

**COUNTY GOVERNMENT OF BUNGOMA**

**COUNTY ASSEMBLY OF BUNGOMA**

**COUNTY ASSEMBLY DEBATES**

**THE DAILY HANSARD**

**WEDNESDAY, 18<sup>TH</sup> JUNE, 2025**

**Morning Sitting**

## COUNTY ASSEMBLY OF BUNGOMA

### THE DAILY HANSARD

WEDNESDAY, 18<sup>TH</sup> JUNE, 2025

The House met at the County Assembly Chamber at 9:30 a.m.

(Temporary Speaker [Hon. Benjamin Otsiula] in the Chair)

### PRAYER

### PAPERS

#### **REPORT BY THE SECTORAL COMMITTEE ON GENDER, CULTURE AND SOCIAL WELFARE ON IMPLEMENTATION HOUSE RESOLUTIONS IN THE YEAR 2022/2023**

**Temporary Speaker:** Chair, Committee on Gender, Culture and Social Welfare Hon. Wanyama.

**Hon. Kennedy Wanyama:** Thank you, Honorable Speaker. I rise to table a report of the Sectoral Committee on Gender, Culture and Social Welfare on implementation of House Resolutions in the year 2022/2023.

*(Paper laid by Hon. John Kennedy Wanyama)*

**Temporary Speaker:** Thank you, Hon. Kennedy Wanyama. Honourable Members, a report by the Committee on Gender, Culture and Social Welfare on implementation of House resolutions for the year 2022/2023 having been laid on the table of the House, becomes the property of the House and it shall form part of our business in the subsequent sessions.

### NOTICES OF MOTION

#### **REPORT ON SECTOR COMMITTEE ON GENDER, CULTURE AND SOCIAL WELFARE ON IMPLEMENTATION OF THE HOUSE RESOLUTIONS IN THE YEAR 2022/2023**

**Temporary Speaker:** Yes Hon. Kennedy Wanyama on behalf of the Chair

**Hon. Kennedy Wanyama:** Thank you, Hon. Speaker. I rise to give notice of a motion that this House adopts the Report of the Sectoral Committee on Gender, Culture and Social Welfare on Implementation of House Resolutions in the year 2022/2023.

**Temporary Speaker:** Thank you, Hon. Kennedy Wanyama. Honourable Members, a notice of motion having been given on the report by Sectorial Committee on Gender, Culture and Social Welfare on Implementation of House Resolutions in the year 2022/2023. I therefore

direct the table clerks to circulate the same to Honourable Members for them to prepare accordingly, as the same should be coming up in our subsequent business of the House.

## QUESTIONS AND STATEMENTS

### PERIMETER WALL FENCE AT MTEREMKO VTC IN KHALABA WARD

**Temporary Speaker:** Yes Hon. Cornelius Makhanu; you can use the dispatch.

**Hon. Cornelius Makhanu:** Thank you, Hon. Speaker. I have a question to the County Executive Committee Member on Education and Vocational Training. This is in regard to Mteremko Vocational Training Centre (VTC) perimeter wall.

Pursuant to the provision of Standing Order no. 49 of Bungoma County Assembly Standing Orders, I hereby seek answers to questions from the County Executive Committee Member - Education and Vocational Training. This is in relation to the lack of clear information on the perimeter wall fence at Mteremko VTC in Khalaba Ward.

In the response, let the CECM inquire and provide answers to the following;

1. The contract and contractual amount of the perimeter fence at Mteremko VTC
2. The award letter and any other contract documents for the mentioned wall.
3. The bill of quantities for the said wall
4. The percentage of the work done so far
5. The payment so far done for the works on the wall and the balance.

**Temporary Speaker:** Thank you, Hon. Cornelius Makhanu. Honourable Members, I hereby commit this statement to the Committee on Education and Vocational Training. Hon. Johnston Ipara, I don't know how much time you will require to furnish this House with an appropriate response over the same?

**Hon. Johnston Ipara:** Honourable Speaker, if you look on the questions raised, it involves procurement process, how much it did involve and how much has been done? Based on that, I plead on behalf of the committee to be given 21 days to verify the document, so that we are able to place the correct information in this House.

**Mr. Speaker:** Why will you require 21 days Hon. Okasida? I believe...

**Hon. Johnston Ipara:** Hon. Speaker, we want to see whether procurement was done rightly, who was awarded, how much did it involve and the extent of work that has been done already. We want to bring that response that will satisfy the member and the entire House.

**Mr. Speaker:** Hon. Okasida, I think your explanation is merited; we give the committee 21 days to furnish the House. Let us listen to the Leader of Majority.

(Laughter)

**Hon. Joseph Nyongesa:** Thank you, Hon. Speaker. I like the way Hon. Okasida is saying, but Hon. Okasida is not part of the Executive, so I don't know why he is so much worried on what we need. The maximum days should only be two weeks; 14 days will be enough.

**Mr. Speaker:** Those are the concerns by Leader of Majority. Hon. Okasida

**Hon. Johnston Ipara:** The concern of every member raised up is valid but why I want 21days, we don't want to be given a response from the Executive which is a half-baked and you remember very much the majority leader has always been hawk eyed that every time you present a statement that does not meet the demand and aspirations to the Honorable House, he is always the first person as a whistle blower, and that's why we shall also go and verify that on the ground.

**Mr. Speaker:** Hon. Okasida, let me guide you.

**Hon. Johnston Ipara:** Thank you, Honorable Speaker.

**Mr. Speaker:** This House will always accommodate you. I know you can still come with the progress report if you think that the 14 days will not be sufficient but in the interest of time and the business that we are having ahead, now the Chief Whip as the leader of the House wants to say something before we rule on the matter.

**Hon. Meshack Simiyu:** Asante Mheshimiwa Spika, nafikiria vile ume *rule* ya kwamba tuwape *14 days na tuki allow 21days*, itakua inaanza hivo. Sasa kwa hivyo vile ume *rule*...

**Mr. Speaker:** Thank you, Hon. Meshack Simiyu, the Chief Whip. Honourable members, I had indicated that the committee responses by 2<sup>nd</sup> of July 2025, that is exactly 14 days. Hon. Okasida, in the event that you will not be done then you know what to do.

You can still come here with a progressive report and we shall accommodate you but please work within the time frame of 14 days. I have already given directions on this matter.

**Hon. Johnston Ipara:** Hon. Chair, as a committee we are guided and we shall comply by your directive. Thank you.

**Mr. Speaker:** Thank you, Hon. Okasida,  
Next,

## MOTION

### REPORT BY THE LIAISON COMMITTEE ON THE ANNUAL BUDGET ESTIMATES FOR FY 2025/2026

**Mr. Speaker:** Yes, we have our Deputy Speaker and the Chair Liaison Committee Hon. Stephen Wamalwa.

*(Applause)*

The stage is yours, I believe you have taken enough meals this morning to enable you to take us through the report.

*(Laughter)*

Please proceed.

**Hon. Stephen Wamalwa:** Thank you, Honorable Speaker. I am on my feet to move a report of the Liaison Committee on the Annual Budget Estimates for FY 2025/2026.

On page two, we have the table of contents same as page three. On page four we have the acronyms/abbreviations

#### PREFACE

In compliance with Sections 129(2) (a) and 130 of the Public Finance Management Act, 2012 and Standing Order 232 (1) read together with Standing Order 55(1) (a), the County Executive Committee Member (CECM) for Finance and Economic Planning presented the Annual Budget Estimates for the Bungoma County Government for the Financial Year 2025/2026 and delivered a statement on the budget policy highlights and revenue-raising measures in the County Assembly on 30th April, 2025.

Pursuant to Section 131 (2) of the Public Finance Management Act, 2012, which provides that before the County Assembly considers the estimates of revenue and expenditure, the relevant committee of the County Assembly shall discuss and review the estimates and make recommendations to the County Assembly and that in finalizing the recommendations, the committee shall take into account the views of the CECM for Finance and the public on the proposed recommendations.

Following the Speaker's communication on 17th April, 2025, regarding the dissolution of the Budget and Appropriations Committee due to the expiry of its term as provided under Standing Order 210 (5) and the communication on 30th April, 2025, on the committal of the Annual Budget Estimates for FY 2025/2026, Annual Budget Estimates FY 2025/2026 was

committed to the Liaison Committee for review and for reporting back to the House, in compliance with the statutory timelines provided under the Public Finance Management Act and our Standing Orders. (*See Annex 1: Speaker's communications*)

The Liaison Committee is mandated to guide and coordinate the operations, policies and mandates of all committees in accordance with the Constitution of Kenya, relevant statutes and the Standing Orders of the County Assembly pursuant to Standing Order No. 216 (2) (a). In light of the dissolution of the Budget and Appropriations Committee following the expiry of its term as communicated by the Speaker on 17th April 2025 and considering the urgency and statutory timelines attached to the Annual Budget Estimates, the Liaison Committee assumed responsibility for coordinating the budget process to ensure continuity in the Assembly's oversight functions.

## **COMMITTEE MEMBERSHIP**

As currently constituted, the Committee comprises the following members:

<b>Name</b>	<b>Designation</b>
1. Hon. Stephen Wamalwa	Chairperson – Liaison
2. Hon. Christine Mukhongo	Vice chairperson – Liaison
3. Hon. Joseph Nyongesa	Member -Chairperson – Selection
4. Hon. James Mukhongo	Member - Chairperson – Finance
5. Hon. George Makari	Member - Chairperson – Health Services
6. Hon. Jack Kawa	Member - Chairperson – Gender and Culture
7. Hon. Franklin Simotwo	Member -Chairperson – Roads
8. Hon. Tony Barasa	Member-Chairperson–Public Administration
9. Hon. Hentry Nyongesa	Member – Chairperson -Labour Relations
10. Hon. Francis Chemion	Member – Chairperson – Lands
11. Hon. Violet Makhanu	Member – Chairperson - Youth Affairs
12. Hon. Bernard Kikechi	Member – Chairperson – Trade, Energy
13. Hon. Benjamin Otsiula	Member – Chairperson – Education & VT
14. Hon. Waiti Wafula	Member – Chairperson – Agriculture
15. Hon. Edwin Opwora	Member – Chairperson – Tourism
16. Hon. Jacob Psero	Member – Chairperson – Justice
17. Hon. George Tendet	Member – Chairperson – Delegated
18. Hon. Aggrey Mulongo	Member –Chairperson - Implementation

## **MANDATE OF THE COMMITTEE**

The Committee on Liaison is established under Standing Order no. 216 of the County Assembly of Bungoma and is mandated to:

- (a) Guide and co-ordinate the operations, policies and mandates of all Committees as per the Constitution of Kenya, other Relevant Statutes and this Standing Orders
- (b) Deliberate on and apportion the annual operating budgets among the Committees;
- (c) Consider and schedule the programmes of all Committees businesses;
- (d) Ensure that Committees submit reports as required by the Standing Orders;

- (e) Determine whenever necessary, the Committee or Committees to deliberate on any matter; and
- (f) Give such advice relating to the work and mandate of select committees as it may consider necessary.

In reviewing the annual budget estimates, the committee was guided by the legal framework provided under the Constitution of Kenya, the Public Finance Management Act (PFM) 2012 and the Public Finance Management (County Governments) Regulations 2015.

## **REVIEW OF THE ANNUAL BUDGET ESTIMATES FOR FY 2025/2026**

The Annual Budget Estimates for FY 2025/2026 was tabled in the County Assembly on Wednesday 30<sup>th</sup> April, 2025 at 2.30 p.m. sitting and committed to the Liaison Committee and pursuant to Standing Order no. 232(3) (a) deemed committed to all Sectoral Committees for review. The Sectoral Committees held meetings with the respective departments under their purview to interrogate the proposed allocations on the programmes to be implemented by the departments in financial year 2025/26 and submitted their observations and recommendations to the Liaison Committee. (*See annex 2: Sector Committees recommendations*)

### **Public Participation**

In accordance with Article 196 (1) (b) Of the Constitution of Kenya 2010 and Section 87 of County Governments Act, 2012 that emphasizes the importance of public participation, the Liaison Committee invited the public and stakeholders for the public participation and submission of memorandum on the proposed Annual Budget Estimates for FY 2025/2026 by a public notice on the Daily Nation newspaper on Wednesday 7<sup>th</sup> May, 2025.

The public participation exercise was carried out on 14<sup>th</sup> and 15<sup>th</sup> May, 2025 at County Assembly, Paskari Nabwana Hall where public views and written memoranda were submitted. This initiative aimed to ensure the annual budget estimates for FY 2025/2026 align with needs and priorities of the people. As a result, the Committee received public views and 12 memoranda from the following stakeholders;

- a) Kenya Workers Right and Harmonization Program (KWRHP)
- b) Tongaren Sub-county CSOs
- c) Bungoma County CSOs coordinating unit
- d) Western Kenya Human Rights Watch
- e) Mwatikho Torture Survivors Foundation
- f) REDO Kenya and Bungoma Budget Champions
- g) Council of Human Ecology Centre
- h) Bungoma County Children Rights Network and Partners
- i) Emerging Leaders Foundation – Tunaweza Program
- j) Mama na Mtoto Initiative and RMNCAH
- k) Torch Africa
- l) Bungoma County Civil Society Organization Forum (BCSF)

The submissions were considered by the Committee and the public participation report is annexed. (See Annex 3)

The Liaison Committee reviewed the Annual Budget Estimates for FY 2025/2026 taking into account the public views and stakeholders' memoranda, Sector Committees recommendations, views of the County Executive Committee Member responsible for Finance and Economic Planning and the County Secretary.

