

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF MACHAKOS

OFFICIAL REPORT

Tuesday, 18th April, 2023

The House met at 10.30 a.m.

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

PRAYERS

MESSAGES

Hon. Speaker: I have a message to deliver to you. I have the following message from H.E. Governor Wavinya Ndeti, the Governor of Machakos County pursuant to Standing Order 39

NOMINEES TO THE COUNTY PUBLIC SERVICE BOARD

Hon. Members, Section 8 of the County Governments Act, 2012 as amended in 2020 provides that the County Assembly shall vet and approve nominees for appointment to County Public offices as may be provided for in this Act or any other law

Section 58A(c) of the same Act further provides that the Governor shall nominate one person and at least three but not more than five others for appointment as Chairperson and members of the County Public Service Board respectively and forward the names to the County Assembly for approval.

Section 6 of the Public Appointments (County Assemblies Approval) Act, 2017, provides that notification of Appointment from an Appointing Authority shall be lodged with the Clerk of the County Assembly.

Hon. Members, the Office of the Clerk is in receipt of a letter dated 27th February, 2023 forwarding the following nominees for the Chairperson and one member of the County Public Service Board whose vacancy had been occasioned by resignation of the previous office holders. These are the names:

- | | |
|--------------------------|---------------|
| 1. Albanus Paul Mutisya | - Chairperson |
| 2. Marleen Misco Mwanika | - Member |

Pursuant to Section 7 of the Public Appointments (County Assemblies Approval) Act, 2017, the nominees are hereby committed to the Committee on Appointments for vetting and reporting within 21 days.

NOMINEES FOR THE POSITION OF CHIEF OFFICERS

Hon. Members, Section 8 of the County Governments Act, 2012 as amended in 2020 provides that the county assembly shall vet and approve nominees for appointment to County Public offices as may be provided for in this Act or any other law;

Section 45 of the same Act further provides that the Governor shall nominate qualified and experienced County Chief Officers from among persons competitively sourced and recommended by the County Public Service Board.

Section 6 of the Public Appointments (County Assemblies Approval) Act, 2017, provides that notification of Appointment from an Appointing Authority shall be lodged with the Clerk of the County Assembly.

Hon. Members, the Office of the Clerk is in receipt of a letter dated 17th April, 2023 forwarding nominees for the positions of Chief Officers nominated by the Governor from amongst persons competitively sourced and recommended by the County Public Service Board.

Pursuant to Section 7 of the Public Appointments (County Assemblies Approval) Act, 2017, the nominees are hereby committed to various Sectoral Committees as in the schedule below for vetting and reporting within 21 days.

S/NO	NAME	DOCKET	COMMITTEE
1.	Kasanga Julius Muindi	Health Facilities and infrastructure Development	Health and Emergency Services
2.	Winnie Ndunge Musyoki	Sewerage, Sanitation and Waste Management	Water and Irrigation
3.	Machogu Ian Obare	Information, Communication and Technology Infrastructure	Labor, Public Service and ICT
4.	Sheikh Ifrah Abdi	Digital technology	Labour, Public Service and ICT
5.	Bernadette Wavinya Mutiso Kyany'a	Citizen Management and Customer care	Labour, Public Service and ICT
6.	Mutungu Zipporah Kavata	Small and Medium Enterprise Development	Trade, Economic Planning and Industrialization
7.	Mule Daniel Lemba	Public Communication and E-Government	Labour, Public Service and ICT
8.	Mulwa Albert Katumo	Livestock and Fisheries Development	Agriculture

Thank you, Hon. Members.

PAPER LAID

REPORT ON HALF YEAR PERFORMANCE REPORT FOR 2022/23

Hon. Speaker: May I call upon Hon. Fredrick Kitetu to lay his Paper.

Hon. Fredrick Muia (Ikombe, WDM-K): Thank you, Madam Speaker. Hon. Speaker, I beg to lay the following Paper on the table of the Assembly today, Tuesday, the 18th day of April, 2023; report of the Environment and Natural Resources Committee on Half year performance report for the FY 2022/23.

Hon. Speaker: Thank you, Hon. Member. Next order.

NOTICE OF MOTION

REPORT ON THE HALF YEAR STATUS REPORT FOR 2022/23 FOR THE DIRECTORATE OF ENVIRONMENT AND NATURAL RESOURCES

Hon. Speaker: May I call upon Hon. Fredrick Kitetu to give the notice.

Hon. Fredrick Muia (Ikombe, WDM-K): Thank you, Madam Speaker.

Hon. Speaker, that aware that Article 183(3) of the Constitution of Kenya, 2010 provides that the County Executive Committee shall provide the County Assembly with full and regular reports on matters relating to the County; Further aware that Article 185(3) of the Constitution states that the County Assembly while respecting the principle of separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organs;

Aware that the Environment and Natural Resources Committee received a half year status report for the FY 2022/23 from the Directorate of Environment and Natural Resources after which it analyzed and later compiled a report;

Hon. Speaker, I wish to give notice of motion that, this Hon. House discusses and approves the Environment and Natural Resources Committee report on the half year status report for the FY 2022/23 for the Directorate of Environment and Natural Resources.

Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member. Next order.

STATEMENT

BUSINESS FOR THE HOUSE FROM 18TH TO 26TH APRIL, 2023

Hon. Speaker: May I call upon Hon. Nicholas Nzioka to proceed and make a statement.

Hon. Nicholas Nzioka (Machakos Central, WDM-K): Thank you, Madam Speaker. Hon. Speaker, the House Business Committee met on 17th April, 2023 to prioritize business for the House as forwarded by Committees and Hon. Members pursuant to the provisions of the Standing Order 151(6)(d). The Committee balloted business as follows:

Tuesday, 18th April, 2023
Morning at 10.00 a.m.

- a. Request of a statement from the County Executive Committee Member for Finance, Economic Planning and Revenue Management on the modalities being followed to procure goods, works and services for all the County Government Departments by Hon. Judas Ndawa.
- b. Response on statement on closure of Mavivye Market by Hon. Jeremiah Kaloi.
- c. Report of the County Budget Review and Outlook Paper (CBROP) by Hon. Dominic Ndambuki.

Afternoon at 2.30 p.m.

- a. Response on statement sought on implementation status of Locust Donor Funds and Kwakatusya Dam in Mbiuni Ward by Hon. Charles Mbuva.
- b. Response on a statement sought on the status of County Wage Bill by Hon. Joshua Mwonga.
- c. Motion on extension of timelines on petition by Chairpersons of Mavoko Land Associations by Hon. Daniel Ndwiki.
- d. Half year performance report for the FY 2022/23, Directorate of Environment and Natural Resources by Hon. Fredrick Kitetu.
- e. Motion to adjourn sittings of Wednesday, 19th April, 2023 to allow the Assembly conduct public participation on 19th and 20th April, 2023 in all the wards

Tuesday, 25th April, 2023

Morning at 10.00 a.m.

- a. Response on a statement sought on the status of Revenue Collection and Measures put in place to achieve maximum revenue by Hon. Francis Kitaka.
- b. Report on the enquiry of Kithimani Jaw Crusher by Hon. Peter Kilonzo

Afternoon at 2. 30 p.m.

Report of the first quarter progress report of the Department of Culture and Tourism by Hon. Eric Musembi.

Wednesday, 26th April, 2023

Morning at 10.00 a.m.

Report of Machakos County Receiver of Revenue Half Year Financial statements for FY 2022/23 by Hon. Francis Kitaka.

Thank you, Madam Speaker.

Hon. Speaker: Thank you Hon. Member. May I call Hon. Judas Ndawa and make his Statement.

