

GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

SECOND ASSEMBLY-FOURTH SESSION

NCCA/T&J/2020 / (46)

21st July, 2020

PAPER LAID

Pursuant to Standing Order 191, I beg to lay the following Paper on the Table of the Assembly, today Tuesday, 21st July, 2020.

THE REPORT OF THE SECTORAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES ON WORKSHOP HELD FROM 22ND -25TH DECEMBER 2019 AT TRAVELLERS HOTEL, MOMBASA.

(Chairperson, Sectoral Committee on Agriculture, Livestock and Fisheries)

Copies to:
The Speaker
The Clerk
Hansard Editor
Hansard Reporters
The Press

Report laid
on 21/07/2020

Approved
Blalini
21/7/2020



NAIROBI CITY COUNTY



Approved
BT Alini
21/7/2020

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY - FOURTH SESSION

REPORT OF THE SECTORAL COMMITTEE ON AGRICULTURE, LIVESTOCK
AND FISHERIES

ON

TRAINING WORKSHOP FOR MEMBERS

MOMBASA COUNTY

Clerks Chambers
Nairobi City County Assembly
City Hall Buildings
Nairobi

JULY 2020

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PREFACE

Hon. Speaker,

01. The Constitution of Kenya 2010 which gave life to the devolved systems of government also introduced a number of standards that Governments should always observe in the mobilization and utilization of public resources. The law provides for matters related to equitable sharing of revenues between the two levels of government, the role of the Senate in ensuring prudent financial management at the County levels, public engagements among other related issues.

Mandate of the Committee

02. The Sectoral Committee on Agriculture, Livestock & Fisheries derives its mandate from Standing Order 203(6) of the Nairobi City County Assembly to:-

- i) *investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;*
- ii) *study the programme and policy objectives of departments and the effectiveness of the implementation;*
- iii) *study and review all county legislation referred to it;*
- iv) *study, assess and analyse the relative success of the departments as measured by the results obtained as compared with its stated objectives;*
- v) *investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;*
- vi) *vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Committee on Appointments; and,*
- vii) *make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.*

Membership

03. During the period under review, the Committee comprised of the following members: -

The Committee comprises the following members:

1. **Hon. Mary Ariviza, MCA** - **Chairperson**
2. **Hon. Muchene Kabiru, MCA** - **Vice Chairperson**
3. Hon. Asli Mohamed, MCA
4. Hon. Elizabeth Nyambura, MCA
5. Hon. Patrick Karani, MCA
6. Hon. Joseph Mwangi Komu, MCA
7. Hon. Beatrice Waithera Gakuru, MCA
8. Hon. Eunice W. Marimbi, MCA
9. Hon. Ruth Ndumi, MCA
10. Hon. Peter Wahinya Kimuhu, MCA
11. Hon. John Kyalo, MCA
12. Hon. Herman Azangu, MCA
13. Hon. Fuad Mohammed, MCA
14. Hon. Maurice Gari Otieno, MCA
15. Hon. Catherine Ann Akinyi, MCA
16. Hon. Hafsa Khalif, MCA
17. Hon. Emily Wanjiku Waithaka, MCA
18. Hon. Paul Shilaho, MCA
19. Hon. Fredrick Okeyo, MCA
20. Hon. Husni Alawi, MCA

Secretariat

04. The Committee Secretariat comprised of the following officers: -

- i) Mr. Wilfred Manyi (Clerk Assistant)

Hon. Speaker

The Committee exercises oversight role on the work and administration of Food, Agriculture and Forestry Sector.

In accordance with the Third Schedule of the Standing Orders, the Sectoral Committee is mandated to consider all matters relating to: *“agriculture, including crop and animal husbandry, livestock sale yards, county abattoirs, plant and animal disease control and welfare, including licensing of dogs and facilities for the accommodation, care and burial of animals”*

Hon. Speaker

Agriculture is one of the functions devolved to Counties under the Fourth Schedule of the Constitution of Kenya, 2010. Specifically, under Part 2, the functions and powers of the County on agriculture are –

- a) Crop and animal husbandry;
- b) Livestock and sale yards;
- c) County abattoirs;
- d) Plant and animal disease control; and,
- e) Fisheries.

