

REPUBLIC OF KENYA



THE COUNTY ASSEMBLY OF SIAYA

FIRST ASSEMBLY – THIRD SESSION

THE BUDGET, APPROPRIATIONS, FINANCE, PLANNING

AND VISION 2030

COMMITTEE REPORT ON

THE 2015/2016 PROGRAMME BASED BUDGET OF THE

COUNTY GOVERNMENT OF SIAYA

JUNE, 2015

PREFACE

Mr. Speaker Sir, the Constitution of Kenya, 2010 has placed significant responsibility on the County Assembly over the management of the county's public resources. The assembly in particular has the responsibility with regard to resource mobilization, allocation, monitoring and control. Section 131 (2) of the Public Finance Management Act, 2012 contemplates a relevant committee to discuss and review and make recommendations to the County Assembly. Standing Order No 208 (5) in particular gives this responsibility to the Committee on Budget, Appropriations, Finance, Planning and Vision 2030.

Mr. Speaker Sir, in line with the provisions of Section 129(a) of the PFM Act, 2012, the budget estimates for the County Government of Siaya (including the County Executive and the County Assembly) were submitted to the County Assembly on 30th April 2015 thereafter committed to the Committee on Budget, Appropriations, Finance, Planning and Vision 2030 as well as other Sectoral Committees for discussion, review and making of recommendations to the County Assembly.

Mr. Speaker Sir, the Budget, Appropriations and Finance Committee therefore has examined and discussed the Siaya County Budget Estimates for Financial Year 2015/2016 and has therefore made recommendations as contained in this report.

COMMITTEE MANDATE

Mr. Speaker Sir, the Committee on Budget, Appropriations and Finance was established under Standing Order No. 187 and is mandated to do the following;

- 1) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget,
- 2) Discuss and review the estimates and make recommendations to the County Assembly;
- 3) Examine the County Fiscal Strategy Paper, as presented to the County Assembly;
- 4) Examine Bills related to the budget, including Appropriations Bills; and
- 5) Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

COMMITTEE MEMBERSHIP

Mr. Speaker Sir, the Committee on Budget, Appropriations and Finance, as was constituted by this Assembly on Tuesday 30th April 2013 comprises of the following members;

Name of Member		Sign
1. Hon. Jack Odinga, MCA	- Chairperson
2. Hon. Peter Muhula, MCA	- Vice Chairperson
3. Hon. Joseph Kawuor, MCA	- Member
4. Hon. Jared Abayo, MCA	- Member
5. Hon. Sylvester Madialo, MCA	- Member
6. Hon. Margaret Oketch, MCA	- Member
7. Hon. William Owiti Angul, MCA	- Member
8. Hon. Nicholas Ochieng Aneme, MCA	- Member
9. Hon. James Obiero Otare, MCA	- Member

COMMITTEE MEETINGS

Mr. Speaker Sir, in reviewing this Siaya County Budget Estimates for Financial Year 2015/2016, the Committee held 10 meetings. In line with Article 196 of the Constitution of Kenya, 2010 and Section 131(2) of the PFM Act, 2012, the Committee also held public hearings with the Youth leadership from all the sub counties, the Civil Society Organizations in Siaya County, the leadership of the People With Disabilities (PWDs), the Chamber of Commerce, Siaya Branch and the general public on the estimates. The public hearings with the general public were held in 29 out of the 30 wards of the County (except North Sakwa Ward where despite the constituents attending, the same constituents turned violent and disrupted the proceedings effectively making it impossible for the exercise to take off). These hearings were held to get the views and recommendations of the people of Siaya County on the proposed budget estimates and their opinion on areas where more resources are required and also areas where there should be expenditure cuts. This report has annexes of the public hearing meetings.

Mr. Speaker Sir, as required by the Standing Order No 208(4) of Siaya County Assembly, the Committee also received written submissions and recommendations from the Assembly's

Sectoral Committees. Specifically, the Committee received reports from the Sectoral Committees on Trade, Agriculture, Tourism, Health and Governance while the Sectoral Committees that did not submit their Reports are the Sectoral Committees on Education, Water, Roads and Lands. Important to note is that the Committee extensively engaged the Siaya County Governor, the CEC members, Chief Officers and Directors of various departments, the Sub County Administrators, the County Public Service Board and the County Assembly Service Board.

Mr. Speaker Sir, before this final report, the Committee had an opportunity to share with this Assembly its progress reports. These were done on Thursday 18th June 2015 and Thursday 25th June 2015. These progress reports are annexed to this report.

ACKNOWLEDGEMENTS

Mr. Speaker Sir, first and foremost, on behalf of this Committee I wish thank the people of this County who came out in numbers during the public participation at the wards. For sure, this budget wouldn't have been better without their worthy contributions. This Committee similarly extends its gratitude to Executive's Finance Department of the county government for facilitating the activities of the Committee both during its Committee Sitzings and the public hearings. The Committee is also particularly grateful to the offices of Siaya County Assembly Speaker and the Siaya County Assembly Clerk for the support received as it discharged its mandate of examining the Siaya County Budget Estimates for Financial Year 2015/2016.

