



IPF KENYA
INSTITUTE OF PUBLIC FINANCE

17th February 2016

The County Executive Committee Member,
Finance and Planning
Makueni County,



Dear Madam,

SUBMISSION ON THE COUNTY FISCAL STRATEGY PAPER OF THE COUNTY GOVERNMENT OF MAKUENI 2016

As Part of our Budget process engagement at the county level, Global Empowerment Initiative through Institute of Public Finance Kenya engaged Participants drawn from FOUR interest groups with interest in the County Budget and Economic Forum (CBEF) to interrogate the County Fiscal Strategy Paper 2016 on the 17th February 2016

This Submission reflects the observations on the Draft County Fiscal Strategy Paper and makes recommendations as deliberated by the interest groups who represent the demand side of the Public Finance in Makueni County. Organized groups attending the meeting included:

1. MAMAMWIKI Links Society
2. Makueni County Chamber of Commerce and Industry
3. Makueni County Maendeleo Ya Wanawake; and
4. Cheshire Disability Services Kenya

We hope that the recommendations provided will enrich the budget making process for the Financial Year 2016/17 and strongly support the finalization of the County Fiscal Strategy paper before submission to the County Assembly.

Should your office require further information on this or the contents herein, kindly do not hesitate to contact the undersigned.

Yours Sincerely,

James Muraguri

Chief Executive Officer

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Training

Policy Support

Capacity Strengthening in Public Finance

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1. Key Observations

- a) The PFM Act recognises the County Budget and Economic Forum (CBEF) as a critical component of the budget making process. We notice that the County has not made any effort to publicise the effort of the CBEF and the relevant stakeholders in this critical budget making decision at the county level.
- b) The County government has not provided the residents with Draft County Fiscal Strategy Paper (CFSP): We note that the county provided a three page document with list of projects denying the citizens an opportunity to find out the amount of revenue that was available to the county in FY 15/16 and the expected county total resources for the FY 16/17.
- c) The document provided to the residents during the public participation did not provide for the FY 15/16 approved CFSP estimates and thus the details on development expenditure for FY 16/17 had no comparison that would allow the users to make informed contribution on whether the departmental level allocation are increasing or not.
- d) The PFM principles require allocation of at least 30% of the funds for development expenditure in the mid-term. We note that the information provided to the county residents during public participation did not provide any information on whether this threshold has been met.
- e) The County did not provide any specific county economic data that would aid in making decisions.
- f) We also note that the county documents presented for Public participation lacks detailed recurrent expenditure to allow members of the public to inform themselves on the how the county is proposing to spend the resources.
- g) The document presented for public participation also lacked revenue estimates and thus the residents presenting their feedback could not identify where resources for the proposed development will be generated from.



2. Sector specific observations

a. People Living with disabilities

1. Accessibility: The PLWD segment in the county is still excluded due to inaccessible government services and facilities. The department responsible for this segment should be allocated funds to ensure County government policy on inclusion of People living with disability is adhered to.
2. On Bursaries and scholarships it was agreed that the Person living with disabilities should have ring fenced kitty on the same as their requirements are usually higher and expensive unlike other persons.
3. Access to budget documents is still a challenge to the People living with disabilities
4. The County should consider adequate funding for the county statistics and research unit to enable generation of data that would guide in planning including establishing the number of person living with disability.
5. Mental health should be considered and given prominence during funds allocation.
6. Lack of government sponsored special schools in the county continues to deny the persons living with disability an opportunity to exploit their full potential and this should be considered while allocating funds for the sector in charge.
7. The lack of a Person Living with Disability representative in the County Budget and Economic Forum (CBEF) denies the sector an opportunity to provide critical input in the budget process. The county government should move with speed to appoint and gazette a person living with Disability in the County Budget and Economic Forum.

b. Chamber of Commerce

1. Makueni Chamber of Commerce and industry notes the following for inclusion in the County Fiscal Strategy paper;
 - i. Fairness in market rates charged; The persons operating in the open markets are paying higher charges compared to those who operate in shops and stalls
 - ii. The Markets generating higher revenue for the county should be considered during revenue allocation annually. Effort should be rewarded.
 - iii. The county should consider adopting a clear policy/ Law on revenue allocation across the wards guided by clear principles to ensure equity and fairness.
 - iv. The lack of a business community representative in the County Budget and Economic Forum (CBEF) denies the sector an opportunity to provide critical input in the budget process. The county government should move with speed to appoint and gazette a business community representative in the County Budget and Economic Forum.



a. Women

1. The water sector is still not receiving adequate funds and this continues to hinder the development in the county and exposing the residents to water borne diseases especially those in the commercial centres.
2. The lack of a representative in the County Budget and Economic Forum (CBEF) denies the women an opportunity to provide critical input in the budget process. The county government should move with speed to appoint and gazette the Women representative in the County Budget and Economic Forum
3. On agriculture which many women are involved in, the women constituency noted that the county lacks adequate numbers of extension officers and thus they are not able to benefit from the services offered. Therefore the county should earmark adequate funds for extension services.

Conclusion:

- Lack of a functional County Budget and Economic Forum (CBEF) continues to hamper the effective participation of citizens in the county. While the county is making good progress on civic education and awareness, the lack of goodwill to fully implement Section 137 of the Public Finance Management Act 2012 continues to blot the otherwise good works. The sectors represented above noted that they are not aware of the existence of the County Budget and Economic Forum (CBEF) and therefore this calls for the county government to operationalise the CBEF and allocate it the funds required to carry out its mandate
- The county needs to consider the enactment of a county bursaries Act that will ensure that there is fairness and equity in distributing resources within the county
- Development funds allocation across the wards is still based on equality and this does not serve the fairness approach as envisioned by the Constitution of Kenya. It is imperative that county considers clear policy on the basis at which development funds are allocated across the wards.

*****END*****

