

GOVERNMENT OF NAIROBI CITY COUNTY



Laid by
Hon. Dinyar (Chairperson)
on 18th April 2023

THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

THIRD ASSEMBLY

(SECOND SESSION)



NCCA/TJ/PL/2023(20)

18TH APRIL, 2023

PAPER LAID

SUBJECT: COMMITTEE REPORT

Pursuant to Standing Order 196, I beg to lay the following Paper on the Table of the Assembly, today Tuesday, 18th April, 2023.

- THE REPORT OF THE SECTORAL COMMITTEE ON TRADE, TOURISM AND COOPERATIVES ON THE SECOND INDUCTION WORKSHOP HELD FROM 27TH TO 30TH MARCH, 2023 AT MAXLAND HOTEL, KIAMBU COUNTY.

(The Chairperson, Sectoral Committee on Trade, Tourism & Cooperatives)

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

COUNTY GOVERNMENT OF NAIROBI CITY



NAIROBI CITY COUNTY ASSEMBLY

THIRD ASSEMBLY–SECOND SESSION

REPORT OF THE SECTORAL COMMITTEE ON TRADE, TOURISM AND COOPERATIVES
ON SECOND INDUCTION WORKSHOP HELD FROM 27TH TO 30TH MARCH, 2023 AT
MAXLAND HOTEL, KIAMBU COUNTY

Clerk's Chambers
City Hall Buildings
NAIROBI
APRIL, 2023-8

Table of Contents

1. PREFACE.....	1
1.1. Establishment and Mandate	1
1.2 Committee Membership	1
1.3 Committee Secretariat	1
1.4 Background for the induction Workshop	2
1.5 Acknowledgement	2
2.0. INTRODUCTION	3
2.1. Official Opening.....	3
3.0 COMMITTEE MANAGEMENT	4
3.1 Committee management and administration.....	4
3.2. Rules of Procedure Governing Committees.....	5
3.3. Conduct of Proceedings in Committee.....	6
3.4. Generation of Business in Committee.....	7
3.5. How the Committee works	8
3.6. Committee Reports	8
4.0. COUNTY LEGISLATIVE AND POLICY MAKING PROCESS.....	9
4.1. Introduction of Legislative proposal.....	9
4.2. Stages of Bill	10
5.0. PARLIAMENTARY BUDGET MAKING PROCESS	11
5.1. Involvement of Legislature in Budget Making Process.....	11
5.2. Budget Cycle	12
5.3. Budget Making Process, Budget Documents and timelines.....	12
5.4. Role of the County Assembly in Budget Implementation.....	14
6.0. EMERGING ISSUES AND WAY FORWARD.....	14

1. PREFACE

1.1. Establishment and Mandate

Hon. Speaker,

The Nairobi City County Assembly – Third Assembly Sectoral Committee on Trade, Tourism and Cooperatives was established on Thursday 27th October, 2022, pursuant to the provisions of Standing Order 209 and under the Third Schedule is mandated to consider all matters related to *“Trade development and regulation, including markets, trade licences (excluding regulation of professions), fair trading practices, local tourism and cooperative societies; and Betting and casinos and other forms of gambling”*

The Committee oversees the Sector on Hustler and Business Opportunities whose subject area are:-

- Markets and Trade
- Cooperatives
- Business and Hustler Opportunities; and
- Inclusivity, Public participation and Customer Services

1.2 Committee Membership

Committee Membership comprises of:

- | | |
|---------------------------------------|------------------|
| 1. Hon. Deonysias Waithira, MCA | Chairperson |
| 2. Hon. Jeckoniah Onyango, MCA | Vice Chairperson |
| 3. Hon. Abel Osumba Atito, MCA | |
| 4. Hon. David Magoba, MCA | |
| 5. Hon. Emmy Khatemeshi, MCA | |
| 6. Hon. Patrick Karani, MCA | |
| 7. Hon. Shadrack Machanje, MCA | |
| 8. Hon. Jane Wanjiru, MCA | |
| 9. Hon. Peter Owera, MCA | |
| 10. Hon. Joel Munuve, MCA | |
| 11. Hon. Silas Matara Ongwae, MCA | |
| 12. Hon. John Rex Omolleh, MCA | |
| 13. Hon. Victor Omondi Ochola, MCA | |
| 14. Hon. Mwaniki Kwenya, MCA | |
| 15. Hon. Gerald Irungu, MCA | |
| 16. Hon. Moses Kitema, MCA | |
| 17. Hon. Mark Ruiyi Thiga, MCA | |
| 18. Hon. Sospeter Mumbi, MCA | |
| 19. Hon. Ciciliah Wairimu Njathi, MCA | |
| 20. Hon James Koria, MCA | |
| 21. Hon Lydia Okoth, MCA | |
| 22. Hon Hashim Kamau, MCA | |
| 23. Hon Paul Ndungu, MCA | |

