

REPUBLIC OF KENYA
MACHAKOS COUNTY ASSEMBLY
OFFICIAL REPORT

Wednesday, 6th November, 2019

The House met at 10.16 a.m.

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

PRAYERS

MOTION

**REPORT ON THE FINANCIAL STATEMENT OF THE COUNTY GOVERNMENT OF MACHAKOS
FOR THE FINANCIAL YEAR 2017/2018**

Hon. Deputy Speaker: Good morning, Hon. Members. Under this Order, we have one business to be transacted by the Hon. Stephen Mwanthi, the Chairperson, Finance and Revenue Collection Committee. Hon. Stephen.

Hon. Mwanthi: Thank you, Hon. Speaker.

Hon. Speaker, that aware that section 166 of the public finance management (PFM) Act requires every accounting Officer of a County Government entity to prepare a report for each quarter financial year in respect to the entity and submit the report to County Treasury;

Aware that the County treasury should consolidate the quarterly reports and submit them to the County Assembly not later than a month after the end of the quarter; Further aware that the County Treasury submitted a consolidated financial statement for the financial year 2017/2018 to the County Assembly for consideration on 2nd November, 2018 and re-submitted on 8th August 2019;

Noting that the County Assembly Standing Orders provide the mandate of the Finance Revenue collection Committee to include all matters relating to the management of County public finance and revenue collection;

Aware that the committee analyzed the report submitted by the Department of Finance and revenue management and made recommendations;

Hon. Speaker, I wish to move the motion that this Hon. House discusses and approves the report of finance and revenue collection Committee on the financial statement of the County government of Machakos for the financial year 2017/ 2018.

Thank you, Hon. Speaker and so I call upon Hon. Betty to second the motion.

Hon. Deputy Speaker: Hon. Betty Nzioki.

Hon. (Ms.) B. Nzioki: I stand to second the Motion. Thank you, Hon. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Betty. Hon. Stephen, you may read the report, please.

INTRODUCTION

Preface

Hon. Speaker, Section 166 of the Public Finance Management (PFM) Act requires that every accounting officer of a County Government entity to prepare a report for each quarter of a financial year in respect of the entity and submit the report to County Treasury not later than fifteen days after the end of the quarter. The County Treasury shall consolidate the quarterly reports and submit them to the County Assembly not later than a month after the end of the quarter.

Submission of the Financial Statement to the Assembly

Hon. Speaker, the County Treasury submitted a consolidated Financial Statement of the County Government of Machakos for the financial year 2017/2018 as per Section 163(4) of PFM Act on 2nd November, 2018. The County Treasury re-submitted a re-stated financial statement for the FY 2017/2018 on 8th August, 2019 after the Committee raised queries raised on the financial statement.

The County Treasury informed the Committee that it had noted the errors after its submission in November, 2018. The errors were corrected and a copy submitted to the Auditor General. The Committee has used the re-stated financial statement to compile this report.

Mandate of the Committee

Hon. Speaker, the Finance and Revenue Collection Committee is established pursuant to Standing Order 190 of the County Assembly of Machakos Standing Orders. Standing Order 190(5) defines the functions of a Sectoral Committee to include among others; to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned department.

In addition, the Second Schedule of the County Assembly Standing Orders defines the mandate of the Finance and Revenue Collection Committee to include all matters relating to the management of County public finance and revenue collection.

Committee Membership

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

- | | |
|--------------------------|--------------------|
| 1. Hon. Stephen Mwanthi | - Chairperson |
| 2. Hon. Josephat Kasyoki | - Vice Chairperson |
| 3. Hon. Betty Nzioki | - Member |
| 4. Hon. Brian Kisila | “ |
| 5. Hon. Caleb Mule | “ |
| 6. Hon. Fredrick Muthoka | “ |
| 7. Hon. Justus Kitengu | “ |
| 8. Hon. Margaret Mwikali | “ |
| 9. Hon. Moffat Maitha | “ |
| 10. Hon. Phoebe Koki | “ |

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| 11. Hon. Grace Mutwiwa | “ |
| 12. Hon. Thomas Mutinda | “ |
| 13. Hon. Hellen Ndeti | “ |

LEGISLATIVE FRAMEWORK

The Constitution of Kenya

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

Further, Article 195 of the Constitution provides that:

1. A County Assembly or any of its Committees has power to summon any person to appear before it for the purpose of giving evidence or providing information.
2. For the purposes of clause (1), an Assembly has the same powers as the High Court to—
 - a. Enforce the attendance of witnesses and examining them on oath, affirmation or otherwise;
 - b. Compel the production of documents; and
 - c. Issue a commission or request to examine witnesses abroad.

County Assembly Powers and Privileges Act

Hon. Speaker, Section 18(1) of the County Assembly Powers and Privileges Act provide that a County Assembly or its Committees may invite or summon any person to appear before it for the purpose of giving evidence or providing any information, paper, book, record or document in the possession or under the control of that person and, in this respect, a County Assembly and its Committees shall have the same powers as the High Court as specified under Article 195 of the Constitution.

