

REPUBLIC OF KENYA
MACHAKOS COUNTY ASSEMBLY

OFFICIAL REPORT

Monday, 25th March, 2019

Special Sitting

*(Convened via Kenya Gazette Notice
No. 2657 of 22nd of March, 2019)*

The House met at 11.24 a.m.

[The Speaker (Hon. (Mrs.) Mwangangi) in the Chair]

PRAYERS

COMMUNICATIONS FROM THE CHAIR

PRESENCE OF PUPIL FROM MBEE PRIMARY SCHOOL IN KATHIANI WARD

Hon. Speaker: Hon. Members, I still have my iPad so even if you see me reading here don't think that I have become analogue; I am still digital. I will do two communications under Order No. 2. The first one Hon. Members let me appreciate the presence of Mbee Primary school in Kathiani ward which is represented by the Hon. Dominic Ndambuki and the students would not have come at a better time when you are prosecuting the supplementary budget; you will show them what you worth and that you are able representative of theirs.

On Members we want to welcome the students with both hands and the teachers as well; we appreciate you being amongst us. It is out of these interactions that you develop interest also in leadership of this nation and you also become focused because from ere maybe today you will o deciding what you want to be in life if you hadn't yet decided.

So feel very much welcome and come again and again and you we will be welcoming you every time you come; open your eyes because there is a lot that you are going to learn even an exam one day you may find a question and then your presence here will remind you the answer when that question comes. Hon. Ndambuki perhaps you want to say hello to the student because they are from your ward; please do.

Hon. Ndambuki: Thank you, Madam Speaker for the opportunity to welcome the Headteacher of Mbee primary, the teachers that have accompanied the students and the students. This is Class 8, Madam Speaker from Mbee primary; they are our candidate and in the last KCPE, the school managed to be among the best in Kathiani sub-county.

(Applause)

Therefore, Madam Speaker, when I went to talk to the current class they promised to outdo the previous class and I told them that I will give them a treat to come to the Assembly today so that they get exposure. Welcome pupils of Mbee Primary School and this is what we do when we come to the Assembly. Thank you

(Applause)

Hon. Speaker: Thank you, Hon. Ndambuki and Hon. Members, the pupils amongst us and their teachers.

CIRCUMSTANCES OCCASIONING THE SPECIAL SITTING OF THE ASSEMBLY ON MONDAY
25TH MARCH, 2019

Hon. Speaker: Hon. Members the second communication under Order No. 2 is as follows; it is on today's special sitting.

This special sitting is informed by the County Assembly of Machakos Standing Order 26(1) and (2); I will not read all that the Standing Order says but it enable the Speaker to call for a special sitting when it is necessary.

Section 135(1) of the Public Finance Management Act (PFM), 2012 Members, provides that a County Government may spend money that has not been appropriated if the amount appropriated for any purpose under the County Appropriation Act is insufficient or a need has arisen for expenditure for a purpose for which no amount has been appropriated by that Act, or money has been withdrawn from the County Government Emergency Fund.

Hon. Members Further, Section 135 (2) of the same Act provides a County Government shall submit a supplementary budget in support of the additional expenditure for authority of the House for spending. Hon. Members Pursuant to this provision, the County Executive Committee Member for Finance and Economic Development submitted a Supplementary Budget for 2018/2019 to the Assembly on 15th February, 2019 for the House's approval.

Hon. Members the House adjourned its sittings for 26th and 27th March, 2019 to enable it to conduct public participation on County Fiscal Strategy Paper 2019/2020. Noting that Hon. Members, the timely approval of the Supplementary Budget is crucial for the County to proceed into the delivery of services to the people in consultation with Leaders of the Majority and Minority Party; Hon. Members I convened a special sitting for today, Monday, the 25th day of March, 2019.

Hon. Members, under Standing Order 26 (3), the Speaker, may by notice in the Gazette, to notify the Members and the general public of the place, date and time appointed and indeed even the agenda for a special sitting of the House. And according to this special sitting has been convened for today vide Gazette Notice No. 2657 of 22nd March, 2019 Hon. Members.

Further, Standing Order 26(4) provides that whenever the House meets for a special sitting, Hon. Members under paragraph (1), the Speaker shall specify the business to be transacted on the day or days appointed and the business so specified shall be the only business before the House and that is why the Gazette notice has specified the business you are going to address.

So, consequently, Hon. Members, the business that is to be transacted in this special sitting is as Gazetted namely;

- (a) An Interim Report by the Procedure and House Rules Committee on the progress of the establishment of the South Eastern Kenya Economic Bloc (SEKEB); that statement has a bearing on the supplementary budget that you are going to pass that is why it had to come together with the supplementary budget. Hon. Members,
- (b) The Machakos County Supplementary Budget Estimates for 2018-2019; and
- (c) The Machakos County Supplementary Appropriation Bill, 2019.
- Thank you, Hon. Members.

PAPER LAID

REPORT ON THE MACHAKOS COUNTY SUPPLEMENTARY BUDGET 2019-2019

Hon. Speaker: Hon. Members under this Order, there is one business by the Hon. Dominic Ndambuki.

Hon. Ndambuki: Hon. Speaker, I beg to lay the following Paper on the Table of the House today, Monday 25th March 2019; the report of Budget and appropriation committee on the Machakos county supplementary budget 2018/2019. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Ndambuki.

NOTICE OF MOTION

REPORT ON THE MACHAKOS COUNTY SUPPLEMENTARY BUDGET 2018/2019

Hon. Speaker: Hon. Members, under this Order again, we have one business by the same Hon. Dominic Ndambuki.

Hon. Ndambuki:

Hon. Speaker, that aware that the County Executive is mandated to submit the supplementary budget to the County Assembly at any given time whenever a need arises;

Aware that the supplementary budget relocates funds from where they are less needed to where they would be utilized within the remaining period of the fiscal year.

Hon. Speaker, the Public Finance Management Act section 135(2) states that “the County Government shall submit a supplementary budget in support of the additional expenditure for authority for spending;”

Hon. Speaker, I wish to move motion that this Hon. House discusses and approves the Machakos County Supplementary Budget 2018/2019.

Hon. Speaker: Thank you, Hon. Ndambuki.

STATEMENT

INTERIM REPORT ON THE PROGRESS OF THE ESTABLISHMENT OF THE SOUTH EASTERN KENYA ECONOMIC BLOC (SEKEB)

Hon. Speaker: Hon. Members, under this Order we have one business by the Hon. Museku.

Hon. Museku: Thank you, Madam Speaker. I am here to present a Statement on interim report on the progress of the establishment of the South Eastern Kenya Economic Bloc (SEKEB)

1.0 INTRODUCTION

Madam Speaker, communities yearn to come together under the framework of economic integration for various reasons. The key rationale for establishing such groupings is to take advantage of economies of scale and expanded market or space for goods and services within jurisdictions of the economic blocs. Regional integration, as a process, involves the growth of linkages and transactions derived primarily from economic activity but involving social inter-connections.

This underpins the idea of strength in numbers and the fact that the world is becoming increasingly interdependent. Economic cooperation foresees some degree of commercial preferentialism but with harmonized domestic rules.

The current international work in regional development recognizes that a new approach to regional development is emerging; one that promises more effective use of public resources and significantly better policy outcomes. There is a steady shift away from redistribution and subsidies for regions considered disadvantaged for one reason or another in favor of measures to increase the competitiveness of all regions.

This approach requires policymakers to design and implement policies that are adapted to the relevant regional scales or geographies and that focus on sustaining competitive advantages; generating stronger and fair regional economies; and promoting effective and innovative governance at all levels of government

2.0 MANDATES OF THE COMMITTEE

Madam Speaker, the Procedure and House Rules Committee is established pursuant to Standing Order 187 and is mandated to consider and report on all matters relating to the Standing Orders. The Committee may propose amendments to the Standing Orders and any such amendments shall upon approval by the Assembly, take effect at the time appointed by the Assembly

3.0 MEMBERSHIP

This Committee comprises of the following Hon. Members;

- | | |
|----------------------------|---------------|
| 1. Hon. Florence Mwangangi | – Chairperson |
| 2. Hon. Paul Nyanzi | – V/Chair |
| 3. Hon. Paul Museku | – Member |
| 4. Hon. Constance Nzioki | – Member |
| 5. Hon. Jane Nyawira | – Member |

Hon. Speaker: Point of order, Hon. Mitaa.

Hon. Mitaa: Madam Speaker, we tend not to have what my colleague is reading.

Hon. Speaker: It is not on your iPads?

(Loud consultations)

Hon. Members, apologies for that ICT team appears to be slow in uploading the document; we are going to suspend it briefly.

(Hon. (Ms.) Nzioka indicated she had the Statement in her iPad)

It is already posted. So ICT works immediately. Thank you very much; the beauty of it. Hon. Museku, proceed now. Thank you very much Hon. Nzioki.

Hon. Museku: Thank you Hon. Speaker and Hon. Members for the highlight, I will continue.

4.0 BACKGROUND INFORMATION

Madam Speaker, the idea of the South Eastern Kenya Economic Bloc (SEKEB) was launched on Friday, 1st April, 2016 in a meeting held at the Konza Techno City. The bloc has however not been established to date hence the revived efforts towards establishing it. Development partners have categorically stated that they are not going to deal with individual counties but Economic Blocs of Counties hence the urgent need to have a Bloc for this region.

The national government has provided for about seven county Economic Blocs namely, Jumuia ya Kaunti za Pwani, Frontier County Development Council, Central Kenya Economic Bloc, Lake Region Economic Bloc, North Rift Economic Bloc, Narok-Kajiado Economic Bloc and the South Eastern Economic Bloc (SEKEB).

5.0 LEGAL FRAMEWORK FOR INTERGOVERNMENTAL RELATIONS

Madam Speaker; Article 6(2) of the Constitution establishes two levels of government, at the national level and county level which though distinct and inter-dependant and must conduct their mutual relations based on consultation and cooperation.

The Intergovernmental Relations Act, 2012 makes provisions for establishment of a framework for consultation and cooperation between the national and county governments and among county governments to establish mechanisms for resolutions of intergovernmental disputes pursuant to Articles 6 and 189 of the Constitution.

Section 6 of the County Governments Act, 2012 gives County Governments power to enter into a contract, acquire, purchase or lease any land or delegate any of its functions to its officers, decentralized units or other entities within the county. Further, the Act provides that a county government can enter into a partnership with any public or private entity for any work, service or functions for which it is responsible within its area of jurisdiction.

Further, Section 118 of the County Governments Act authorizes County Governments to enter into an agreement with the national government, another county or an agency of the national government so as to receive any services that each county participating in the agreement is empowered to provide or receive within its own jurisdiction, including services incidental to the primary purpose of any of participating counties. In undertaking the above stated activities each county shall have a county shared services platform aligned to the national policies, standards and norms.

6.0 OBJECTIVES OF A REGIONAL ECONOMIC BLOC

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Madam Speaker, all regional Economic Blocs in Kenya are working towards achieving the following objectives:

1. To develop both urban and rural areas of the respective counties by promoting economic infrastructure for the Bloc;
2. To promote joint socio-cultural events;
3. To jointly plan and implement flagship projects those are beneficial to the people;
4. To facilitate joint exploitation of resources in the Counties for economic and social development; and
5. To jointly negotiate and thus leverage on the economies of scale in order to enhance employment and wealth creation for the people.

7.0 MEETINGS SO FAR HELD FOR PURPOSES OF ESTABLISHING THE SEKEB

Madam Speaker, several meetings have so far been held by both the executive and Assembly leaderships of the three counties of Makueni, Machakos and Kitui. Further, in one of the meetings, USAID mission Director in Kenya and their representative expressed interest in offering financial support in ensuring that SEKEB is fully operational.

It was agreed in one of the meetings that in order to steer off the project from the possibility of political overtones and influence, the chairperson of the Bloc be the Archbishop Ndambuki and all meetings have been going on under his leadership.

