

GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

SECOND ASSEMBLY-FOURTH SESSION

NBI CA. PLC. 2020 / (59)

12th November, 2020

PAPER LAID

Pursuant to Standing Order 191, I beg to lay the following Paper on the Table of the Assembly, today Thursday 12th November, 2020.

THE REPORT OF THE SECTORAL COMMITTEE ON CULTURE AND COMMUNITY SERVICES ON THE NAIROBI CITY COUNTY BETTING, LOTTERIES AND GAMING BILL, 2020.

(Chairperson, Sectoral Committee on Culture and Community Services)

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

*Paper laid & notice of motion
by Hon Njiria
on 12th Nov 2020
2:30pm*

THE NAIROBI CITY COUNTY GOVERNMENT



NAIROBI CITY COUNTY ASSEMBLY
SECOND ASSEMBLY – (FOURTH SESSION)

INTERNAL MEMO

TO : PRINCIPAL CLERK ASSISTANT (L & P)
FROM : PRINCIPAL CLERK ASSISTANT (C)
DATE : 11TH NOVEMBER 2020

RE: REPORT OF THE SECTORAL COMMITTEE ON CULTURE AND COMMUNITY SERVICES ON CONSIDERATION OF THE NAIROBI CITY COUNTY BETTING, LOTTERIES AND GAMING BILL, 2020.

The above subject refers

The Sectoral Committee on Culture and Community Services considered and adopted the Nairobi City County Betting, Lotteries and Betting Bill, 2020 report on 11th November 2020 pursuant to Standing Order 192 (2).

This is therefore to forward to you as adopted by the Committee for your further action.

A handwritten signature in blue ink, consisting of a stylized 'S' and 'M'.

Shadrack Makhoha
PRINCIPAL CLERK ASSISTANT (C)
NAIROBI CITY COUNTY ASSEMBLY

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11/11/2020

COUNTY GOVERNMENT OF NAIROBI CITY



NAIROBI CITY COUNTY ASSEMBLY
SECOND ASSEMBLY - FOURTH SESSION

REPORT OF THE SECTORAL
COMMITTEE ON CULTURE AND COMMUNITY SERVICES ON
CONSIDERATION OF THE NAIROBI CITY COUNTY BETTING,
LOTTERIES AND GAMING BILL, 2020

Clerks Chambers
Nairobi City County Assembly
City Hall Buildings
NAIROBI

*Paper laid by
Hon. Njiriga on
12th Nov 2020
2.30pm*

NOVEMBER 2020

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1.0. PREFACE

1.1. Mandate of the Committee

Mr. Speaker,

The Sectoral Committee on Culture and Community Services is established under **Standing Order 203**, and its mandate amongst others, as outlined under Standing Order 203 (6) is to: -

- a) *investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;*
- b) *study the programme and policy objectives of departments and the effectiveness of the implementation;*
- c) *study and review all County legislation referred to it;*
- d) *study, assess and analyze the relative success of the departments as measured by the results obtained as compared with its stated objectives;*
- e) *investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;*
- f) *vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 185(Committee on Appointments); and*
- g) *make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.*

In accordance with the **Third Schedule of the Standing Orders**, the Committee is mandated to *investigate, inquire into and report on all matters related to, Cultural activities, public entertainment and public amenities, including, racing, liquor licensing, cinemas, video shows and hiring, libraries, museums and cultural activities and facilities and county parks, and recreation facilities; firefighting services and disaster management, control of pornography; ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level.*

1.2. Membership of Committee

The Sectoral Committee on Culture and Community Services comprises the following

Members:

