

COUNTY GOVERNMENT OF NAIROBI CITY



NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – SECOND SESSION

**SIXTH REPORT OF THE SELECT COMMITTEE ON FINANCE, BUDGET AND
APPROPRIATIONS**

ON

THE CONSIDERATION OF THE REVENUE AND EXPENDITURE ESTIMATES
FOR THE NAIROBI CITY COUNTY GOVERNMENT AND THE COUNTY
ASSEMBLY FOR THE FY 2018-19

JUNE 2018

*Paper laid
by Chair of
Budget
Committee
J. J. M. B.
CCA
26/6/18*

Madam Speaker, it is my personal honour to present to this Chamber the first report of the Second Assembly's Select Committee on Finance, Budget and Appropriations on the consideration of the budget estimates for the Nairobi City County Government and County Assembly prepared pursuant to the provisions of Section 131 (1) of the Public Finance Management (PFM) Act, 2012, the Public Finance Management (County Government) Regulations 2015 and Standing Order 222. Through this budget document the Second County Government of Nairobi City has set out its first policy outlay on resource mobilization, public expenditure, debt management among others.

The Nairobi City County Assembly Finance, Budget and Appropriations Committee is mandated pursuant to Standing Order 199 to among others:

- a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;*
- b) Discuss and review the estimates and make recommendations to the County Assembly;*
- c) Examine the County Fiscal Strategy Paper presented to the County Assembly;*
- d) Examine Bills related to the county budget, including Appropriations Bills; and*
- e) Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlay*

Madam Speaker,

In line with the provisions of the Constitution and the requirements of Section 129 (2) of the PFM Act, 2012 read together with the provisions of Section 128 (2), these budget estimates were laid on the table of the County Assembly on 2nd May 2018. Having been laid, in line with the provisions of Standing Order 222 (3), the estimates were duly committed to the Select Committee on Finance, Budget and Appropriations and other Sectoral Committees for consideration and reporting. The Sectoral Committees were expected to consider the estimates, take into account the views of the respective Sector Chief Officers

and County Executive Committee Members and thereafter make submissions to the Budget Committee.

Madam Speaker, the following are the Members of the Nairobi City County Assembly Finance, Budget & Appropriations Committee:

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|------------------------------------|--------------------|
| 1. Hon. Robert Mbatia, MCA | Chair |
| 2. Hon. Patrick Karani, MCA | Vice- Chair |
| 3. Hon. Michael Ogada, MCA | |
| 4. Hon. Osman Adow, MCA | |
| 5. Hon. Chege Mwaura, MCA | |
| 6. Hon. Anthony Ngaruiya, MCA | |
| 7. Hon. Kariuki Wanjiru, MCA | |
| 8. Hon. J.M Komu, MCA | |
| 9. Hon. Paul Ndungu, MCA | |
| 10. Hon. James Kariuki, MCA | |
| 11. Hon. Susan Mukungu, MCA | |
| 12. Hon. Catherine Okoth, MCA | |
| 13. Hon. Emily Oduor, MCA | |
| 14. Hon. Herman Azangu, MCA | |
| 15. Hon. Nancy Muthami, MCA | |
| 16. Hon. Elias Okumu, MCA | |
| 17. Hon. Peter Imwatok, MCA | |
| 18. Hon. Jane Muasya, MCA | |
| 19. Hon. Fredrick Okeyo, MCA | |

Madam Speaker, since coming to life of the devolved system of governments, there have been grey areas on how to undertake a number of activities with the available legal provisions doing little to demarcate the roadmap. One of those areas where the County Governments have missed expectations and performed below generally accepted standards has been on budget preparation, approval and implementation. The Budget Committee has over the last five financial years highlighted to this House the areas where the submitted the budget

documents have not lived up to their billing. However, in review of the budget estimates for the FY 2018-19, the Committee once again noted that there has been great attempt to ensure that the estimates meet the legal requirements. In this regard therefore, the Committee wishes to thank all actors in the budget process for having been keen to learn and improve on the budget process with an aim of ensuring that the County delivers to the people of the great City of Nairobi. Despite this positive outlook, the Committee would be highlighting areas where some work still needs to be done.

Examination of the Budget Estimates for the FY 2018-19

Madam Speaker, in reviewing the budget estimates for the FY 2018-19, the Committee held a total of eight sittings. As a panacea to the dismal expenditure and revenue performance for the FY 2017-18 the Committee held a consultative meeting with the County Executive led by the County Executive Committee Member for Finance and the County Secretary. In that meeting the Committee agreed with the County Executive on the roadmap to addressing some of the issues that have threatened to dismantle the County budget processes.

Further, in most of the sittings on the estimates, as evidenced by the attached minutes of the Committee, officers from the County Treasury were invited to take members through the revenue and expenditure projections as well as agree on the estimates contained on the budget books. In addition, the Committee held discussions with the Clerk to the County Assembly who explained to the Committee in detail the rationale for resource requirements as requested by the County Assembly Service Board. The Committee would therefore wish to report that the views of the County Executive Committee Member for Finance and the Clerk to the County Assembly have been incorporated in this report.

Acknowledgements

Madam Speaker, the Committee is sincerely grateful to:

- i. Members of the public who took part in the public hearings on these estimates undertaken in Charter Hall on Friday 8th June 2018;
- ii. Offices of the Clerk and the Speaker for the support received throughout this process;

- iii. Sectoral Committees who reviewed the budget estimates for their respective Sectors and appeared before the Budget Committee to make their submissions;
- iv. Members of the Finance, Budget and Appropriations Committee who dedicated their time to ensure the task of reviewing these Estimates is done diligently and within the statutory timelines;
- v. County Assembly Fiscal Analysts for their briefs on the estimates which helped Members make sense of the figures.

Madam Speaker, it is my utmost privilege and distinct honour on behalf of the Finance, Budget and Appropriations Committee to table this report and recommend it to this Assembly for adoption.

SIGN.....

DATE.....26th June 2018.....

Hon. Robert Mbatia, MCA (Chairman)

SCRUTINY OF THE BUDGET ESTIMATES FOR THE FY 2018-19

A. Overall Budget for The FY 2018-19

1. **Madam Speaker**, in the financial year 2018-19 the total County budget is projected to stand at Kshs. 34.232billion out of which Kshs. 23.396 billion has been earmarked for recurrent expenditures and Kshs. 10.836billion set aside for development initiatives representing 32% of the overall budget. The development budget has been revised upwards from the Kshs. 8.37billion contained in the approved supplementary budget for the FY 2017-18. The recurrent budget on the other side has been reduced from the Kshs. 25.28billion contained in the approved supplementary budget. From the very onset the Committee noted that the budget presented had not been properly demarcated by economic classification making it difficult for the Committee to determine at a glance the level of personnel emoluments and the cost of operations and maintenance.
2. On the specific Sector allocations **Madam Speaker**, the Public Health Department that has the highest number of devolved staff is the largest consumer of recurrent budget at Kshs. 6.375billion or 27% of the total recurrent budget followed by the Governor's Office at Kshs. 4.693billion or about 20% of the total county recurrent budget. The Water, Energy and Environment Sector which is in charge of managing the City's garbage collection and water infrastructure has been granted Kshs. 1.396billion for recurrent initiatives. To undertake debt repayments, manage procurement, audit as well as fiscal reforms, the Finance and Economic Planning Sector has been allocated Kshs. 2.127billion. To ensure that natural calamities and disasters are mitigated within a reasonable resource envelope there has been an allocation of Kshs. 80million set aside for Emergency Fund.
3. **Madam Speaker**, on the development side of the budget the Public Works and Infrastructure Sector leads at Kshs. 4.95billion excluding WDF or about 46% of the total development budget. The only other sector with development budget exceeding the Kshs. 1billion mark is the Environment Sector at Kshs. 1.115billion. It is important to remind this Chamber that

the provisions of section 107 (2) of the PFM Act requires that over the medium term a minimum of thirty percent of the county governments budget shall be allocated to the development expenditure. As it has pointed out, for the FY 2018/19, the allocation for development expenditure stands at 32% of the total budget. It is important to note that over the last two financial years, supplementary budgets have been used to drastically lower the development votes. The provisions of Regulation 25 (g) require that Counties do not only allocate funds for development but also utilize the amounts for development. The Committee has emphasized to the County Treasury and the County Executive in general that there is utmost need to ensure that the law is our shield and defender.

4. **Madam Speaker**, comparison of the overall budget figures with the ceilings approved in the County Fiscal Strategy Paper indicates that the overall budgets have exceeded the ceilings approved in the CFSP. The County Assembly approved the ceiling for the County Executive at Kshs. 31.71 consisting of Kshs. 9.85billion for development expenditures and Kshs. 21.86billion for recurrent expenditures. The tabled estimates have the overall County Executive budget at Kshs. 32.06billion consisting of Kshs. 21.81billion for recurrent and Kshs. 10.244billion for development programmes. This implies that the recurrent budget has lived within the approved ceilings whereas the development budget has exceeded the approved limits. **Madam Speaker**, the Finance Committee submits that whereas ceilings approved in the CFSP are cast in stone, the County Treasury being in charge of the County's fiscal framework can review the ceilings based on additional information that has become available in the interim period. The rationale for such review and its impact should thereafter be communicated to the County Assembly by the County Executive Committee Member for Finance. The Finance Committee therefore has the ultimate responsibility of making determination on the fiscal framework proposed by the County Executive Committee Member.

