

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF MACHAKOS
OFFICIAL REPORT

Wednesday, 29th March, 2023

The House met at 10.22 a.m.

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

PRAYERS

STATEMENT REPLY
DROUGHT MITIGATION AND SCHOOL FEEDING IN ECDEs

Hon. Speaker: May I call upon Hon. Dominic Maitha to respond to the statement.

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Thank you, Hon. Speaker. I am standing in for the Hon. Dominic who is the chairperson committee on Implementation and also being a member of that committee, he requested me to present this response on his behalf and that of the committee.

Hon. Speaker, on 19th October, 2022 during the afternoon plenary sitting, Pursuant to Standing Order 41(3), a Statement on Status of implementation of the Machakos County Emergency Fund Regulations 2021 by Hon. Francis Kavyu, MCA, Kinanie ward, seeking the following:

What initiatives the County Executive has taken to:

- (i) Reduce the risks and hazards caused by the ongoing drought,
- (ii) Initiate school feeding programs for all school going children especially at ECDE centers and;
- (iii) Reduce the cost of food by relieving the small-scale traders of licensing fees.

Hon. Speaker, the above statement was committed to the Implementation Committee to respond back to the House in 14 days. Further due to the complexity of the matter, the committee sought an extension through a motion on 15th February, 2023 and was given further 14 days to report back to the House. The Committee engaged the Chief officer Department of Finance.

Hon. Speaker, in response to the above statement, the Chief Officer informed the Committee that the Executive Committee Member for Finance and Revenue Management was in the process of forming a committee to operationalize the Fund after which the funds shall be utilized to address the issues raised in the statement.

Hon. Speaker, the Committee further inquired from the Chief Officer what interim measures had been put in place to operationalize the Fund. The Chief Officer responded through a letter as follows:

1. The County Government is cognizant of PFM Act 2012 Sec.110 and the existence of the Machakos Emergency Fund Regulations 2021.

2. That the management has come up with a Disaster & Emergency Management Policy and is in the process of forming the Machakos County Emergency Committee to manage the fund. Upon preparation of the Disaster Management plan, the same will be submitted to the County Assembly for approval.
3. That the County treasury has budgeted an amount of Ksh. 40 million forming a percentage of 0.4 per cent of the total budget. These monies will be secured in a separate bank account- that is the Emergency Fund account, then the Funds Management committee will deliberate, and advice in case the total amount is not utilized in disaster management.
4. That there has been allocation of funds for Emergency Fund in the previous financial years but the funds have not been appropriated.
5. That after formation of the County Emergency committee County treasury will develop a disaster management plan within a duration of one month.
6. That due to budget constraints the County Treasury has allocated an amount of Ksh. 40 million though the amount may not be enough. Further the Management is coming up with the appropriate structures so that the fund is utilized in the best way and to impact where there is an emergency and within the law.
7. That the County treasury is working on the requirements to actualize utilization of the fund to cushion Machakos residents against the effects of the severe drought.

Hon. Speaker, having studied and interrogated responses by the Chief Officers the committee made the following observations:

- (i) That the executive has not been utilizing the emergency fund due to laxity in ensuring that the proper structures are put in place to operationalize the Machakos County Emergency Fund and its regulations thereof which requires that the CECM Finance, Revenue Management to appoint the Machakos County Emergency committee, formulate a County disaster management plan, and forward to the assembly for approval for it to be operational.
- 1) The budgeted amount of Ksh. 40 Million which translates 0.4 per cent of the County Government Revenue Last Audited accounts is not adequate to mitigate disasters when they occur, therefore the need for County treasury to appropriate not less than 1 per cent of the total County Government Revenue for the last Audited accounts.

Hon. Speaker, the Committee presents this response pursuant to Standing Order 41(3).

Hon. Speaker: Thank you, Hon. Member. Hon. Members I would request for comments, some ventilation on this matter before i move to the next discussion. Do we have some points?
Hon. Ngunga, proceed

Hon. Francis Ngunga (Mua, MCCP): Thank you, Madam Speaker. I think I raise to make a comment on this response that was given by the committee on implementation after having been sought by Hon. Francis Kavyu, MCA Kinanie and I think Madam Speaker, the issue of Emergency Fund has been lagging with us for a long time and I think from the look of things other than the fact that the committee was given a response, I think this is not satisfactory enough, Madam Speaker. I think my comment would be that something will need to be done urgently.

I think the recommendations that the committee came up with that we need to something like 1 per cent of the last audited accounts, I think this is the way to go through the Public

Finance Management Acts talks about 2 per cent of the budget. We can start from somewhere because of course we know we are faced with budget constraints because if we talk about 1 per cent of this, we would be talking about close to about Ksh. 120 million.

Madam Speaker, when we talk about Emergency Fund, this is the fund that should be addressing not only the issue of drought; remember, Madam Speaker, quite often we have been faced with the issues of fire breakouts, we have been faced with hazards within the County and we are faced with situations where we have no funds anywhere where we can be able to respond to this hazardous occurrences.

So, Madam Speaker, I think it would be my prayer in this House we move with speed and ensure that this Emergency Fund is actually created and money appropriated urgently so that as a County we have reserves such that in case we have hazards here and of course Madam Speaker, I would be asking as we pass the Regulations this would not be a usual Fund; it is a fund that only with the approval of the County Assembly then this money can be utilized. So, Madam Speaker, I want to agree with the committee for their proposals to have this Fund whose monies would be raised from zero point something to 1 percent. So, Madam Speaker, so do I respond. Thank you.

Hon. Speaker: Thank you, Hon. Ngunga. Hon. Majority Leader, make your comment.

Hon. Nicholas Nzioka (Machakos Central, WDM-K): Thank you, Madam Speaker. I want to agree with Mheshimiwa Ngunga of Mua and especially us who are in urban set up because of lack of operationalization of Emergency Fund we are faced with so many challenges. I want to site a case as an example, just between January and now we have had three fire incidents in Machakos Central ward, and the County Government has not been able to respond effectively with the reason that the fire engine had broken down and when I probed, I was told the clutch of the fire engine was the problem which was costing Ksh. 130,000 only.

There was a fire incident at Naivas supermarket that we used buckets to put off, there was a very bad fire incident as you exit Machakos where two vehicles rammed into each other and caught fire. So I think it is very important that we have a fund that gives the people who manage disasters a leeway, of course through approval from Assembly, to get these small amounts of money that makes their work easier. So I agree with the committee.

We need first of all to ensure the CECM for finance forms the Machakos County Emergency Committee; without this committee I do not think we shall go anywhere. I think we need to move and if he doesn't form this committee, I think I will seek the guidance of the House on what sanction can be imposed on him to form this committee. Without this committee nothing is going to move. Thank you, Madam Speaker.

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

Hon. Muoki Musila (Ndithini, WDM-K): Thank you, Madam Speaker. I rise to support what the committee for finance has done but I would also want to request that they had sought information on three items separately, the emergency, the ECDE feeding program and reducing the effects of drought. That amount that will be agreed upon, the percentage notwithstanding and I totally agree with Hon. Ngunga when he says yes we need to start from some place and the place to start from is the point 4 percent, a higher amount.

Whatever the amount but can we go further and separate that amount that will be approved, can it be allocated to the three different areas because I do think and Members will agree with me, the ECDE is not an emergency and we need to agree here that we have that feeding program for the ECDEs throughout irrespective of drought or none that we will always be knowing and our Members or our people down at home will be knowing there is no issue about feeding our small children and that way we will be going the right way. Thank you, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. Member. Hon. Members, it appears that not only the three items that have been identified here in this Statement that is reducing the risk and hazards caused by the ongoing drought, the feeding programme and of course reducing the cost of living for the small scale traders; licensing fees for them. It appears we have more of emergency issues that require to be added to this list; the list is not enough because Hon. Majority Leader has talked about fire extinguishers not working and that is an emergency.