Various resolutions have so far been made, namely:

- (a) That the County Assemblies of Kitui, Machakos and Makueni shall play a very crucial role towards the operationalization of SEKEB. This is because it is the County Assemblies that shall pass the laws to govern the bloc, approve budget, policy and play oversight role on the management of SEKEB;
- (b) That all the County Assemblies of Kitui, Machakos and Makueni will have similar legislation for the Bloc;
- (c) That the process will be all inclusive and the public in the three counties will be given opportunity to interrogate the idea and give their contribution;
- (d) That a technical committee be and has been formed to spearhead a framework of a constitutive agreement which is to be the basis for the operationalization of the bloc;
- (e) The constitutive agreement is in the process of being prepared and a draft will be shared with the Membership of this House and the public for execution by the three Governors in a public forum;
- (f) That each County Government should second staff to the Interim Secretariat;
- (g) That each County Government shall popularize SEKEB through public participation county structures and processes for ownership and engagement by county citizens
- (h) That each County Government shall initially set aside Ksh. 2 million to make a total of Ksh. 6 million to meet the incidental expenses of setting up and operationalization SEKEB. This amount has been included in the current supplementary budget.

WAY FORWARD

Madam Speaker, in the process of operationalizing the SEKEB Agreement, this House is called upon to:

- i) Be very keen on every step of the formation of the bloc;

- ii) Consider and approve the proposed constitutive agreement and the Approve the said legislative framework to govern the operationalization of the bloc;
- iii) Undertake public participation on the process of setting up the bloc;
- iv) Consider and approve budget for the establishment and operation of the bloc;
- v) Consider and approve the necessary plans for the operation of the bloc;
- vi) There is need for good will from both arms of County Government of Machakos if the objectives of SEKEB are to be achieved.

The County executive has not provided County Sectoral and Spatial plans in accordance with Section 107 of the County Governments Act, 2012 since these documents will be vital for the operation the SEKEB

8.0 CONCLUSION

Madam Speaker, County Economic Blocs (CEBs) have emerged as the new vehicle to spur economic growth within the respective Counties in the recent past. The success of these blocs will catalyse our country's national economic performance. However, there exists a myriad of challenges in the operationalization of CEBs, ranging from their establishment, institutional framework and resource mobilization among others, which if not addressed in time will hinder the smooth operations of County Economic Blocs.

It should, however, be noted that the idea of the bloc is to address strictly economic matters and should not be politicized as such could keep away donors and development partners hence the purpose of empowering the people economically could not be achieved.

Thank you, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. Museku. Hon. Members, you appreciate that the Statement that Hon. Museku as just read is a way of informing this House of what is happening because you are the ones who are going steer the process and you must be well-informed. It is as he said.....did somebody Speaker over my voice? The iPad is speaking? Please manage them well so that they do not speak when I am speaking.

(Laughter)

So, Hon. Members this is just for purposes of bringing information to you; it is not a matter that you need to debate but if there is any Member who may want just to comment may do so but remember it is a process that is ongoing and reports will keep on coming to this House. Then I do not see any Member who wishes to comment.

PROCEDURAL MOTION

REDUCTION OF TIME FOR INTRODUCTION OF THE MACHAKOS COUNTY
SUPPLEMENTARY APPROPRIATION BILL 2019 FROM SEVEN DAYS TO FIVE DAYS

Hon. Speaker: Hon. Members under this Order, we have one business by the Hon. Majority Leader Hon. Mark Muendo.

Hon. Muendo: Thank you, Madam Speaker.

Madam Speaker, that aware that Section 8(1)(c) of the County Governments Act, 2012 bestows the responsibility of approving the Budget and Expenditure of the County Government on the County Assembly;

Aware that the County Executive submitted a Supplementary Budget for 2018/2019 to the Assembly for approval;

Noting that the Machakos County Supplementary Appropriation Bill, 2019 was published on 19th March, 2019 and aware that Standing Order 116 requires that an Appropriation Bill on publication should be allowed in the House after seven days;

Aware that seven days will lapse on 25th March, 2019 and the Bill can be introduced in the House for the first reading on 26th March, 2019 at the earliest;

Aware that the Bill is late for approval;

Madam Speaker, I wish to move the motion that this House shortens the time for introduction of the Machakos County Supplementary Appropriation Bill 2019 from seven days as stated in Standing Order 116 to five days to ensure the bill is approved in time.

(Applause)

Hon. Speaker: Hon. Majority Leader, do you have a Member to second your motion?

Hon. Muendo: Thank you, Madam Speaker. I call upon Hon. Dominic to second the motion.

Hon. Ndambuki: Thank you, Madam Speaker. I second.

(Applause)

Hon. Speaker: Hon. Members, this motion is a procedural motion it is seeking the permission of the Speaker because of the needs of the moment so that some of the procedural provisions we overlook them because it is out of necessity and so the Speaker will commit the motion as requested by the on Majority Leader and seconded by the Hon. Ndambuki, the chair of BAC.

BILL

First Reading

THE MACHAKOS COUNTY SUPPLEMENTARY APPROPRIATION BILL No. 2 OF 2019

Hon. Speaker: Hon. Members under this Order, I am calling Hon. Ndambuki, chair of the BAC; the first reading of the Bill.

Hon. Ndambuki: Thank you, Hon. Speaker. Madam Speaker pursuant to Standing Order 119, I would like to present the Machakos County Supplementary Appropriation Bill no. 1 of 2019 to this Hon. House for the first reading. Thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Ndambuki. Mr. Clerk, go ahead and read the Bill, the short title of the Bill. Hon. Members, procedurally the Bill is committed to the budget and appropriations committee for the usual processing.

MOTION

REPORT ON THE MACHAKOS COUNTY SUPPLEMENTARY BUDGET 2018/2019

Hon. Speaker: Hon. Members under this order I am calling Hon. Ndambuki, chairperson, to move the motion.

Hon. Ndambuki: Thank you Hon. Speaker.

Hon. Speaker, that aware that the County Executive is mandated to submit the supplementary budget to the County Assembly at any given time whenever a need arises;

Aware that the supplementary budget relocates funds from where they are less needed to where they would be utilized within the remaining period of the fiscal year.

Hon. Speaker, the Public Finance Management Act section 135(2) states that “the County Government shall submit a supplementary budget in support of the additional expenditure for authority for spending:”

Hon. Speaker, I wish to move motion that this Hon. House discusses and approves the Machakos County Supplementary Budget 2018/2019.

Thank you, Hon. Speaker I call upon Hon. Thomas Mutinda to second.

Hon. Speaker: Hon. Thomas Mutinda, go ahead.

Hon. Mutinda: Thank you Madam Speaker, I’m on the floor to second. Thank you Madam Speaker.

Hon. Speaker: Thank you, Hon. Mutinda. Hon. Ndambuki,

Hon. Ndambuki: Thank you, Madam Speaker. I will proceed to present the report to the House.

1.0 OVERVIEW

Madam Speaker, the FY 2018/19 supplementary budget was received on 12th February 2019 and committed to the Budget and Appropriations committee. The supplementary is prepared in accordance with section 135(2) of the Public Finance Management Act 2012 which stipulates that a County government shall submit a supplementary budget in support of the additional expenditure for authority for spending, through the County Assembly. This is because an Appropriation Act can only be amended through a supplementary budget as provided for in law.

The 2018/2019 supplementary budget therefore seeks to amend the original FY 2018/19 Appropriation Act. This will be a remedy to challenges created by unforeseeable circumstances which occurred during the course of the year and to accommodate conditional grants which were not captured in the approved FY 2018/2019 budget.

1.1 MANDATE OF THE COMMITTEE

Madam Speaker, the Budget and Appropriation committee derives its mandate from Standing Order 186(3)(a) that states that 'there shall be a select Committee to be known as the County Budget and Appropriations Committee which is mandated to, investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget.'

Madam Speaker, the main objective of the committee is to ensure that public funds are well utilized and that the public realizes value for money in all government expenditure. The bases of the Committee's execution of its mandate is annual and on special reports.

1.2 COMMITTEE MEMBERSHIP

Madam Speaker, the committee as constituted by this honorable Assembly comprises of the following members.

- | | |
|--------------------------|-----------------|
| 1. Hon. Dominic Ndambuki | Chairman |
| 2. Hon. Angela Munyasya | V/ Chair person |
| 3. Hon. Paul Museku | Member |
| 4. Hon. Thomas Mutinda | " |
| 5. Hon. Margaret Mwikali | " |
| 6. Hon. IkusyaKaloki | " |
| 7. Hon. Jacqueline Nziva | " |
| 8. Hon. Moffat Maitha | " |
| 9. Hon. Daniel Mbevi | " |

Hon. Speaker: Hon. Ndambuki, there is a point of order by Hon. Betty; please resume your seat briefly. Hon. Betty, proceed.

PROCEDURAL MOTION EXTENSION OF SITTING TIME

Hon. (Ms.) B. Nzioki: Thank you, Madam Speaker; point of order under Standing Order 27 to request extension of time.

Hon. Speaker, Aware that Standing Order 27(2) provides that the Speaker shall interrupt business at 12.30 pm for the morning session;

Aware that Standing Order 27(3) provides that the House may resolve to extend its sittings time;

Aware that Standing Order 27(4) requires motion to extend sitting to be moved at least 30 minutes before the time appointed for adjournment;

Hon. Speaker, I beg to move the motion that the House resolves to extend its sitting time until the business in the Order Paper is completed.

Thank you Madam Speaker. I will request Hon. Masesi to second my motion. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Betty. Hon. Cosmus Masesi.

Hon. Masesi: Thank you, Madam Speaker. I am on the floor to second the motion.

Hon. Speaker: Thank you, Hon Masesi. Hon. Members, the importance of the business on the floor of this House; it is well known to all of us and it is of great need for the public and I

would just ask whether there is any member who would oppose an extension of time. In other words, you are all resolving to extend time. Thank you very much. Proceed, Hon. Dominic Ndambuki.

(The House resumed business in the Order Paper)

Hon. Ndambuki:

1.3 OBJECTIVES OF THE FISCAL YEAR 2018/19 SUPPLEMENTARY BUDGET

Madam Speaker, the objectives of the FY 2018/19 Supplementary Budget are:

1. Accommodate conditional grants contained in the CARA that were not captured in the approved Fiscal Year 2018/19 Budget. This is in line with sections 132(3) and 135(6) of the Public Finance Management Act 2012.
2. Accommodate a balance of Ksh. 1,375,806,463 billion carried forward from FY 2017/2018.
3. Redistribute the Ward Projects to various departments so as to accommodate projects submitted by Members in the Ksh. 10,000,000 million projects per ward initiative of the second Assembly.
4. Reallocate expenditure from where it is not likely to be utilized before the end of the year to priority areas.
5. To fund ongoing projects.
6. To accommodate Universal Health Care Grant of Ksh. 787,000,000 from the national government.
7. To accommodate Conditional grants for FY 2017/18 disbursed after the end of the fiscal year.

1.4 SOURCES OF FUNDING

Madam Speaker, the supplement budget is to be funded from the following revenue sources:

Equitable share.....	Ksh. 9,696,806,463
Grants.....	Ksh. 3,548,356,170
Own Source Revenue.....	Ksh. 1,720, 061,672
Total.....	Ksh. 14,965,224,307

2.0 OBSERVATIONS AND RECOMMENDATIONS

Madam Speaker, to achieve the above objectives the County Treasury has proposed changes to expenditure framework of the County Departments as follows:

2.1 Office of the Governor

Madam Speaker, the office of the Governor had an approved budget of Ksh. 612,543,697 which constituted of Ksh. 6,825,000 for development and Ksh. 605,718,697 for recurrent. The Office of the Governor is seeking to reduce recurrent expenditure by Ksh. 10,012,497 which is an effect of reduction of Extraneous Allowance by Ksh. 3,000,000, increases of Security allowances by Ksh. 2,937,000, reduction of Top up allowances by Ksh. 2,937,000, Leave Allowances reduction by Ksh. 1,487,500 and Daily subsistence Allowances increase by Ksh. 3,250,000.