Mr. Speaker Sir, it is therefore my pleasant duty and privilege, on behalf of the Budget, Appropriations and Finance Committee, to table this report and recommend it to the Assembly for adoption.

Signed

Hon. Jack Odinga, Chairman,

Budget, Appropriations and Finance Committee,

County Assembly of Siaya.

Date

ALIGNING THE 2015/2016 BUDGET TO THE COUNTY FISCAL STRATEGY PAPER 2015

Mr. Speaker Sir, Kenya adopted the Medium Term Expenditure Framework (MTEF) approach to budgeting, which ensures that there is a clear link between policy, planning and budgeting. The content of this budget has generally been informed by the County Integrated Development Plan (CIDP), the Annual Development Plan (ADP) and the Fiscal Strategy Paper (FSP) 2015 as approved by the County Assembly. In addition to the above the fiscal year 2015/16 MTEF has been prepared by incorporating the input by the citizens during the public hearings at ward levels held during the months of January and February, 2015 by the Executive and between 21st May 2015 and 8th June 2015 by the Budget and Appropriations Committee.

However, the Budget and Appropriations Committee has noted with concern that the contents of the 2015 FSP have not got sufficient attention as a guide to the allocation of scarce resources amongst competing spending departments in this budget. Contrary to the expectation of this Committee and by large the County Assembly, a number of projects been introduced that were not part of the strategy paper e.g. construction of parking bay, construction of perimeter wall, community grant to the girl child and food ration to 15 children.

Mr. Speaker Sir, Section 12 (1) of the Second Schedule of the PFM Act, 2012 requires implementation of program budgets for the county government in 2014/2015. However, we note that one year later, most CIDP programs do not fully comply with some of the tenets of the County's Program Based Budget while some programs are included in the PBB but without budgetary allocations e.g. purchase of traction bulls, construction of housing units for the civil servants within the county, maintenance and improvement of government houses, training of the Small and Medium Entrepreneurs (SMEs) on business skills and county radio station set up.

Mr. Speaker Sir, if our county is to fully enjoy the benefits of PBB, for instance, increased efficiency of expenditure as well as its effectiveness, it must consider updating of the CIDP as provided for in Section 112 of the County Government Act, 2012 and ensure reporting of achievements of the various targets is done on a quarterly basis.

HIGHLIGHTS OF THE 2015/2016 BUDGET ESTIMATES

FINANCING OF THE 2015/2016 BUDGET

Mr. Speaker Sir, we are happy as a committee to report that this year's county resource envelop has increased by 55.69% as compared to Ksh 3,208,484,989 in the FY 2014/2015. This is as a result of an increment in the equitable share. Also worth to note is that the recurrent expenditure has reduced from 69.7% in the FY 2014/2015 to 59.86% in the FY 2015/2016. A summary of the Committee's recommended adjustments on the Recurrent and Development expenditure is attached to this report. This clearly shows the commitment to ensure that development is given priority in the 2015/2016 MTEF.

Mr. Speaker Sir, the county government expects to finance the budget through the local revenue, equitable share from the National Government and from other development partners as hereunder captured;

Revenue Item	Estimates 2015/2016	Percentage to total revenue (%)
CRA Equitable Share	4,995,298,722	79.82
Local Revenue	230,000,000	3.68
Others		
Facility Improvement Fund (FIF)	113,309,926	1.81
Health Sector Support Fund (HSSF) by the World Bank	91,500,000	1.46
DANIDA (Danish Government)	27,530,000	0.44
B/F 2014/2015	800,336,616	12.79
TOTAL	6,257,975,264	100

Mr. Speaker Sir, the Committee is concerned that the 2015/2016 projections from the local revenue has gone down by more than 70 million shillings as compared to the 2014/2015 projections (from 300 million shillings in 2014/2015 to 230 million shillings in 2015/2016). This could imply that the county is increasingly depending on the disbursements from the national government, a factor which may not see the county move towards ensuring self-sustaining development.

The following table gives details of the estimated local revenue;

S. NO	REVENUE SOURCE/BASE	AMOUNT (KSH)
1	Single Business Permit	45,000,000
2	Market Receipts	50,000,000
3	Bus Park Fees	12,000,000
4	Parking Fees	5,000,000
5	Fish Cess	6,500,000
6	Plan Approval	2,500,000
7	Transfer Fees	1,000,000
8	Miscellaneous Income	3,240,000
9	Plot Rates	16,150,000
10	Plot Rent	5,900,000
11	School Fees	250,000
12	Slaughter Fees	896,500
13	Ground/Kiosk/House/Stall Rents	5,239,800
14	Burial Fees	30,800
15	Sand/Quarter – Transportation	1,200,000
16	Sugar Cess	4,500,000
17	Cilor	37,900
18	Boda Boda Fee (Seasonal Tickets)	3,500,000
19	Hospital Receipts	43,000,000
20	Public Health Receipts	2,500,000
21	Agribusiness Receipts	12,000,000
22	Veterinary Services	1,500,000
23	Co-Op Audit Receipts	105,000
24	Weights & Measures	450,000
25	Liquor License	7,500,000
TOTAL		230,000,000

Mr. Speaker Sir, this Committee recommends that necessary legislations that would aid the collection of revenue should be put in place.

