

COUNTY GOVERNMENT OF NAIROBI CITY



NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY-SECOND SESSION

REPORT OF THE SECTORAL
COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES
ON THE
CONSIDERATION OF THE SUPPLEMENTARY BUDGET ESTIMATES FOR THE FY 2017/2018



CLERK'S CHAMBERS,
CITY HALL,
NAIROBI

MARCH, 2018

1.0 PREFACE

Committee Mandate

Hon. Speaker,

The Sectoral Committee on Environment and Natural Resources is established under Standing Order No. 203, and its mandate amongst others, as outlined under the third under schedule includes *“implementation of specific national government policies on natural resources and environmental conservation, including soil and water conservation and forestry and control of air pollution, noise pollution, other public nuisances and refuse removal, refuse dumps and solid waste disposal.”*

Committee Membership

Hon. Speaker,

The Committee on Environment and Natural Resources was constituted by the Assembly on 5th October, 2017 comprising of the following Members:-

1. Hon. John Kamau, MCA – Chairperson
2. Hon. Joseph Ouma Ndonji, MCA – Vice-Chairperson
3. Hon. Jeremiah Themendu, MCA
4. Hon. James Mwangi Wambui, MCA
5. Hon. Peter Wahinya Njau, MCA
6. Hon. Laura Mwende, MCA
7. Hon. John Kamangu, MCA
8. Hon. Joyce Muthoni, MCA
9. Hon. Peter Imwatok, MCA
10. Hon. Muchene Kabiru, MCA
11. Hon. Susan Makungu, MCA
12. Hon. Silas Ongwae, MCA
13. Hon. Millicent Okatch, MCA
14. Hon. Emapet Kemunto, MCA
15. Hon. David Okello, MCA
16. Hon. Clarence Mwangi, MCA
17. Hon. Mwaura Samora, MCA

18. Hon. Emily Wanjiku Waithaka, MCA

19. Hon. Rose Masitsa, MCA

2.0 BACKGROUND

The supplementary budget estimates for the two arms of government namely, the County Government and the County Assembly for the FY 2017-18 were submitted to the County Assembly and laid on 1st March, 2018 in line with the provisions of Section 135 of the Public Finance Management Act, 2012. Having been laid, and in line with the provisions of Standing Order 215, the estimates stood committed to the Sectoral Committees and the Budget Committee to consider and report in line with their respective mandates;

The PFM Regulations 2015 (Regulation 39) provide the criteria under which supplementary estimates can be developed and the factors to be considered in such circumstances;

Specifically, the provision of Regulation 39 (3) states that the purposes that approval is sought for a supplementary budget shall be-


- a. *Unforeseen and unavoidable in circumstances where no budget was made; or*
- b. *Unavoidable in circumstances where there is an existing budgetary provision which, however, is inadequate*

Further Regulation 39(4) says that the following shall not be considered unforeseen and unavoidable expenditure:

- i. *Expenditure that, although known when finalizing the estimates of the original budget, could not be accommodated within allocations; and*
- ii. *Tariff adjustments and price increases.*

Hon. Members,

On behalf of the Members of Sectoral committee on Transport and Public Works, it is my pleasant duty and privilege, to present the Committee's Report on the Consideration of the Supplementary Budget Estimates 2017/2018.

Signed


(CHAIRPERSON)

Date:
22nd - 03 - 2018



3.0 FINDINGS OF THE COMMITTEE

Sector budget in the approved estimates 2017/2018

Out of the approved total budget of Kshs.35,907,366,717 the Environment, Water, Energy and Natural resources Sector had Kshs.1.385,432,883 for recurrent expenditure and development budget as Kshs.900million.

SUMMARY APPROVED ESTIMATES 2017/2018		
RECURRENT EXPENDITURE(KSH)	DEVELOPMENT EXPENDITURE(KSH)	TOTAL(KSH)
1,385,000,000 61%	900,000,000 39%	2,285,432,883 100%

Proposed revision

In the submitted supplementary estimates, the total budget for this sector has been reduced to Kshs.1.748,118,158, having been lessened by Kshs.537,314,726(23% of approved sector budget) with the recurrent budget getting reduced by Kshs. 89,642,245 and development expenditure by Kshs.447,672,481.