The office further proposes a reduction on public participation under political affairs by

Ksh. 2,979,065, Travelling cost (Airlines, Bus, Railways, Mileage allowances etc) a reduction by Ksh. 1,010,800, Foreign travel-per diems reduction by Ksh. 624,110, Advertising, publicity and campaigns-directory of communication a reduction by Ksh. 5,000,000, boards, committee conferences and seminars a reduction by Ksh. 287,196, National celebrations and project launches a reduction by Ksh. 5,174,800, General office supplies (papers, pencils, forms) a reduction by Ksh. 284,521, Contracted professional services a reduction by Ksh. 862,900 and other operating expenses to be increased by Ksh. 11,037,700.

Madam Speaker, the Office of the Governor is further seeking the following reallocations within their vote; under PROGRAM2: Transport, Motor vehicle repairs to be increased by Ksh. 2,000,000; under PROGRAM3: Directorate of Human Resource and Administration, Allowances be reduced by Ksh. 4,000,000, Top up Allowance be reduced by Ksh. 4,000,000, Personal Allowances be reduced by Ksh. 5,600,000, Foreign travel-per diems be reduced by Ksh.4,950,000, Contract based training services be reduced by Ksh.5,000,000 and Kenya school of Government vote be reduced by Ksh. 1,000,000.

Madam Speaker, under PROGRAM 4: in the Directorate of Information communication technology (ICT), Telephone, Telex and mobile services be increased by Ksh. 4,400,000; under PROGRAM 5: Directorate of hospitality services, Hospitality supplies such as Kitchen equipment be increased by 3,400,000 and Fumigation and spray be reduced by Ksh. 1,300,000. Under PROGRAM6: the Cabinet office, Catering services ,Accommodation, gifts and drinks be reduced by Ksh. 500,000, Travel cost(Airlines, bus, railways, mileage allowances etc) be reduced by Ksh. 500,000 and General office supplies(papers, pencils, forms) be reduced by Ksh.400,000. Under PROGRAM7: the Office of the Deputy Governor, Advisors and the County Secretary, Other current transfers-Deputy Governor be increased by Ksh. 6,000,000, Other current transfers-Advisors be increased by Ksh. 5,860,695 and Other current transfers-County Secretary be increased by Ksh. 2,000,000.

Madam Speaker, the office of the governor is also seeking to increase development expenditure by Ksh. 10,012,497 which is an effect of PROGRAM1: Headquarter Administration service, Refurbishment of building to increase by Ksh. 1,200,000, Purchase of office furniture to increase by Ksh. 3,812,497 and Purchase of ICT networking and communication equipment to increase by Ksh. 5,000,000.

Madam Speaker, the committee recommends that recurrent expenditure in the office of the Governor be reduced from Ksh. 605,718,697 to Ksh. 595,706,199 and development expenditure be increased from Ksh. 6,825,000 to Ksh. 16,837,497 being the effect of Headquarter Administration service, Refurbishment of building by Ksh. 1,200,000, Purchase of office furniture by Ksh. 3,812,497 and Purchase of ICT networking and communication equipment by Ksh. 5,000,000.

2.2 Department of Public Service, Labor and ICT

Madam Speaker, the approved budget for the department of Public Service, Labor and ICT was Ksh. 446,435,959 which constituted of Ksh.12,700,000 for development and Ksh.433,735,959 for recurrent. The department is seeking to increase the recurrent expenditure by Ksh.153,518,093 which is an effect of Program1: General Administration and Support Service; Basic salaries-permanent and others to increase by Ksh:5,600,000, Hospitality supplies, catering services to increase by Ksh 400,000, Medical insurance (NHIF) a reduction by Ksh.5,600,000, Refined fuel and lubricants for transport to increase by Ksh.500,000, Maintenance expenses-motor vehicles, to increase by Ksh.450,000, Maintenance of plant,

machinery and equipment to increase by Ksh.350,000, Burial grants for the destitute to increase by Ksh.750,000, Gratuity for contracted staff to increase by Ksh.1,100,000, Housing loans to public servants to increase by Ksh.56,000,000 and Car loans to public servants a reduction by Ksh.20,000,000.

Madam

Speaker, under Program2: Information, Communication Services, Internet connections(pending bills) to increase by Ksh.9,052,400, Rents and rates-Non-Residential to increase by 550,000, Contracted professional services to increase by Ksh.12,597,600, Maintenance of computers, software and networks to increase by 250,000 and Maintenance of communication equipment to increase by Ksh.250,000. Under Program3: Training, Research and development, Training expenses-other to increase by 2,250,000 and Current transfers-donor funding (Kenya Devolution Support Program) to increase by Ksh. 89,018,093.

Madam Speaker, the department has done internal re-allocations on development expenditure by reducing expenditure on Overhaul of plant, Machinery and Equipment (CCTV) by Ksh.1, 000,000 to fund purchase of Office furniture and General equipment by Ksh.1, 000,000. The net effect of is neither increase nor decrease in the development expenditure.

Madam Speaker, the committee recommends that the recurrent expenditure for the department be increased from Ksh.433,735,959 to Ksh. 587,254,052 being the effect of Program1: General Administration and Support Service, Program2: Information, Communication Services, Internet connections(pending bills); Program3: Training, Research and development; Training expenses-other and Current transfers-Donor funding(Kenya Devolution Support Program) Ksh.89,018,093. The committee further recommends the development expenditure reallocation as proposed.

2.3 Department of Trade Economic Planning and Industrialization

Madam Speaker, the department of Trade, economic planning and industrialization had an approved budget of Ksh.226,685,600 which constituted of Ksh.91,575,000 for development and Ksh.135,110,600 for recurrent. The department is seeking to increase recurrent expenditure by Ksh 8,000,000 which is an effect of Program 1: Headquarters Administration Service; Electricity Expenses be reduced by Ksh.300,000, Water and sewerage charges be reduced by Ksh.200,000, Daily subsistence allowance be increased by Ksh.700,000, Travel cost(Airlines, bus, railways) be reduced by Ksh.100,000, Daily subsistence allowances be reduced by Ksh.100,000, Hire of transport equipment be reduced by Ksh.105,000, Catering services, receptions, Accommodation, gifts, food and drinks be increased by Ksh.425,810, Boards, committees, conferences and seminars be reduced by Ksh20,810, Medals awards and Honors be reduced by Ksh.100,000 and Membership fees, dues and subscriptions to professional and trade bodies be reduced by Ksh.200,000.

Madam Speaker, under Program2: Economic Planning, the CECM Finance proposed, Current transfers (Economic Bloc-SEKEB) be increased by Ksh. 2,000,000 and Current transfer (Economic planning) be increased by Ksh. 6,000,000.

Madam Speaker, the department is seeking to increase the development expenditure by Ksh. 10,000,000 which is an effect of Program2: Trade development; Non-residential buildings (market shades and bodaboda sheds) reduction by Ksh. 21,000,000 and Other infrastructure and civil works increase by Ksh.31,000,000.

Madam Speaker, the committee recommends that recurrent expenditure in the department be increased from Ksh.135,110,600 to Ksh. 143,110,600 being the effect of Current

transfers(Economic block) Ksh.2,000,000 and Current transfer (Economic planning) Ksh.6,000,000. The committee further recommends that development expenditure in the department be increased from Ksh. 91,575,000 to Ksh. 101,575,000 being the effect of Trade development, Non-residential buildings (market sheds and *bodaboda* sheds) reduction by Ksh. 21,000,000 and other infrastructure and civil works increase by Ksh. 31,000,000.

2.4 Department of Decentralized Units, County Administration, Environment and Solid Waste Management

Madam Speaker, in the department of Decentralized Units, County Administration, Environment and Solid Waste Management the approved budget was Ksh. 408,833,441 which constituted of Ksh. 31,000,000 for development and Ksh. 374,833,441 for recurrent expenditure. The department seeks to increase recurrent expenditure by Ksh.182,605,537 which is an effect of Program1: General Administration and Support Services; Basic salaries to be increased by Ksh.182,605,537, Gas expenses be reduced by Ksh.50,000, Advertisement ,Awareness and publicity campaigns be reduced by Ksh.750,000, Trade shows and Exhibitions be reduced by Ksh.200,000, Remuneration of instructors and contract based training services consultancy be reduced by Ksh.505,718, Production of printing and training materials be reduced by 50,000, Motor vehicle insurance be reduced by Ksh.500,000, Fungicides, insecticides and sprays be reduced by Ksh200,000, Purchase of uniforms and clothing for staff be reduced by Ksh.1,000,000, Purchase of safety gear be reduced by Ksh.100,000, Supplies and Accessories for computers and printers be reduced by 200,000. The department further proposes Other fuels(wood, charcoal, cooking gas etc) be reduced by Ksh.50,000, Contracted guards and cleaning services be reduced by Ksh.1,000,000, Counseling services be reduced by Ksh.10,000, Maintenance of civil works be reduced by Ksh.200,000, Maintenance of computers, software and networks be reduced by Ksh.150,000, Maintenance of policy and security equipment be reduced by Ksh.550,000, Maintenance of communication equipment be reduced by Ksh.50,000, Routine maintenance- Other be reduced by Ksh.200,000.

Madam Speaker, under Program 2: Administration of Field Services and Management of Security Services, Gas expenses to reduction by Ksh.50,000, Internet connections to be reduced by Ksh.50,000, Field allowances be increased by Ksh. 2,000,000, Publishing and printing services be reduced by Ksh.50,000, Advertising awareness and publicity campaigns be reduced by Ksh. 500,000, Trade shows and Exhibitions be reduced by Ksh.200,000, Catering services (receptions), accommodation ,Gifts ,food and drinks be increased by Ksh. 500,000, Motor vehicle insurance be reduced by Ksh.50,000, Supplies and accessories for computers and printers be reduced by Ksh.50,000, Refined fuels and lubricants for transport be increased by 2,940,000, Bank services, commission and charges be reduced by Ksh.10,000, Security operations be increased by Ksh.1,000,000, Counseling services be reduced by Ksh.10,000, Other current transfers be increased by Ksh.500,000.

Madam Speaker, the committee recommends that recurrent expenditure in the department be increased from Ksh. 374,833,441 to Ksh, 461,833,441 being the effect of Program1: General Administration and Support Services; Basic salaries to be increased by Ksh. 87,000,000 and not Ksh 182,605,537 proposed by the CECM finance.

2.5 Department of Finance and Revenue Management

In the department of Finance and Revenue Management the approved budget was Ksh.405,742,268 which constituted of Ksh.11,801,000 for development and Ksh.393,941,268 for

recurrent. The department is seeking to increase recurrent expenditure by Ksh. 34,213,583 which is an effect of Program 1: Headquarter Administration Services, Field operation allowances be increased by Ksh. 2,120,000, Refined fuels and lubricants for transport be increased by Ksh.1,454,800. Under Program 2: Budget Formulation, Coordination and Implementation; Travelling costs (Airline, Bus, Railways ,Mileage allowances etc), increase by Ksh.1,525,620, Daily substance allowance be increased by Ksh.3,158,974, Advertising awareness and publicity campaigns be increased by Ksh.2,421,589 and Emergency fund be reduced by Ksh.16,044,816. Under Program 3: Supply Chain Management; Travel cost (Airlines, Bus, Railway, Mileage Allowance) be increased by Ksh.500,000, Advertising, awareness and publicity campaigns be increased by Ksh.300,000, Travelling allowance be increased by Ksh.450,000 and Membership fees, dues and subscription to professional and trade bodies be increased by Ksh.100,000. Under Program 4: Accounts Services; Daily subsistence allowance be increased by Ksh.2,154,800, Printing and publishing services (accountable documents), increase by Ksh.1,850,000, Travel allowances be increased by Ksh. 1,000,000, Membership fees dues and subscription to professional bodies, increase by Ksh. 500,000 and General office supplies (papers, pencils, forms, small office equipment etc) increase by Ksh.380,200; under Program 5: Audit Services; the CECM Finance proposes, Kenya school of government (training fees) be increased by Ksh.800,000. Under Program 6: Human Resource Management and Support Services; Basic salaries-civil service, increase by Ksh. 29,113,583, Daily subsistence allowance be increased by Ksh.428,833, Advertising Awareness and publicity campaigns be increased by Ksh. 2,000,000.