STATEMENT SOUGHT

MODALITIES FOR PROCURING GOODS AND SERVICES
FOR ALL COUNTY GOVERNMENT DEPARTMENTS

Hon. Mbili Ndawa (Matuu, MCCP): Thank you, Hon. Speaker.

Hon. Speaker, the County Government roles and functions are clearly stipulated in Part 2 of the Fourth Schedule of Constitution of Kenya, 2010;

Noting that there has been a serious challenge of supplies of medicine and other non-pharmaceuticals in most of the Machakos health facilities;

Further, similar challenges have also been noted in other County departments. This has greatly hampered service delivery in most of the departments which displays serious challenge in the process of procuring of these goods, works and services;

Hon. Speaker, pursuant to Standing Order 40 of the Assembly Standing Orders, I wish to seek a statement from the County Executive Committee Member in charge of Finance and Revenue Collection (CECM) on the modalities that the County Executive is following to procure goods, works and services for all the County Government departments.

Hon. Speaker, I request you allow me to shed light on what I intend to achieve so that Members can be able to understand.

Hon. Speaker: Proceed.

Hon. Mbili Ndawa (Matuu, MCCP): Thank you, Hon. Speaker. The Statement I am seeking has emanated from what is happening in our county and I have started with the department of health. As of now, it is a requirement in Matuu Level IV, if you are going for an injection, you must go with a syringe and when we enquire what is causing this, we are told that the facility cannot be able to procure even a matchbox because of instructions from the CECM Finance.

Hon. Speaker, if there is a serious policy shift or there is a change of how we used to do things and we are now changing to another way of doing things, that decision has to be approved by the County cabinet. The Cabinet has to approve and also the Assembly has to be involved.

Hon. Speaker, it is evident that the Assembly has never been consulted and we have information that the issue of now decentralizing or centralizing procurement in one part was taken by one CECM. Hon. Speaker, we just want to know whether that particular officer has legal capacity to do what he did.

Again, Hon. Speaker, from the Public Procurement Act, the Chief Officers from respective departments are referred to in that Act as the Accounting officers.

(Applause)

So, Hon. Speaker, if we move now the duties of procuring from the department to the center of excellence it means now the Chief Officer will be accounting things that he or she did not take part in and we will be putting these officers in trouble.

(Applause)

Hon. Speaker, it is evident every department has a procurement team within it. If we allow this to continue Hon. Speaker, we will be causing what we call in human resource redundancy. The officers who manage the procurement department will be rendered redundant. In simple explanation redundancy is a situation whereby some officers duties are no longer required. So we will be paying officers for services that they are not giving the County and we are using resources.

Hon. Speaker, inquiring on why change from this, we are being told we want to save money. Hon. Speaker, we are losing lives given money here and life here what would you save first? You can let the money go you look for other money but one's life is gone it is gone and gone forever.

(Applause)

This is just common sense, Hon. Speaker. Centralizing procurement in one department that is the center of excellence that is what I can refer to as outright theft. We are centralizing theft to be done in one department.

Hon. Speaker, the wise men said a single mind is not the best. Hon. Speaker, the residents of Machakos are watching us to give them a solution. As a County we cannot vest or we cannot bank all our trust on one particular person because when that person does a mistake we are all in trouble. Hon. Speaker, these are some of the reasons why I have decided to bring this Statement. I am not fighting anybody we are trying to correct whatever is not in the right direction.

Hon. Speaker, what was the essence of devolution? Devolution was to take services from the top to the grassroots. We now move from Nairobi to the Counties, from Counties to the Ward levels. Now the officer is proposing that we forget about the Counties, the sub-counties we go back to County headquarters. Hon. Speaker, that would be killing devolution and it is against the law.

Hon. Speaker, yesterday we had Sectoral Committees and I came to realize that almost all the Sectoral Committees had invited the same County Executive Committee Member (CECM) to shed light on some issues. The budget Committee where I sit we were to do an invitation but when we learnt that the same officer had been admitted in another Committee we had to hold on because he cannot be here and the same time here.

So, Hon. Speaker, I am requesting that we make ruling that the said officer be summoned to the General Oversight Committee so that he can appear before this House to answer all the queries because we have queries from department of health, budget, finance, transport, water and every department. So if we say we are inviting him in every Committee this year is going to end before we are through with him. So, Hon. Speaker, I request that you allow Members to ventilate on this Motion. Thank you, Hon. Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Member. Hon. Vincent.

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Thank you, Madam Speaker. I stand to rise to react on the Statement that our able Minority Leader has sought concerning how procurement is been done. I must say that this is something that came in time because as

we were doing our visits to the hospitals the previous week we managed to visit two Level IV hospitals. We did Kathiani Level IV, we did Kangundo Level IV and one thing which was coming out clearly is something of tremendous concern to all of us because what they were telling us is that whenever a doctor wants to attend to a patient and maybe that doctor does not have a syringe, maybe that doctor does not have gloves.

Then the doctor had to do a request to the stores and the store keeper would do a request to the procurement officer in that hospital will make a requisition which would be taken to the Medical Superintendent and the medical superintendent will forward that requisition to the Chief Officer medical services. The CO will then forward that requisition to the CECM for health so that now the CECM for health can now forward the same to the CECM finance. You realize that the patient is still on the bed.

Are we helping our people or are we killing our people? I bet we are killing our people! We checked, Madam Speaker, in the books and you realize those who love the books when you read the Bible in the book of Ezra 4:15 a matter was brought up for mention before the king. The king said let the books be searched to see whether the matter is recorded in the books. Indeed a search was made.

We took it upon ourselves to search in the books. On this one I am talking about the legal books of our nation. Madam Speaker the Procurement and Disposal Act identifies an accounting officer. What that Act says is that an accounting officer shall be that person who is describes as per the Public Finance Management Act Section 2.

When you refer to the same section then it will refer you back to Section 148; there is nowhere in that law where the CECM finance is identified as the accounting officer.

(Applause)

In fact, I would prefer to read it for you Madam Speaker if you do not mind.

Hon. Speaker: Proceed.

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Madam Speaker, this is important. An accounting officer means in the state of the County Government, an Accounting Officer of the County Government entity referred to in Section 148 of the Public Finance Management Act (PFM). What does 148 say?

The heading is like this; designation of accounting officers for County Government entities by the County Executive Committee Member for finance. It says No. 1 that a County Executive Member for finance shall except as otherwise provide by law, in writing, designate accounting officers to be responsible for managing the finances of the County Government entities as is specified in designation.

Madam Speaker, you know as a matter of practice that when the law says someone shall then that is mandatory. Realize the law did not say that the CECM finance shall delegate it says he shall designate. This is a duty that he is supposed to do.

No. 2 that except otherwise stated in other legislation, the person responsible for the administration of a County Government entity shall be the accounting officer responsible for managing the finances of that entity. So that the question now is; is the CECM finance in charge of administration of the County Government so that they can become the accounting

officer? This delay has been accustomed by the new invention that the member has done to the law.

This is what the law says. At least No. 4 is clear because it identifies the Clerk of the County Assembly as the accounting officer of the County Assembly. If the law saw it important so that the CECM finance becomes the accounting officer, it would have mentioned so but it has not mentioned.

Therefore this Statement I identify myself with it and we need the answers to come as clearly as the daylight because we cannot afford to lose our people because of this kind of an arrangement. Madam Speaker, No. 5 is also funny and this is where maybe the CECM finance seems to find solace. It says that a County Government may which means it is not a must, in order to promote efficient use of the County resources adapt subject to approval by the County Assembly, a centralized County financial management service. The entire arrangement that we see today I do not see, I do not remember and I know Madam Speaker your brain is as fresh as mine, that we do not have record in this House to approve such an arrangement.