5. **Madam Speaker**, to achieve the budget objectives the County Government has undertaken to continue spending in infrastructure, improve business

environment, ensure that Sectors access resources to be able to deliver, sustain spending in social sectors, upscale business process review, sustain revenue management, ensure prudent debt management and freeze on non-core employment

6. In general **Madam Speaker**, the following Sectors have exceeded the ceilings allowed in the CFSP 2018: The Office of the Governor has exceeded their recurrent ceilings by Kshs. 87million; Urban Planning has exceeded the approved recurrent ceilings by Kshs. 15million; Trade has exceeded the recurrent ceilings by Kshs. 33million; and The Estimates have created a new Vote for the Liquor Board indicating the programmes for the Fund which exceed the amounts originally allocated for the Trade Sector where the Fund is domiciled.

Madam Speaker,

7. On the County Assembly side, the total budget equals Kshs. 2.177billion consisting of Kshs. 1.585billion for recurrent and Kshs. 592million for development expenditures. The approved allocations are in tandem with the ceilings approved in the County Fiscal Strategy Paper for the FY 2018-19. The expenditures project a decrease of the allocations for Compensation to Employees by Kshs. 28million to Kshs. 690million and an increase of the amounts set aside for Use of Goods and Services by Kshs. 243million to Kshs. 895million compared to the amounts in the FY 2017-18 budget estimates. As at the end of the third quarter of the current financial year the County Assembly had spent Kshs. 474million on Compensation to Employees and Kshs. 474million in Use of Goods and Services. The County Allocation of Revenue Bill, 2018 has granted the NCCA a recurrent ceiling of Kshs. 1.3billion which the Senate has proposed for slight upward revision. The Committee would be proposing amendments to the County Assembly budget to ensure that it is consistent with the Senate proposal.

8. **Madam Speaker**, the tabled budget estimates have envisaged that in the FY 2018-19 the total county revenues shall comprise of Kshs. 16.51billion from the national governments transfers and Kshs. 17.37billion from internal sources making the total revenue to the County Revenue Fund to equal Kshs. 33. 87billion. There is proposed Appropriations- in -Aid of Kshs. 346million to take care of activities related to liquor licensing thereby adding up to a total County revenue resource envelope of Kshs. 34.232billion.
9. However, **Madam Speaker**, review of the revenue performance in the financial year 2017-18 provide a solid case that the internal revenue figures for the current financial year are still overambitious. It is conclusive to assert that the major technological reforms that have been initiated in various revenue heads are yet to deliver upward surge on revenue growth and expansion of the revenue basket.
10. It is noteworthy **Madam Speaker** that as at end of March 2018 the total internal revenues stood at Kshs. 7.64billion being the worst revenue outturn for the first nine months of the financial year since the rolling out the devolved system of government in 2013. The revised revenue target for the FY 2017-18 stands at Kshs. 17.22billion. To achieve this target therefore the County should collect about Kshs. 10billion in the fourth quarter of the current financial year. Available data on revenue performance over the fourth quarter indicate that the maximum revenue that the County has ever collected in that period is Kshs. 2.29billion.
11. **Madam Speaker**, the figures for the external revenues are consistent with the amounts contained in the County Allocation of Revenue Bill 2018. However, it is noted that the amounts of conditional grants for Leasing of Medical Equipment which is projected at Kshs. 200million is not contained in the tabled estimates. Overallly there has been marginal reduction in the projected conditional grants due to the County from the Kshs. 759.57million allocated in the FY 2017-18 to Kshs. 729million in the financial 2018-19 (the amounts exclude reimbursement for Free Maternal Healthcare which is now being disbursed by the National Health Insurance Fund)

C. Compliance of the FY 2018-19 Budget Estimates to the requirements of The Constitution, the Public Finance Management Act, 2012, the Public Finance Management (County Government) Regulations 2015 and the Standing Orders.

1. **Madam Speaker**, the budget process is guided by Constitution, the PFM Act 2012, the PFM (County Government) Regulations 2015 and the County Assembly Standing Orders. It is for this reason that the Budget Committee has been consistent in briefing this Chamber on how far any budget document has aligned itself to the underpinning legal provisions. This section of the Committee report would once again attempt to address the issues of fidelity to the law.
2. **Madam Speaker**, the provisions of Section 129 (2) (a) of the PFM Act, 2012 requires that the budget estimates be submitted to the Assembly together with any supporting documents and all bills that are required to implement the budget. Section 130 (1) of the same Act is indeed explicit on the budget documents that should be submitted in the Assembly together with the budget estimates. These include:
 - i. *A summary of budget policies including revenue, expenditure, debt and deficit financing;*
 - ii. *A statement of how the budget relates to the fiscal responsibility principles and the financial objectives; and*
 - iii. *A memorandum by the County Executive Committee member for Finance explaining how the resolutions adopted by the county Assembly on the budget estimates have been taken into account.*
3. Further **Madam Speaker**, the provisions of Section 130 (1) (b) of the PFM Act, 2012 stipulates that the budget estimates shall include:-

- i. *List of all county government entities that are to receive funds appropriated from the budget of the county government;*
- ii. *Estimates of revenue projected from the Equalization fund over the medium term;*
- iii. *All revenue allocations from the national government over the medium term including conditional and unconditional grants;*
- iv. *All other estimated revenue by broad classification;*
- v. *All estimated expenditure, by Vote, and by programme, identifying both recurrent and development expenditure;*
- vi. *Information regarding loans made to the county government, including an estimate of the principal, interest and other charges to be paid by that county government in the financial year in respect of those loans ;*
- vii. *Information relating to any payments and liabilities to be made or incurred by the county government for which appropriation is not included in an Appropriation Act, together with the constitutional or national legislative authority for any such payments or liabilities; and*
- viii. *A statement by the County Executive Committee Member for Finance specifying the measures taken by the county government to implement any of the County Assembly recommendations.*

4. **Madam Speaker,** the provisions of the PFM Regulations have provided additional benchmarks to consider while preparing and approving budget estimates. These include:

- i. *All budget proposals shall be supported by the county government entity strategic plan;*
- ii. *All revenue and expenditure shall be entered into county government budget estimates;*
- iii. *Expenditure entered into the budget estimates shall be authorized for one financial year only;*
- iv. *Budget revenue and expenditure shall be balanced;*

- v. *Total budget shall cover total expenditure and therefore except as provided by legislation, there shall be no use of specific revenue to finance specific expenditure;*
- vi. *The CECM- F shall cause to be conducted public hearings on the estimates and views received from the public included by the Accounting Officers.*

Madam Speaker;

Once again, the Committee notes that the County Government has come of age in preparation of various budget documents and hence most of the legal requirements were met in the budget estimates for the FY 2018-19. That notwithstanding, the Committee notes that there are still unresolved difficulties on identification of programs and linking the same to various key performance indicators and outputs. The Committee therefore continues to urge the Finance Sector/County Treasury as experts in this area to take lead and develop the capacity of all other Sector on how to prepare and report on program-based budgets.

These Budget Estimates for the FY 2018-19 represent the first output of an elaborate budget process that started almost a year ago with the approval of the County Integrated Development Plan 2018-22. The County Integrated Development Plan is a harmonizing document that attempts to bring all development actors in the County Government to a focused and coordinated mission of improving the livelihoods of City residents. Throughout the term of the First County Government, the First Finance, Budget and Appropriations Committee reported that status of implementation of the resolutions of this House was lackluster and reporting on the same even more wanting. The Committee confirms once again that this ignominious situation has not changed. The Committee wishes to encourage all Sectors to review their projects and implementation matrix and report the status of the same to the respective Sectoral Committees for review. On a positive note the Committee commends the County Treasury for having detailed how far the resolutions of the Assembly

on the CFSP were taken to account during the preparation of the budget estimates.

D. Submissions from Sectoral Committees and Observations of the Budget Committee on specific Sectoral Issues

5. **Madam Speaker**, provisions of Standing Order 222 (3) and (4) are elaborate on the procedure of dispensing with the budget estimates once they have been tabled in the County Assembly. These provisions require that the estimates be considered by all the Sectoral Committees in line with their respective mandates and report to the Finance, Budget and Appropriations Committee. Further, Standing Order 187 (6) requires that the Budget and Appropriations Committee holds discussions with the Chairpersons of all Sectoral Committees during the consideration of the budget. To ensure inclusivity in the budget making and satisfy these provisions, the Committee invited the Sectoral Committee Chairmen for meetings held between Saturday 9th June and Monday 11th June 2018 where they made their presentations on their respective sectors. In this meeting, the Sectoral Committee Chairpersons provided the Committee with insights into the budget performance for the FY 2017-18, the planned Sector priorities as well as accompanying budgetary allocations for the FY 2018-19. In this meeting, the Budget Committee reached consensus on a number of issues regarding the budget for the FY 2018-19.

