND  
APPROPRIATION COMMITTEE**

**Hon. Albert Kipkoech (Chairman Budget and Appropriation Committee, Members for Soliat Ward):** Thank you Mr Speaker I wish to give notice of the following motion that this

House approves the report of the Budget and Appropriation Committee on the Kericho Fiscal Strategy paper for the year 2022/2023.

- 1) **Mr. Speaker Sir**, the County Fiscal Strategy Paper, (CFSP) is a government policy document that sets out the broad strategic priorities and policy goals that will guide County Government in preparing the budget for the next financial year. The policy direction of the CFSP is typically informed by the policies outlined in the various government policy documents such as the Vision 2030, Medium term plans, and Sectorial Strategic plans as well as the strategic interventions. The County Fiscal Strategy Paper (CFSP) therefore provides broad strategic direction that will guide the County government in formulating their annual budget for a given financial year.
  
- 2) **Mr. Speaker Sir**, for the County Fiscal Strategy Paper to provide strategic policy information, it requires the annual development plan to be provided and disseminated so as to link the budget to our county development agenda. In future, the departments should endeavour to cooperate with the committee by submitting programmes and other supporting documents on time and when requested.

#### **4.2 Adherence to the Legal Framework for the County Fiscal Strategy Paper**

- 3) **Mr. Speaker Sir**, the format and content of the County Fiscal Strategy Paper should be in line with provisions of the various relevant legal instruments such as the Public Finance Management Act 2012, the Public Finance Management Regulations 2015, the Standing Orders and any other relevant policy. In reviewing the CFSP, the committee established that to a large extent, the 2022 CFSP has complied with the provisions of the law and has provided most of the required information.

4). Furthermore, **Mr. Speaker**, the County Assembly is the budget making institution of this county constitutionally. As such, any recommendations on the budget should be taken seriously especially if these are tied to existing legal provisions. Since failure to provide this information inhibits County Assembly review of CFSP and estimates, the House must take necessary measures, including censuring the relevant departments, to ensure that the failures are addressed.

5) The CFSP should at all times conform to the following legal provisions and principles:

- i. Compliance with Articles 201 of the Constitution of Kenya 2010;
- ii. Compliance with section 117 of the Public Finance Management Act, 2012;
- iii. Demonstrate linkages to other planning documents namely C-BROP, CIDP, ADP;
- iv. Should show priority areas that the county undertakes;
- v. Revenue sources;
- vi. Ceilings and programs of the various departments;
- vii. The proof that public participation on CFSP was done; and
- viii. The proof of county executive committee approval.

#### **4.3 Revenue Projections for FY 2022/23**

The resource envelope available for allocation among the departments is informed by the guiding principles of ensuring fiscal responsibility and resources will be utilized to meet both recurrent and development expenditure in a ratio of 69% and 31% respectively

The Resource Criteria for Resource Sharing encompasses;

- i. Non-discretionary expenditure: In the recurrent expenditure category, nondiscretionary expenditures take the first charge and include statutory obligations such as salaries, gratuity and pension.
- ii. Development expenditures are shared out on the basis of CIDP priorities as well as strategic interventions to boost revenue base and stimulate the economic growth as outlined

in the National Government Policies and Governor's Manifesto. The development expenditures are estimated at 31 per cent.

iii. On-going projects: emphasis is given to completion of on-going projects with high impact on poverty reduction, social injustices, employment and wealth creation.

iv. Infrastructure projects: with the County government's commitment to improve infrastructure, construction of roads, development of water and sanitation network and construction of community hospitals/health centres among others will be given priority.

The County Government targets to raise a total revenue amounts to Kshs7.76 Billion as broken down below. Total received equitable share of Kshs. 6.4 Billion. Other sources of revenue include, local revenue of Ksh.325 million, FIF of Kshs. 528 million, DANIDA fund Kshs11.9 million, Transformative health system Fund (World Bank) Kshs 75.9 million, Kenya Climate Smart Agriculture Project(World bank) Kshs.350 million.