1. Hon Mwangi Njihia, MCA - Chairman
2. Hon Anthony Nganga, MCA -Vice Chairman
3. Hon Peter Wahinya, MCA
4. Hon Patrick Karani, MCA
5. Hon Leah Supuko, MCA
6. Hon. Ruth Ndumi, MCA
7. Hon Joseph Wambugu, MCA
8. Hon. Mark Mugambi, MCA
9. Hon. Paul Ndungu, MCA
10. Hon. Jeremiah Themendu, MCA
11. Hon. Millicent Mugadi, MCA
12. Hon. Melab Atema Lumalah, MCA
13. Hon. Jared Okode, MCA
14. Hon. Wilfred Odalo, MCA
15. Hon. David Okello, MCA
16. Hon. David Okeyo, MCA
17. Hon. Jackline Apondi, MCA
18. Hon. David Mberia, MCA
19. Hon. Emmapet Kemunto, MCA
20. Hon. Maurice Ochieng, MCA
21. Hon. Clarence Munga, MCA
22. Hon. Fredrick Otieno, MCA
23. Hon. Catherine Akinyi, MCA
24. Hon. Elijah Mbuthia, MCA
25. Hon. Laura Mwende, MCA

1.3. Background

Mr. Speaker,

Kenya's gambling legislation is among the oldest in the continent, having been passed in 1966. This has effectively made the activities in the mostly foreigner-frequented casinos in Kenya not as frowned upon by the Kenyan society as it is in other parts of the world.

The words gambling, betting and lottery are often assumed to be different names for the same thing. Lottery is a game of chance, where winning is entirely random and is determined by the number of people who participate. The proceeds from the sale of tickets are used to award winners as prize money, contribute to a social cause and pay the costs of administering the lottery. A lottery is an impulse buy, while betting and gambling are pre-planned activities. Lotteries worldwide are used by governments and private organizations to transform societies by raising funds. It is therefore one of the most complex and emerging sectors of the Kenyan economy.

Initially, the County Assembly had passed the Nairobi City County Betting, Lotteries and Gaming Act which was gazetted as **No. 5 of 2014**. However, the act was challenged in court for being unconstitutional, null and void, in constitutional petition **No. 295 of 2014** whereby the court issued a judgement delineating the functions of both the National and County Government on Betting, Lotteries and Gaming.

1.4. Consideration of the Nairobi City County Betting, Lotteries and Gaming Bill, 2020

Mr. Speaker,

The Nairobi City County Betting, Lotteries and Gaming Bill, 2020 was read a First Time on **Wednesday, 1st July, 2020** and subsequently committed to the Sectoral Committee on Culture and Community Services for consideration and thereafter submission of a report to the Assembly.

Mr. Speaker,

Clause 4 of the **Fourth Schedule** of the **Constitution** provides that County Governments have functions and powers over "cultural activities, public

Mr. Speaker,

The primary gaming legislation in Kenya is the Betting, Lotteries and Gaming Act, (Cap 131 Laws of Kenya) (“BLGA”). The BLGA establishes the Betting Control and Licensing Board (“BLGB”) which implements the Act by licensing and issuing permits to gaming and lottery premises, betting premises and the conduct of prize competitions.

Mr. Speaker,

Betting, Lotteries and Gaming Act (2016) Cap 131 sets out the rules and regulations on betting, lotteries and gaming and prize competition in Kenya. The Act has been amended several times since inception, as a result of aggressive marketing by the betting companies, the reported huge wins resulting in some Kenyans becoming millionaires overnight and concern of sudden craze and interests in betting and related activities yet these activities have all along been there.

Mr. Speaker,

With the projected increase in the City population, there was a need for the Nairobi County Assembly in conjunction with the Nairobi City County Government to come up with the Betting, Lotteries and Gaming Bill, 2020 to guide the County in effective collection of revenue for the purpose providing quality services to the City residents and forwarded to the County Assembly for approval.

Mr. Speaker,

The Committee together with the sector held a workshop where Members were briefed on the content and objectives of the Bill. It’s worth noting that the County Executive and the Committee have since met severally to discuss the contents of this crucial Bill.

Mr. Speaker,

The Committee finds the Bill a valiant footstep towards addressing the Betting, Lotteries and Gaming challenges that have confronted the City. The Committee finds that it is in the interest of Nairobi City County that the County Assembly approve the Nairobi City County Betting, Lotteries and Gaming Bill, 2020 so that its implementation can commence forthwith and guide in giving birth to Nairobi City County Betting, Lotteries and Gaming Regulations for the purpose of moving forward.