COUNTY EXPENDITURE DURING 2015/2016

Mr. Speaker Sir, the total proposed expenditure estimates for 2015/2016 is Ksh 6,257,975,264 which is apportioned as follows;

Vote		Balances b/f from 2014/2015	Recurrent expenditure (2015/16)	Development expenditure (2015/16)	Net estimates (2015/16)	% of total
001	County Executive	766,334,616	3,152,436,972	606,114,325	4,524,885,913	72.30
002	County Assembly	34,002,000	594,029,051	55,058,300	683,089,351	10.92
004	Transfer to the wards			1,050,000,000	1,050,000,000	16.78
	TOTAL	800,336,616	3,746,466,023	1,711,172,625	6,257,975,264	100

Mr. Speaker Sir, the above expenditure is further allocated to various sectors as follows;

vote		Net estimates	% of total
	County Assembly	683,089,351	10.92
001	County Executive	513,737,187	8.21
002	Finance, Economic Planning And Vision 2030	494,945,974	7.91
003	Agriculture, Livestock And Fisheries	456,266,832	7.29
004	Water, Environment And Natural Resources	365,598,406	5.84
005	Education, Youth Affairs, Sports, Culture And Social Services	780,037,370	12.46
006	County Health Services	1,926,817,317	30.79
007	Lands, Housing, Physical Planning And Development	134,512,395	2.15
008	Roads, Transport And Public Works	713,929,705	11.41
009	Trade Development And Regulation	92,651,291	1.48

010	Tourism And ICT	96,389,436	1.54
	TOTAL	6,257,975,264	100

PROGRAMS FOR THE 2015/2016 BUDGET ESTIMATES

Mr. Speaker Sir, the 2015/2016 budget estimates sets out programs to be implemented in the MTEF under a devolved system of the Government. The MTEF covers five broad pillars, namely:

- a) Pillar 1: Improve governance and administration through investment in devolution structures for effective service delivery.
- b) Pillar 2: Social transformation through investment in healthcare services, education, youth, culture and social services.
- c) Pillar 3: Agricultural transformation for improved food security through investment in irrigation, mechanization and agro inputs.
- d) Pillar 4: Transforming county infrastructure and communication through Investment in road network and ICT services.

1. COUNTY EXECUTIVE

Mr. Speaker Sir, this department includes the Office of the Governor & Deputy Governor, County Executive Committee, County Public Service, Sub County Administration and Human Resource Management. The department will not incur any development expenditure in the 2015/2016 financial year. It will spend Ksh 281,488,008 of the total budget, all of which will be on recurrent.

Mr. Speaker Sir, during the public participation meetings at the wards, it was a majority opinion of the people of this county that the catering services allocation for this department was so high. Based on this and in addition to the fact that justification for this allocation was not convincing, the Committee recommends that it be reduced from 11.93 million to 8.7million. In reducing this vote head, the Committee recommends that the allocation for the County Public Service be reduced by 0.5million, allocation for Human Resource Management be reduced by 2million and the allocation for firefighting department be reduced to zero. This, the Committee did after ascertaining the staff establishment and other needs in the various departments of this sector.

Mr. Speaker Sir, recently the county recruited the Sub – County Administrators and their Ward counterparts. However, their mobility within the vast sub-counties has been met with challenges.

The Committee therefore recommends allocating additional 12million to the 15million earlier allocated giving a total of 27 million shillings so that each Sub County Administrator is provided with a vehicle at a cost of 4.5 million shillings each to enhance service delivery.

Mr. Speaker Sir, while going round the wards, this Committee observed that a majority of the members of public are still not informed on the roles of the offices created by the Constitution of Kenya, 2010 and other legislations operationalizing devolution. Furthermore, this Assembly had passed the Public Participation Act, 2014. Therefore, to ensure successful administration of this Act, this Committee recommends that 10 million shillings for civic education.

2. FINANCE, ECONOMIC PLANNING AND VISION 2030

Mr. Speaker Sir, during the public participation meetings, a lot of interest was drawn on this sector and the projects it had proposed to implement during the FY 2015/2016. During its meetings with the CEC member for Finance and in considering the county's priority areas in service delivery, the Committee recommends that the construction of a perimeter wall around IFAD be reduced to 3 million down from 8 million and this should be adequate for an electric fence and the alarm system. However, construction of parking bay proposed at 1 million shillings was considered not to be of a priority for now.

Mr. Speaker Sir, 7 million shillings had been proposed to be allocated for the construction of a treasury archive. Though important, the Committee recommends that the construction of a treasury archive can be suspended until during the supplementary budget when it can be considered. In the meantime, a room can be identified to be

Mr. Speaker Sir, Given that there is already a budget for the construction of a Sub – County office at Gem Sub – County, the Committee recommends the proposed planning unit at Gem be provided for in the sub-county office hence the proposed 9 million be spent elsewhere.

Mr. Speaker Sir, upon scrutiny and on explanation from the CEC member for Finance and his team, the Committee established that the exact amount for pending bills is Ksh 100,019,497.

