

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF MACHAKOS

OFFICIAL REPORT

Tuesday, 20th June, 2023

The House met at 11.00 a.m.

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

PRAYERS

PAPER LAID

Hon. Speaker: May I at this point call upon Hon. Dominic Ndambuki to come forward and lay a Paper. Hon. Ndambuki.

Hon. Mbili Ndawa (Matuu, MCCC): Madam Speaker, I kindly beg because the Chairperson is very busy handling something that we skip that order and go to the next order as we give him time to come in.

Hon. Brian Kisila (Makutano/Mwala, MCCC): Point of order. Madam Speaker, any Member of the Budget Committee can lay the Paper.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, I think I can lay the Paper on behalf of the chair.

(Applause)

Hon. Speaker: Proceed.

REPORT ON THE BUDGET ESTIMATES 2023/2024

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Hon. Speaker, I beg to lay the following Paper on the Table of the Assembly today, Tuesday, 20th June, 2023: the Report of the Budget and Appropriations Committee on the Budget Estimates for FY 2023/2024. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member.

(The Paper was laid on the Table)

NOTICES OF MOTIONS

REPORT ON THE BUDGET ESTIMATES FOR 2023/2024

Hon. Speaker: May I call upon Hon. Stephen Mwanthi Deputy Speaker, to come forward and give the notice.

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

Hon. Speaker, that aware that Standing Order 14(a) provides for appointment and discharge of members of the Speaker's Panel; Sorry, Madam Speaker, I may repeat.

Hon. Speaker, that aware that the FY 2023/24 budget is the first under the current County Government Administration and is expected to set the pace of economic performance for the next five financial years;

Further aware that the proposed Budget Estimates were submitted to the County Assembly on 28th April, 2023 in line with Article 224 of the Constitution as read with Section 129(2) of the PFM Act, 2012 and Standing Order 206(1) of the County Assembly Standing Orders;

Noting that pursuant to Standing Order 206(3), the Budget Estimates were committed to the Budget and Appropriations Committee as well as the Sectorial Committees of the Assembly on 9th May, 2023 for review of the proposals for each sector/department;

Acknowledging that the Budget and Appropriations Committee examined and discussed the submissions of the Sectorial Committees, memorandum from Machakos Budget Champions as well as from the public participation and subsequently considered them in finalizing this report;

Informed that the County Executive Committee Member for Finance, Economic Planning and Revenue Management gave his submission of the budget estimates to the budget and Appropriations Committee pursuant to Standing order 206(5);

Hon. Speaker, I wish to give notice of Motion THAT this Assembly adopts the report of the Budget and Appropriations Committee on the Budget Estimates of the County Government and Assembly tabled in the Assembly on 20th June, 2023.

Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member. May I call upon Hon. Dominic Ndambuki. Chairperson, Budget and Appropriations Committee to come forward and give his notice? I am guided that Hon. Stephen Mwanthi has laid the Paper therefore he should proceed and give the notice.

REPLACEMENT OF SECOND MEMBER OF THE SPEAKER'S PANEL

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you, Madam Speaker. I was taking brief for Hon. Dominic Ndambuki who is the Chair Budget Committee so now I am giving notice on the issue of Speaker's Panel, Madam Speaker.

Hon. Speaker, that aware that Standing Order 14A provides for appointment and discharge of members of the Speaker's Panel;

Further aware that on 18th October, 2022, this House approved members of the Speaker's Panel whose function is to preside over the House in the absence of both the Speaker and the Deputy Speaker pursuant to Standing Order 14A(2);

Aware that pursuant to Standing Orders 14A(8) and (9) the Speaker, may give Notice that a member is to be discharged from the Speaker's Panel and that the House Business Committee shall within 7 days consider the Notice and give Notice of Motion to replace the member;

Cognizant that a Notice to discharge Hon. Daniel Muindi, Second Member of the Speaker's Panel has been received and considered by the House Business Committee that the said member be replaced;

Hon. Speaker, I wish to give Notice of Motion that Hon. Daniel Muindi, Second Member of the Speaker's Panel be replaced with Hon. Douglas Musyoka pursuant to Standing Order 14A(9) and (10).

Thank you, Hon. Speaker.

(Applause)

Hon. Speaker: Thank you, Hon. Member.

STATEMENT

BUSINESS FOR THE HOUSE FOR 20TH JUNE, 2023

Hon. Speaker: May I call upon Hon. Nicholas Nzioka, Majority Leader to come forward and make his Statement.

Hon. Nicholas Nzioka (Machakos Central, WDM-K): Thank you, Madam Speaker. Hon. Speaker, the House Business Committee met on Monday, 19th June, 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, 20th June, 2023

Morning at 10.00 a.m.

- a. The Machakos County Appropriation Bill, 2023; First Reading.
- b. Motion on replacement of a Member of the Speaker's Panel by Hon. Stephen Mwanthi, Deputy Speaker.
- c. Pronunciation of budget highlights and revenue raising measures for FY 2023/24 by County Executive Committee Member for Finance, Economic Planning and Revenue Management.

Afternoon at 2.30 p.m.