What I mean is that we seem not to be prepared for tragedies; we have no fund available for such issues. According to me, I think we have more to add to this list and therefore before I make---

Hon. Mbili Ndawa (Matuu, MCCC): Hon. Speaker, before you commit Hon. Speaker, I am requesting to also give on the same, if you allow me.

Hon. Speaker: Okay, Minority Leader, you can proceed.

Hon. Mbili Ndawa (Matuu, MCCC): Thank you, Madam Speaker. I am sorry I came late but you were addressing matters concerning this House; I was with Mheshimiwa Ngondi and others in the

Hon. Speaker: Address Hon. Members appropriately.

Hon. Mbili Ndawa (Matuu, MCCC): Yes, Hon. Majority Leader, and I am also requesting that you give me protection, I can see my brother who claims to be the Father of the House, has issues. Hon. Speaker, from the response we are getting, to me it is not satisfactory, it is not satisfying what we intended to know. Hon. Speaker, when we talk about issue of disaster, this is something which can come, something that was not expected and if we talk of now we are in the process of forming this committee or this board, suppose now as we are forming the board something happens. Shall we just look, just keep quiet and watch things happen?

Hon. Speaker, there is a term used by wise men, the word is millard. Hon. Speaker, a Millard is somebody who just see things happen and he has nothing to do, either to stop the things from happening or to make them continue happening. If we leave at this stage, we all become Millards and the Assembly is going to become a Millard, Hon. Speaker. From where I sit, I do not agree with this proposal that we are in the process of forming this committee. We should have at least, even if we can appoint a caretaker committee to say in case of anything member A, B or this particular officer will take charge because if we leave it the way it is, you cannot leave a ship in the ocean without a captain or the plane you let it fly without a captain. That is not possible Hon. Speaker.

The other issue is about how to mitigate the drought that we are in. I do not know whether again when our people are dying because of hunger, we are also going to continue forming the committee and when the people have died or they have suffered a lot that is the time when the committee is in place then we start saying the county will take care of the burial. Hon. Speaker, we need to be proactive; the issue of saying we are forming that one should not be heard in this House and this House should be able to give direction.

Hon. Speaker, as far as I am concerned, this is the highest decision-making organ of this County and if we sleep on our job, then the rank and file are watching; they are eager to see their representatives. We sent Hon. Ndawa to go and represent us in that highest decision-making organ, what is he doing to ensure that we do not die because of hunger? Hon. Speaker, there is that proposal of Ksh. 40 million so why should we keep the money in the account when our people are dying? We need to come up with a way. If we say, they are not telling us, by next week we will be tabling this and they are just saying that once we are ready we shall table the report.

Hon. Speaker: I think Hon. Member, the reason why the matter has taken this direction is because.....you may have to sit a bit.

(Hon. Ndawa took his seat)

The Regulations which I am holding right now, we have Regulations are not talking about Chief Officer making submissions before the Committee of Implementation. This particular regulation is talking about the CECM being the person to be interrogated by the Committee on Implementation so I think the problem here was the wrong officer was called to give answers to this while the right one is not aware of this and that is why they are talking about we shall, we will and being non-committal. So I think maybe we may have to go back to the drawing board; I am not making a resolution I am just suggesting that we go back to the drawing table. Hon. Vincent

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Thank you, Madam Speaker. We are talking about a Fund, so when we are talking about this Fund, I was seeking some understanding that it created a Machakos County Emergency Fund 2021 and of course the implementation of that Fund is what the committee was supposed to question.

Hon. Speaker: They were supposed to question the CECM not the CO.

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): The Chief Officer, the authorized officer.

Hon. Speaker: I am saying that is what the Regulations say; it does not talk of the Chief Officer

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): It is talking about the CECM we are in agreement with that, so the person who gave the response was the Chief Officer. The understanding according to us was that the Chief Officer was not speaking for himself; he was speaking for the department so a failure of the department might be apportioned to the authorized

officer whether the Chief Officer or the CECM. Now when he says that they are in the process of forming may be that is the brief he received from the CECM.

So perhaps what we need with the authority of the House is to further and to give us another authority so that we can summon the CECM not the Chief Officer and this time not at the Committee level but at the committee of the entire House so that we can get those questions answered in a better way.

Hon. Speaker: Thank you. That is the point I have been driving home. Perhaps I use a long route, I just said we have to go back to the drawing table, call the right CECM as per the Regulations so we said we follow the law to the letter. So I agree with you entirely.

Hon. Francis Ngunga (Mua, MCCC): Hon. Speaker, I think I want to agree with Hon. Vincent what he is saying but I think the matter here is about a law that was put in place but has not been put into operation so when they are questioned, they are saying that we are in the process and as a House we feel the emergency and the need. 2021 I think is the time those Regulations were put in place now this is 2023 almost two years down the line.

So the mandate of the House would be asking why is it that this Fund has not been made operational and that is the point. So actually the idea whether they will be telling us whether they have no Regulations to operationalize the Act, those are the issues we need to raise, but as he is saying and as Mheshimiwa Ndawa is raising very bitterly is to ask in the meantime, because the need was felt during that time, we gave them time two years down the line, so what is it that has been holding them together?

Maybe they would be talking about budgetary constraints and those are the things that want to hear and then we give guidance because it is actually dire that we have this Fund in operation. Thank you.

Hon. Speaker: So what is the way forward?

Hon. Francis Ngunga (Mua, MCCC): The way forward is to have the CECM before us and we force them to allocate in money in that fund.

Hon. Mbili Ndawa (Matuu, MCCC): Can I conclude, Hon. Speaker?

Hon. Speaker: Yes, Hon. Ndawa proceed.

Hon. Mbili Ndawa (Matuu, MCCC): Thank you, Madam Speaker. I can see the representatives of the people are very serious to ensure that they---

Hon. Speaker: So we do not have any more millards?

(Laughter)

Hon. Mbili Ndawa (Matuu, MCCC): They are refusing to be millards; they want to make sure they discharge their mandate as it is enshrined in the constitution. Hon. Speaker, I do not know whether operationalization of Regulations requires funds. I am not sure I need to be guided because if the Regulations were.....we worked on the Regulations in the previous assembly o we

have Regulations which needs only operationalization. We do not need any budget and I believe from the Regulations it says who are the members who are supposed to manage this fund and I am very sure the person in charge who is talked about in that regulation is the CECM finance.

Hon. Speaker, to advise, there is nothing that hinders the current administration from operationalizing the Regulations. Even if they want to change some of members, let those who are there continue as they process the new team so that in case of an emergency, we have a team that can be able to address the problem as it appears in our County. So that is what I was to say but Hon. Speaker, from the responses we are getting about this one we are in the process. Let us discuss this issue...let us ensure that we are doing something and get a report that we are working on this and as we are working on this we have option B.

If you rely on one source Hon. Speaker, which will be the beginning of failure. We need to have at least two, three or more alternatives to solve a problem. Let the forming of that team be one option and working with the current or outgoing team be another option so that there will be no lacuna at any given time and these are government institutions. Thank you, Madam Speaker.

Hon. Speaker: Thank you very much, Hon. Members. I wish to give an opportunity to Hon. Kavyu, being the Member who sought the Statement to make a comment to this particular response. It is your time Hon. Kavyu.

Hon. Francis Kavyu (Kinanie, MCCC): Thank you, Madam Speaker. I would also like to thank the committee for coming back to us but Madam Speaker, I wish to share the same sentiments was echoed by Hon. Members who have spoken before. What the committee should have come back to us with is when the Emergency Fund is going to be implemented because every day we are having disasters happening.