Mr. Speaker,

I am grateful to the Members of the Committee who committed their time to scrutinize the Bill. Special thanks to the Office of the Speaker, Office of the Clerk and the Committee secretariat for their support. The Committee also extends its appreciation to the Nairobi City County Government for working together with stakeholders and acknowledges their efforts in developing the Bill.

On behalf of the Committee, I now have the honor and pleasure to present this Report on the consideration of the Nairobi City County Betting, Lotteries and Gaming Bill, 2020 to this Assembly for adoption.

Thank You.

SIGNED.....

DATE.....

HON. ABRAHAM MWANGI NJIHIA, MCA
(CHAIRPERSON)

2.0. COMMITTEE CONSIDERATION OF THE BILL

2.1. Introduction

01. The Nairobi City County Betting, Lotteries and Gaming Bill, 2020 was read a First Time on **Wednesday, 1st July, 2020**.
02. The Bill was thereafter committed to the Sectoral Committee on Culture and Community Services for consideration and submission of a report to the Assembly.
03. In its examination of the Nairobi City County Betting, Lotteries and Gaming Bill, 2020, the Committee was cognizant of the fact that, the Kenya High Court has laid down administrative guidelines for gambling regulators after adjudicating on an issue regarding the Nairobi County's taxation on betting companies and also gave views regarding the respective regulatory roles of National and County Government in Kenya regarding gambling, opining:
 - i) The National Government ought to give licenses for public gaming, whereas the County will give licenses for the premises where betting will be conducted;
 - ii) National Government should issue licenses for national lotteries whereas the County should supervise those lotteries that are within its confines;
 - iii) National Government will be responsible for online gaming whereas the County will handle pool tables operating in cities; and
 - iv) Both the Betting, Lotteries and Gaming Act (National) and the Nairobi County Betting, Lotteries and Gaming Act should be implemented in the above terms.
04. In processing the Bill, the Committee invited comments from the public by placing advertisement in Star Newspaper on **Monday, 28th September, 2020**. The Committee received and considered at least Three (3) written views from various stakeholders with regards to the Bill.
05. The County Assembly had initially passed the Nairobi City County Betting, Lotteries and Gaming Act which was gazette as **No. 5 of 2014**. However, the act was challenged in court for being unconstitutional, null and void, in constitutional

petition No. 295 of 2014 whereby the court issued a judgement delineating the functions of both the National and County Government on Betting, Lotteries and Gaming.

06. The current Bill varies with the Nairobi City County Betting, Lotteries and Gaming Act, 2014 and seeks to replace the same which was not gazetted as per the final orders in petition No. 295 of 2014.
07. The yearly turnover of the sports Betting industry in Kenya is worth \$20 million, and will reach \$50 million in 2020 as demand grows. No industry has captured the imagination of the Kenyan economy in the past three years like betting.
08. Concerned about its runaway growth, the government imposed higher taxes but the proliferation of gaming outlets across the country continued.
09. There are currently over 20 betting and lottery companies in the country, and the number is growing. Clearly, warrants a clear breakdown of the differences, as more Kenyans choose to take part in the rapidly growing industry. The Gambling industry is a lucrative, with casinos making Kshs 2.3 billion in annual gross revenues last year.
10. There are 23 registered casinos in the Capital City, according to official data. They are licensed and regulated under the provisions of the Betting, Lotteries, and Gaming Act of 2017 and their activity is overseen by the Betting Control and Licensing Board.
11. Nairobi County Government is seeking to get a 30 per cent share from the casinos operating in the Capital, However, the County is getting no revenue. Currently, the National Government enjoys all the tax revenue earnings from the sector that currently has 23 registered casinos within the capital.
12. Pursuant to Article 196(1) (b) and Standing Order 121(3), the Culture and Community Services Committee invited interested members of the public to submit any representations they may have on the Nairobi City County Betting, Lotteries and Gaming Bill, 2020. The Committee thereafter considered the public memorandum.

