



THE NAIROBI CITY COUNTY ASSEMBLY

FIRST ASSEMBLY - FIFTH SESSION

COMMUNICATION FROM THE CHAIR

- Direction on The Nairobi City County Appropriation Bill, 2017

Honorable Members, you will recall that the County Assembly passed The Nairobi City County Appropriation Bill, 2017 (Assembly Bill No. 7 of 2017) on **April 6th 2017** in line with the revised Budget Calendar.

Honorable Members, while preparing the vellum for the said Bill for the Governor's Assent, the Clerk's attention was drawn to some material defects with respect to Section 129(7) of the Public Finance Management Act, 2012 (PFM), which defects the Clerk reported to the Speaker for further direction before the Bill is forwarded for Assent under Section 24 of the County Governments Act, 2012.

Honorable Members, the said defects in the consideration and passage of the Nairobi City County Appropriation Bill, 2017 arose out of missteps by the County Finance and Economic Planning Department with regards to Section 129 of the Public Finance Management Act, 2012, which requires the *County Executive Committee member to submit budget estimates and other documents to County Executive Committee for approval* before publishing an Appropriation Bill.

Specifically, **Honorable Members**, Section 129(7) provides thus, *upon approval of the budget estimates by the county assembly, the County Executive Committee member for finance shall prepare and submit a County Appropriation Bill to the county assembly of the approved estimates.*

Accordingly, **Honorable Members**, the County Assembly considered and passed the Report of the Select Committee on Finance, Budget and Appropriations on the submitted Budget Estimates for the Financial Year 2017/2018 on the **5th of April, 2017**.

Honorable Members, authority to publish an appropriation Bill in line with Section 129(7) of PFM Act, 2012 was subsequently issued the same day vide a letter dated **5th April, 2017, Ref. NCCA/T&J/CORR/2017/ (16)**.

However, **Honorable Members**, contrary to Section 129(7) of the PFM, Act, 2012, as highlighted above, the County Finance and Economic Planning Department had already published The Nairobi City County Appropriation Bill, 2017 (Assembly Bill No. 7 of 2017) on the **4th of April, 2017**.

Honorable Members, it is important to point out that on the said date, **4th April, 2017**, there was no authority from the County Assembly for the decision to publish the Appropriation Bill, which as shown earlier should only be entertained once estimates have been passed and the relevant County Economic and Finance Department given the green light to proceed with Publication of an appropriation Bill. The Budget Estimates had not been passed as of the purported date of publication of an appropriations bill.

Inadvertently, **Honorable Members**, in the urgency to pass the Bill as forwarded by the County Executive Finance and Economic Planning Department, which forwarding was further accompanied by no official letter on the record, the Assembly entertained a defective Bill which I now realize can arise serious litigation as to render the passed law invalid if the identified critical material defects are not cured at once.

Accordingly therefore, **Honorable Members**, I directed the Clerk to halt preparations for the Vellum of The Nairobi City County Appropriation Bill, 2017 (Assembly Bill No. 7 of 2017) and now instruct the Assembly to write immediately to the County Executive Committee Member for Finance and Economic Planning to forward a properly Published Appropriation Bill in accordance with Section 129(7) of the PFM, Act, 2012 for the Assembly's prompt consideration.

It is so directed.

I thank you.


SIGN.....

THE HON. ALEX OLE MAGELLO, MCA
SPEAKER OF THE NAIROBI CITY COUNTY ASSEMBLY