- a. Approval of Budget Estimates for FY 2023/2024 by Hon. Dominic Ndambuki, Chairperson, Budget and Appropriations Committee.
- b. The Machakos County Appropriation Bill, 2023, Second Reading, Committee of Whole House and Third Reading.
- c. Alternation of the Calendar Assembly and Adjournment of the House by Hon. Nicholas Nzioka, Majority Leader.

Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member.

BILL

(First Reading)

MACHAKOS COUNTY APPROPRIATION BILL 2023 KENYA
GAZETTE SUPPLEMENT NO. 3 MACHAKOS COUNTY BILLS NO. 2

*(Order for First Reading read - Read the First Time and
ordered to be referred to the Budget and Appropriations Committee)*

MOTION

REPLACEMENT OF SECOND MEMBER OF THE SPEAKER'S PANEL

Hon. Speaker: May I call upon Hon. Stephen Mwanthi to come forward and move that motion.

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

Hon. Speaker, that aware that Standing Order 14A provides for appointment and discharge of members of the Speaker's Panel;

Further aware that on 18th October, 2022, this House approved members of the Speaker's Panel whose function is to preside over the House in the absence of both the Speaker and the Deputy Speaker pursuant to Standing Order 14A (2);

Aware that pursuant to Standing Orders 14A(8) and (9) the Speaker, may give Notice that a member is to be discharged from the Speaker's Panel and that the House Business Committee shall within 7 days consider the Notice and give Notice of Motion to replace the member;

Cognizant that a Notice to discharge Hon. Daniel Muindi, Second Member of the Speaker's Panel has been received and considered by the House Business Committee that the said member be replaced;.

Hon. Speaker, I wish to move the Motion that Hon. Daniel Muindi, Second Member of the Speaker's Panel be replaced by Hon. Douglas Musyoka pursuant to Standing Order 14A(9) and (10).

Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member. Proceed and call a seconder.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you. I call Hon. Judas Mbili to second.

Hon. Speaker: Serjeant-at-Arms, there is some noise coming from somewhere. Make sure that there is silence.

Hon. Mbili Ndawa (Matuu, M CCP) seconded.

Hon. Speaker: Hon. Ndawa thank you for seconding. I now propose the question.

(Question proposed)

I want at this point to invite the Members to debate the motion. I put the question?

(Loud consultations)

Hon. Ndawa proceed.

Hon. Mbili Ndawa (Matuu, MCCP): Thank you, Madam Speaker. It is only fair to congratulate the incoming Member of the Speaker's Panel Hon. Douglas Musyoka for that position and also I want to take this opportunity to thank Hon. Daniel Muindi who has voluntarily agreed to leave that position to be given to Hon. Douglas. It is only fair that when someone does something good you commend him for that.

So I want to take this opportunity on behalf of the Minority side and Members of this House for him accepting to leave that position. It is not a demotion. It is what we call brotherhood because he had two positions and because of the nature of the business as a Chair of a committee that Member is very busy and he has proven that he is very competent to be in charge of the Water Committee so Mheshimiwa thank you very much and may God bless you as you carry out your endeavors. Hon. Speaker, I do not want to say much I just want to say only that. Thank you, Madam Speaker.

Hon. Speaker: I now put the question....sorry? Proceed and give the information.

(A Hon. Member spoke off record)

Proceed and give the information.

Hon. Francis Ngunga (Mua, MCCP): Thank you, Madam Speaker. I have something to inform the House. I have just walked in this moment and Madam Speaker, I am a little scared because the compound is full of strangers right from the gate all through to the parking and the gate here and right now Madam Speaker, you have just directed that this House be given some kind of respect and I think Madam Speaker, it is high time you directed that the Serjeant at Arms and the security in this House takes care of the security of Members.

I do not know while we might be aware that the budget process is going on there is a lot of interest which is okay but I do not know how safe we are Madam Speaker. I have just walked in and it looks like a *baraza*. Thank you, Madam Speaker.

Hon. Speaker: Thank you. Hon. Mwonga.

Hon. Joshua Mwonga (Masinga Central, WDM-K): Madam Speaker, with your permission I want to congratulate your office and the House Business Committee for finding it wise to have Hon. Member for Masii to sit in the Speaker's Panel. Madam Speaker, I know the gallery is full and unless I am guided, from where I am standing I cannot see the gallery whether it is full or not Madam Speaker, it was a wise decision and in your own wisdom, I would urge that under the leadership of this House they consider other Hon. Members who are not enjoying that something and I think they are only two; Hon. Maeke and Hon. Rose. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Mwonga. Serjeant at Arms I have already given instructions to make sure there is no noise coming this way; we need silence.

Hon. Mbili Ndawa (Matuu, MCCC): Hon. Speaker, your mic is not loud enough.

Hon. Speaker: Sorry I was saying it is important that we have silence outside there so that we can.....is it still off? Can you hear me now?

Hon. Members: Yes.

Hon. Speaker: Thank you, Members. I was saying Serjeant at Arms to make sure there is silence outside there and to make sure we do not have strangers within the precincts of the Assembly because it is important that we maintain peace around here as we run the business of the House. This is a place where we cannot afford to have commotion and all that. So take note of that Serjeant at Arms. Members, can we proceed?

Hon. Members: Yes.

Hon. Speaker: Thank you.

(Question put and agreed to)

Hon. Members, at this point I wish to suspend business of the House for five minutes to allow the CECM finance to come in and be settled. There is no movement out and inside. Even me I am not moving out. Members we are here. So we are not moving outside. Hon. Members?