2.2. The Salient features of the Bill

01. The objective of this Bill is to establish an Act of the Nairobi County for the control and Licensing of betting, gaming and totalizator premises, and other forms of gaming within the County; for authorization of prize competitions and public lotteries within the County; for the imposition of the entertainment tax and for connected purposes.
02. **Part 1 (Clause 1-4):** contains preliminary provisions including the short title, interpretation of terms, object and application provisions.
03. **Part 11 (Clause 5-12):** provides for the institutional and funding framework for control of betting and gaming in Nairobi City County. This part establishes the Nairobi City County Betting, Lotteries and Gaming Control Board as the competent authority to provide coordinative and advisory mandate on programs and projects for control of betting and gaming in Nairobi City County. The funding framework shall be through the Nairobi City County Betting, Lotteries and Gaming Control Fund which shall provide for research and dissemination of findings on betting and gaming as well as awareness creation on the effects of excessive gaming and betting.
04. **Part 111 (Clause 13-15):** provides for enforcement mechanisms by establishing the functions and powers of gaming inspectors. This part also requires the County Executive Committee Member to appoint such number of gaming inspectors as may be necessary for the enforcement of the provisions of the Act.
05. **Part 1V (Clause 16-22):** details the general provisions on betting, gaming and lotteries licenses and permits. These includes validity, renewal procedures, transfer, display and revocation of licenses issued under the Act.
06. **Part V (Clause 23-37):** provides miscellaneous matters including offences related to gaming and betting the Repeal of the Nairobi City County Betting, Lotteries and Gaming Act, 2014.

2.3. Submission by Stakeholders

Mr. Speaker sir,

01. In accordance with the **Article 196 (1) (b) of the Constitution** which provides that *“a County Assembly shall facilitate public participation and involvement in the legislative and other business of the Assembly and its Committee.”* **Standing order 121(3)** states that *“the Sectoral Committee to which a Bill is Committed shall facilitate public participation and shall take into account views and recommendations of the public when the Committee makes its report to the Assembly.”*
02. The Committee is required, pursuant to **Standing Order 121(3)**, to facilitate public participation on the Bill through an appropriate mechanism including –
 - a) *Inviting submission of memoranda;*
 - b) *Holding public hearings;*
 - c) *Consulting relevant stakeholders in the sector; and*
 - d) *Consulting experts on technical subject.*
03. Pursuant to **Article 196(1) (b)** and **Standing Order 121(3)**, the Culture and Community Service Committee invited interested members of the public to submit any representations they may have on the Nairobi City County Betting, Lotteries and Gaming Bill, 2020. The representations may be hand delivered to the office of the Clerk, Nairobi City County Assembly, P.O BOX 45844 – 00100, Nairobi, City Hall Building, Assembly Wing, 2nd Floor, Room 273, or by email clerk@nairobiassembly.go.ke to be received on or before, **Friday 2nd October, 2020.**
04. Following the call for memoranda from the public as contained in an advert in the **Star Newspaper, on Monday, 28th September, 2020**, the Committee received written memoranda from Three (3) stakeholders. All their proposals were deliberated on and considered by the Committee. The issues raised in the memoranda are hereby annexed.
05. The following stakeholders submitted as follows:-
 - i) **Nairobi City County (Chief Officer – Commerce, Trade & Industrialization)**

The Chief Officer submitted Memoranda containing comments, areas of concern and remarks with proposed recommendations. Further, their observations were centered on brief amendments to the Bill pointing out corrections of errors to some words, repetition and recognition of offences in the Act to avoid ambiguity and inconsistency.

The Committee agreed with the officer noting that there is need for amendments to Bill on the above issues raised to conform the standard institutional and regulatory framework.

ii) Nairobi City County (Chief Officer Devolution & Sub-County Administration)

The Officer proposed insertion of a new sub-clause under Clause 5 to include “the Chief Officer Devolution and Sub-County Administration” for the purpose of ensuring effective and efficient co-ordination and performance of the subject functions at the devolved decentralized administrative units.

iii) Betting Control and Licensing Board - Ministry of Interior and Co-ordination of National Government.

