

REPUBLIC OF KENYA
MACHAKOS COUNTY ASSEMBLY

OFFICIAL REPORT

Tuesday, 17th September, 2019

The House met at 2.37 p.m.

[The Deputy Speaker (Hon. Museku) in the Chair]

PRAYERS

(Quorum Bell rung)

(Several Hon. Members entered the chambers)

Hon. Deputy Speaker: I think we have quorum now.

MOTION

REPORT ON STATUS OF COUNTY RESIDENTIAL RENTAL HOUSES

Hon. Deputy Speaker: Hon Members, under this Order, we have one business to transact; a motion by Hon. Daniel Mbevi chairperson transport public works committee which will be moved by the vice chair Hon. Irene Mbivya.

Hon. (Ms.) Mwendu: Thank you, Mr. Speaker.

Hon. Speaker, that aware that the Universal Declaration of Human Rights recognizes the right to housing as part of the right to adequate standard of living;

Aware that part 2(8) of the Fourth Schedule of the Constitution of Kenya, 2010, provides for housing as a devolved function;

Noting that Article 43 of the Constitution of Kenya, 2010, explicitly provides that every person has the right to accessible and adequate housing and to reasonable standards of sanitation;

Hon. Speaker, noting that before devolution, the defunct County Council of Machakos owned residential rental houses which were later inherited by the County Government of Machakos;

Acknowledging that the rental houses are a source of revenue for the County Government and also aware that the houses are in pathetic condition and are in need of major make over as an effort to face lift them;

Hon. Speaker, aware that the Committee on Transport, Roads, Public Works and Housing compiled a report based on the site visits and correspondence from the Chief Officer;

Hon. Speaker, I wish to move the motion THAT the House discusses and approves the report of the Transport, Roads, Public Works and Housing Committee on status of County residential rental houses.

Thank you, Hon Speaker. I wish to call upon Hon Kituku to second my motion. Thank you.

Hon. Deputy Speaker: Hon. Patrick Kituku.

Hon. Kituku: Thank you, Mr. Speaker. I second.

Hon. Deputy Speaker: Thank you, Hon. Kituku. Hon. Irene, you may read the report.

Hon. (Ms.) Mwende: Mr. Speaker, do I read the whole report or I read the recommendations?

Hon. Deputy Speaker: Read the full report please.

Hon. (Ms.) Mwende: Okay. I am guided. Report of the Committee on transport, roads and public works on status of County residential rental houses.

1.0 Introduction

Hon. Speaker, Kenya has an international obligation to provide housing to her citizens. To begin with, Kenya has ratified various international treaties that have recognized housing as a right. First, the 1948 declaration of human rights (Universal Declaration) has recognized the right as being in line with the acceptable standards of living.

Secondly, the 1966 International Covenant on Economic, Social and Cultural Rights which instructs parties to take necessary action so as to safeguard the rights to housing. In addition, the covenant requires the state parties to observe non-discrimination and to budget to the maximum of the available resources towards housing.

Article 43 of the Constitution of Kenya, 2010, explicitly provides that every person has the right to accessible and adequate housing, and to reasonable standards of sanitation. In its broad sense, decent housing connotes housing that is inclusive of functioning infrastructure, clean and portable water, sanitation and waste management, energy as well as proximity to facilities such as markets, health centers, schools and security posts.

As such, housing has significant inter-linkages across sectors and that makes it a critical sector in the growth and development process. Part 2(8) of the Fourth Schedule of the same Constitution provides for housing as a devolved function;

It is worth noting that access to affordable housing is one of the Country's Big 4 Agenda as set out by H.E. Uhuru Kenyatta, the President of the Republic of Kenya. Hon. Speaker, before devolution, the defunct County Council of Machakos owned residential rental houses which were later inherited by the County Government of Machakos. The rental houses are a source of revenue for the County Government.

2.0 COMMITTEE MANDATE

Hon. Speaker, Pursuant to Standing Order 190(5)(a) and (g), the Committee on Transport is mandated to investigate, report, recommend and even propose legislation under its mandate.