Madam Speaker, the department seeks to increase the development expenditure by Ksh. 3,928,013 to purchase office furniture and fittings.

Madam Speaker, the committee recommends that recurrent expenditure in the department be increased from Ksh. 393,941,268 to Ksh. 439,154,851 being the effect of Program 1: Headquarter Administration Services, Field operation allowance: Program 2: the committee rejected the reduction of Emergency fund by Ksh.16,044,816 and increased Budgetary reserve by Ksh.11,000,000. Program 3: Supply Chain Management Travel costs, Program 4: Accounts Service, Daily subsistence allowance, Program 5: Audit Services, Kenya school of government (training fees). Program 6: Human Resource Management and Support Services, Basic salaries-civil service be increased by Ksh. 13,068,767 and rejected the proposed increment by Ksh. 29,113,583.

The committee further recommends that development expenditure in the department be increased from Ksh. 11,801,000 to 15,729,031 being the effect of allocation for purchase office furniture and fittings by Ksh. 3,928,013.

2.6 Department of Agriculture, Livestock, Fisheries, Water and Irrigation

Madam Speaker, the department of Agriculture, livestock, fisheries, water and irrigation had an approved budget of Ksh. 1,168,244,115 which constituted of Ksh.502,632,973 recurrent and Ksh.665,611,142 on development.

The department is seeking to increase the recurrent expenditure by Ksh.81,764,875 which is an effect of Program 1: General Administration and Support Services; Basic salary civil service be increase by Ksh.40,251,522, Refined fuels and lubricants for transport be increased by Ksh.2,000,000 and World bank(KCSAP) be increased by Ksh.39,746,790, SIDA grants (ASDSPROGRAM11) be increased by Ksh.7,248,718; under Program 4: Fisheries Development, Fungicides, insecticides and sprays be increased by Ksh.1,000,000; under Program 7: Water Supply and Sewerage, Plant equipment and machinery be reduced by

Ksh.7,482,155, Motor vehicle insurance be reduced by Ksh.1,000,000, and under Program10: General Administration and Support Services, Daily subsistence allowance be increased by Ksh.500,000, Accommodation be increased by Ksh.500,000, Advertising and awareness be reduced by Ksh.1,000,000.

Madam Speaker, the department is seeking to increase the development expenditure by Ksh.99,594,319 which is an effect of Program1: General Administration and Support Services, Refined fuels and lubricants for transport be increased by Ksh.2,000,000, World Bank (KCSAP) be increased by Ksh.3,000,000, SIDA grants (ASDSPROGRAM11) be increased by Ksh. 5,500,000, World Bank (KCSAP) be increase by Ksh.77,253,210, SIDA grants (ASDSPROGRAM11) be increased by Ksh.13,858,954, Overhaul of vehicles and other transport equipment be increased by Ksh.2,000,000 and Purchase of tractors be increased by Ksh.10,000,000. Under Program 2: Crop Development and Management, Purchase of certified seeds-fertilizer be reduced by Ksh.25,000,000, Other infrastructure and civil works (greenHouses)a new allocation of Ksh.10,000,000 and Acquisition of other inventories (pesticides) a new allocation of Ksh.5,000,000.

Under Program 3: Livestock Resources Management and Development, the CECM Finance, proposed Purchase of certified crop seed be increased by Ksh.3,000,000, Purchase of animals and breeding stock (chicks and breeding eggs) be increased by Ksh.2,000,000, Purchase of animal ,chicken and fish feeds increase by Ksh.1,000,000. Under Program 5: Veterinary Service, Overhaul of other infrastructure and civil works (construction and rehabilitation of cattle dips) be reduced by Ksh.20,000,000 and Acquisition of other inventories(vaccines) be increased by Ksh.1,500,000; under Program 7: Water Supply and Sewerage, Refined fuel and lubricants for transport be reduced by Ksh.8,000,000, Maintenance of plant, machinery and equipment (including lifts) be increased by Ksh.10,000,000, Water supplies and sewerage-reticulation be reduced by Ksh.4,230,600, Overhaul of water supplies and sewerage-tanks be increased by Ksh.10,000,000 and Overhaul of other infrastructure and civil works-new boreholes and equipping be reduced by Ksh. 48,517,84;Under Program 8: Water Resource Management, Harvesting and Storage, the CECM proposes, Purchase of specialist plant be increased by Ksh.20,000,000 and Capital grants and transfer be increased by Ksh. 8,000,000:P9: Development and Promotion of Irrigation Schemes, Purchase of survey equipment be increased by Ksh. 7,000,000, Other infrastructure and civil works construction of dams and water pans be increased by Ksh. 14,230,600.

Madam Speaker, the committee recommends that recurrent expenditure in the department be increased from Ksh. 502,632,973 to Ksh. 544,146,326 being an effect of other current transfers; grants and subsidies, World Bank (KCSAP) by Ksh.39,746,790, SIDA grants (ASDSPROGRAM11) Ksh. 7,248,718.the committee further recommends that development expenditure in the department be increased from Ksh.665,611,142 to Ksh. 810,205,461being the effect of program 1 general administration and support services, World Bank (KCSAP) Ksh.3,000,000, SIDA grants (ASDSPROGRAM11) Ksh.5,500,000, World Bank (KCSAP) Ksh.77,253,210, SIDA grants (ASDSPROGRAM11) Ksh.13,858,954.

2.7 Department of Health and Emergency Services

Madam Speaker, the approved budget for the department of Health and Emergency Services was Ksh.4,293,811,773 constituting development Ksh.748,444,409 and Ksh 3,545,367,364 for recurrent. The CEC is proposing an increase in recurrent expenditure by Ksh.1,365,825,990 which shall effect Program1: General Administration and Planning: Basic

salaries permanent employees be increased by Ksh.468,494,790, Other current grants and transfers be increased by Ksh. 109,806,411; under Program3: Preventive and Promotive Services: Other current transfers(universal health care) be increased by Ksh.787,524,789.

Madam Speaker, the department of Health and Emergency services is seeking to increase the development expenditure by Ksh. 10,748,396 for Other Grants and Transfers (monies for level 2 and level 3 health facilities).

Madam Speaker, the committee recommends that recurrent expenditure of the department of health be increased from Ksh. 3,545,367,364 to Ksh. 4,911,193,354 as an effect of the following; salaries for the department be increased by Ksh. 93,494,790, other current transfers be increased by Ksh.109,806,411, Medical drugs be increased by Ksh.100,000,000, dressing and other non-pharmaceutical be increased by Ksh. 50,000,000, Purchase of oxygen be increased by Ksh.10,000,000, laboratory materials be increased Ksh. 10,000,000, Food and rations be increased by Ksh.55,000,000, purchase of ex-ray supplies be increased by Ksh. 10,000,000, Orthopaedic materials be increased by Ksh. 10,000,000, contracted guards be increased by Ksh. 100, 000,000 and contracted professional services be increased by Ksh. 20,000,000, Advertising awareness be increased by Ksh. 5,000, 000 and Universal Health Care Ksh. 787,524,789.

The committee further recommends that development expenditure be increased from Ksh.748,444,409 to Ksh.759,192,805 being the effect of Other grants and transfers (monies for Level 2 and 3 Health facilities) Ksh.10,748,396.

2.8 Department Of Transport, Roads, Public Works and Housing

Madam Speaker, the department of Transport, roads, public works and housing had an approved budget of Ksh.1,623,395,016 which constituted of Ksh 187,097,783 for recurrent and Ksh.1,436,297,233 for development .The department is seeking to increase recurrent expenditure by Ksh.3,000,000 for maintenance of equipment and plant. The department also seeks to increase the development expenditure by Ksh.420,472,625 which is an effect of Program1: Headquarters General Administration and Support Services, Purchase of photocopiers be reduced by Ksh.500,250;under Program 2: Road Development, Maintenance and Management, Other capital grants and transfers(KRB) be increased by Ksh.285,872,625 and Access roads be increased by Ksh.500,250. Under Program4: County Government Buildings, Nonresidential buildings be increased by Ksh. 104,100,000 and under Program 5: County Fleet Management, Refined fuels and lubricants be increased by Ksh. 30,500,000.

Madam Speaker the committee recommends that recurrent expenditure for the department of Transport, Roads, Public Works and Housing be increased from Ksh. 187,097,783 to Ksh. 190,097,783 as an effect of increase in Maintenance of Equipment and Plant. The committee further recommends that development expenditure for the department be increased from Ksh. 1,436,297,233 to Ksh. 1,856,769,858 being effect of increase in Kenya Roads Board Grant Ksh. 285,872,625, non-Residential Buildings Ksh. 104,100,000 and the increase of refined Fuels and Lubricants Ksh. 30,500,000.

2.9 Department of Education, Youth and Social Welfare

The Department of Education, Youth and Social Welfare had an approved budget of Ksh. 584,516,490 which constituted of Ksh. 289,295,000 on development and Ksh. 295,221,490 recurrent expenditures. The department is proposing to increase recurrent expenditure by Ksh. 196,688,792 which is an effect of Program 1: Headquarters Administration Services, Basic salaries-permanent be increased by 196,688,792, Water and sewerage charges be reduced by

Ksh.200,000, Sundry items like airport tax, taxis be reduced by Ksh.200,000, Subscription to newspapers, magazines and periodical(exams) be reduced by Ksh.250,000, Trade show and exhibitions be reduced by Ksh.150,000, Production of printing and training materials be reduced by Ksh.200,000, Hire of training facilities and equipment be reduced by Ksh.200,000, Rents and rates –non- residential be reduced by Ksh.400,000, Hospitality supplies be reduced by Ksh.200,000 and Purchase of uniforms and clothing-staff be reduced by Ksh.200,000. under Program2: Basic Education, the CECM Finance proposes that Education and library supplies be reduced by Ksh. 500,000 and under Program3: Youth Development Service: Other Current Transfer to individuals (volunteerism and mentorship program) be reduced by Ksh.500,000 and under Program 4: Gender and Social Services, Other current transfer to individuals (orphans, women, disabled and elderly) be reduced by Ksh.3,000,000.

Madam Speaker, the department is seeking to reduce development expenditure by Ksh. 93,542,977 which is an effect of Program1: Headquarters General Administration Service, Non-residential building ECDE centers be reduced by Ksh.40,000,000, under Program 2: Basic education; Refurbishment of Non-residential building –ECDE be reduced by Ksh.2,000,000, Purchase of education Aids and related equipment-ECDE be increased by Ksh.2,000,000, and under Program3: Youth Development Services the CECM Finance, Non-residential buildings-polytechnics be reduced by Ksh.120,000,000, Other capital transfers (rehabilitation of youth polytechnics) be increased by Ksh.66,457,023.

Madam Speaker the committee recommends that recurrent expenditure for the department be increased from Ksh. 295,221,490 to Ksh. 413,234,765 being the effect of increase in basic salaries. The committee further recommends development expenditure be increased from Ksh.289,295,000 to Ksh. 295,752,023 being the effect of construction of non-residential buildings (polytechnics) a reduction by Ksh.60,000,000 and an increase in Other capital transfers (rehabilitation of youth polytechnics) by Ksh.66,457,023. The committee further recommends an allocation of Ksh. 5,000,000 from the reallocated Ksh. 28, 000,000 to cater for PWDs across the 40 Wards equally.

2.10 Department of Lands, Urban Development, Energy and Natural Resources

Madam Speaker, the department of land, Urban Development, energy and natural resources had an approved budget of Ksh.1,151,520,837 which constituted of Ksh.1,054,320,500 for development and Ksh 97,200,337 for recurrent. The CECM Finance is seeking to increase the recurrent expenditure by Ksh.72,108,000 through, Program2: Energy and Natural Resources the CECM finance proposes that allocation to Electricity be increased by Ksh.20,000,000, under Program3: Basic salary – permanent others be increase by Ksh.3,636,000, Basic salary permanent –others be increase by Ksh.3,636,000, Basic salary permanent-others increase by Ksh.3,636,000.