A recent case is when we had a truck that was burned to ashes near the Rubis petrol station just because the emergency team or the people who are supposed to response could not make it to the incident site in good time and most of the times whenever those incidents occur, we normally get the reasons for the delay either by lack of fuel or necessary preparations to make sure that the responses are timely and we are able to save property or lives in case of such emergencies.

If Machakos County is going to realize the dream of becoming the next city in the republic of Kenya then issues to do with disaster management have taken with seriousness and the PFM Act provides for at least a provision of 2 percent of the total budget and as you can see only 0.4 percent is what has been provided. How do we expect the responsible team to respond effectively if they do not have the necessary support and resources to make sure that our people are safe?

So, Madam Speaker, I would like the committee to go back to the drawing board and give us a clear work plan on when the Fund or the department involved intends to roll it out and make sure that it is fully operationalized because we cannot continue losing lives and properties. One way to address emergencies and disasters is by prevention which is the best cure. Even before the disaster happens or when the need for the emergency arises, we need to be well prepared and a good case in point is that there is a response center that is being developed in Kyumbi where the response on fire issues and accidents are going to be improved so you should not be talking of emergencies only when the incidents occur.

So we need to have the fund active and action so that we prepare in advance. So we should have enough response centers across; whether is at the side of Yatta we should have one at a centralized place where these members are able to respond effectively. Not having to rely on the one at the central place there where people have to call or we have to rely on Mavoko where people have to cover long distances to respond to such cases.

The essence of this Fund is to make sure that we are not only responding effectively but we are prepared enough to ensure that we either prevent or when it happens, we have enough and the necessary resources for the team to respond. Maybe as the committee looks into the same, I would recommend that we have a special committee both at the Executive and the Assembly that will be able to audit and also to provide a clear oversight on the progress on the implementation of the same.

So I think there is a lot to be done and two years is a long time enough for this House to still be talking about operationalization of this Fund. Though you, Hon. Speaker, we would request the committee to go back to the drawing board and give sufficient response to this House and we would also like to request through you, Madam Chair, whenever this House or committee makes a summon to the relevant department, let us not have people sending representatives because there is no business that is more important than the people of Machakos.

So whenever this Hon. House summons somebody, if it is Hon. Ndawa who has been summoned, let him appear in person and respond to the issues being raised because this House is a representation of the people of Machakos. So we cannot take the business of this House casually because if we continue at the trend we are seeing, at one point these committees are going to make summons and nobody will appear and the House will not be able to get answers on oversight issues that we are raising.

So, Madam Speaker, I think we still need more action and we will request through you that we get a detailed report not, sorry to call it a piece of literature, but we want to see a clear plan when this Fund is going to be operationalized so that we can move Machakos in the right direction because Machakos has to become a city and for that to happen we need to have the necessary plans and details of where we want to go as a County. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member, for that contribution. Hon. Members, on the issue of making appearances by the CECMs and COs before the committees of the House we have the law in place. You know when someone is summoned and does not appear several times, two or three times I am not sure but the law is there you can look at it. You know what happens next. There are consequences and sanctions so let us do the work according to the law. Let us follow the procedure unless a member has stated clearly through writing that I am not available because of 1-2-3. There are sanctions if somebody just does not appear and there are no reasons for that proceed and follow the law. Thank you.

Now back to this particular response and upon listening to the comments of the Hon. Members and upon hearing the direction this matter is taking, we may have to take this matter back to the Committee on Implementation to do thorough work, interrogate the right people taking into consideration the issues raised by Members here. Hon. Vincent, you are here holding brief for the Chairman. I hope you have picked the points Members have raised. Go back to the drawing table and prepare a proper response, interrogate the right people and bring us a report and I think we should give timelines. Shortest time possible but within a reasonable time of 14 days.

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Madam Speaker, I think---

Hon. Speaker: Is it adequate?

Hon. Vincent Mutie (Upper Kaewa/Iveti, WDM-K): Let me just outline this for the sake of the committee. It happens that I am the only Member perhaps I did not see another colleague; Mheshimiwa Kavuu is around. Madam Speaker, I give the House an undertaking that I will report back to the Committee that this response is insufficient. It does not address the matters that are raised but I also would like the House not to just say in the shortest time possible because around 19th October, 2022 and the response has come today the 29th March, 2023 and we would not like to keep the House that long again but I can give an undertaking that in the next two weeks or so we will be able to report back.

I am not the Chair but you can be sure Madam Speaker, I am always thorough and I will make sure that we deliver as expected.

Hon. Speaker: When you choose to hold brief, you always hold a full brief. It is never half; whether you are the Chair or not, now we are looking at the Chair. Honestly are we not looking at the Chair of the committee? Thank you. So it is 14 days to bring the report back to the House. Thank you, Hon. Members.

MOTION

APPROVAL OF REPORT ON MACHAKOS COUNTY EXECUTIVE FINANCIAL STATEMENT FOR THE YEAR ENDING JUNE 2022

Hon. Speaker: May I call upon Hon. Francis Kitaka to move the motion.

Hon. Francis Kitaka (Ndalani, WDM-K): Thank you, Madam Speaker.

Hon. Speaker, that aware that Article 185 (3) of the Constitution of Kenya provides that a County Assembly while respecting the principles of separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organ;

Aware that Standing Order 190(5) provides for the mandate of a Sectoral committee to include among others studying, assessing and analyzing the relative success of the Departments as measured by results obtained as compared with the stated objectives and making reports and recommendations as often as possible including recommendation of proposed legislation;

Further aware that the second schedule of the Standing Orders mandates the Finance and Revenue Collection Committee to consider all matters relating to the management of County public finance and revenue collection and noting that the Department of Finance and Economic Planning submitted financial statements of the County Government of Machakos (Executive) for the year ended 30th June, 2022 pursuant to Section 166 of the Public Finance Management Act, 2012; aware that the statements were committed to the Finance and Revenue Collection Committee for consideration and aware that the Committee has compiled a report; Hon. Speaker, I wish to move the Motion THAT this Honorable House discusses and approves the Report of Finance and Revenue Collection Committee on

financial statements of the County Government of Machakos (Executive) for the year ended 30th June, 2022.

Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member. You may call a seconder.

Hon. Francis Kitaka (Ndalani, WDM-K): I therefore call upon Hon. Loyd Mutua to second.

Hon. Loyd Mutua (Nominated, M CCP) seconded.

Hon. Speaker: Thank you, Hon. Loyd Mutua. I now propose the question.

(Question proposed)

Now before I debate this matter I call upon Hon. Francis to highlight the report.

Hon. Francis Kitaka (Ndalani, WDM-K): Thank you, Madam Speaker, I will do some selected highlights from the report. Hon. Speaker, I will start with the committee mandate.

1.2 MANDATE OF THE COMMITTEE

In accordance with the second schedule of the Standing Orders, the Committee is mandated to consider all matters relating to the management of County public finance and revenue collection.

In executing its Mandate, the Committee oversees the following Departments which are under the County Executive Committee Member for Finance and Economic Planning;

- (a) County Treasury;
- (b) Finance and Revenue Collection

1.3 COMMITTEE MEMBERSHIP

The Finance and Revenue Collection Committee as currently constituted comprises of the following thirteen Hon. Members:

- | | |
|------------------------|--------------------|
| 1. Hon. Francis Kitaka | - Chairperson |
| 2. Hon. Paul Wambua | - Vice Chairperson |
| 3. Hon. Lloyd Mutua | - Member |
| 4. Hon. Francis Kavyu | “ |
| 5. Hon. Judas Ndawa | “ |
| 6. Hon. Irene Mulu | “ |
| 7. Hon. Hellen Ndeti | “ |
| 8. Hon. Daniel Muindi | “ |
| 9. Hon. Jackson Ndaka | ” |
| 10. Hon. Grace Bahati | “ |
| 11. Hon. Paul Muli | “ |
| 12. Hon. Philip Ndolo | “ |
| 13. Hon. Anna Ndilo | “ |

1.4 COMMITTEE SECRETARIAT

During the consideration of the report on the Financial Statements of the County Government of Machakos for the Financial Year (FY) ended 30th June, 2022; the Committee was facilitated by the following secretariat:

- (a) Dominic Musyoka - Principal Clerk Assistant
- (b) Samuel Mutua - Clerk Assistant
- (c) Shadrach Mbithi - Fiscal Analyst
- (d) Emma Nthenya - Hansard Officer
- (e) Joel Kiptum - Sergeant-at-Arms

The County Executive submitted a report of the financial statements for the County Government of Machakos (Executive) in respect to the Financial Year (FY) 2021/2022 on 31st August, 2022 pursuant to section 164 of the Public Finance Management (PFM) Act 2012.