Further, in the second schedule of the standing orders, this committee is specifically mandated to deal with all matters related to County transport, including county roads, housing, street lighting, traffic and parking, public transport and ferries and harbors, excluding the regulation of international and national shipping and matters related thereto; county public works and services.

3.0 COMMITTEE COMPOSITION

Hon. Speaker, this Committee comprises of the following members;

- | | |
|---------------------------|-------------------|
| 1. Hon. Daniel Mbevi | -Chairperson |
| 2. Hon. Irene Mbivya | -Vice Chairperson |
| 3. Hon. Caleb Mule | -Member |
| 4. Hon. Cosmus Masesi | “ |
| 5. Hon. Antony Mulu | “ |
| 6. Hon. John Musyimi | “ |
| 7. Hon. Margaret Mbithi | “ |
| 8. Hon. Patrick Kituku | “ |
| 9. Hon. Pauline Munguti | “ |
| 10. Hon. Grace Mutwiwa | “ |
| 11. Hon. Margaret Ndalana | “ |
| 12. Hon. Tariq Mulatya | “ |
| 13. Hon. Justus Kiteng’u | “ |

4.0 THE MATTER UNDER CONSIDERATION

4.1 BACKGROUND

Hon. Speaker, Hon. Justus Katumo moved a motion in this Hon. House urging the County Government of Machakos to renovate the residential rental houses in Machakos and Mavoko and redistribute---

Hon. Kisila: Point of order, Mr. Speaker.

Hon. Deputy Speaker: Please do not interrupt the Member until they finish reading.

Hon. Kisila: I wanted to bring to your attention something.

Hon. Deputy Speaker: Let the member finish the report please. Thank you.

Hon. (Ms.) Mwende: I repeat No. 4.

4.0 THE MATTER UNDER CONSIDERATION

4.1 BACKGROUND

Hon. Speaker, Hon. Justus Katumo moved a motion in this Hon. House urging the County Government of Machakos to renovate the residential rental houses in Machakos and

Mavoko and redistribute them to its staff. This motion was referred to the Transport, Roads, Housing and Public Works Committee for deliberation.

The Committee's study activities, methodology and deliberations carried out while in the field targeted the following areas.

1. Engagement with the following stakeholders:
 - a. The Chief Officer, Department of Housing and Urban Development.
 - b. The Chief Officer, Department of Public Works.
 - c. Selected tenants of the residential houses.
2. Site visits to selected residential houses to ascertain their condition.

4.2 SITE VISIT

Hon. Speaker, during the site visits, the matters under investigation were:

- i. The number of the houses and there location.
- ii. The current condition/status of the houses.
- iii. The criteria for application.
- iv. Ownership of the houses.
- v. Rental fees/charges.
- vi. Public views on the houses.

Hon. Speaker, it is important to note that delay in submitting this report to this Hon. House for consideration has been occasioned by the lack of cooperation by the Chief Officer in submitting information requested by the committee.

5.0 COMMITTEE FINDINGS

Hon. Speaker, the Chief Officer, Department of housing and urban development informed the committee that the department is composed of two sections; the housing section and the urban development section. The housing section is charged with the responsibility of:

1. Managing all county houses which includes renting, maintaining and keeping proper database of the houses.
2. Develop Staff residential units.
3. Liaising and coordinating with the national government on Housing projects.
4. Upgrading the low estate areas like slums.
5. Development and management of Government housing.
6. Development and promotion of affordable housing policy.
7. Housing policy management.

5.1 Makadara Estate

Hon. Speaker, the Committee was informed that the estate has 240 single room standard houses located in Mavoko municipality. The houses have aged and this was evident by the visible cracks. As at the time of the site visit, the compound was unkempt.

5.2 Bomani Estate

Hon. Speaker, these houses are located next to the AIC Bomani church in Machakos town. The estate comprises of 18 semi-detached stone houses. There are also 11 *mabati* single room units and three round shaped huts units. The buildings are also very old and require renovation since there are many visible cracks. The stone houses are one bedroomed with a

kitchen and a sitting room. The committee was informed that the rent for the one bedroom stone house is Ksh. 4,000 which is deducted from the pay slip of the employees. Where tenants are not employees on the County Government, they pay cash to the cashier at the County Executive headquarters who issues them with a receipt.