## **ACKNOWLEDGEMENT**

Liaison Committee is grateful to the Office of the Speaker for the guidance provided. In addition, we sincerely appreciate the Office of the Clerk for the invaluable administrative and procedural support.

We also extend our appreciation to the Sectoral Committees for scrutinizing their sector estimates and submitting their observations and recommendations to the Committee.

The Committee further expresses its gratitude to officers from the County Executive, led by the County Treasury, who appeared before the Sectoral Committees and the Liaison Committee to make submissions and provide clarifications on the proposed allocations.

The dedication and sacrifice demonstrated by Liaison Committee members in reviewing the annual budget estimates for FY 2025/2026 cannot go unrecognized.

Lastly, I acknowledge members of the public and stakeholders for finding time to attend the public participation forums and for their invaluable contributions to the budget estimates.

**Mr. Speaker Sir**, on behalf of the Liaison Committee, it is my pleasure duty and privilege to table to this House the Committee report on the Annual Budget Estimates for FY 2025/2026 for consideration.

Report Signed by Hon. Stephen Wamalwa Chairperson, Liaison Committee

## **INTRODUCTION**

The Bungoma County Government Annual Budget for FY 2025/2026 amounts to Kshs. 15.88 billion, comprising Kshs. 10.73 billion (68%) for recurrent expenditure and Kshs. 5.15 billion (32%) for development expenditure. The budget emphasizes continuity in development by carrying forward projects from previous fiscal years. Despite these efforts, concerns arise regarding the perennial nature of some projects continuously appearing in the budget and limited clarity on policy measures addressing global economic and climatic shocks.

The County's primary sources of revenue consist of three main streams. The largest portion comes from the equitable share, which stands at Kshs. 11.69 billion, accounting for approximately 74% of the total revenue. Additionally, the County benefits from conditional grants amounting to Kshs. 2.22 billion, provided by the National Government and various development partners. Local revenue collections, including Appropriations-in-Aid (AIA), contribute Kshs. 1.96 billion to the overall budget.

In terms of expenditure, a significant portion; Kshs. 6.83 billion or 43% of the total budget is allocated to personnel emoluments. Ward Based development projects allocated Kshs. 1.35 billion, with each ward receiving Kshs. 30 million. The Health sector has been prioritized with a budget allocation of Kshs. 1.6 billion. While, the Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development sector is set to receive Kshs. 449 million; with a strong emphasis on crop development and value chain enhancement under the National Agricultural Value Chain Development Project (NAVCDP). However, there remains a notable underinvestment in the areas of fisheries, cooperatives, and climate-smart agricultural practices.

The policy direction emphasizes investing in targeted road infrastructure interventions and promoting Micro, Small and Medium Enterprises to enhance production capabilities, facilitate value addition processes and improve market access with the goal of attracting both local and foreign investments; specifically, this development phase prioritizes completing the Misikhu-Brigadier Road, building the Kanduyi Urban Bus Park and Market and establishing a modern market at Kamukuywa, all of which aim to strengthen transportation networks and create enhanced market facilities that support trade and economic activity.

### **LEGAL BASIS FOR ANNUAL BUDGET ESTIMATES**

The preparation and approval of Annual Budget Estimates for County Governments is comprehensive and structured. It is guided by well-defined legal framework that aims at prudent use of public funds, transparency, accountability and citizen participation in the devolved governance system. This framework is established through the Constitution of Kenya 2010, Public Finance Management Act 2012, Public Finance Management (County Governments) Regulations 2015, County Governments Act 2012, Urban Areas and Cities Act 2011 and Intergovernmental Relation Act 2012.

### **The Constitution of Kenya, 2010**

The Constitution lays the foundation for public finance and budgeting in both the National and County Governments. **Article 201** outlines the principles of public finance, including prudent and responsible use of public resources, participation of the public in financial matters and equitable sharing of resources. **Article 220(2)** requires Parliament to enact legislation that prescribes the structure of development plans and budgets for both levels of government. The **Fourth Schedule** assigns functions to County Governments, necessitating the preparation of budget estimates to support service delivery at the local level.

## **The Public Finance Management Act, 2012**

The Public Finance Management (PFM) Act, 2012 provides the statutory framework for budget-making processes at both the National and County levels. It establishes roles and timelines for the preparation, submission, and approval of budget estimates.

Section 125 of the PFM Act sets out the county government budget process, which includes the formulation of the budget by the County Executive Committee Member (CECM) for Finance, submission to the County Executive Committee for approval, and forwarding to the County Assembly by 30<sup>th</sup> April of each year.

The County Assembly then reviews, discusses and may amend the estimates before approving them through the enactment of the Appropriation Bill.

## **The County Governments Act, 2012**

This Act provides for county planning and development, which directly informs the budgeting process.

Sections 104 (i) to 108 stipulate that County Governments should plan for the County and no funds should be appropriate without a planning framework developed by the County Executive Committee and approved by the County Assembly.

## **The Public Finance Management (County Governments) Regulations, 2015**

These regulations offer detailed procedures for budget preparation and approval. They reinforce the principles of programme-based budgeting, fiscal discipline and the requirement for public participation at every stage of the budget cycle. The regulations also provide guidance on the content of budget documents, timelines and intergovernmental coordination.

## **RESOURCE ENVELOPE FY 2025/2026**

In FY 2025/2026, Bungoma County Government has proposed a total budget of Kshs. 15,881,407,761; recurrent expenditure amounts to 10,726,441,565 (68%), while development is Kshs. 5,154,966,196 (32%). In FY 2024/2025, the total budget was Kshs. 15,224,959,256; recurrent expenditure stood at Kshs. 10,333,099,917 (68%) and development at Kshs. 4,891,859,339 (32%). The budget maintains the 68:32 recurrent to development ratio for both years.

The breakdown below shows various sources of revenue in comparison with the current year.

1. Equitable share from National Government Kshs. 11,688,348,752 representing an increase of Kshs. 517,675,153 from the current year's allocation.
2. Conditional grant from National Government Kshs. 572,823,419. The sources are as below:
  - SHIF Reimbursement Kshs. 105,600,000
  - UNFPA-United Nation Population Fund Kshs. 7,400,000
  - Community Health Promoters Kshs. 107,400,000.
  - Aggregated Industrial Park grant Kshs. 133,368,420

- KELCOP Kshs. 34,500,000
- Fuel Levy Fund Kshs. 184,554,999

3. Conditional grants from development partners Kshs. 1,654,108,119 as detailed below:

- UNICEF Kshs. 1,571,000
- DANIDA Kshs. 13,698,750
- NAVCDP Kshs. 151,515,152
- KDSP Recurrent Kshs. 37,500,000
- KDSP Development Kshs. 352,500,000
- Urban Support Programme (Recurrent) Kshs. 35,000,000
- Urban Support Programme ( Development) Kshs. 100,434,139
- KISIP II (Kenya Informal Settlement Improvement Project) Kshs. 297,400,190
- Finance Locally Led Climate Action Program(FLLOCA) - Water Kshs. 11 million
- Climate change grant Kshs. 153,488,888
- KOICA Grant Kshs. 500 million

4. AIA projection of Kshs. 1,295,070,023 reflecting a growth of Kshs. 646,980,902 as per the 1<sup>st</sup> Supplementary Budget FY 2024/2025.

5. Local Revenue as per the expected Finance Act Kshs. 671,057,448 reflecting a drop of Kshs. 199,312,736 as per the 1<sup>st</sup> Supplementary Budget FY 2024/2025.

## **DEVIATION FROM THE APPROVED CFSP, 2025**

This budget has realized significant deviations from the adopted County Fiscal Strategy Paper (CFSP), 2025 beyond the 1% threshold contravening PFM Regulation 37(1) in nearly all the departments. The County Fiscal Strategy Paper (CFSP) resource envelope total was Kshs. 15,403,167,503 broken down into Kshs. 9,710,207,721 for recurrent expenditure and Kshs. 5,692,959,782 for development expenditure.

The submitted budget however, totals to Kshs. 15,881,407,761. This represents an overage of Kshs. 478,240,258 compared to the CFSP resource envelope. The change in the resource envelop is caused by revising the AIA projection from Kshs. 816,829,765 in the CFSP 2025 to Kshs. 1,295,070,023 in the proposed annual budget estimates.

In the budget formulation process, there have been fund reallocations between departments that exceed the permissible 1% threshold. As a result, some departments have experienced funding reductions while others have gained additional resources beyond the approved ceilings. The extent of departmental deviation from the CFSP is analyzed as follows:

a) Departments that adhered to the 1% threshold are Public Administration and ICT (-0.6%), Sub-County Administration (0.00%), Kimilili Municipality Board (0.00%), Gender and Culture (0.00%), Governor's and Deputy Governor's Offices (0.00%), County Assembly (0.00%) and Ward Based Project (0.00%);

- b) Departments that received more allocation beyond the CFSP ceiling were Health (34.15%), Finance and Economic Planning (18.67%), Office of the County Attorney (8.80%), Tourism and Environment (4.89%), and the Office of the County Secretary and ICT (3.62%); and
- c) Departments that received negative deviation beyond the 1% , were Sanitation (-96.65%), Youth and Sports (-30.77%), Education and Vocational Training (-23.73%), Roads and Public Works (-10.01%), Lands, Urban and Physical Planning (-8.40%), County Public Service Board (-6.24%), Housing (-5.91%), Trade, Energy and Industrialization (-5.18%), Water and Natural Resources (-5.13%), ALFIC (-4.87%), and Bungoma Municipal Board (-3.81%).

The County Treasury provided a memorandum to this committee detailing the justifications for deviating from the approved CFSP ceilings pursuant to PFMA 108(3) and PFM Regulation 26(7). Changes in Appropriation in Aid projections and the need to prioritize critical programs influenced spending decisions. The critical programs are highlighted as follows: recruitment of technical officers Kshs. 21.6M, Lighting maintenance Kshs. 21.3M, staff promotion Kshs. 10M, KRA demands Kshs. 50M, pension Kshs. 100M, garbage collection additional Kshs, 29.03M, ICT infrastructure Kshs. 40M, GIS lab Kshs. 20M, Webuye East ECDE Kshs. 20M, Sirisia VTC Kshs. 25M, Casual conversion by court Kshs. 90M, water and storm water drainage system Kshs. 8M The programs have been considered and reviewed within the relevant departments accordingly. The revoting of the ward-based allocations back to the line ministries will further disrupt the departmental ceiling.

## **SUMMARY OF DEPARTMENTAL ALLOCATIONS**

The Office of the County Secretary receives the largest allocation at 40.15% of the total budget since all the personnel emoluments for the Executive wing of the County Government has been consolidated there, followed by Health and Sanitation at 10.15%, Tourism, Environment, Water and Natural Resources at 8.86%, Roads, Transport, Infrastructure and Public Works at 8.48%, County Assembly at 7.63%, and Lands, Housing, Urban and Physical Planning at 5.04%. These six units combined account for 80.68% of the total budget allocation.

Public Service Management and Administration also receives a significant portion at 4.85%, while Finance and Economic Planning, Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development, Trade, Energy and Industrialization, Education and Vocational Training, and the Office of the Governor are allocated between in excess of 1% to less of 5% of the total budget.

The County Public Service Board, and Gender, Culture, Youth and Sports each receive less than 1% of the total budget.

## **LOCAL REVENUE**

The local revenue projections for Bungoma County for FY 2025/2026 show a positive trend in comparison to the 1<sup>st</sup> Supplementary Budget for FY 2024/2025, with an overall increase of Kshs. 447,668,166 from Kshs. 1,518,459,305 (1<sup>st</sup> Supplementary) to Kshs. 1,966,127,471.

Health Facility AIA follows an upward trajectory, increasing significantly from Kshs. 648,089,121 in 1<sup>st</sup> Supplementary Budget Estimates FY 2024/25 to Kshs. 1,295,070,023 in FY 2025/26, representing a substantial increase of Kshs. 646,980,902.

Local Revenue follows a steep downward trajectory, dropping from Kshs. 1,193,245,421 in FY 2024/25 to Kshs. 671,057,448 in FY 2025/26, representing a significant decrease of 43.8%.

There are drastic reductions across nearly all revenue streams. This trend poses a risk to effective budget implementation and could negatively impact service delivery. Notably, a few areas such as conservancy fees, house rent, enclosed bus park fee, and bank commissions showing increase and should serve as useful models for improving other revenue streams.

## **PERSONNEL BUDGET**

The personnel budget has an allocation of Kshs. 6,830,374,680, translating to 43% of the total revenue expected for the fiscal year 2025/26. This is higher than the recommended 35% as per the PFM Regulation 25(1b). The amount is 58.44% of the equitable share leaving 41.56% for the operations, maintenance and development.

Note that the entire personnel budget for executive arm of the County Government of Bungoma is domiciled in the office of the County Secretary, except for the Bungoma and Kimilili Municipalities and County Assembly. The County Assembly holds Kshs. 512 million (7.5%) of the total personnel budget.

The Committee sought to obtain comprehensive payroll data that would provide detailed information on all remuneration payments for every staff member within the County Executive. The County Secretary appeared before the Committee accompanied by the Deputy Director and Payroll Manager to present the personnel budget requirements. Their presentation showed that the total personnel expenditure requirement for Financial Year 2025/26 amounts to Kshs. 6,360,557,601.68, including allocations for Kimilili and Bungoma Municipality.