Other conditional grants include Agricultural Sector development support Fund (ASDSP11) of Kshs. 43 million, Transformative health system (World Bank) of Kshs.75.9 million and Climate Change Institution Support (World Bank) of Kshs.11.3Million.

### **Expenditure forecast**

The County government spending will be guided by the approved Annual Development Plan 2022/2023 and CIDP 2018-2022 which outlines the proposed projects that will be implemented. The total County expenditure is targeted at Kshs. 7.776 billion. Kshs. 5.375 billion and Kshs. 2,400 billion will be set aside for recurrent and development translating into 69 and 31 per cent of recurrent and development expenditures respectively

The recurrent expenditure stands at Kshs5.37 billion (69%) and Kshs2.4 billion as development vote (31%).

## **5.0 SECTORAL CEILINGS**

**Mr. Speaker Sir**, allow me to highlight details of sectoral ceilings as per the committee observations:-

### **5.1 Public Works, Roads and Transport**

The departmental development and recurrent ceilings amount to Kshs. 443.8million and Kshs 91.3 million respectively.

### **5.2 Agriculture, Livestock and Fisheries**

**Mr. Speaker Sir**,

The new ceilings for the department as are Kshs454.4 million and Kshs160.9 million for development and recurrent expenditure respectively.

### **5.3 Water, Environment, Energy, Forestry and Natural Resources**

**Mr. Speaker Sir**,

The department was allocated Kshs.311 million for the development expenditure while Kshs. 155.4 million is for recurrent expenditure respectively.

### **5.4 Trade, Industrialization, Tourism, Wildlife and Co-Operative.**

**Mr. Speaker Sir**,

The departmental development ceiling is Kshs.62.3 million and recurrent ceiling is Kshs.69.9 million.

**5.5 Health Sector****Mr. Speaker Sir,**

The department's development ceiling has been set at Kshs.449.1 million and the recurrent ceiling was set at Ksh.2.59 billion.

**5.6 Education, Child Welfare and Vocational Training****Mr. Speaker Sir,**

The department was allocated Kshs. 244.1 million and Kshs. 405.6 million for development and recurrent expenditures respectively.

**5.7 Land, Housing, Physical Planning and settlement****Mr. Speaker Sir,**

The department was allocated Kshs.218.6 million and Kshs.74.6 million for development and recurrent respectively.

**5.7.1 Municipal Boards****Mr. Speaker Sir,**

Kericho and Litein Municipal boards have been allocated Kshs.16 million and 10 million to be shared equally for recurrent and development respectively..

**5.8 Information, Communication and E-Government**

The development vote ceiling was retained at Kshs121.2 million and the recurrent vote ceiling was set at Kshs54.3 million.

**5.9 Public Service Management and Administration**

The public service Management and administration was allocated Kshs.10.9 million for development and Kshs. 418.8 million for recurrent expenditure.

**5.10. County Public Service Board**

The County Public Service Board's recurrent expenditure ceiling was capped at Kshs53.5 million.

**5.11. Finance and Economic Planning**

**Mr. Speaker Sir,**

The departmental ceiling for development and recurrent expenditure amount to Kshs.56.1 million and Kshs.305 million respectively

**5.12 Office of the Governor and the Deputy Governor**

**Mr. Speaker sir,**

The recurrent vote ceiling has been allocated Kshs.124.3 million.

**5.13 County Assembly**

**Mr. Speaker,**

The County Assembly development amounts to Kshs. 5 million. The recurrent expenditure stands at Kshs.831.9 million for personnel emoluments and operations.

**5.14 Strategic Intervention programmes**

Under strategic intervention programmes, the county has allocated Kshs. 33.7 million.

**6.0 CONCLUSION**

**Mr. Speaker,**

I wish to thank the Offices of the Speaker and the Clerk for the support and the entire County Assembly for their trust to the committee and by extension the committee members for their tireless effort and commitment in production of the report.