Proposed development projects in the sector

SECTOR	PROPOSED PROJECT	PROPOSED COST
FINANCE	CONSTRUCTION OF A PERIMETER WALL AROUND IFAD	3,000,000
FINANCE	PENDING BILLS	100,019,497
	TOTAL	103,019,497

3. AGRICULTURE, LIVESTOCK, IRRIGATION & FISHERIES

Mr. Speaker Sir, this sector is one of the vital sectors in the development of Siaya County. The sector is made up of four directorates' namely; Crop management, Livestock production, veterinary services and Fisheries all geared towards increased food production in a bid to attain food sufficiency and secure livelihoods for the citizens of Siaya County. Irrigation in this county if properly structured and implemented can bring more food to the table for the people of this county. 50 million shillings was allocated to this project in 2014/2015 and the project is ongoing. The Committee recommends that an additional 50 million shillings to expand the project to other regions of the county as opposed to the Ksh 102,174,894.

Mr. Speaker Sir, there are already existing structures at the Agricultural Training College and Agricultural Training and Development Centre (ATDC) which are used as training centres for the farmers in Siaya. The Committee was therefore convinced that 20 million shillings would be enough for the improvement of these structures and not 30 million as was proposed.

Mr. Speaker Sir, it is evident that the management of seeds and fertilizers in the county has not been successful. For instance, this ending FY 2014/2015, seeds and fertilizers were procured out of season hence did not serve its intended purpose. Given that some of these fertilizers and seeds have not been disbursed to the farmers, the Committee recommends reducing its allocation by 6.7 million down from Ksh 16,362,354.

Mr. Speaker Sir, in our participatory engagement with the members of the public and other stakeholders on the 2015/2016 budget estimates, the Committee noted that there is a need of fish farmers to be supported by the Government. In this regard, the Committee recommends that a policy be put in place that in future will authorize expenditure of such monies through registered cooperative societies within the fishing industry hence the proposed 3.4 million should not be allocated for now.

Mr. Speaker Sir, there was a proposal by this sector to introduce an Agricultural Management Information Service (AMIS) at a cost of 6.5 million shillings. However, this Committee is of the view that there is need for proper staffing for the AMIS program in addition to the fact that it would need a lot of preparedness. There is also need for training of specialized officers before the programme is rolled out. Due to this, the Committee recommends that it cannot be budgeted for in this financial year until proper arrangements in terms of preparedness are in place.

After, ascertaining the level of completion of Bondo Slaughter house, the Committee

recommends that 3 million would be adequate for the remaining work as opposed to the 5 million shillings that was proposed.

Mr. Speaker Sir, the Committee confirmed that there had been a budget allocation 5 million in the FY 2014/2015 for purchase of Feed Compounding and Processing Equipment which had not been spent. The Committee therefore recommends no need to allocating the proposed 2.5 million shillings before the previous allocation is spent.

Mr. Speaker Sir, in consideration of the views from the residents of Siaya County and after engaging with the County Director of Agriculture, the Committee recommends that the 3.5 million shillings allocation for the breeding animals be converted to provision of Artificial Insemination (AI) services and be increased to 6 million shillings as this will improve on the quality livestock production in the county. A mechanism should then be put in place to ensure that this is done in all the 30 wards within the county.

Mr. Speaker Sir, the other projects that this Committee recommends to be shelved until the next financial year so that consideration is given to other priority areas are the establishment of a fish hatchery at 3 million shillings, veterinary investigation laboratory at 2 million shillings and completion of livestock office blocks in Rarieda and Ugunja at 2 million shillings.

Proposed development projects in the sector

SECTOR	PROPOSED PROJECT	PROPOSED COST
CROP MANAGEMENT	IMPROVEMENT OF VOCATIONAL TRAINING STRUCTURES AT ATC AND ATDC	20,000,000
CROP MANAGEMENT	LAND MECHANIZATION SERVICES	2,550,000
CROP MANAGEMENT	PROCURE CERTIFIED ASSORTED SEEDS AND FERTILIZER	10,362,354
VETERINARY SERVICES	COMPLETION OF BONDO SLAUGHTER HOUSE	3,000,000
VETERINARY SERVICES	COMPLETION OF GEM SUB COUNTY VETERINARY/LIVESTOCK OFFICE	3,000,000
LIVESTOCK	PURCHASE OF FEED COMPOUNDING AND PROCESSING EQUIPMENT	600,000
LIVESTOCK	AI SERVICES	6,000,000
IRRIGATION	DEVELOPMENT OF IRRIGATION INFRASTRUCTURE	50,000,000
	TOTAL	98,512,354

4. WATER, ENVIRONMENT AND NATURAL RESOURCES

Mr. Speaker Sir, the beautification of the major towns, including Siaya town is clearly stated in the Siaya County Integrated Development Plan (CIDP). This would facelift Siaya town as the county headquarters before the other towns can be beautified as well. However, it may not be of a priority for this FY 2015/2016 given the condition of road network within town as well as the poor drainage system. From the public participation meetings, the residents of Siaya County felt that this project could be put on hold and the money be used in other service delivery areas. The committee has also established that the county government has engaged the Kenya Urban Roads Authority (KURA) which will be doing the road network and the drainage system within town. The Committee therefore recommends that the 10 million which was earlier proposed for the beautification of Siaya town be used to extend the water supply from the Yala – Bondo water line. This will therefore ensure supply of water within Siaya and Bondo towns.