Members of the public engaged during the site visit complained the compound is not usually maintained and there is a lot of overgrown grass. The units also do not have water supply and the occupants have been forced to connect for themselves metered water from Machakos water and sewerage company (MAWASCO).

The committee noted that most of the people who occupy the houses are not employees of the county government. The estate is located in a very prime area and that there is a lot of idle land which the occupants use for small scale farming.

5.3 Serena Estate/Depot Housing Scheme

Hon. Speaker, this estate comprises of 25 housing units located in Machakos municipal block 1, next to the department of County Administration and Decentralized unit offices. The committee was informed that the National Housing Scheme developed this housing scheme on behalf of the defunct Masaku County Council in early 1974. Information available from the National Housing Corporation indicates that the scheme was developed through a loan to the defunct council which was fully paid.

The committee was also informed that the entire 25 units were later taken over by the National Government under the Ministry of Housing and Urban Development and were allocated to Civil Servants who have been paying rent to the Ministry. Hon. Speaker, the department through the ministry of housing is seeking more information to clarify the ownership of this housing scheme from the National Housing Corporation and innovation.

5.4 Ngei Estate

Hon. Speaker, this estate is in Machakos Municipality located behind Susu Center. It consists of 24 housing units scattered in big piece of land. The houses are in a better condition compared to other estates but still require some minor renovation and paint work.

The committee was informed that there was an outstanding court case between the tenants and the county government which was ruled in favor of the county government. The committee noted that this estate is located in a prime area and there is a lot of wasted land. The tenants also complained that the houses and the compound were not maintained to their satisfaction.

5.5 St. Mary's Estate

Hon. Speaker, this estate comprises of six housing units which are in a moderate condition. The units require some renovation. The committee noted that the houses and the compounds had been neglected. The Committee also noted that the occupants of the houses were not employees of the county government.

5.6 Kangundo road houses

Hon. Speaker, these houses are located along Machakos-Kangundo Road near Cottage Inn restaurant. They are four houses in separate compounds. The Chief Officer informed the committee that these houses are owned by the National Government. No information was

available on their tenancy. The committee noted that these houses are constructed in a very prime area each with big compound thus wasting a lot of space.

5.7 Kariobangi Estate

Hon. Speaker, this estate was constructed by the Machakos Municipality with a loan from the National Housing Corporation and later allocated to employees. It is important to note that this is a very important asset to the County Government but the Chief Officer informed the committee that there is no clear information on the tenancy of the houses in this estate.

5.8 Muthini Estate

Hon. Speaker, this estate has 180 houses. The Committee was informed that construction of these houses was funded by National Housing Corporation and the funds were channeled through the defunct councils. Information on the tenancy of the houses was not available.

6.0 COMMITTEE OBSERVATIONS

Hon. Speaker, the Committee made the following observations:

1. The Department of Housing and Urban Development lacks information on the tenants of all the County Government residential houses. This poses a risk in terms of loss of revenue because the tenants are not known.
2. That majority of the houses owned by the County Government are in very bad condition and are in need of major renovation. The compounds are also unkempt.
3. That most of the houses are located in prime areas which would be profitable if utilized otherwise.
4. That the department has a challenge in verifying occupancy and existing tenancy agreements for the houses. This is evident because the tenants do not have any agreements.
5. That the department is working on a process of cancelling the old tenancy agreements and issue new ones.
6. That the tenants of the Serena/Depot housing scheme pay their rent through a check off system to the ministry of Lands, Housing and Urban development. This has resulted to loss of revenue to the county government.
7. The department has no clear guidelines on how much rent is supposed to be paid and for specific standard and types of houses.

7.0 COMMITTEE RECOMMENDATIONS

Hon. Speaker, the committee recommends the following:

1. The Department of Housing and Urban Development should develop a database of all the tenants occupying the County Government residential houses. This will help initiate a process of identifying the tenants.
2. The Department should formulate a work plan of renovating the existing houses and demolish the condemned structures. The work plan should also include construction of new and modern County Government houses. In addition, the work plan should stipulate measures to utilize the idle space in the already zoned residential areas. This work plan should be presented to the County Assembly 60 days from the date of adoption of this report. This work plan will ensure that budgetary allocations are made early in advance.