6. **Madam Speaker**, the following were some of the recommendations that the Sectoral Committees made to the Budget Committee and some general observations that the Budget Committee made on the Sector presentations:

I. Health Services Committee

- i. That the Sector prioritizes roll over projects from the previous financial years in the FY 2018/19 with minimal or no introduction of new projects;
- ii. The Finance, Budget and Appropriations Committee compels the County Executive Committee Members responsible for Finance and Economic Planning, Urban Planning and Lands (Bills of Quantities Unit) and Procurement Section to undertake internal functional audit and

assessment in view of improving their efficiency and effectiveness in regard to implementation of the Health Sector Budget and their liaison with Sector; and

- iii. The Finance and Economic Planning Sector to move with speed in establishment and activation of the Health Sector account in which Sector financial receivables and allocation will be deposited for the purpose of undertaking the unique mandate of the Sector

Madam Speaker,

7. The Finance Committee observed during the consideration of the supplementary budget for the FY 2017-18 that the Health Sector has not put in much effort to ensure that the funds allocated to it are absorbed up to the optimal level. The Committee still regrets to report that the Sector has not enhanced its budget utilization. In the first nine months of the current financial year the Sector has spent 0% of their development budget making it highly unlikely that the Sector would spend all the amounts requested in the current and coming financial year.
8. The report of the Auditor General for the FY 2015-16 which was adopted by the County Assembly through the Public Accounts Committee report observed that the Sector has been consistent in disobeying the provisions of Section 109 of the PFM Act on spending at source. The Committee agrees that health emergencies require urgent attention of all actors in the budget process. The Committee was informed that there has been movement towards ensuring that there is a legislation allowing the Sector to utilize hospital collections as Appropriations-in-Aid.

II. Planning and Housing Committee

- i. That Kshs. 90million allocated for implementation of NIUPLAN be reduced by Kshs. 60million and the amounts be added to the allocation for Purchase of heavy duty vehicles & equipment for demolition of buildings.
9. Since the inception of the County Governments there has been an urge to finalize the valuation roll and ensure that the County rate payers remit what is factually due to the County Government. The Committee laments that the

song of updating the valuation roll has played for so long and the same must now be stopped.

10. The Committee during the consideration of these estimates noted that the Sector has made positive impact on the City outlook by ensuring that all illegal structures are brought down at the earliest opportunity. Whereas the Committee is cognizant of this vibrant effort, it has urged the Sector to be alert in ensuring that the illegal structures are not set up in the first place.

III. Agriculture, Livestock and Fisheries Committee

- i. That the Kshs. 150M be allocated for Development Expenditure as recommended in the County Fiscal Strategy Paper 2018/19 by the Budget and Appropriation Committee;
 - ii. That Kshs. 132M from both Recurrent and Development Expenditure be reallocated to Food Systems and Coordination;
 - iii. Revenue mobilization should be enhanced to ensure the Sector continues to implement its projects without any bottleneck of Cash flow limitations; and
 - iv. The Sector need to initiate procurement processes early enough so as not to derail implementation of proposed projects.
11. **Madam Speaker**, the National Government Big Four Agenda among others aims to ensure there is food security and food safety across the country. The Sector purposes to promote this agenda by increasing the level of food production in the County, ensuring that the food that enters the County is fit for consumption and inspecting the venues for food production within the County. The Committee has called upon the Sector to pull up its socks and implement all the programmes contained in the budget estimates.

IV. Energy and ICT Committee

- i. That the allocations for maintenance of computers, software and networks in other departments/sectors be utilized under the ICT Sector;
- ii. That the Sector reprioritizes within its budget to provide funds for technical staff hired on contract and consultancy; and

- iii. That the Finance, Budget and Appropriations Committee approves the Sector's proposal in the budget estimates in the FY 2018/19 for the Energy Sub-Sector

12. Madam Speaker, the hallmark of the adopted report of the Public Accounts Committee on the report Auditor General on the financial statements for Nairobi City County for the FY 2015-16 was the resolution that the County exploit the termination clause in the Webtribe agreement and stop all existing engagements with jambopay. The Finance Committee has been vocal in calling upon the County Treasury to ensure that existing e-payment methods achieve the original objectives. The Committee noted during the consideration of the County Integrated Development Plan that current e-payment methods have introduced unnecessary lags in revenue generation, made revenue collection an expensive affair and ensured that the County is powerless in its own function. The Committee has insisted on the County Treasury to ensure that the PAC report is implemented and in that undertaking the contracts on e-payment should be negotiated in a way that ensures that agents of e-payment don't wield all the revenue control buttons but also ensure that the agency fees are rational and subject to ordinary budgeting.

V. Culture and Community Services Committee

- i. That the County implements and finalizes all incomplete projects from the previous financial years;
- ii. That measures be initiated by the County Executive to ensure that procurement procedures are not delayed leading to stalled sub-sectors approved projects;
- iii. The County Executive ought to institute reforms in the Finance department because majority of the Contractors have suspended works due to non-payment leading to mired projects; and
- iv. Kshs 10M allocation for Construction and Civil Works (Fire and Disaster Management Sub-Sector) be struck off the budget and replaced thereof with developing a Disaster Information and Management Center.

13. **Madam Speaker**, in the First Assembly the County Assembly approved the Emergency Fund Regulations which outlined the criteria of identifying the cadre of disasters as well as providing guidelines on how to mitigate them. Since the passage of the regulations the County Executive Committee Member for Finance has not been able to gazette them thereby failing to address the gaps that have continued to hamper the allocations for Emergency Fund. It is imperative to remind this Chamber that the provisions of Section 110-114 require that allocation for emergency fund be utilized and replenished through the supplementary appropriation. It is the expectation of the law that the amounts set aside for the fund shall remain unchanged throughout the financial year. During the consideration of these estimates and based on the submissions by the Sectoral Committee on Culture and Community Services the Committee noted that the Sector is yet to start spending the allocations. The Committee has agreed with the County Executive Committee Member for Finance as the administrator of the fund that the existing bottlenecks be addressed so that the Fund is rolled out.

VI. Children, Early Childhood Education and Vocational Training Committee

- i. That the amount for bursary (scholarships and other Educational benefits -Primary Education) be increased from Ksh. 170,000,000 to Ksh. 340,000,000 to fully cater for the needy and bright students from vulnerable groups in the society;
- ii. The amounts for the Development projects 2018/19 for the FY 2018/19 be adopted as they appear in the Budget Estimates 2018/19 except for recurrent expenditure which should be increased from Kshs. 1,553,845,497 to Kshs. 1,893,845,497 for bursaries; and
- iii. That 1% of the budget estimates be allocated to people with disabilities to cater for pupils and youth with special needs.

12. **Madam Speaker**, the fact that there have been challenges in access to bursaries by the Members of the County Assembly cannot be gainsaid. The rationale for the implementation of the bursaries was to ensure that there is equitable access to education by underprivileged children. The Education

Committee while presenting their findings on the Sector budget estimates reported that the hurdles have been addressed. However, the Committee is concerned that the financial year is almost coming to end and this may pose logistic challenges in the utilization of the funds. On a positive note though, the Committee lauds the Sectoral Committee on Education for having seen it fit to record the interests of those living with disabilities in the respective Sector budgets. This positive thinking must be embraced by all Sectors to ensure that the County budget is not only gender responsive but also caters for those living with disabilities.

VII. Trade, Tourism and Cooperatives Committee

- i. That the ceilings for the Commerce, Tourism and Cooperatives should be retained as approved in the County Fiscal Strategy Paper 2018/19 at 896.8 Million;

- a) Development Kshs 391 Million
- b) Recurrent Kshs 505.8 Million

- ii. That the following reductions be made in the respective votes:-

- Kshs. 6 million be removed from refurbishment of City Hall Mezzanine offices;
- Kshs. 15 million be removed from Kahawa West market;
- Kshs. 10 million be removed from Jogoo road market;
- Kshs. 5 million be removed from Kariokor Market Leather Works Facility;
- Kshs. 10 million be removed from revolving fund

- iii. That allocation of Dandora Market E (Extension) be increased by kshs. 20 Million; modern kiosks be increased by Kshs. 10 million; and Kshs. 20 million be allocated to the construction of Ngumba Market as a rollover project.

13. Madam Speaker, the Trade Sector purposes to implement the revolving fund in the financial year 2018-19 with the item having a total allocation of Kshs 30million. The Committee has in the previous reports urged the Sector to develop and present to this Assembly guidelines on the framework for the disbursement, recovery and operations of the fund. The Committee has once

again agreed with the Sector that these regulations be prioritized and be submitted to the County Assembly before the allocated funds are implemented.

VIII. Water and Sanitation Committee

- i. That an additional Kshs. 265 Million be allocated for Development to guarantee equitable distribution of ward-based projects within all the 85 wards to the Sub-sector and Kshs. 200 Million be allocated for payment of NCWSC pending water bills, further, we propose that Sub-Sector be allocated Kshs. 60 Million per year for payment of NCWSC Water bills, which is on average Kshs. 5 Million per month;
- ii. That given the concern that due to challenges amongst others, slow procurement process, the Sector shows meagre absorption of Development Expenditure on ward-based projects, as such, the Sub-sector needs to utilize the allocation in the 2017/2018 FY budget to ensure that the said projects are completed before the end of this financial year.

14. Madam Speaker, the Nairobi City Water and Sewerage Company as a company owned by the County Government has the sole responsibility of advancing the role of the administration by ensuring that the City residents are facilitated with clean water and efficient water infrastructure. During these submissions the Sector lamented over the sorry status of the County's water infrastructure and how the limited resources allocated for that course have done little to change this unfortunate reality. The County should look for ways of ensuring that the liquidity of the company is prioritized. In this regard the County should explore ways of settling any amounts owed to company and initiate measures aimed at returning it to profitability. The Committee reiterates that once the company is back on its foot, the moratorium on remitting part of its income to the County as revenue should be withdrawn.