(Applause)

It is a responsibility given to the CECM finance that he shall ensure that each County Government entity has an accounting officer in accordance with Article 226. Madam Speaker, I can say without fear of contradiction the CECM finance has neglected the duty given to him by the Constitution and as a must the authority that does not belong to him upon himself.

We need an answer to that Statement and failure to get the right answers I think what the Hon. Minority Leader has said should set in. We should invite the CECM finance at a Committee of General Oversight; let us get those answers as fast as we can. We cannot afford to have a low absorption rate because of a centralism mind that is encroaching in our systems. I thank you.

(Applause)

Hon. Speaker: Thank you, Hon. Member. Hon. Dee, then Hon. Helen Ndeti after that.

Hon. Mutisya Kivuva (Nominated, WDM-K): Thank you, Madam Speaker. Madam Speaker, before I make a statement, I want to congratulate you for what you did on Sunday.

(Applause)

It reminds me of the legendary Mahatma Gandhi who said and I quote, 'they ignore you, then they laugh at you, then they fight you but you win.' Already, Madam Speaker you have won in our hearts.

(Applause)

The sky is the limit that is why we chose you. You will never be ashamed of that. We are behind you.

Hon. Speaker: Thank you very much.

Hon. Mutisya Kivuva (Nominated, WDM-K): Coming to what the Minority Leader has said it also reminds me of a story in the tales which says rats had a meeting to plan on how to ring the cat so that when the cat is coming to attack them it can give an alarm for them to hide. We have always almost the entire House have always wanted to ask Statement on the same.

(Applause)

I want to applaud the Minority Leader being bold like you did on Sunday to seek this Statement from the bull of Machakos. I want to say this, I do not want to make a lot of noise but I will love that day when the CECM Finance will come and appear in the Committee of the whole House because what he is doing at the County Government is a recipe for grand corruption.

I can tell you for free he is competing with the past Governments on how they are eating. He is coming out very strong because at the top of that centralized procurement nonsense is somebody who has never been approved by this Assembly. He is making COs run for safety. So, Madam Speaker, without much ado, please invite this CECM here in the Committee of the Whole House we demand and we interrogate him on the same. Thank you, I beg to seat.

Hon. Speaker: Thank you very much, Hon. Member. Hon. Ndeti and then Hon. Mwonga.

Hon. Hellen Ndeti (Nominated, WDM-K): Thank you, Madam Speaker. I stand to support the Statement from one of us Mheshimiwa Mbili Ndawa of Matuu. I think the concern is very pertinent. According to Public Procurement Act, I do not think that anybody from the County Government can decide to come up with a centralized way of procurement without going through the Assembly or through parliament.

If this is happening within the County, without the approval of the Assembly, then it is wrong and it needs to be corrected.

(Applause)

It is wrong also because I am sure individual departments came, sat with us, did a budget and they defended their budget and so they need to be also in charge for usage of that budget so without much ado I think we should also find out whether for sure this is implemented because I do not know have heard it from your Statement. If for sure centralized procurement has been implemented without the authority or approval of the Assembly then it is not right. Thank you.

Hon. Speaker: Thank you, Hon. Ndeti. Hon. Mwonga, then Hon. Johana then Hon. Maeke in that order.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Thank you, Madam Speaker. With your permission I would like first to quote Douglas MacArthur. Who was Douglas

MacArthur? He was a military general and after serving and because of his good leadership after serving he went to Philippines and became a Field Marshall. It is only those who have military knowledge who can understand who is a military marshal. I think in this House we are only two; the Member representing the Minority and myself.

Madam Speaker, this is what MacArthur said; a true leader has the confidence to stand out and to stand alone. Madam Speaker, I want to congratulate you for standing out and standing alone last Sunday standing for the interests of members; not members of Machakos County Assembly but Members of County Assemblies in the country Madam Speaker.

He went further to say the courage to make tough decisions; Madam Speaker, you made tough decision midway your speech because you were not cowed even the shouts and the cheers did not cow you from delivering your message.

(Applause)

Madam Speaker, the General further says 'and compassion to listen to the needs of others.' Madam Speaker, I want to congratulate you for having listened to the voices of the Members of Assemblies as a Vice-Chair of CAF. Madam Speaker, General MacArthur further said; the leader does not set out to be a leader but becomes one by equality of his actions. You have become a leader because of your actions of last Sunday when we had prayers of Kenya Kwisha. Thank you, Madam Speaker.

(Applause)

Hon Speaker: Thank you so much.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, now to the matter before the House; Madam Speaker with your permission I think the matter before the House is a weighty matter and with your permission, because Mheshimiwa Ndawa sought for a response from the concerned department. I think with your permission we can bring a motion under Standing Order 220 in the afternoon so that we can exhaustively discuss about this matter.

(Applause)

Members, this is a weighty matter and it will give us room to ventilate on the same issue because a Statement will just bring response here from the officers we are discussing here, Madam Speaker. So I do not know whether you are going to give permission on the same but the issues raised here by Members should be looked at critically.

Giving an example Madam Speaker; in Masinga we have a Level IV hospital which is just a Level IV hospital by name. There is no facility or equipment which makes it a Level IV hospital. Madam Speaker, Kikumini dispensary is disconnected from power for the last six months. Whenever I raise issues with the CECM Health, the CO concerned they say they have forwarded the same to the finance department. What are we being told, Madam Speaker? Everything has been taken away from the departments to a centralized place where things are not done the way they should be done. Thank you, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. Member. Hon. Mheshimiwa Johana, proceed.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, I think I have made a request which you should rule on about whether this matter can come in the afternoon.

Hon Johana Munyao (Mutituni, MCCC): Madam Speaker you have already allowed me to give my input. I think the Member had already cleared and sat.

Hon Speaker: Mheshimiwa Johana, he had made a request and I overlooked it. I did not respond so kindly just give me a second I respond to that. Hon. Mwonga, I have heard you but what is before me today is an issue that all of us seem to have only taken one direction of the medical area. From what you are saying is that, centralizing of procurement is for everything, isn't it? So unless you really want us now to go and prepare another document because from what I am seeing here is that we are just talking about the health department. So if we now start, say we come in the afternoon and what is before us is just one area, I thought we could just finish with this and come up with.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, if you allow me, I want this House to discuss as matter of County importance on the issue of health department.

Hon. Speaker: Only?

Hon. Joshua Mwonga (Masinga Central, WDM-K): Yes, Madam Speaker.

Hon Speaker: I do not think that is what the Statement is saying.

Hon. Mbili Ndawa (Matuu, MCCC): Hon. Speaker, point of information.

Hon. Speaker: Maybe you just clarify.

Hon. Mbili Ndawa (Matuu, MCCC): Thank you, Madam Speaker. Maybe the intention of Mheshimiwa Mwonga in good faith but if we go that route, the motion can only see the light of this House after the House Business Committee has sat and have approved and the House Business Committee is not sitting today. Hon. Speaker, the Statement---

Hon. Joshua Mwonga (Masinga Central, WDM-K): Point of information, Madam Speaker. Matters of Standing Orders under Standing Order 220 do not need approval or balloting by the House Business Committee so long as they have approval of the Speaker. Thank you.

Hon Speaker: Mheshimiwa Mwonga, let me tell you that we have already seen the balloted work for today so I would suggest we just finish with what is before us and get another day and handle that matter. There is no harm in that.

