

Thursday, 22nd March, 2018 COUNTY ASSEMBLY OF SIAYA DEBATES

REPUBLIC OF KENYA

SIAYA COUNTY ASSEMBLY

THE HANSARD

Second County Assembly – Second Session

Thursday, 22nd March, 2018

The House met at the County Assembly Chamber at 2.30 p.m.

[The Temporary Speaker (Hon. Abigael) in the Chair]

PRAYER

COMMUNICATION FROM THE CHAIR

CECMNOMINATIONS

The Temporary Speaker: Hon. Members, the Hon. Speaker will issue his communication on CECMs Nominations on Tuesday next week, 27th March, 2018 at 2.30p.m.

Hon. Omwende: Point of order, Madam Temporary Speaker. Thank you for giving me this opportunity. This is a House of rules; there is no quorum to carry out any Business. For that reason, I kindly request that we adjourn.

Hon. Ochieng: Madam Temporary Speaker, Hon. Omwende is out of order because we have quorum.

(Quorum confirmed)

The Temporary Speaker: Next order!

STATEMENT

BUDGET CYCLE

The Temporary Speaker: Vice Chair, Budget and Appropriations!

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Hon. Ochola: Thank you, Madam Temporary Speaker. I wish to issue a Statement on behalf of the Budget and Appropriations Committee, in my capacity as the Vice Chair of the Committee. The Statement is a reply to the Statement which was requested on the 15th of February, 2018 by Hon. Ambrose Akuno of West Asembo Ward.

Hon. Ambrose Akuno rose to seek a Statement from the Chairperson, Budget and Appropriations Committee regarding the adherence to the Budget Cycle by the County Executive. In the Statement, he sought that we respond to the following concerns:

1. There are allegations from the general public that documents informing the preparation of the Annual Budget estimates are not being done systematically. He wanted an explanation to the House the documents that inform the budget estimates which one comes first, and which one is the last amongst the CIDP, ADP and CFSP.
2. He sought a confirmation whether the laid down budget cycle is followed and to prove that the County Executive is not doing anything the wrong way and in the event that there is an anomaly.
3. He wanted a clarification on what mechanisms are there to address the anomaly of the sequence of the Budget Cycle.

In that regard, I wish to give a response to the three issues raised, which is based on information and investigations which were done by the Budget and Appropriations Committee. The response we are giving here is on behalf of the CECM Finance and Economic Planning, Mr. Joseph Warega.

The response on the first allegation; we wish to put to this Hon. House that for purposes of information to get to know the Budget Cycle, preparation of the Annual Budget estimates is guided by the County Integrated Development Plan (CIDP) as well as the ADP and BC. Hon. Members will bear with me as I name them by initials, the full meaning are given in the response paper which I believe every Hon. Member has. It is also informed by the CBROP, SWGR, BPS, CFSP and PPR.

Preparation of the CIDP is anchored in sections 104(1) and 108 of the of the County Government's Act. It is a five (5) year development plan giving County priorities, programmes and projects to be implemented over a five year period. It is the overarching policy document out of which the Annual Development Plans are prepared.

The ADPs are annual versions of the CIDP. It gives County priorities, programmes and projects to be implemented in a span of one year. The ADP has to be tabled in the County Assembly latest 1st September every year. The ADP is the first policy document in the budget cycle.

The CBROP is prepared pursuant to Article 118 of the Public Finance Management Act, 2012. The paper has to be tabled in the County Executive Committee by the 30th September every year and later to the County Assembly.

The CFSP is prepared pursuant to Article 117 of the Public Finance Management Act, 2012. The paper is advised by BC, ADP, CBROP, SWGR, BPS and PPR. The CFSP has to be tabled in the County Assembly latest 28th February every year. The paper is the last in a series of

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policy documents advising preparation of County Budget. Once approved, the CFSP paves way for preparation of County Budget Estimates. The estimates must be tabled in the County Assembly latest 30th April every year and be approved by 30th June.

The Statement sought to confirm to this House whether the laid down budget cycle was followed or is being followed. If it is prove that the County Executive is doing it the wrong way, then does that invalidate the budget. The cycle for preparing the 2018/19 budget estimates is being adhered to and therefore the budget estimates cannot be invalidated. Various legal requirements necessary for preparing the said estimates have been complied with as demonstrated below;

