REPUBLIC OF KENYA

KERICHÖ COUNTY GAZETTE SUPPLEMENT

BILLS, 2014

NAIROBI, 13th October, 2014

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THE KERICHO COUNTY EMERGENCY FUND BILL, 2014

A Bill for

AN ACT of the County Assembly of Kericho to provide for the establishment of an Emergency Fund and for matters incidental thereto and connected therewith

ENACTED by the County Assembly of Kericho as follows—

PART I—PRELIMINARY

1. This Act may be cited as the Kericho County Emergency Fund Act, 2014 and shall come into operation on the date of publication in the Gazette.

2. In this Act, unless the context otherwise requires—

“appropriation” means funds provided for the supply of public services;

“executive member” means the County Executive Committee Member in charge of finance and economic planning;

“fund” means the County Emergency Fund established under section 4 of this Act; and

“financial year” means the period of twelve months ending on thirtieth day of June.

3. The object of this Act is to ensure that the Emergency Fund is managed and operated by the County Government as contemplated by Article 110 of the Constitution of Kenya, 2010 as well as per Section 110, 111,112,113,114 and 115 of The Public Finance Management Act, 2012.

PART II—ESTABLISHMENT AND ADMINISTRATION OF THE FUND

4. (1) There is established a Fund to be known as the Kericho County Emergency Fund.

(2) The Fund shall consist of —

(a) monies appropriated by the County Assembly; and

(b) grants and donations made into the Fund.
(3) The County Assembly shall, in appropriating monies under subsection (2) (a) in each financial year, ensure that the monies contained in the Fund shall not exceed two per cent of the total County Government's revenues as shown in that County's audited financial statements for the previous financial year except for the first year.

5. The purpose of the Fund is to enable payments to be made in respect of a County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

6. (1) The Executive Member shall be responsible for administering the Fund.

(2) The Executive Member shall open and maintain a separate account into which all money appropriated to that Fund shall be paid.

7. (1) The Executive Member may make payments from the Fund only if satisfied that—

(a) there is an urgent and unforeseen need for the expenditure for which there is no legislative authority; and

(b) it is for the public interest; and

(c) an event has caused a damage, loss, hardship or suffering to residents of the County or threatens to damage the environment and the event is limited to the County.

(2) For the purposes of subsection (1)—

(a) there is an urgent and unforeseen need for expenditure if, in the opinion of the Executive Member —

(i) payment cannot be delayed until the next financial year without harming the general public interest of the County;

(ii) the payment is necessary to alleviate the damage, loss, hardship or suffering which may be directly caused by the event; and

(b) need for expenditure is unforeseen and has not been provided for in an appropriation law made by the County Assembly for the current financial year.
8. The Executive Member shall not, during a financial year, make a payment under section 7 if the payment exceeds two per cent of the total County Government's revenues as shown in that County's audited financial statements for the previous financial year except for the first year.

9. All receipts, earnings and accruals to the Fund and the balance of the Fund at the close of the financial year shall be retained by the Fund for the purpose for which it is established.

10. (1) The Executive Member shall notify the County Assembly in writing within two months after payment is made out of the Fund.

(2) If the County Assembly is not sitting during the period referred to in subsection (1) and the County Executive Committee Member has not sought the approval of the County Assembly before the end of that period, the County Executive Committee Member shall seek the approval of the County Assembly for the payment within fourteen days after its next sitting.

(3) As soon as practicable after the County Assembly has approved the payment, the Executive Member shall arrange for an Appropriation Bill to be introduced into the County Assembly for the appropriation of the Fund to the extent of the amount of the payment.

11. (1) Within three months after the end of each financial year, the County Treasury shall prepare and submit to the Auditor-General a financial statement in respect of the Fund for that year.

(2) The financial statement prepared under subsection (1) shall include the following information—

(a) the date and the amount of each payment;
(b) the person to whom the payment was made;
(c) the purpose for which the payment was made;
(d) whether the person to whom the payment was made spent the money for that purpose and a statement made to that effect;
(e) if the person to whom the payment has been made
has not spent the money for that purpose, a statement specifying the reasons for not having done so: and

(f) a statement indicating how the payment conforms to section 7 of this Act, the legislation or the policy of the County relating to disaster management.

PART III—MISCELLANEOUS

12. The County Executive Committee Member may make regulations for the better carrying out of the provisions of this Act.
MEMORANDUM OF OBJECTS AND REASONS

This Bill aims at providing an exigency fund consequent to unforeseen County expenditures originating from non-existent legislations.


PART I of the Bill provides for the management of the Emergency Fund as operated by the County Government as reflected by Article 110 of the Constitution 2010.

PART II of the Bill provides for the establishment of the Kericho County Emergency Fund comprising of grants, donations and monies appropriated from the County Assembly whose use shall be to make payment for urgent and unforeseen expenditures that lack specified or apportioned legislative authority.

It also establishes the office of an executive member who shall have powers to administer the fund as well as the account in which all the apportioned fund shall be maintained. This maintenance shall be submitted to the Auditor-General on an annual basis via the County Treasury.

PART III of the Bill provides for miscellaneous regulations to be complimented by the County Executive Committee for comparative and substitutive provisions meant to complement better operation of the purpose of this bill.

J. KIRUI,
Chairman, Budget and Appropriation Committee.