(Loud consultations)

Order! Order Members! There is a problem? Is there sabotage? Yes what is the problem? Hon. Members, I want to allow the Members of the Budget Committee only to get out for five minutes to transact some business; they have said they wanted my permission. Thank you.

(County Executive Committee Member for Finance and Economic Planning Mr. Onesmus Kuyu Muia entered the House)

COMMUNICATION FROM THE CHAIR

WELCOME REMARKS TO COUNTY EXECUTIVE COMMITTEE MEMBERS OF FINANCE, ECONOMIC PLANNING AND REVENUE MANAGEMENT

Hon. Speaker: Before I go to that particular item I want to make some communication. Hon. Members of the County Assembly, the County Executive Committee Members of finance and economic planning and revenue management Hon. Onesmus Muia Kuyu, Ladies and gentlemen. Good morning and I welcome you to this sitting.

Section 132(1) of the Public Finance Management Act 2012 provides that each financial year the County Executive Committee Member of finance shall, with approval of the County

Executive Committee make a pronouncement of the revenue raising measures for the county government.

Further, Section 132(2) of the same act requires the County Executive Committee Member for Finance to submit to the County Assembly the County Finance Bill setting out the revenue raising measures for the County Government together with a policy statement expounding on those measures on the same date that the revenue raising measures are pronounced. Standing Order 206(a) of the County Assembly provides for the procedure of pronouncement of budget highlights and revenue raising measures.

The Budget Estimates for the financial year 2023/2024 were received in the Assembly on 9th May, 2023. The Budget and Appropriations Committee has finalized on the budget estimates to pave way for the approval of the Appropriation Act later today. Hon. Members when the County Executive Committee Member for Finance and Economic Planning will be making the budget highlights and the revenue raising pronouncements, he will be heard in silence pursuant to Standing Order 206(a)(3).

I now take this opportunity to invite the County Executive Committee Member for Finance and Economic Planning, Hon. Onesmus Muia Kuyu to pronounce the budget highlights and revenue raising measures for the financial year 2023/2024. Thank you, Hon. Members.

(Applause)

THE BUDGET STATEMENT

BUDGET HIGHLIGHTS AND REVENUE RAISING MEASURES FOR 2023/2024

County Executive Committee Member for Finance and Economic Planning (Mr. Onesmus Kuyu Muia): Thank you, Madam Speaker. I want to make pronouncements on the County Government of Machakos Budget Statement for the year 2023/2024. Theme: “Building a Resilient Community through Sustainable Food Security and Socio-Economic Empowerment.”

Madam Speaker, it is a great honour and privilege to appear before the Hon. House today to make the public pronouncement of the first budget policy highlights and revenue raising measures for the County Government, under the administration of H.E Governor, Wavinya Ndeti, in accordance with Section 132(1) of the Public Finance Management Act, 2012.

Madam Speaker, before I proceed, allow me to acknowledge the invaluable role played by the County Executive Committee under the leadership and guidance of H.E the Governor during the preparation and subsequent submission of the FY 2023/2024 Budget Estimates to the County Assembly.

On the same note, allow me to most sincerely thank the Budget and Appropriations Committee for the constructive engagement during the review of the budget estimates submitted to the County Assembly on 28th April, 2023.

Madam Speaker, let me also take this opportunity to thank the County Assembly for the meaningful engagement that continues to reinforce the spirit of mutual trust and good faith in support of the Executive in the execution of their mandate. Indeed, this co-operation and collaborative effort has enabled the county government to register a significant number of milestones in the last eight months.

Further, Madam Speaker, allow me also to express my deep appreciation to all the stakeholders for their input which informed the priorities of this budget. These stakeholders included members of various County Government Departments, Committees of this House,

Development Partners, National Government Agencies, Private Sector as well as County residents through their public participation forums and written submissions.

Economic Situation

Madam Speaker, I stand here today to present the County Government economic action plan. A plan for empowering the people of Machakos and transforming our county into a model of excellence in governance and economic prosperity. Before I elaborate on the fiscal projections and the strategic interventions to be employed by the new administration, allow me to highlight the economic and fiscal context in which the budget has been prepared.

Madam Speaker, our budgeting process has taken into consideration the global economic situation. After a period of recession, the world economy is predicted to pick up some momentum and grow by 2.5 per cent in 2024. Global trade remains under pressure due to geopolitical tensions, weakening demand and tighter monetary and fiscal policies.

Madam Speaker, the Kenyan GDP stood at 7.6 per cent in 2021. However, this slowed down to 4.8 per cent in 2022 owing to the effects of climate change and global warming. It is expected that the economy will rebound and grow to 5.5 per cent in 2023 supported by public infrastructure projects, strong public and private sector investments and appropriate economic and fiscal policies.

Madam Speaker, the Kenya National Bureau of Statistics, in their the last report, ranked Machakos County among the top five (5) vibrant Counties with a Gross County Product (GCP) of 3.5 per cent. As some of you may know, Machakos was the administrative centre for the British Colony and is the oldest administrative municipality in the East and Central Africa formed before Nairobi. Madam Speaker, the current administration is focused on helping the County reclaim its lost glory by propelling it to a City status.

I want to highlight some key achievements since the new Administration assumed office.