Hon. Mbili Ndawa (Matuu, MCCC): Point of information, Madam Speaker.

Hon. Speaker: Yes.

Hon. Mbili Ndawa (Matuu, MCCP): Hon. Speaker, the spirit of the Statement is not only talking about health; it says that even in other departments there is still the same challenge of procurement. The roads, water, energy and every other department because of these instructions of centralizing and as per the Public Procurement and Asset Disposal Act, centralization of procurement is done in the department and not elsewhere.

So, Hon. Speaker, I think the way we are going that is the right direction. We should conclude the matter then you give direction and as I said before Hon. Speaker, the best cure is to have that CECM appear before the General Oversight Committee. That is the only way, Madam Speaker.

Hon. Speaker: Because the Statement is specific and although it is also talking about centralizing all the procurement to one particular office of the finance, then I think we have a bigger story to tell and we cannot restrict it to the time for today. That is the point I am driving home. It may be very limiting if we say in the afternoon we will come, we have already balloted for work in the afternoon isn't? We need to come back maybe next week and have this conversation take place then we come up with a strategy of even having the General Oversight Committee handling the matter. Have I been understood?

Hon. Mbili Ndawa (Matuu, MCCP): Hon. Mwonga, please, I am the author of the business.

(Laughter)

Hon. Speaker, the matter is very urgent and I would request before you conclude you make some orders.

Hon. Speaker: The orders I am going to make, I am able to read what you are going to say.

Hon. Mbili Ndawa (Matuu, MCCP): I am just saying---

Hon. Speaker: I will restrict it to the committee concerned for this particular one but we need to have further conversation on this matter because it is bigger than what we are seeing. Are we really on the same script?

Hon. Mbili Ndawa (Matuu, MCCP): We are. I was just requesting that since now the law has been violated, should we say we will have another time to talk about that when the law has been violated and that is still going on. We need to make an order that it should stop forthwith as we finalize the matter. Thank you, Madam Speaker.

(Applause)

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker.

Hon. Speaker: Mheshimiwa Johana you are on the floor then we have Mheshimiwa Maeke then we can come to DS and Mheshimiwa Kavyu, Mheshimiwa Mulinge in that order and mark the order.

Hon. Johana Munyao (Mutituni/Ngelani, MCCC): Yes. Thank you, Madam Speaker. I stand to support this Statement. Madam Speaker, given the fact that we have Chief Officers and we have a very well-structured government and we had the same Chief Officers come before us and they presented their intentions, their strategic objectives and their key performance indicators during the presentation of their various budgets.

Madam Speaker, as a House we are also structured into sectoral committees which are supposed also to oversight the corresponding departments. We expect to get quarterly reports presented through the various departments to this Assembly. Madam Speaker, I fail to understand whether the said officer is really privy to that and whether he has the muscles to be under oversight by these General Oversight Committee and whether he is able to respond to all the issues which the various Chief Officers committed to accomplish.

Madam Speaker, I can very well clearly say that we are now opening a lacuna for excuses, we are opening a lacuna for non-performance because we expect when we call upon the various accounting officers before us here to hide behind the said CECM finance. So Madam Speaker, I want to say that as a House we are not going to allow anybody to compromise the performance and the service delivery to our residents and I would support that very soon we have the said officer before the General Oversight Committee to tell us which law or which document he is referring to when centralizing procurement because as one of us put it we are only centralizing corruption we are centralizing theft and it is not in good faith. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Maeke.

Hon. Musyimi Maeke (Kalama, CCU): Thank you, Madam Speaker. I will start by applauding you for whatever you did on Sunday concerning our affairs and may God bless you. I think we are in a House led by Standing Orders and I believe Madam Speaker what the Hon. Member was raising, I have looked into it the Standing Orders a member may seek leave to adjourn the set business of the House if a matter is deemed urgent and of importance and that we leave to you.

On my contribution, I want also to thank the Majority Leader for bringing up this matter. Madam Speaker, it is a matter that is really affecting the County because in different departments, we have summoned different members and the COs concerned and all of them have been raising issue as it has been articulated by other Members. I do not want to repeat what Hon. Vincent has said.

I want to give you an example; a few weeks ago I had a sick uncle and unfortunately he passed on a few days ago at the hospital and we had a very hard time because once you take your patient where you have recorded your NHIF card because NHIF cards will require you give hospitals and you find somebody has paid for services but the services cannot be offered

immediately and it happened during one night we were lacking oxygen and when we went to the Medical Superintendent's office, the matter that has been brought here came out clear even though it was not clear the way we are understand it.

They were saying for us we cannot use money at the source in the name of we are trying to curb thieves but matters to do with emergency are serious matters. Matters to do with health are serious matters so I stand to support and I stand to say that there is a need because even if the matter is committed to the relevant committee, the final answers will come from the concerned person. So I would propose that the concerned CECM comes to the House, he sheds light and we be guided by the Constitution because that is the ultimate law that this House should peg on. Thank you very much, Madam Speaker.

Hon. Speaker: Thank you very much. Hon. Deputy Speaker.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you, Madam Speaker. Madam Speaker, I start by applauding you on what you did on Sunday on matters concerning your electorates or your constituency which is sitting her. Madam Speaker, this is your constituency and in most cases you promised that you would be taking care of your constituency which you showed to all without fear so we do appreciate, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. Deputy Speaker.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, on the issue of the matter that is on the Table, you can tell the mood of Hon. Members; it is something that is of great concern yes but also it will need or require the House to go as required by the law and that is during Statement sought, the report is required to be committed to the relevant committee and if the need be that the House be---

(Several points of order were raised)

Hon. Joshua Mwonga (Masinga Central, WDM-K) Point of information, Madam Speaker. Hon. Deputy Speaker, is misleading this House. The Speaker has powers to give Members time to ventilate on a matter and you have done that. Is he trying to say that---

Hon. Speaker: Mheshimiwa Mwonga, you may be seated.

(Hon. Mwonga took his seat)

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Hon. Speaker, it is known and it is in black and white that this is a Statement that the Assembly has sought. A good statement that needs to be looked on but being a Statement, when you seek a Statement you do not seek a Statement when you have answers to the Statement you have sought. So if we do not have that information, what happens what are the procedures? It should be committed to the relevant committee. If Hon. Members, like myself, I would want also to hear from the said person the CECM of finance so the committee will either summon and if that is not enough we can have a substantive motion so that we can convene the General Oversight Committee.

If the feeling is that we need to have the CECM in the General Oversight Committee, yes, there is the room for that. I am not against the CECM meeting the General Oversight Committee but let us also follow the law as it is supposed to be then I would request and suggest that as the CECM Finance comes, I would also request we also have those other departmental heads just coming with the CECM so that we may get information from all the quarters and through that Madam Speaker I believe we will get the correct information on whatever Hon. Member is seeking is the correct position or not.

So, Madam Speaker, I wish that this Hon. House follows the required procedures to reach to that position following the due process, Madam Speaker. I am seeing nothing wrong with having process being followed in this House and have the General Oversight Committee as required by the law but not using but just going straight as required. Thank you.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Point of order, Madam Speaker.

Hon. Speaker: Mheshimiwa Mwonga, I think I know what you want to say.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, I do not think you can read my mind. Madam Speaker, is it in order for Hon. Deputy Speaker to contradict a ruling of the Speaker.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, the Speaker has not ruled on anything; I have just contributed just like the Members did.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, the Standing Orders are very clear and if you gave members time to ventilate, he should not rise and contradict your decision. It is quite in order, Madam Speaker.