Public Finance Management Act

Hon. Speaker, Section 107 PFM Act provides that:

1. A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.
2. In managing the County Government's public finances, the County Treasury shall enforce the following fiscal responsibility principles—
 - (a) The County Government's recurrent expenditure shall not exceed the County Government's total revenue;
 - (b) Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure;
 - (c) The County Government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the County Government's total revenue as prescribed by the County Executive Member for Finance in regulations and approved by the County Assembly;

Section 166(1) provides that an Accounting Officer for a County Government entity shall prepare a report for each quarter of the financial year in respect of the entity. Section 166(3) of the

same Act provides that not later than fifteen days after the end of each quarter, the Accounting Officer shall submit the quarterly report to the County Treasury.

Further, section (4) requires that not later than one month after the end of each quarter, the County Treasury to—

- (a) Consolidate the quarterly reports and submit them to the County Assembly;
- (b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
- (c) Publish and publicize them.

FINANCIAL STATEMENT OF THE COUNTY FOR FY 2017/2018

Consideration of the Financial Report

Hon. Speaker, the Committee discussed the report on 17th May, 2019 in Nairobi and also on 2nd August, 2019. The delay in finalizing the report was occasioned by the reluctance of the County Treasury to provide further information requested by the Committee. The financial report comprises of two parts namely; receipts and payments.

The approved budget for the FY 2017/18 was Ksh. 10,078,517,468.00. The budget was lower than that of the FY 2016/17 by Ksh. 804,616,341.00. The budget was to be financed by Ksh. 8,507,070,964.00 from the national government (equitable share, conditional grants and returned CRF) and Ksh. 1,571,446,504.00 from local sources.

Revenue Analysis

Hon. Speaker, the total receipts received by the County in the FY 2017/2018 were Ksh. 9,430,578,178.00 as compared to Ksh. 9,670,242,698.00 received in the FY 2016/17. These receipts were less by Ksh. 239,664,520.00 or 2.48 percent. The receipts comprised of Ksh. 8,346,373,333.00 as exchequer issues, grants and returned CRF issues and Ksh. 1,084,204,845.00 as revenue from own sources. (*see table 3.1*).

Table 3.1 Total Receipts by the County Government

STATEMENTS OF RECEIPTS AND PAYMENTS				
Receipts/ Revenue	2017-2018 Ksh.	2016-2017 Ksh.	Change	% change
Exchequer	7,398,999,999.00	7,303,463,454.00	95,536,545.00	1.3
Proceeds from domestic and foreign grants	109,997,189.00	13,350,000.00	96,647,189.00	723.9
Transfers from other Government entities	762,697,220.00	754,232,714.00	8,464,506.00	1.1
Returned CRF issues	74,678,925.00	339,888,586.00	(265,209,661.00)	-78.0
County own generated revenue	1,084,204,845.00	1,259,304,944.00	(175,100,099.00)	-13.9
Total Receipts/ Revenue	9,430,578,178.00	9,670,242,698.00	(239,664,520.00)	-2.48

Hon. Speaker, that shows the variance of 2017/2018 receipts and 2016/2017 and its variance as indicated there.

Local Revenue Analysis

Hon. Speaker, the Department of Finance and Economic Planning targeted---

Hon. Deputy Speaker: I think the important thing to note there is the total deficit of receipts so it was a downward trend.

Hon. Mwanthi: Exactly, if you check the totals down there you will note that, that year the County received a lesser amount compared to 2016/2017 by Ksh. 239, 664,520.00.

Hon. Deputy Speaker: Correct.

Hon. Mwanthi: Hon. Speaker, the Department of Finance and Economic Planning targeted to collect Ksh. 1,571,446,504.00 in the FY 2017/18. This figure was initially set at Ksh. 1,700,000.00 at the beginning of the financial year but reduced during supplementary budget in May, 2018. The Department missed this local revenue target by Ksh. 487,241,659.00 or by 31 percent and collected Ksh. 1,084,204,845.00. This amount was less than local revenue collection of the FY 2016/17 of Ksh. 1,259,304,944.00 by Ksh. 175,100,099.00 which represented a 13.9 percent drop (*see table 3.2*).

Further, some of the local revenue sources with notable increase of more than Ksh. 1 million include: plot rents (Ksh. 25,494,140.00), business permits (Ksh. 11,915,199.00), slaughter houses administration (Ksh. 9,904,393.00), environment and Conservancy (Ksh. 2,972,832.00) and market/trade centre fee (Ksh. 2,385,131.00).

Local revenues sources with notable decrease of over Ksh. 10 million were: Housing (Ksh. 57,114,943.00), Council's Natural Resources Exploitation (Ksh. 42,642,027.00), Vehicle parking (Ksh. 35,945,654.00), Rents (Ksh. 34,334,019.00), public health services (Ksh. 18,277,491.00) and other local levies (Ksh. 14,230,506.00) (*see table 3.2*).