Hon. Speaker: CECM, Finance, hold on a bit. Take your seat.

PROCEDURAL MOTION EXTENSION OF SITTING TIME

Hon. Mbili Ndawa (Matuu, MCCP): Hon. Speaker, I am rising under Standing Order 27 which talks about extension of time.

Hon. Speaker, aware that Standing Order 27(2) provides that the Speaker shall interrupt business at 12:30 p.m. for the morning sitting;

Aware that Standing Order 27(3) provides that the House may resolve to extend its sitting time; Aware that Standing Order 27(4) requires the motion to extend sitting time to be moved at least 30 minutes before the time apportioned for the adjournment;

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

Thank you, Hon. Speaker. I call upon Hon. Mheshimiwa Ngondi---

(Laughter)

The Leader of Majority, to second my motion.

Hon. Nicholas Nzioka (Machakos Central, WDM-K): seconded.

(Question proposed)

(Question put and agreed to)

Hon. Speaker: CECM Finance, you may proceed.

County Executive Committee Member for Finance and Economic Planning (Mr. Onesmus Kuyu Muia): Hon. Speaker, allow me to highlight some key achievements since the new Administration assumed office.

Madam Speaker, the Governor of Machakos County, Her Excellency Wavinya Ndeti was sworn into office on 25th August, 2022. The County Assembly was very instrumental right from the onset, by helping constitute her government through the prompt vetting and approval of the County Executive Members, County Secretary and Chief Officers.

Madam Speaker, the current administration has instituted strategic interventions which lay a sound foundation and provide a springboard for the execution of its mandate. Some of the milestones realized so far include:

Establishment of Taskforces

Madam Speaker, upon assuming office, H.E the Governor was keen to ascertain the true status of the County with regard to various constitutional and County Government legislative requirements. To this end, Her Excellency established five (5) taskforces which include:

- Pending bills Audit and Verification Taskforce;
- Vehicles Inspection and Audit Taskforce;
- Information, Communication and Technology (ICT) Infrastructure Taskforce;
- Human Resource Audit Taskforce and;
- Lands, Housing and Property Verification Taskforce.

The reports of the above taskforces will play a key role in providing crucial information for decision making and improving service delivery.

Supplementary Budget

Madam Speaker, through the support of the County Assembly, the County Government prepared a supplementary budget that made it possible for the roll out of priority projects across the County in various sectors including, but not limited to, roads, water, health and revenue.

Realignment of the current Budget 2022/2023 to Governor's Manifesto

Madam Speaker, the current administration embarked on a deliberate move to realign the current budget 2022/2023 to H.E the Governor's manifesto and the pressing priorities outlined in the CIDP. I take this opportunity to thank the Honourable Members for supporting this initiative by adopting and approving the supplementary budget which has enabled the County Government to roll out some tangible development programs.

Madam Speaker, the County government rolled out the *Barabara Mashinani* program whereby we graded a total of 1,325 km under the Rapid Results Initiatives across the County. In addition, we have 56 active contracts of road works spread across the County.

Madam Speaker, the County Government has committed to the construction of 19 ECDE classrooms, the operationalization of the ECDE feeding program, and upgraded two vocational training institutions into centres of excellence.

Through the realigned budget, we were able to de-silt dams, carry out borehole casing and graveling, as well as repairing and equipping of boreholes across the County.

Madam Speaker, to improve the welfare and condition of our health sector, we have procured medical and laundry equipment, Health Management Information System and boilers.

CIDP 2023-2027 and ADP 2023-2024 as part of the short term achievements

Madam Speaker, the County Executive formulated the 3rd Generation County Integrated Development Plan (CIDP) 2023-2027 and the Annual Development Plan (ADP) 2023/2024 through an intensive and consultative process involving the public and other stakeholders who gave insightful input. The plan integrates the Governor's Manifesto which has prioritized three key pillars that include Food Security, Socio-Economic Empowerment and Infrastructure Development with a primary objective of transforming the social economic livelihoods of Machakos residents to prosperity in line with our rallying clarion call *Chakula Mezani, Pesa Mfukoni*.

Improved Revenue Collection

Madam Speaker, the County Government has continued to register increased revenue collection as a result of several austerity measures that have been employed by the executive including enhanced automation, consolidation of 211 paybill numbers into one paybill number (1616160) among other measures.

Seamless County Operations

Madam Speaker, prudent financial management has made it possible to maintain seamless operations at the county including timely payment of salaries for County staff and the County Assembly at a time when Counties are almost shutting down on the backdrop of delayed exchequer releases. The fact that we are able to pay our staff by the 28th of every month has changed the negative narrative about working for County Governments and boosted staff morale hence improving their productivity.

Streamlining resource utilization

Madam Speaker, the County Government has streamlined resource utilization for departments to spend within their approved budgets and available cash flow to avert the chronic problem of pending bills. Let me highlight some strategic interventions to be undertaken by the new administration during the FY 2023/2024

Madam Speaker, the broad development policies and specific strategic interventions intended for implementation by the new dispensation provides a clear and progressive approach to transform Machakos into a bastion of social-economic development and prosperity.