At the time of considering this Bill, the Board was yet to submit clause-by-clause analysis on the Bill, despite Committee correspondences dated 14th July 2020 requesting the same.

iv) Kenya Law Reform Commission

KLRC submitted proposal for inclusion, replacement and deletion of various clauses for the purpose of aligning the Bill with the Constitution and the Children Act, 2001, aligning to the provisions of the Code of

There is need for amendments to Bill on the above issues raised to adapt it with a requirement under Section 116(2) of the PFM Act

3.0. KEY OBSERVATIONS OF THE COMMITTEE

Mr. Speaker sir,

The Committee made the following key observations: -

1. **That the Nairobi City County Betting, Lotteries and Gaming Bill, 2020** was drafted to comply with the **Constitution of Kenya 2010; Gazette notice 8753** dated 8th September, 2017 on delineation of functions between the National and County Government; and the final judgement on petition **No. 295 of 2014**.
2. That the Nairobi City County Betting, Lotteries and Gaming Bill, 2020 is a new Bill considering the final orders of petition **295 of 2014**.
3. **That the Nairobi City County Betting, Lotteries and Gaming Bill, 2020** is in complete variance with the **Nairobi City County Betting, Lotteries and Gaming Act, 2014** and seek to replace the same which was not gazette as per the final orders in petition **No. 295 of 2014**.
4. That the Bill was developed by the County government as a response to various persistent challenges facing Nairobi City County such as Loss of Revenue.
5. That the Bill is critical for the collection of revenue and control of Betting, Lotteries and Gaming activities in Nairobi. Currently the Nairobi City County cannot collect revenue from these activities due to inadequate laws governing the Nairobi City County Betting, Lotteries and Gaming activities.

6. That the Bill was developed through a comprehensive stakeholder participation and therefore most concerns of the stakeholders are addressed.
7. That the Bill will help develop a workable framework to bridge the perceived gap between legislation, regulation and industry realities within Nairobi County.

4.0. RECOMMENDATIONS

Mr. Speaker sir,

The Committee recommends that in accordance with Section 8(1) (e) of the County Governments Act, 2012 and provisions of Standing Order 191(6): - that;

This Assembly approves the Nairobi City County Betting, Lotteries and Gaming Bill, 2020 with the following recommendations; -

1. That past, present and future ventures in regards to Betting, Lotteries and Gaming be done within the framework of the Nairobi City County Betting, Lotteries and Gaming Bill, 2020 and the recommendations of this report.
2. That the County government submits to the Assembly within 60 days of adopting this report, a Regulation on the same, amongst other proposal contained in the Bill.
3. That the Bill be amended as proposed by various stakeholders captured above.

5.0. PROPOSED COMMITTEE STAGE AMENDMENTS

~~NOTICE is given that the Chairperson of the Sectorial Committee on Culture~~
and Community Services intends to move the following amendments to the Nairobi City County Betting, Lotteries and Gaming Bill, 2020, at the Committee Stage.

CLAUSE 2

THAT Clause 2 of the Bill be amended as follows;-

- (i) By deleting the word 'minor' and substituting it with the word 'child'

CLAUSE 5 (1) (e)

THAT Clause 5 (1) (e) of the Bill be amended as follows; -

- (i) By inserting the words 'and with 5 years' experience' immediately after the word 'conversant'

CLAUSE 14 (g)

THAT Clause 14(g) of the Bill be amended as follows; -

- (i) By deleting the word 'repeated (b)' and replacing it with the words 'Enforce measures to ensure responsible gambling'

CLAUSE 17(2)

THAT Clause 17 (2) of the Bill be amended as follows; -

- (i) By deleting the words 'to a fine not exceeding one hundred thousand shillings or to imprisonment for a term not exceeding six months, or both' and substituting therefore with the words 'as per Part X of this Act'

CLAUSE 32 (1)

THAT Clause 32 (1) of the Bill be amended as follows; -

- (i) by deleting the word **'proceeds'** and substituting therefore with the word **'winnings'**

CLAUSE 48 (1) (a)

THAT Clause 48 (1) (a) of the Bill be amended as follows; -

- i. by deleting the word **'minor'** and substituting therefore with the word **'child'**

PART VII

THAT Part VII of the Bill be amended as follows; -

- i. by deleting the words **'The County Lottery Distribution Trust Fund '** and substituting it therefore with the words **'Financial Provisions'**