The department is also seeking to increase development expenditure by Ksh. 10,000,000 for other infrastructure, *Mulika Mwizi* and rural electrification. Madam Speaker, the committee recommends that the recurrent expenditure for the department be increased from Ksh.97,200,337 to Ksh. 169,308,337 being the effect of increase in Energy and Natural resource, Electricity by Ksh. 20,000,000, Urban Planning and Development, Other current transfers (KUSP-UIG) by Ksh.41,200,000 and basic Salaries Ksh. 10,108,000. The committee further recommends that development expenditure be increased from Ksh. 1,054,320,500 to Ksh.

1,074,320,500 being the effect of increase in other infrastructure-Mlika Mwizi and Rural electrification Ksh. 20,000,000.

2.11 Department of Tourism, Culture, Sports and Co-Operative Development

Madam Speaker, the department of Tourism, Culture, Sports and Co-operative Development had an approved budget of Ksh. 96,188,446 which constituted of Ksh. 14,918,784 on development and Ksh. 81,269,662 on recurrent expenditures. The County Treasury is seeking to increase recurrent expenditure by Ksh.36,622,729 which is an effect of program 1: General Administration and Support Service, Basic salaries be increased by Ksh.36,122,729; under Program4: Liquor Management, Refined fuel and lubricants for transport be increased by Ksh.500,000.

Madam Speaker, the department is seeking to increase development expenditure by Ksh.120,000,000 which is an effect of Program 6: Management of Recreational facilities, Construction of buildings-non –residential (stadiums) be increased by 75,000,000, Construction of buildings-other (public facility and community recreational centers) be increased by Ksh.45,000,000.

Madam Speaker the committee recommends that recurrent expenditure for the department be increased from Ksh. 81,269,662 to Ksh. 117,892,391 being the effect of increase in basic Salaries by Ksh. 36,622,729. The committee further recommends that development expenditure for the department be increased from Ksh.14,918,784 to Ksh. 118,918,784 being the effect of increase in Construction of buildings- non- residential (stadiums) by 75,000,000 and Construction of buildings-other(public facility and community recreational centers) by Ksh.45,000,000.

2.12 County Public Service Board

Madam Speaker, the County Public Service Board had an approved budget of Ksh. 43,412,639 which constituted of Ksh. 2,014,855 on development and Ksh. 41,397,784 on recurrent. The department is seeking to increase the recurrent expenditure by Ksh. 18,569,696 which is an effect of Program1:Human Resource and Administration, Basic salaries-Civil servants be increased by Ksh.18,569,69, Travel cost (airlines, bus ,railways, mileage allowance) be reduced by Ksh.200,000, Accommodation –domestic travel be reduced by Ksh.200,000, Contracted professional services be increased by Ksh. 500,000, Advertising awareness and publicity campaign be reduced by Ksh.500,000, Training expenses be increased by Ksh.400,000, General office supplies be increased by Ksh. 500,000, Sanitary and cleaning materials supply and services be reduced by Ksh. 50,000, Maintenance of vehicles and transport equipment be reduced by Ksh. 300,000, Maintenance of office furniture and equipment be reduced by Ksh. 100,000, Other routine maintenance be reduced by Ksh. 50,000.

Madam Speaker, the County Public Service Board has done internal reallocations by reducing expenditure on other infrastructural and civil works byKsh.900,000 and an increase on purchase of office furniture and equipment by 114,855 and Purchase of Computers, Printers and other ICT Equipment (Pending Bills) Ksh.1,014,855.

Madam Speaker the Committee recommends that recurrent expenditure of the County Public Service Board be increased from Ksh. 41,397,784 to Ksh. 59,967,479 being the effect of increase in Human Resource and Administration, Basic salaries- Civil servants by Ksh. 18,569,695. The committee further recommends that the development expenditure be increased from Ksh. 2,014,855 to Ksh. 8,547,430 being the effect of fund Program1: Purchase of office

Furniture and Equipment a reduction by 114,855; Purchase of Computers, Printers and Other ICT equipment (pending bills) by Ksh. 7,547,430.

2.13 County Assembly

Madam Speaker, the County Assembly had approved budget of Ksh. 1,172,776,339 which constituted of Ksh. 236,000,000 for development and Ksh 936,776,339 for recurrent expenditure. The County Assembly has proposed reallocation of Ksh. 58,000,000 from the closing balance of the FY 2017/18 in development expenditure. The change will be effected as follows, Refurbishment of Buildings (General) increase by 9,000,000, Purchase of Vehicles increase by 33,000,000, Purchase of Office General Furniture (New office) reduction by Ksh. 2,500,000, Purchase of Computers, Printers and other IT Equipment (New office and ward offices) Ksh. 3,000,000, Purchase of Household and Institutional Equipment increase by Ksh. 23,000,000, Purchase of Household and Institutional Appliances increase Ksh. 1,000,000, Refurbishment of buildings -

Chamber Renovations increase by Ksh. 1,000,000, Construction of Non-Residential Buildings (Completion of HQ office Block) increase by Ksh. 6,500,000 and Acquisition of Land

(For Speakers Residence) increase by Ksh. 5,000,000 and Purchase of ICT networking and

Communications Equipment (Networking/Communication equipment) reduction by 15,000,000.

Madam Speaker, the committee recommends that development expenditure for the County Assembly be increased from Ksh. 236,000,000 to Ksh. 294,000,000. The County Assembly has not proposed any increment in recurrent expenditure but has done internal reallocations which the committee recommends for approval as per the itemized Budget.

Madam Speaker, the overall effect of these proposed changes is a revision of the approved budget from Ksh. 12,231,106,620 to Ksh. 14,965,214,308. A further analysis shows that the recurrent expenditure will increase by Ksh. 2,142,804,797 while development expenditure will increase by Ksh. 591,212,891. This translates to 64% recurrent expenditure and 36% development expenditure. Compensation to employees stands at 35% of the total revenue. This supplementary budget is therefore in compliance with fiscal responsibility principles set out under section 107(2) (b) of the PFM Act 2012.

Madam Speaker, on accommodating the recommendations by the Budget and Appropriation committee, the expenditure framework shall be Ksh. 5,395,548,389 (36%) development, Recurrent Ksh. 9,569,675,928 (64%) and Compensation to Employees shall be Ksh. 5,227,486,701 translating to 35 per cent of the total revenue.

3.0 OTHER OBSERVATIONS AND RECOMMENDATIONS

Madam Speaker, the committee observed that:

1. Salary increments have taken the centre stage in most departments' reallocations. In determining these increments the committee considered the originally proposed salaries by the executive in the original budget submission for FY 2018/19 which the committee had previously adjusted downwards due to lack of supporting documents. The committee recommends that additional salaries should not be

- introduced after the Fiscal year budget to ensure checks on wage bill and to adhere to PFM act. Most salary increments were to fund the Excel Paid salaries and wages which are at risk of manipulation. The committee further recommends that all County employees salaries should be captured and processed through the IPPD system; the Assembly in the future Fiscal year budgets will not consider Excel Worksheet based Salaries but only IPPD system processed salaries and wages.
2. Most reallocations have been effected from the unspent FY 2017/18 balance brought forward of Ksh. 1,375,806,463 as the source of funding. The total revenue for the County may not support the wage bill in future if measures are not put in place to tame the ballooning wage bill. The risk of the growing wage bill has been quoted by the national treasury in the Budget Policy Statement (*BPS page 60*) as a risk to be addressed urgently and require an action plan to mitigate it.
 3. The County has implemented minimal development projects and with the current trend it may fall short of achieving the minimum 30% development target as stipulated in section 107 of the PFM Act 2012.
 4. The CECM Finance had proposed to reduce the Emergency fund but the committee has rejected the proposal since disasters cannot be predicted.
 5. Many new projects have been introduced in the supplementary. The law allows such new projects to be unforeseen at the time of FY budgeting or unavoidable in nature which is not the case in the supplementary. The committee recommends that in future the County treasury adheres to the approved fiscal year budget and also the principles and financial objectives set out in the County Fiscal Strategy Paper.
 6. Reallocations in various departments are more than the stipulated 10 per cent in the Public Finance Management act. The law allows the County Assembly to approve a higher percentage in special circumstance as stipulated under section 135 (7) of the PFM Act. The committee therefore recommends to this Hon. Assembly to approve the reallocations.
 7. The Supplementary Funding proposals exceeded the County fiscal strategy paper ceilings approved by this Hon. Assembly. This happened because there were balances carried forward from the previous fiscal year and additional Conditional Grants which were included in the amended CARA FY2018/19. Section 136 of the PFM Act stipulates that any unspent money at the end of the financial year lapses immediately at the end of the year and is transferred to the County Revenue Fund (CRF) account at Central Bank of Kenya (CBK). The committee therefore recommends the monies to be appropriated in the FY 2018/19 Supplementary budget.
 8. There was a high absorption rate of recurrent expenditure in comparison to development. The committee notes that the departments had significantly underspend on development which could only mean that most proposed projects which had been budgeted for in the FY 2018/19 have not been undertaken. The committee recommends that the high absorption rate witnessed in recurrent expenditure be at the same time transplanted to development expenditure.

9. The County had not met donor conditions to spent funds already available for spending for a second year and the donor has further availed more funds to the County. The committee recommends that the concerned department develop a work plan for absorption of the said Conditional grants.
10. The committee noted that with the increasing salaries the NHIF was in a static state and no satisfactory response was given on the same. The committee recommends that information be provided to clarify the matter in the FY 2019/20 Budget.
11. The bursary fund is ready for operationalization, and disbursement modalities should be implemented through the CO Finance and CO Education to ensure absorption of funds by the intended beneficiaries.
12. In the office of the governor wages were reallocated to non-wages contrary to section 154(1) of the PFM act. Section 154(2)(b) of the PFM Act allows the Accounting officer to reallocate funds if they are unlikely to be used before the end of the year and approval was granted by the County Treasury. The County Treasury confirmed that a request was received from the office of the Governor and was approved. The committee therefore recommends approval of the proposal.
13. In the previous years the Government has had balances carried forward. These amounts have to be budgeted for in the successive budgets. This is in line with Section 136 of the PFM Act which stipulates that an appropriation which has not been spent lapses immediately at the end of that financial year.
14. The committee was not provided with up to date expenditure reviews and IFMIS vote book to ascertain the need for allocations and reallocations in the departments. The committee recommends that the County Treasury adheres to Article 183 (3) of the Constitution of Kenya that provides that the County Executive Committee shall provide the County Assembly with full and regular reports on matters relating to the County.

3.1 CONCLUSION

Madam Speaker, the approval of the FY 2018/19 Supplementary budget shall increase the absorption rate of the County and avoid carrying forward balances that have been witnessed in the previous years. It shall also accommodate Universal Health Care which is a programme funded by World Bank and spearheaded by the National Government.

4.0 ACKNOWLEDGEMENT

Madam Speaker, the Budget and Appropriations Committee is grateful to the Office of the Speaker and that of the Clerk to the County Assembly for facilitating the committee to undertake its mandate. I wish to express my appreciation to the Hon. Members of the Committee who sacrificed their time to participate in the meetings and in preparation of this report. Madam Speaker, it is therefore my privilege, on behalf of the Budget and Appropriation Committee to table the FY 2018/19 Supplementary Budget before this Hon. Assembly for consideration and approval. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Ndambuki.

(Question proposed)

Hon. Members, the motion is open for debate. Hon. King'ori.

Hon. King'ori: Thank you, Madam Speaker. I am happy with what our Budget committee has done; it is a good job but I also want to give my opinion. I have not seen whether they have taken consideration that we have municipal boards which should also be budgeted for and given funds so that they can operate properly because we have already passed the boards of the municipal boards. We also need regulations to guide the same so that all funds that are given by the donors to be utilized in the municipal---

Hon. Speaker: Point of information from Hon. Ngunga.