Proposed development projects in the sector

SECTOR	SUB – SECTOR	PROPOSED PROJECT	PROPOSED COST
WATER	WATER	EXTENSION OF WATER SUPPLY IN BONDO AND SIAYA TOWNS	10,000,000

5. EDUCATION, YOUTH AFFAIRS, GENDER AND SOCIAL SERVICES

Mr. Speaker Sir, having gone round the wards during the public participation meetings, the Committee recommends that more elderly should be reached and be assisted through their poor socio-economic status. To effectively do this, the Committee recommends an increment to the social protection fund to 9 million up from 3 million. This will target 12 persons per ward, each getting the cash support of Ksh 2,000 per month.

Mr. Speaker Sir, the National Government is providing sanitary pads to all the school going girls. Budgeting for this at the county level would only duplicate hence the Committee recommends that the proposed 2.5 million be shelved and used elsewhere.

Mr. Speaker Sir, the Committee also recommends that the 0.5M allocated for the food ration be reduced to zero. This is because the intended function is under the national government. Furthermore, there is no clear policy in place on how the children would be identified.

Mr. Speaker Sir, arising from the public hearings held at the ward levels, the Committee feels that the 6M allocated for sports will not be adequate for a comprehensive competition from the ward level to the county. Further, taking into consideration that the sports allocation should also take care of all disciplines including the PWDs sports activities, the Committee recommends additional 15M to the kitty. The 6M will be used at the county level while the additional 15M will be disbursed and be used at the ward level including taking care of the ward teams at the sub-county level at the rate of Ksh 500,000 per ward. With this kind of sports promotion, Siaya County needs a standard stadium which can match the other stadia in other counties. This will not only provide an avenue for sports activities within the county but will also help earn revenue to the county. This Committee therefore recommends that the allocation for sports stadia be increased to 60 million shillings up from 40 million shilling. Of this, 50 million shillings will be for the rehabilitation of Siaya County Stadium while 10 million will be for the construction of Migwena Stadium. However, during the public participation meetings, there was an allegation

that some fund from other sources is available for the construction of Migwena Stadium. This Committee recommends that the Education makes a follow up to ascertain this fact.

Mr. Speaker Sir, in almost all the wards this Committee visited including the Committee meeting with the leadership of the PWDs, there arose the need for a budgetary allocation. This Committee therefore recommends that 6 million be allocated for equipping of PWDs rehabilitation centres at Gem, Bondo and Alego Usonga sub – counties at 2 million each.

Mr. Speaker Sir, majority will agree with this Committee that the youth, the women and the PWDs of this County need more empowerment so that they can positively contribute to the economic development of this County. This was like a unanimous call across the wards of this County. In this regard, the Committee recommends an allocation of 20 million shillings for the empowerment of these important groups. However, the CEC member for Finance should immediately come up with a subsidiary legislation to operationalize this fund.

Mr. Speaker Sir, the existing bursary, though budgeted for under the wards but it is managed and disbursed by the department of Education, Youth, Gender and Social Services hence no need of allocating the 5 million shillings as was proposed at the county level. This Committee further recommends an update of regulations with a view to removing the ceilings of money given to the students so that extreme cases can to be given better support.

Proposed development projects in the sector

SECTOR	SUB – SECTOR	PROPOSED PROJECT	PROPOSED COST
EDUCATION	CULTURE AND SOCIAL SERVICES	SOCIAL PROTECTION FUND (for the elderly)	9,000,000
EDUCATION	SPORTS	SPORTING ACTIVITIES (from the sub county to the county level)	6,000,000
EDUCATION	SPORTS	SPORTS STADIUM (Siaya – Ksh 50M, Migwena – Ksh 10M)	60,000,000
EDUCATION	SOCIAL SERVICES	Equipping of PWDs rehabilitation centres at Gem, Bondo and Alego Usonga sub-counties	6,000,000
EDUCATION		EMPOWERMENT FUND FOR THE YOUTH, WOMEN AND PWDs	20,000,000
		TOTAL	101,000,000

6. HEALTH SERVICES

Mr. Speaker Sir, it is important to note that devolution has seen more than 90% of the health sector devolved to the county level hence the need for the sector to receive the highest budget allocation.

Mr. Speaker Sir, the provision of stipend to the Community Health Workers (CHWs) is one of the Siaya County's welcomed initiatives. Indeed the payment of this money has shown that CHWs can deliver better on their targets. In the FY 2014/2015, the department set aside Ksh 51,552,000 for the payment of this important group in the health sector. This allocation was missing in the FY 2015/2016 budget estimates. The Committee therefore recommends that it be included.

Mr. Speaker Sir, to motivate the CHWs so as to improve their performance as well as endeavor to keep them healthy, it is only imperative that their contributions towards NHIF be catered for by the County Government. Also note that NHIF has increased the premium rates from Ksh 160

to Ksh 500 per month. To cater for this difference which was also excluded from the proposed budget, this Committee recommends additional Ksh 8,763,840 to cater for the NHIF contributions.