Hon. Speaker,

The Committee Members attended the workshop in Mombasa County to be trained by an experienced officer from the National Parliament on matters relating to the budget making process.

The workshop proceeded in various sessions with each session tackling a specific thematic issue as follows: -

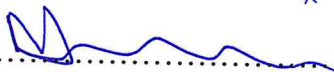
- Budget Making process in Kenya
- The Budget Documents - from CIDP, ADP, CFSP, Budget Estimates,

Supplementary Estimates and the implementation of the Documents; and
— Consideration and scrutinizing Budget Documents committed to the
Committee;

In addition, at the end of each session a plenary was held where Members reacted to the presentations by way of questions and general comments.

Hon. Speaker,

The Committee is grateful to the Speaker and the Clerk of the County Assembly for facilitating the training workshop. The Committee also extends its appreciations to the facilitator for his discerning presentations on Budget process. It is now my honor, on behalf of the Committee to present and recommend this report to the County Assembly.

SIGN.......... DATE.....21.07.2020.....

Hon. Mary Ariviza, MCA (Chairperson)

REPORT OF THE PROCEEDINGS OF THE TRAINING WORKSHOP FOR THE MEMBERS OF AGRICULTURE, LIVESTOCK AND FISHERIES COMMITTEE HELD AS AS FROM 23RD - 24TH DECEMBER, 2018, AT TRAVELLERS BEACH HOTEL, MOMBASA COUNTY

1.0 INTRODUCTION

The workshop was held in Mombasa in order to train Members on County Budget Process which is defined as the process through which County Governments compile and submit for approval to the County Assembly, expenditure estimates of their assessment of the total cost of delivering government goods and services to County citizens.

These matters have been expounded in greater detail in the Public Finance Management Act, 2012 and the Public Finance Management (County Government) Regulations 2015 with some mention also available in the County Governments Act 2012 and the Nairobi City County Assembly Standing Orders

The principle intention of these laws is to ensure that there is a coordinated and predictable timetable through which budgets are made and a transparent and accountable manner on their implementation/ reporting.

The key actors in this process include:

- i. The County Treasury
- ii. The County Assembly
- iii. The County Assembly Budget and Appropriations Committee
- iv. The Commission on Revenue Allocation
- v. The National Treasury
- vi. The Senate
- vii. The Public

The involvement of the County Legislatures in the budget making, implementation and reporting processes is to improve acceptability, instill openness, enforce accountability, promote equity and nurture the spirit of good governance.

2.0 PROCEEDINGS OF THE WORKSHOP

Several presentations on the subject matter were made by the facilitator during the retreat period and were discussed per session as follows: -

2.1 SESSION 1: OFFICIAL OPENING

The Chairperson officially opened the workshop and welcomed and thanked all the Members and facilitator for being punctual and ready to learn and interact on various aspects of budget making processes for the sole objective of enhancing capacity more particularly on budget matters aware that County Assemblies new role of budget making was key in advocating for provision of quality services and development at the Wards level. It was stated that the Committee, in execution of its mandate, needed to confine with the mandate as expressly provided for in the Standing Order 203 (6) and Third Schedule. This was to help the Committee concentrate more in order to realize Specific, Measurable, Achievable and Realistic outcomes in a timely manner.

The Chair further informed that the workshop would be covering the following crucial topics: -

- Budget Making process in Kenya
- The Budget Documents - from County Integrated Development Plan (CIDP), Annual Development Plan (ADP), County Fiscal Strategy Paper (CFSP), Budget Estimates, Supplementary Estimates and the implementation of the Documents; and,
- Consideration and scrutinizing Budget Documents committed to the Committee.