IX. Labour and Social Welfare Committee

- i. The sub-programmes be re-aligned to cater for provision of Mortgage and Car Loan to staff at Kshs. 450 Million, hiring of casuals (interns) to be deployed to various departments at Kshs. 20 Million and

- installation of Biometric card readers within the County at Kshs. 15 Million;
- ii. The Sector establishes a Payment Committee whose members are Chief Officers whereby each Chief Officer prepares a schedule of payments to be paid each month;
 - iii. The procurement be decentralized to Sectors and procurement officers be deployed to each Sector;
 - iv. The Membership Fees, Dues and Subscriptions to Professional and Trade Bodies under vote code: 2211306 be increased from Kshs. 250,000 to Kshs. 840,000;
 - v. The Sector should create opportunities for marginalized groups who comprise the youth, women and people living with disabilities and accord them more consideration during budgetary allocation; and
 - vi. The Budget be approved as presented.

15. Madam Speaker, the fact that the County's wage bills bill is spiraling out of control does not require any repetition but what must be emphasized is the need to contain the growth in the cost of maintaining the payroll. In the financial year 2018-19 the total cost of personnel emoluments is projected to stand at Kshs. 13.406billion being a reduction by Kshs. 1.144billion from the amounts contained in the FY 2017-18 revised estimates. The figures represent about 39% of the total projected expenditures for the coming financial year and over 50% of the actual revenues collected in the FY 2016-17. The narrative is pointer that the county wage needs an urgent and lasting solution that will tilt the cost of wages and salaries to the 35% threshold allowed by the PFM law. It is in this regard that the Budget Committee has proposed that there is need to fastrack the voluntary early retirement programmes among other remedial measures aimed at addressing the growing challenge.

X. Environment and Natural Resources Committee

- i. That the total recurrent budget be increased from Kshs. 1,395,682,804 to Kshs. 3,195,551,016
- ii. That the total development budget be increased from Kshs. 1,115,000,000 to Kshs. 1,930,200,000

16. **Madam Speaker**, as has been said, the import of approving ceilings in the County Fiscal Strategy Paper is to ensure that the County implements its budget within a realistic resource envelope. The Budget Committee noted that whereas the Environment Sector was largely contented with the ceilings approved in the CFSP for the FY 2018-19, as evidenced by the Sectoral Committee report, it has proposed an upward review of those figures in these estimates. Whereas the Committee was persuaded that the rationale for such was review is in the best interest of the County it is curtailed from accommodating such good reasoning due to the restrictions imposed by the PFM law. The Committee would therefore wish to urge all Sectoral Committees to always diligently review their respective Sector ceilings during the consideration of the County Fiscal Strategy Paper.

XI. Justice and Legal Affairs Committee

- i. That the Sector reprioritizes within its budget to provide funds for the Internal Audit and Risk Management and sub county administration department as proposed by the Chief Officer as below;
 - The Devolution and Sub County Administration allocation be increased by 107 M to amount to 173M to enable the department operate smoothly; and
 - The Internal Audit and Risk Management department allocation be increased by 15M
- ii. That the Finance, Budget and Appropriations Committee approves the Sector's expenditure proposal in the Budget Estimates for the FY 2018/19 for the General administration, supply chain management and security and safety management Sector.

XII. Transport and Public Works Committee

- i. That, the County Executive Committee Member responsible for Public Works, Roads and Transport to continuously engage with the County Treasury with a view to enhancing timely release of finances in order to ensure that Sector plans are implemented without challenges and enhance the actual absorption of allocated funds;
- ii. Regarding the uneven allocation of street lighting projects for the FY 2018/2019 and taking cognizant that the slots are limited, the

- Committee recommends that all the street lighting projects be expunged from the budget, except Mihang'o, Dandora II x2, Embakasi and Utawala which are ongoing projects. The amount be re-allocated to procurement of Electrical maintenance materials and equipment. These materials and equipment will be used for maintenance of existing lights across the County;
- iii. With regard to County Road Maintenance, the Committee requests for an additional Ksh. 300M in addition to the Ksh. 200M for acquisition of adequate requisite maintenance materials. This is aimed at reducing contracting for small projects and enhance optimal utilization of in-house capacities and materials;
 - iv. With regards to mismatch of projects and their localities, the Committee recommended that the same be corrected and the corrected list is as contained in ANNEX 1 herewith attached;
 - v. Having noted that the commitment of the County and National Governments towards the Nairobi Regeneration Programme is noble, the Committee requests that the deficit of Ksh. 500M be provided for in the budget towards the initiative in order to realize the objectives of this ongoing collaboration;
 - vi. Regarding the misplaced Ward Development Fund Project, the Committee recommends that they be expunged from the project list for FY 2018/2019 of the Sector;
 - vii. Regarding the two projects named above that have no budget allocation, the Committee recommends that they be expunged from the budget.
 - viii. The Committee recommends that the Sector expedites the formulation of the quality of works guidelines which contractors will adhere to.
 - ix. The Committee recommends that the two ongoing projects in Clay City Ward be included for completion in the list of ongoing projects.

14. Madam Speaker, during the consideration of these estimates the Committee received submissions from the Clerk to the County Assembly who presented key highlights of the budget estimates for the County Assembly Service

Board. It is important to remind Members that whereas the ceilings for various Sectors were approved in the County Fiscal Strategy Paper, the recurrent ceilings for the County Assembly are set through the County Allocation of Revenue Act. Whereas the County Assembly approved a recurrent ceiling of Kshs. 1.585billion the ceilings approved by the Senate in the County Allocation of Revenue Bill allowed a maximum recurrent expenditure of Kshs. 1.387billion. This in effect means that the tabled budget estimates for the County Assembly Service Board has to be aligned to the approved ceilings. In line with the above, the Committee shall be proposing amendments to the tabled estimates for the County Assembly Service Board.

15. Madam Speaker, the Committee also received submissions from the Finance and Economic Planning Sector on their budget and their operational issues. In summary the following were the recommendations that the Sector made to the Committee: -

Under the Finance and Economic Planning Sector

- i. That pending bills be allocated funds at the point (sector) where they are generated;
- ii. That the revenue potential study/ enterprise census to retain the Kshs. 120 Million provided for in the 2017/18 that cannot be utilized due to time constraint;
- iii. That Kshs. 20 million for Development and management of County Statistics in the Economic Planning Department be provided;
- iv. That an additional Kshs. 15 million be allocated for recruitment of 10 no. Economists/Statisticians;
- v. That the County fast tracks decentralization of the Economic Planning functions to the sub-counties;
- vi. That the County Executive activates the External Resources Unit for greater capital formation for rapid sustainable development in line with SDG no. 11; and
- vii. That the additional allocations sought be rationalized from the Kshs. 255, 887, 676 available for pending bills.

Under the Internal Audit Department

- i. That the recurrent and development budget for the Internal Audit Department be increased by Kshs. 23.5million and Kshs. 30million respectively.

16. Madam Speaker, the Office of the Controller of Budget has over time decried the lack of guidelines to govern the allocation of funds among other utilization of budget lines. To cure this anomaly, the County Executive has undertaken to finalize guidelines and submit the same to the County Assembly. The Budget Committee encourages the Assembly Select Committee on Delegated County Legislation to follow up, review and pass the regulations at the earliest opportunity.

17. Madam Speaker, the role of the County Budget and Economic Forum is established pursuant to the provisions of Section 137 of the PFM Act 2012 and mandated to provide a means of consultation on matters related to budgeting, the economy and financial management. In furtherance of their mandate, the non-state actors identified key issues on the budget estimates which were duly forwarded to the Budget Committee by the CEC for Finance. The issues range from public participation, role of CBEF in budgeting, transparency of the budget, budget performance, debt resolution among others. The Committee considered the submissions and have included the recommendations as part of this report. The Committee specifically wishes to point out that the Forum pointed out that the allocation of Kshs. 1.1billion for Medical Insurance makes mockery of the County's seriousness in improving the status of County health facilities. The Committee wonders why it is so obdurate for the Health Sector to utilize the funds to improve the health centres and create staff clinics within the facilities. That notwithstanding, the Committee will not be proposing any amendments on the budget but will call upon the County Executive to review this school of thought.

18. **Madam Speaker**, the Finance, Budget and Appropriations Committee also acts as a Sectoral Committee with the initial mandate of reviewing the estimates of various departments including Finance, and Economic Planning, Specific departments under the Governor's Office, County Executive Services and the County Assembly. The Committee would wish to inform the house that this was adequately done and the various accounting officers from these sectors given the chance to defend their respective budgets and the recommendations on the sectors are indeed part of this report.

E. Summary of Key Issues Arising from Public Hearings

Madam Speaker, the provisions of Article 221 (5) of the Constitution and Section 131 (2) of the PFM Act, 2012 require that the Committee in finalizing its recommendations on the budget estimates to the Assembly shall consider the views of the public in the proposed recommendations. To satisfy these provisions, the County Assembly placed adverts on the newspapers of Wednesday 30th May 2018 calling on members of the public to submit their views on the estimates and to take part in public hearings held on Friday 8th June 2018 at Charter Hall.