However, the budget provision stands at Kshs. 6,314,292,582, creating a budget deficit of Kshs. 46,265,019.68 which was recovered from the pension arrears provisions.

	<b>Budget requirement</b>	<b>Budget provision</b>	<b>Deficit</b>
County Secretary (Consolidated)	6,317,392,242.68	6,274,344,150.00	43,048,092.68

Bungoma Municipality	23,908,812.00	21,867,240.00	2,041,572.00
Kimilili Municipality	19,256,547.00	18,081,192.00	1,175,355.00
<b>Total</b>	<b>6,360,557,601.68</b>	<b>6,314,292,582</b>	<b>46,265,019.68</b>

The Kshs. 6,360,557,601.68 is to cover the following components:

Details	Amount
Basic Salary	5,673,482,469.89
Casuals (463)	141,447,148.20
Recruitments	21,600,000.00
Promotions(1% of current staff salaries)	56,734,824.00
Community Health Promoters	107,400,000.00
Provision for the 49 Health staff yet to receive personnel numbers	39,844,440.00
Pension arrears	320,048,718.90
<b>TOTAL</b>	<b>6,360,557,600.99</b>

The Kshs. 5.6 billion basic salary covers: Basic Salary, House Allowance, Special House Allowance, Commuter, Health Risk Allowance, Non-Practicing Allowance, Transfer Allowance, Telephone Allowance, Disability Allowance, Emergency Call Allowance, Health Workers Extraneous Allowance, Nursing Service Allowance, Health Service Allowance and Salary Market Adjustment. It also has employer's Contributions: NSSF, Housing Levy, Pension (Lapfund), Pension (Laptrust Benefits), Pension (Laptrust Contributions), NITA, Leave Allowance, Uniform Allowance and Gratuity.

The County Secretary further reported that the Kshs. 320 million allocations would fully settle the outstanding pension arrears owed to the pension schemes. The calculation for Kshs. 320 million is based on the fact that from the Kshs. 308 million allocated in the current financial year, only Kshs. 43.2 million has been disbursed. This limited payment undercuts the County's commitment to clearing pension arrears despite having made adequate budgetary provisions.

The Committee further received input from the CECM Finance on outstanding pension arrears, which altered the understanding of the situation as initially presented by the County Secretary. In his submission the CECM Finance indicated that the current year allocation of the Kshs. 308 million might not be fully settled due to cash flow challenges. He informed the committee that the pension arrears had received a relieve from the Public Service Superannuation Scheme (PSSS): Out of a reconciliation done in January 2025, the County Government erroneously made employer's contribution to PSSF fund totalling to Kshs. 154,837,842.41 during a period of 1<sup>st</sup> January 2021 to December 2024. The payments relate to staff who were transferred from National Government to County Government and whose

employer contribution was paid and will be paid by National Government. The overpaid amount will be transferred to the following pension scheme: Lap trust Contribution Kshs. 55,170,761.10; Lapfund Kshs. 99,667,081.31. That leaves an obligation of Kshs. 158,038,100.79 in the FY 2024/25 which should be paid out of Kshs. 308 million budgeted this Year. As per the agreement between the County Government and the Pension Schemes, the FY 2025/26 was supposed to capture Kshs. 215,720,414 with a balance of Kshs. 104,418,819 to be done in the FY 2026/27. So the capture Kshs. 320 million is over and above the agreed amount by Kshs. 104,279,586 which this committee directs it sought out the salary deficit above and the balance to be additional funds on recruitment of ECDE teachers and replacing the retired skilled workers in the department of Health, Agriculture and Water.

The budget includes provisions for 463 casual workers who will be transitioned to permanent and pensionable terms of service in compliance with a court ruling. During his submission, the County Secretary reported that 337 out of the 463 individuals have already appeared before the verification committee, where he is the chairperson. Additional time has been provided to accommodate any individuals who may have received the information late. The actual position of the casuals considered will be ascertained during the 1<sup>st</sup> Supplementary Budget for FY 2025/26.

A total of 94 staff members are scheduled to retire at various times throughout FY 2025/26. The Health sector accounts for the highest number of retirees at 46 skilled workers, followed by Agriculture with 15. The total financial implication for these retirements amounts to Kshs. 121.7 million by end of FY 2025/26 but the total savings due to the retired staff totals to Kshs. 61,876,655.

The savings have been proposed to employ a list of 50 staff majorly containing directors and deputy directors (17) in the various departments. Notably is health department proposal to employ 3 medical doctors against a loss of 46 skilled workers. Other are 2 municipal engineers, 1 senior weights and measurement officer, Municipal environment officers, 5 physical planners, 2 GIS officers, 3 engineers and 15 ward administration officers. This committee recommends that the 17 directors /deputy directors positions, priority should be given to those serving in the acting capacities and advises that apart from the remaining technical staff mentioned above, recruitment to replace staff in Health and Agriculture should be done. The savings from retirees Kshs. 61.8 million, plus the provision of Kshs. 21.6 million for recruitment and pension arrears balance of Kshs. 58.01 million should be directed to recruitment of ECDE teachers, health workers, Agriculture officers and technical officers mentioned above.

## WARD BASED PROJECTS

The budget submitted shows a total allocation of Kshs. 1,350,000,000 for Ward Based Projects which translates to Kshs. 30,000,000 per Ward. This committee has revised the allocation upward to Kshs. 35 million per Ward. The distribution amounts have been

incorporated accordingly as per the schedule of increases within their respective line departments.

The Ward Based Projects implementation strategy has been revised, with the Kshs. 135,450,000 for administrative costs centrally managed under the SPCU unit to enhance implementation efficiency. All processes relating to WBP will be conducted simultaneously to prevent implementation delays in various departments, as previously experienced. The work plan for the implementation has been shared under the SPCU unit. The SPCU coordinator should be designated as the AIE holder for the Ward-based administration budget in order to streamline budget management, improve Assembly's oversight, and enhance coordination of Ward-based administrative expenditures.

## RETENTION FUNDS

The County Executive borrowed Kshs. 150 million from the retention account in the FY 2023/24 supplementary budget, intending to repay the amount in the FY 2024/25 annual budget, which was not fulfilled. This budget has seen an allocation of Kshs. 100 million leaving a balance of Kshs. 50 million. In considering the allocation, this committee sought to know what the borrowed funds were spent on since the issue has been outstanding since it was never captured in the expenditure reports. Submission from the CEC Finance indicates that the amount was spent on the following items:

Department	Description	Amount
Governor's	Telephone, telex, mobile phone services	491,365.55
Deputy Governor's	Telephone, telex, mobile phone services	982,660.35
Governor's	Telephone, telex, mobile phone services	1,474,137.95
Water	Contractual employees	1,474,137.95
Public Administration	Medical Insurance	135,485,316.15
County Secretary	Legal dues/fees and arbitration	3,600,000.00
<b>Total</b>		<b>143,507,617.95</b>

The funds were spent directly from the retention account as opposed to transferring to the CRF account after appropriations. The sector committees can further interrogate the above information by seeking more information from respective departments.

## Pending Bills

the County Government has accumulated unverified pending bills, as at 3<sup>rd</sup> of April 2025, amounting to Kshs. 3,832,047,287 billion as per the submission from the County Treasury during the 1<sup>st</sup> supplementary budget FY 2024/25: Recurrent Kshs. 1,261,312,257, Multiyear Kshs. 1,265,257,874, departmental projects Kshs. 584,710,843 ward based Kshs. 720,766,314. The status of appropriations towards pending bills so far is Kshs. 1.3 billion as illustrated below;

Budget estimates	Amount
Annual budget FY 2024/25 (pension arrears inclusive)	411,586,789
1 <sup>st</sup> Supplementary FY 2024/25	447,077,316
Annual FY 2025/26 (Pension arrears inclusive)	504,117,074.00
<b>Total</b>	<b>1,362,781,179</b>

The review of half-year financial statements FY 2024/25 and expenditure reports revealed that departments are diverting funds intended for planned programs to settle pending bills. This practice obscures the true status of outstanding financial obligations. Additionally, making payments on pending bills without County Assembly approval creates vulnerability to potential financial misappropriation through fraudulent claims. As evidenced during the “Eldoret discussions” there were items listed as pending bills despite having been previously settled. This situation underscored the “Eldoret declaration” that a comprehensive verification exercise be done to identify legitimate pending bills and ensure proper documentation as the Government transitions to accrual accounting methods. The exercise was not done but the report was submitted to the Assembly on 26<sup>th</sup> May, 2025. The verification exercise is ongoing. Payment of the pending bills should be done considering the outcome of the verification exercise as adopted by this House.

## **DEPARTMENTAL HIGHLIGHTS OF THE ANNUAL BUDGET ESTIMATES - FY 2025/2026**

### **Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development**

The department has a budget of Kshs. 449,694,287 comprising Kshs. 43,058,405 for recurrent expenditure and Kshs. 406,635,882 for development expenditure.

#### **Agriculture and Irrigation**

The sub-department has a budget estimate of Kshs. 376,394,285 comprising Kshs. 24,285,132 for recurrent expenditure and Kshs. 352,109,153 for development expenditure.

The proposed programmes in the recurrent expenditure are;

- Operations and maintenance Kshs. 20,139,625
- Mabanga ATC and AMC operations Kshs. 3,445,507
- Field operations for sub-county administration Kshs. 700,000.

The recurrent budget has been reduced by Kshs. 6 million, with cuts made to domestic travel, field allowances, and hospitality expenses.

A highlight of activities to be done include:

- ✓ Staff Training

- ✓ Preparation of Bungoma County Agriculture Input Services and Equipment Regulations 2025
- ✓ Validation and gazettement of Policies and Bills; Bungoma County ATVET Policy 2024, Bungoma County Institutions Bill, 2024, Bungoma County Agriculture Input Services and Equipment Bill, 2024 and Bungoma County Agriculture Input Services and Equipment Regulations 2025
- ✓ Review of Strategic plan 2023-2027
- ✓ Reviewing of the County Integrated Development Plan (CIDP 2023-2027)
- ✓ Provision for administrative utilities and supplies
- ✓ Agricultural shows, exhibitions and celebrations
- ✓ Organize research - extension professional meetings held to share new knowledge and technologies at Sub-County and County levels
- ✓ Collection and sharing of agribusiness information
- ✓ Management of mobile soil labs
- ✓ Procurement of fuel and lubricants
- ✓ Insurance and maintenance of AMC tractors.

This committee made an additional allocation of Kshs 20 million on the recurrent budget to cater for the farm input program launch, vetting committee and transportation of the fertilizers and seeds to the Wards.

**Under development the programmes include;**

- Other capital grants and transfers NAVCDP Kshs. 151, 515,152. The work plan was provided.
- Farm input support program has an allocation of Kshs. 184.5 million: Purchase of certified crop seed Kshs. 67, 500,000 and fertilizers Kshs. 117,000,000 for 500 beneficiaries per ward. Submission from the department shows the farm input will be supplied free of charge to vulnerable farmers as opposed to subsidized hence the revenue target of Kshs. 72.5 million out of sale of fertilizer should be dropped.
- Other infrastructure and civil works Kshs. 9,413,021. The amount is for supply of equipment at Mabanga ATC. The Committee declined the allocation and directed that Mabanga should formulate a legislation that allows it generate revenue and fund its activities and make the institution vibrant to serve the initial intended purpose of an Agricultural Training Centre and Agricultural Machinery Centre. The institution should strategically position itself to support the implementation of Ward-Based Projects with an allocation of over Kshs. 119 million in Agriculture and Livestock while ensuring their long term sustainability. In echoing the public views, the institution is more of a conference and accommodation facility despite having 94 acres of land that could be used for agricultural value chain and farmers training.
- Supplier credit Kshs. 6,680,980
  - ✓ Renovation of conference hall and dining at Mabanga ATC Kshs. 2,424,980
  - ✓ Construction of Makemo dam Kshs. 4,256,000. The project has an allocation of Kshs. 12.5 million in the current financial year and does not qualify to be a

pending bill hence the amount has been reallocated to construction of Mbakalo slaughterhouse which was affected in the 1<sup>st</sup> Supplementary budget FY 2024/2025.

### **Cooperative Development**

The sub-department has a budget estimate of Kshs. 14,258,536 comprising Kshs. 5,950370 recurrent and Kshs. 8,308,166 development.

The recurrent activities are highlighted below:

- Agricultural shows, exhibitions and celebrations
- Registration of new cooperatives
- Capacity building of cooperatives
- Facilitation of 8 officers undertaking cooperatives audit.

In considering the sector committee views, this committee has allocated Kshs. 3 million to cater for the following:

- County Cooperatives Developments Fund Regulations to operationalize the Act. It will govern the creation, management and utilization of financial resources dedicated to cooperative development at the county level.
- Formulate a cooperatives management standards and guidelines that is essential for establishing comprehensive governance frameworks that ensure effective leadership, strategic planning and operational excellence across all cooperatives.
- Formulate the cooperatives quality assurance Manual: establishes uniform standards and procedures across cooperative operations, ensuring regulatory compliance, consistent service delivery, and effective risk management while protecting member interests and building trust.