Hon Speaker: It is well-noted.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, now I think we have a serious concern in this House. If we no longer follow the laid down rules including the way of communication, the House will have serious problems. What Standing Order says Madam Speaker is if a member has contributed once, he does not even have a room to contribute twice. So some of the things we are flouting here they are so open.

I think we also need to have order in the House and adhere to order. If I had my time to contribute, what do the Standing Orders tell us, Madam Speaker. I think it is good and it is high time also we follow the laid down procedures, Madam Speaker. Thank you.

Hon. Speaker: I want to make a ruling on this matter.

Hon. Mbili Ndawa (Matuu, MCCC): Madam Speaker, before you make a ruling I request to give a piece of information. If you allow me, Madam Speaker.

Hon. Speaker: I think I have all the information I need.

Hon. Mbili Ndawa (Matuu, MCCC): The information I am giving is that the General Oversight Committee is a committee of this House so if we talk about inviting an officer in General Oversight Committee we are within the law. Let the DS cite the Standing Order or the constitution which bars the Assembly from inviting an officer of the County from attending to the General Oversight Committee.

Hon. Deputy Speaker: Mheshimiwa Ndawa, I will make a ruling.

Hon. Mbili Ndawa (Matuu, MCCC): Thank you.

Hon. Speaker: Mheshimiwa Kavyu where did you disappear to?

(Laughter)

You moved? You can make your contribution.

Hon. Francis Kavyu (Kinanie, MCCC): Thank you, Madam Speaker. Thank you for what you did on Sunday; we are receiving congratulatory messages from across the country. People are proud of what you did and we as your voters are also happy so nothing should cause you not to sleep peacefully.

Hon. Speaker: Thank you, Mheshimiwa.

Hon. Francis Kavyu (Kinanie, MCCC): On the matter that is on the floor of the House, before I make my contribution, I would like to support what the Minority Leader has indicated. A General Oversight Committee is also a committee of the House and there is no rule or regulation that bars the House from convening because the matter that is being discussed is a weighty matter and unless in Ekalakala there are no issues, we are talking from a point of experience.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Point of information, Madam Speaker.

Hon. Speaker: Mheshimiwa Deputy Speaker. Have a seat.

Hon. Francis Kavyu (Kinanie, MCCC): Have a seat kindly. Through, Madam Chair, protect me because every Member that has stood to speak, we are speaking from a point of experience. We have gone to our people and we can see the effect of centralizing procurement. It is only two months towards the end of the financial year and the implication of what we are discussing---

(Loud consultations)

Hon. Speaker: Let the Hon. Member finish.

Hon. Francis Kavyu (Kinanie, MCCC): The implication of what we are discussing will be greatly felt at the end of the financial year when we will have to return funds that were

meant to benefit our people just because the process could not progress to the end because the department of finance is currently constituted does not have the capacity to handle the procurement for the 10 departments across the county. So this will only lead to a crisis and therefore we want your guidance so that we can adhere to the rule of law and if it means we call for a Special Sitting so that we can free our departments from that captivity and slavery because this House interviewed those members and we are sure that we are qualified and they are able to deliver on their mandate as the Chief Accounting Officers.

So there is no crisis and there is no need for procurement of the county to be centralized. If it is an issue of curbing corruption and losses, that can be dealt with forthwith at the department because we have the CECMs who head those departments, we have Chief Officers who are qualified enough and Madam Speaker, as the leader of this House you need to ensure that nobody contravenes your ruling. Once you make a ruling Members are supposed to abide with and---

Hon. Speaker: Thank you, Hon. Member.

Hon. Francis Kavyu (Kinanie, MCCC): Also as I finish, I think apart from being the Deputy Speaker, I wish to remind the Hon. Member for Ekalakala that he represents a ward and he needs to care about the people of Ekalakala. Thank you, Madam, Speaker.

Hon. Speaker: I am sure he cares. Thank you, Hon. Member.

(Laughter)

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, now that Ekalakala has been mentioned kindly, allow me to.

Hon. Speaker: Proceed.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): To inform the Member that it is Ekalakala people who elected me and this is my second time with the same people electing me and they elected me because I have always be and will always insist that we need to follow the laid out procedures when doing things. Madam Speaker, I have got no issue whatsoever calling the CECM in the committee of the whole. My issue is let us follow the laid out procedure to reach to that position.

That is the only issue and the other contribution was that as we have the committee of the whole let us also have those other departments so I am not against any committee of this House doing its business Madam Speaker. Thank you.

Hon. Speaker: Thank you.

Hon. Francis Kavyu (Kinanie, MCCC): Madam Speaker, for the purpose of record---

Hon. Speaker: Mheshimiwa Kavyu I have not given you an opportunity.

Hon. Francis Kavyu (Kinanie, MCCC): A point of inform Madam Speaker.

Hon. Speaker: No it is clear to me.

Hon. Francis Kavyu (Kinanie, MCCC): Madam Speaker.

Hon. Speaker: Everything is clear to me here.

Hon. Francis Kavyu (Kinanie, MCCC): Madam Speaker, unless you are able to read our minds.

Hon. Speaker: No. On this matter it is very clear.

Hon. Francis Kavyu (Kinanie, MCCC): No. I just wanted to inform the Hon. Deputy Speaker, apart from the---

Hon. Speaker: Now he will also seek to answer and it is becoming a debate of two people.

Hon. Francis Kavyu (Kinanie, MCCC): The people of Ekalakala he also has another second ward that elected him and it is this Assembly of Machakos. He needs also to listen to us.

(Applause)

Hon. Speaker: Mheshimiwa Kavyu can you have a seat.

(Loud consultations)

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, this has nothing to do with the---

Hon. Speaker: Deputy Speaker, I have not given you an opportunity to say anything. Order, Members! Mheshimiwa Majority Leader.

Hon. Nicholas Nzioka (Machakos Central, WDM-K): Thank you, Madam Speaker. I am contributing as the Member for Machakos Central ward and also I remember the constituents from Wiper Democratic Movement Kenya who elected me so I am also standing on their behalf. Madam Speaker, by practice government at national and county levels is arranged through ministries or departments and each department or ministry is given functions and the functions are clearly stated in the structure of the county government or that of the national government.

In our case I would want to think that the department of finance is supposed to do the general administration and oversight of the finances of the county. Just the other day we were able to pass a supplementary budget and clearly we could see each department allocated finances. It is my understanding that each department has an accounting officer and they have the primary role of administering the budget from when to requisite, how to spend according to

the budget and report back. So I would think that we need to make sure that these departments are working as the structures are laid down. Centralizing procurement is defeating the purpose of devolution

I am even thinking that the CECM in charge of finance should be thinking of how to devolve procurement to the smallest unit of the county. I am alive to the fact that the only department within the structure of the government that is allowed by law to utilize money they collect for example is the department of health. It is by design, it is not by default. That is because they are faced with peculiar and unique circumstances every other day and they need to have some money around to spend on those emergencies.

Now I think there is a disconnect that people think that if they empower the department there is going to be loss. There are institutions within the structure of government that they are supposed to look into those matters. Every department has an auditor. It is upon the auditor to look at what is being done and report back.

(Applause)

Even the County itself has a director or head of audit who must report. Let us not...let the CECM Finance not carry the whole burden or the whole risk. If I were him I would be spreading the risk not carrying the whole risk alone and so I support the Statement that is being sought by the Minority Leader and I hope it is taken in good light and in good faith. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you very much. I have to make a ruling on this matter so that we can move on. Hon. Members, it is very clear that the law is very clear on this matter. Section 148 of the Public Finance Management Act is very clear on the way procurement should be done. The CECM Finance is supposed and it is mandatory to designate an accounting officer responsible for different departments to procure services and equipment.