The committee interrogated the statement as per its mandate as provided for under Standing Order 190(5) and the second schedule of standing orders, which include all matters relating to the management of County Public finance and revenue collection.

The County Government of Machakos in the FY 2021/2022 had projected revenues of Ksh. 13,089,716,880.00, comprising of: Ksh. 1,682,894,197.00 from own source Revenue; Ksh. 9,162,304,232.00 from Exchequer releases; Ksh.1,015,817,860.00 being Returned CRF Issues and Ksh.1,288,700,590.00 from Proceeds from domestic and foreign grants.

As per the financial statement, in the FY 2021/2022, the County Executive managed to realize Ksh. 10, 699,255,587 in revenues representing 82 per cent performance rate against total budgeted receipts of Ksh. 13,089,716,879. The budget deficit was occasioned by non-receipt/under collection of: Ksh. 732,984,335.00 from exchequer releases, Ksh. 939,784,641.00 from proceeds of Domestic and Foreign grants, Ksh. 153,279,872.00 from Government Entities Transfer and Ksh. 564,432,444.00 from County own generated receipts (see table 3.1 - revenue performance).

On expenditure, the County actual expenditure for the financial year ended 30th June, 2022 amounted to Ksh. 10,332,934,982.00 which included; acquisition of assets at Ksh. 987,914,840.00, compensation of employees at Ksh. 5,903,699,792.00, use of Goods and Services at Ksh. 1,496,724,958.00, social security benefits at Ksh. 87, 995,117.00 and Ksh.1,856,600,275.00 spent on transfer to other government units and other grants.

A comparison between the receipts of Ksh. 10,699,235,587.00 and payments of Ksh. 10,332,934,982.00 reveal that the County Executive spent about 55 percent of the total receipts on compensation of employees and this is about the 35 percent set in regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015. In addition, acquisition of asserts was 9 percent of the total receipts and was below 30 percent level set out in section 107(2)(b) of the PFMA.

The County Executive Committee Member (CECM) for Finance, Economic Planning, Revenue Management and ICT informed the Committee that high wage bill beyond 35 percent was a result of inheriting employees form the National Government without having equivalent resources being devolved and also the high salaries paid to health workers.

The County own generated receipts decreased from Ksh. 1,557,211,640.00 in FY 2018/19 to Ksh. 1,376,171,810.00 in FY 2019/20 then to Ksh. 1,118,461,753.00 realized in FY 2020/2021 (see table 3.3). The CECM attributed decrease in own source revenue to slow down

of the economy due to Covid-19 which affected some revenue streams like land rates, building approvals, single business permits and agricultural produce.

In terms of revenue accounts, the County Government (Executive) operates one revenue account with the Central Bank of Kenya (CBK) known as the County Revenue Fund (CRF) account for the purpose of receiving funds from the National Treasury. In the FY 2021/2022, for the purposes of collecting revenue, the committee noted that the Executive used 22 revenue accounts with 19 being in Kenya Commercial Bank, one (1) Family Bank and one (1) at Cooperative Bank.

On pending bills, the County Executive had huge bills amounting to of Ksh. 3,186,378,546.00 as at 30th June, 2022 comprising of: pending accounts payable (bills from various departments) of Ksh. 2,267,060,630.00, pending staff payables (retirement benefits) of Ksh. 293,729,198.00 and other pending payables from Kenya Power, water bills and Kenya School of Government of Ksh.125,588,718.00 (see table 3.5).

The CECM informed the Committee that accumulation of pending bills was occasioned by delays in exchequer releases and decline in own source revenue. To deal with the pending bills, the CECM informed the Committee that the County has come up with a detailed payment plan whereby payments of the bills that have been committed will be done before incurring further expenditure. Hon. Members, I would ask that we skip to page 15 and allow mw to sip some water.

The Committee sought responses from the County Executive Committee Member (CECM) for Finance, Revenue Management, Economic Planning and ICT on the following matters vide letter Ref: MKSCA/PSC/CMM/FRC/VOL.8/49 dated 9th November, 2022.

- (a) Failure to spend all funds received in the financial year 2021/2022.
- (b) Inability to adhere to principles of fiscal responsibility under section 107 of PFMA.
- (c) Drop in own source revenue.
- (d) Increase in pending bills.

The CECM responded to the committees queries vide letter dated 17th November, 2022 and the responses were as follows:

4.1 Failure to Spent all funds received in the FY 2021/ 2022

The County was unable to spent Ksh. 366,300,605 and the CECM informed the Committee that the County received funds amounting to Ksh. 625,803,242 late on 5th July, 2022 and tried to spent it but was unable to process all the payments thus leaving the balance.

4.2 Inability to adhere to principles of fiscal responsibility under section 107 of PFMA

Compensation for employees for the period was approximately 55 percent of the total receipts which was more than 35 percent stipulated in regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015. The CECM responded that the County's high wage bill was historical. The National Government devolved staff in health, agriculture, water and trade but were not accompanied by equivalent resources. Additionally, the health workers through their Collective Bargaining Agreements (CBA) have had their salaries increased and these two factors have resulted to high wage bill over and above the recommended level.

To help resolve the matter, the Department is proposing to the Assembly and Senate that, health workers be classified separately from other workers as their terms of service are different. In addition, a human resource taskforce has been set up to realign workforce to their functions.

Acquisition of assets for the FY was approximately 9 percent of the total receipts which was less than 30 percent level set out in section 107(2)(b) of the PFMA. The CECM responded that this was as a result of failure to receive all the budgeted revenues amounting to Ksh. 2,390,481,291.

The CECM also responded on why we had a drop in Own Source Revenue

The County had targeted to collect Ksh. 1,682,894,197 but managed to collect Ksh. 1,118,461,753 which was 66 percent of the target. The CECM explained to the Committee that the Department faced numerous challenges emanating from post Covid – 19 ripple effects which led to closure of many businesses hence reduced revenue from land rates, single business permit, quarries and building plan approvals. Further, the drought situation in the Country also affected revenue received from agricultural produce.

The CECM also responded on we had an increase in pending bills

Total pending bills for the County increased by 12 percent from Ksh. 2,803,361,946 to Ksh. 3,186,378,546. The CECM informed the Committee that accumulation of pending bills was occasioned by delays in exchequer releases and decline in own source revenue.

To deal with the pending bills, the CECM informed the Committee that the County has come up with a detailed payment plan whereby payments of the bills that have been committed will be done before incurring further expenditure.