In summary, the public made the following submissions:

- Allocate resources for maintenance of street lights in Lucky Summer Ward;
- Allocate funds for the youth, women and PWDs activities in the budget;
- Enhance compensation for Community Health workers ;
- Prioritize relocation of dumping site in Korogocho Ward;
- Allocate funds for tarmacking of Lucky Summer Road;
- Define the exact locations of the health facilities to be rehabilitated;
- Prepare a public participation policy;
- Invest in making garbage collection a source of income for Nairobi County;

- Empower the youth to engage in sports as source of employment;
- Allocate funds for distribution of sanitary pads for girls in schools and informal settlements;
- Allocate funds for health facilities in Mukuru Kwa Njenga;
- Prioritize improvement of the sewerage system in Kiamakior and Mathare;
- Clarify the exact venues for the construction of the social halls in the FY 2018-19;
- Construct adequate boreholes to supply clean water for city residents;
- Purchase enough garbage trucks and allocate one per ward;
- Clearly allocate resources for Non-Communicable diseases;
- Construct markets for hawkers who have become a menace in the City;
- Provide clear policy on the selection of the beneficiaries for bursaries;
- Provide feedback on outcome of public participation;
- Sensitize county residents on the laws;
- Allocate funds for rehabilitation of street children;
- Improve the housing in Maringo through the Urban Renewal programme;
- Employ more health personnel;
- Allocate funds for construction of more ECDs in Korogocho Ward;
- Reduce budgetary allocations for purchase of motor vehicles;
- Allocate funds to encourage compliance rather than enforcement of the County Government Revenue raising measures;
- Implement programs to reduce the County wage bill;
- Rehabilitate water systems and get rid of illegal water connections;
- Open up the social halls for use by the members of the public;
- Expand city roads to dual carriage ways and construct additional bus parks;
- Improve the street lighting in the City;
- Allocate funds for cooperatives and associations as per the CIDP projections of Kshs. 9.8million;
- Provide a clear definition of micro-enterprises and identify projects targeted at such enterprises;

- That the County designates trading space for microenterpsies and enact land use guidelines to protect women traders;
- Establish and operationalize a county office of Registrar of Trade;
- The budget be clear on which projects are meant for service delivery, value addition, youth, women and people living with disabilities;
- Create conducive environment for doing business in Kibra thus increase the GDP;
- Promote the four pillars of the big four agenda;
- Ensure the budget is linked to the approved CIDP:
- Construct and equip new health centres in Matopeni/ Spring Valley Ward and Lower Savanna Ward;
- Construct ramps and special areas for PWDs including severely disabled children in all public health facilities;
- Construct public schools in public schools in Soweto, Lower Savanna Ward;
- Regularly maintain sewer and drainage system in Soweto;
- Rehabilitate feeder roads – Malaysia, Muoroto, Mzesa and Gitau Road in Soweto Lower Savanna Ward;
- Construct modern play grounds in Jacaranda grounds, Calvary grounds and Umama grounds complete with floodflights and amenities;
- Rehabilitate Kanisani-Bondeni Primary School Road;
- Rehabilitate all feeder roads connecting Corner stage in Kayole North and Kayole Central Wards;
- Rehabilitate main flashfoods drainage cutting through Kayole- Spring Valley in Embakasi Sub- County;
- Provide water through purchase of water bowsers for all the wards;
- Improve water supply in Huruma Ward;
- Construct a resource centre in Huruma Ward;
- Provide social amenities for traders in Huruma Ward; and
- Allocate funds for the proposed formation of a taskforce to investigate, identify, locate and retrieve artifacts of national treasures of cultural heritage.

F. Recommendations:

19. Madam Speaker, the remainder of this report should be construed as an amendment on the submitted budget for the financial year 2018-19 with an aim of ensuring that it is aligned to the County Fiscal Strategy Paper and other County planning documents while taking into account the recommendations of the County Executive Committee Member for Finance, the Sectors, Sectoral Committees and the public:

a) Policy Measures

20. Madam Speaker, the Committee noted various critical issues during the consideration of these estimates which it would like addressed. In addition to the proposals contained in the body of this report, the Committee proposes that the Assembly resolves as follows:

- i. That the County Executive immediately implements the resolutions of the County Assembly on revenue management contained in the Report of the Public Accounts Committee on the consideration of the report of the Auditor General on the financial statements for the Nairobi City County for the financial year 2015-16;
- ii. That the County Government complies with guidelines provided by the National Treasury by ensuring that the Procurement Department is domiciled in the County Treasury. This would ensure that there is connection between budget allocation, approval and utilization;
- iii. That going forward, the County Secretary, the County Treasury and the Head of Supply Chain Management shall ensure that pricing levels for supply of goods and services is based on the most recent and accurate market survey;
- iv. That the Sectors shall ensure that costs of projects are based on market surveys, approved budgetary allocations and adopted procurement plans;
- v. That the County finalizes the County Asset Register and the same be forwarded to the County Assembly by the County Secretary before the end of the first quarter of the financial year 2018-19;

- vi. That the County Secretary initiates and implements controls to ensure that procurement processes, payment processes and other financial management procedures are followed in line with the provisions of the Public Finance Management Act 2012 and the Public Procurement and Asset Disposal Act 2015;
- vii. That all Sectors prioritize completion of roll over projects before initiating any new ones in the FY 2018-19;
- viii. That the County Treasury undertakes comprehensive capacity building for County Chief Officers and Sector Accountants on the budget processes;
- ix. That the CECM for Finance, the CECM for Urban Planning and the Head of Procurement undertakes internal functional audit and assessment in view of improving their efficiency and effectiveness regarding implementation of the Sector budgets in liaison with respective Sectors;
- x. That in compliance with the provisions of Section 148 of the PFM Act 2012, the CECM for Finance do assign full accounting functions to all Chief Officers in the County Government;
- xi. That the County Public Service Board immediately makes a decision and reports to this Assembly on the confirmation or otherwise of the officers currently serving on an acting capacity in the County Government;
- xii. That measures be initiated by the County Executive to ensure that procurement procedures are not delayed leading to stalled sectors' approved projects;
- xiii. That going forward pending bills be allocated funds at the point (sectors) where they are generated;
- xiv. That the Public Service Management develops a policy to guide the Voluntary Early Retirement and forwards the same to the County Assembly by the end of the financial year 2017-18;
- xv. That the County Treasury undertakes an evaluation of the Ward Development Fund with a view of enhancing performance, reducing political interference and making it more impactful to infrastructure development;

- xvi. That the County Executive Committee Member for Finance ensures that all expenditure commitments be periodically matched to the expected revenues taking into consideration changes in the economic environment that may affect revenue collection;
- xvii. That revenue mobilization should be enhanced to ensure that Sectors continue to implement projects without any cash flow limitations; and
- xviii. That and in compliance with the provisions of Regulation 35 of the PFM (County Government) Regulations 2015, the County Treasury shall submit to this Assembly an Appropriations Bill that contains votes and programs of the financial year.

b) Proposed Adjustments and Reallocations in the 2018-19 Budget Estimates

21. Madam Speaker, as has been said the Budget Committee received presentations from Chairs of Sectoral Committees on recommendations and proposed adjustments in the 2018-19 budget. It is however noteworthy to point out that most Sectoral Committees were satisfied with their Sectors, allocations as contained in the printed estimates.

22. Madam Speaker, once again the Committee wishes to remind the Assembly that whereas the provisions of Section 131 of the PFM Act, 2012 gives the County Assembly through the Finance, Budget and Appropriations Committee the mandate to make amendments on the budget, such amendment can only be done in line with minimum parameters stated in Section 131 (3) of the Act. Section 131 (3) of the PFM Act dictate that an amendment may be made in the budget only if three conditions are satisfied, namely;

- a) It is in accordance with the resolutions adopted regarding the County Fiscal Strategy Paper;
- b) Any increase in expenditure in a proposed appropriation is balanced by a reduction in expenditure in another proposed appropriation; and
- c) Any proposed reduction in expenditure is used to reduce the deficit.

23. Further, we note **Madam Speaker** that the provisions of Regulation 37 of the PFM (County Government) Regulations 2015 have set a bar for any such changes at not more than 1% of the approved Votes ceilings. Whereas the Budget Committee believes this provision is highly restrictive, it is duty bound to only operate within its boundaries nonetheless. The Committee is aware of the proposed PFM (Amendment) which would raise that limit to not more than 10% of the ceilings approved in the County Fiscal Strategy Paper.

24. **Madam Speaker**, it is in this regard therefore and in strict adherence to the above provisions of the law, the Budget Committee wishes to make the following adjustments in the budget. These needs were identified jointly with the Sectoral Committees, Sectors Heads and Budget and Appropriations committee. The Committee wishes to assure the Members that the views of the County Executive Committee Member for finance and the public have been taken into account as required by the law.

I. Expenditure Reallocations

25. Under the Finance and Economic Planning Sector

- a) That the revenue potential study/ enterprise census to retain the Kshs. 120 Million provided for in the 2017/18 that cannot be utilized due to time constraint;
- b) That Kshs. 20 million for Development and management of County Statistics in the Economic Planning Department be provided;
- c) That an additional Kshs. 15 million be allocated for recruitment of 10 no. Economists/Statisticians;
- d) That the County fast tracks decentralization of the Economic Planning functions to the sub-counties;
- e) That the County Executive activates the External Resources Unit for greater capital formation for rapid sustainable development in line with SDG no. 11; and
- f) That the additional allocations sought be rationalized from the Kshs. 255, 887, 676 available for pending bills.