Mr. Speaker Sir, the health sector courtesy of the Siaya County Governor has received a donation of equipment from the United States of America. There are a total of 4 shipments of state of the art medical equipment. The Committee has ascertained that this will be able to service the equipment needs of a majority of health facilities in the County, for instance the needs for services like ICU and the Renal Unit. To cater for the tax and freight charges plus accompanying logistics, the department needs a total of 120 million shillings. However, the Committee recommends an allocation of 70 million in this financial year and further 50 million will be appropriated during Supplementary Budget.

Mr. Speaker Sir, this County will receive more than 100 million shillings from DANIDA and HSSF part of which will cater for the payments of staff in the health sector. However, this money goes directly to the health centers and dispensaries hence no allocation for the casuals for the 7 hospitals in the county totaling to 152 casuals. If this group of staff is not paid, the services provided by them will come to a halt. This Committee therefore recommends an allocation of Ksh 18,230,000 for their wages during the FY 2015/2016.

Mr. Speaker Sir, the sector has engaged the services of one gynecologist and seven specialist service providers. This will require 4.8 million shillings for the FY 2015/2016. The department is planning to engage four other specialists in the area of psychiatry, nephrology, ophthalmology and anesthesiology. This Committee therefore recommends additional Ksh 3,680,000 to cater for these contracted professional services.

Mr. Speaker Sir, this department has 6 ambulances that were procured in 2013/2014. Despite the appreciable service by these ambulances, some challenges have been noted that include ranging from bribery, lack of fuel among others. Owing to these challenges, there is a need for more ambulances with alternative management. In view of the challenges mentioned herein above, the Committee recommends that six ambulances be added to the existing fleet of ambulances and that these new ambulances be hired at an annual cost of Ksh 7,200,000 each translating to Ksh 32,400,000 for a period of nine months. This in our humble opinion will save us from the cost of fuel, repair and maintenance, staff and the general management.

Mr. Speaker Sir, an Ad Hoc Committee of the County Assembly of Siaya was formed in this

Assembly which went round to visit health facilities across the county. Its report of a dilapidated state of the health facilities was actually confirmed by the residents of this County when the Budget Committee was out on public participation. To help give a face lift to the hospitals, this Committee recommends an additional 57.5 million shillings most of which will go to the sub – county hospitals as shown in the table of development projects in the health sector.

Mr. Speaker Sir, the proposed maternicare program is commendable because of the benefits it will give to the common woman back in our villages. However, the Committee had an issue with the operationalization of this fund given that there is no clear policy on how it will be spread to the expected beneficiaries. This Committee therefore recommends a speedy finalization of such a regulation so that this program is given a priority in budget allocation hence the proposed 15 million shillings is shelved for now.

Mr. Speaker Sir, given the addition of 20 million shillings to Siaya County Referral Hospital which should cater for the refurbishment of a room to establish amenity/ICU wing and construction of an emergency unit at Siaya County Referral Hospital, the Committee recommends that the proposed allocation of 5 million shillings be reduced to zero.

Mr. Speaker Sir, the county government had proposed 5 million for an X-Ray unit at Ambira Sub county hospital. However, during the public hearings, it emerged that Ugunja Constituency Development Fund (CDF) Committee had allocated money for an X-Ray Unit at Ambira Hospital. Budgeting for the same would amount duplication.

Proposed development projects in the sector

SECTOR	PROPOSED PROJECT	PROPOSED COST
HEALTH	Construction of Urenga Dispensary	10,000,000
HEALTH	Renovation at SCRH	50,000,000
HEALTH	Construction of theatre at Ukwala	5,000,000
HEALTH	Renovation of Ukwala Sub – County Hospital	5,000,000
HEALTH	Renovation of Yala Sub County hospital	8,000,000
HEALTH	Construction of Mortuary at Ambira	5,000,000
HEALTH	Renovation of Ambira Sub – County Hospital	5,000,000
HEALTH	Renovation of Bondo Sub – County Hospital	5,000,000
HEALTH	Renovation of Madiany Sub – County Hospital	5,000,000
HEALTH	Renovation of Wagai Health Centre	3,000,000
HEALTH	Renovation of Sigomre Health Centre	2,000,000
HEALTH	Completion of ESP project at Rwambwa Health Centre	5,000,000
	TOTAL	108,000,000

7. DEPARTMENT OF LANDS, PHYSICAL PLANNING AND HOUSING

Mr. Speaker Sir, during the public hearing meetings it emerged that land previously held by the defunct local authorities which should now belong to the county may have been improperly allocated to individuals. The Committee therefore recommends that an audit exercise be undertaken to determine the extent of the improper allocation, the current title and the development status of the so allocated and even the yet to be allocated land. To undertake this, the Executive had proposed an allocation of 4 million, a request which was agreeable to the Committee save for the fact that there is already a provision of 2 million shillings under recurrent expenditure. This Committee therefore recommends an allocation of further 2 million shillings instead of 4 million shillings.