Table 3.2 Comparison of Local Revenue Collection between FY 2016/17 and FY 2017/18

COUNTY OWN GENERATED RECEIPTS				
REVENUE SOURCE	2017-2018 Ksh.	2016-2017 Ksh.	Change Ksh.	% change
Interest Received	109,623.00	76,380.00	33,243.00	43.5
Rents	4,864,373.00	39,198,392.00	(34,334,019.00)	-87.6
Fines Penalties & Forfeitures	5,535,012.00	6,546,259.00	(1,011,247.00)	-15.4
Other Receipts not classified Elsewhere	35,062,217.00	36,403,314.00	(1,341,097.00)	-3.7
Business Permits	182,849,984.00	170,934,785.00	11,915,199.00	7.0
Cess	6,228,835.00	6,928,412.00	(699,577.00)	-10.1
Plot rents	198,126,012.00	172,631,872.00	25,494,140.00	14.8
Other local levies	35,807,526.00	50,038,032.00	(14,230,506.00)	-28.4

Administrative Services Fees	22,000.00	2,107,214.00	(2,085,214.00)	-99.0
Various fees	109,950.00	56,919.00	53,031.00	93.2
Council's Natural Resources Exploitation	276,534,469.00	319,176,496.00	(42,642,027.00)	-13.4
Other Miscellaneous Revenues	1,537,662.00	7,942,994.00	(6,405,332.00)	-80.6
Market/ trade centre fee	46,707,032.00	44,321,901.00	2,385,131.00	5.4
Vehicle parking fees	43,206,310.00	79,151,964.00	(35,945,654.00)	-45.4
Housing	142,857,582.00	199,972,525.00	(57,114,943.00)	-28.6
Public health services	73,131,315.00	91,408,806.00	(18,277,491.00)	-20.0
Environment & Conservancy	16,080,328.00	13,107,496.00	2,972,832.00	22.7
Slaughter Houses administration	15,434,615.00	5,530,222.00	9,904,393.00	179.1
External services fees		13,770,961.00	(13,770,961.00)	-100.0
Total	1,084,204,845.00	1,259,304,944.00	(175,100,099.00)	-13.9

Hon. Deputy Speaker: So the total.....just read the totals for 2017/2018 and 2016/2017.

Hon. Mwanthi: Thank you,, Hon. Speaker. So the total local revenue collection for the year 2017/2018 was Kshs. 1,084,204,845.00 while for 2016/2017, local revenue collection was 1,259,304,944.00. Making the variance which is a drop of Kshs. 175,100,099.00; Hon. Speaker, that is 13.9 percent drop.

Response by the Department of Finance and Economic Planning on Local Revenue Collection

Hon. Speaker, the Committee requested the Department to provide information on the reasons for the decline in local revenue collection vide letter reference: MKSCA/PSC/CMM/FRC/VOL.6/12 dated 2nd July 2019 and a reminder reference MKSCA/PSC/CMM/FRC/VOL.6/19 dated 16th July 2019. The Department provided a report on the responses on 25th July 2019. The Committee also met with officers from the Department on 2nd August, 2019 to discuss the responses.

Hon. Speaker based on the written responses and oral discussions, the department attributed a drop in revenue collection to have been driven by macroeconomic forces related to construction and business industry performance. This affected three main county's local revenue lines during the financial year namely: council's natural resources exploitation, housing, and public health.

In addition, reorganizations in the Finance and Economic Planning Department in August to October 2017 whereby some staff were sent on compulsory leave affected collection of revenue thus the decline.

Further, political factors of pre and post electioneering period where some classes of traders such as *matatu* operators and *mitumba* sellers among others were exempted from paying fees and charges also led to decline in revenue collection.

Hon. Speaker, the Department attributed the increase in some of the local revenue sources to enhancement of revenue collection through consistent enforcement, sensitization, monitoring and evaluation of local revenue trend so as to attain and maintain an upward trend in local revenue.

On decline of some revenue sources, the Department informed the Committee that rent decline was as a result of petition in the High of Kenya in Machakos; I think Hon. Speaker, we need to include court. On decline of some revenue sources, the Department informed the Committee that rent decline was as a result of petition in the High Court of Kenya in Machakos whereby tenants in council houses in Mavoko obtained orders restraining the County Government from collecting revenue after house rent was increased in the Machakos County Finance Act, 2018.

Further, unfavorable macro- economic forces such as volatile political climate interfered with revenue collection mainly vehicle parking. Change of government policy involving introduction of Universal Health Care (UHC) in 2018 affected collection of revenue for public health services.

Hon. Speaker, the Department informed the Committee that it had laid down some strategies to increase revenue collection. The strategies include: consistent enforcement, sensitization, monitoring and evaluation of local revenue trend so as to attain and maintain upward trend in local revenue.

The Budget for FY 2017/18 vs. Receipts of FY 2017/18

Hon. Speaker, the approved County budget for FY 2017/18 was Ksh. Ksh. 10,078,517,468.00 and the County received a total of Ksh. 9,430,578,178.00 from the exchequer. This translated to a budget deficit of Ksh. 647,939,289.00. The County was unable to spend all the funds received from the exchequer and returned to the County Revenue Fund (CRF) Ksh. 1,412,106,869.00.

3.3.1 Response by the Department of Finance and Economic Planning on Budget Deficit and Returned CRF issues

Hon. Speaker, the Department explained that the budget deficit was as a result of non-disbursement of Proceeds from domestic and foreign grants and Transfers from other government entities to the tune of Ksh. 160,697,630.00 and missing of local revenue target by Ksh. 487,241,659.00.