Hon. Ngunga: Thank you, Madam Speaker. Before I proceed, receive greetings from the people of Singapore; we arrived last night we managed to visit the House of Singapore and they are happy.

Hon. Speaker: I have received them.

Hon. Ngunga: I wanted to inform Hon. King'ori that we are dealing with a supplementary budget and it is not actually the main budget and so when we are talking about a supplementary budget, we are not talking about planning; this is just a matter of viament and borrowing from this vote head to the other vote head. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Ngunga. Hon. King'ori, now proceed on another line.

Hon. King'ori: Well-informed, Madam Speaker. I also want to talk about the department of youth; we have allocated Ksh. 5 million for the disabled which is good but without the board in place, the money stands to be misused by the Executive because Machakos County Persons with Disabilities Bill No. 10 of 2016 requires that we have a board in place for any money to be disbursed in disabilities.

What happened in the past, those funds have not been used properly and we need the board in place so that they can disburse that money immediately. Thank you, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. King'ori. Hon. Mutinda.

Hon. Mutinda: Thank you, Madam Speaker. I congratulate the chairman and the budget committee for good work done. I am privileged to be a Member of that committee and I wish to say, this is work done within the shortest time possible and this report is good and I urge the House to approve it. Madam Speaker, we have issues I wish to highlight and it is important we highlight the issue of Universal Health Care; I would wish the county government to take its part and ensure it has the right infrastructure to ensure these monies allocated, Ksh. 787 million and some---

Hon. Speaker: Point of order from, Hon. Jeremiah. What order has the Hon. Member breached?

Hon. Munguti: Madam Speaker, I would like to know whether the Member is in order when he seconded the motion and he still contributing on the same motion.

Hon. Speaker: I have given him permission to proceed.

Hon. Mutinda: I am very glad you have allowed me to continue. Madam Speaker, I was at the point of the county government to take its part of infrastructure to ensure that we have the relevant ones and ensure the Universal Health Care is giving service to our people. The issue of medicine should be provided because this UHC card cannot help our people if we will not have the services which we need. So I would wish the CEC in that line to ensure that we have the card helping our people.

The other thing is on the Ksh. 10 million of the ward projects; it has been captured and that will ensure our county is growing evenly so that every part of the county has equalized development. I would wish the projects forwarded by this House are considered and implemented within this time of the budget. The issue of the 30 per cent of the marginalized group should be taken care of in this time and I wish the sectoral committees to ensure that they hold their departments to account so that every department ensures the 30 per cent which should go to the marginalized group like the women, the physically challenged and the youth are given to those people so that this cake is taken by each group and the socio-economic benefits are gained by our people.

The other thing is on staff salaries; we have issues of salaries in arrears for staff and other remunerations. Now that the monies will be provided, hoping this House and as I request the House to approve, I would wish those people who call and tell us they have not been paid the salaries of either December or November, now that comes to be a thing of the past.

So, it is a good report and I wish the House approves it so that we may have our county serving us. On the other time, last year we approved the supplementary and there was an issue of timelines; it is said that we had short time but now the time we have we is enough for any cook to cook a hyena to taste like a goat and to cook a guinea pig to taste like a chicken---

Hon. Speaker: Point of order; hyena tastes like a goat?

(Laughter)

Hon. Mutinda: Given time. So, Madam Speaker, I think we have enough time and this supplementary budget should be approved within the remaining time without excuses or procurement procedures. So, I wish to stop and thank the committee and request the House to support and approve this report. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Mutinda. Hon. Mueni.

Hon. (Ms.) Mueni: Thank you, Madam Speaker. I congratulate the committee; it has done a very good work. As the Member who was on the floor was saying, now we can approve the supplementary so that the executive can do their work because this is not a budget but the remaining money which the Executive has not used and they have not done their work.

So, we can approve it so that they can do the work for the good of Machakos County because they say we are not giving them the money; can we give them the money this time, the shortest time they have to show us what they can do because they are bringing the main budget. They have to do what we are saying in the supplementary and they are supposed to do and every committee, the money you have been given, the shortest time we have been given, can we use the money so that when they are taken back to the National government, it is a disadvantage to our county. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Mueni. Hon. Museku.

Hon. Museku: Thank you, Madam Speaker for affording me this opportunity to contribute to this motion. Thanking my chair budget, Hon. Ndambuki and the other Members of the budget committee for the many midnight hours we burned the midnight oil in ensuring that this report was presented before the House in record time.

As we have said on several of the issues which have been raised here especially on the recommendations; the first one which is key and which the committee pointed out is that the major mover here is on salaries and wages. The committee further recommends that all county employees' salaries should be captured and processed through the IPPD system.

The reason why the budget committee gives this recommendation is to give a guideline in the supplementary budget for what the expectation of the House and the committee will be for the main budget. We have two types of payroll; which is based on IFMIS and the IPPD system and another Excel worksheet based payroll. What the committee is recommending is that the Executive needs to make sure that all the employees who are in the excel spreadsheet are captured in the IPPD so that this House, when they are reviewing the important aspect of salaries and wages, is relying on one document; the IPPD, which cannot be easily tampered with.

Remember an excel spreadsheet is Microsoft office and you can delete, add and do all those other manipulations but if they can upload all that in the IPPD so that we are only dealing with it alone, then that will be able to give us a better direction in salaries and wages.

The committee also noted that we have many new projects which have been introduced at the supplementary level; this needs to be avoided as the committee has recommended because in the supplementary, we are supposed to be re-allocating funds so introduction of many new projects means that the original budget was not done properly. It means the original budget did not have enough foresight feeding into it, that is why midway the year we are saying we should be doing this and this and reintroducing new projects based on funds on funds which were carried forward from the previous period as a source of financing. If the budget is done properly, we will be expecting, going forward, for us to have as few additional or new projects being introduced at the supplementary level.

Madam Speaker, on the issue of Ksh. 10 million for each ward; the committee ensured that all the departments under which the Hon. Members had expressed to use their Ksh. 10 million in are well-funded and they contain that money in them.

(Applause)

Therefore, what is remaining is for this House to sit with the respective Chief Officers and the respective people in the Executive and come up with a detailed timeline on how all these projects are going to be executed in the next three months. Time is of the essence because we need to commit these funds before the end of the financial year which is coming in 30th of June

and as you all know, by the 15th of May, IFMIS system slows down. So, we actually have one and half months to ensure we get all these up and moving so that we can be able to commit these funds.

We will be engaging the Executive to ensure they take up these issues seriously, draw the programs because I believe that the performance of the Ksh. 10 million which is being given will determine the approval of the main budget for the coming financial year. So, the earlier we do it, the earlier the commitment is done and the earlier the Hon. Members will be able to get their projects done. Thank you, Madam Speaker.

Hon. Speaker: Hon. Kamitu, you are shooting your hand; I will sure see you even if you do not do it so hard. Go ahead.

Hon. Kamitu: Thank you very much, Hon. Speaker. You will excuse, Madam Speaker, I have a sore throat. I really compliment the budget committee for this noble job they did; they had sleepless nights, purposely to ensure that what they captured will be of benefit to the supplementary budget because everybody is aware that when talking about supplementary budget, it is allocating and re-allocating budgets in various departments.

My take for this is I would request the various committee chairpersons and their Members because the general recommendations in every department is now for all the committees because we have about 25 committees, my humble request without bringing a lot of confusion is that all the chairpersons; for example the chairman for trade, there are those areas where reductions have been made and others areas, increment has been made to the expenditures.

So, the chairpersons with a timelines they should arrange to have the Chief Officers, sit down with them and interrogate in regard to monitoring and evaluating the re-allocation that has been done through the budget report and how it is going to be carried out and then after the implementation committee to ensure that all those that has been re-allocated to another department is carried out and by so doing we shall see service delivery effected equally to all the departments under the Executive. Thank you, this was a well done job by the committee. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Kamitu. Hon. Steve Mwanthi.

Hon. Mwanthi: Thank you, Madam Speaker. Let me start by applauding the committee for the work they have done but as I was going through the report, I found that we have allocated so much money especially on recurrent expenditure where Ksh. 2.21 billion will be used in that line. Much of that money has been used in the health sector, page four, R007 whereby you will find the department got an allocation of Ksh. 1.365 billion one department to spend within three months. Out of that money you will realize that there are guards, who have been allocated Ksh. 100 million for three months.

I was trying to do some simple calculations and I found that within three months if we spent that Ksh. 100 million on guards, it will mean that maybe we will have to hire 2200 guards each being paid Ksh. 15,000. I see that not being realistic, I do not think we can manage to employ 2,200 guards and yet at the same department we have recommended only Ksh. 20 million to be spent on employing or getting professionals in the same department. So it is something I think if checked well, needs some changes.

Madam Speaker, on the same only Ksh. 591 million on page eight; the issue if guards you will find it in the report on page 17 for health; page nine also in Labor and ICT you will find we need to Ksh. 150 million in that department and all that is in recurrent. So, you get worried how we are going to manage to spent Ksh. 2 billion in recurrent only and realize Ksh. 591 million; these needs to be looked at. You will find this year in recurrent expenditure only we will spend Ksh. 9.7 billion. That is on page five and that is the grant total of the recurrent expenditure. On page five of the Bill.

Hon. Museku: Point of information, Madam Speaker.

Hon. Speaker: Hon. Steve Mwanthi, you can be informed. Hon. Museku, proceed and inform the Hon. House.

Hon. Museku: Thank you, Madam Speaker. I would like to point out that; if you look at the opening statement of the Budget Committee, it told you that the main purpose of the reallocation of the supplementary budget was first and foremost enable absorption of Ksh. 1.3 billion which had been carried forward from the previous periods. That Ksh. 1.3 billion had already taken up in various departments and could not be accounted for because it required a supplementary budget for the Ksh. 1.3 billion to be reallocated amongst where the funds had already been utilized.

So, much of the funds which you are seeing being reallocated like the Ksh. 100 million, is not for the three months; it is coming from a carry forward balance of last year of Ksh. 1.3 billion which has been brought now at this point in the supplementary budget for reallocation. So, when you see the budget committee pointed out that we needed to have been given the IFMIS account balances so that we can see in that specific caption, how much has been spend to date for you to know how much is remaining to be absorbed in the remaining three months.

Those figures you are seeing there are more of regularization figures that for expenditure in the next three months. Thank you, Madam Speaker.

Hon. Speaker: What Hon. Museku is saying, is that you are dealing with a historical factor; it is already done, it is already spent?

Hon. Museku: Yes, Madam Speaker.

Hon. Speaker: So you are regularizing?

Hon. Museku: What I am saying is that by the time we closed the year on June 30th last year, there were various programs which had already been committed to funds and Ksh. 1.3 billion of that was carried forward to the current year. They continued on those programs on the assumption that when the supplementary budget is done, they will be able to regularize the accounts through an appropriation Bill.

So it is not targeting three months, it is funds which have been utilized over a long period of time which we are now regularizing. Thank you.

(Applause)

Hon. Speaker: Thank you, Hon. Museku. Hon. Ngunga, Hon. Steve is still on his feet Proceed Hon. Steve Mwanthi.

Hon. Mwanthi: Thank you, Madam Speaker. That is why I applauded the committee for the work they did but what I was trying to say is; I think the Executive now needs to come clear next time not now, because you see at the end of the day we will end up spending Ksh. 9.7 billion in recurrent expenditure. Ksh. 9.7 last year, Ksh. 7.3 billion still was spend on recurrent expenditure; if you some up both against the money we are spending on development, you will find that the county is not going towards the right direction.

That was my argument because if we continue like this; just as the Hon. Member has just said, the money is already spent. Yes it is. Did we get the 2,200 guards employed by the County Government? The answer is no and, in fact, we have too few of them. So, it is my advice to the executive next time to check on how we can emphasize and allocate more funds for development of our people. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Steve Mwanthi. Hon. Majority Leader Mark Muendo.

Hon. Muendo: Thank you, Madam Speaker. Let me also applaud the committee of budget for the work they have done well in a short time and Madam Speaker, let me say I support this supplementary budget. It is not because it is the best but I am supporting from where we are coming from. We had a meeting with the executive, the leadership of this House and we agreed some projects to be put on this supplementary budget. We agreed each ward to come out with projects worth Ksh. 10 million.