SESSION 2: MANDATE OF THE COMMITTEE

Session Chair: - Hon. Joseph Mwangi Komu, MCA

Topic 1: Developing a Legislative Proposal:

Presenter: - Mr. Joash Kosiba

The facilitator commenced by stating that the County Budget process consisted of the following activities;

- Fiscal Planning- The provisions of Section 104 of the County Governments Act 2012 states that “a County Government shall plan for the County and no public funds shall be appropriated without a planning framework developed by the County Executive Committee and Approved by the County Assembly”. The Plans to be considered by the County Assembly committees include the CIDP, ADPs, Sectoral Plans, Spatial Plans and Urban Areas Plans. The County Government through its various organs sets targets and policy direction before the budget making process itself begins. Some of the planning documents that are prepared by the County Government and approved by the County Assembly include the County Integrated Development Plan (CIDP), the Annual Development Plan (ADP), the County Fiscal Strategy Paper (CFSP) and the Debt Management Strategy Paper (DMSP);
- Budget Formulation and Approval- As a continuation from the planning process the County is required, in line with its plans, to prepare budgets for approval. The process of budget formulation involves seeking the views of the public through the Sector Working Groups, Sectors submitting their draft estimates to the County Treasury for consolidation and rationalization, the County Treasury presenting the draft estimates to the County Executive Committee for approval and finally submission of the Estimates to the County Assembly for consideration. During this stage, some of the documents prepared include the Report on the Public Submissions, Reports of the Sector Working Groups, the Budget Estimates and the Appropriations Bill;

- Budget Implementation and Monitoring- Once approved, the budgets are implemented by the respective accounting units with the County Assembly through the Sectoral Committees being vigil to ensure that the implementation is as per the approvals. To enable the County Assembly follow up on the status of budget implementation and monitoring, the County Treasury is required to produce quarterly reports on budget implementation as well an annual Monitoring and Evaluation Report. The Office of the Controller of Budget also produces budget implementation review reports on a quarterly basis;
- Fiscal Review and Auditing: - The last step in any budget cycle is the fiscal review where the County Government relooks at the strengths and weaknesses of the previous processes with an aim of finding redress for the same going forward. The oversight institutions especially the Auditor General also undertakes audits to confirm whether there was fidelity to procedures and legal requirements in the implementation of the previous budgets. Some of the documents produced at this stage include the County Budget Review and Outlook Paper and Audit Reports.

The facilitator further stated the pre-legislative related to budget processes and submitted that: -

- Content of the Annual Development Plan
- Provides priorities for the medium term that reflects the County Government's priorities and Plans
- Description of how the County Government is responding to changes in the financial and economic environment
- Programmes to be delivered with details for each programmes
- Payments to be made on behalf of the County Government including details of any grants, benefits and subsidies that are to be paid
- Description of significant capital developments

County Budget and Review Outlook Paper:

- Gives details of the actual fiscal performance in the previous year compared to the budget appropriation for that year
- Provides the updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper
- Shows how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles
- Highlights reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated to for doing so.

County Fiscal Strategy Paper

- It is submitted to the County Assembly on 28th February and processed within fourteen (14) days
- CFSP sets out the broad strategic priorities and policy goals that will guide the County Governments in preparing their budgets both for the following financial year and over the medium term
- It proposes the expenditure limits for the County Executive and County Assembly

Processing of County Fiscal Strategy Paper (CFSP)

- The CFSP is committed to Budget and Sectoral Committees where the latter scrutinize their respective votes and submit recommendations to Budget Committee
- Budget Committee submits comprehensive report to the House for approval and the approved report forms basis for budget estimates

Budget Estimates

- Are prepared in a Programme Based Budget (PBB) format

- Submitted to County Assembly by 30th April for approval before 30th June and committed to Finance and Budget Appropriation committee and Sectoral Committees
- Sectoral Committees scrutinize their respective votes and submit recommendations to Budget committee
- Budget Committee submits a comprehensive report to the House for approval
- The expenditure allocations in the approved report forms basis for the appropriation report

Programme Based Budget – Key Concepts

- Impacts are long term effects of government interventions, what is expected to change
- Outcomes represents change to target communities or citizens occasioned by government interventions or the effectiveness of the interventions
- Outputs are public goods and services produced or delivered
- Activities are set of processes used to produce goods and services
- Inputs are what is used to produce goods and services. In budgetary terms, they are the items of expenditure like finance, human labor or equipment
- Medium Term Expenditure Framework (MTEF) is a tool of budgeting which seeks to allow for development of a three year rolling financial plan of which the first year is the annual budget.
- Budget Ceiling is the total expenditure limit set for a budget sector or department based on total available resources or the resource envelope.
- County Revenue Fund is the combination of accounts into which all County public funds are paid and retained until the County Assembly decides on their application. This is established in the Constitution of Kenya 2010, Article 207

SESSION 3: SCRUTINY OF BUDGET ESTIMATES

Session Chair: - Hon. Muchene Kabiru, MCA, Vice Chairperson.