(Applause)

To procure anything and the same law goes ahead to say sub-section 5 states that the county government may, in order to promote efficient use of County resources, adopt subject to approval by the County Assembly a centralized county financial management service.

This is not mandatory but there is a requirement that should the government should choose that route, the so called approval must be done by the County Assembly.

(Applause)

So as we sit here, none of the above has been done. My ruling is that we commit this particular Statement to the concerned Committee of Finance and Revenue Collection to report to us on 3rd May, 2023 concerning this matter. Then we bring a motion before this House not necessarily in the afternoon but it is open that we will bring a motion to address the issue of oversight by the House on the CECM finance because matters are many.

When we say centralized procurement it means even in transport; everywhere each department, I think they are 10 or nine and it is the same issue. So, Members, I do not think we can do that this afternoon but let us look for appropriate time to bring the motion and discuss it conclusively.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker.

Hon. Speaker: But this particular one that is before us I have committed to the relevant committee.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Thank you, Madam Speaker.

Hon. Speaker: Thank you, Members. Let us proceed with the business of the day. I call upon Hon. Jeremiah Kaloi, the Chairperson of Trade, Economic Planning and Industrialization Committee to come forward and a Statement.

STATEMENT REPLY CLOSURE OF MAVIVYE MARKET

Hon. Jeremiah Kaloi (Athi River, WDM-K): Thank you, Madam Speaker. Congratulation messages to Madam Speaker, as on Sunday as my fellow colleagues are saying, I am seeing you going to heaven.

(Laughter)

Hon. Speaker: Thank you.

Hon. Jeremiah Kaloi (Athi River, WDM-K): So continue with the same spirit we are going to pray for you. Secondly I have noticed Hon. Annastacia who is in the House, she has been missing for long and we understand she was not feeling well but God has healed her so *karibu* Mheshimiwa. So thank you, so much Madam Speaker.

A statement on closure of Mavivye market was sought by Hon. Gideon Kavuu and referred to the committee on Trade, Economic Planning and Industrialization to inquire on the following:

- a) What led to the illegal closure of the Mavivye Market?
- b) To provide documentation demonstrating that public participation was done prior to relocation of the wholesale traders from Mavivye market to Machakos town wholesale market.

Hon. Speaker, the sought Statement was conveyed to the related departments vide a letter Ref: MKSCA/PCS/CMM/TCD/VOL.2/112 dated 17th November, 2022 and the department responded to the aforementioned statement through a letter Ref: CGM/09/ASKINV/01/2019 dated 16th December, 2022.

Hon. Speaker, I wish to notify this House that the Committee analyzed the forwarded response and further interrogated the CECM Department of trade on the assigned task and it was informed as follows:

1. That Mavivye Livestock Market project was initiated by defunct Local Authority and was funded by the World Bank through the National Government and that the project was completed in 2015 under the supervision of the ministries of public Works and Agriculture.
2. That the facility was initially meant to serve as a livestock sale yard though the objectives of the program is yet to be realized.
3. That the market remained closed for over five years until the department of Trade, under the devolved system of governance took the initiative to operationalize it.
4. Based on the above resolution, a series of meetings were held with key stakeholders drawn from various departments including Decentralized Units, Department of Finance and Revenue Management, Department of Agriculture, Mavivye Market Committee and the traders.
5. During a meeting held on 16th May, 2019 at Mavivye Market, it was resolved that the facility would be utilized as a wholesale market. It was also resolved that wholesale traders at Marikiti Market would be relocated to Mavivye market. The reasons for relocation were to decongest Marikiti market.
6. On 14th October, 2019, the department of Decentralized Units relocated wholesale traders from Marikiti to Mavivye market and in February 2021, all traders returned to Marikiti market through a political pronouncement by H. E. the Governor Dr. Alfred Mutua.
7. On 2nd February 2021, management of markets falling within the three county municipalities of Tala/Kangundo, Machakos and Mavoko was placed under municipalities through the gazette notice MR 16968337 dated 2nd February, 2021.
8. On November 2022, the Executive Committee Member for Trade Hon. Sharon Mutua together with senior officials from the department held a consultative meeting with the officials of the wholesale market committee in an attempt to unravel the misery surrounding the Mavivye market.
9. From the meeting, the Department of Trade made the following observations:
 - a) That the wholesale traders expressed their desire of not moving back to Mavivye market.
 - b) That Mavivye market is a sound facility that requires joint direction from the County Assembly and County Executive on how to successfully operationalize it to the satisfaction of all key stakeholders.
10. In view of the above and taking cognizance of the weighty nature of the matter, the Department recommended the following:
 - a) That any immediate plan to relocate the wholesale market from Marikiti to Mavivye be suspended to allow for wider consultation and proper public participation.
 - b) That a multi-departmental meeting involving Municipalities through the department of Lands and Urban Planning, the

department of Devolution and department of Agriculture be held with County Assembly Committee on Trade to determinate the future of Mavivye Market.

- c) That wider consultation and proper public participation in both Marikiti and Mavivye markets be undertaken.

Based on the aforementioned, the Committee on Trade will consider the stated departmental observations and recommendations when handling a petition before the committee relating to the closure of the Mavivye market. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Very Much Hon. Member. Any reactions? Is the response satisfactory Mheshimiwa Kavuu?

Hon. Saul Kavuu (Mumbuni North, MCCC): Thank you, Madam Speaker. I have no objection.

Hon. Speaker: Thank you, Hon. Member. May I take this opportunity to welcome Hon. Anastacia back to the chambers; we missed you so much especially personally I missed you in the Speaker's Panel. You are welcome back. *Karibu sana*.

MOTION

APPROVAL OF THE REPORT ON THE MACHAKOS COUNTY BUDGET REVIEW AND OUTLOOK PAPER, 2022

Hon. Speaker: May I call upon Hon. Dominic Ndambuki, Chairperson, Budget and Appropriations Committee

Hon. Dominic Ndambuki (Kathiani Central, WDM-K): Thank you, Hon. Speaker.

Hon. Speaker, that, aware that Section 118 of the Public Finance Management (PFM) Act, 2012 requires that each County Treasury prepares a County Budget Review and Outlook Paper (CBROP) in respect of their County for each financial year. The CBROP presents the actual fiscal performance in the reporting period compared to the budget, updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP), information on how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest CFSP and the reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so; Hon. Speaker, further aware that the CBROP aims to provide a review of the fiscal performance for the FY 2021/22 and how the outcomes impacted the County's financial objectives and fiscal responsibility principles as envisaged in the PFM Act, 2012 and CFSP 2022. It also relays the primary sector ceilings for the FY 2023/24 budget inclusive of indicative projections for the FY 2024/25 and 2025/26 Medium Term Expenditure Framework. The ceilings will set off the budget preparation process for the next fiscal year;

Noting that the County Budget Review and Outlook Paper 2022 was submitted to the assembly on 19th January, 2023 and tabled in the House on 15th February, 2023 and subsequently committed to the Budget and Appropriations Committee;

Hon. Speaker, I wish to move the Motion THAT this House discusses and approves the report of the Budget and Appropriations Committee on the Machakos County Budget Review and Outlook Paper, 2022.

I call upon Hon. Stephen Mwanthi to second. Thank you.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you, Madam Speaker. I do second.

(Hon. Speaker off record)

Hon. Dominic Ndambuki (Kathiani Central, WDM-K): Thank you, Madam Speaker. I am going to give the abridged version of the Fourth report on the County Budget Review and Outlook Paper (CBROP), 2022.