3. That the Department of housing and urban development should with immediate effect liaise with the Department of Finance and Revenue collection to come up with guidelines on payment of rent. The guidelines should indicate the amounts to be paid for specific category and condition of houses. These guidelines should be forwarded to the County Assembly 60 days from the date of adoption of this report.
4. In order for the department to be able to have clear information on occupancy of the County Government houses, fresh applications should be made to the County Government and vetting done to the applicants with priority being given to the workers of the County Government.
5. The department of Housing and urban development should avail information on the Serena/Depot housing scheme to the County Assembly 30 days from the date of adoption of this report failure to which the Committee will invoke the provisions of Article 195 of the Constitution of Kenya, 2010.

8.0 CONCLUSION AND ACKNOWLEDGMENT

Hon. Speaker, housing conditions affect both individual and community health to a great degree. International human rights law recognizes this nexus and provides minimum requirements — requirements that governments are legally obligated to respect, protect, and fulfill — that, if met, will create more healthful living conditions for everyone, everywhere. The right to adequate housing is solidly established and defined under international human rights law.

Hon. Speaker, it is therefore my privilege, on behalf of the Committee to table the report on the status of County Government residential houses in this Hon. House for adoption. Thank you, Hon. Speaker.

(Question proposed)

Hon. Members, you may discuss on this motion. Hon. Moses Mitaa.

Hon. Mitaa: Thank you Hon. Speaker for granting me this opportunity. Mine is first to thank the committee of transport, roads, housing and public works through the vice chair Hon. Irene Mbivya for the good job they have done. Hon. Speaker, this report is not a positive one to me Mr. Speaker, because it really shows that there is negligence in the department concerned. It has actually surprised me if we cannot take good stock of the assets we have as a county government.

Mr. Speaker, the report is very clear; estate by estate. It is worth to note that our county government employees some who are not well paid really struggle to raise rent yet we have facilities which our employees can get them at subsidized offer and at least make their lives fair. Mr. Speaker, it clearly also shows that in some circumstances the houses are not really known whether they belong to county government of Machakos or else there is dispute in ownership. I think these are things which are not supposed to happen in the 21st century Mr. Speaker.

We need to have clear stock of all county assets available and my feeling Mr. Speaker, is if the committee of the whole House can summon officers in this department and put them in order to provide a list of all assets, whether houses or land which belongs to County Government of Machakos because, I believe it is the right time now that we know what belongs to Machakos County Government and what does not belong to us because to me this has opened a loophole

for maybe grabbing of houses and even land and we are there for that purpose; let us protect what is ours, let us know what belongs to our people so that also we invest wisely on them.

Time after time, Mr. Speaker, I have been saying, this county is very wealthy only if we could use them in the right way, Mr. Speaker. There is a lot we can raise from these houses through rent and this is part of the revenue we are trying to raise, so that our county executive can get money to implement many of our projects. Mr. Speaker I think, my request to this Hon. House through your judgement, it is to let the committee of the whole House to summon the departmental heads and let them come we go through the report together because there is laxity from that department. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Moses. Hon. Kisila.

Hon. Kisila: Thank you Mr. Speaker for catching my eye although I had earlier tried to get a point of order. I think this is a very serious report and in one of the committees we were doing finance and revenue, we went through this process; to identify how many assets we have but it lands in defiance (??). We have a lot of houses, even the way the houses are allocated, leaves a lot to be desired.

I think it is the high time Mr. Speaker, I fully agree with *mheshimiwa* Mitaa. What belongs to us must be reported and we must have a register and even going to the extent of having asset coding. It is a requirement by the law that even when there is a new government taking over, there is a proper asset checklist which is done. Housing is one of the areas where we have a very big role.

In fact, I have received a lot of requests from people from my ward, telling me *Mheshimiwa* is there something you can do for me to get a house in the new apartments which are being constructed. It looks like Mr. Speaker, there is something somebody gives to be allocated a house and it is not small money. So there is a lot of integrity issues on house allocation.