The Table below summarizes the revision in the approved estimates through Supplementary Estimates 2017/2018:

ITEM	APPROVED BUDGETED	SUPPLEMENTARY ESTIMATES	CHANGE	% CHANGE
RECURRENT EXPENDITURE	1,385,432,883	1,295,790,639	(86,642,245)	6.5
DEVELOPMENT EXPENDITURE	900,000,000	452,327,519	(447,672,481)	49.7
TOTAL	2,285,432,883	1,748,118,158.	(537,314,726)	23

Key observations of the committee

1. The development expenditure has a bigger budget cut depicting approximately 49.7% reduction.
2. The whole budget of general administration and support services program and sub program was scooped away.
3. 5% utilization of development expenditure was absorbed under solid waste management sub-programme i.e. John Osogo road in Dandora area.
4. The sector's development budget was absolutely under-utilized.

Meeting with the County Executive Committee Member for Environment, Water, Energy and Natural Resources regarding the Supplementary Estimates 2017/2018 FY

The Sectoral Committee held a meeting with the County Executive Committee Member and the Ag. Chief Officer on 20th March 2018. The meeting addressed the following issues;

- i. the supplement required, the reasons why the supplement is necessary and why it has not been possible to keep it within the voted provision;
- ii. the actual expenditure and outstanding liabilities (pending bills) or commitments for the Sector

4.0 COMMITTEE RECOMMENDATIONS

The Committee makes the following recommendation to the Finance, Budget and Appropriations Committee for consideration;

That;

- i. That the Kshs 5M under the sub-programme on advertising ,awareness and public campaigns(2210504) be increased with Kshs 5M totaling to Kshs 10M;
- ii. That the sub-programme on contracted guards and cleaning services (2211305) be revised from Kshs 752,134,000 to Kshs 1B;
- iii. That the Kshs 11,250,000 under the project of procurement of 68 skips (sub-programme of solid waste management 1002035310) be reverted. On the same

sub-programme, the Committee further requests for addition of Kshs 31M making a total of Kshs 42,250,000.

PROGRAM	SUB-PROGRAM	TITLE	Approved Estimates	Expenditure to date	Projected Expenditure (Jan-Jun)	Total Proj Exp	Increase / Decrease (+ or -)	Revised Budget
1004005310 P4 Water Resources Management	100205310 sp 2.5 Environment planning Management Services	2210303 Daily Subsistence Allowance	1,500,000					
		2210400 Foreign Travel and Subsistence, and other transportation costs		72,400	1,070,700	1,143,100	(356,900)	1,143,100
		2210401 Travel Costs (airlines, bus, railway, etc.)	1,000,000		0	0	0	0
		2211300 Other Operating Expenses			750,000	750,000	(250,000)	750,000
		2211305 Contracted Guards and Cleaning Services	752,134,000	468,026,851	284,107,149	752,134,000	0	752,134,000
		2211399 Other Operating Expenses - Oih	10,000,000		0	0	(10,000,000)	0
		2220200 Routine Maintenance - Other Assets			0	0	0	0
		2220299 Routine Maintenance - Other As	10,372,000	58,530	250,000	308,530	(10,063,470)	308,530
		3111000 Purchase of Office Furniture and General Equipment			0	0	0	0
		3111001 Purchase of Office Furniture and Fittings	4,250,000		500,000	500,000	(3,750,000)	500,000
		3111002 Purchase of Computers, Printers and other IT Equipment	1,000,000		750,000	750,000	(250,000)	750,000
		NET EXPENDITURE	805,156,000	469,157,811	306,552,849	714,710,630	(3,106,537.0)	714,710,630
		2210300 Domestic Travel and Subsistence, and Other Transportation Costs						0
		2210303 Daily Subsistence Allowance	1,500,000		1,125,000	1,125,000	(375,000)	1,125,000
		2210500 Printing, Advertising and Information Supplies and Services			0	0	0	0
1004005310 P4 Water Resources Management	100205310 sp 2.5 Environment planning Management Services	2210504 Advertising, Awareness and Publicity Campaigns	5,000,000	655,748	3,258,189	3,913,937	(1,086,063)	3,913,937
		2211300 Other Operating Expenses			0	0	0	0
		2211399 Other Operating Expenses - Oih	2,744,000		500,000	500,000	(2,244,000)	500,000
		2220200 Routine Maintenance - Other Assets			0	0	0	0
		2220205 Maintenance of Buildings and Stations -- Non-Residential	2,000,000		500,000	500,000	(1,500,000)	500,000
		3111000 Purchase of Office Furniture and General Equipment			0	0	0	0
		3111002 Purchase of Computers, Printers and other IT Equipment	2,000,000		500,000	500,000	(1,500,000)	500,000
		NET EXPENDITURE	13,224,000	655,748	5,883,189	6,538,937	(6,105,063)	6,538,937
		2210300 Domestic Travel and Subsistence, and Other Transportation Costs						0
		2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.)	500,000		375,000	375,000	(125,000)	375,000
		2210303 Daily Subsistence Allowance	500,000	75,036	318,723	393,759	(106,241)	393,759
		2210400 Foreign Travel and Subsistence, and other transportation costs			0	0	0	0
		2210401 Travel Costs (airlines, bus, railway, etc.)	500,000		375,000	375,000	(125,000)	375,000
		NET EXPENDITURE	500,000		375,000	375,000	(125,000)	375,000