These policies Madam Speaker are anchored on the following three pillars and will be implemented while observing the principles of integrity, transparency, innovation, efficiency and civic engagement towards "Empowering the people of Machakos and transforming our County

into a model of excellence in governance and economic prosperity.” To achieve this, the Budget proposes the following strategic interventions:

- Environmental protection and access to clean water.
- Boosting food security.
- Enhancing access to quality healthcare.
- Promote access to quality education.
- Investing in critical infrastructure.
- Empowering the Youth, Women and PLWDs and the vulnerable.
- Enhancing conducive business environment.
- Promoting and preserving the rich culture of the County.
- Building robust ICT infrastructure systems, operational efficiency and employee productivity

Madam Speaker, relative to these strategic interventions that the new administration intends to implement and which are necessary to make a change, we are faced with budgetary constraints. To address the situation, difficult choices resulting to some opportunity costs, must be made to ensure that available resources are directed towards the priority areas.

Madam Speaker, the executive will adopt innovative ways to better deliver services, including enhanced automation and digitization and leasing of assets and equipment to avoid hefty initial capital outlay and investment in non-core assets; and through Public Private Partnerships (PPP).

In addition, the Executive will play a facilitative role by creating a conducive business environment to enable private sector to thrive, expand economic opportunities and create jobs.

Fiscal Projections for the FY 2023/2024

Madam Speaker, the county fiscal framework for financial year 2023/2024 budget has been revised to take into account the Kenya Vision 2030, Medium Term Plan IV, Bottom-up Economic Transformation Agenda (BETA), and the National Government pronouncement of the FY 2023/2024 budget.

Madam Speaker, the total revenue estimate for fiscal year 2023/2024 is Ksh. 14.75B, representing an increase of 27 percent from the last financial year. This consists of:

- Equitable Share, Ksh. 9.55B compared to Ksh. 9.16B in the 2022/23 financial year.
- Own Source Revenue, Ksh. 2.9B compared to Ksh.1.7B in the last financial year.
- Conditional Grants, Ksh.1.9B compared to Ksh. 610 M in the 2022/23 financial year. That tells you the confidence the National Government has in the current administration.

Madam Speaker, the government has instituted stringent austerity measures as well as elaborate strategies that will see the revenue grow exponentially to improve the percentage of wages and benefits over total revenue from the 53 per cent recorded in 2022/2023 budget to a favorable rate of 43 per cent. That is the wage bill ratio with the new budget. We are moving towards the constitutional threshold of 35 per cent.

(Applause)

Expenditure Priorities FY 2023/2024 Budget Estimates

This budget Madam Speaker is anchored on the CIDP 2023-2027 and the ADP 2023/2024 that have been aligned to the National Development Plans. Through this budget, the County Government will undertake the following specific programs under the identified strategic intervention areas. I had gone through the strategic interventions so I beg to go straight to the execution.

Madam Speaker, I will now expound on these points:

1. Environmental protection and access to clean water

Access to clean water is at the core of sustainable development and is critical for socio-economic development, healthy ecosystems and for human survival itself. It is vital for reducing the burden of disease and improving the health, welfare and productivity of the citizenry. It is at the heart of adaptation to climate change, serving as the crucial link between the climate system, human society and the environment.

With this realization, the Government has allocated Kes.703.4 Million towards Water resource Management, Irrigation, Sewerage Systems and Sanitation Management, Environment and Natural Resources as well as Climate Change.

Madam Speaker, Universal access to clean and safe water for all is a pre-requisite for a healthy population and food security, noting that Machakos County is currently water-scarce with less renewable fresh water. Out of the Ksh. 703.4 Million, I propose Ksh. 393 Million for various programmes to enhance accessibility to clean and safe water for domestic and agricultural use. This consists of a proposed allocation of Ksh. 137.5 Million for drilling, rehabilitation and equipping of bore holes. I further propose Ksh. 224.5 Million for the construction and de-silting of dams and rehabilitation of irrigation schemes, and a further Ksh. 10 Million for construction of weirs. To boost our internal capacity, and the internal capacity I am talking about our own internal equipment, I propose to allocate Ksh. 21.5 Million for fuel and maintenance of water machinery and equipment.

Madam Speaker, Ksh. 29 Million has been proposed for the management of sewerage systems and sanitation.

Madam Speaker environmental conservation and response to the impacts of climate change are key in enabling the County to achieve its agenda. To conserve the environment and to implement strategies to mitigate the effects of climate change, I propose an allocation of Ksh. 280.9 Million.

2. Boosting Food Security

Madam Speaker, Machakos County is largely reliant on agriculture for its economic growth and job creation. Therefore, investment in this sector is a critical component of our industrialization strategy through value chain and agro processing.

To achieve this end Madam Speaker, the County Government endeavours to implement initiatives that are geared towards achieving food security for all. These initiatives include:

- Provision of affordable agricultural inputs;
- Initiating and supporting community based agricultural initiatives through cooperatives;
- Supporting agri-business by sourcing for markets and value addition;
- Organize training forums for farmers;

- Mainstream Climate Change issues in agricultural policy
- Establish networks with research institutions and
- Provide access to adequate water for agricultural activities.