5.0 COMMITTEE OBSERVATIONS

The Committee observed that:

- (i) Own source revenue collection has continued to contract for four financial years consecutively from Ksh. 1.557 billion in FY 2018/19 to Ksh. 1.118 billion in FY 2021/22. In the intermediary financial years, the County collected own revenue as follows: Ksh. 1.376 billion in FY 2019/2020 and Ksh. 1.296 billion in FY 2020/2021.
- (ii) County pending bills have been on an upward trend despite various advisories by the National Treasury and the Assembly that there was need to control and pay pending bills. The pending bills have increased from Ksh. 2,803,361,946 as at 30th June 2021 to Ksh. 3,186,378,546.00 as at 30th June, 2022.
- (iii) Collection of own revenue was done through several revenue accounts numbering to 21 in number spread across Kenya Commercial Bank (KCB) at 19, Cooperative Bank of Kenya and Family Bank with one account each. The funds collected deposited in the County Revenue Fund (CRF) at the Central Bank of Kenya at varying intervals ranging from seven days and above. This was contrary to previous recommendations by the Assembly that own source revenue should be transferred to the CRF account weekly.

- (iv) There was delay in revenue automation and that the County continued collecting revenue in cash as evidenced when the Committee visited Mutituni slaughter house.
- (v) Compensation to employees was above the thresh-hold of 35 percent stipulated by regulation 25(1)(b) of PFM (County Governments) Regulations of 2015 at 58 per cent of the total expenditure in the FY 2021/2022.
- (vi) Expenditure on development was very low at nine (9) percent and below the 30 percent thresh-hold set out in section 107(2)(b) of the Public Finance Management Act (PFMA), 2012.

6.0 COMMITTEE RECOMMENDATIONS

The Committee having considered that report on the Financial Statements of the County for FY 2021/2022 and the responses of the CECM for Finance, Economic Planning, Revenue Management and ICT recommends that the Department of Finance, Economic Planning, Revenue Management and ICT to:

- (i) Automate revenue collection and do away with most of the bank accounts opened for revenue collection especially the multiplicity of accounts in KCB.
- (ii) Introduce a revenue collection monitoring tool that is automatic and can be used to verify who has paid revenue and who has not paid. This will reduce the need for revenue officers having to call the revenue offices to confirm whether a customer has paid revenue to the County before issuing a receipt.

Madam Speaker, on this point, I will want to give a case scenario where the current system and a customer or client pays to the County Government, the reciting officer cannot verify whether the transaction has gone through or not up until the client shows on their phone that the payment has been done. When we checked, we realized that most of the transactions are false.

Hon. Speaker: Hon. Kitaka, kindly expound on that one.

Hon. Francis Kitaka (Ndalani, WDM-K): Yes Madam Speaker. I want to give a case study of when we visited Mutituni slaughter house and we realized that the revenue officers responsible for collection of payment of the services did not have gadgets to confirm. Once a client has paid via Mpesa till, the client has to show the message form his or her phone to confirm that payment has been done. In most cases, we picked these transactions and after following up with the officers, we realized these are just edited messages from most of the customers who had paid so the money ends up not reaching the County Government of Machakos. So we recommend that all the revenue officer be well-equipped with their phones and their gadgets so that they can confirm that the payments had been done in the right way.

Hon. Speaker: Thank you.

Hon. Francis Kitaka (Ndalani, WDM-K): Madam Speaker, we recommend that the County Government:

- (iii) Stop collection of revenue in cash and institute strategies to deal with officers who continue flouting the instructions that revenue should be made to the prescribed County paybill number.
- (iv) Ensure revenue collected through revenue collection accounts is transferred to the CRF account at CBK on weekly basis.
- (v) Develop revenue enhancement strategies to ensure that local revenue was not shrinking but expanding. This can involve revision of valuation rolls for land rates, setting revenue targets for each ward as dictated by revenue potential mapping per ward and enhancing revenue collection monitoring to reduce revenue diversion.
- (vi) Advise departments whose human resource has gone beyond the ceiling to manage the expected threshold.
- (vii) Start charging off-street parking from the new municipalities.
- (viii) Formulate a framework on how to pay the pending bills and forward it to the Assembly for consideration within 60 days.

Madam Speaker, it is evident that the Hon. House has a picture of what is really happening on the ground and therefore I call upon them to debate. Thank you.

Hon. Speaker: Thank you, Hon. Kitaka, for that good report. Members, it now the turn to debate this report and get resolution to it. Hon. Helen Ndeti.

Hon. Helen Ndeti (Nominated, WDM-K): Thank you, Madam Speaker. I stand first to congratulate the committee that has written a good and elaborate report about the finances of our County. I happen to be a member of the committee and I can assure you Members that that what you have heard from our Chairman is what is on the ground.

Members, it is very unfortunate that in this time and age, Machakos Count has not managed to collect revenue that is expected. If I can recall, I think the National Government and World Bank expect us to collect Ksh. 6 billion and above. It is only in 2018/19 that, after hard work, the committee managed to push the Executive to collect Ksh. 1.5 billion.

I feel that there is room for our own resource revenue to be increased to even Ksh. 3 to 4 billion if the Finance Department comes up with the mapping they are talking about here they should be able to come up with a bigger tax collection base and hopefully when that is done, we should be able to collect enough notwithstanding that in the last two years, Kenya has gone through very hard economic times.

On the issue of staffing, it seems that most of our monies go to human resource which is amounting to Ksh. 5 billion (??) and I think the expected level of wage bill should not go beyond 35 per cent and as a County we are at 51 per cent. I think the taskforce that was put in place should be able to come up with recommendations on what the County should do to ensure we are within the expected levels.

The other thing is on pending bills; if I remember very well, there was taskforce on the same and it should be able to tell us whether the Ksh. 3 billion we are talking about is the actual pending bills or we have some that cannot be substantiated. So it is very important that as a Committee and as an Assembly we follow up to know what is exactly pending. We should also ensure that in future there is no committing of funds in procurement of services or goods without a budget. Thank you, Madam Speaker.

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

Hon. Loyd Mutua (Nominated, MCCC): Thank you, Madam Speaker. I wish to thank the Committee and the good leadership of our Chair. I would like to emphasize on two recommendations that were given by the Committee. The introduction of a collection monitoring tool; we found out during our various site visits that when someone is doing a payment, and probably let me give an example of the trucks that are collecting murram there and the driver is not the one doing the payment through the paybill but rather the boss who is doing the payment.

The boss sends the message to the driver and now you cannot verify whether that message is true or not because when someone is paying through the paybill number, you can verify because you can see from Safaricom you cannot edit but the message being sent from a third-person that message can be edited. We verified that when we went to the County Revenue office where we went with those messages but they could not appear on the system.

The other thing we also need to emphasize is on internal leakage that is coming up when we have collection through cash and Mheshimiwa Kavyu can verify. When we were on a site visit, we realized they do cash collection which is not allowed.

The other thing I have remembered and I do not see it in the recommendations is that when we were in the office, we realized in the system now that we are doing the collection with one paybill number in the entire county, you cannot tell the amount of money collected in Machakos Town or Mavoko constituency, the way we used to know through the various paybill numbers because each constituency had its own paybill number, now we cannot.

Like in other counties which have systems for example, Nairobi you can tell the amount of money collected per region. I think the system should be enhanced in such a way that when payment is done, we can tell how much money is collected per region. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Member. Hon. Majority Leader and then Hon. Deputy Minority Leader.

Hon. Mbili Ndawa (Matuu, MCCC): Thank you, Madam Speaker. When you call me Majority Leader, you start raising the pressure of the current Majority Leader.

Hon. Speaker: I withdrew.

Hon. Mbili Ndawa (Matuu, MCCC): But we are good friends so there is no cause for alarm. I am a Member of this Committee and I want to thank our most able Chairman, he is equal to the task and an officer who is committed to undertake what is enshrined in the constitution as per what is supposed to be done and also the Committee Members. I want to say I support the report 100 per cent and say, most of the orders being raised here and some of the observations are going to assist in improving the improvement of our finances and collection in the county.

The only challenge that we have is that we are talking of a report that ended 30th June, 2022 when most of the Members including the Chairperson were not in the office at that time. So, we may not have benefit of having to know what was happening but the Deputy Speaker was

in charge that time and I am very sure during his tenure when he was the Chair finance at the time, the revenue shot from the original collection and went up with a very big percentage.