The Department was unable to spend all the funds since Ksh. 591,919,999.00 and Ksh. 591,920,000.00 were released by the exchequer (National Treasury) on 4th and 5th July, 2018 respectively giving a total CRF balance of Ksh. 1,791,421,393.80. The Department further explained that the National Treasury gave Counties a window of up to 18th July, 2018 to make payments which were at the Internet Banking (IB) level.

3.4 Expenditure Analysis

Hon. Speaker, the County spent Ksh. 8,090,106,555.00 in the FY 2017/18 as compared to Ksh. 9,478,561,253.00 spent in the FY 2016/17. This was a decline of Ksh. 1,388,464,698.00 or 14.7 percent (*see table 3.3*).

Table 3.3 Total Expenditure by the County Government

Payment/ Expenditure	2017-2018 Ksh.	2016-2017 Ksh.	Change	% change
Compensation of employees	4,590,962,310.00	4,759,887,326.00	(168,925,016.00)	(3.55)

Use of goods and services	992,913,236.00	1,083,013,274.00	(90,100,038.00)	(8.32)
Transfers to other Government units	1,655,536,228.00	1,691,542,047.00	(36,005,819.00)	(2.13)
Social security Benefits		147,209,336.00		
Acquisition of Assets	850,694,781.00	1,788,819,132.00	(938,124,351.00)	(52.44)
Other payments		8,100,138.00		-
Total payments/ Expenditure	8,090,106,555.00	9,478,571,253.00	(1,388,464,698.00)	(14.65)

3.4.1 Compensation of Employees

Hon. Speaker, compensation of employees recorded an expenditure of Ksh. 4,590,962,310.00 in the FY 2017/18 which was a decline of 3.6 percent compared to Ksh. 4,759,887,326.00 spend in FY 2016/17. However, this figure on compensation of employees varies from that in the Controller of Budget (COB) report which placed compensation of employees at Ksh. 4,834,560,000.00 representing a difference of Ksh. 116,542,222.00. Further, in 2016/17 the compensation of employees as per the COB report was Ksh. 4,129,106,860.

Hon. Speaker, Compensation of employees was at about 56.7 percent of the total expenditure of the FY 2017/2018 against a recommended 35 percent as per the PFM Act regulation 25. This was an increase from 50.2 percent recorded in the previous FY 2016/17.

3.4.2 Use of Goods and Services

Hon. Speaker, use of goods and services recorded an expenditure of Ksh. 992,913,236.00 in the FY 2017/18 which was a reduction from Ksh. 1,083,013,274.00 spent in FY 2016/17. Expenditure on use of goods and services was about 12.3 percent of the total expenditure for the year. This was an increase from 11.4 percent recorded in the previous financial year.

3.4.3 Acquisition of Assets

Hon. Speaker, acquisition of assets recorded a decline in expenditure to Ksh. 850,694,781.00 in the FY 2017/18 from Ksh. 1,788,819,132.00 in the FY 2016/17 (*see table 3.4*). This was a decline of about 52.4 percent. There were no development projects attached to the report. Expenditure on acquisition of assets was about 10.5 percent of the overall expenditure for the FY 2017/18. This was a decline from 18.9 percent of the overall expenditure for the FY 2016/17. This shows that very little went to development in the financial in question.

Table 3.4 Expenditure on Acquisition of Assets for FY 2016/17 and FY 2017/18

S. N	Non-Financial Assets	2017-2018 Ksh.	2016/2017 Ksh. (2016/17)	Change	% change
1	Purchase of Buildings				
2	Construction of buildings	207,511,740.00	307,146,464.00	(99,634,724.00)	-32.4
3	Refurbishment of buildings	19,842,965.00	43,217,933.00	(23,374,968.00)	-54.1

4	Construction of roads	236,802,470.00	509,084,979.00	(272,282,509.00)	-53.5
5	Construction and Civil works	146,436,352.00	346,303,249.00	(199,866,897.00)	-57.7
6	Overhaul & refurbishment of construction & civil works	95,719,683.00	22,340,850.00	(126,621,167.00)	-56.9
7	Purchase of vehicles & other trans equipment	34,008,621.00	148,415,077.00	(114,406,456.00)	-77.1
8	Overhaul vehicles & other trans equipment		500,000.00	(500,000.00)	-100.0
9	Purchase of HH furniture & institutional equip		571,150.00	(571,150.00)	-100.0
10	Purchase of office furniture & Gen. equipment	35,919,902.00	39,189,814.00	(3,269,912.00)	-8.3
11	Purchase of specialized Plant, equip & Machine	57,441,216.00	136,974,371.00	(79,353,155.00)	-58.0
12	Rehab & renovation - Plant, machinery & equip			-	
13	Purchase of certified seeds, breeding stock	11,055,660.00	11,400,160.00	(344,500.00)	-3.0
14	Research studies, project prep, design & sup	4,786,673.00	4,380,750.00	405,923.00	9.3
15	Rehabilitation of civil works		6,808,000.00	(6,808,000.00)	-100.0
16	Acquisition of strategic stock & commodities	1,169,500.00	4,590,000.00	(3,420,500.00)	-74.5
17	Acquisition of Land		8,076,335.00	(8,076,335.00)	-100.0
18	Acquisition of intangible assets			-	
19	Purchase of ICT Equipment			-	
	Total	850,694,782.00	1,588,999,132.00	(938,124,350.00)	-52.4

3.4.4 Response by the Department of Finance and Economic Planning on Expenditure

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(a) *Overall reduction in Expenditure*

Hon. Speaker, the Department explained that overall expenditure reduced by about 14 percent in the FY 2017/18 compared to FY 2016/17. This was as a result of delay of funds disbursement from the National Treasury. Two disbursements of the expected exchequer issues of Ksh. 591 million each were released on 4th and 5th July 2018 giving a total of Ksh. 1.182 billion. All these funds could not be absorbed since the systems were closed almost immediately.