The Committee further recommends that the 20 million shillings proposed for the purchase of more land be reduced to 5 million shillings.

Proposed development projects in the sector

SECTOR	FUNCTION	PROPOSED PROJECT	PROPOSED COST
PHYSICAL PLANNING AND DEVELOPMENT	PHYSICAL PLANNING AND DEVELOPMENT	PREPARATION OF COUNTY SPATIAL PLAN	41,286,817
PHYSICAL PLANNING AND DEVELOPMENT	PHYSICAL PLANNING AND DEVELOPMENT	PUBLIC LAND AUDIT	2,000,000
PHYSICAL PLANNING AND DEVELOPMENT	PHYSICAL PLANNING AND DEVELOPMENT	COUNTY LAND BANK	5,000,000
		TOTAL	58,286,817

8. TOURISM, WILDLIFE CONSERVATION AND ICT

Mr. Speaker Sir, in trying to reallocate resources to the sectors based on the needs vis a vis the urgency, the Committee recommends reductions in this sector so that internet connections is reduced by 8 million shillings up from 10 million shillings, all budget items on Lake Kanyaboli are reduced to zero up from 8 million shillings, Miss Tourism Kenya Exhibitions and Tourism Promotions & Marketing be reduced by 0.5 million shillings each up from 3.5 million shillings each, Home Stay Set Up be reduced by 1 million shillings up from 2.5 million shillings, Purchase of Hardware be reduced by 2 million shillings up from 7 million shillings, Data Center and Information & Communication Management (Applications) be reduced by 7 million and 5 million respectively up from 10 million shillings each.

Proposed development projects in the sector

SUB COUNTY	WARD	SUB LOCATION	SECTOR	FUNCTION	PROPOSED PROJECT	PROPOSED COST
EXECUTIVE	EXECUTIVE		ICT	ICT	Internet connection (linking sub counties)	10,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Construction of 4 Cottages	5,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Construction of Staff Quarters	5,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Branding of Key sites	1,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Construction of Changing Room	1,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Landscaping	300,000
EXECUTIVE	EXECUTIVE	Sub total	ICT	Tourism		12,300,000
EXECUTIVE	EXECUTIVE	Mama Sarah Obama	ICT	Tourism	Completion of Visitors Rest House	1,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Landscaping	200,000
EXECUTIVE	EXECUTIVE	Sub total	ICT	Tourism		1,200,000
EXECUTIVE	EXECUTIVE	Tourism Promotion and Marketing	ICT	Tourism	Miss Tourism Kenya Exhibitions	2,500,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Cultural Festivals	1,500,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Tourism Promotion & Marketing	3,000,000
EXECUTIVE	EXECUTIVE	Sub total	ICT	Tourism		7,000,000
EXECUTIVE	EXECUTIVE		ICT	Tourism	Home Stay Set Up	1,500,000
EXECUTIVE	EXECUTIVE	Sub total	ICT	Tourism		1,500,000
EXECUTIVE	EXECUTIVE	ICT Hardware	ICT	ICT	Purchase of Hardware	5,000,000
EXECUTIVE	EXECUTIVE		ICT	ICT	Data Center	2,000,000
EXECUTIVE	EXECUTIVE	ICT Software	ICT	ICT	Information & Communication Management (Applications)	5,000,000
EXECUTIVE	EXECUTIVE	Sub total	ICT	ICT		12,000,000
EXECUTIVE	EXECUTIVE	Grand total				44,000,000

9. ROADS, PUBLIC WORKS AND TRANSPORT

Mr. Speaker Sir, it is a requirement that every budget estimate must allocate some funds as contingency funds. This fund will cater for any discrepancies in the development projects resulting from emergencies, change of project costs as a result of change of project conditions after assessment. Despite its importance, the Committee recommends that its allocation be reduced to 10 million shillings up from 20 million shillings but with a commitment that more funds will be added during the supplementary budgeting.

Mr. Speaker Sir, the CEC member for Finance had proposed 60 million shillings for the construction of ward offices for the 30 wards. Additionally, 25 million shillings had been proposed for the construction of sub county offices for Gem and Rarieda sub counties, the Committee recommends reducing the allocation for the construction of sub county offices to 10 million. Of this therefore, 5 million will be used to construct offices for Gem Sub County while the other 5 million will be used for Rarieda Sub County.

Mr. Speaker Sir, the supply of solar lights in this county has been very poor. Unfortunately, 2 years after coming into being of this Government, some wards do not have even a single solar light. The CEC member for Finance had proposed that 7.5 million shillings and Ksh 19,918,497 be used for solar lights and street lights for the wards and Siaya town respectively. However, considering the distribution of the solar lights to wards in the previous years, this Committee recommends an additional 10.4 million shillings. The Committee further recommends that the total allocation of Ksh 37,818,497 be used in providing solar and street lighting in the major towns of the county.

Mr. Speaker Sir, the defunct Ugunja Town Council had begun the construction of a hall which currently houses the sub county administration offices. However, this hall is incomplete hence the intended purpose of this hall cannot be realized. This Committee therefore recommends that 3 million shillings be allocated to complete this hall.