Hon. Speaker, from what we are reading here, there are some issues that need to be looked in to. One of them is the issue on page 15 on inability to adhere to the principles of the County Treasury to enforce fiscal responsibility under Section 107 of the PFM Act. Item 31; Compensation for employees for the period was approximately 55 per cent. Hon. Speaker, the set percentage is 35 and we had gone up to 55 a difference of more than 20 per cent.

Hon. Speaker, if we spent monies in paying employee compensation, it means we will not have enough funds to cater for development and that is something which has come from the committee. It is an item that we need to be serious about it.

The other issue we need to get answers is on medical staff in the department of health. There is the Collective Bargaining Agreement (CBA) that was reached; it is evident that the salaries were raised as per the CBA and the monies we are getting is not equivalent to what was agreed to in this CBA. That is one of the reasons why the percentages are going up; I do not know whether we propose that we take back the department of health to the National Government or we continue suffering because, if the three departments that were devolved that is health, agriculture and trade were just devolved them but they did not devolve the budget.

So, we need to think deeply on how to address this issue because every year we will hear pending bills and we need to come up with a proposal on how to address this matter. Hon. Speaker as I had said earlier, the electorates are watching us and expecting us to offer solutions to some of the problems that are facing the County. Hon. Speaker, this is an issue that we need to think deeply and show direction.

The other issue is on collection is every year we give targets and these are targets that we do not realize. One of the problem that I am facing and everyone is, we as an Assembly do not know our strength, our potential as a County. We normally say a target of Ksh. 1.6 billion; is that our potential.

Hon. Speaker, I will be moving a motion in the next two weeks to request this House to approve formation of an *ad hoc* committee to investigate and come up with clear potential of the County because in the last five years, the Assembly did not find out the potential and the Executive did not tell us the potential. If we keep quiet, we will spend another five years without knowing. Hon. Speaker, if you may allow me to continue because I am not running short of information so I do not agree whoever is to be informed has to agree or disagreed and I have disagreed.

(Laughter)

Hon. Speaker: Allow her to make point of information Hon. Member.

Hon. Helen Ndeti (Nominated, WDM-K): Thank you, Madam Speaker. Mheshimiwa Ndawa, I think you are a Member of this Committee and you are already aware that the CECM finance has requested we assist him by allocating him some funds so that he can do some mapping; meaning he is going to spend time finding out which other revenue collection basis he can add so that he can increase the own source revenue.

Hon. Mbili Ndawa (Matuu, MCCP): Thank you, Madam Speaker for that information but to me the information does not add value to what I was saying. In fact, that is putting us into

an awkward situation. The mapping may require even more resources than what we intend to spend. I remember sometimes back, water mapping was done and we were promised every House will have a shower. A lot of resources were spent and we do not want to find ourselves in a similar situation.

Hon. Speaker, the issue of oversight is vested on the County Assembly and not the Executive. So, we are aware of what is our potential and let us talk about that when the motions lands before the House.

On the other issue, from the report, we have seen that we did not use the total amount of monies that we received that time and I also believe the reason the monies were not spent is because we had a balance of Ksh. 360 million from the report we spent half and the rest was returned. Hon. Speaker, what happened that time is likely to happen again this time and the delay is not within the Assembly or the Executive, it is the National Government which is delaying disbursement of funds? Right now, the Executive are telling us that the last time they got reimbursement was October; we are now in March and we are not sure whether we are getting those disbursements.

Hon. Speaker, two weeks to the end of the financial year from 15th June, 2023 that is the time the National Government will push all the monies to the County and you know there is the bureaucracy of procuring and we will not be able to spend that money. So, it the high time I am requesting we make an application to the National Government to ensure that there is timely disbursement of funds and members of public do not know what happens.

If it goes to the public that we did not spend the monies, the rank and file or the appointing authority will start fighting with us. You did not use the money, the money was returned and they do not understand even if the money is returned, it will come back again. So, Hon. Speaker, we need to petition the Senate to push so that counties can be getting money in good time.

Hon. Chair of this committee has said that we have challenges of how payments are made. I want to confirm and agree with the Chair, you will get a message of transaction of Ksh. 3,500 but if you enquire about that transaction, you will find only Ksh. 35 was paid to the County so the message that is shown by our officers will appear Ksh. 3,500 but when you go to the County you will find its Ksh. 35. So that particular officer is getting more money than the County itself. So, as we talk of automation, it also has problems. If we do not seal these lacunas--

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

Hon. Speaker: Proceed, Deputy Speaker, with your point of information.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you, Madam Speaker. Sometimes it is good we be informed. I am not taking brief for the Executive but out of whatever Mheshimiwa is saying, which is very true the County is losing a lot of money through such dubious editing of messages but when I followed up, from what I heard from the CECM is that in the last two to three weeks there was that shifting from the 200 paybill numbers to one paybill number and the gadgets that were being used by the revenue clerks around the County could only send messages to those specific paybill numbers that were there.

So, after they were collected, they no longer receive such messages because we are using one paybill number and they already have a system and new gadgets have been dished out which

will now be showing the revenue clerks the right message and each sub-county has got a system where immediately after sending messages will reflect to the respective sub-county and County headquarter immediately. Thank you, Madam Speaker.

Hon. Speaker: My question is, if then that was the position, why is it that when this committee was making these recommendations and I believe the information was obtained from the CECM, why was it not included here then if there are changes that have taken place since then. Did you get my concern Hon. Deputy Speaker?

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Madam Speaker, I do not sit in the finance committee.

Hon. Speaker: I know.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): So I do not exactly when they were getting the information.

Hon. Speaker: There is this report we are handling today and it does not have such information.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): It was just a point of information that I thought we needed to know as a House on some of the things that have been happening and I said I am not taking brief for the Executive but it is information that I felt I could give to Members.

Hon. Speaker: Thank you, Hon. DS.

Hon. Mbili Ndawa (Matuu, MCCP): Thank you for that information but I would request my colleague, if we are giving information on finances when the Assembly is sitting, kindly give information that you can produce a copy of what you are talking about.

(Laughter)

The issue of telling us that A-B-C-D has been done and you are not substantiating, if we allow that, this House will not be able to discharge its mandate. And again, let it be---

Hon. Speaker: I want to come to the rescue of Hon. DS this way; that he gave a disclaimer that he is not holding brief for any because I also tried to clarify that information and he said he is not holding brief. So, maybe we should not pursue that we just address the issue at hand.

Hon. Mbili Ndawa (Matuu, MCCP): Thank you for that direction but Hon. Speaker, you should make it clear that when we are discussing issues here, the Assembly is not under attack. So if somebody shoots to give information defending that other side, these are two arms of the County Government and each organ knows what is supposed to be done.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Point of information Madam Speaker. I think I was very clear and I said yes, I know the county has lost and it is losing even now a lot of money due to what Mheshimiwa is saying and it is also prudent not only for the DS but also for the Members. Sometimes, you see when the County is losing money and as time goes by, we will end up not achieving the intended amount of monies that we expect at the end of the year and that will be a loss for the entire County.

So as a person and whatever I am saying and I can even substantiate and it was mentioned by the CECM in this House and it is not that I am misleading but I took it as a personal initiative to see how such loopholes may be sealed even as the House proceeds to do other things so that at the end of the year, we may not lose a lot of money. I can tell that the County is losing massive monies to those people which I also know and it is information that I just went and sought so that the same maybe be addressed before we lose more monies in the County. Thank you, Madam Speaker.

Hon. Speaker: Thank you DS

Hon. Mbili Ndawa (Matuu, MCCC): I do not want to labour a lot, Madam Speaker, but I will request the other side, if they want to pass information, let the information come through the sectoral Chairpersons. If the information came from the Chair finance, it would be properly placed but if comes from a Member who is not a Member of the committee and we are addressing issues of finance, then.