There is also the issue of maintaining these houses. Most of them are in pathetic condition and Mr. Speaker, we should even go further to hospitals. If you go to Mwala Level IV and see the conditions of those houses which are housing our very good members of our staff taking care of our people, you will be appalled. So, I fully support what *Mheshimiwa* Mitaa is saying.

We are passing very good reports in this House; my worry is implementation and I think *Bw.* Speaker, with your direction a committee of the whole House needs to convene and one area we need to look at is both revenue and housing and let the person in charge, the Chief Officer and the CEC member come here and report to this House with proper documentation of where we stand.

That I fully support because that is the only way we can tomorrow be saying....because who knows maybe houses are being transferred. Maybe people own houses when we are seated here and also I understand *Bw.* Speaker, there are people who had been allocated houses and they have long retired and after they retire they are leaving their houses to members who are not staff of the county.

We need to have an audit of who is staying in these houses versus if they are staff or they are non-staff. Our houses are being resided by nonmembers of staff when our own staff are suffering and busy paying a lot of money. So, Mr. Speaker, I fully support that report and I think

very serious action needs to be taken including what *Mheshimiwa* is proposing a committee of the whole House. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you. Hon. Judas.

Hon. Ndawa: Thank you, Mr. Speaker, Sir. Mr. Speaker, I will start by congratulating the Hon. Member who has tabled this report and also the committee which compiled this report. Mr. Speaker, according to this report and the other reports we have received this week and last week there is a clear indication that things are not going the way they are supposed to be going.

Mr. Speaker, this is now a report on the department of housing and last week we had a report on agriculture and maybe the other report which is coming probably tomorrow will be same. Mr. Speaker, it is my appeal that this House rises to the occasion and ensure that things are run the way they are supposed to be run.

Mr. Speaker, it is very embarrassing to own property and you do not know the status of the properties. You do not know who resides in those houses; Mr. Speaker, this is a total joke and we need to stamp our authority as a House. There is a saying in Kiswahili Mr. Speaker, which says *pema pasipo pemwa pema si pema tena*.

Mr. Speaker, if the county has residential houses and there are tenants who are occupying those houses and the department, according to this report, does not have information on who is occupying plot number this; honestly, who is supposed to know? Mr. Speaker, even the laws of this Republic, if you give somebody a house to stay, it is your duty and obligation to keep records of that particular person who is residing in your house and if you fail to do so, you are supposed to be charged in a court of law for failing to keep record.

Mr. Speaker, if you are renting a house, there is some information that you need to provide and you need to have an agreement with the landlord which shows the terms of the contract. The tenancy is supposed to have duration; you either stay in this House for five years then from there we amend or we renew the contract with new terms because what we are paying when we are getting in is not exactly what you are necessarily supposed to pay after 10 years.

Mr. Speaker, I doubt whether these houses are being paid for and if they are being paid for, who collects the revenue? Because whoever collects the revenue from these houses should have information; I was paid this much by so and so who is in block A or who is in block B. So, Mr. Speaker, I am very sure the County is in dire need of resources to serve *mwananchi* but due to these lacuna, there are a lot of leakage which needs to be cocked.

Mr. Speaker, there is no other organ which can seal or which can cock these gaps and these lacuna. So, Mr. Speaker, what my colleagues have said or what they are proposing is there is an urgent need for the committee of the whole House to converge here and summon whoever is supposed to give information to come and shed light.

Mr. Speaker, if someone was given a house while serving Machakos County and maybe after 20 years, he or she retired, who occupies that house? There is a threat of what we call, sub-renting; you give somebody a house, when he is getting out of the house he brings a brother, he brings a cousin or he brings somebody who is not known to the County.

Mr. Speaker, this time around we need to assist the Governor to run this County to the next level because if we just keep quiet as if we do not exist, it means that all these mistakes are going to remain forever and the County is going to remain in the same status. I want to repeat again, I say last week His Excellency the Governor, requested Hon. Members to assist him in

identifying the corrupt and lazy officers who are not performing so that they can be sacked and have new people who can propel this County to the next level.