(b) *Compensation of employees*

Hon. Speaker, when asked on the variations in the report and that of the Controller of Budget (COB), the Department explained as follows:

The County's financial statements are prepared on International Public Sector Accounting Standards (IPSAS) Cash basis of accounting which requires recognition of expenses when an event occurs and the related cash has actually been paid out by the entity. As a result, the variations of the financial statements with the Controller of Budget (COB) report arose because the COB closed its accounts on 30th June, 2018 but the National Treasury gave counties permission up to 18th July, 2018 to make payments that were at internet Banking (IB) level.

Hon. Speaker, the Department acknowledged that expenditure on compensation of employees was above the recommended level of 35 percent. The Department explained that the high level of wage bill was partly as a result of unspent funds of Ksh. 1.4 billion which was mainly development in nature and also due to low collections of local revenue. Both items resulted to a high percentage of wage bill as compared to what approved in the budget.

Hon. Speaker, the Department informed the Committee that the County Executive had put in place the following measures to curb wage bill:

- (i) The County Executive was in the process of finalizing development of staff establishment policy. This will optimize staffing of all departments hence cost effectiveness will be attained.
- (ii) The County Executive will competitively recruit from the existing qualified staff to fill in any higher vacant position.

The Department further informed the Committee that some of its employees were nearing retirement age and the wage bill will balance itself through natural attrition. In addition, the Department urged the County Assembly to try and negotiate for more resources for the County in order to bring down the percentage of funds going to wage bill.

(c) *Acquisition of Assets*

Hon. Speaker, the Department attributed the huge decline in expenditure of over 50 percent on acquisition of assets mainly to delay in disbursement of funds by the National treasury whereby about Ksh. 1.4 billion meant for development was returned to the CRF. In addition failure to attain local revenue collections target mainly affected development expenditure.

The Department attached a schedule of development projects whereby the Committee observed that some of the payments went to pending bills thus reducing further expenditure on Development in FY 2017/2018.

3.5 Pending Bills

Hon. Speaker, the report did not provide any pending bills. The Committee requested for a record of the pending bills and was provided with pending bills amounting to Ksh. 942,363,607.00 as

at 30th June, 2018. This was the amount arrived at after a special audit by National treasury on 20th February, 2019.

3.6 Transfer of Funds to the County Revenue Fund

Hon. Speaker, the Committee requested for a statement from the County Revenue Fund (CRF) account for the financial year 2017/18 to verify some of the information provided by the Department. The Committee made the following observations:

- (i) That revenue was transferred from the Cooperative Bank of Kenya Ltd every week on Monday.
- (ii) That no revenue was transferred from Kenya Commercial Bank (KCB) Ltd in the month of July, 2017. In addition, transfer of revenue from (KCB) was irregular as shown in table 3.5 below. The first transfer was done on 16th August, 2017 which was 46 days after the start of the financial year and the second transfer followed more than two months later after 76 days. Out of the 29 transfers done in the financial year, only 13 were done within an interval of seven days.
- (iii) That the CRF report showed that County spent Ksh. 8,018,417,309.00 while the Department reported that the County spent Ksh. 8,090,106,556 reflecting an unexplained difference of Ksh. 71,689,247.00.

Table 3.5: Transfer of Revenue from Kenya Commercial Bank to CRF

	Date	Amount	Duration in days	Entry No. in report
1.	16/8/2017	64,781,961.00	46	15
2.	1/11/2017	64,462,605.00	76	33
3.	10/11/2017	14,868,092.00	9	36
4.	10/11/2017	33,500,000.00	0	37
5.	4/12/2017	31,248,286.00	24	43
6.	11/12/2017	10,423,985.00	7	45
7.	28/12/2017	24,890,786.00	17	54
8.	12/1/2018	20,837,074.00	15	66
9.	18/1/2018	16,603,288.00	6	69
10.	31/1/2018	32,433,201.00	13	76
11.	7/2/2018	25,465,150.00	7	79
12.	15/2/2018	20,028,550.00	8	83
13.	20/2/2018	11,560,325.00	5	85
14.	27/2/2018	24,035,742.00	7	89
15.	12/3/2018	37,360,517.00	13	96
16.	21/3/2018	28,826,318.00	9	99
17.	28/3/2018	34,838,774.00	7	102
18.	10/4/2018	57,706,447.00	13	109
19.	16/4/2018	26,349,285.00	6	112
20.	25/4/2018	27,040,800.00	9	114
21.	8/5/2018	28,608,222.00	13	121
22.	15/5/2018	18,076,656.00	7	127