Hon. Speaker: That point is taken.

Hon. Mbili Ndawa (Matuu, MCCC): Secondly, Hon. Speaker there is this issue of transferring that money on weekly basis; between Monday and Saturday, what happens with that money. If you keep money from Monday to Friday and you sent it on Saturday, there is a likelihood of not sending the whole amount. I would request the money be sent immediately we get it.

(Applause)

Hon. Speaker, if you sent someone to go and harvest honey in a beehive and you tell the person to bring it after one week, are you sure you will get the whole honey that was harvested? So, let us reduce the dates of sending the money from one week to the moment the money is received, let it be sent to the bank.

Hon. Speaker, the last observation; the expenditure on development was very low at that time it was nine per cent and we are talking of nine percent from 100 per cent. Are we serious with our job, Madam Speaker? The appointing authority who is our electorate will not judge us on how much we paid the employees but they will judge us on the development they see in the wards. So, the issue of spending nine percent on development and 91 percent going to other expenditure should not be allowed. I want to say the report is good and request my brother Hon. DS, we are just debating; we are not in war. Thank you.

(Laughter)

Hon. Speaker: Thank you, Hon. Member. Hon. Deputy Minority Leader.

Hon. Francis Kavyu (Kinanie, MCCC): Thank you, Madam Speaker. I would like to contribute on two or three items; the first is the issue of internal leakage, I think it is something that is designed to happen that is being done deliberately and if it is not tamed, we will never realize the targets that have been set. I will give a clear example. Last week on Monday when we went for the site visit at Lukenya quarries, personally, I managed to do some collection of the cess so, the question we went home asking ourselves as a committee is if a stranger, someone whom they do not know is able to collect cash, then how much are we losing because---

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

Hon. Speaker: Okay.

Hon. Stephen Mwanthi (Ekalakala, WDM-K): Thank you, Madam Speaker. I wish the Member could use a different word because if he says that he collected then it might land him in problems. So, he could use a better word that he used the required officers to get that information. Thank you, Madam Speaker.

Hon. Francis Kavyu (Kinanie, MCCC): Thank you for that. I think you need to protect me because I do not know what his interest is because when I say I collected, we were there with the committee and we took that as evidence to show that any person can walk there .

Hon. Speaker: Point of information proceed. Hon. Kavyu you may be seated.

(Hon. Kavyu took his seat)

Hon. Helen. Ndeti (Nominated, WDM-K): Thank you, Madam Speaker for catching my eye. Mheshimiwa Kavyu is a Member of the Finance Committee. I just want to say that we went and did a site visit. We have not yet brought a report to this House so I prefer that we do not preempt what we have collected until the report is ready to be debated in the House. I am just pleading my prayers.

Hon. Speaker: Okay proceed.

Hon. Francis Kavyu (Kinanie, MCCC): I think whether we are going to bring another report or not, some of the issues that we still noted have been highlighted in this report. Whether we have a single pay bill number or multiple of them, or a new system is put in place, I think there is so much that needs to be done to ensure that we realize the targets that have been set because at the end of the day, no matter how we automate. Unless we ensure that there are proper mechanisms and also proper training of our staff to understand what it means to ensure that the County does not lose that extra shilling. Whether we automate or not we will still have the same discussion two years, three years down the line.

[Hon. Speaker left the Chair]

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

So as we look forward to automating the collection process, there is also a gap in terms of ethic and integrity on side of our staff. So as we automate that is an area that we will need to look at.

Secondly on the issue of wage bill, Madam Speaker, I think unless we are not serious on trying to curb the same, the issues of wage bill in our County is not only attributable to the health workers because we are talking of us being at 51 per cent but even as we talk today we are still employing. The question that we need to ask ourselves; what extra workforce that we are bringing on board as part of the workforce for Machakos County and are we getting value for that extra shilling we are paying?

We cannot be talking of 51 per cent then at the same time day after day we are seeing adverts for new positions. So where are we going to get that extra shilling to pay for this additional workforce that we are employing on daily basis. The recommendation that we will make I think it would have been wise before even we proceed with further employment within the County, we should get a report from the taskforce that was formed last year to understand what is the current status and what areas do we have gaps before we can continue employing?

Otherwise these will just become reports because we cannot talk of 51 per cent above the threshold of 35 per cent that have been set and then on daily basis we are seeing adverts being put on newspapers employing more people. Where are we getting the extra shillings? That is what the CECM needs to come and explain to us what value are we getting by employing these people.

If there are staffs that we inherited from the National Government we need to put them into proper use and not adding more people in the respective departments. If we have members deployed from the National Government for instance in the water department, we need to put them in proper use and not to add other workers on top of them then we do not expect to wake up one day then our wage bill is going to come down. So we need to proper measures and ensure that every single person that we are employing as a County in return we are getting value for that shilling that we are paying. That is the only way we are going to arrest this.

On the issue of pending bills, if we have delays in terms of giving the jobs because delayed disbursement of funds is not the only reason why we are having increased pending bills. For instance, we approved a supplementary budget and as we talk, it is two months towards the end of the financial year and how many departments have been able to give jobs successfully? How many contractors do we have on ground doing the works? So we also need to work on our side to ensure that we are doing things on timely basis.

Through the Senate we need to petition and also put the National Government to task that whenever there is delay in disbursement of funds and if they do it on the last day then they should give the County Government some amnesty to ensure that if funds that were meant for November come in May, then the delayed period should be allowed instead of just putting a measure that what you do not spend back goes to the National Government.

If it is delayed for two months and the money has been disbursed towards the end of the financial year, then there should be a provision that the Counties are supposed to be allowed either to access the funds in the coming financial year as a supplementary from the National Government other than just putting a blind wall yet they are not timely in terms of disbursement. Otherwise we will kill devolution yet the people who at the County because our

people need services and those services are not given for free so if there is delay it means someone somewhere in Machakos County is not going to get the services that are required. So we need to look at it at a broader perspective to ensure that none of the parties is disadvantaged.

In terms of revenue collection, I think as a Committee we have also noted that the emphasis on revenue collection is more on the lower grade of the people. You will find a *mama mboga* whenever they do not pay Ksh. 50, the enforcers are so harsh on them but the people who are supposed to drive our revenues to another level, the bigger business people, some of them you find that they are being exempted. So are the *mama mboga* going to drive the revenue collection of Machakos County to the expected level if the who is who in Machakos are being given unconditional exemption from revenue collection.

As a Committee, as an Assembly, we need to investigate and find how many people have been given any exemption from revenue collection and get detailed reasons on why such particular businesses. If we let off the hook the bigger businesses, the people who are making millions within Machakos County at the expense of the County, then we are going to have that(*inaudible*) we will never realize our targets.

Lastly, I think also Madam Speaker, even us as Hon. Members, as we play our oversight role, we also need to ensure that we do not interfere with the processes of revenue collection. Madam Speaker, in this House in future we are going to table a report and you will find that there are some Hon. Members who do business with the County and or through their friends and they do not allow them to pay revenue.

We need to ensure that we also do not interfere as the legislative arm of the Government. If it is Francis Kavyu is doing business, I am also obligated to pay revenue.

(Applause)

So at no point should you call any of the revenue officers to intimidate them so that you can get favors. So we also need to lead the line as we also try to curb let us ensure we lead by example. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Kavyu. Hon. Dee.

Hon. Mutisya Kivuva (Nominated, WDM-K): Thank you, the Deputy Speaker, for catching my eye. It is the Speaker?

(Laughter)

Hon. Deputy Speaker: It is Mr. Speaker now Mheshimiwa.