To support these initiatives, Madam Speaker, I propose an allocation of Ksh. 904 Million for relevant programs in this budget. Out of this, Ksh. 195 Million has been proposed for a Fertilizer Subsidy Programme, Ksh. 105 Million for Emergency Locust Response Programme (ELRP), Ksh. 250 Million for National Agricultural Value Chain Development Project (NAVCDP) Ksh. 90 Million for Kenya Climate Smart Agriculture Project (KCSAP), Ksh. 50 Million for construction of Silos and you do agree with me that we have a lot of post-harvest losses. A further Ksh. 69.4 Million for Certified seeds and crop diversification.

Madam Speaker, to improve livestock production in the County, I propose Ksh. 35.8M for livestock value program and Ksh. 10.5M for the purchase of certified pasture, breeding stock and specialized plant and equipment.

To enhance animal disease control, I have proposed an allocation of Ksh. 13 Million for the purchase of Motorcycles to enhance Ward-based farm extension services, vaccines and slaughterhouse renovations. You do agree with me this particular area needs mobility, because it also borders on public health.

Madam Speaker, I have further proposed an allocation of Ksh. 16 Million for the construction of livestock yards in major markets in order to control the handling of livestock for enhanced revenues.

Madam Speaker, the current administration is cognizant of the opportunities that the blue economy presents. To nurture this sector, I have further set aside Ksh. 17.3 Million, out of which Ksh. 15.4 Million will be allocated to Aquaculture program and Ksh. 1.9 Million to establish fish feed pelletizers and pond liners.

I propose to allocate Ksh. 25 Million for the operationalization of an agricultural training centre to train farmers on modern agricultural practices. Of this, Ksh. 10.5 Million will be used for the refurbishments and equipping of the training centre while Ksh. 14.5 Million will be made available for the purchase of certified seeds, breeding stock and live animals.

Madam Speaker, the importance of farmers' cooperative societies in the growth of our economy cannot be over emphasized. The Government is keen on initiating and supporting existing community based cooperative societies particularly in the areas of Coffee, Dairy, Avocado and bee keeping. To this end, I propose an allocation of Ksh. 27.4 Million towards the purchase of equipment, marketing promotion and agro-processing.

3. Enhancing access to quality Healthcare

Madam Speaker, the saying that 'a healthy Nation is a wealthy nation' resonates with the current administration's persuasion that the productivity and by extension the economic growth of our county is directly proportional to the well-being of the people who reside and work there.

For this reason, the Government proposes the allocation of Ksh. 1.36 Billion for Health sector programs. Of this, Ksh. 365 Million will be set aside for medical drugs and non-pharmaceutical supplies while the balance of Ksh. 994 Million will go towards the roll out of other programs.

Madam Speaker, we plan to leverage on our geographical positioning and tap into the opportunities presented by the regional economic collaboration presented by South Eastern Economic Block (SEKEB), proximity to the Konza City and the expected Rail and Road

development by investing on the infrastructural developments meant to upgrade Machakos Level 5 Hospital to a referral hospital. This is expected to offer enhanced health care services to residents of Machakos and its environs. To this end, I propose an allocation of Ksh. 151 Million to undertake phased out construction works, Ksh. 46 Million and Ksh. 124 Million for leasing of medical equipment by County and National Government respectively.

Madam Speaker, the Government has allocated a total of Ksh. 121 Million to improve Machakos level 5 hospital and maintenance of equipment, a further Ksh. 78 Million to improve the level 4 hospitals and a further Ksh. 179 Million for the enhancing service delivery, construction and equipping of community hospitals. That will go towards the primary healthcare.

Madam Speaker, we have partnered with the National Government in a co-funded scheme to construct two new hospitals in Mlolongo/Syokimau and Athi River at a total cost of Ksh. 195 Million to cater for the high population. You do agree with me, 60 per cent of our population is around those areas.

Towards enhanced efficiencies in healthcare service and improved hospital revenues, I propose to allocate Ksh. 100 Million for the phased-out implementation of a Health Information Management System (HIMS). Now we are moving towards creating sanity in the hospitals. We need to know who was where, when and she paid what and given what medicine.

4. Promoting access to quality Education

Madam Speaker, the role of education remains key to the development of the society. In support of this, the County Government has invested heavily in over 220 Early Childhood Development Education (ECDEs). 19 of these are work in progress across different Wards within the County. This budget envisages the construction of additional 25 ECDEs at a cost of Ksh.35 Million bringing the total of new modern ECDE classrooms to 44, meaning every ward will have a share.

Madam Speaker, the prevailing climatic conditions and the state of poor rains has led to prolonged drought resulting to increased poverty levels. I propose an allocation of Ksh.90 Million in support of the ECDEs. Of this, Ksh.75 Million will be applied to sustain the feeding program for our ECDEs and Ksh.15 Million will go to the purchase of Educational Aids. That means we have Ksh. 25 Million per term so we want to make it sustainable.

Madam Speaker, Machakos County is home to 40 equipped modern Vocational Training Centres that offer technical training opportunities to our youth. We have set aside Ksh. 35 Million for TVETs improvement.

5. Investing in Critical Infrastructure

Madam Speaker, infrastructural development will promote economic recovery and act as an enabler for private businesses to thrive and take up more opportunities. This will draw more youth to employment and significantly reduce poverty. For this reason, the Government has an elaborate plan to scale up road network to promote ease of movement and access to markets as well as interconnectivity.