PROGRAM	SUB-PROGRAM	TITLE	Approved Estimates	Expenditure to date	Projected Expenditure (Jan-Jun)	Total Proj Exp	Increase / Decrease (+ or -)	Revised Budget
		2210500 Printing, Advertising and Information Supplies and Services			0	0	0	0
		2210503 Subscriptions to Newspapers, Magazines and Periodicals	250,000		187,500	187,500	(62,500)	187,500
		2210504 Advertising, Awareness and Publicity Campaigns	2,575,000		1,931,250	1,931,250	(643,750)	1,931,250
		2210800 Hospitality Supplies and Services		100,000	0	0	0	0
		2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks	1,200,000		825,000	925,000	(275,000)	925,000
		2211000 Specialised Materials and Supplies	200,000		0	0	0	0
		2211016 Purchase of Uniforms and Clothing - Staff	2,000,000		150,000	150,000	(50,000)	150,000
		2211031 Specialised Materials - Other			1,500,000	1,500,000	(500,000)	1,500,000
		2211100 Office and General Supplies and Services			0	0	0	0
		2211103 Sanitary and Cleaning Materials, Supplies and Services	500,000		375,000	375,000	(125,000)	375,000
		2211199 Office and General Supplies -	500,000		375,000	375,000	(125,000)	375,000
		2211300 Other Operating Expenses			0	0	0	0
		2211399 Other Operating Expenses - Oh	1,400,000		500,000	500,000	(900,000)	500,000
		2220200 Routine Maintenance - Other Assets			0	0	0	0
		2220201 Maintenance of Plant, Machinery and Equipment (including lifts)	250,000			0	(250,000)	0
		2220205 Maintenance of Buildings and Stations -- Non-Residential	1,000,000	40,830	100,000	140,830	(859,170)	140,830
		2220210 Maintenance of Computers, Software, and Networks	150,000			0	(150,000)	0
		2710100 Government Pension and Retirement Benefits			0	0	0	0
		2710102 Gratuity - Civil Servants	225,000		168,750	168,750	(56,250)	168,750
		3111000 Purchase of Office Furniture and General Equipment			0	0	0	0
		3111002 Purchase of Computers, Printers and other IT Equipment	1,000,000		500,000	500,000	(500,000)	500,000
		3111400 Research, Feasibility Studies, Project Preparation and Design, Project S			0	0	0	0
		3111499 Research, Feasibility Studies	2,250,000		1,687,500	1,687,500	(562,500)	1,687,500
		Water Bills				0	0	0
	53230005000 Energy & Natural Resources department	NET EXPENDITURE	15,000,000	215,866	9,368,723	9,584,589	(57,15,411)	9,584,589
5323000000 ENVIRONMENT, WATER, ENERGY & NATURAL RESOURCES		NET EXPENDITURE	1,385,432,883	692,605,879	603,184,739	1,295,790,639	(89,642,245)	1,295,790,639