CLAUSE 52

THAT Clause 52 of the bill be amended as follows;-

NEW SUB-CLAUSES

- (i) by inserting the following new sub-clauses immediately after sub-clause 2 as follows;-

'52 (3) The County Executive Committee Member for Finance shall appoint the administrator of the Fund'

'52 (4) The administrator of the Fund shall allocate 1.5% of the fund for administrative expenses'

- (i) by inserting the following new Clauses immediately after Clause 52 as follows;-

NEW CLAUSE

"52 A (I) At least three months before the commencement of each financial year, the Board shall cause to be prepared budget estimates of the Fund for that year.

(2) The Board shall approve the annual estimates at least ninety days before the commencement of the financial year to which they relate and, once approved, the sum provided in the estimates shall be submitted to the County Executive Committee Member for final approval.

(3) No expenditure shall be incurred for the purposes of the Board except in accordance with the annual estimates approved under subsection (3), or in exceptional circumstances, in accordance with an authorization of the Board given with prior written approval of the county executive committee member.

NEW CLAUSE

52 B (1) The Board shall cause to be kept proper books of accounts and records of the Fund.

(2) The accounts and financial statements and records of the Board shall be audited and reported upon in accordance with provisions of the Public Audit Act

CLAUSE 55

THAT Clause 55 of the Bill be amended as follows; -

- (i) by inserting the words 'for Finance' immediately after the word 'member.

PROPOSALS

SECTION	PROVISION IN THE BETTING, LOTTERIES AND GAMING BILL 2020	PROPOSED AMENDMENTS	JUSTIFICATION
14(g)	Repeated (g)	(g) Enforce measures to ensure responsible gambling.	To replace the repeated subsection.
17(2)	A person who operates any business under sub section (1) without a licence commits an offence and shall be liable to conviction to a fine not exceeding one hundred thousand shillings or to imprisonment for a term not exceeding six months, or to both.	A person who operates any business under sub section (1) without a licence commits an offence and shall be liable to conviction as per sections (62),(63),(64),(65),(66),(67) and (68) of this Act	To avoid ambiguity and inconsistency
2(1)	Pursuant to article 209(3)(b) of the constitution, there shall be an entertainment tax on all betting, lotteries and gaming activities licensed under this Act chargeable at a rate of 10% on the gross <u>proceeds</u> of all betting, lotteries and gaming activities.	Pursuant to article 209(3)(b) of the constitution, there shall be an entertainment tax on all betting, lotteries and gaming licensed under this Act chargeable at a rate of 10% on the gross <u>winnings</u> of all betting, lotteries and gaming activities	Replace the word <u>proceeds</u> with <u>winnings</u> . This is because gaming and gaming profits era determined by winnings.

SECOND SCHEDULE

FEES

Insert the following charges in the schedule:

Item	Unit of measure	category	Charges (ksh)
Draws permit	Per Draw	Betting, Lotteries and Gaming draws	5,000
Bingo permit (3 months)	Per Bingo	Bingo games	30,000
Entertainment tax	%	Betting, Lotteries and Gaming	10% on gross <u>winnings</u> revenue.

**MATRIX OF STAKEHOLDER COMMENTS AND FINAL COMMITTEE PROPOSED AMENDMENTS TO THE
NAIROBI CITY COUNTY BETTING, LOTTERIES AND GAMING BILL, 2020**

STAKEHOLDER	CLAUSE	PROPOSED AMENDMENT	RATIONALE	COMMITTEES COMMENTS	COMMITTEE CONCLUSION
1. Nairobi City County (Chief Officer-Commerce, Trade & Industrialization)	Clause 14 (g)	Replace "repeated (b)" with "Enforce measures to ensure responsible gambling"	Clause is repeated •	Agreed	Agreed
	Clause 17 (2)	Remove the sub-clause and replace with "A person who operates any business under sub section (1) without a license commits an offence and shall be liable to conviction as per sections (62), (63), (64), (65), (66), (67) and (68) of this Act"	To avoid ambiguity and inconsistency •	Agreed	Agreed