23.	28/5/2018	32,621,797.00	13	134
24.	5/6/2018	15,960,856.00	8	137
25.	12/6/2018	20,848,863.00	7	141
26.	19/6/2018	34,506,673.00	7	146
27.	20/6/2018	90,676,399.00	1	147
28.	27/6/2018	19,352,111.00	7	154
29.	10/7/2018	33,493,000.00	13	9

4.0 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

4.1 OBSERVATIONS

Hon. Speaker, the Committee made the following observations from the financial statement of 2017/2018:

- (i) That the Department missed its revenue target by Ksh. 487 million. Local revenue was also shrinking and failure to achieve local revenue targets was mainly affecting implementation of development projects.
- (ii) The Committee observed that the explanation provided by the Department on the drop of local revenue collection were unsatisfactory. The Department attributed decline in public health operations revenue to introduction of UHC. The Committee observed that UHC was launched in late November, 2018 and operations started in 2019 thus the information given was not true. In addition, the Department was unable to provide reasons for drop in revenue collection for housing and other local levies.
- (iii) That the delay by the Department to transfer of revenue collected is questionable and may provide room to spend funds at the source. This could further explain the difference in expenditure reported in the IB of Ksh. 8,018,417,309.00 and the one reported by the Department of Ksh. 8,090,106,556. The Department spent Ksh. 71,689,247.00 more which cannot be supported by any statement from the CRF thus indicating a possibility of spending at the source.
- (iv) The information provided in the report varied significantly with similar reports provided by the Department at different times as well as reports for similar periods from the COB. The reasons provided by the Department that the COB did analysis which was independent and that these COB reports may contain errors were doubted by the Committee. In addition, items like salaries were paid before close of the financial year thus they could not vary significantly.
- (v) Wage bill was still above the 35 percent level provided by section of the PFM Act. This was impacting negatively on development and there was need to develop strategies reduce wage bill.
- (vi) The Committee observed that the Department may have been manipulating information to show improvement on wage bill management. The Committee further observed laxity in the Executive Committee by stating that wage bill will be managed through exit of employees as they retire and natural attrition as well as increase in revenue collection. The County Executive Committee together with the County Public Service Board should develop strategies of solving problems of wage bill.
- (vii) Development expenditure was about 10 percent of the total expenditure for the year. This implies that the County did very little to improve the life of Mwananchi during the financial year.

- (viii) The report forwarded was incomplete as it lacked crucial annexures of development projects and pending bills. Request for provision of further information also took time thus leading to delay in the presentation of reports.
- (ix) The County was unable to spend Ksh. 1,412,106,869.00 which were returned to the CRF account despite the National Treasury giving a window period of payment up to 18th July, 2018. The Committee observed some laxity or some incompetence from the County Treasury in making payments thus leading to the returns to the CRF.

4.2 RECOMMENDATIONS

Hon. Speaker, the Committee recommends that:

1. The Department of Finance and Economic Planning should set realistic local revenue target to avoid ending up with a deficit budget at the end of the financial year. The department should also put in place proper local revenue raising measures to ensure the set revenue target was met.
2. The Department of Finance and Economic Planning should ensure accuracy in financial reporting which includes keeping properly the books of original entry. This will minimize variations in reporting.
3. The Department of Finance and Economic Planning in conjunction with the Department of Public Service should come with an action plan/ policy on how to maintain the wage level to the recommended levels within 60 days of adoption of this report. This may include downsizing of Departments and out-sourcing of non – core services.
4. The Department of Finance and Economic Planning should ensure all the pending bills amounting to Ksh. 942,363,607.00 as identified by the special audit of the National Treasury were paid within six months of adoption of this report.
5. The Department of Finance and Economic Planning should draw up a policy on the frequency of transferring revenue to the CRF and communicate the same to the Assembly within 30 days of adoption of the report.

5.0 ACKNOWLEDGEMENT

Hon. Speaker the Finance and Revenue Collection committee is grateful to the Office of the Speaker and that of the Clerk to the County Assembly for the support accorded during the Committee sittings. I wish to express my appreciation to the Honorable Members of the Committee who sacrificed their time to participate in the meetings of the Committee and in preparation of this report

Hon. Speaker it is therefore my privilege, on behalf of the Finance and Revenue collection Committee, to table the Report of the Financial Statement of the County Government of Machakos for the year ended 30th June, 2018 in this Hon. House for consideration and adoption. Thank you, Hon. Speaker.

Hon. Deputy Speaker: Thank you Hon. Stephen for that report of finance is a lengthy one which has been gallantly read.

(Question proposed)

Hon. Deputy Speaker: Hon. Members, you may contribute on the motion now. Hon. Moses Mitaa.

Hon. Mitaa: Thank you Hon. Speaker for having granted me the opportunity to air my views on the just read report by Hon. Stephen Mwanthi, the chairman of finance committee. First, I start to thank the committee for the report they have brought or else they are prepared and Hon. Speaker the report is in black and white that according to the observations that there were shortcomings which have been the committee has been able to identify, Hon. Speaker.