Programme	Sub-Programme	Project description	Location	Approved Budget	Expenditure	Projected Expenditure (Jan-Jun)	Total Proj Exp	Increase / Decrease	Revised Budget
Tourism Promotion and Marketing	Tourism Development								
0312005310 P.12	Market Services	Rehabilitation of the markets. Shauri Moyo Market	Kamukunji	20,000,000	0	10,000,000	10,000,000	(10,000,000)	10,000,000
		Rehabilitation of the markets. Kariakor	Sharehe	15,000,000	0	15,000,000	15,000,000	0	15,000,000
		Rehabilitation of the markets. Old Ngara Market	Sharehe	15,000,000	0	5,000,000	5,000,000	(10,000,000)	5,000,000
		Rehabilitation of the markets. Karen	Langata	30,000,000	0	20,000,000	20,000,000	(10,000,000)	20,000,000
		Rehabilitation of the markets. Makina	Kibra	40,000,000	0	30,000,000	30,000,000	(10,000,000)	30,000,000
		Reconstruction of the market phase II City park	Matihare	60,000,000	0	30,000,000	30,000,000	(30,000,000)	30,000,000
		Rehabilitation of market. Quarry road	Westlands	80,000,000	0	40,000,000	40,000,000	(40,000,000)	40,000,000
		Construction of new market mugumoini	Kamukunji	75,000,000	0	5,000,000	5,000,000	(70,000,000)	5,000,000
		Creating more trading space Modern kiosks	Langata	50,000,000	0	5,000,000	5,000,000	(45,000,000)	5,000,000
		Rehabilitation of market. Kahawa west	NCCG	50,000,000	0	10,000,000	10,000,000	(40,000,000)	10,000,000
		Mwarito Market	Royambu	15,000,000	0	15,000,000	15,000,000	0	15,000,000
		Karindini Market	Sharehe	0		1,000,000	1,000,000	1,000,000	1,000,000
			Dagoretti	450,000,000	0	14,000,000	14,000,000	14,000,000	14,000,000
TRADE/COMMERCE/TOURISM & COOPERATIVES		TOTAL		550,000,000	0	220,000,000	220,000,000	(330,000,000)	220,000,000
0701000 P1	0701010 SP.1.1 General Administration Planning and Support Services	ICT Platform for employee engagement	City hall	5,000,000	0		0	(5,000,000)	0
		Equip a Human Resource Centre	City hall	5,000,000	0		0	(5,000,000)	0
0710000 P.5: Public Service Transformation	0710010 S.P.5.1 Human Resource Management	Set up a biometric registration	City hall	10,000,000	0	0	0	(10,000,000)	0
		Renovate the offices to improve the working Environment	City hall	40,000,000	13,276,850	26,723,150	40,000,000	0	40,000,000
		Construct and maintain customer care centers that are adequately equipped and staffed	City hall	30,000,000	0	15,000,000	15,000,000	(15,000,000)	15,000,000
07230005310 P.23	0723015310 sp.23.1 Performance Contracting management	Performance Management System	City hall	17,000,000	0	5,000,000	5,000,000	(12,000,000)	5,000,000
				87,000,000	13,276,850	46,723,150	60,000,000	(27,000,000)	60,000,000
							20,000,000		
PUBLIC SERVICE MANAGEMENT	TOTAL			20,000,000	0	20,000,000		0	20,000,000
				167,000,000	13,276,850	66,723,150	80,000,000	(37,000,000)	80,000,000
0108000 P2: Crop Development and Management	010805310 SP5 Crop Production, Marketing & Research	1) Construction of innovation centre	Nairobi west	9,000,000	0	0	0	(9,000,000)	0
		2) Establish 1,500 multi-storey gardening units	Prison	10,000,000	0	10,000,000	10,000,000	0	10,000,000