	Clause 32 (1)	Replace the word " <u>proceeds</u> " with " <u>winnings</u> ".	Gaming and gaming profits are determined by winnings	Agreed	Agreed
2. Kenya Law Reform Commission	Clause 2	Replace the term "minor" with "child"	To align the Bill with the Constitution and the Children Act, 2001	Agreed	Agreed
	Clause 48 (a)	Replace the term "minor" with "child"	To align the Bill with the Constitution and the Children Act, 2001	Agreed	Agreed
	Clause 5	Reconsider the size of the Board to the recommended membership of between three and nine members Provide qualifications for the members	To align to the provisions of the Code of Governance for state Corporations (Mwongozo)	Agreed in accordance with the Mwongozo guideline. Qualification is provided as persons conversant in Trade or Finance matters- It can be amended to read persons with at least 5 years experience	The number be retained as it is only slightly higher by two. Agreed there is need for qualifications including years of experience. Inclusion of youth, women, ethnic balance

		appointed under clause 5 (e) Provide for inclusion of youth, women, persons with disabilities and ethnic minorities in the composition of the Board	<ul style="list-style-type: none">••		has been for under clause 5(2)
Clause 10, 11, 12, 13, 14 and 15	Delete the entire Clauses	This is an administrative function and not a matter for legislation.	Disagreed. There is need to demarcate the roles of the Board and the Directorate to avoid giving the Board exclusive and too much control	Disagreed. The role of the Board and the Directorate must be clearly defined.	
Clause 16		The Bill should consider • assigning the function of considering applications and issuance of licenses to the Nairobi City County Betting, Lotteries and Gaming Control	Disagreed. The Board carries the appellate function for applicants aggrieved by the decisions of the Director.	Disagreed	

			Board to ensure independence of the process. This is the practice in other public entities.			
	Part VIII	<p>Delete the words "the County Lottery distribution trust fund" and replace with "Financial Provisions" and it should include provisions on annual estimates and account and audit.</p> <p>There should be a Clause providing that the CEC Member for finance should appoint the administrator of the Fund.</p>	<p>This is in line with drafting of financial provisions.</p> <p>It is a requirement under Section 116(2) of the PFM Act.</p>	<p>Agreed</p> <p>It is drafting practice that financial provisions have the suggested heading.</p> <p>The PFM Act states that the CECM for Finance should provide for how funds shall be administered where a Public fund is established by law.</p> <p>Agreed</p>	Agreed	
	Clause 52	There should be a provision on annual administrative	To ensure prudent use of the resources used in the	Agreed	Agreed	

		expenses which may be allocated a certain percentage of the Fund (e.g. 1.5%)	administration of the Fund.		
	Clause 54	Not in agreement	The Bill should prescribe the manner of distribution of the proceeds of the Fund in the law to enhance certainty and prevent abuse	Disagreed. This is a technical provision within the mandate of the Board and CEC through regulations	Disagreed. The manner of distribution be provided for under regulations.
	Clause 55	Not in agreement	Pursuant to Section 116 of the Public Finance Management Act, the CEC Member for finance should prescribe the regulations	Agreed. The CEC Finance should prescribe the regulations	Agreed.
	Clause 57	Replace the word "Director" with "Board"	In line with the functions of the County governments in matters of betting and	Disagreed. The Board is a policy maker while the Director runs the daily affairs	Disagreed

			gaming and the functions of the County Public Service Board in appointing and designation county public officers		
3. Nairobi City County (Chief Officer Devolution & Sub-County Administration)	Clause 5	Insert a new sub-clause to include "the Chief Officer Devolution and Sub-county Administration"	To ensure effective and efficient co-ordination and performance of the subject functions at the devolved decentralized administrative units.	Disagreed. There is no valuable role the Chief Officer Devolution will play on the Board.	Disagreed
4. Betting Control and Licensing Board- Ministry of Interior and Co-ordination of National Government	The Board did not submit clause-by-clause analysis of the Bill in accordance with the contents of letter dated 14 th July 2020.	Clause by clause analysis is yet to be submitted.			