Topic 2: Role of Sectoral committees in Budget Estimates:

Presenter: - Mr. Joash Kosiba

- The County Executive Committee Member responsible for Finance submits to the County Assembly the County Executive budget proposal or Budget Estimates on 30th of April
- The Clerk of the County Assembly to submit County Assembly Estimates by 30th April
- Upon being laid before the House, the Estimates are deemed committed to each Sectoral Committee to deliberate upon according to their respective mandates.
- After considering, discussing and reviewing the estimates, each Committee is to submit its report and recommendations to the Budget and Appropriations Committee within 21 days, after being laid before the Assembly.
- The Budget and Appropriation Committee discuss and review the Estimates and make recommendations to the Assembly, taking into account the recommendations of the Sectoral Committees, the views of the Cec Finance and the Public.

3.0 CONCLUSION

The training workshop for the Committee on budget making processes and related financial procedures was successful as knowledge gained from the workshop was aimed to enhance the capacity of the members and more particularly, in interrogating budget documents and making informed decisions on Sector priorities that impact on the lives of the residents of the City.

.....End.....

MINUTES OF THE 44TH SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY
COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON WEDNESDAY 20TH
NOVEMBER, 2019 AT 11.00AM AT COMMITTEE ROOM 02, COUNTY ASSEMBLY
WING, CITY HALL BUILDINGS.

PRESENT

1. Hon. John Komu, MCA - Chairperson
2. Hon. Jared Okoth Okode, MCA
3. Hon. Asli Mohamed, MCA
4. Hon. Elijah Mputhia, MCA
5. Hon. Fredrick Otieno, MCA
6. Hon. Beatrice Waitthera, MCA
7. Hon. Eunice Wanjiku, MCA
8. Hon. Millicent Jagero, MCA
9. Hon. Kennedy Omondi, MCA
10. Hon. John Kyalo, MCA

ABSENT

1. Hon. Muchene Kabiru, MCA - Vice Chairperson
2. Hon. Maurice Gari Otieno, MCA
3. Hon. Jairus Omayo, MCA
4. Hon. Herman Azangu, MCA
5. Hon. June Ndegwa, MCA
6. Hon. Nicholas Okumu, MCA
7. Hon. Fredrick Omondi, MCA
8. Hon. Fuad Mohammed, MCA

SECRETARIAT

- COUNTY ASSEMBLY

Wilfred Manyi - Clerk Assistant

MIN No. 180/AL&F/NOVEMBER/2019- PRELIMINARIES

The meeting was called to order at 11.00am and commenced by word of prayer

MIN No. 181/AL&F/NOVEMBER/2019- ADOPTION OF THE AGENDA

The agenda of the meeting was adopted having been proposed by Hon. Asli Mohamed, MCA and seconded by Hon. Kennedy Omondi, MCA as follows: -

- 1) *Prayer*
- 2) *Adoption of Reports of Committee Retreat on Budget making process & strategic Plan*
- 3) *Any Other Business*
- 4) *Adjournment*

MIN No. 182/AL&F/NOVEMBER/2019- COMMITTEE REPORT

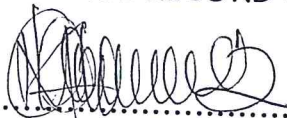
- The Committee discussed the report on the retreat in Mombasa on training on budget making process.
- The Committee unanimously agreed that it was a true reflection of issues that Hon. Members were trained on.

- The report was adopted having been proposed by Hon. Jared Okode and seconded by Hon. John Kyalo

MIN No. 183/AL&F/NOVEMBER/2019— ANY OTHER BUSINESS & ADJOURNMENT

- There being no any other business, the meeting adjourned at 11.45am. The next meeting was to be communicated through notice.

CONFIRMED AS TRUE RECORD OF THE PROCEEDINGS

SIGNATURE  DATE 10/12/2019

(CHAIRPERSON)

SIGNATURE  DATE 10th Dec 2019