26. That under the Public Works, Transport and Infrastructure Sector;-

— All the street lighting projects be expunged from the budget, **except** Mihang'o, Dandora II ~~x2~~, Embakasi and Utawala which are ongoing projects. The amount be re-allocated to procurement of Electrical maintenance materials and equipment. These materials and equipment will be used for maintenance of existing lights across the County; and

— Kshs. 500million be allocated for Nairobi Regeneration Programme;

27. That under the Urban Planning Sector Kshs. 90million allocated for implementation of NIUPLAN be reduced by Kshs. 60million and the amounts be added to the allocation for Purchase of heavy duty vehicles & equipment for demolition of buildings.

28. In line with the provisions of Section 131 (3) (b) the Committee recommends that the overall County budget be reduced by Kshs. 2billion to Kshs. 32.3billion as per the programmes summary hereby attached and further that the following amendments be made in the Sector budgets;-

II. Expenditure Reductions

a) That recurrent budget for the County Assembly Service Board be reduced from Kshs. 1.585billion to Kshs. 1.387billion. The total County Assembly budget is therefore reduced from Kshs. 2.177billion to Kshs. 1.978billion. This is meant to ensure that the recurrent budget for the County Assembly is aligned to the ceilings approved by Parliament in the County Allocation of Revenue Act 2018;

b) That the following amendments in be made in the Trade, Tourism and Cooperatives Sector budget:-

— Allocation for refurbishment of City Hall Mezzanine offices be reduced by Kshs. 10million;

— Allocation of Kshs. 15million for rehabilitation of Kahawa West Market be knocked off the budget;

— Allocation for rehabilitation of Jogoo Road Market be reduced by Kshs. 10 million;

- Allocation for Kariokor Market Leather Works Facility be reduced by Kshs. 5million ;
- Allocation for revolving fund be reduced by Kshs. 10 million;


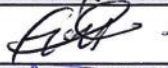


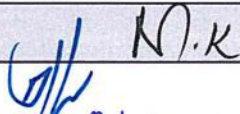
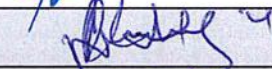

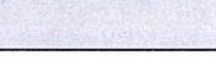

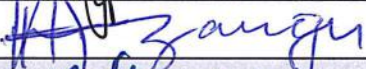



III. Expenditure Increases

- a) That the following amendments in be made in the Trade, Tourism and Cooperatives Sector budget:-
 - The allocation of Dandora Market E (Extension) be increased by Kshs. 15 Million;
 - Modern kiosks be increased by Kshs. 10 million; and
 - Kshs. 15 million be allocated to the construction of Ngumba Market as a rollover project.
- c) That the Wards Development Fund projects be rationalized to provide for the following ongoing projects in the respective Wards:-
 - Kshs. 15million for rehabilitation of Makongeni Sports Ground;
 - Kshs. 16.7million for rehabilitation of selected roads in Mlango Kubwa Ward;
 - Kshs. 14.2million for construction of Modern Social Hall in Kahawa Ward; and
 - Kshs. 16.8million for rehabilitation of Cabro Road in Highrise Ward.
- d) That under the Education Sector the amount for bursary (scholarships and other Educational benefits -Primary Education) be increased from Ksh. 170million to Ksh. 340million to fully cater for the needy and bright students from vulnerable groups in the society;
- e) That under the Environment Sector an additional Kshs. 265 Million be allocated for Development to guarantee equitable distribution of ward-based projects within all the 85 wards at Kshs. 7million per ward;
- f) That under the Public Works, Transport and Infrastructure Sector an additional Kshs. 500million be allocated for Nairobi Regeneration Programme;
- g) That under the Health Sector and in giving life to the Universal Health coverage contained in the CFSP, seed funds of Kshs. 25.5 Million be set aside to cater for NHIF contribution for 50 poor households per ward for the FY 2018/19.

Madam Speaker, in conclusion and pursuant to the provisions of Section 131 (1) of the Public Finance Management Act 2012 and Standing Order 222 (6) the County Finance, Budget and Appropriations Committee recommends that:

This County Assembly adopts the Report of the Finance, Budget and Appropriations Committee on Consideration of the Budget Estimates for the Nairobi City County Government and County Assembly for the FY 2018-19

We the undersigned Members of the Finance, Budget and Appropriations Committee affirm that this is the approved report of the Committee on the Consideration of Revenue and Expenditure Estimates for the FY 2018-19 as adopted by the Committee on the 26th day of June 2018

NAME	SIGNATURE
Hon. Robert Mbatia, MCA	
Hon. Patrick Karani, MCA	
Hon. Michael Ogada, MCA	
Hon. Osman Adow, MCA	
Hon. Chege Mwaura, MCA	
Hon. Anthony Ngaruiya, MCA	
Hon. Kariuki Wanjiru, MCA	
Hon. J.M Komu, MCA	
Hon. Paul Ndungu, MCA	
Hon. James Kariuki, MCA	
Hon. Susan Makungu, MCA	
Hon. Catherine Okoth, MCA	
Hon. Emily Oduor, MCA	
Hon. Herman Azangu, MCA	
Hon. Nancy Muthami, MCA	
Hon. Elias Okumu, MCA	
Hon. Peter Imwatok, MCA	
Hon. Jane Muasya, MCA	
Hon. Fredrick Okeyo, MCA	

NAIROBI CITY COUNTY ASSEMBLY

ANNEX: SUMMARY BUDGET ESTIMATES FOR THE FY 2018-2019

SECTOR	Tabled Estimates				Proposed Revised Budget By the Finance Committee				Net Change	% Change	% Of total Expenditure
	Staff Costs	Operations & Maintenance	Capital	Total	% of Total	Staff Costs	Operations & Maintenance	Capital	Total		
5311000000 COUNTY PUBLIC SERVICE BOARD	36,390,374	25,072,857	15,000,000	76,463,231	0.2	36,390,374	18,232,007	5,000,000	59,622,381	(16,840,850.00)	(28.25)
5312000000 OFFICE OF GOVERNOR & DEPUTY GOVERNOR	4,090,380,227	603,193,728	100,000,000	4,793,573,955	14.0	4,090,380,227	457,393,798	90,000,000	4,637,774,025	(155,799,930.00)	(3.36)
5313000000 ICT, E-GOV'T & PUBLIC COMMUNICATIONS	69,579,519	201,000,000	200,000,000	470,579,519	1.4	69,579,519	169,850,000	188,000,000	427,429,519	(43,150,000.00)	(10.10)
5314000000 FINANCE & ECONOMIC PLANNING	935,936,325	1,192,011,820	100,000,000	2,227,948,145	6.5	935,936,325	1,089,011,820	154,000,000	2,198,948,145	(29,000,000.00)	(1.32)
5315000000 HEALTH	4,783,604,149	1,591,645,178	601,356,000	6,976,605,327	20.4	4,783,604,149	1,539,978,469	601,356,000	6,924,938,618	(51,666,709.00)	(0.75)
5316000000 URBAN PLANNING AND LANDS	326,710,747	63,874,585	200,000,000	590,585,332	1.7	326,710,747	43,110,000	132,500,000	502,320,747	(88,264,585.00)	(17.57)
5317000000 PUBLIC WORKS, TRANSPORT & INFRASTRUCTURE	719,409,159	532,590,841	4,950,000,000	6,202,000,000	18.1	719,409,159	486,770,000	5,405,000,000	6,611,179,159	409,179,159.00	6.19
5318000000 EDUCATION, YOUTH AFFAIRS, SPORTS, CULTURE & SOCIAL SERVICES	991,195,000	562,650,497	500,000,000	2,053,845,497	6.0	991,195,000	656,175,794	473,000,000	2,120,370,794	66,525,297.00	3.14
5319000000 TRADE, COMMERCE, TOURISM & COOPERATIVES	380,287,660	158,517,568	358,000,000	896,805,228	2.6	380,287,660	111,144,750	318,000,000	809,432,410	(87,372,818.00)	(10.79)
5320000000 PUBLIC SERVICE MANAGEMENT	307,449,886	2,000,004,915	100,000,000	2,407,454,801	7.0	307,449,886	805,119,500	70,000,000	1,182,569,386	(1,224,885,415)	(103.6)
5321000000 AGRICULTURE, LIVESTOCK DEVELOPMENT, FISHERIES & FORESTRY	229,400,000	230,317,264	195,000,000	654,717,264	1.9	229,400,000	143,165,566	149,000,000	521,565,566	(133,151,698)	(25.5)
5322000000 COUNTY ASSEMBLY	689,729,625	895,286,314	592,000,000	2,177,015,939	6.4	651,066,285	735,605,415	592,000,000	1,978,671,700	(198,344,239)	(10.0)

5323000000 ENVIRONMENT, WATER, ENERGY & NATURAL RESOURCES	476,907,695	918,775,109	1,115,000,000	2,510,682,804	7.3	476,907,695	880,145,816	962,500,000	2,319,553,511	(191,129,293.00)	(8.24)	7.2
5324000000 URBAN RENEWAL AND HOUSING	56,297,106	44,343,791	417,598,000	518,238,897	1.5	56,297,106	32,975,000	320,598,000	409,870,106	(108,368,791.00)	(26.44)	1.3
5325000000 WARD DEVELOPMENT FUND	3,319,444	34,180,556	1,212,500,000	1,250,000,000	3.7	3,319,444	22,339,304	1,212,500,000	1,238,158,748	(11,841,252.00)	(0.96)	3.8
5326000000 EMERGENCY FUND			80,000,000	80,000,000	0.2			80,000,000	80,000,000	-	-	0.2
5327000000 LICOUR LICENSING BOARD		246,036,000	100,000,000	346,036,000	1.0	-	204,836,000	83,000,000	287,836,000	(58,200,000.00)	(20.22)	0.9
TOTALS	14,096,596,916	9,299,501,023	10,836,454,000	34,232,551,939	100	14,077,933,576	7,395,853,239	10,836,454,000	32,310,240,815	(1,922,311,124)	(5.95)	100
% of total expenditure	41	27	32	100		44	23	34	100			