Madam Speaker, the Government proposes to allocate Ksh. 879.2 Million to the varied Infrastructural developments. Of this, Ksh. 376.5 Million has been set aside for the development of major roads and grading of rural access roads, Ksh. 192 Million for the construction of County Government buildings including two Sub-County offices in Ndithini and Matungulu and Ksh. 72 Million for the hire and maintenance of transport equipment. You do agree with me that

governments are continuous. We have to finish the critical infrastructure that was put in place so that we decongest and we give the staff adequate, conducive environment to work.

To promote integrated development in the Urban Centres and Municipalities, the County Government will undertake Spatial Planning and Digitalization at a cost of Ksh. 42.7 Million. You do agree with me that we have to support our municipalities.

To enhance security and to open up market areas for development, I propose an allocation of Ksh. 75 million for County Electrification which will be achieved through installation of transformers, solarization, street and flood lighting.

Madam Speaker, we plan to undertake urban regeneration and infrastructural developments in the Machakos, Mavoko and Kangundo/Tala Municipalities at a cost of Ksh. 50 Million.

6. *Empowering Youth, Women, PLWDs and the Vulnerable*

Madam Speaker, as a Government, we have instituted various policies to allow for the implementation of various targeted interventions meant to cushion the vulnerable groups in our society. In relation to this, I propose to increase the bursary allocation from Ksh. 80 Million budgeted for last year to Ksh. 120 Million this year.

(Applause)

This is in addition to Ksh. 35 Million that has been set aside for capitation in technical vocational education training institutions.

Madam Speaker, we have marginalized groups that include the homeless, victims of Gender Based Violence and drug addicts. The Government proposes to allocate Ksh. 131 Million towards:

- Construction of a Children Rescue Centre;
- Equipping of Gender Based Violence Centre; and
- Operationalization of the Youth, *Wikwatyo* and Table Banking Funds.

(Applause)

7. *Enhancing conducive Business Environment*

Madam Speaker, the County Government remains steadfast on the need to implement various strategies to create a friendly environment conducive for doing business. These strategies target delivering convenience around the payment of business permits and rates, building approval permits, starting a business, waiver and the exemption of fees and charges on a cost-based analysis.

Madam Speaker, the Government is focused on promoting Medium, Small and Micro Enterprises through construction and the maintenance of Market sheds, roadside sheds, modern kiosks, bodaboda sheds, modern bus stops and public toilets. I propose to set aside a total of Ksh. 102 Million for the same.

Madam Speaker, the Government is well aware of the challenges faced by our farmers due to lack of a ready market for their produce. I propose an allocation of Ksh. 250 Million for the establishment of an aggregated Industrial Park on a co-funded scheme between the County and the National Government, and I think towards this end, Machakos is among the 24 counties

that have been picked to pioneer this. The cost is going to be Ksh. 500 Million, so if we do not give them money for co-funding, we stand to lose, so we do not want to have ourselves to blame for generations to come. We all know the power of an aggregation centre. This will facilitate the aggregation of produce and create a market for our small-scale farmers produce.

8. *Promote and preserve the rich Culture of the County*

We do not want to lose where we have come from. Madam Speaker, we are focused on creating opportunities for the youth and present a platform for them to realize their potential through sports, culture and recreational arts. To support this initiative, I propose an allocation of Ksh. 61 Million for stalled and new stadia development, sporting and cultural activities. You do agree with me that we have quite a number of stalled stadiums and wananchi have to get value for money.

The Government is deliberate in promoting the rich cultural heritage of the County and create employment opportunities by promoting tourism. With this realization, concerted efforts are being employed towards promoting the County as a preferred tourist destination, development of the film industry and nurturing of talents. I propose an allocation of Ksh. 31 Million towards this noble cause.

9. *Building robust infrastructure systems, operational efficiency and employee productivity*

Madam Speaker, towards the enhancement of revenue and accountability, I propose to set aside Ksh. 110 Million for maintenance and purchase of a revenue system to achieve enhanced automation and digitization of all the revenue streams. Further, I propose an allocation of Ksh. 60 Million towards computer hardware and other ICT infrastructural developments. We want to reduce the paperwork.

The current administration is keen to optimize the use of public funds by implementing programs that have a socio-economic impact on the people of Machakos. In this regards, I propose to allocate Ksh.100 million towards the leasing of the entire county fleet. This will not only save on the initial cost outlay but also lead to cost savings on vehicle fuel and maintenance of a new fleet. You all agree with me leasing is the way to go. The vehicles will come with all the systems to monitor efficiencies and misuse.

Madam Speaker, human resource is the most important factor in production. The Government is focused on enhancing the employee capacities and motivation for better productivity. To this end, I propose to allocate Ksh. 45 Million towards training and capacity building and Ksh. 200 Million for staff comprehensive insurance. Even with the systems, when we don't take care of staffs, then we don't have the executors.

Revenue Raising Measures

Madam Speaker, County Governments have remained overly reliant on transfers from National Treasury for service delivery and economic development.

Despite the County's enormous potential in Own Source Revenue collection, it has recorded insignificant increase since the inception of devolution save for the improvement realized over the last eight months. This trend can be attributed to the omissions and commissions that have characterized the revenue ownership, collection and enforcement processes.