OBJECTIVES OF CBROP

Hon. Speaker, CBROP aims to provide a review of the fiscal performance for the FY 2021/22 and how the outcomes impacted the County's financial objective and fiscal responsibility principles as envisaged in the PFM Act, 2012 and CFSP 2022. It also relays the primary sector ceilings for the FY 2023/24 budget inclusive of indicative projections for the FY 2024/25 and 2025/26 Medium Term Expenditure Framework (MTEF) period. The ceilings will set off the budget preparation process for the fiscal year.

REVIEW OF FISCAL PERFORMANCE IN FY 2021/2022

Hon. Speaker, in the FY 2021/2022, the Machakos County Assembly approved a budget of Ksh.12.24 billion to be financed through Equitable Share (Ksh. 9.16b), Conditional Grants (Ksh. 1.39b) and Own Source Revenue (Ksh. 1.68b) representing 75 per cent, 11 per cent and 14 per cent respectively. This was revised through supplementary budget, to Ksh. 13.09 billion comprising of Equitable Share Ksh. 9.16 billion, Conditional Grants Ksh. 1.59billion and Own Source Revenue of Ksh. 1.68billion. The increase in both equitable share and conditional grants was attributed to balances carried forward from the previous FY (FY 2020/2021).

Hon. Speaker, in the period under review, the County received a total of Ksh. 10.70 billion comprising of Ksh. 8.43 billion equitable share, Ksh. 0.14 billion conditional grants, Ksh. 1.12 billion own source revenue while Ksh. 1.02 billion was received as part of balances brought forward from the previous FY. The overall budget execution declined by 1 per cent from 83 per cent in the FY 2020/21 to 82 per cent in the reporting period. This can be attributed to a decrease in the absorption of development budget from 59 per cent in FY 2020/21 to 41 per cent in 2021/22.

*Fiscal performance**Revenue performance*

Hon. Speaker, during the year under review, the County realized total revenue of Ksh. 10.70 billion against a target of Ksh. 13.09 billion, translating to 82 per cent performance. Table below gives the fiscal out-turn for the FY 2021/2022:

Table 1: Fiscal Out-turn for the FY 2021/2022 (Amounts in Ksh.)

	Actual FY 2020/2021	Printed Estimates FY 2021/2022	Revised Estimates FY 2021/2022	Actual FY 2021/2022	Absorption Rate (%)
Total Revenue	11,880,780,606.00	12,235,828,225.00	13,089,716,880.00	10,699,255,588.00	82
Equitable Share	8,421,115,500.00	9,162,304,232.00	9,162,304,232.00	8,429,319,897.00	92
Conditional Grants	1,641,543,632.00	1,390,629,796.00	1,390,629,796.00	135,656,077.00	10
Own Source Revenue	1,296,364,669.00	1,682,894,197.00	1,682,894,197.00	1,118,461,753.00	66
Return CRF (ES)	521,756,805.00		659,266,584.00	659,266,584.00	
Special Purpose Account			194,622,071.00	194,644,805.00	
KDSP			-	161,906,472.00	
Total Expenditure	11,221,514,022.00	12,235,828,225.00	13,089,716,880.00	10,332,934,983.00	79
Recurrent	8,334,099,996.00	8,417,075,356.00	9,113,329,209.00	8,700,451,133.00	95
County Assembly	881,145,648.00	977,790,391.00	1,017,790,391.00	911,640,806.00	90
County Executive	7,452,954,348.00	7,439,284,965.00	8,095,538,818.00	7,788,810,327.00	96
Development	2,887,414,026.00	3,818,752,869.00	3,976,387,671.00	1,632,483,850.00	41
County Assembly	134,065,168.00	295,000,000.00	346,712,213.00	137,355,091.00	40
County Executive	2,753,348,858.00	3,523,752,869.00	3,629,675,458.00	1,495,128,759.00	41

Source: Machakos County Financial Statements FY 2021/2022

County Own Source Revenue

Hon. Speaker, the County Government targeted to collect Ksh. 1.68 billion at the beginning of the FY 2021/2022 and managed to collect Ksh.1.11 billion which translates to 66% of the target.

(Hon. Speaker left the Chair)

(The Deputy Speaker [Hon. Stephen Mwanthi] took the Chair)

Conditional Grants

Hon. Speaker, the County expected to receive Ksh. 1.39 billion as conditional grants while actual receipts amounted to Ksh. 0.13 billion representing a 9 per cent performance. These comprised of Ksh. 8,590,313.00 for Universal Healthcare in Devolved System Program (DANIDA), Ksh. 9,012,164.00 for Transforming Health Systems for Universal Care Project (World Bank), Ksh. 18,717,263.00 for Agricultural Sector Development Support Program (ASDSPII)-SIDA and Ksh. 99,336,337.00 for Kenya Climate Smart Agriculture Project (KCSAP) from World Bank.

Expenditure performance

Hon. Speaker, analysis of expenditure by economic classification shows that compensation of employees had the highest absorption rate at 100 per cent followed by use of goods and services at 87 per cent and finally acquisition of assets and non-financial assets at 41 per cent. This is tabulated below.

Table 2: Expenditure Performance by Economic Classification for FY 2020/2021 and FY 2021/2022

Economic Item	Actual FY 2020/2021	Printed Estimates FY 2021/2022	Revised Estimates FY 2021/2022	Actual Expenditure FY 2021/2022	Budget Execution (%)
Compensation of employees	6,012,063,787.00	5,655,570,468.00	5,905,795,352.00	5,903,699,792.00	100
Use of goods and Services	2,322,036,210.00	2,761,504,888.00	3,207,533,857.00	2,796,751,341.00	87
Acquisition of Assets	2,887,414,026.00	3,818,752,869.00	3,976,387,671.00	1,632,483,851.00	41
Sub Total	11,221,514,023.00	12,235,828,225.00	13,089,716,880.00	10,332,934,984.00	79

Source: Machakos County Financial Statements FY 2021/2022

Hon. Speaker, the committee is concerned by the low absorption of funds especially under the capital or development budget and recommends that procurement processes under the same should be initiated in good time to ensure the projects are completed and paid for before the end of the financial year.

Risks to the Outlook

Hon. Speaker, the key external downside risks include uncertainty about the global outlook, adverse effects of the war in Ukraine, inflationary risks from rising prices of food and oil, continuing COVID-19 pandemic-related disruptions and supply chain constraints as well as increased global financial markets volatility amid the tightening of monetary policy in advanced economies. On County level, the risks include but not limited to:

- i. Delay in disbursements.
- ii. Low local revenue inflow.
- iii. Public expenditure pressures.
- iv. Low agricultural output.

PROPOSED RESOURCE ALLOCATION FRAMEWORK FOR FY 2023/24

Hon. Speaker, the Medium-Term Expenditure Framework for the FY 2023/2024-2024/2025 will ensure continuity in resource allocation based on the prioritized programmes. The allocation of resources in the medium term will be based on;

- i. PFM Act, 2012 principles.
- ii. The Big Four Agenda.
- iii. The Medium Term Plan of Vision 2030.
- iv. Equitable share of revenue allocation from the National Government.
- v. Ongoing projects.
- vi. H.E. the Governor's Manifesto, 2022.
- vii. Programmes prioritized in the 2023-2027 County Integrated Development Plan (CIDP).
- viii. Cost effectiveness and sustainability of the programmes.
- ix. Annual Development Plan (ADP).
- x. Budget ceilings given by the Commission of Revenue Allocation (CRA).
- xi. Degree to which the programmes address the strategic objectives of the County.
- xii. Degree to which the programmes are addressing the core functions and responsibilities of the County.