So, Mr. Speaker, let us do our best to ensure that things are done in the right way. Thank you, Mr. Speaker, Sir.

Hon. Deputy Speaker: Thank you, Hon. Judas Ndawa. Hon. Francis.

Hon. Kalumu: Thank you, Mr. Speaker. I have stood to say this, Government is framed through policies and regulations and laws and the constitution and it is quite shocking that such a report can be read in front of us showing clearly the failure of a certain organ of a Government. Mr. Speaker, public funds are applied or are invested to achieve a certain goal.

Machakos County Council, the defunct one, had a goal and that goal necessitated them to go and borrow according to the report and after borrowing and building those houses, it is like whatever they bought whatever they did with that money hit a snag and there is no revenue which is realized because this County does not have an audit of all the assets and all the houses and even the land parcel City has.

That is one failure of a certain Government and a Government where we are part of and we are so much reluctant staying in this House while the Government does not have an audit of its own asset. How do we expect to finance our budgets? One of the failures has been shown clearly by this report which has been read here today. The goal of the Department of housing of Machakos County was to make sure that the people working for it or working in that Government have a conducive life while serving the public. The report says contrary; it says that, most of the members who are residing in those houses are not even employees of the County and then when you ask there are no answers.

Mr. Speaker, there is a law of management of assets and its disposal; the lack of audit should show this House a red sign that the lack of audit is to make sure that whoever goes with something you cannot even trace the records because there is no audit. You do not know the number of parcels of land, you do not know the number of houses, even if I go and take one who will know? So, that is a failure of a Government where we are serving in.

Again there is a law of a person who has rented a house; you rent a house which is tenable. You cannot just rent a house and say that I will be residing this house that I am making it for myself. Nowhere!

Those people residing in those houses can take us to court because the houses are not put in a good condition of living; they are not tenable we can be taken as a Government to court by both the employees of the County and also the wananchi who are living in those houses because they can say, we pay a lot money and then the houses are not in tenable condition.

So we are awaiting a bombshell, we are awaiting court cases, it is only that we are violating the rights of people of Machakos County and we are also violating the rights of people who give services to Machakos County. We cannot tell them, 'let us deduct some of your money from your pays lips to pay some houses which are not taken care of.' It is one of the obligations of this House to make sure that the rights of the people of Machakos are looked into.

Again, Mr. Speaker, the issue of housing also needs to be looked into because it is one of the Big 4 Agenda of the Jubilee Government, which says we need good housing and enough housing for the people of Machakos but here there is no clear policy, the report has not said anything. I am sure that they investigated and even called the Chief Officer and even went further to go and get more information concerning housing in Machakos. Where is a clear

policy? I have not heard any budgetary allocation for the successive years to be building our houses for our people. So, we are lacking policies and regulations to run housing department of Machakos County.

I will repeat the sentiments of my colleague and say that, we need a serious Government, serious people who will show us the right path to follow to make sure that by the time we are in 2022, when we go back to the people who elected us, they will be sure that electing us back will not come and just sit back and say we worked whereby those problems we just leave them and go back to our houses to reside there and say that is not our problem.

It is our duty as a Government. So, I would request with a lot urgency the convening of that meeting and then call that department into order. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Francis. Hon. Kisini.

Hon. Kisini: Thank you, Mr. Speaker. I also want to add my voice on this report and may I congratulate the Vice-Chair who has taken us through the noble report. I want to speak about the Athi River houses which were mentioned in the report, which according to me, I think and I am not doubting the numbers she has talked of, to me I think it is 243 but let us go by the number 240.

Those houses belonged formerly way back late 1940s, early 1950s to the Nairobi City Council. That was the time when the whole Machakos belonged to Nairobi and then later on the County Council of Machakos was formed and it took over those houses and then thereafter, Athi River Urban Council was hived off from the Machakos County; it also owned those houses.

It followed to the town status until the Municipal whereby the Municipal transferred the houses; I do not know whether they were officially transferred to the County Government. As the report has said, those houses are really in very poor state; they are in two categories. There are those houses with kitchen and they had a different rent which was higher than those houses which did not have a kitchen but had a bathroom. So, in the 240, the houses have different categories.