Hon. Mutisya Kivuva (Nominated, WDM-K): Thank you, Mr. Speaker. I want to commend the Finance Committee and the leadership of my good brother from Ndalani, Hon. Kitaka for this good report touching on our County. I want to subject myself to around three areas. I want to give a case study which happened when we went for a site visit at the furthest end of this County, Ndithini where my brother engineer comes from.

The collection point at the market we went, the area MCA had a person to count lorries which were to pay at the point. I can tell you in the evening the lorries were one 117 but when we went to the officer, a lady who looked very voluminous, accounted for only 15 lorries out of

117. I raised it when we went to a function in Ekalakala and I can tell you for free, when I highlighted it in a *baraza*, the lady came very early in the morning to Hon. Deputy Speaker home and informed the Deputy Speaker, 'please protect me, you know.' It has never happened again, it was not followed, and it rested there.

So I can tell you we are losing a lot of revenue in this County. The Deputy Speaker shared it with me but I do not know what happened after that. When you go to quarries and I know the Finance Committee has gone to the quarries, they have the potential to collect between Ksh. 1.5 to 2 billion in a year. If you see the last financial year, 2021/22 which ended in 30th June, they were collecting Ksh. 400,000 in a day which totaled to around Ksh. 146,000,000.

That is the epicenter of corruption and I can tell you, the current government which we brought, remember when Noah's Ark, when the rain had stopped, Noah sent a crow to go and see whether the rain had stopped. The crow met worms and it ate it never went back. I think that might be happening; people in our current government instead of sealing the loopholes which the last regime was taking advantage of, they have immersed themselves in the same process.

I can tell you for free, we are going on dangerous grounds. If that happens and we are here as an Assembly, which is the watchdog, I remember Madam Governor telling us 'please Waheshimiwa be my eyes on the ground.' So it is also sometimes good when we highlight these things, let no body think that we are fighting the Governor but we are doing what she requested us to do. I request the Deputy Speaker sometimes; calm down. When we are requesting accountability---

Hon. Deputy Speaker: Hon. Dee, kindly I do not know at what point you want me to calm down. Kindly elaborate at what point.

Hon. Mutisya Kivuva (Nominated, WDM-K): When the Minority Leader was speaking, you interrupted so much and you know you said you do not hold brief for the Executive but you ended up looking so. I regret, let me move forward---

Hon. Deputy Speaker: Hon. Dee, just as you stand. Hon. Members, it is good and let me encourage this that it is enshrined in our Standing Orders that point of order, point of information, are good and those are the ones that complete the circuit of an Assembly. Let us embrace this and let us not take some of these things as personal. You see I will feel that it is like I was attacking the Hon. Member. No! It is a way even of making the Assembly lively. That is why we have the point of information, the point of orders in our own Standing Orders.

So it should not be taken personal or what. Anyone has the right for information, right for giving orders and to inform the House in anything. That is why I am not even asking you anything about me because you are debating. That is your information you are giving; it might be right, it might be wrong but you have the opportunity to contribute the way you want. I should not take you that because you are mentioning me that you are not a good person or you are against me. You can proceed because it is your mandate to do so. Do not take it personal.

Hon. Mutisya Kivuva (Nominated, WDM-K): Thank you. I thought you are the one taking it personal.

(Laughter)

I think what I was doing, I was going what you were doing but all in all we are good friends I know you understand. I want to talk about Public Accounts Investment Committee (PAIC) whose Chair is here; I think that is the Committee which will now bring a report because it is the watchdog of this Assembly. I think they have compiled a report on what could have happened during the same period and bring it to the House so that we can also follow.

Stealing public funds should not be swept under the carpet. We want to get to the deepest end of this because money was lost. Money was pocketed. How do you have 60 accounts operating and paybill numbers which do not subscribe? The officers involved even those who were stealing money should be held accountable through this Hon. House.

So I request PAIC Committee led by my able friend and I do not know why you are in Finance Committee you should remain in PAIC so that you can oversight; I do not know the Standing Orders but I thought because I have severed in Government Agencies where PAIC, the Audit Committee does not serve in the Finance Committee but I do not know the Standing Orders.

Lastly, about the taskforce, I will give an example of Kisii where Hon. Governor H.E Simba Arati also formed taskforces to help him understand what has been made. In two months, they had filed report and he is acting on the same. Six months down the line, we do not have a report here of the taskforce? Have they done like the crow send by Noah? Are they waiting for the County to sink so that they can bring the report---

Hon. Deputy Speaker: Hon. Member, I think on that one you can seek a Statement from this Hon. House probably we get response.

Hon. Mutisya Kivuva (Nominated, WDM-K): Hon. Speaker, the Hon. Chair talked about the taskforce so I am still on Finance Committee because they are waiting for the taskforce to file its report to this House.

So it good we pursue the taskforce to file their returns so that they can come to this House we verify then we act because justice delayed is justice denied. We do not want to call the cartels which my brother from Athi River knows. We do not need the cartels now in our County. We need to calm down and work. So Hon. Speaker I recommend, I support this report from the Finance Committee. Also in their recommendation let them add a last one for investigation for officers those who have misappropriated monies for wananchi. Thank you, I beg to rest.

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

Hon. Philip Ndolo (Mitaboni, UDA): Thank you, Speaker, for giving me this opportunity. I want to take this opportunity to thank our able Chair for the job well done. As we are speaking and the way our Members have contributed, we know very well that this issue of revenue collection is the backbone of this County.

According to the recommendations that have been made here, the most important thing Mr. Speaker, Sir, is the implementation. When I say about the implementation is that we recommend what is supposed to be done. The issue of corruption by the revenue collectors and still the same year every time we are just saying that they are corrupt and you find that nothing is being done. You find even some of the revenue collectors, when they are removed from other department where they are earning, they just go stay for few days they are back to the same places that they have been collecting a lot of money.

This is something that must be done and also reported. If we recommend that people are being corrupt; what is being done to these employees? It is very important, something has to be done and report has to be brought here.

The other issue is about the taskforce that we are talking about. I understand Mr. Speaker that there is also timeline for this taskforce. If they are given timeline, if the timeline is over, something has to be done and the report has to be brought here. So that we know if they are given a certain time and the time is over, then what will be their report to us. It will be too late to bring that report to us.

The other issue also from our Committee like the starting of the charging of the street parking also we should also give them the time that from this time we need to see that they start collecting revenue to this municipality. This is the income that we need and we need it very quickly. Mr. Speaker, I want to thank my Committee for the job well done and also for the Members and this House for recommending this.

The other issue is that the revenue that is also being collected from our area the way we have been talking, the issue that people are paying and also they are not getting the messages, the revenue collectors should also be monitoring over having also the messages that they are being shown from the clients so that we also come and check which were true and which were not true.

Also Mr. Speaker, I can also see you are defending yourself. If you get information, it is also good to share with our Chair in advance. It is very important we have a Chair.

(Laughter)

We have a Committee and also you are welcome to that Committee for the information that you received you should also share with us in our Committee so that when we come here we know what we have shared with the other side. So we are not fighting you, we are getting your information, we accept them but in the wrong time.

(Laughter)

Thank you, Mr. Speaker. I stand to rest.

Hon. Deputy Speaker: Thank you, Hon. Members we only have three minutes. I do not know if we adjourn and proceed in the afternoon sitting. Okay, Chair. If that is the feeling of Members you can respond---

Hon. Nicholas Nzioka (Machakos Central, WDM-K): Hon. Speaker, I do not think we have ventilated enough. A lot of Members want to contribute. We need to adjourn then we come back in the afternoon. I think it is a very important report.

Hon. Deputy Speaker: I hear you Majority Leader.

ADJOURNMENT

Hon. Deputy Speaker: So Hon. Members this House adjourns to Wednesday, 29th March, 2023, to resume at 2.30 p.m.

The House rose at 12.27 p.m.