1.3 Committee Secretariat

The Committee Secretariat is comprised of the following officer: -

1. Mr. Erick Njoga – Ag. Senior Clerk Assistant

1.4 Background for the induction Workshop

Hon. Speaker,

The County Assembly Committees are extensions of the Assembly established under the County Assembly Standing Orders and in accordance with Section 14 of the County Governments Act, 2012. The Committees are supposed to perform functions that the Assembly is not well fitted to consider in plenary. Following the constitution of County Assembly Committees on 27th October, 2022 and as part of the County Assembly mandate to build capacity for the Members of the County Assembly in undertaking their functions, the Sectoral Committee Trade, Tourism and Cooperatives held its second induction workshop from Monday, 27th to Thursday 30th March, 2023 at Maxland Hotel, Kiambu County. The objectives of the training workshop included the following;

- a) Enable Members to understand their role in generation of business for the Committee;
- b) Enable the Members to understand the legislative process in the Assembly – appreciate the steps in law making process;
- c) Enable the Members to understand and appreciate the parliamentary budget making process and budget documents; and
- d) Enable the Committee to consider the pending business, develop the Committee work plan and its adoption.

1.5 Acknowledgement

Hon. Speaker,

I wish to acknowledge with gratitude the offices of the Speaker and the Clerk of the County Assembly for the support extended to the Committee to facilitate its second induction workshop to enhance the capacity of the Members in undertaking their functions.

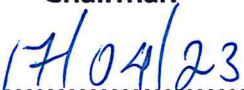
Finally, much thanks to the Members of the Committee and the Secretariat for their dedication, untiring commitment and valuable contributions during the induction workshop.

Hon. Speaker,

It is therefore my pleasant duty and privilege, on behalf of the Members of the Sectoral Committee on Trade, Tourism and Cooperatives to table the report of the Committee on the second induction workshop held from 27th to 30th March, 2023 at Maxland Hotel, Kiambu County.

Signed 

Hon. Deonysias Waithira, MCA
Chairman

Date 

2.0. INTRODUCTION

The County Assembly Committees are extensions of the Assembly established under the County Assembly Standing Orders and in accordance with Section 14 of the County Governments Act, 2012. The Committees are supposed to perform functions that the Assembly is not well fitted to consider in plenary. Following the constitution of County Assembly Committees and as part of the County Assembly mandate to enhance capacity for the Members of the County Assembly in undertaking their functions, the Sectoral Committee on Trade, Tourism and Cooperatives held its second induction workshop from Monday, 27th to Thursday 30th March, 2023 at Maxland Hotel, Kiambu County.

The workshop entailed the overview, establishment and role of Committees in achieving the mandate of the County Assembly, legal underpinning of Committees of the Assembly, rationale for Committees in the Assembly, Committee business and effective output, indicators of an effective Committee, measures to be employed to have an effective generation and tracking of business by the Committee; roles/duties of Committee Chairperson, Members and the Secretariat, management of Committee, procedure and practices in Committee; law making process; and the budget documents and budget making process.

2.1. Official Opening

The workshop was officially opened by a word of prayer by the Chair, Hon. Deonysias Waithira, MCA before welcoming the Members, Facilitator and Secretariat to the meeting. The Session Chair then requested Members, the facilitator and the Secretariat to introduce themselves and subsequently urged Members to actively participate in the proceedings to enable them grasp the basics on the establishment, management and operations of the Committee, law making process and parliamentary budget making process. The Secretariat took the Committee through the main objectives of the workshop which included the following: -

- Enable Members to understand their role in generation of business for the Committee;
- Enable the Members to understand the legislative process in the Assembly – appreciate the steps in law making process;
- Enable the Members to understand and appreciate the parliamentary budget making process and budget documents; and
- Enable the Committee to consider the pending business, develop the Committee work plan and its adoption.