My humble request both the executive and the Assembly is to see how we can close this gap on the shortcomings and I believe from what the report has said between that period and today, I believe you're been able to achieve a lot and my prayer is that we will be able to keep on strengthening where the loopholes are and ensuring that the people of Machakos are well served by the money is they contribute from both the National Government and the County Government. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Moses. Hon. Cosmus Masesi.

Hon. Masesi: Thank you, Mr. Speaker. First, I want to appreciate report by the finance committee chaired by Hon. Mwanthi and it is worth to note that these are the times when the executive was heading West when the Assembly is heading East and I must say we were even lucky to achieve these amount because we all know that there was a team which was gearing to take over the leadership.

Again Mr. Speaker, I am a witness to this because I want to believe I was the first chairman finance committee Machakos County Assembly Second Assembly and by this time I was chairing this committee, it was hard for the committee even we went to site visits and the Revenue Clerks would tell us that all the books are filled and they have been collected and the ones they had had no single receipt and you imagine at the end of the day we need some revenue from this.

Again, Mr. Speaker, these are the times when all the employees or the revenue clerks were suspended except the Chief Officer and still we managed to collect this amount over Ksh. 1 billion. Mr. Speaker, it is worth again to note that these are the times when the executive waived the payments by so many departments against the law and there was no approval by the County Assembly.

Again you have noted that the department, the amount they gave and the one which has been released by the Exchequer was different from the one which was obtained by the committee through the bank.

Mr. Speaker, I want to believe to up our game and make sure that reports find their way to the Assembly soonest because we are looking at the report of 2017/ 2018 when we are at 2019/ that is 2018/2020. You have seen the report was submitted twice; that is 2018 February, October 2018, there is August 2018, November 2018 and again on 8th August, 2019. This shows how clearly that there were so many errors and reports which are like they are being cooked to give us a report which sounds well.

Mr. Speaker, I saw a clip by one Hon. Member from the National Assembly telling Kenyans that they have taken Kenyans for a ride for a long time; they have cooked report for so long and Mr. Speaker is the time in the National Assembly and the President tells the Kenyans the truth. Mr. Speaker, my big concern is for Kenyans because we have noticed that Mr. Speaker the interest capping rates have been released so the banks determine the amount of rate interest which they will make up to their borrowed monies.

Mr. Speaker, as I finish, I would urge the finance committee to work closely with the executive Mr. Speaker and make sure that we are telling our targets because we have noted that Mr. Speaker any deficit of local revenue will directly affect our development and we will never attain the amount we intend to spend on development. Otherwise, thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Cosmus Masesi. Hon. Daniel.

Hon. Mbevi: Thank you, Mr. Speaker, Sir. I stand to support the report and congratulate the committee for the recommendations they have done to our executive. As the MCA for Mlolongo, probably I don't know whether it is because it is a town, most of the contractors who supplied some materials to our county government have really taken their time and met me in Mlolongo and I am happy about the committee for the recommendation that they have recommended in No. 4 that the Department of finance and economic planning should end ensure all the pending bills amounting to Ksh. 942,363,607 is identified by the special audit of the National Treasury.

Actually, I have met some of the suppliers and they are really in bad situation; some have had their property auctioned, some are even not been paid even a single cell. I met a company which I cannot remember the name as at now and I was shocked to hear that the machineries that were used to do the the tarmacking Mwala-Kithimani Road and they supplied all the machinery worth Ksh. 10.4 million and they have never been given even a single cent from 2013 to date.

So, I would really appreciate the committee for noting that and stressing on that and to request the committee and the whole House to pass this motion so that after the 60 days, these suppliers can get their monies. It is really a pity and they have gone a very rough time. Thank you, Mr. Speaker.

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

Hon. Kisini: Thank you, Mr. Speaker. I also want to stand up and commend the committee for such a wonderful report whereby they have highlighted to us all the areas which are good and bad and mostly most areas did not meet the expected requirement. One of the things I want to highlight is that Ksh. 1.4 billion was returned; Mr. Speaker, it is a worry if we can get money and not spend it and you can imagine how many projects we have how many problems we have so to the committee that was a very good highlight we can see to it that money was returned to CRF and I think it is because of failing to meet some requirements.

I also want to echo the Hon. Member for Mlolongo for the bills not paid; an amount of Ksh. 942 million. Mr. Speaker, you spend money on projects; the work you have done can be seen and you are not paid. How can we save this situation because we have been talking of pending bills? It is alarming and it has always been brought forward from financial year to financial year. So, I also want to commend the committee for highlighting that.

They also talked of frequent transfers which are not consistent from Co-operative Bank to KCB which we don't know why. I think to the committee, there should be an explanation on why make transfers every now and then. We also missed Ksh. 487 million and that is a lot of money, Mr. Speaker; Ksh. 487 million not accounted for missed, and there are people who are paid to work. That is not good and then to add on that the local revenue is also shrinking.

So, Mr. Speaker, there is a worrying trend; there are a lot of things which are not happening as it is expected for them to happen and then Mr. Speaker, I also want to talk about the compensation of the employees which is always above 35 per cent which is the requirement. The wage bill is a high;

we have been talking it here and it is affecting the development because money supposed to go to development is paying the workers and the end result is we miss development.

Then we are told they are waiting for people to retire. How long are we going to wait for people to retire so that this percentage can come to where it should belong? Is there something we can do as a House so that this amount that is pegged on paying salaries, which were not budgeted for, can be controlled and we can go by what is required percentage.