1. The CIDP 2018/22 is the source document for all ADPs, FSPs and budgets for that period.
2. CIDP 2018/22 should be linked to the third Medium Term Plan 2018/22. MTP is a five year development blueprint that implements the Kenya Vision 2030. Consultative forum for preparation of the third MTP was held on 6/6/2017 in Siaya. (invitation letter from Ministry of Devolution and Planning (MoDP) and guidelines attached)
3. Preparation of the CIDP 2018/22 therefore commenced on September 13, 2017 with dissemination of guidelines to County Government entities. (Letter inviting sectors attached). The guidelines were revised in September 2017 hence the draft CIDP had to be aligned to the revised guidelines. The document was approved by the County Executive Committee and forwarded to the County Assembly for adoption (forwarding letters attached)
4. Budget circular for FY 2018/2019 was issued by August 30 2017 to County Government entities by the County Treasury as provided for by law.
5. The Annual Development Plan 2018/19 which implements the first year of the CIDP 2018/22 was prepared, approved and forwarded to the County Assembly for adoption within the legal timeline (forwarding letter attached).
6. The Annual Development Plan was prepared, approved and forwarded to the County Assembly for adoption within the legal timeline (forwarding letter attached). The ADP was prepared on the understanding that it will be aligned with the CIDP 2018/22 once the latter has been adopted by the County Assembly. However, notwithstanding the procedure illustrated above, it should be noted that the finalization of the preparation of the CIDP was delayed and had to be concluded after September 1 2017 which date was the legal deadline for submission of the CIDP was occasioned by delayed release of guidelines the Ministry of Devolution and Planning which were issued in September 2017. It should be noted that the guidelines were to be used in preparing CIDPs by all Counties. It was therefore not possible to link the ADP to the final version of the CIDP since by doing so the ADP would have been submitted outside the legal deadline.
7. The Budget Review and Outlook Paper for FY 2016/17 was prepared, approved and forwarded to the County Assembly within the legal timeline (forwarding letter attached)

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8. The Fiscal Strategy Paper for FY 2018/19 was prepared, approved and forwarded to the County Assembly for adoption within the legal timeline (forwarding letter attached).

This document was prepared on the understanding that it will be aligned with the CIDP 2018/22 and ADP 2018/19 once the two have been adopted by the County Assembly.

Lastly, the Hon. Member sought to know the mechanisms which are there to address the anomaly if any in terms of sequence of approval. The legal sequence of approval for documents necessary for preparing 2018/19 budget estimates has been complied with and there is therefore no need for a fall back mechanism. The County Assembly should therefore fast track the process of adopting the CIDP 2018/22 before budget estimates for 2018/19 are tabled in the House on April 30, 2018.

That marks the end of the response from the Budget and Appropriation Committee on the Statement which was sought by Hon. Ambrose Akuno, MCA, West Asembo Ward. Thank you.

The Temporary Speaker: Yes, Hon. Otiato!

Hon. Otiato: Thank you, Madam Temporary Speaker. This has been good; the only problem is that if the documents have been coming here then where are they? Like the Fiscal Strategy Paper should be here by 28th February; where has it been? The spirit of this question was that we end up making hurried decisions; a document comes and we are told let's go and pass it. We meet today and tomorrow it is passed.

We are unable to study, even do analysis. We still don't know the absorption rate of this department. I am sorry to say, now that we are looking at the 2018/19 budget, we have not spent even a single cent in 2017/2018. It is my prayer that the Chair of the Budget do us the needful because that is the backbone of this County. Thank you.

The Temporary Speaker: Yes, Hon. Adala!

Hon. Adala: Thank you very much, Madam Temporary Speaker. First I want to thank the Vice Chair of the Budget Committee. He read a good response that he enlightened most of the issues that were raised by Hon. Ambrose.

The only issue that I have with the Executive in the cycle is that some of these things are done at a very late stage. If we do the cycle at the very last minute then this House is left with no option but just to pass it for the sake of Siaya.

For example the ones we passed last week against time because of the deadline. If we allow this to go on, this House stands the risk of being a rubber stamp where we just come and because it is a deadline day and if we have not passed them then we shall be in a big mess as a County.

We were not elected to act as a rubber stamp! My word goes to the Budget Committee and it is a Committee I have a lot of respect for because almost half of the Members are veterans who were in the first Assembly. It is a Committee that must be very serious. If you come back with such jokes in the next cycle, we will not allow it. This year we sympathized with your plight but that must never happen again.

As I summarize, my point is that as Hon. Members of this House, a document like the CIDP which is very important shapes the action of the County for the next 5 years. Too sad that

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we did what we did, a child's play for the sake of the County but when we went back to look at the document, we realized that there are many things which were omitted. So, it is my request to the Budget Committee that next time do not allow the Executive to take you in cycle in a game of child play and you come here at the 11th hour. Thank you.

The Temporary Speaker: Yes, Hon. Mboha!

Hon. Mboha: Thank you, Madam Temporary Speaker. What we need to inform the Hon. Members is that as a Committee we did our best and made sure that these documents are here. Thank you.

The Temporary Speaker: Next order!

MOTION

ADJOURNMENT

The Temporary Speaker: Hon. Members, there being no other Business, let's all rise up for adjournment.

(Hon. Members rose on their feet)

The Temporary Speaker: This House adjourns until 27th March, 2018 at 2.30p.m. in the Chamber. Thank you.

The House rose at 3.10p.m.