In his opening remarks, the facilitator – **Mr. Julius Ariwomoi – Senior officer at the Senate** informed the Committee that the induction workshop would equip Members with requisite skills necessary in understanding the roles of the Committee in scrutinizing the proposed laws, policies and Regulations and in the budget making process. He stated that the training was to build capacity for Members in undertaking their tripartite role of

oversight, representation and legislation. He reminded the Members on the oath office they took the before assuming office. The Facilitator emphasized on the words “diligently serve the people” and “conventions of Parliament” which meant to diligently serve the people of Nairobi City County within laid down parliamentary procedures and practices. He then took Members through the induction programme after being adopted by the Committee as proposed by Hon. Hashim Kamau, MCA and seconded by Hon. Paul Ndung’u, MCA.

3.0 COMMITTEE MANAGEMENT

The facilitator took the Members through the induction on various topics as follows;

3.1 Committee management and administration

a) Definition of parliamentary Committees

The Presenter stated that parliamentary Committees are smaller units or groups of Members of the County Assembly set up within the County Assembly structures to allow the Assembly perform several functions simultaneously. Committees are generally the agents of the plenary. He informed that historically, the Committee System was first used in the United States Congress before being adopted by the legislatures across the world.

“Congress in session is Congress on public exhibition, whilst Congress in Committee rooms is Congress at work” “Woodrow Wilson, US President – 1885”

b) Legal Underpinning of Committees of the Assembly

The facilitator informed that Article 176 of the Constitution establishes the county government for each County consisting of the county assembly and the County Executive; Article 185 of the Constitution sets out the Legislative Authority of a County to the County Assembly; Section 14 (a) and (b) of the County Government Act 2012, provides for the procedures of a County Assembly and establishment of Committees respectively; and that some Committees are also established by statutes and other resolutions of a County Assembly.

c) Power of Committees

The Facilitator stated that Article 195 (1) of the Constitution of Kenya, 2010 stipulates that “A County Assembly or any of its Committee has the power to summon any person to appear before it to give evidence or provide information”. That Article 195 (2) – An Assembly has the same powers as the High Court to-

- (a) Enforce Attendance of Witness;
- (b) Compel Production of Documents; and
- (c) Request to Examine Witness Abroad

He further stated that Committee derive its powers from the Provisions in the Standing Orders; enabling Acts – such as County Governments Act, 2012, Section 14 (b) on establishment of Committees; resolutions of the House; and Practice and Precedence.

d) Rationale for County Assembly Committees

The Presenter highlighted the following as the rationale for County Assembly Committees:

- Committees act as laboratory of legislative work;
- Allow for in-depth work of the Assembly to be carried out away from the chamber/plenary;
- Enables structured approach to a legislature's handling of its varied roles, goals and functions;
- Facilitate effective oversight of government activities;
- Provide conducive atmosphere for members to build and utilize their expertise and skills; and
- Avail a platform for public engagement and participation in the legislative and other business of the Assembly.

e) Classification and mandate of Committees

The Presenter classified the Committees as follows: -

- Sectoral Committees – reflect sectors at the County Executive level for instance Health Committee;
- Oversight/Scrutiny Committees – Public Accounts and Public Investments Committees – scrutinize the audited reports of the County Government and its agencies;
- House Keeping Committees; and
- Special Ad-Hoc Committees – formed for specific short term matters.

The Facilitator highlighted the following as some of the mandates of Assembly Committees;

- Conduct of Inquiries;
- Oversight;
- Legislation;
- Consideration of Statements;
- Consideration of Petitions;
- Public Participation;
- Summoning of Witnesses;
- Vetting;
- Impeachment; and
- Budget Process

3.2. Rules of Procedure Governing Committees

The presentation covered the following rules of procedure that governs the operations and management of parliamentary Committees: -