Myself I was looking for Ksh. 20 million projects because Madam Speaker, you know some of the wards have not been having projects and Madam Speaker, we understand very well that this supplementary budget most of the monies have been consumed. We are just here Madam Speaker, to regularize them. Madam Speaker, let me say the Ksh. 10 million projects which were put here in this House, if the executive is not going to work on these programs, the Ksh. 10 million projects in every ward, Madam Speaker, in future, it will be difficult for this House to pass another budget.

Let me say we agreed with the executive to start immediately working on these projects in the wards and if it is not going to be done Madam Speaker, three months are just around the corners we will be going for the main budget.

This was a gentlemen agreement Madam Speaker, when we agreed and we know things have not been going well in our County. The projects have been put on some areas, wards selectively and we agreed Madam Speaker, you remember we said if this supplementary is going to pass, we must agree on projects. Madam Speaker, we agreed and I want to assure this Hon. House around 3.30 p.m. we are going to have a meeting with the COs and also the Deputy Governor will be here in the house.

What I want Madam Speaker, you allow me is to agree on timelines of those projects. Members and the executive whereby we must see work being done before the next budget, Madam Speaker. When I look at this supplementary budget Madam Speaker, some areas like when we talk about Ksh. 100 million for the guards, when you look how much we are spending on expenditure that tells us there is something wrong in this County, Madam Speaker, Ksh. 9 billion is a lot of money comparing to developments funds and Madam Speaker, I will urge this House to be vigilant on the expenditure of the budget because that is our work. Let us, Hon.

Members, do our oversight, let us not talk much about the handshake because to me I do not know whether it is an handshake or it was just a fist.

The reason is we have never denied the executive funds. This is the third budget we are giving the executive and it is now the last budget we are going to pass. The next budget, if the projects are not done, we are not going to pass it, Madam Speaker. Let me say as one of the members has said now we have a lot of time, the executive cannot come back and tell us there was no time because some of the money they are talking about here they said there was no time to spend the money. Now we have three months.

Madam Speaker, when we went to meet the Governor, we were told by the Governor himself that the Hon. Members of this House would be the supervisors of the projects on the ground; those were the words of the Governor. We reported that we have administrators who are still challenging us elected members and that are past tense now. The projects which are going to be on the ground will be having a co-coordinator where we will be reporting what is happening and we must be also vigilant on the projects if they are being done well.

Hon. Speaker, I support this document, I support supplementary budget and I will urge this House to pass it and let us move and see if the executive is going to work. If it is not going to work we are going to be here and we are going to deny them the coming budget. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Mark Muendo. Hon. Kisila.

Hon. Kisila: Thank you, Madam Speaker. I would like to commend this committee for a job well done, it is a very good report and I will go straight to recommendations. There are a few issues which Madam Speaker, I think now we need to go to action. One of the biggest action we need to go to as a House together with the executive is something called ballooning wage bill.

Hon. Speaker: What recommendation number?

Hon. Kisila: It is on recommendation No. 1. We cannot afford this ballooning wage bill and I think the time has come where we need to sit and assist H. E the Governor together with the executive to find ways on how we can reduce this ballooning wage bill. It is even very clear that we cannot afford it and if we cannot afford it, it clearly means the money that is supposed to go for development will go to the wage bill.

I think Madam Speaker, there are very good brains here in this Assembly we have worked on various projects of reduction in staff levels and also working on work load analysis including understanding what people actually do. So, I think what I want to say Madam Speaker, is can we put a very clear recommendation and as this House has very good brains; we even go further and help the executive recommending various ways on how to reduce this wage bill. The wage bill cannot be accommodated and I think in the next budget we need to ensure that bill drops.

Madam Speaker, I think I like the recommendation of IPPD system. If we agree on a system of employee payment, let us stick to it. Why should we be having two systems of paying employees? Maybe we have ghost workers and in fact one stage Madam Speaker, I actually wanted to do the audit for my ward and I still want to do it. I want to understand the number of staff working in Mwala/Makutano ward.

I do not want to be told these people are there because sometimes I see them and other times I do not see them. So, maybe we need to put a very clear recommendation with the oversight of the members of this Assembly. We do a proper audit in every ward of the employees who are working for us. We meet them somewhere, we know what they do and with that we meet together with the executive and recommend how we are going to trim the numbers down because money going for salaries which is not helping us develop as a county is not helping us. Madam Speaker, IPPD system must be implemented.

Number two, Madam Speaker, is the second recommendation. The total revenue of the County may not support the wage bill which is growing. Those of us who attended the County Fiscal Strategy Paper training were even shocked to learn that the executive is recommending...there was a recommendation to reduce the total revenue from Ksh. 1.5 billion to Ksh. 1.3 billion.

We went through that and we did not approve. Our County has the potential of raising almost Ksh. 4 billion in revenue and what we are asking is, and my chairman finance is here, we need to come up with strategies of how we can be able to increase our revenues and we need to set aside money to audit and establish various revenue streams which are available to this County including automation. They cannot talk about reducing wage bill revenue from Ksh. 1.5 billion to Ksh. 1.3 billion.

Those of us who met in the workshop we recommended various ways that can help the executive to take up the revenue from Ksh. 1.5 billion to four billion and we are more than available to help because if this money comes, if we turn around revenue from Ksh. 1.5 billion to Ksh. 4 billion, this money will come and help our County. So, Madam Speaker, I think we need to put a very strong point on revenue collection versus the wage bill.

My last point, Madam Speaker, is point No. 11 on page 27. The bursary fund is ready for operationalization and disbursement modalities should be implemented through the Chief Officer finance and Chief Officer of education. Fair enough but we need to be very clear how much money is being given to every ward in bursaries.

Maybe I did not see it here, maybe members of the committee can tell me how much am I expecting for Mwala/Makutano ward and for all the wards. I have received Ksh. 700,000; how much am I getting in the remaining three months. That needs to come here and I need to see it very clearly so that I understand it and I go and tell my people that I expect additional Ksh. 2 million; I did not see it anywhere in the report Bwana Chairman. So, money for bursary needs to be highlighted.

(Applause)

My last point, Madam Speaker, is money for educating our bright children. Apart from bursary, as a County we need to set aside money for our bright and intelligent children coming from this County and that should not be in the ward bursaries. It needs to be a stand-alone item by itself. If I tell you, Madam Speaker, and I am closing with that, there is a very bright child who comes from Ikombe.....do you want to inform me?

Hon. Speaker: Hon. Kisila, can you proceed and do not look at any Member; look at the Chair.

(Laughter)

Hon. Kisila: I am looking at the Chair. Thank you for directing me, Madam Speaker. I am closing up on that point. I want to bring you to the attention of a very bright girl who comes from Ikombe; Mheshimiwa Nziva is not here. That was the best student in the entire Eastern Province and I would like to shock you, Madam Speaker. For that child, we had to fundraise money for her to go to school. It is important that in our budgeting process, children who have 400 marks and above, money is allocated to it and those children are educated up to Form Four and that will make sure that our top crop in our county is well taken care of because most of them come from very poor families. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Kisila. Article 27 of the constitution on discrimination; you will need to think about it as you propose that because the issue of the bright students who come from poor families can still be addressed within the bursary fund but that is for another day. Hon. Ngunga?

Hon. Ngunga: Thank you, Madam Speaker. I am rising to also support these proposals by the committee on supplementary budget and again I would also want to add my voice to those who have spoken before me and said that the committee on budget has done a nice job and this is evident in the report that we have just listened to.

Madam Speaker, while I am standing I would like to point out on 2.12 where proposals on the County Public Service Board appear. Madam Speaker, the elephant in this House and in this County is about the issue of recurrent expenditure. When you talk about the issue of recurrent expenditure Madam Speaker, it takes between 70 and 80 percent to actually be accurate of the allocations that we get and the monies that we collect around here. For us Madam Speaker, to be able to arrive somewhere so that at least we are able to increase the allocation on development we have to have a way out on the way to deal with the wage bill that is in this county.

Hon. Brian has just spoken on the same, I do not want to speak much about the same, but I would like to point out Madam Speaker, if we want to make head way, we need to strengthen the institution that deals with that. Madam Speaker, this House has some history, remember we summoned the County Public Service Board here and in my opinion when the board appeared before us, it appeared as a disorganized board.

So Madam Speaker, I want to go with the committee and appreciate the fact that I look at it and see it is like they wanted to give them some energy because they have increased allocation of about Ksh. 43 million to be able to operate. Madam Speaker, I want to say this is the way to go where we need to empower institutions within our county so that they become independent.

Of course, you and everybody is aware we have reports that have been coming here indicating to the fact that we have actually employed three times our capacity and those of us who have been very vigilant you realize that, you find an operator, one machine has about three or four operators Madam Speaker and this is as a result of defunct County Public Service Board where the County Public Service Board is not in place.

I want to challenge this Hon. House, Madam Speaker, through our legislators here that we allocate funds; in fact, in the coming budget proper funds to make sure the County Service Board is functional so that what members have been crying about we can have a proper working force in place where this idea of workers being paid through spread sheets, I do not know what

you are calling them I do not understand how that comes around. It only comes around when systems have been mutilated.

Madam Speaker, suffice to note that we have a national scourge here that is being called corruption and corruption cannot be named any other. Corruption does not even have to manifest itself in the monies that you carry home and take to your wife; even some of these are forms of corruption where responsibilities are given to an institution and you muzzle that and you take that responsibility. Those who have been employing are actually corrupt officers and we need therefore Madam Speaker, through this Assembly to ensure that we allocate more funds to the County Public Service Board to ensure that they function as they are supposed to function.

(Applause)

Madam Speaker, I have looked at recommendation No. 5 because, of course, when you talk about a supplementary budget, we are talking about already monies that have been used and so we are doing is aligning them to the vote heads. I have look at recommendation number...Madam Speaker, I am not that techno savvy, you will have to bear with me, I am just trying to catch up. Recommendation No. 5 is where they talk about many projects have been introduced in the supplementary budget, the law allows such projects to be unforeseen at the time of financial budgeting.

Now, get to understand here what it means; we have new projects that are being introduced in the County and we have stalled projects. Now Madam Speaker, when you allocate money or you are borrowing money from a vote head to take to another vote head to start a new project and there is already another stalled project there, what are you doing now surely? I want to agree with the committee on recommendation No. 5 that such proposals should not be coming to us in future where projects have not been completed and you are borrowing money to go and start others.

Madam Speaker, on the same strength, I also want to beg and plead with the members here so that I understand we have been allocated some Ksh. 10 million in our wards that we are going to undertake some projects. Please let us be kind enough, if we have a project in your ward that has stalled, other than starting another project pick that money and go and finish the project that is already there because Madam Speaker, it makes no economic sense where you are going to start a new nursery school or a new ECD class in another location while you have another one which is stalled elsewhere.

(Applause)

Madam Speaker, it is my appeal to the members so that at least we make economic sense in this remaining three months. Madam Speaker, a lot has been said about situations where some wards have had advantage over other wards; Madam Speaker, this has been said and I am sure allegations have flown my way and I want to defend myself telling Members---

Hon. Speaker: I have not heard any.

Hon. Ngunga: No, Madam Speaker; I am just contributing. Let me navigate my issue, Madam Speaker, if you allow me---

Hon. Speaker: Hon. Ngunga, I have not heard any allegations against you.

Hon. Ngunga: Then, Madam Speaker, I will be making some stray bullets this time round. Not particularly hitting at anyone---

Hon. Speaker: Hon. Ngunga, you know about relevance of a debate.

Hon. Ngunga: Yes. So then---

Hon. Speaker: You can talk generally but not specifically.

Hon. Ngunga: So, Madam Speaker, what I wanted to say in that connection is that we do not need to use development politically. There must be a felt need in a particular area so that the felt need is solved. For there to be development, there must be a realization of a felt need Madam Speaker. You cannot be telling me that you are going to create a facility somewhere where the need is not there.