What I want to say is that, associations have been formed; I do not know where this came from of people having the idea of taking over these houses. I do not know if the Ministry of Housing is aware that groups have been formed to take over those houses and what I can also add is that these houses are in a very prime area whereby, they have space inside the compound and if taken over or if we try to implement the Big 4 Agenda and modernize them, they can fetch very good rent.

Yes, most of the employees formerly of former Municipal Council stay there but there are those people who rent; there is a big register in the County Government now which belonged to the Municipal Council where they have names, they have occupiers, you go and pay your rent there.

The other thing I want to add and I did not hear it from the report unless it passed me is about some other two estates in Athi River which to me they should also belong to the County Government of Machakos. The Municipal Council or the Town Council of Athi River took a loan with the National Housing Corporation and constructed modern houses; these houses are near the two 240 houses which have been mentioned at Makadara; they border the Makadara Estate.

The other houses are almost along the County Council offices in Athi River. They were constructed through the loan, the Municipal Council used to pay the loan, I do not know if they

had paid the loan and acquired the full status but they belong to the County Government of Machakos.

I think there are people who have encroached because of the space in the compound which you have talked about; it is something which also needs to be checked. Having highlighted on that I would also echo what my colleagues have said; we meet as a committee of the whole House, we know the status, we visit and go check the status. Those open spaces we are talking about and then maybe the committee of the whole House will come up with recommendations if it is going to build new ones or it is going to repair those one to become modern.

That time when it comes, we will know the status. I want to say that it is good for the County Government, as said, to check around and get to know its assets because not even the houses, I think it might also be having plots elsewhere whereby we also need to know the status.

At the time of municipal council, we used to condemn those houses; we used to say they are condemned but there are people living there because if the cracks which were there. I am not saying that they are not fit for human stay but it is good to come up with the idea of if we are going to repair them or construct other modern ones and also to meet those people who meet maybe to buy or to take over those houses. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Hon. Musau.

Hon. Musau: Thank you, Mr. Speaker. The controversy surrounding the residential housing in Machakos is more than this House can think of. Mr. Speaker, it has been a matter of interest during our auditing. We have severally requested the Chief Officer to shed some light on this issue and at one time, she was empathetic that she is unable. You realize way back, the then defunct council obtained a loan through Housing Finance Corporation of Kenya (HFCK), constructed the houses, fully paid the loan but all of a sudden, the tune changes to that, the houses belong to the national government.

I believe this is a deliberate effort, a malicious move by somebody somewhere not to bring out the matter clearly such that these houses may at long last go to the wrong hands, Mr. Speaker. Some of the most important matters and assets of our county are the land matters; you fail to understand how the Transition Authority could not transition the same issue to where they belong.

Mr. Speaker, one wonders; it is in black and white that the defunct council secured a loan, fully paid it and that it means it had an interest in those houses would belong to the council and whatever belongs to the councils is a property of the county government right now. As we unearth this matter Mr. Speaker, I think it is good we get it from day one what transpired because how the national government comes in and asserts the houses, especially what used to be the Machakos municipality, it becomes of very great interest, Mr. Speaker.

Somebody somewhere must come out very clean on this matter so that these residential houses may be reverted back to the Machakos county government since in its previous form as a municipal, it is secured and paid the loan. Therefore, I think so many people who reside in this houses Mr. Speaker have taken the advantage not to pay; some say they do not know whether to pay to the county or to the national government but whoever is protecting the interests must be brought out vividly. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Musau, Hon. Irene Mbivya.

Hon. (Ms.) Mwende: Thank you, Hon. Speaker; thank you, Hon. Members, for your contributions. Indeed this is a weighty report that needs the attention of the county government and own source revenue is a critical pre-requisite for decentralization in Kenya because it has also be underpinned in our Constitution 2010; it is also in the PFM Act 2012; it is also in the county Governments Act 2012 and the Urban Areas and Cities Act 2011. All these regulations for own source revenue are underpinned there.

I did my math and according to the records that have been given on this report, we have a total of 508 houses from what our report says; apart from what Hon. Kisini said that we still have more and we have more that we do not know. So if we calculate; Bomani estate is the only one that has shown how much rent is paid which Ksh. 4000 per unit.