### **On development, the following programmes will be implemented;**

- Purchase of certified crop seed Kshs. 2,000,000 for supply of coffee seed for nursery establishment to coffee cooperative societies.
- Supplier credit Kshs. 6,308,166 broken down as below:
  - Construction of Bumula DFCS milk cooler House Kshs. 4,390,579.64
  - Construction of ablution block and gate at Bumula dairy FCS Kshs.700,000
  - Construction of coffee warehouse at Kimukungi part payment of Kshs. 1,217,586.36.

### **Livestock and Fisheries**

The sub department has a budget of Kshs. 59,041,466 comprising Kshs. 2,822,903 for recurrent and Kshs. 46,218,563 for development.

Recurrent planned programmes are: formulation of Bungoma County Sale Yard Bill 2024 and Bungoma County Animal Welfare Policy, Training, Agricultural shows, exhibitions and celebrations, slaughterhouse supplies (lab coats, NEMA licenses, gumboots)

### **Under development the programmes include;**

Supplies for production Kshs. 5,918,563;

- Aquaculture input support (Fingerlings, fish feeds accessories) Kshs. 1,738,563
- Chwele fish farm Kshs. 4,180,000: Procurement of fish feeds and feedings Kshs. 1,680,000 and fish ponds distilled, maintained and restocked Kshs. 2,500,000. The allocations were reduced by Kshs. 2 million
- Veterinarian supplies and materials Kshs. 5,800,000
  - ✓ Procurement of vaccines and other veterinarian supplies for disease and vector control Kshs. 4,600,000
  - ✓ Artificial Insemination (AI) subsidy programme for improvement of local dairy breeds Kshs. 1,200,000. The amount was declined due non-implementation of the program despite previous allocations.

Kenya Livestock Commercialization Projects (KeLCOP) Kshs. 34,500,000 with its work plan capturing the following activities:

- Social mobilization and mentoring of small holder farmers
- Identification of project beneficiaries and house hold listing
- Participatory rural appraisal and capacity building of SLCA committees in the four wards. Musikoma, Bukembe East, Kaptama and Naitiri Kabuyefwe. The work plan was provided.

This Committee considered public views and allocated Kshs. 10 million to strengthen extension services in Agriculture, Livestock, and Cooperatives in order improve production enhancing extension officer mobility to effectively support farmers.

## **EDUCATION AND VOCATIONAL TRAINING**

The total budget amounts to Kshs. 179,807,737, comprising Kshs. 75,495,953 allocated for recurrent expenditure and Kshs. 104,311,784 for development.

Under recurrent, the following are the allocations per vote;

- a) Operations and maintenance at headquarters, ECDE, and VTC amounts to Kshs. 22,811,830, with Kshs. 1,625,000 reduced specifically from domestic travel expenses.
- b) Other capital grants and transfers which is for facilitation of co-curriculum activities Zonal, County and National level has been allocated Kshs. 7,184,123.
- c) School feeding program has been allocated Kshs. 30,000,000. This Committee has increased the allocation by Kshs. 10 million and requires the department to develop a comprehensive sustainable plan, including proposals for utilizing idle public land to cultivate raw materials.
- d) Supply of ECDE Learning Materials has been allocated Kshs. 15,500,000. This Committee sought to understand how the current year allocation of Kshs. 21,353,113 has impacted ECDE learning. A request for a list of the ECDE centres that got the supplies in the current year was made but instead the department submitted a list of learning materials purchased as listed: Attendance Registers, Dustless Chalk, Crayons, Exercise Books, Manila Papers, Felt Pens, Scissors, Cello tape, 3 Quire Counter Books, Dusters, Paints and Brush totaling to Kshs. 14,918,992; 2 laptops &

one Ipad Kshs. 477,000 and supply of 321 digital learning gadgets Kshs. 5,206,455. Lack of transparency about which ECDE centres benefitted from learning materials hampers the evaluation of the programme's effectiveness on ECDE learners. This Committee declines further allocations to this programme and directs the Sector Committee to provide to this House a comprehensive report identifying all beneficiaries of learning materials purchased through every appropriation made by this House for such purposes. This amount was reallocated to VTC capitation.

**On recruitment of ECDE teachers and VTC Instructors:** In view of the public submissions, Sector Committee report and submissions from the department, this Committee has allocated Kshs. 143,047,275.32: Kshs 111,261,279.60 towards recruitment of 225 ECDE teachers (135 ECDE teachers Job Group H and 90 Job Group G) and an allocation of Kshs. 31,785,996.32 towards recruitment of 62 Vocational Training Instructors. The amount has been placed under County Secretary's budget.

The development with an allocation of Kshs. 104,311,784 shall fund the following activities and programmes;

- a) Supplier credit has an allocation of Kshs. 27,311,784.
- b) Construction of a model ECDE centres had been allocated Kshs. 20,000,000. The amount was declined since the ECDE program benefits from the Ward Based Projects same to construction of Sirisia VTC Kshs. 25,000,000.
- c) Construction of a home craft centre at Ng'oli Kshs. 5,000,000 was declined and directed to be prioritized under the Ward Based Projects.
- d) Refurbishment of 10 VTCs has an allocation of Kshs. 10,750,000. The provided list has 10 VTCs, namely; Mikuva, Machakha, Lunao, Kimabole, Sitabicha, Malakisi, Naitiri, Bwake, Kikwechi and Koony.
- e) Equipping of VTCs Kshs. 6,250,000. This is another program that lacks clarity on the VTCs that benefitted from this year's allocation of Kshs. 20 million. The amount was reallocated to VTC capitation.
- f) VTC capitation Kshs. 10,000,000 enhanced by Kshs. 15 million translates to Kshs. 4,166.67 per year using the current enrolment of 6000 VTC trainees. The amount was reallocated to recurrent as per Controller of Budget's advisory.

## **HEALTH AND SANITATION**

The department of Health has an allocation of Kshs. 1,604,103,174 comprising recurrent of Kshs. 1,520,639,373 and Kshs. 83,463,801 on development. This includes Kshs. 1,295,070,023 for Hospital Facilities.

### **Health Administration**

The Sector has a total budget of Kshs. 308,664,208 comprising Kshs. 225,200,407 for recurrent and Kshs. 83,463,801 as development.

The major projects and activities that the department will do are;

- Other capital grants and transfers Kshs. 147,772,750 which includes the following:
  - UNICEF Kshs. 1,571,000

- DANIDA grant for universal Health care Kshs. 13,698,750
- DANIDA co funding Kshs. 17,703,000
- CHPs Kshs. 107,400,000
- UNFPA Kshs. 7,400,000

➤ Operation and maintenance Kshs. 20,501,070. There is a reduction of Kshs. 3.9 million which has affected domestic travels, maintenance of hospital buildings and purchase of furniture.

➤ Specialized materials and supplies Kshs. 56,926,587 which entails

- Medical drug Kshs. 50,000,000
- Fungicides, insecticides and sprays Kshs. 1,520,757
- Chemical and Industrial Gases Kshs. 1,800,000
- Laboratory materials, supplies and small equipment Kshs. 2,605,830
- Purchase of X-Rays equipment and Supplies Kshs. 1,000,000

Development has an allocation of Kshs. 83,463,801 to fund the following projects.

- Account payables Kshs. 20,500,000
- Other infrastructure and civil works Kshs. 62,963,801. The projects are as follows:
  - ✓ Completion of Sirisia Hospital Kshs. 20 million.
  - ✓ Completion of ICU/Renal Block Webuye Kshs. 10 million
  - ✓ Completion of Theatre at Bokoli Kshs. 10 million
  - ✓ Medical Equipment for Cheptais Sub-County Hospital Kshs. 11,463,801.
  - ✓ Equipping of Morgue at Kimilili Hospital at Kshs. 11,500,000 has been assigned to the Municipality as indicated in the attached municipal correspondence. The allocation has been redirected to support completion of Bumula Sub-County Hospital.
  - ✓ Bumula Sub-County Hospital has also received Kshs. 10million to fully equip and operationalize the 100-bed capacity maternity ward. This is one of the donor-funded projects under KDSP that needs to be operationalized to ensure donor funded initiative achieve value for money.

### **Sanitation**

The sub-sector has an allocation of Kshs. 368,943 for its operations and maintenance and zero on development in the annual budget.

### **AIA (Public Health, Facilities and PHC - Levels 1 and 2)**

The AIA projection totals to Kshs. 1,295,070,023 to fund the health facilities, Public Health Section and PHC – Level 1 and 2 as shown below:

Hospital Name	Facilities' targets
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Bokoli Sub County Hospital	57,248,430.00
Bumula Sub County Hospital	44,249,645.00
BCRH	370,980,950.00
Cheptais Sub County Hospital	55,234,530.00
Chwele Sub County Hospital	41,783,540.00
Kimilili Sub County Hospital	78,227,350.00
Mt. Elgon Sub County Hospital	33,405,440.00
Naitiri Sub County Hospital	41,010,625.00
Sinoko Sub County Hospital	8,688,498.00
Sirisia Sub County Hospital	42,479,585.00
Webuye County Hospital	300,761,430.00
Public Health	21,000,000.00
Primary Health Care	200,000,000.00
<b>Total Target (Kshs)</b>	<b>1,295,070,023.00</b>

When reviewing the Sub-county hospitals budgets, the Committee prioritized allocations for specialized materials, recognizing their critical role in ensuring quality health service delivery and optimizing revenue generation. The total allocation designated for specialized materials amounts to Kshs. 725,615,305.69, as summarized in the following breakdown:

Item	Amount
Medical Drugs	256,910,390.06
Dressings and Other Non-Pharmaceutical Medical Items	164,142,163.69
Fungicides, Insecticides and Sprays	11,019,344.89
Chemicals and Industrial Gases	17,028,387.04
Laboratory Materials, Supplies and Small Equipment	99,723,549.83
Food and Rations	134,399,757.26
Purchase of Uniforms and Clothing - Staff	7,233,302.50
Purchase of Uniforms and Clothing - Patients	5,219,805.90
Purchase of Bedding and Linen	14,392,605.48
Purchase of X-Rays Supplies	15,545,999.05
<b>TOTAL</b>	<b>725,615,305.69</b>

### Development in the health facilities

In reference to the Health Act 46 (3b) which states that “*The funds collected by a health unit shall be utilized solely for provision of health services and development in the health unit where the funds are received or generated in accordance with the annual estimates of the health unit as approved by the County Assembly*”: this committee has appropriate part of the facilities towards development in agreement with the department of health. The projects captured are:

- Completion of Blood bank BCRH Kshs. 8,000,000

- Completion of Radiology Unit BCRH Kshs.10,000,000
- Construction of Webuye outpatient Kshs.20,000,000
- High frequency full digital radiography system plus X-ray Printer Sirisia Kshs. 12,000,000

### **Public Health**

The sub-sector of Public Health has a budget estimate of Kshs. 21,000,000 for recurrent with most planned expenditures under Fungicides, insecticides and sprays of Kshs. 8,774,148 and domestic travel Kshs. 5.2 million. In the FY 25/26, the department has committed to collect revenue to the tune of Kshs. 21 million if well supported, though it has not been allocated any funds from the exchequer.

The Public Health County Coordinator submitted a memorandum through the Sector Committee highlighting critical operational challenges. The memo indicated that although the department successfully collects funds and deposits in the revenue accounts, it has been unable to access and effectively utilize these funds hampering its operations, particularly affecting essential activities such as motorbike maintenance and fuel procurement. This committee reviewed the memo and allocated Kshs. 5 million from the exchequer to the sub sector to run its activities and programmes on Neglected Tropical Diseases. The Health Services Committee should follow up on the revenues collected by the sub-sector to allow Appropriation in Aid like other health operations.

### **PRIMARY HEALTH CARE**

The total budget for Primary Health Care facilities is Kshs. 200,000,000. PHC is delivered through: Dispensaries (Level 2), Health centers (Level 3), some elements in Level 4 hospitals (sub-county hospitals) and mobile health outreaches.

The main programmes are Community Health Services, health promotion and disease prevention, maternal and child health services, basic curative services, reproductive health services. The Budget will be funded by SHIF reimbursement and DANIDA grant to all the 144 dispensaries and health centres.

### **Roads and Public Works**

The department has been allocated a total of Kshs. 616,782,191; recurrent Kshs. 40,759,393 and development Kshs. 576,022,798.

Under recurrent the planned activities include;

- Operation and maintenance Kshs. 25,939,808. The amount was downsized by Kshs. 4 million.
- Fuel, oil and lubricant Kshs. 5,048,820, this Committee has enhanced the allocation by Kshs. 9 million that will fuel own machinery at a rate of Kshs. 200,000 per Ward to allow equal benefit from own-machinery programme.
- Supplier credit of Kshs. 8,728,677 which includes:
  - ✓ Repair of grader-KBJ 7300 Komatsu Kshs. 3,391,840
  - ✓ Delivery of sprocket for KCA 976 F Kshs. 93,000

- ✓ Repair and servicing KCD 728G New Holland Grader Kshs.1,000,000
- ✓ Repair & servicing 39CG008A Kshs. 1,000,000
- ✓ Air tickets, tuition fees Kshs. 998,837
- ✓ Hotel and Conferences-Divine Homes Kshs. 2,245,000
- Research and feasibility Kshs. 1,042,088- for engineering designs & plans.