- **Election** – Elect Chairperson and Vice Chairperson - Unless otherwise provided under any written law, the Standing Orders or by resolution of the Assembly
- **Official Language** – all proceedings of the County Assembly Committee meetings should be conducted in Kiswahili, English or in Kenyan Sign Language,
- **Procedure in Select Committees** – procedure in a Select Committee of the County Assembly shall be as nearly as possible, the same as that in Committee of the Whole Assembly,
- **Member Speaking** – Members desiring to speak should address a request to the Chairperson;
- **Confidentiality on Matters before the Committee** – the substance of the proceedings of a Committee should not be made public before the Committee has tabled its report to the Assembly;
- **Quorum** – unless quorum is achieved within thirty minutes of the appointed time, a meeting of a committee of the Assembly shall stand adjourned;
- **Notice of Meeting** – a notice of a meeting of a Committee should be given by the Clerk showing the date time, venue and agenda of the meeting;
- **Notice to Witness** – the County Assembly or its Committees should strive to give adequate notice to witnesses - A minimum of seven days;
- **Decorum in Interrogating Witness** – Members in interrogating a witness should do so in an orderly manner and allow the witness time to answer questions before asking follow-ups.
- **Frequency of Meetings** – every Committee should meet at least once in two months unless the Assembly resolves otherwise;
- **Plenary Meetings** – a Committee should not meet during a sitting of the Assembly without the written permission of the Speaker.
- **Permission to attend Meetings** – a Member should not fail to attend sittings of a Committee without the written permission of the Chairperson, or the permission of the Speaker if the Member is the chairperson.
- **Sitting Outside the Precincts** – no meeting of a Committee may be held outside the precincts of Assembly without the approval of the Speaker;
- **Establishment of Sub-Committees** – a Committee may establish sub-committees as it may consider necessary.
- **Decisions of the Committee** – any question arising in a Committee should be decided by vote and the resolution on any such vote shall constitute the decision of the Committee on that question;
- **Engagement of Experts** – a Committee may, with the approval of the Speaker, engage such experts as it may consider necessary in furtherance of its mandate.

3.3. Conduct of Proceedings in Committee

Order of Proceedings – proceedings to be undertaken in strict adherence to Standing Orders. Commencement of meeting in time. Commencement of meeting when quorum is achieved (S.O. 181). Sticking within the matter under discussion (avoid deviations and side shows).

Sequence of Proceedings – the members are advised to consider the sequence of items as outlined in the Agenda

Conduct of Chairperson – is the Custodian of rules, punctual, briefed, committed, sensitive, consults, not domineering?

The Privilege, etiquette, decorum and conduct of Committee /*Members – same as in House (Dress code, conduct and decorum) – Note that How you conduct yourselves in Committees will translate to how witnesses conduct themselves before you.

Conduct of Staff – competence, committed, disciplined, etc 30 minutes' advance rule...In a planned meeting, staff get to venue in advance (including in workshops, conferences, etc); Early birds. All Documents (for meetings) prepared in time

The Control of Conduct and Participation in Proceedings – for a harmonious preceding, the facilitator stated that a member to only speak after catching the eye of the Chair. The committee also taught that one member to speak at a time

Any Disrespect to the Chair to face the consequences of the rules without compromise (friendship aside)

The Dos and Don'ts in a Committee – dress code, language, disrespect, integrity, quarrels, abuses/insults, ad hoc operations, receiving payments without meetings (signing).

Summoning of witnesses and rights of witnesses – witnesses can be accompanied by their lawyers. Principle of natural justice (Not to be condemned un-heard). Adequate Notification.

Committee resolutions and building of consensus – the need to avoid voting on matters (in committees as good practice).

Collective responsibility for Committee members – defend your reports and recommendations on the floor of the Assembly. Any member of the committee to be equal to the task.

3.4. Generation of Business in Committee

The Facilitator shared various ways of generating business in a Parliamentary Committee as follows: -

- Work Planning
- Inquiries
- Inspection tours/ spot-checks
- Review of past decisions (Bills, motions, petitions, statements, laws/Acts, Reports)
- Identification of issues of concern in the County.

Each Committee is required to identify, plan and report on issues of County concern within their mandates.

Agenda setting may emanate from Constitution, Statutes, Standing Orders or Resolutions of the House, Legislation, Statements, Petitions, National trending conversation, County outreach/visits, public hearings/inspections, Workshop, Seminars, Retreats, Policy briefs from the Executive, Media, Civic Education and Statutory Reports.