Allow me to call my seconder who is the member from Ainamoi, honourable Cheruiyot Bett.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Honourable Bett!

**Hon. Cheruiyot Bett (Member for Ainamoi Ward):** *Asante sana Mheshimiwa Spika, langu ni kusimama kidete nyuma ya mwenyekiti wangu na kusema kwamba yale yote ambayo ameweza kuyazungumzia ni yale ambayo tuliweza kukubaliana katika kamati yetu. Naunga mkono, asante sana.*

**The Deputy Speaker (Hon. Josphat Ruto Member for Soin Ward):** Thank you.

*(Question proposed)*

**The Deputy Speaker (Hon. Josphat Ruto Member for Soin Ward):** Chairman do you have anything?

*(Question put and agreed to)*

**MOTION BY THE CHAIRMAN FINANCE AND  
ECONOMIC PLANNING (HON. ALEX BETT)**

**The Deputy Speaker (Hon. Josphat Ruto Member for Soin Ward ):** Chairman!

**Hon. Alex Bett (Chairman Finance and Economic Planning, Member for Litein Ward):**

Thank you Mr. Speaker for giving me this opportunity that I may move the motion on the Kericho County Pending Bill, allow me to start from page 4, bullet 2.0

**2.0 Finance & Economic Planning Department Pending Bills**

On 9th March, 2021 the Clerk to the County Assembly received Pending Bills Summary Report as at 30<sup>th</sup> December, 2021 from the County Executive Committee Member in charge of Finance and Economic Planning.

The report enumerated the eligible, ineligible and undeclared pending bills as scrutinized by the Pending Bills Committee.

The Committee then considered and deliberated on the report.

### **3.0 Committee Observations**

The Committee observed;

- That each department in the County Government has a pending bill
- That the Department has a pending bill of Kshs.490,184,743 as Audited Eligible Pending Bills as at 30th June,2018, Kshs.605,908,970 as Audited Ineligible Bills as at 30th June,2018, Kshs.774,872,686 as Eligible Paid as at 31st December 2020 and Kshs.80,335,481 as Outstanding Eligible Bills as at 30th December,2021.

### **4.0 Committee Recommendations**

The Committee having considered the department's pending bills recommends that;

- Pending bills for Financial year 2016/2017 be considered for payments whereas pending bills accrued from financial year 2018/2019 to date be paid from ward allocation.
- The department of Finance and Economic Planning pays the second batch of pending bills approved by the committee on Finance and Economic Planning at ratio of the available funds without any further delay from the 2021/2022 budget subject to verification of documents by the department (see annexe 1).
- The time frame between the awards of the contract to completion should be strictly adhered to and;
- The department comes up with mechanism of debt management so that all the payments can be done within a particular financial year with regards to the allocations to each ward in the County.
- The departments should fast track rolling out of projects early enough to avoid last time rush which usually force the works to spill to the next financial years thus pending bills

**5.0 Acknowledgement**

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

Mr. Speaker Sir,

It is my pleasant duty, pursuant to Standing Order 205, to present the Report on pending bills. I request honourable Albert Kipkoech to second. Thank you.

*(Honourable Albert Kipkoech (Member for Soliat Ward) bows in secondment)*

**The Deputy Speaker (Hon. Josphat Ruto):** Thank you.

*(Question proposed)*

**The deputy Speaker (Hon. Josphat Ruto Member for Soin Ward):** Honourable members if there is anyone who wants to contribute on this motion, the floor is open. Honourable Bett!

**Hon. Cheruiyot Bett (Member for Ainamoi Ward):** Thank you Mr. Speaker, you know the chairman for Finance and Economic Planning is a pastor so I believe whatever he reads is true. I support. Thank you.

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Thank you.

*(Question put and agreed to)*

*(Adjournment)*

**The Deputy Speaker (Hon. Josphat Ruto, Member for Soin Ward):** Honourable members, since we don't have any other business this House stands adjourned until 22<sup>nd</sup> March 2022. Thank you.

*(The house rose at 2:50pm)*