Development has a total allocation of Kshs. 576,022,798 to execute the following projects:

- Overhaul of roads Kshs. 202,733,106
  - Salmond –R. Khalaba Road Kshs.73,973,232
  - Misikhu Brigadier Kshs. 128,759,874. The total contract sum for the phase 2 is Kshs. 525,999,390. For FY 2024/25, the road has an allocation of Kshs. 120,000,000 plus Kshs. 250,000,000 in the 1<sup>st</sup> Supplementary Budget giving a total of Kshs. 370,000,000 hence need for more allocation of Kshs. 155,999,390. In the budget Kshs. 128,759,874 has been availed. The project completion period is within the FY 2025/2026. In response to public concerns regarding repeated launches and re-launches of this project without completion, this Committee has allocated an additional Kshs. 27,239,516 to ensure full funding for project completion.
  - Overhaul of other infrastructure and civil works Kshs. 21,372,408 for lighting maintenance was reallocated to Trade, Energy and Industrialization department.
- Construction of bridges Kshs. 21 million. No list of projects was provided hence the allocation was declined and reallocated to contract frameworks.
- Other infrastructure and civil works - framework contract Kshs. 33,071,081 has an additional Kshs. 21 million. The work plan was not provided.
- Supplier credit for dual carriage Kshs. 113,291,204 reduced by Kshs. 60 million.
- RMLF Kshs. 184,554,999. The work plan for the FY 2024/25 and 2025/26 should be provided to the sector committee after the recent favorable ruling by the courts.

In reflecting public views, there should be clear delineation of which roads are implemented by the National Government through CDF, RMLF and Ward Based initiatives to avoid confusion and duplication.

### **Trade, Energy and Industrialization**

A total of Kshs. 329,420,860 comprising Kshs. 64,892,317 recurrent and Kshs. 264,528,543 development has been proposed to fund the activities and programmes in the department in the financial year 2025/2026.

<b>Sub-Sector</b>	<b>Recurrent</b>	<b>Development</b>	
Trade	26,826,710.00	81,362,444.00	
Energy	11,449,987.00	9,797,679.00	
Industrialization	26,615,620.00	173,368,420.00	
<b>Totals</b>	<b>64,892,317.00</b>	<b>264,528,543.00</b>	<b>329,420,860.00</b>

Under recurrent, Kshs. 64 million will fund operations and maintenance in Trade, Energy and Industrialization as highlighted above. The recurrent allocation has seen a reduction of Kshs. 18.4 million with the following programs affected:

- ✓ Contracted professional services in the 3 sub-sectors with an allocation of Kshs. 10.5 million reduced by Kshs. 5 million. The staff in the department should be funded to formulate their policies as opposed to outsourcing consultancy services.
- ✓ Research allocation of Kshs. 6 million dropped
- ✓ Committee boards and conference Kshs. 9 million reduced by Kshs. 4.1 million
- ✓ Domestic travels cut down by Kshs. 2.5 million
- ✓ Purchase of furniture Kshs. 750,000 dropped.

On utilities supplies and services (electricity expenses) has been allocated Kshs. 6,164,028, this Committee considered Sector Committee submissions that the department utilizes Kshs. 1.5 million per month amounting to Kshs. 18 million annually on electricity dues to street lighting hence Kshs. 11,835,972 was added to avoid under budgeting.

The development vote allocation of Kshs. 81,362,444 is on the following votes;

- a. Trade Loan has been allocated Kshs. 20,000,000. This allocation shall see the revolving fund increase to Kshs. 165,679,933. The amount was moved to recurrent budget in line with COB's advisory.
- b. Other infrastructure and civil works (construction of Kamukuywa Market) has been allocated Kshs. 30 million. The current financial year allocation was Kshs. 200,390,081 which was the total amount of money required to fully complete the market as per the contract sum. The additional allocation is to cater for variations which have not been properly supported hence this Committee declined the allocation.
- c. Ward Based pending bills has been allocated Kshs. 13,308,340.
- d. Construction of six sanitation facilities in market has been allocated Kshs. 18,054,104 was declined since it is a programme under Sanitation and not Trade.
- e. Under Energy, installation of transformers through REREC has an allocation of Kshs. 6,797,679 while solar back-up installation for the Governor's office complex has been allocated Kshs. 3,000,000. The REREC allocation was enhanced to Kshs. 45 million to enable the 24 wards that missed out in phase one of the programme to benefit. This attracts a grant of a similar figure from REREC.
- f. Under Industrialization, the CAIP (County co-funding) has an allocation of Kshs. 40 million. For the National Government grant, there is an allocation of Kshs. 133,368,420.
- g. Street light maintenance with a budget of Kshs. 21,372,408 has been transferred from Roads and Public Works department to the Energy department by this Committee.

### **Lands, Urban Physical Planning, Housing and Municipalities**

The department of Land and Urban Physical Planning has an allocation of Kshs. 91,414,482 comprising Kshs. 21,820,312 for recurrent and Kshs. 69,594,170 as development.

Recurrent allocation shall fund operations and maintenance to a tune of Kshs. 21.8 million. The budget has been reduced by Kshs. 1,395,365 affecting purchase of furniture, general office supplies and printing and advertising.

Below are the allocations for development:

- Preparation of Integrated Physical Planning in Misikhu at Kshs. 3,567,947 which has been dropped.
- Purchase of Land for expansion of Matulo Airstrip at Kshs. 40,000,000.
- Countywide public participation for the Valuation Roll Kshs. 1,026,223.
- Renovation of Webuye Town Hall has an allocation of Kshs. 5,000,000 was dropped since sub-county offices are under the department of Public Administration
- Equipping of a GIS Lab at the Headquarter Kshs. 20,000,000. The amount was enhanced by Kshs. 10 million to enable purchase of a GIS vehicle.

## **Housing**

The Directorate has an allocation of Kshs. 397,884,275 comprising Kshs. 31,126,098 for recurrent and Kshs. 366,758,177 as development.

The recurrent budget of Kshs. 31,126,098 will fund operations and maintenance in the department. It also includes a KISIP co-funding of Kshs. 18,500,000 and Kshs. 1,416,500 for temporary expenses meant for automation of Housing inventory and drafting of Housing Regulations. The operations budget has a decrease of Kshs. 2.6 million on domestic travels since the recurrent grant is funding some of the operational costs.

On the development allocation, the following are the projects;

- a) KISIP 2 infrastructure grant for slum upgrading in Chwele and Bungoma at Kshs. 297,400,190. The work plan was submitted.
- b) Other infrastructure and civil works Kshs. 61,591,580. The project details are as follows:
  - Construction of office block in Milimani Kshs. 55,000,000.
  - Construction of Governors residence in Mabanga Kshs. 3,591,580.
  - Deputy Governor's official residence in Musikoma Kshs. 3,000,000.

The Committee was concerned at the pace of implementation of the above 3 projects. The office block has a payment Kshs. 97,476,000 with no progress made apart from excavation. The Governor's residence has a payment of Kshs. 17,473,250 and an allocation of Kshs. 20 million in the current budget but the project has stalled. The Deputy Governor residence has never taken off despite allocations from FY 2023/24. A total reduction of Kshs. 39,091,580 has been made leaving a balance of Kshs. 22.5 million for the construction of administration block. The sector committee is directed to report to this House the status of implementation of the 3 projects.

- c) Renovation and Refurbishment of 12 County Residential Houses allocated Kshs. 5,766,407 was declined.

d) Security fencing of 1 county Residential estate with perimeter wall (County Headquarter) Kshs. 2,000,000 was declined because the estate to be fenced was not specified.

### **Bungoma Municipality**

The Municipality has a total budget of Kshs. 151,640,398 comprising Kshs. 49,248,371 for recurrent and Kshs. 102,392,027 as development.

#### **Recurrent budget**

The recurrent votes to be funded are;

1. Personnel emoluments have been allocated Kshs. 25,948,371. This also covers the department's projection to promote 10 existing staff and recruit 4 additional staff.
2. Operations and maintenance Kshs. 14,550,000, the allocation was reduced by Kshs. 5 million since the recurrent grant is funding some operational expenses like capacity building.
3. Urban Institutional Grants (UIG) – KUSP) Kshs. 8,750,000. The amount will cater for :
  - ✓ Capacity building of board members and staff Kshs. 2,750,000
  - ✓ Review and documentation of GIS based municipality integrated development plan Kshs. 1,500,000.
  - ✓ Preparation review and documentation of municipal strategic plan Kshs. 1,000,000
  - ✓ Preparation review and documentation of municipal by-laws Kshs. 500,000
  - ✓ Preparation of risk management policy Kshs.500,000
  - ✓ Solid waste management policy Kshs. 500,000
  - ✓ Preparation of governance and procedure manual Kshs.500,000
  - ✓ Preparation, review and documentation of private sector engagement framework Kshs. 1 million

On the development allocation, the following are the projects;

- a) Proposed construction of market stalls, kitchen and stores, toilet block and associated external works at Kanduyi Bus spark Kshs.47, 326,103. The project has a total allocation of Kshs. 145.5 million in the current year, with Kshs. 120 million received during the 1<sup>st</sup> supplementary budget FY 2024/2025 to complete the original contract sum. The additional allocation covers project variations which were not properly supported hence the amount was decreased by Kshs. 27 million awaiting proper documentation of the variations declared.
- b) Grant (UDG) Kshs. 55,065,924. The projects are as follows;
  - ❖ Construction of Urban storm water drainage channels in Bungoma CBD Khalaba ward Kshs. 15 million. Priority should be given to; Moi avenue: main stage-airstrip, Simba Street: stage-cathedral road, Tourist road: tourist hotel-Kilimo house-Kenya seed, Dual carriage from Kanduyi to Sangalo junction, Mwireria road:Chepkube mkt-Jamia mosque, Wings Hotel Road:wings hotel-Wanjala Ng'ombe, Lady Irine to Wanjala Ng'ombe road:National oil-Oldrex, Mjini-Nzoia flats-Muslim-Dismus Road, Mama Fanta-main stage Street,

Cathedral road to the Governors Offices, Siritanyi – Mateka market road, County Assembly-law courts-Bungoma High-Milimani road, Old Kenya seed road and Kanduyi- stadium-Makutano junction road.

- ❖ Construction of 0.6 Km pedestrian walkways along Simba Street Kshs. 8,000,000.
- ❖ Construction of car park areas and toilets within Municipality urban Centre's especially around Khetias Supermarket in Kanduyi and Stretch along County Assembly Kshs. 12, 000,000.
- ❖ Construction of a landscaped, fenced recreational park with water and field sporting activities complete with a modern social hall and cafeteria Kshs. 20,065,924. The park is to be established at Namasanda dam in Musikoma Ward. The project is not part of the approved spatial plan hence the project was declined. The amount was reallocated to upgrading of Mumias road – Mupeli Primary Crescent Roads to bitumen standard as proposed by the municipality.

### **Kimilili Municipality**

The Municipality has a total allocation of Kshs. 132,436,275 comprising Kshs. 45,340,318 recurrent and Kshs. 87,095,957 as development.

Recurrent programmes are as under;

- a) Basic Salaries – Civil Service Kshs. 18,081,192. Included in the allocations are intents to promote 7 staff, annual increments and recruitment of an ICT officer and an internal auditor.
- b) Operations and maintenance Kshs. 16,509,126 the amount was reduced by Kshs. 1.6 million.
- c) Other capital grants and transfers –UIG grant Kshs. 8,750,000 with the work plan outline as below::
  - Workshops, training and learning events of municipal members Kshs. 2,000,000
  - Purchase of 6 computers and laptops Kshs. 1 million
  - Office furniture Kshs. 500,000
  - Asset management policy Kshs. 1 million
  - Setting up of urban service delivery database Kshs. 1 million
  - Land use plan Kshs. 1 million
  - Public private engagement policy formulation Kshs. 1 million
  - Sensitization of the public on gender based issues Kshs.1,250,000
- d) Research, Feasibility Studies, Project preparation and Design Projects Kshs. 2,100,000

On the development, the following are the allocations;

- a) Other Capital Grants (Construction of Sewer line) Kshs. 45,368,215. The Committee raised concerns about this project in light of His Excellency the Governor's previous announcement regarding a donor-funded sewerage system. The work plan was reviewed in consultation with the municipality to fund the following:
  - ✓ Upgrading of roads to bitumen around the Thursday Market Kshs. 22,368,215.

- ✓ Upgrading of Roads to bitumen from Ravine Supermarket along Katiba Grounds to Kapsokwony Junction Kshs. 20 million.
- ✓ Erection of 1 no. high flood mast at Katiba Grounds Kshs. 3 million

b) Construction and Civil Works Kshs. 41,727,742 from exchequer. The projects were also reviewed by this Committee in consultation with the Municipality by including acquisition of a dumpsite and equipping of Kimilili Morgue as illustrated below:

- Purchase of land for the dumpsite Kshs10, 106,000
- Construction of a perimeter wall at Amutala Stadium Kshs16, 121,742
- Equipping of Kimilili District Hospital morgue Kshs11, 500,000
- Renovation of Office Block Kshs4, 000,000
- Rehabilitation of Auction Ring Kshs2, 015,000. This allocation was dropped and the amount reallocated to fully equip the morgue.

## **Tourism, Environment, Water and Natural Resources**

### **Tourism and Environment**

The department has a budget estimate of Kshs 622, 928,662 comprising Kshs378, 439,774 recurrent and Kshs 244, 488,888 developments.