Proposed development projects in the sector

SECTOR	FUNCTION	PROPOSED PROJECT	PROPOSED COST
TRANSPORT	PUBLIC WORKS	Contingency fund-roads	10,000,000
TRANSPORT	PUBLIC WORKS	Construction of Sub - County administration offices for Gem and Rarieda	10,000,000
TRANSPORT	ROADS	Solar street lighting in the major towns	37,818,497
TRANSPORT	PUBLIC WORKS	Completion of Ugunja Hall	3,000,000
		TOTAL	60,418,497

10. COUNTY ASSEMBLY

Mr. Speaker Sir, this Committee would like to report that the Commission of Revenue Allocation (CRA) had set 523 million shillings as a ceiling for the recurrent expenditure for the Siaya County Assembly in the FY 2015/2016. The County Assembly has therefore prepared a conforming budget for its recurrent expenditure.

Mr. Speaker Sir, on the development expenditure, the Committee recommends that the following projects be implemented by the County Assembly.

	Activity description	Amount
1.	Architectural, structural design, bills of quantities and NEMA report on the County Assembly Complex	27,365,500
2.	Architectural, structural design, bills of quantities and NEMA report on the County Assembly Complex	11,692,800
3.	Construction of one 100m ³ suspended steel water tank and piping work	6,000,000
4.	Construction of Committee Rooms and offices	10,000,000
	TOTAL	55,058,300

This Committee also recommends that further 1.5 million shillings be allocated for the supply delivery and installation of 6 air conditioners 24000 BTU with R410 Refrigerator system for the County Assembly.

11. WARD DEVELOPMENT FUND

Mr. Speaker Sir, with the inception of devolution, the expectation of the public on development has grown so high. The condition of roads, water supply, ECD centres, agricultural areas among other development sectors need more funds to be devolved to the wards. To achieve this, the Committee recommends that 10.05 billion shillings be taken to the wards at the rate of 35 million shillings per ward. This translates to 19.24% of the total county's expenditure. Of allocation to the wards, 0.5 million shillings per ward have been allocated for promotion of sports activities while 2 million per ward has been allocated for the construction of ward offices. The remaining 32.5 million shillings has been allocated to projects as were approved by the residents of the respective wards during the public hearing meetings.

The table below summarizes the allocations for the ward development projects.

	ACTIVITY DESCRIPTION	PROPOSED COST
1.	SPORTS ACTIVITY	15,000,000
2.	CONSTRUCTION OF MCA/WARD ADMIN OFFICES	60,000,000
3.	OTHER WARD DEVELOPMENT PROJECTS (AS PROPOSED BY THE RESPECTIVE WARD RESIDENTS)	975,000,000
	TOTAL	1,050,000,000

COMMITTEE RECOMMENDATIONS

- i. Mr. Speaker Sir, in future, there will be need to avail a proper design and bills of quantities of buildings to be constructed before any budget is allocated. This will ensure effective budgeting.
- ii. Mr. Speaker Sir, to effectively distribute the money to support the fish farmers, the county government should identify the fish farmers within the county.
- iii. Mr. Speaker Sir, to improve on the revenue collection from the meat industry, this Committee recommends that in future plans, there would be need to construct a slaughter house in every sub county.
- iv. Mr. Speaker Sir, a Satellite laboratory requires a Veterinary Investigation Laboratory. This should be allocated for at the County Headquarters and shall be the main laboratory. Further to this, there should be an allocation for subsidiary veterinary laboratories in each sub – county and each should be attached to a Sub – County Veterinary Officer.
- v. Mr. Speaker Sir, once or twice, money has been allocated to projects before a clear policy guideline on its operationalization is put in place. In most cases, such funds have ended up being misappropriated or otherwise roll over to another financial year before its intended benefit is achieved. This Committee therefore recommends that no further budgetary allocation should be given to a project before a legislative policy is in place.
- vi. Mr. Speaker Sir, there should be an amendment to the existing bursary regulation to remove the ceiling of money given to the students so that extreme cases can be given a window to be awarded a little more support from the bursary kitty.
- vii. Mr. Speaker Sir, to ensure that there is equal distribution of resources across the county, there should be a system to ensure that the executive projects whose location is not clearly spelt during budgeting are fairly spread across the county during implementation e.g. solar and street lights.

CHALLENGES

Mr. Speaker Sir, while considering the proposed budget estimates to come up with this recommendations, the Budget, Appropriations, Finance, Planning and Vision 2030 faced the following challenges;

- i. It was difficult for the committee to establish the absorption rate for the county, this is because the 2014/2015 is ending on 30th June 2015, and hence there was no conclusive information to determine the county spending rate.
- ii. The rate of implementation of projects at the ward level for the last two financial years has been very slow. This has led to very little benefits of devolution being realized among the common mwananchi. During the public participation meetings, the Committee found it difficult to convince the public why the implementation could not be fast tracked.
- iii. Part of the public was hostile for the Committee to successfully hold its meetings. For instance, it's unfortunate that the Committee didn't hold its intended meeting at Gobei Secondary School of North Sakwa Ward due to the hostile environment that the members of the Committee and members of staff met on arrival.