It is an obligation of the County Executive, Madam Speaker, to ensure that they solve the problems that are there of our people within the budgeted allocations that are there and so Madam Speaker, I would want to maybe, on the same---

Hon. Speaker: Hon. Jeremiah, it is good just be close and continue assisting.

Hon. Ngunga: So, Madam Speaker, I was contributing---

(Laughter)

Hon. Speaker: Alright, proceed, Hon. Ngunga.

Hon. Ngunga: This is interesting but I like the way we are going Madam Speaker, we will catch up very soon.

(Laughter)

So, Madam Speaker on the same as also agreeing the committee recommendation No. 4 Madam Speaker; when the CEC finance had proposed to reduce the emergency funds but the committee had rejected the proposal since disasters cannot be predicted. Madam Speaker this is what we call oversight now and that is proper oversight because properly because the CEC feels that we have two three months to go, then she would want to pick the money that has been allocated for emergency to somewhere else. You do not know the end of time. You do not know when disasters are supposed to come.

Hon. Speaker: Yesterday there was an earthquake. Did we know it was coming?

Hon. Ngunga: A big one, Madam Speaker. There was a disaster and you don't know what effects would have been brought here. So, I want to agree with the committee and say Madam Speaker, I am very impressed by the work that this committee has done and I will be giving it my 100 per cent support. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Betty. Let me also be fair because we have to balance gender. Hon. Betty, proceed.

Hon. (Ms.) B. Nzioki: Thank you, Madam Speaker. Madam Speaker, I want to start by congratulating the committee and the chair. They have done a great job of which they have played their part and their mandate as a committee. Madam Speaker, if you allow me I want to go to page 28 on recommendation No. 14. The committee was not provided with updated expenditure reviews and IFMIS book to ascertain the need for allocation and reallocation with the departments. The committee recommends that the county treasury endears to the Article 183(3) of the Constitution of Kenya that provides that the county executive committee shall provide the county Assembly with full and regular reports on matters relating the county.

Madam Speaker, this is a good recommendation. We are supposed to be as leaders and anyone who holds a public office. For us to be held accountable and we are supposed to have to accountable and to be transparent in everything that we do no matter what.

Madam Speaker, it is my humbler request through the executive through the office of our Governor that in anything, any document that has the assembly we request for it is for the betterment of our county it is not witch-hunt and it is for us to get the information so that we execute our duty of oversight and if there is a problem Madam Speaker, I think we are able to sit down as a county and solve the problem.

Madam Speaker, it is my hope that as much as we are supporting this document, the supplementary budget, the fairness, equality will be seen within our wards, Madam Speaker because here we came to represent our people and in every ward there are needs and cries of our people and it is my hope that whatever we are going to do today because it is out of goodwill, Madam Speaker our people will be able to benefit from this supplementary budget.

I stand fully to support this report Madam Speaker, and I urge the county executive to do the implementation work and for us to do the execution (??) so that Madam Speaker we can take this county to another level. Thank you, Madam Speaker.

Hon. Speaker: Thank you Hon. Betty. Hon. Members let me have Hon. Katumo.

Hon. Katumo: Thank you, Madam Speaker. I stand just to support this very well-done report. Thanks to the committee and especially the chair who read it for a long time and he sustained himself through. Madam Speaker, I won't take a lot of time because this report is very comprehensive and extensive. I want to go straight to on the report itself on 2.9 on the department of education, youth and social welfare where the committee analyzed the report from the executive and gave their own recommendation and the last sentence, I want to read it; the committee further recommend an allocation of Ksh. 5 million from the reallocated Ksh. 28 million to cater for PWDs across the 40 wards equally.

I want to congratulate the committee and the whole House for remembering our ward and this is the first ward. I am very happy for that hoping forward I know I am a man. Going forward I know things will be better but I want to move an amendment; I want to give a rider so that we can qualify. Given three months it is very short and if he just gives money without further looking at future, we might not spend them and therefore I want to have an amendment on that last sentence so that it can read differently and make sure that money is holistic and inclusive.

So, I want to amend it this way; that the committee further recommends an allocation of Ksh. 5 million from the reallocated Ksh. 28 million to cater for PWDs across the 40 wards equally out of which Ksh. 1 million will be for PWDs sports.

Hon. Speaker: Will it matter, Hon. Katumo?

Hon. Katumo: It matters a lot because---

Hon. Speaker: Hold on; the Chair is still addressing you. If it is implementation of that amount, there is no way it can be implemented by any member in any ward without your involvement and that of Hon. Jacinta. It is indeed for you and Hon. Jacinta to say this is what you want. Are we going to put specifics here?

Hon. Katumo: Why I am moving that is out of consultation with the Chief Officer, the CEC concerned and even with the budget committee because I was told last week if we just give money like that. The vote will be different and they will not use the money the way it is supposed to be done. So that is why I am very much interested to move and to be very specific to make sure that the money is used in the right time given.

Hon. Speaker: Hon. Ndambuki or any members of the BAC; can you answer that for the House. Hon. Museku.

Hon. Maitha: Point of order, Madam Speaker.

Hon. Speaker: Hon. Maitha, just a moment.

Hon. Museku: Thank you, Madam Speaker. I hear what the Hon. Member is saying. I think when it comes to allocation of funds, they might all be under PWD but there are different vote heads. So, I believe what the Hon. Member is saying is that when and I now addressing myself through the Chair to the committee chairman and the Clerk Assisant who normally handles these issues; it is that under the vote head for PWDs, the vote head that deals with sports is where the Hon. Member wants the Ksh. 1 million to reflect under that vote head and therefore Madam Speaker, this does not need an amendment through the House.

It just needs to ensure that when we are doing the itemized budget vote head by vote head under the vote head of sports, we allocate Ksh. 1 million and it is something which can be done. It is not going to change the overall figure, it just going to be reallocation within the same areas so it is okay, Madam Speaker.

Hon. Speaker: So what you are going to do Hon. Katumo, to address your concern, when they come to prepare the vote head, they should have these proceedings in particular this particular moment and that will satisfy your needs. Thank you. Hon. Members, I will want to call the mover of the motion to reply.

(Applause)

Hon. Ndambuki: Thank you, Madam Speaker. I wish to thank the entire House for their passionate contribution to this motion on supplementary budget. It is my prayer that the money

that is given to the executive to execute programs in the county are going to find meaningful and effective use and appropriation. I also wish to request the Hon. Members that they support this motion by approving it. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Dominic.

(Question put and agreed on)

(Applause)

Mr. Clerk, proceed.

BILL

Second Reading

THE MACHAKOS COUNTY SUPPLEMENTARY APPROPRIATION BILL No. 2 OF 2019

Hon. Speaker: Hon. Members this is the Second Reading of the Bill and I call upon the chair BAC, Hon. Dominic Ndambuki; it is your day. Proceed.

(Applause)

Hon. Ndambuki: Thank you, Hon. Speaker.

(Loud consultations)

Hon. Speaker: Hon. Majority Leader, you are consulting too loudly. Alright, just start again Hon. Ndambuki. It is a very critical part of the legislation.

Hon. Ndambuki: Thank you, Hon. Speaker. Hon. Speaker, pursuant to Standing Order 121(1), I wish to move the Motion that the Machakos County Assembly Appropriation Bill No. 1 (2019) be now read a second time. Thank you, Hon. Speaker.

Hon. Speaker: Hon. Ndambuki, do you want to be seconded on your proposal?

Hon. Ndambuki: Yes, Madam Speaker. I call upon Hon. Titus Kaloki to second.

Hon. Speaker: Hon. Kaloki.

Hon. Kaloki: Thank you, Madam Speaker. I second.

(Applause)

Hon. Speaker: Hon. Ndambuki, the Standing Order also allows you to make a few comments if you have. I know members have debated at length. Do you have any words

you want to say at this juncture?

Hon. Ndambuki: Thank you, Hon. Speaker. Members, have contributed passionately to this Bill as proposed and the Clerks Assistants have recorded the comments that have been made on some changes to vote heads and I believe that Hon. Speaker when we retreat---

Hon. Speaker: Proceed, Hon. Ndambuki.

Hon. Ndambuki: Thank you Madam Speaker. I will pick from where I left. I believe that Hon. Speaker when we retreat to the committee of the Whole House, those changes that members have proposed are going to be accommodated. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Ndambuki.

(Question proposed)

Hon. Members, I invite you to make brief comments on that Second Reading. If you are okay as it is, I will proceed to put the question, Hon. Members. Hon. Johana. Thank you.

Hon. Munyao: Thank you, Madam Speaker. Mine is just a very slight observation. We have indicated the column 4 of the First Schedule, page 2, where we have the increase or decrease and I want to believe that where we have the brackets that indicate a decrease where there are no brackets that is an increment. I want to quote for example R0002 where we have the column for increment or decrease totaling to Ksh. 150,518,093, we have just below that total a decrease of Ksh. 39,550,000; when you total that column you are not getting Ksh. 153 (??) meaning the Ksh. 39 million is an increment which should not be bracketed.

Same for page 3, R0005 where we have solid waste management P06; it is indicated as an increase of Ksh. 1,412,998 but arithmetically that becomes wrong if it is picked as an increment and therefore needs to have the brackets. So there are such errors which may need to be corrected. Thank you, Madam Speaker.

Hon. Museku: Point of information, Madam Speaker.

Hon. Speaker: Point of information on that Hon. Johana.

Hon. Museku: Thank you. Madam Speaker. Yes, this is Kenya Gazette supplement Machakos County Bills, 2019, Nairobi, is a draft. It is initial Appropriation Act which we are now working on to be able now to pick such amendments as the Hon. Chair said in the committee of the Whole House. So your observation is valid and when we come to the committee of the Whole House and when making the final amendments to the final Appropriation Bill which is going to be now gazetted and adopted, we shall take care of those adjustments and any type errors which might have happened in the printing of the initial Bill. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Johana. You are actually in order to raise what you are saying because it is comments on the Appropriation Bill which is before us but the information has been given to you, as to what to be done. Hon. Steve Mwanthi, you wanted to say something on the Appropriation Bill? Proceed.

Hon. Mwanthi: Thank you, Madam Speaker. I have an issue with the vote number from the Bill whereby we have the R008, R009, R0010, R0011, then we have R0012 I don't know whether it is a typing error or it is what. Then I am also confused on how we manage to get the figure of Ksh. 14,000,000,965; I am trying to sum up our previous budget of Ksh. 12.2 billion---

Hon. Speaker: I thought there was mention of conditional grants that came up in between.

Hon. Mwanthi: The conditional grant that I have seen is of Ksh. 787 million plus the Ksh. 1.3 billion.

Hon. Speaker: Thank you, Hon. Steve Mwanthi. It is good you are the chair of finance committee. Those are matters which we are going to address particularly in the committee of the Whole House for whatever amendments you may want to input. Is that so Hon. Museku?

Hon. Museku: That is in order Madam Speaker that any balances you cannot do the balancing on this draft. We will be able to do the balancing at the committee of the Whole House so that we can be able to take care of the CARA allocations. They are two; there is a balance which has brought of Ksh. 1.3 billion and there are those CARA allocations which came in January. So the addition of the two is what we shall be comparing against the Ksh. 12.2 billion to get the renewed figure which should be the addition in the Appropriation Bill. Thank you, Madam Speaker.

Hon. Speaker: The CARA allocations which are as a result of the inflation to address issue of inflation. Thank you,

(Question put and agreed to)

(The Bill was read a Second Time and committed to a Committee of the whole House)

(Applause)

Hon. Members, the Second Reading of the Bill is now complete but remember you still have a long way to go. So what we are going to do because you have two functions to finalize on the Appropriation Bill of the committee of the Whole House and also for a meeting, I am told, between the House under the executive representatives; I propose that you break for 30 minutes.

Hon. Speaker: Hon. Members the sitting of this House is adjourned. It will continue at 3.00 p.m. on the 25th day of March, 2019. Thank you, Hon. Members.

The House rose at 2.23 p.m.