Some of the Source of Business shared by the presenter include the following: -

- Manifestos (For Governor, MCAs and the parties) - Legislative process largely controlled by Government, to ensure implementation of Manifesto on which it was given a mandate by the electorate;
- Ministries, Departments and Agencies (Legal framework – establishing or review);
- Public Outcry/concerns;
- Media Reports;
- Audit Reports;
- Address by Governor, Dignitary;
- Matters of County Importance; and
- Review of Previous Business – Bills, Motions, Petitions, Reports, Implementation Status, Statements
- Emerging Trends

3.5. How the Committee works

Notification for meeting – Letters be notified within adequate time. Letter to clearly indicate timelines for submission of documents/responses to the Committee for review. Letter to disallow submission of information or documents outside the set timelines. Letter to indicate submission of both soft and hard copies of the documents. The number of copies of the documents should be clarified in the letter too.

Planning – the Committee needs to develop programs. In doing so differentiate between urgent, important and less important activities. Organize required resources. Accurately estimate the time required to complete the Committee tasks. Organize the personnel who will carry out the responsibilities. Keep the relevant people informed about the activities.

Prioritizing – Identify critical tasks. Establish priorities systematically, differentiating between urgent, important and less important tasks. Predictable/ Unpredictable events (Identification of activities). Use a to do list task plan to note action plans and deadlines Monitor and adjust priorities and / or eliminate tasks on an on-going basis.

Questioning witnesses – Members not to respond to questions on behalf of the witness Committee members not to make statements or outline their own views during oral sessions. Members' views and statements to be reflected during report writing. Questioning techniques for Members are necessary. Treat witnesses with respect and courtesy.

3.6. Committee Reports

The Facilitator stated that Committee's effectiveness is determined by the number of reports tabled in the Assembly. He stated that inquiries result in a report to the Assembly, with recommendations to the relevant departments, the wider government and other institutions. Once collection of evidence is concluded, a draft Report is prepared and shared with Members for consideration. Confidentiality among members on the content of the draft report is paramount until it is tabled in the Assembly.

The Committee Chair is responsible for presenting the draft report for consideration by the Committee. The Chair also leads the consideration of the report paragraph by paragraph to make decisions. Suitable amendments proposed by members, if any, are drafted, discussed and decided on through consensus or taking a vote upon the Chair putting the questions. Members opposed to the Report to register dissenting view/minority report.

Members adopt the report and append their signatures to confirm their approval. Adoption is by a majority of the membership of the Committee. Consensus has been practice. Chair Signs the report and staff facilitate processing for tabling including preparing paper laid and notice of motion for debate. Chair tables the report in the House together with a motion for adoption.

The presenter shared the following as some of the qualities of a good report: -

- Factual - based on facts, verified information and valid proofs;
- Clear and Easily understandable – non colloquial language;
- Free from errors and duplication;
- Facilitates right decision making;
- Result focused and result oriented;
- Well organized and structured;
- Ethical reporting style; and
- Timely prepared and tabled in the Assembly

4.0. COUNTY LEGISLATIVE AND POLICY MAKING PROCESS

The Facilitator took the Committee through the Legislative and policy making process. He highlighted the key stages in legislation as provided for in the Constitution of Kenya, 2010. He informed the Committee that a County Assembly exercises its legislative power through Bills passed by the Assembly and assented to by the Governor. A Bill may be introduced by any member or Committee of the Assembly. Public participation in the lawmaking process mandatory.

4.1. Introduction of Legislative proposal

The presenter stated that legislative process largely controlled by Government, to ensure implementation of Manifesto on which it was given a mandate by the electorate. All Bills now introduced as Members' Bills. A legislative proposal introduced by a Member, Public through a Member or a Committee is forwarded to Speaker. It must include a memorandum setting out its objectives. On receiving, the Speaker refers the legislative proposal and the memorandum to the Clerk for consideration and drafting in proper form, before submitting it back to the Speaker for approval or rejection.

That a legislative proposal for which a Member or a Committee is in charge shall, together with a memorandum setting out its objectives and matters specified in Standing Order 128

(Memorandum of objectives and reasons) be submitted to the Speaker. The Speaker shall refer the legislative proposal and the memorandum to the Clerk who shall consider the legislative proposal, draft it in proper form where necessary and submit it to the Speaker with comments on: -

- whether the legislative proposal is a draft money Bill in terms of Article 114 of the Constitution; and
- whether the legislative proposal conforms to the Constitution

4.2. Stages of Bill

Not more than one stage of a Bill to be taken at the same sitting except with the leave of the County Assembly – apart from an Appropriation Bill or a County Revenue Fund Bill.