Recurrent programs include;

- Operation and maintenance costs Kshs13, 602,949. The amount was reduced by Kshs3.5 million since some operational costs are catered for under the recurrent grant. Motor vehicle insurance was enhanced by Kshs333, 558 as highlighted in the Sector Committee report.
- Contracted cleaning services Kshs350, 892,665 compared to Kshs336, 000,000 in the current financial year. The allocation is meant for cleaning of markets, garbage collection, transportation, disposal and dumpsite management. In view of the Sector Committee report the increase was caused by additional 10 new markets.
- Other transfers Kshs14, 000,000 with the work plan as follows:
  - ✓ Climate change institutional supports grant Kshs11, 000,000. The amount will be spent on development of stakeholders' engagement plan document and formulation of Climate Change knowledge management strategy document.
  - ✓ CCCU (County government contributions) budget Kshs3, 000,000 for administrative costs - supervision fuel for Ward projects

Development programs are;

- Other capital grants and transfers (County Government contribution) Kshs91, 000,000.
- Other capital grants and transfers (climate change grant) Kshs153, 488,888

The work plan for the community climate resilience projects identified under FFLOCA program has been provided for all the 45 Wards but it lacks proper costing of the projects to confirm the expenditures of the Kshs91, 000,000 and Kshs153, 400,000 as stated above. The Sector Committee should follow up on the implementation of the work plan and also on formulation of the regulations to operationalize the Climate Change Act. As per submissions from the public, the sector committee should ensure effective public participation while maintaining transparency and accountability in the FFLOCA project implementation.

## Water and Natural Resources

The department has a budget of Kshs592, 204,474 comprising Kshs 45, 284,474 for recurrent and Kshs546, 968,800 for development.

Recurrent programs include;

- Utilities supplies and services Kshs30, 030,000
  - Electricity expenses Kshs30, 000
  - BWASCO support which entails the following
    - Power bills Kshs20,000,000
    - Chemicals Kshs10,000,000
- Operations: Communication supplies, domestic travels, printing, advertising, trainings, hospitality supplies Kshs3, 314,474
- Plant insurance Kshs1, 400,000 for drilling rig, test pumping unit and support truck.
- Fuel oil and lubricants Kshs2, 500,000.
- Routine maintenance – vehicles, furniture and equipment Kshs2, 290,000
- Routine maintenance of water projects (frame work contract) Kshs750, 000
- Prefeasibility and Appraisal (KOICA) County Government Contribution Kshs5, 000,000 for stakeholder's engagement, Project feasibility studies and preliminary design, Processing of permits and licenses, remitting of tax for project vehicle to be handed over to county (KOICA2), Project launching (KOICA3), Survey, Design and BQ preparation for water projects. The amount was enhanced by Kshs15 million in line with the Sector Committee report to meet the grant conditions.

The development planned projects are;

- Purchase of workshop tools, spares and small equipment (drilling tools) Kshs18, 392,019. The plan is to drill 22 boreholes in 22 wards. The amount also includes Kshs. 4.2 million for maintenance of drilling fleet. This Committee has enhanced the amount by Kshs. 15 million for the drilling to be done in all the 45 wards.

Supplier credit Kshs. 20,576,781. The pending bills list prioritized are:

- Construction of Nandika Water projects FY 2020/21 at Kshs. 4,042,280
- Rehabilitation and extension of Nabikoto Water project phase II FY 2020/21 Kshs. 4,362,760

- Lutaso water project (extension of pipeline and water kiosk) FY 2020/21 Kshs. 2,899,159
- Upgrading of borehole at Kulisuru Primary FY 2023/24 Kshs. 3,685,740
- Upgrading and extension of Mukwa Community borehole and solarisation of Nasimbo primary borehole in Siboti FY 2023-24 Kshs. 5,661,612

Other capital grants (KOICA III) Kshs. 500,000,000. The proposed project is termed Sosio Zone 4C Water Project (Sosio Kamukuywa-Tongaren-Webuye).

The project aims to serve the following: Mt. Elgon, Kimilili, Tongaren, Webuye East and Webuye West.

Other infrastructure and civil works (Storm water drainage system) in Bungoma town Kshs. 8,000,000, the projects was reassigned to Bungoma Municipality.

## **GENDER AND CULTURE**

The department has a budget of Kshs. 44,735,914 comprising Kshs. 26,276,524 for recurrent and development for Kshs. 18,459,390.

Recurrent programmes are;

- Operations and maintenance which includes International women's & disability day Kshs. 10,276,524
- Gender /Disability Mainstreaming Kshs. 500,000
- Specialized materials and Supplies Kshs. 15,000,000 for purchase of Uniforms and Clothing KICOSCA items which this Committee notes is excessive. The KICOSCA work-plan was re-organized and additional funds added as follows: Uniforms Kshs. 4 million; KICOSCA Kshs. 18 million; ELASCA Kshs. 8 million.
- Temporary committee expense - To facilitate appointed committee sitting allowance, Capacity building, sensitization of bar owners on liquor license Kshs. 500,000.

This Committee has also acknowledged public views regarding children's matters and recognizes with the recent enactment of the Bungoma County Children Policy, and in accordance with the Children Act 2022, the department must develop a framework to safeguard children's rights to survival, development, protection and participation in County affairs. The Committee has allocated Kshs. 1,256,000 for the celebration of International Children's Day in November, during which a comprehensive framework should be launched.

Development Programmes include;

- Construction and equipping of women leadership and empowerment Centre at Sangalo Kshs. 8,209,390. The department should endeavor to complete ongoing projects before

commencing new ones. The amount was reallocated to completion of the Sang’alo Multi-purpose hall with an outstanding bill of Kshs. 7,095,126

•Funds Kshs. 10,250,000.

- Loans and Other instrument – Women Kshs. 5,125,000
- Loans and other instruments – Disability Kshs. 5,125,000

## **YOUTH AND SPORTS**

The department of Youth and Sports has a total allocation of Kshs. 58,492,241; Kshs. 53,492,241 has been allocated to recurrent expenditure and Kshs. 5 million to development.

Activities to be undertaken include:

•Operations and maintenance Kshs. 13,447,041

•The department had also allocated funds for ward games/KYSA games Kshs. 16,839,042, specialized materials Kshs. 6.6 million and National celebration Kshs. 11.4 million. This committee notes the absence of Youth empowerment activities as captured in the approved CFSP 2025 with the resources directed majorly to the sports activities. In considering Sector Committee reports and public views, the allocations and activities were reviewed as shown below with an additional funding of Kshs. 4.6 million:

□Talanta Hela Kshs. 4.5 million

- Organized marathon Kshs. 2.2 million
- Support to clubs (Para volley, Volley-ball, Rugby, Football, Hockey) Kshs. 3,425,000
- Participate in KYSA games Kshs. 4,795,200
- Celebration of youth week Kshs. 3,665,000
- Youth career empowerment seminars Kshs. 1,460,000 for sensitization for AGPO
- Youth Fund Kshs. 30 million

## **Development**

The department has an allocation of Kshs. 5 million for construction of Maraka Stadium. The Committee notes that Kshs. 5 million is not sufficient to construct a Sub-County Stadium; there was no clarity on what component of stadium works will the Kshs. 5 million cater for. A feasibility study should be conducted on the stadium for proper costing to be done; to allow sufficient funding.

## **FINANCE AND ECONOMIC PLANNING**

The department has been allocated a total of Kshs. 590,997,595; Kshs. 328,997,595 for recurrent and Kshs. 262 million for development.

## **Administration**

The directorate of Administration has an allocation of Kshs. 118,250,820 compared to Kshs. 868,561,699 allocated current financial year. The budget has dropped drastically due to shifting of staff compensation of Kshs. 446,770,757 to Office of the County Secretary and a reduction of Kshs. 261,972,594 from operations and maintenance. Included in the recurrent budget is Kshs. 69 million as KRA penalties accrued.

Highlights of activities funded are as follows:

Integrity assurance (Anti-corruption) committee meetings, Project Management Committees meeting, Technical Working Groups meeting, Sector Working Groups meetings, Budget Implementation Committees meetings, PFM Committees meetings, Departmental Senior Management meetings, Develop and operationalize an asset management system, Carry out asset verification exercise, Department Risk Assessment, Staff performance contracting systems enforcements, Staff sensitization on appraisal systems and performance appraisal.

The budget has been downsized by Kshs. 9,600,000.

Public participation has been allocated Kshs. 30,412,662. The allocation is for public participation for 4 documents: Supplementary budgets, Annual budget, CFSP/MTEF and CBROP. The public participation will be conducted up to village level. Other documents that require public participation but not included are ADP and the Finance Bill. The allocation was reduced by Kshs. 15 million

## **Revenue**

The directorate has an allocation of Kshs. 42,201,606. The amount includes Kshs. 12,080,400 that will be spent on formulation of the Finance Bill, stakeholder engagement, public participation, report writing and gazettlement of the Finance Bill 2025. The allocation was reduced by Kshs. 15.6 million. The funding of the directorate should be from local revenue and not exchequer.

## **Planning directorate**

The directorate has an allocation of Kshs. 17,370,802. The amount will be spent on the following activities: Preparation of County annual progress report, ADP, DMSP, review and update sector plans, SDGs status report, establish knowledge management repository and public participation on the ADP. The budget has reduction of Kshs. 2.3 million.

## **Budget**

The directorate of Budget has a total allocation of Kshs. 31,288,880. The directorate deals with preparation of annual budget and supplementary, uploading of budgets, budget implementation reports (4 quarters), preparation of CBROP, MTEF and CFSP and formulation of budget guidelines. The directorate has a reduction of Kshs. 10,345,000.

## **Auditing**

The Directorate of Audit has its allocation of Kshs. 15,920,190 reduced by Kshs. 1.1 million. The planned activities include; Audit of the following; AIA Collections, Budget, County Own Generated Revenue, Public Service Delivery, Contract Management, Risk-based Annual Internal Audit Planning, Kenya Livestock Commercialization Project, Trade Loans Scheme, Expenditure Management and Imprest Control, DANIDA, KISIP and Kenya Agricultural Business Development Project, Locally-Led Climate Action Program (FLLoCA), NAVCDP, KDSP, KUSP, Payroll Management and Education Support Scheme.

The allocation will also cater for operations of the audit committee and renewal of Annual license of Teammate plus and Teammate Analytics

### **Accounts**

The Directorate of Accounts has an allocation of Kshs. 17,251,952 with a reduction of Kshs. 2.5 million.

Planned activities are; KRA Tax Review, Purchase of accountable documents, Appearance before senate, Preparation of Quarterly Executive Financial Statements, Preparation of quarterly Financial Statement and trainings.

### **Monitoring and Evaluation**

The directorate has an allocation of Kshs. 7,945,507. The planned activities include; Quarterly COMEC meetings, Quarterly field Monitoring and Evaluation data collection. In alignment with public expectations, the directorate should produce quarterly monitoring and evaluation reports and ensure their publication and circulation.

Purchase of furniture allocation of Kshs. 160,000 was declined.

### **Procurement**

The directorate has a total allocation of Kshs. 16,350,354. Programmes to be implemented include; market survey, compliance and monitoring, risk management identification, preparation & consolidation, uploading of procurement plan, preparation of prequalification of suppliers/ contractors, facilitation of M&E committee for carrying out monthly monitoring and evaluation of county development projects, pursuant to Section 152 of PPDA 2015, evaluation and inspection committees and lastly assessment of procurement awarded to reserved groups. The allocation was reduced by Kshs. 826,207.

### **Special Programme Coordination Unit (SPCU)**

The directorate has an allocation of Kshs. 22,504,822. The directorate deals with coordination of Ward Based Projects implementation processes, profiling of Ward Based Projects FY 2018/19-2024/25, printing Ward based profile report Booklets 2018/19 - 2024/25, preparation of quarterly performance reports for ward project, Standard Operating Procedures for WBP, Ward based projects planning for FY 2025/26 implementation processes. The amount was

reviewed to Kshs. 135.4 million to cater for administrative costs relating to ward-based implementation. A detailed work plan of activities were done and submitted by the County Treasury with a highlight of the activities shown below:

No	Activity
Quarter 1	Project identification and budgeting
	Preparation of procurement plan
	Undertaking Feasibility studies /inventory for new ward-based projects/Market survey for supplies
	Drafting of BQs & preparation of tender documents
	Joint Advertisement of ward-based projects works and services
	Opening and evaluation of tender bids
	Purchase of project vehicle
	Monitoring and Evaluation quarter 1 report
	GIS mapping of all WBP to generate digital and physical maps and detailed illustrations of projects as per: Entire County, Sub-County, Ward, Village
Quarter 2	Quarter 1 ward based performance review.
	Project site handover to contractors
	Supervision and inspections of projects implementation progress
	Validation, printing and publishing of WBP policy 2025
	Quarter 2: Ward based performance review reports presented to MCAs
	M&E quarter 2 reports presented to MCAs
Quarter 3	Publishing and Printing of quarter 2 reports
	M & E Quarter 3 reports to be presented to MCAs
	Monitoring and Evaluation quarter 3 report writing
	Publishing and Printing of quarter 3 reports
	Quarter 3 Ward based performance review reports
Quarter 4	Supervision and inspections of projects implementation progress
	Quarter 4 Review of Ward based performance reports
	Quarter 4 M&E reports
	Monitoring and Evaluation quarter 4 report writing
	Publishing and Printing of quarter 4 reports

## Statistics

The directorate has an allocation of Kshs. 9.5 million compared to Kshs. 10 million current year to carry out the following activities; Pilot Survey (Formulation of survey tool), survey analysis and report writing (main survey to be done after the pilot surveys), Monthly Routine Surveys (CPI surveys), Social Economic Ward Based Data Profiling, County Statistical policy formulation, County Statistical strategic plan formulation, Social Economic Ward Based Data Profiling report and County statistical abstract draft report.