Hon. Speaker, the County entities expenditures in the last FY, current year's estimates and the medium term projected estimates are as summarized below. I would wish that the House looks at that Table and allow me, Hon. Speaker, to go straight to the observations and recommendations.

Table 3: County Entities Expenditure in FY 2021/22, Current FY and over the Medium Term

County Entity		Actual Expenditure FY 2021/2022	Printed Estimates FY 2022/2023	All oc ati on (%)	Projected Estimates FY 2023/2024	Projected Estimates FY 2024/2025
Office of the Governor	Recurrent	483,535,953	552,144,648	5	584,336,189	613,043,148
	Developme	2,996,800	14,334,385	-	15,051,105	15,803,660

	nt					
	Total	486,532,753	566,479,033	5	599,387,294	628,846,808
County Public Service Board	Recurrent	34,202,221	50,736,706	-	53,273,541	55,937,218
	Development	-	41,112,751	-	43,168,389	45,326,808
	Total	34,202,221	91,849,457	1	96,441,930	101,264,026
Roads, Transport and Public Works	Recurrent	195,815,377	197,914,081	2	207,803,786	217,397,410
	Development	584,232,787	942,342,159	8	986,571,767	1,033,012,855
	Total	780,048,164	1,140,256,240	10	1,194,375,553	1,250,410,265
Health Services and Emergency Services	Recurrent	4,065,419,607	3,715,790,836	32	3,468,562,606	3,637,260,157
	Development	132,306,109	452,528,294	4	512,282,368	530,231,594
	Total	4,197,725,716	4,168,319,130	36	3,980,844,974	4,167,491,751
Agriculture, Food Security and Co-operative Development	Recurrent	408,223,924	374,588,632	3	387,758,151	407,140,059
	Development	225,727,457	456,080,148	4	475,261,656	498,448,656
	Total	633,951,381	830,668,780	7	863,019,807	905,588,715
County Assembly	Recurrent	911,640,806	1,007,126,181	9	1,095,396,549	1,145,006,574
	Development	137,355,091	318,500,000	3	335,300,000	371,450,000
	Total	1,048,995,897	1,325,626,181	11	1,430,696,549	1,516,456,574
Water, Irrigation, Environment and Natural Resources	Recurrent	99,138,802	110,746,454	1	116,283,776	122,097,665
	Development	186,804,114	444,254,627	4	468,650,384	492,082,902
	Total	285,942,916	555,001,081	5	584,934,160	614,180,567
Finance and Economic Planning.	Recurrent	546,860,952	476,591,141	4	500,420,698	380,047,595
	Development	193,270,211	63,747,742	1	70,899,404	74,444,375
	Total	740,131,163	540,338,883	5	571,320,102	454,491,970
Public Service, Quality Management and ICT	Recurrent	732,360,166	324,279,672	3	384,086,661	403,284,994
	Development	1,197,580	36,187,652	-	37,997,035	39,896,886
	Total	733,557,746	360,467,324	3	422,083,696	443,181,880
Tourism, Youth, Sports and Culture.	Recurrent	101,728,182	112,617,593	1	118,156,712	124,237,289
	Development	40,111,142	125,990,460	1	132,299,150	138,914,106
	Total	141,839,324	238,608,053	2	250,455,862	263,151,395

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Trade, Industrialization and Innovation.	Recurrent	113,990,530	99,344,709	1	104,311,944	109,527,542
	Development	57,663,119	180,556,594	2	189,584,424	199,063,645
	Total	171,653,649	279,901,303	2	293,896,368	308,591,187
Education, Skills Training and Social Welfare	Recurrent	385,378,986	428,971,858	4	345,557,463	362,835,336
	Development	22,593,487	153,460,588	1	161,133,617	172,497,798
	Total	407,972,473	582,432,446	5	506,691,080	535,333,134
Energy, Lands, Housing and Urban Development	Recurrent	106,488,998	159,060,095	1	211,191,439	216,059,445
	Development	39,603,355	262,317,219	2	228,183,080	239,592,234
	Total	146,092,353	421,377,314	4	439,374,519	455,651,679
County Administration and Decentralized Units.	Recurrent	515,666,630	478,556,119	4	502,483,926	527,608,122
	Development	8,622,598	16,434,617	-	17,256,348	18,119,165
	Total	524,289,228	494,990,736	4	519,740,274	545,727,287
Total Recurrent	8,700,451,134	8,088,468,725	70	8,079,623,441	8,321,482,554	
Total Development	1,632,483,850	3,507,847,236	30	3,673,638,727	3,868,884,684	
Total County Budget	10,332,934,984	11,596,315,961	100	11,753,262,168	12,190,367,238	

Source: Machakos County Treasury, 2022

COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

Hon. Speaker, the Committee observes and recommends:

- 1) That the County Treasury adheres to the budget calendar for the FY 2023/24 budget making process. This will ensure that the process is within the set legal timelines and also give the Committee/House ample time to scrutinize, analyze and process each and every budget document.
- 2) That during the preparation of the Budget Estimates for FY 2023/24, the County Treasury should consider the matter of pending bills and ensure that they are adequately provided for.
- 3) That during the year under review, the County collected Own Source Revenue of Ksh. 1.12 billion. The Committee observed that the County is able to perform better on collection of OSR and therefore recommend that the County Government:
 - a. Ensures strict enforcement measures to minimize loss of revenue.
 - b. Strengthens internal controls.
 - c. Automates all the channels of revenue collection.
 - d. Expand the revenue streams.

- e. Implements the County property valuation roll.
- 4) That the procurement processes under the development budget should be initiated in good time to facilitate timely completion and payment of the projects. This will also aid in addressing the issue of pending bills as projects will be executed and paid for in the FY in which they were initially budgeted for as well as increasing the absorption of the development budget.
 - 5) That the County Government puts in place measures to cushion residents against severe effects of the ongoing famine/drought and the resultant low agricultural output.
 - 6) That the County Government reduces the overall wage bill which stands at over 50 per cent of the projected resources against the set legal limit of 35 per cent and the County Government should work towards reducing the same to the set limit. This will release a lot of resources to development programs.
 - 7) The projected estimates in the 2022 CBROP differ largely with those in the 2023 CFSP. The County Treasury should ensure that the documents relate/match with each other as expected.

ACKNOWLEDGEMENT

Hon. Speaker, the Committee wishes to thank the Office of the Speaker and that of the Clerk for the support extended to the Committee by facilitating it to fulfill its mandate. I wish to acknowledge the Hon. Members of the Committee for their time as well as ideas in the meetings and in preparation of this report. Our sincere gratitude is extended to the County Treasury for being part of this critical process of preparing and reviewing the 2022 CBROP.

It is therefore my pleasant duty and undertaking, on behalf of the Budget and Appropriations Committee to table this report and recommend it to the House for adoption. Thank you, Hon. Speaker.

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

(Question proposed)

Hon. Deputy Speaker: I will just call the mover to come and reply. Hon. Ndambuki.

Hon. Dominic Ndambuki (Kathiani Central, WDM-K): Thank you, Hon. Speaker. The report is self-explanatory and the recommendations that have been put forth by the committee should strictly be adhered to by the County Treasury so that we can effectively serve the people of Machakos. Thank you, Mr. Speaker.

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

(Question put and agreed to)

ADJOURNMENT

Hon. Deputy Speaker: Thank you, Hon. Members. The House adjourns to Tuesday, 18th April, 2023 at 2.30 p.m.

The House rose at 12.11 p.m.