- a) **First Reading** – a Bill is read of the title by the Clerk to the assembled County Assembly. A Bill is read a First Time without Motion made or question put. A Bill having been read a First Time shall stand committed to the relevant Sectoral Committee without question put – for public participation. However, the County Assembly may resolve to commit a Bill to a select committee established for that purpose. The Sectoral Committee to which a Bill is committed must facilitate public participation and shall take into account the views and recommendations of the public when the committee makes its report to the County Assembly (Art. 196 (1) (b) of the Constitution. The Committee is to report in 20 calendar days, or proceeds without report.
- b) **Second Reading** – this is where the Bill is debated on principles.
- c) **Committee of the Whole County Assembly** – A Bill having been read a Second Time shall stand committed to a Committee of the whole County Assembly. On the Order of the Day for Committee on a Bill being read, the Speaker shall leave the Chair without question put. In considering a Bill in Committee, the various parts thereof shall be considered in the following sequence: -
 - Clauses as printed, excluding the clauses providing for the citation of the Bill, the commencement, if any, and the interpretation;
 - New clauses;
 - Schedules;
 - New schedules;
 - Interpretation;
 - Preamble, if any;
 - Long title;
 - The clauses providing for the citation of the Bill and the commencement.
- d) **Report Stage – Committee Stage** involves a detailed, clause-by-clause examination of the content of the Bill. The Member responsible for the Bill pilots the Bill through the Committee of the Whole House. The Bill can be rejected at this stage; it takes another 6 months to merit reintroduction.

- e) Third Reading – this is a final debate, often very short and held immediately after Report, on the overall content of the amended Bill. After the question is put, then the Clerk reads the short and long title of the Bill.
- f) Assent and Commencement – Bill Assent: When the Bill is read a third time, the Speaker passes it on to the Governor for Assent and it becomes law referred to as an Act of County Assembly.

The Act is published in the Official Kenya Gazette and County Gazette.

Operationalization of the Act requires vigilance, Resources, and Establishment Implementation Report to the relevant committee, House Corrigenda, Amendment Bills.

5.0. PARLIAMENTARY BUDGET MAKING PROCESS

During this session, the Facilitator highlighted the procedure in consideration of key budget documents from the County Integrated Development Plan to the Supplementary Estimates. In his presentations, the presenter highlighted the budget making process and the legal timelines. He further articulated on the role of parliamentary Committees in budget implementation.

5.1. Involvement of Legislature in Budget Making Process

The presenter stated the following as some of the reasons why legislature get involved in budget making process: -

- Holding the executive accountable – the budget belongs to the people and the legislators are their representatives;
- Being the watchdog – must raise the alarm in time not too late, thus must be involved in the budget process early in time; and
- Gate-keepers of the nation's/counties' finances and the public purse – the complex documents must be scrutinized

He stated that Early engagement in the budget process depends on the quality of Committees and their power in the proposition of amendments; timing of the approval of the Annual Division of Revenue and the County Allocation of Revenue pieces of legislations; the time available for the consideration of the budget policies; and the interaction of County Assembly and the County Executive.

He shared the following as some of the fiscal responsibility principles in the County Government: -

- That recurrent expenditure is not to a % of revenue prescribed in regulations;
- Wages not to exceed a % of revenue prescribed in regulations;
- Borrowings are to finance development expenditure only;
- Public debt to be maintained at sustainable level;
- Fiscal risks to be managed prudently; and

- Reasonable predictability of tax rates and bases.

5.2. Budget Cycle

The Facilitator stated that the Budget Cycle involves the following: -

- Needs by the people – involves the identification of people’s needs;
- Establishing County Priorities - establishing the resource envelope – sharing of resources raised Nationally – only at County level;
- Internal Public Finance Expertise – seek internal public finance expert on the priorities vis-a-vis the resources available;
- Departmental preparation of budget proposals, review and submission to the legislature for consideration and approval;’
- Budget Execution – implementation of the Budget as approved by the Legislature;
- Audit – preparation of accounts – evaluation on the implementation of the budget.