NAIROBI CITY COUNTY GOVERNMENT 2017/18FY SUPPLEMENTARY BUDGET

Programme	Sub-Programme	Project description	Location	Approved Budget	Expenditure	Projected Expenditure (Jan-Jun)	Total Proj Exp	Increase / Decrease	Revised Budget
112000 P-6: Livestock Resources Management and Development	0112065310 Promotion of Dairy Production, Extension & Research	3) Installation of 17 Green houses & water tanks	17 S- counties Agriculture	20,000,000	0	20,000,000	20,000,000	0	20,000,000
		Purchase of a Pick Up		5,000,000	0	5,000,000	5,000,000	0	5,000,000
		4) Construct 15 poultry units	15 S- counties	15,000,000	0	15,000,000	15,000,000	0	15,000,000
		5) Construct 10 production units for rabbits	10 S- counties	10,000,000	0	10,000,000	10,000,000	0	10,000,000
		6) Construct 10 production units for pigs	10 S- Counties	10,000,000	0	10,000,000	10,000,000	0	10,000,000
		Purchase of 1 Double Cabins (four wheel)	Livestock	5,000,000	0	5,000,000	5,000,000	0	5,000,000
		7) Construction of 10 fish ponds	10 S- Counties	5,000,000	0	5,000,000	5,000,000	0	5,000,000
		8) Installation of 20 fish tanks	17 S- Counties	15,000,000	0	15,000,000	15,000,000	0	15,000,000
		9) Supply of Certified Fingerlings	17 SUB COUNTIES	4,000,000	0	3,992,660	3,992,660	(7,340)	3,992,660
				24,000,000	0	26,504,206	26,504,206	2,504,206	26,504,206
116005310	0116015310 sp 10.1	10) Establish animal shelters, clinics, laboratories & burial facilities	Pangani	26,000,000	0	17,000,000	17,000,000	(9,000,000)	17,000,000
116005310	0116015310 sp 10.1	11) Plan and construct modern abattoirs (slaughter houses)	Ruai, Kasarani	5,000,000	0	5,000,000	5,000,000	0	5,000,000
		Purchase of 2 Double Cabins (four wheel)	Veterinary Department	10,000,000	0	22,000,000	22,000,000	(10,000,000)	22,000,000
117005310	0117015310 sp 11.1	12) Establishment of a tree Nursery	CITY PARK	5,000,000	0	5,000,000	5,000,000	0	5,000,000
AGRICULTURE, LIVESTOCK & FISHERIES & FORESTRY		TOTAL		154,000,000	0	93,504,206	93,504,206	(60,495,794)	93,504,206
001005310 P1	1001015310 Sp1 General Administration & Support Services	Refurbishment of Offices	Admin	10,000,000			0	(10,000,000)	0
002005310 P2	1002035310 sp 2.3 Solid waste management	Construction of John Osgo Road	Dandora	120,000,000	43,441,519	30,000,000	73,441,519	(46,558,481)	73,441,519
		Construction of Ramp, Weighbridge & Shed	Dandora	35,000,000		15,000,000	15,000,000	(20,000,000)	15,000,000
		Dandora Dumpsite improvement (Access roads)	Dandora	28,500,000		50,000,000	50,000,000	21,500,000	50,000,000
		Supervision vehicles(17) for Sub County environment Officers	City Wide	68,000,000		12,947,000	12,947,000	(55,053,000)	12,947,000
		Baling machines- 1 steel machines & 4 machines for paper & plastics	Dandora	26,000,000		0	0	(26,000,000)	0
		Procurement of 68 skips	City Wide	22,500,000		11,250,000	11,250,000	(11,250,000)	11,250,000
		Refuse skip loaders(15)	City Wide	150,000,000		75,000,000	75,000,000	(75,000,000)	75,000,000
		Pressure Vehicle washing machines (Heavy duty- 2 No.)	Dandora	10,000,000		0	0	(10,000,000)	0
		1NO. Dozer	Dandora			0	0	0	0
		Payables from previous Financial Years				80,000,000	80,000,000	80,000,000	80,000,000