MINUTES OF THE 59TH SITTING OF 2018 OF THE NAIROBI CITY COUNTY ASSEMBLY
FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD
ON TUESDAY 26TH JUNE 2018 AT 11.00AM AT THE RESOURCE CENTER, CITY HALL
BUILDINGS

PRESENT

- | | |
|-------------------------------|-------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Patrick Karani, MCA | Vice Chair |
| 3. Hon. Osman Adow, MCA | |
| 4. Hon. Herman Azangu, MCA | |
| 5. Hon. J.M Komu, MCA | |
| 6. Hon. Paul Ndungu, MCA | |
| 7. Hon. Emily Oduor, MCA | |
| 8. Hon. Michael Ogada, MCA | |
| 9. Hon. Fredrick Okeyo, MCA | |
| 10. Hon. Nancy Muthami, MCA | |
| 11. Hon. Wanjiru Kariuki, MCA | |
| 12. Hon. Jane Muasya, MCA | |
| 13. Hon. James Kariuki, MCA | |

ABSENT

14. Hon. Elias Okumu, MCA
15. Hon. Chege Mwaura, MCA
16. Hon. Peter Imwatok, MCA
17. Hon. Susan Makungu, MCA
18. Hon. Catherine Okoth, MCA
19. Hon. Anthony Ngaruiya, MCA

SECRETARIAT

- | | |
|-------------------------|-------------------|
| 1. Mr. Erick Otieno | -Fiscal Analyst |
| 2. Mr. Moses Senator | -Fiscal Analyst |
| 3. Ms. Elizabeth Tsombe | -Hansard Reporter |

MIN 264/FBAC/JUNE/2018: Preliminaries

The Chairperson called the meeting to order at 11.30am and opened the sitting with a word of prayer.

The following agenda for the day was adopted after being proposed by Hon. Herman Azangu and Seconded by Hon. Fredrick Okeyo.

1. Preliminaries
2. Confirmation of Minutes
3. Matters Arising
4. Consideration of the Draft Report on the Supplementary (II) Estimates FY2017/18
5. Consideration of the Draft Report on the Budget Estimates FY2018/19
6. Any Other Business
7. Adjournment

MIN 265/FBAC/ JUNE /2018: Confirmation of Minutes

The Agenda was postponed to the next meeting.

MIN 266/FBAC/ JUNE /2018: Consideration of the Draft Report on the Supplementary Estimates FY2017/18.

The Fiscal analyst took the Members through the draft report on the Supplementary Estimates for the FY2017-18. After deliberations the Committee adopted the report after being proposed by Hon. Osman Adow and being seconded by Hon. Nancy Muthami.

MIN 267/FBAC/ JUNE /2018: Consideration of the Draft Report on the Budget Estimates FY2018/19.

The Fiscal analyst took the Members through the Committee draft report on the estimates of Revenues and Expenditures for the FY 2018-19. He noted that as per the resolution of the Committee, the County Executive had rationalized the estimates to Kshs. 32.3billion. The Committee adopted the report after being proposed by Hon. Wanjiru Kariuki and being seconded by Hon. Emily Oduor.

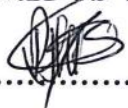
MIN 268/FBAC/ JUNE /2018: Any Other Business

The Chairman reminded the Members that the County Executive Committee Member for Finance would be making pronouncement on the budget highlights and revenue raising measures into remain vigilant in the following two days as the Assembly considered the Committee reports on both the Second Supplementary Estimates for the FY 2017-18 and the Budget Estimates for the FY 2018-19

MIN 269/FBAC/ JUNE /2018: Adjournment

The time been five Minutes to one o'clock in the afternoon and having dispensed the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign.......... Date.....26/06/2018.....

(CHAIRMAN)

Sign.......... Date.....26/6/18.....

(FISCAL ANALYST/COMMITTEE CLERK)

MINUTES OF THE 57TH SITTING OF 2018 OF THE NAIROBI CITY COUNTY ASSEMBLY
FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD
ON WEDNESDAY 20TH JUNE 2018 AT 11.00AM AT THE RESOURCE CENTER, CITY
HALL BUILDINGS

PRESENT

- | | |
|-------------------------------|-------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Patrick Karani, MCA | Vice Chair |
| 3. Hon. Anthony Ngaruiya, MCA | |
| 4. Hon. Nancy Muthami, MCA | |
| 5. Hon. Wanjiru Kariuki, MCA | |
| 6. Hon. Osman Adow, MCA | |
| 7. Hon. Herman Azangu, MCA | |
| 8. Hon. J.M Komu, MCA | |
| 9. Hon. Paul Ndungu, MCA | |
| 10. Hon. Emily Oduor, MCA | |
| 11. Hon. Michael Ogada, MCA | |

ABSENT

12. Hon. Elias Okumu, MCA
13. Hon. Chege Mwaura, MCA
14. Hon. James Kariuki, MCA
15. Hon. Peter Imwatok, MCA
16. Hon. Jane Muasya, MCA
17. Hon. Susan Makungu, MCA
18. Hon. Catherine Okoth, MCA
19. Hon. Fredrick Okeyo, MCA

IN-ATTENDANCE- COUNTY EXECUTIVE OFFICIALS

- | | |
|-----------------------|----------------------------------------------|
| 1. Mr. Charles Kerich | - Ag. CECM for Finance and Economic Planning |
| 2. Mr. Peter Kariuki | -County Secretary |

3. Ms. Lydia Kwamboka -County Attorney

SECRETARIAT

1. Mr. Erick Otieno -Fiscal Analyst
2. Mr. Moses Senator -Fiscal Analyst

MIN 254/FBAC/JUNE/2018: Preliminaries

The Chairperson called the meeting to order at 11.00am and opened the sitting with a word of prayer.

MIN 255/FBAC/ JUNE /2018: Meeting with the CECM for Finance, County Secretary and the County Attorney on the budget estimates for the FY 2018-19

The Chair opened the meeting by reminding those present that the meeting had been occasioned by issues raised in consultative meetings with the Members of CBEF, the public and Sectoral Committees. The Chair noted that the existing historical data on revenue performance could not provide hope that the targets could be realized. In addition the Committee reminded the County Executive Officers that revenue performance data for the FY 2017-18 was not appealing.

The Chairman informed the Officers that from the forgoing the Committee thought it would be prudent to have a candid discussion with the County Treasury on the possibility of reducing the budget to a more realistic amount. He went ahead to tell the participants that the continued appetite by the County to budget above its ability to perform had seen the debt portfolio increase by Kshs.10Billion each financial year. The Members concurred with the Chairman that the debt level by the County had spiraled out of control and measures had to be put in place to curtail it.

The chairman invited the Fiscal analyst who took the participants through the historical performance of County Revenue and Expenditure. He mentioned that since coming into being the County best revenue performance was witnessed in the FY2015/16 when the County internal revenues performed at about Ksh.12billion. Mr. Otieno further took the

Members through the revenue performance for the first nine months of the FY 2017-18 in comparison to other similar periods in the previous financial years. He pointed out that based on that trend analysis it was highly unlikely that the County could achieve the expected revenue projection.

The Ag. CECM for Finance and the County Secretary noted the concerns raised by the Members and indicated that they were well founded. The Officers told the Members that the County Executive was well aware of the situation and was equally concerned. The County Secretary pointed out while potentially the County was well able to even surpass the projected internal revenues for FY2018/19 the current revenue collection strategies were defective and needed to be overhauled. He told the Members that the County Executive was exploring new strategies that were consumer friendly to expand its revenue base especially in high performing tax streams.

The CEC told the Members that active discussion with KPLC were on going to ensure that all meter numbers were attached to specific plots in order to narrow in on all property owners who were evading paying land rates.

The Committee in response told the Officers that it was of the view that in FY2018/19 the County comes to reality and only budgets for essential services and high impact projects. The County Secretary concurred and added that the County should focus on completing all ongoing projects up to payment level before undertaking any other new projects.

On early retirement scheme the Committee enquired when the Executive was planning to roll it out. The CECM told the Members that while the County Executive was on the final stages of finalizing the policy frame work, the Public Service Management was carrying out a deep cost implication study to understand the impact of rolling out the scheme over the short term and the long term. The CEC added that rolling the scheme would require initial debt settling with pension schemes to avoid creating additional problems. Mr. Kerich would only prioritize focus on essential services, ongoing projects

and revenue streams improvement. He said that given that the last valuation role in Nairobi was carried out in 1970s it was long overdue and would go a long way towards improving revenues.

Other issues discussed in the meeting included the following:

- The stopping of unified single Business permit;
- Relooking on the benefits of the last regimes increase of parking fees;
- Enforcement of building permits by the County Executive;
- Regulating advertisements and billboards ;
- Collections from public toilets and private parking spaces;
- Quick finalization of the revenue bill and the trade licensing bill; and
- The ultimate implementation of WDF projects.

MIN 256/FBAC/ JUNE /2018: Conclusion and the Way forward.