5.3. Budget Making Process, Budget Documents and timelines

The Facilitator took the Committee through key budget documents and the role of the Committee in the budget making process. He briefed the Committee on key budget documents such as: -

- Sectoral plans (Section 109 of the County Governments Act, 2012);
- County Integrated Development plan (Section 108 of the County Governments Act, 2012) – a five-year development plan to be considered by September;
- Annual Development plan (Section 126 of the Public Finance Management Act, 2012) – one-year development plan to be considered by September of each year;
- County budget review outlook paper – to be submitted to the County Assembly by 30th of September;
- Debt Management Strategy – to be submitted to the County Assembly by 28th of February;
- County Fiscal Strategy Paper (Section 117 of the Public Finance Management Act, 2012) – to be submitted to the County Assembly by 28th of February and considered within 14 days.
- County Fiscal Strategy Paper contains Medium-term plans of the County Government, indicate resource envelope for the County Departments and the Fiscal Responsibility Principles;
- The Budget Estimates – to be submitted to the County Assembly together with the Appropriation Bill by 30th of April;
- Supplementary Budget; and
- Vote on Account

5.3. 1. Scrutiny of the County Fiscal Strategy Paper

The Facilitator stated that while scrutinizing the County Fiscal Strategy Paper, the Assembly should consider the following: -.

Whether the document is aligned with the National objectives in the Budget Policy Statement;

Whether the County Government revenues, expenditures and borrowing for the coming financial year and over the medium term in a good state of health;

Whether there are strategic priorities as proposed by the county treasury in line with the expectations of the County Assembly;

5.3.2. Specific issues to examine in the County Budget Review and Outlook Paper

The Presenter outlined the following as specific issues to examine in the County Budget Review and Outlook Paper: -

- How was the actual fiscal performance in the previous year compared to the budget appropriation for that year?
- How did actual financial performance for the previous financial year affect compliance with the fiscal responsibility principles
- Are the reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper acceptable?
- Are the proposals to address the deviation and the time estimated for doing so credible?

5.3.3. Specific issues to examine in the Annual Estimates

The Presenter outlined the following as specific issues to examine in the County Budget Estimates: -

- Are the allocations to the various ministries in line with the County development plan and the approved county fiscal strategy paper?
- What savings can be made by reducing on non-priority expenditure?
- Are there any votes that need additional funding?
- Can the revised resource envelope fund the allocations proposed?

5.3.4. Specific issues to consider in the Supplementary Budget

The Presenter outlined the following as specific issues to examine in the County Supplementary Budget Estimates: -

- Section 135 of the Public Finance Management Act, 2012 provides for the issues to examine in the supplementary estimates;
- Regulation 46 on budget variation;
- Regulation 47 on budget reallocations; and

- Regulation 48 – provides that reallocations by the County Treasury in terms of section 154(2) of the PFM Act shall be included in the next revised budget for submission to and approval by the County Assembly.

5.4. Role of the County Assembly in Budget Implementation

The Facilitator outlined the following as the role of the County Assembly in the budget implementation: -

- Examine reports by both the Auditor General and the Controller of Budget;
- Examine (any) Supplementary Budgets; and
- Monitor revenue receipts and releases to inform the next budget.

The Facilitator concluded by stating that Legislative oversight should not necessarily be restricted to budget approval and the review of audit findings. Rather, legislative effectiveness in budget scrutiny is enhanced by continuous oversight. Budgeting is a process rather than an event, and budget cycles are ongoing and interconnected. To keep track of all relevant issues, legislators have to follow the entire process as it unfolds.

6.0. EMERGING ISSUES AND WAY FORWARD.

After a successful eye-opening induction of Members of the Sectoral Committee on Trade, Tourism and Cooperatives, the Committee made a number of deliberations and therefore made the following proposals;

a) Emerging issues

Develop and adopt a work plan for the Committee.

b) Way forward

- Develop strategic and quarter work plan;
- Develop continuous review of sector performance by having regular monthly meetings with the heads of the Sector and Sub-sector;
- Develop policies, legislations and regulations aimed at improving operations and service delivery within the County;
- Conducting a number of inquiries on issues within the mandate of the committee; and
- Have a stakeholder engagement with the leadership both at the County Executive and County Assembly to deliberate conclusively on the bottlenecks that the sector experience.