Madam Speaker, the current leadership recognizes that the key success for any government lies in the growth of Own Revenue Source, careful planning, prudent financial

management and adherence to corporate governance tenets. The County Government will strive to employ the following strategic and tactical measures towards realization of the projected Own Source Revenue (OSR) of Ksh. 3.9B, that is Ksh. 2.9 plus the Ksh. 1 Billion for the health revenues. So, we are projecting to raise Ksh. 3.9 Billion. We want to tap into that enormous---. First strategy:

1. Updating of the Valuation Roll

Madam Speaker, Property rates have a huge potential to yield high revenues to our Own Source Revenue basket but are hindered by outdated valuation rolls and computation of rates based on unimproved site value. The proposed budget has provided for the updating of the valuation roll to match the actual land value rates as well as digitalization of the building approval process. I know the House agrees with me that we need to move from human intervention to digitized credit rating modules. The loss of the money is in the calculation, not in the lack of submission.

2. Automation and Digitalization of Revenue Processes

Madam Speaker, this budget envisages the enhanced automation of revenue collection to reduce human intervention and curb leakages while exploiting the full potential of revenue operations. This will also enhance accountability in collection and reporting as we embrace a cashless revenue collection strategy. I'll be talking out there to the general public that they should not pay in cash and if need be, we will go to public policing. Every money (??) has to come to the county coffers

3. Enforce Performance Contracts, Targets and Reviews

The Government recognizes the prominent role of target setting as a performance control tool towards the realization of our projected Own Source Revenues. We will thus enforce the existing performance contracts and carry out routine performance reviews, particularly with the revenue collection staff.

4. Revenue Mapping

This sets the stage for the scientific setting of the targets. Madam Speaker, the current administration appreciates that revenue mapping is the real game changer in terms of establishing the actual potential to aid in planning and seal omissions and commissions in revenue collection and enforcement. To identify all the revenue generating opportunities and enhance revenue mobilization efforts, the Government is currently mapping out all revenue streams across the County, and what that means is we will know who has which business where, how much we expect, so that the senior revenue officers are working on a tack list.

5. Separation of Roles

We have realigned the administration, billing and ownership of the different revenue streams to be domiciled in their respective departments. This will leave the revenue department to only focus on managing the aspects of cashless revenue collection. Accounting of the collected revenue and the custody of accountable documents will be managed by the County Treasury in line with provisions of Section 158 subsection 1 and 2 of the Public Finance Management Act, 2012, so we are no longer going to have the collectors of revenue holding the

permit. It is going to be an accountable document. We are no longer going to have the revenue collection accounting for the revenue. It will be accounted from the back office.

6. *Enact enforcement, fines and penalties tariff*

Madam Speaker, enforcement of revenue collection has been incorporated in the proposed Finance Bill and the fines and penalties will be applied in accordance with the law.

7. *Capacity building and staff development*

Madam Speaker, we plan to achieve efficiencies in revenue collection by improving the competencies of our revenue collection staff through training. Even as we task them to collect, we need to capacity build them.

8. *Equipping of the Health Facilities*

Properly equipped health facilities will provide a one-stop shop for the provision of health services that will attract many patients. This implies that the County will collect significant revenue from health-related activities.

9. *County Corporations*

The Government is in the process of restructuring and re-engineering the County corporations to enhance efficiency in their operations and realize requisite net revenue to supplement the other revenue streams. You do agree with me we have a lot of county corporations that are left to operate on their own. Now we are bringing them to the county dragnet. We are going to restructure them so that they are responsive to the needs and in addition, they must generate revenue. The business of bleeding is gone. We are going to hold people accountable.

10. *Monitoring and Evaluation*

Monitoring and Evaluation (M&E) will be done continuously to assess whether progress is being made towards achieving the expected results, identifying bottlenecks in implementation, and highlighting any unintended consequences of revenue administration.

11. *Prudent and Sound Financial Management*

That is what has taken us to where we are now. Madam Speaker, the current dispensation has been deliberate on the prudent implementation of the priority programs. We will endeavor to uphold the same and ensure that the County resources are applied with openness and accountability as provided for under Chapter 12 Section 201 of the Constitution of Kenya, 2010.

Madam Speaker, in conclusion, I wish to thank H.E. the Governor for her guidance and support during the budgeting period. I also wish to thank my colleagues in the cabinet for their support and understanding. Special thanks go to the County Chief Officers for the pivotal and noble role they played. My sincere appreciation goes to the entire Finance, Economic Planning, Revenue Management and ICT team, led by their respective Chief Officers as they continue to diligently execute their roles.

My sincere gratitude also goes to the House leadership for the exceptional working relationship during the legislative approval process.

Madam Speaker, my appreciation also goes to the members of the Budget and Appropriation Committee, the Budget Committee's Technical Team and all the members of the

County Assembly, through the various departmental Committees, for the fruitful engagements during the review process of the budget estimates despite strict timelines.

Finally, Madam Speaker, I submit this 11th pronouncement of the budget highlights and revenue raising measures and hope that we will all work together towards building a resilient community through sustainable food security and socio-economic empowerment in line with our theme for this year. Thank you all.

(Applause)

Hon. Speaker: Thank you very much CEC, Finance for work well done.

ADJOURNMENT

Hon. Speaker: The House adjourns to Tuesday, 20th June, 2023 at 2.00 p.m. Thank you Members.

The House rose at 12.42 p.m.