So assuming each unit in the houses that we have in Machakos we collect Ksh. 4000 per unit, it does not matter how big, its assumption. So if we collect Ksh. 4000 from the 508 houses in a month, we shall get Ksh. 2,032,000. If you do your math well, for a full year, the county government should be able to collect Ksh. 24,384,000. Imagine what kind of loss that is.

If this county wants to have autonomy of revenue or access of revenue, we really have to utilize such resources and we really have to take steps and follow up on this houses; it does not matter what condition they are in they can be renovated because I understand some of them are one bedrooms they have a kitchen, so if you renovate that one bedroom and a kitchen, and considering there is a toilet and a bathroom, it should be able to fetch around Ksh. 15,000 to Ksh. 20,000. That is good money for the county.

So, thank you very much Members and I would also like to note that one source of revenue for this county will eradicate poverty and achieve development goals as we look into the Vision 2030 and it will also bridge the funding gaps by the inadequate disbursements considering that we do not get enough disbursements for the county to do our development.

I also talked of the autonomy of predictable access to revenue. Thank you Members for your contributions and thank you Hon. Speaker for your support and the Clerk Assistants as well for your support. Thank you.

(Question put and agreed to)

Hon. Deputy Speaker: Hon. Members, before I commit this to a committee I would like to point out a few key issues which have been raised by Hon. Members; it is actually shocking that a municipal council which was headed by our fathers most of whom we are not very much exposed education-wise, maintained assets registers and secured assets for the municipal council. Old as they were, uneducated as they may have been they maintained asset registers and secured assets for the county.

How can a full County Government which has got departments ran by professionals fail to secure its own assets? How can this Hon House which today is made up of professionals fail to ensure that we secure the assets of the county? It is unheard of to hear that there is no register in place knowing very well that as part of the accounting reporting procedures you must have a fixed assets movement schedule on which shows all the assets we have, any additions and subtractions; all that should be recorded.

As Hon. Irene has said, what she has tabulated here is an understatement. I also did my own mathematics and I actually came up with Ksh. 42 million; the amount of money this county

should be getting every year. Now that Ksh. 42 million do not think these things which are happening are going in to people's pockets.

The issue that houses are not known, nobody does know of the houses the county government has and if the revenues are not being collected, then through the so called proxy, people have gone on retirement and they have put other people in the houses and they are being paid directly; those houses could be being charged as much as Ksh. 10,000. If he pays Ksh. 10,000 to the guy and the person goes to pay Ksh. 4,000 to the county government so he makes Ksh. 6,000 sitting at home.

So there will be need for this to be quickly dealt with so that we can be able to collect all the revenues the county can and is supposed to be collecting. I do not believe that for assets which were already owned by the former municipal councils, they have to wait for the intergovernmental committee which is looking at this because the committee looking at this can only be able to look at the issues which Hon. Musau talked about whereby there is dual claim on ownership where the central government claims it owns some assets and the county government also says the assets are theirs.

That is where the intergovernmental committee comes in but 90 per cent of our assets since they were take over from the municipal councils, they do not need any intergovernmental intervention. These are within our own jurisdiction and we should be able to get it.

Hon. Kisila, talked about an asset register; there is no way you can have assets without an asset register. If you go to each and every house even in Nairobi, you will find it is marked house number A/this and this and if you go to the asset register, that number will correspond with the asset register. So, we need to have that process done where our asset registers are determined.

I therefore, commit this report to the committee of the whole House which will be guided by the committee of transport and housing and also the *ad hoc* committee on revenue collection to guide the process so that the committee of the whole House can be able to interrogate and come out with long-lasting solutions on this issue of rentals and how rentals are going to be handled in Machakos and that committee should report to this House in not less than 60 days from today.

ADJOURNMENT

Hon. Deputy Speaker: With that, Hon. Members, this House adjourns to Wednesday 18th September 2019 at 10.00 a.m. The Liaison committee will be meeting here immediately after this sitting. Thank you, Hon. Members, enjoy the rest of your afternoon.

The House rose at 3.45 p.m.