## Development

Development has an allocation of Kshs. 262 million broken down as;

- Emergency fund Kshs. 100 million,
- Other infrastructure and civil works Kshs. 20 million for refurbishment of buildings. The allocation was declined since a similar allocation was done during the 2nd supplementary budget of FY 2023/24.
- Civil works- retentions Kshs. 100 million,
- □Purchase of ICT networking Kshs. 42 million (maintenance of revenue system Kshs. 25 million, development of Health Management Information system Kshs. 17 million).

The allocation of Kshs. 17 million was dropped due to lack of value for money for the installed system.

## PUBLIC SERVICE MANAGEMENT AND ADMINISTRATION (PSMA)

The department has a budget estimate of Kshs. 762,219,010 comprising Kshs. 368,495,597 recurrent and Kshs. 393,723,504 development.

Recurrent programs are highlighted below;

I. Utilities supplies, communication supplies and services, domestic travel and subsistence allowance, commemoration of 4 national celebrations, foreign travel, printing, advertising and information supplies, rent of ward office, civic education and public participation, training expenses, office and general services, fuel and oils Kshs. 61,565,721. The amount has a reduction of Kshs. 2,850,000.

II. Contracted guards and cleaning services Kshs. 60,436,180.

III. The medical insurance cover for 6,500 staff allocated Kshs. 200,000,000. However, the current contract with Karen Direct Insurance Brokers Ltd amounts to Kshs. 299,860,644, creating a shortfall of Kshs. 99.8 million. The sector committee report confirms the same deficit already exists in the current financial year's budget. Implementation challenges have prevented staff from accessing services despite paying high premiums. The department should conduct a customer satisfaction survey regarding the medical cover and decide

whether to retain the current service provider. Given the payment history from the retention account, the firm has been engaged for a considerable period, necessitating renegotiation of contract terms despite exchequer constraints.

IV. Other capital grants and transfers KDSP II Kshs. 37,500,000. The work plan is as follows:

- Establishment of a single project management unit Kshs. 500,000
- To increase Own Source of Revenue collection in the County Kshs. 5 million
- Prepare and implement 1 action plan to reduce stock of pending bills Kshs. 5 million
- To integrate human resource records, authorized staff established and payroll cleaned and uploaded in HRMIS Kshs. 4 million
- Enhance accountability for results through an integrated performance management framework for county staff Kshs. 5.5 million
- Implement public investment management dashboard with citizen feedback Kshs. 4 million.
- Gender mainstreaming Kshs. 800,000
- Implementation of grievance and redress mechanism (GRM) framework Kshs. 900,000
- To implement environment and climate change safeguards Kshs. 800,000
- To undertake M&E on KDSP programs Kshs. 1,000,000
- To coordinate implementation of programs and activities Kshs. 10 million.

KDSP co-funding Kshs. 5,000,000. The work plan provided is as follows:

- Sensitization workshop for sectoral Committee on the implementation of KDSP II Kshs. 1.8 million.
- Develop and operationalize the Civic Education and Public Participation Regulations Kshs. 1,200,000.
- Capacity building of 45 ward administrators and 236 village administration and 374 enforcement officers Kshs. 2 million.

➤  Supplier credit Kshs. 3,993,696. The list of outstanding bills provided totals Kshs. 53.2 million. No priority list provided.

## ICT

The directorate of ICT has a recurrent budget estimate of Kshs. 10,000,000 for recurrent operation and maintenance with major expenditure towards maintenance of computers software and other IT equipment at Kshs. 4.3 million. The recurrent budget was cut down by Kshs. 2 million.

ICT infrastructure development has Kshs. 40 million: The planned programs are as follows:

- Upgrading of fire suppression equipment
- Installation of information servers and switches
- Upgrading of air-condition system
- Installation and purchase of county firewall
- Installation of WAN/LAN in all sub-county offices at Kshs. 6 million
- Purchase of ICT equipment for Kimilili digital center (Sub-county office) at Kshs. 3 million
- Purchase of ICT equipment for Webuye digital center Sub-county office at Kshs. 3,500,000
- Purchase of ICT equipment for Sirisia digital center (sub-county) at Kshs. 3 million
- Upgrading of CCTV at Governor's office block at Kshs. 3 million
- Installation of CCTV at the Masinde Muliro Stadium at Kshs. 6 million

## **SUB COUNTY ADMINISTRATION**

The budget estimates for Sub County Administration is Kshs. 8,472,553 for the following programmes;

- Committee boards and conferences Kshs.2, 480,000
- General office supplies (stationaries) Kshs.1, 951,610
- Purchase of office furniture Kshs. 2,040,943 and purchase of computers and printers Kshs. 2,000,000; each was reduced by Kshs. 1 million

## **Development**

Development has a total budget of Kshs. 353,723,504 which entails:

- Supplier credit Kshs. 1,223,504 for the following pending bills.
  - •Construction Malakisi Kulisiru Ward office Kshs. 862,887
  - Construction and completion Chepyuk Ward Kshs. 360,617.
- KDSP development grants Kshs. 352.5 million the work plan not provided. The CECM Finance submitted that the work plan is still under approval and as soon as it is approved, it will be submitted to the respective sectoral committee for consideration.

## **COUNTY SECRETARY OFFICE**

The office of County secretary has a recurrent budget estimate of Kshs. 6,314,144,150.

The planned programmes:

- Basic salary permanent: 6,274,344,150

- Basic salary Kshs. 6,052,744,150
- Recruitment Kshs. 21,600,000
- Promotions Kshs. 10,000,000
- Casuals' Kshs. 90,000,000
- Pension arrears Kshs. 100,000,000

The changes in personnel budgets have been highlighted in chapter 2.

- Operations which include utilities, communication, domestic travels, foreign travels, printing and advertising, training, fuel, cabinet affairs, insurance Kshs. 24 million.
- Contracted professional services Kshs. 3,000,000
- Maintenance of vehicles and IT equipment Kshs. 700,000
- Purchase of furniture and fittings Kshs. 800,000
- Purchase of computers and printers Kshs. 1,000,000
- Supplier credit Kshs. 2,768,028
- Human Resource management Kshs 4,000,000
- Records Management Kshs. 1 million

## **COUNTY ATTORNEY OFFICE**

The office of the County Attorney has a proposed recurrent budget estimate of Kshs. 61,809,154.

The planned programs are:

- Operation and maintenance Kshs. 18,456,008
- Legal dues and fees Kshs. 8,500,000
- Supplier credit Kshs. 28,000,000 for payment outstanding legal fees. The amount was enhanced by Kshs 22 million
- Contracted professional services (strategic plan) Kshs. 2,853,146 and Contracted technical (Consultancy for legal audit Services) Kshs. 4,000,000. Both allocation were declined and reallocated to legal fee pending bills.

## **Governor's Office and Deputy Governor's Office**

The office of the Governor and Deputy Governor has a budget estimate of Kshs. 256,113,700 comprising Kshs. 216,505,250 for Governor's office and Kshs. 39,608,450 for the Deputy Governor office.

## **GOVERNOR'S OFFICE**

A highlight of the planned programs includes:

- Domestic travel and subsistence Kshs. 36,680,000. The activities covered include: cascade County Government achievements to Local Communities, Council of Governors trips, Engagement with LREB, Local stakeholders engagements, Devolution Conference, COG meetings, Develop Citizens Service Charter for Governor's Office, hold meeting with members of the Fourth Estate, hold resource mobilization with partners, revenue enhancement sensitization meeting, hold a stakeholder meeting with women, youth and PLWDs and Intergovernmental affairs
- Foreign travel and subsistence allowance and other transportation costs Kshs. 10,000,000 foreign engagement meetings.
- Printing, Advertising and information supplies Kshs. 6,000,000 for branded calendars, notebooks, diaries, umbrella T-shirts, speech printing, tradeshows and exhibitions, advertising and publicity.
- Rent for council of governors liaison office Kshs. 3,600,000 and first lady office Kshs. 2,880,000.
- Training expenses Kshs. 11,030,000.
- Research allowance Kshs. 2,000,000: consultancy services for research on client satisfaction.
- Hospitality supplies and services Kshs. 22,000,000 for Prayer meetings, Governor's Staff consultative meeting with his excellency the Governor, consultative meetings with his excellency the Governor and the legislative wing, Cascade County Government achievements to Local Communities consultative engagements with county residents, Local Stakeholder Meeting.
- Operation and maintenance Kshs. 58,336,887
- Fuel oil and lubricants Kshs. 14,000,000
- Other operating expenses Kshs. 24,000,000
  - Temporary expenses Kshs. 10,200,000
  - Office of the governor Kshs. 8,400,000
  - Office of the chief of staff Kshs. 1,500,000
  - Office of the Liaison Nairobi Kshs. 300,000
- Membership fees/dues and subscriptions to professional bodies Kshs. 10,800,000
  - Council of Governors Kshs. 3,000,000
  - LREB Kshs. 3,500,000
  - Devolution Kshs. 2,000,000
  - LREB hand book Kshs. 1,100,000
  - Legal support Kshs. 1,000,000

- Professional bodies Kshs. 200,000

Supplier credit Kshs. 15,178,363 against a total pending bill of Kshs. 102 million. Due to the high pending bills the committee has reallocated funds from non-essential programs to supplier of credit. The huge pending bills indicate the office spends beyond the recommended ceilings hence Public Administration Committee should look into budget implementation reports of the office. The pending bills amount was enhanced by Kshs. 26.8 million.

The proposed budget estimate is Kshs. 41,047,501 same allocation in the current financial year.

- Utilities, communication and general office supplies Kshs. 2,447,501
- Domestic travel and subsistence and other transportation costs Kshs. 3,000,000 for social programme aimed at combating the Triple Threat (Teenage pregnancy, GBV & New HIV infections)
- Hospitality supplies and services Kshs. 6,500,000. To sensitize students and staff on fire safety meant to combat fire outbreaks in schools and Disaster sensitization of high risk areas in markets centres and institutions.
- Fuel oil and lubricants Kshs. 4,000,000, Motor vehicle insurance Kshs. 3,500,000 and Maintenance vehicles Kshs. 4,800,000. Vehicle include fire engine, fire ambulance, county bus, utility vehicle, fire Renault engine replacement repairs and land rover water horse reel repair.

### **Development planned programmes**

Construction of non-residential buildings Kshs. 16,800,000

- ✓ Construction of the Bungoma Special Resource Centre Kshs. 5,000,000 and Bungoma Rehabilitation Centre Kshs. 5,000,000. The location and availability of land could not be ascertained. The 2 projects also require substantial amount of money to fully implement hence the projects were decline.
- ✓ Reintegration of the street children back to the community Kshs. 4,000,000. The activity is purchase of 150 steel double-decker beds and bedding materials (mattresses, blankets, and sheets), the activity description fails to clearly demonstrate how these purchases will contribute to the successful reintegration of street children back into their communities.
- ✓ Ploughing, planting, farm inputs, top dressing, harvesting, shelling, drying, storage Kshs. 2,800,000. The program was approved and should be implemented under the school feeding program.

The development allocations were reallocated to pending bills. There is need for a policy guideline for special programs.

### **Service Delivery Unity (SDU)**

The budget estimate is Kshs. 10,000,000. The amount will be spent on continuous Monitoring and evaluation county programs/projects and report writing retreats.

## **DEPUTY GOVERNOR'S OFFICE**

The office of the Deputy Governor has a recurrent budget estimate of Kshs. 39,608,450. The activities to be funded include: Communication supplies, Domestic and foreign travel and subsistence, Training expenses, Hospitality supplies, Office and General supplies, Fuel oil and lubricants, Motor vehicle insurance and maintenance.

### **County Public Service Board**

The County Public Service Board has an allocation of Kshs. 53,918,999 comprising recurrent for Kshs. 40,686,784 and Kshs. 13,232,215 on as development.

Recurrent allocation of Kshs. 40.6 million shall fund the following activities; Communication Supplies, domestic travels, training expenses, insurance costs, fuel and oil, office and general supplies, purchase of office furniture and maintenance costs. Reduction of Kshs. 9.3 million has been done on training expenses, hospitality, office and fuel and purchase of furniture in support of public views. This committee has made additional allocation of Kshs. 7 million for recruitment exercise and legal fee payments as illustrated in the sector committee report.

Development allocation is meant for construction of Bungoma County Public Service Board office block Kshs. 13,232,215.

### **County Assembly**

The County Assembly has an allocated a total of Kshs. 1,212,107,539 comprising Kshs. 968,617,279 for recurrent and Kshs. 243,490,260 as development. The Senate recommended ceiling is Kshs. 969,221,694 hence this committee has added Kshs. 604,415 to the Assembly budget.