After deliberations the following were agreed upon:

- a) That considering the current revenue performance the projected revenue figures for the FY 2018-19 are ambitious and that the total expenditure and revenues be reduced to not more than Kshs. 32.4billion;
- b) That the County Executive Committee Member details in his pronouncement speech all the measures that would be put in place to enhance revenue collection;
- c) That the tracking of the revenue performance be done in the first quarter of the coming financial year after which supplementary budgets would be utilized depending on prevailing scenarios at the time; and
- d) That the Finance Bill to be tabled during the pronouncement of the budget highlights shall include a review of the existing revenue streams with an aim of ensuring that the County nets in all possible payers while at the same time expanding the revenue basket.


MIN 257/FBAC/ JUNE /2018: Any Other Business

The Chairman informed the CECM for Finance that the pronouncement of budget highlights and the revenue raising measures which was expected to take place the following day had been rescheduled to Tuesday 26th June 2018.


MIN 258/FBAC/ JUNE /2018: Adjournment

The time been forty five Minutes past one o'clock in the afternoon and having dispensed with the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign.......... Date.....26/06/2018.....

(CHAIRMAN)

Sign.......... Date.....26/6/18.....

(FISCAL ANALYST/COMMITTEE CLERK)

MINUTES OF THE 55TH SITTING OF 2018 OF THE NAIROBI CITY COUNTY ASSEMBLY
FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD
ON THURSDAY 14TH JUNE 2018 AT 12PM AT CHARTER HALL, CITY HALL BUILDINGS

PRESENT

- | | |
|-------------------------------|-------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Patrick Karani, MCA | Vice Chair |
| 3. Hon. Anthony Ngaruiya, MCA | |
| 4. Hon. Herman Azangu, MCA | |
| 5. Hon. J.M Komu, MCA | |
| 6. Hon. Chege Mwaura, MCA | |
| 7. Hon. Emily Oduor, MCA | |

ABSENT

1. Hon. Elias Okumu, MCA
2. Hon. Peter Imwatok, MCA
3. Hon. Michael Ogada, MCA
4. Hon. Catherine Okoth, MCA
5. Hon. Paul Ndungu, MCA
6. Hon. Fredrick Okeyo, MCA
7. Hon. James Kariuki, MCA
8. Hon. Jane Muasya, MCA
9. Hon. Susan Makungu, MCA
10. Hon. Nancy Muthami, MCA
11. Hon. Wanjiru Kariuki, MCA
12. Hon. Osman Adow, MCA

SECRETARIAT

Mr. Erick Otieno

-Fiscal Analyst

MIN 246/FBAC/JUNE/2018: Preliminaries

The Chairperson called the meeting to order at 12.30pm and opened the sitting with a word of prayer.

The following agenda for the day was adopted after being proposed by Hon. Emily Oduor and seconded by Hon. Herman Azangu.

1. Preliminaries
2. Deliberations on the budget estimates for the FY 2018-19
3. Deliberations on request for statement by Hon. Ogeto
4. Any Other Business
5. Adjournment

MIN 247/FBAC/JUNE/2018: Deliberations on the budget estimates for the FY 2018-19

The Committee noted that the estimates of revenue and expenditure for the FY 2018-19 are over-ambitious and should be rationalized to fit within a realistic resource framework. In this regard, the Committee resolved to postpone tabling of the Committee report on the estimates to allow for more consultations on the figures. The Committee agreed that the County Executive Committee Member for Finance, the County Secretary and the County Attorney be invited to its meeting on Wednesday 20th June 2018 to deliberate on how to rationalize the budget.

MIN 248/FBAC/JUNE/2018: Deliberations on request for statement by Hon. Ogeto

The agenda was postponed to the next meeting.



MIN 249/FBAC/JUNE/2018: Adjournment

The time being fifteen minutes to one o'clock in the afternoon and having dispensed the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign.......... Date..........

(CHAIRMAN)

Sign.......... Date..........

(FISCAL ANALYST/COMMITTEE CLERK)

MINUTES OF THE 53RD SITTING OF 2018 OF THE NAIROBI CITY COUNTY ASSEMBLY
FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD
ON MONDAY 12TH JUNE 2018 AT 10.00AM AT PRIDE INN PARADISE HOTEL,
MOMBASA COUNTY.

PRESENT

- | | |
|------------------------------|-------------|
| 1. Hon. Robert Mbatia, MCA | Chairperson |
| 2. Hon. Patrick Karani, MCA | Vice Chair |
| 3. Hon. Wanjiru Kariuki, MCA | |
| 4. Hon. Osman Adow, MCA | |
| 5. Hon. Herman Azangu, MCA | |
| 6. Hon. Jane Muasya, MCA | |
| 7. Hon. Paul Ndungu, MCA | |
| 8. Hon. Emily Oduor, MCA | |
| 9. Hon. Fredrick Okeyo, MCA | |
| 10. Hon. Anne Akinyi, MCA | |
| 11. Hon. Susan Makungu, MCA | |
| 12. Hon. Nancy Muthami, MCA | |
| 13. Hon. J.M Komu, MCA | |

ABSENT

14. Hon. Michael Ogada, MCA
15. Hon. Catherine Okoth, MCA
16. Hon. Anthony Ngaruiya, MCA
17. Hon. Chege Mwaura, MCA
18. Hon. James Kariuki, MCA
19. Hon. Peter Imwatok, MCA

SECRETARIAT

- | | |
|---------------------|---------------|
| 1. Ms. Adah Onyango | -Deputy Clerk |
|---------------------|---------------|

2. Mr. Erick Otieno	-Fiscal Analyst
3. Mr. Alphonse Ouma	-Fiscal Analyst
4. Mr. Moses Senator	-Fiscal Analyst
5. Mr. Farah Gabow	-Finance Officer
6. Mr. Steven Namodi	-Finance Officer
7. Ms. Evelyne Okumu	-Finance Assistant
8. Ms. Elizabeth Tsombe	-Hansard Reporter
9. Mr. Benson Nkuito	-Commissionaire
10. Mr. James Mwangi	-Speakers P.A

MIN 240/FBAC/MAY/2018: Preliminaries

The Chairperson called the meeting to order at 10.00am and opened the sitting with a word of prayer.

MIN 241/FBAC/JUNE/2018: Policy Measures

After deliberations the Committee proposed the following policy measures:

- i. That the County Executive immediately implements the resolutions of the County Assembly on revenue management contained in the Report of the Public Accounts Committee on the consideration of the report of the Auditor General on the financial statements for the Nairobi City County for the financial year 2015-16;
- ii. That the County Government complies with guidelines provided by the National Treasury by ensuring that the Procurement Department is domiciled in the County Treasury. This would ensure that there is connection between budget allocation, approval and utilization;
- iii. That going forward, the County Secretary, the County Treasury and the Head of Supply Chain Management shall ensure that pricing levels for supply of goods and services is based on the most recent and accurate market survey;
- iv. That the Sectors shall ensure that costs of projects are based on market surveys, approved budgetary allocations and adopted procurement plans;


- v. That the County finalizes the County Asset Register and the same be forwarded to the County Assembly by the County Secretary before the end of the first quarter of the financial year 2018-19;
- vi. That the County Secretary initiates and implements controls to ensure that procurement processes, payment processes and other financial management procedures are followed in line with the provisions of the Public Finance Management Act 2012 and the Public Procurement and Asset Disposal Act 2015;
- vii. That all Sectors prioritize completion of roll over projects before initiating any new ones in the FY 2018-19;
- viii. That the County Treasury undertakes comprehensive capacity building for County Chief Officers and Sector Accountants on the budget processes;
- ix. That the CECM for Finance, the CECM for Urban Planning and the Head of Procurement undertakes internal functional audit and assessment in view of improving their efficiency and effectiveness regarding implementation of the Sector budgets in liaison with respective Sectors;
- x. That in compliance with the provisions of Section 148 of the PFM Act 2012, the CECM for Finance do assign full accounting functions to all Chief Officers in the County Government;
- xi. That the County Public Service Board immediately makes a decision and reports to this Assembly on the confirmation or otherwise of the officers currently serving on an acting capacity in the County Government;
- xii. That measures be initiated by the County Executive to ensure that procurement procedures are not delayed leading to stalled sectors' approved projects;
- xiii. That going forward pending bills be allocated funds at the point (sectors) where they are generated;
- xiv. That the Public Service Management develops a policy to guide the Voluntary Early Retirement and forwards the same to the County Assembly by the end of the financial year 2017-18;


- xv. That the County Treasury undertakes an evaluation of the Ward Development Fund with a view of enhancing performance, reducing political interference and making it more impactful to infrastructure development;
- xvi. That the County Executive Committee Member for Finance ensures that all expenditure commitments be periodically matched to the expected revenues taking into consideration changes in the economic environment that may affect revenue collection;
- xvii. That revenue mobilization should be enhanced to ensure that Sectors continue to implement projects without any cash flow limitations; and
- xviii. That and in compliance with the provisions of Regulation 35 of the PFM (County Government) Regulations 2015, the County Treasury shall submit to this Assembly an Appropriations Bill that contains votes and programs of the financial year.

MIN 242/FBAC/JUNE/2018: Adjournment

The time been one o'clock in the afternoon and having dispensed the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign.......... Date.....26/06/2018.....
(CHAIRMAN)

Sign.......... Date.....26/6/18.....
(FISCAL ANALYST/COMMITTEE CLERK)