#### **Recurrent budget**

The programmes are as under:

- Salaries has an allocation of Kshs. 512,000,967
- Government pension (Gratuity to Members) Kshs. 32,642,342
- Operations and maintenance Kshs. 365,209,002
- Insurance costs Kshs. 59,369,383. The amount entails medical, Motor vehicle and building insurance

On the development, the following are the allocations;

- Construction of new chamber Kshs. 177,490,260
- Phase II construction of the Speaker's residence has Kshs. 51,000,000.
- Installation of Solar in the main administration block Kshs. 15,000,000

## **COMMITTEE OBSERVATIONS AND RECOMMENDATIONS**

### **COMMITTEE'S OBSERVATIONS**

After thorough scrutiny of the Bungoma County Budget Estimates Financial Year 2025/2026, the Committee's observations are as follows;

1. The County Treasury is currently preparing and submitting budgets to the Assembly using the outdated Excel-based itemized budget formats instead of utilizing the modern Oracle Hyperion planning system's plan-to-budget module. This can potentially compromise budget accuracy especially during the final uploading of the approved budget to the IFMIS system through the Hyperion module.
2. The PBB and draft procurement plans submitted fail to clearly specify funding sources for planned activities and projects, with all recurrent and development initiatives indicating equitable share or GOK funding rather than identifying activities to be financed through local revenue, thereby placing excessive burden on exchequer resources and creating a lack of incentive to prioritize local revenue collection for project financing, ultimately contributing to the low revenue collection and accumulation of pending bills.
3. There is inconsistent fluctuations in own source revenue projections: AIA Kshs. 1.06 billion down to Kshs. 648 million and up to Kshs. 1.2 billion; Local revenue Kshs. 1.19 billion, down to Kshs. 870.3 million and down to Kshs. 671.05 million in the Annual budget FY 2024/25, 1<sup>st</sup> supplementary FY 2024/25 and annual budget FY 2025/26 respectively contravening fiscal responsibility principle on reasonable degree of predictability with respect to the level of tax rates and tax bases. The projected revenue of Kshs. 72,500,000 from fertilizer sales will not be realized since the department plan is to provide fertilizer free of charge the figure should be distributed to other revenue streams in order to maintain the Kshs. 671.05 million target.
4. The personnel budget allocation of Kshs. 6,830,374,680 accounts for 43% of total revenue, exceeding the recommended 35% ceiling stipulated under PFM Regulation 25(1b).
5. There is mismatch between recruitment strategy and skills gap. While 94 staff members are retiring (including 46 skilled health workers and 15 agriculture staff), the proposed recruitment plan emphasizes management positions (17 directors/deputy directors) rather than replacing the technical expertise being lost.
6. A flagship project should be a major, high-priority initiative that represents the County's commitment to addressing significant community needs and typically serves as a defining achievement of the current administration. In its scale and impact it should be able to benefit a large portion of the County's population. Flagship projects in their nature are prioritized during resource allocation. Some of the projects classified as flagship do not have a direct impact on the larger population.
7. The Special Program Directorate is managing responsibilities that belong to other departments, creating conflicts as identified in the sector reports. This deviates from the directorate's intentions caused by lack of a clear policy guideline on resource allocations.
8. Mabanga institute has diverted from the initial intended purpose of an Agricultural Training Center and Agricultural Machinery Centre. The institution is more of a

conference and accommodation center despite having 94 acres of land that could be used for agricultural value chain and farmers training.

9. The Committee notes with concern that the health facilities have historically prioritized the allocation of Appropriations-in-Aid (A-i-A) collections only towards recurrent expenditure neglecting the urgent infrastructure and equipment development requirements across the facilities.
10. Several votes included in the budget estimates lack corresponding detailed programmes. This omission undermines effective budget implementation, oversight and accountability and may lead to misalignment between resource allocation and intended service delivery outcomes. Section 130 (1) (b) (v) of the PFMA, 2012 emphasizes that the County Government budget should show all estimated expenditure by programme. It also hampers the County Assembly's ability to effectively scrutinize the feasibility and impact of proposed programmes.
11. Major cost variations in flagship projects stem from incomplete initial Bills of Quantities that omit critical components. These omissions necessitate scope adjustments and contract variations during implementation, increasing costs and extending timelines. This impedes accurate budgeting for project completion and limits the County's capacity to undertake additional flagship projects, ultimately affecting equitable development distribution across the County. A case in point is Kamukuywa market, Kanduyi bus-park, Dual carriage way, Misiku brigadier road.
12. The County Government has proposed various programmes without the requisite legal framework to guide their implementation. In addition several Acts that have been enacted lack Regulations to fully operationalize them hindering effective implementation, monitoring, accountability of programmes and services. This is contrary to the Article 185 (2) of the Constitution read together with Section 116 (1) of the County Governments Act, 2012.
13. Despite budgetary provisions for pension over the years, the County Executive has accumulated pension arrears. While funds have been set aside to address outstanding pension arrears, actual disbursements remain very low. Additionally, discrepancies in the pension amounts owed and information on pension arrears between the County Treasury and the Office of the County Secretary may hinder the effective clearance of arrears in line with existing agreements with pension schemes.
14. The youth, women and disability funds lack operational regulations for implementation. These funds have experienced challenges with poor loan repayment rates following disbursement, compromising the effectiveness of the revolving fund mechanism. As the executive plans to amalgamate these funds, there is a need for strategic reforms to ensure long-term sustainability.

## **COMMITTEE RECOMMENDATIONS:**

Upon scrutiny of the proposed Annual Budget Estimates FY 2025/2026, the Committee recommends as follows:

1. **THAT**, the CECM Finance should ensure that budgets are prepared through the plan to budget module with the oracle Hyperion version printouts submitted to Assembly as opposed to old excel itemized budget version.
2. **THAT**, the CECM Finance should revise the PBB and procurement plans to clearly designate specific funding sources for each activity and project, ensuring that a reasonable proportion of activities/projects are explicitly allocated to local revenue financing rather than defaulting to equitable share or GOK funding. This will create performance targets that link local revenue collection to project implementation, and developing a balanced financing mix that reduces over-reliance on national government transfers.
3. **THAT**, the CECM Finance should develop and implement a revenue forecasting system that includes enhanced data collection and analysis to improve the accuracy of revenue projections by conducting regular assessments of revenue potential, taxpayer compliance rates, and economic indicators that affect revenue generation, alongside standardized revenue forecasting methodologies using historical data trends and economic modelling to ensure projections are based on realistic and evidence-based assumptions rather than arbitrary estimates.
4. **THAT**, in line with the resolutions of Third Annual Wage Bill Conference, The County Secretary should implement a phased reduction strategy to bring personnel costs within the regulatory limit of 35% over the next 2 to 3 financial years. This could include natural attrition management, restructuring of allowances, and prioritizing critical recruitments only.
5. **THAT**, County Secretary, CECMs and Chief Officers should realign the recruitment strategy to prioritize technical and frontline staff replacement. Redirect funds allocated for management positions toward recruiting medical professionals, agricultural officers, and other technical staff to maintain service delivery standards and address the skills gap created by retirements. On the proposed management positions for directors/deputy directors, consideration should be given to those serving in acting capacities in accordance with the human resource manuals.
6. **THAT**, the budgetary allocation for personnel costs should be determined on the basis of a detailed costing of a human capital plan of a county government entity as approved by the responsible county department for public service management matters, the County Public Service Board and County Treasury. This committee also directs that the County Secretary shall prepare detailed quarterly reports on payroll expenditure and payroll cleansing and submit them to this House to facilitate oversight of personnel expenditures.
7. **THAT**, define clear policy direction to confront economic and environmental headwinds, Bungoma must articulate a clear, medium-term economic recovery and development strategy within the budget. This includes identifying flagship projects with measurable outcomes that directly respond to pressing socio-economic challenges.

8. **THAT**, the CECM for ALFIC together with the principal of Mabanga ATC and AMC should formulate a legislation that allows it generate revenue and fund its activities. They should position Mabanga as Agricultural Training Centre and Agricultural Machinery Centre. The institution should strategically position itself to support the implementation of Ward Based Projects and to ensure their sustainability.
9. **THAT**, the Department of Health and Sanitation should formulate regulations to implement the Health Act, providing guidance on allocating a portion of Appropriation-in-Aid collections to support development expenditures across all health facilities in accordance with Section 46(3)(b) of the Bungoma County Health Service Act, 2019, and ensure these allocations are incorporated into facility's budget estimates and work plans.
10. **THAT**, all county departments should submit comprehensive annual work plans aligned with their approved programmes and budgets within 30 days from the consideration of this report by the House. This will ensure that the budget remains results-oriented and facilitates performance tracking and accountability in line with the principles of Programme Based Budgeting (PBB).
11. **THAT**, the Accounting Officers should strengthen its project planning and design processes by ensuring that comprehensive feasibility studies and technical assessments are conducted prior to tendering. The preparation of Bills of Quantities should involve multidisciplinary review to minimize omissions. Variations should be adequately documented to justify additional allocations. In case of any variations, the accounting officer should comply with the provision of Section 139 of the Public Procurement and Asset Disposal Act, 2015.
12. **THAT**, the County Government should prioritize the development and enactment of the necessary legal frameworks and subsidiary regulations to support the effective implementation of programmes. Given that department heads and senior officers have the intimate understanding of their sectors and the challenges they face, it's counterproductive to outsource policy formulation to external consultants. Instead, this committee proposes a shift towards in-house policy/bills development led by County Executive Committee Members (CECMs), Chief Officers, and Directors with the support of research department, County Attorney's office and KIPPRA.
13. **THAT**, the County Treasury should prioritize prompt disbursement of allocated pension funds and conduct a joint reconciliation with the Office of the County Secretary to align records and establish annual payment schedules consistent with existing agreements. This House should also receive a report within 30days from the adoption of this report, detailing the causes of pension arrears accumulation, including instances where pension contributions were deducted but not remitted to the respective pension schemes.
14. **THAT**, CECM for Gender, Culture, Youth and Sports should ensure that the review of regulations governing the youth, women and disability funds are fast tracked within 30 days from the adoption of this report. The regulations should be customized to facilitate LPO and LSO funding mechanisms. This will enable youths, women, and

persons living with disabilities to participate in tendering processes and compete for procurement opportunities with loan repayments automatically deducted from contract payments received.

### **LIAISON COMMITTEE'S RECOMMENDED DEPARTMENTAL DECREASES AND INCREASES AND DEPARTMENTAL ALLOCATIONS IN THE ANNUAL BUDGET ESTIMATES FY 2026/2027**

The following are the committee's proposed decreases and increases on the departmental budget in this Annual Budget Estimates for FY 2026/2027.

Just a moment Chair Liaison, the budget estimates for which Financial Years?

**Hon. Stephen Wamalwa:** 2025/2026.

**Temporary Speaker:** Yes, you said...

**Hon. Stephen Wamalwa:** I can repeat Hon. Speaker.

**Temporary Speaker:** You said 2026/2027

*(Laughter)*

But that is well, you can proceed now!

**Hon. Stephen Wamalwa:** Hon. Speaker, the following are the committee proposed decreases and increases on the departmental budget in this annual budget estimates for FY 2025/2026, it is annexed. I will go straight...

**Temporary Speaker:** You just need to the annexures then you will have to read the decreases as per the report. Just look at what the table clerk is writing.

**Hon. Stephen Wamalwa:** Yes Hon. Speaker, I have the decreases and increases.

Name of Sector	TREASURY INITIAL TOTAL	FY 2025/26 LIASON COMMITTEE RECOMMENDED DEPARTMENTAL BUDGET ALLOCATIONS						COMMITTEE'S RECOMMENDED TOTALS
		RECURRENT	Increase/Decrease	NET RECURRENT	DEVELOPMENT	Increase/decrease	NET DEVELOPMENT	
Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development	449,694,287	43,058,405	27,000,000	70,058,405	406,635,882	128,380,979	535,016,861	605,075,266.00
Tourism and Environment	622,928,662	378,439,774	-3,166,442	375,273,332	244,488,888		244,488,888	619,762,220.00
Water and Natural Resources	592,284,474	45,315,674		45,315,674	546,968,800	211,450,000	758,418,800	803,734,474.00
Roads and Public Works	616,782,191	40,759,393	5,000,000	45,759,393	576,022,798	720,632,108	1,296,654,906	1,342,414,299.00
Education and Vocational	179,807,737	75,495,953	18,158,000	93,653,953	104,311,784	61,280,000	165,591,784	259,245,737.00
Health	1,603,734,231	1,520,270,430	(48,940,000)	1,471,330,430	83,463,801	141,570,000	225,033,801	1,696,364,231.00
Sanitation	368,943	368,943		368,943	0		0	368,943.00
Trade, Energy and Industrialization	329,420,860	64,892,317	13,401,125	78,293,442	264,528,543	113,110,625	377,639,168	455,932,610.00
Lands, Urban and Physical Planning	91,414,482	21,820,312	5,854,635	27,674,947	69,594,170	26,497,053	96,091,223	123,766,170.00
Bungoma Municipality	151,640,398	49,248,371	-5,000,000	44,248,371	102,392,027	-27,000,000	75,392,027	119,640,398.00
Kimilili Municipality	132,436,275	45,340,318	-1,650,000	43,690,318	87,095,957		87,095,957	130,786,275.00

## ADJOURNMENT

**Temporary Speaker:** Honourable members, sorry Chair for Liaison, I have to interrupt you again. Honourable members, as you understand pursuant to Standing Order No. 33, our morning session ends at exactly 1:00 p.m.

Therefore we shall adjourn the session and when we reconvene at 2:30 p.m, the Chair Liaison shall proceed from where he has stopped.

*The House rose at 1:00 p.m.*