Mr. Speaker, we have also seen comparison between financial years and the trend is still the same; nothing is improving. The 2016/2017, 2017/2018, 2018/2019 and when you compare any improvement in this financial years, there is no improvement in almost all areas. Generally, the committee has highlighted the committee has pointed out many areas which are not doing as per our expectations. Something should be done, Mr. Speaker. Thank you.

Hon. Deputy Speaker: Thank you, Hon. Kisini. Hon. Joseph Musau.

Hon. Musau: Thank you, Mr. Speaker. First and foremost, allow me to congratulate and heavily thank the committee on finance collection under the stewardship of Hon. Steve Mwanthi. Mr. Speaker, this will turn to be one of the reports of the year given the approach the used. Actually to bring to this House the best highlights pertaining our finance collections and operations.

Mr. Speaker, I want to say this; the report is very elaborate and very clear that there are so many things happening in our departments but I do believe the interrogative approach as I went to interrogate those departments is what has led to the to the current improvement in finance and revenue collection.

So, in a nutshell, I want to thank the committee and to may live long to the end of the Second Assembly of Machakos County. I am also attracted by the issue raised by Hon. Kisini about our wage bill which has been the most alarming factor and not only in this county but in many counties. Mr. Speaker, during the Moi era, there was a time Kenya realized it had so many employees that Kenya could not and they came up with the formula of golden handshake as a way of gratuity and you see money is enticing to so many employees.

If a policy could be formulated, a Bill brought in the House and we pass enough gratuity for the employees who wish to retire early voluntarily; I think it could be a major expense at once but relieve the county for the rest of the years.

Mr. Speaker, let us agree; spending finances above 35 per cent may the deny this County the most needed development and if at all a gratuity can be offered voluntarily retiring employees, our great people who receive this money is can invest the money elsewhere and leave the County wage sector less burdened, Mr. Speaker. I do support the report fully and I believe we are going to adopt and pass this report. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you. Hon. Justus Kiteng'u.

Hon. Kiteng'u: Thank you, Hon. Speaker. I would like to commend on wage bill. Hon. Speaker, all these wage bill totaling to Ksh. 0.95 billion has accrued since 2014 and a pending bill that is and Hon. Speaker, I must say is a big blow to our contractors in our county because if you can be able to use your capital and then since 2014 and then up-to-date you have not been paid, then you are likely to close your business.

So, Hon. Speaker, when we met the Governor in Mombasa discussing this financial year 2019/2020 budget in the beginning of the financial year, we had agreed that immediately we issue the

budget, all the pending bills will be paid but Hon. Speaker we still have contractors who have not been paid and as you understand that the revenue collection like 2017/2018, the county government and collected Ksh. 0.08 billion.

In 2018/2019, the finance committee together with the county government department of finance, all collaborated and did collection of Ksh. 1.5 billion being an increment of 50 per cent. With the same motive, Hon. Speaker, same financial year 2019/2020, if the same departments work together, they can even reach to Ksh. 2 billion and you find we do not have issues paying our contractors.

Hon. Speaker, as a finance Committee Member, we also came with another strategy of working with the department as per sub-county where we may be able to monitor Mavoko, Machakos Central, Mwala and all eight sub-counties bit by bit instead of working the whole thing. With that we may be able to know exactly how much money we are losing or we can gain from our revenue collection.

What I ask Hon. Speaker is, the Executive department of finance together with the finance committee and this Hon. House, Machakos we have what it takes to collect the maximum amount of revenue we can which can be able to attain development because what we need is to monitor the clerks and make sure that the right policies, as the report has said, have been drawn and if we follow the law, every department of finance in the Assembly and in the department of finance in the Executive, we have all it takes to make sure that we collect our revenue and we can be able to do our best and we will not have all these pending bills unpaid by end of this financial year 2019. Thank you,

Hon.

Speaker.

Hon. Deputy Speaker: Thank you. Hon. Benedette Mueni.

Hon. (Ms.) Mueni: Thank you, Mr. Speaker. Mine is to support the report by saying the if the money which is collected in Machakos County can be put in to account that we know, there will be no problem of money in Machakos County. Like in Mlolongo, we have all the revenue which can pay the people in Machakos County and even we will not need another county. The other regime, I was in finance committee and we were asking all those things which the committee is asking now about the account where the money is banked.

By saying that I mean; it is not the Governor who steals the money, it is his people who keep the money in their pockets and within a very short time, a person who was working in accounts, you will see him or her driving a very big Benz and you yourselves are here and you are the ones who get bigger salaries than them but they will be seeing us like fools not knowing what we are doing here because they are stealing morning and evening and when you go to their office asking for those accounts, they will just watch you and see you as an empty person who does not know what he or she is asking.

So, we have to be awake and put those people on their toes and know the account where the money is banked and not begging them but it is a must. We have to know where the money is being banked. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you. Hon. Jeremiah.

Hon. Munguti: Thank you, Mr. Speaker. My input in this report would be that our county is losing a lot of revenue and the problem is the issue of collecting the revenue. First, we look at the

officers; do we have enough officers who are collecting revenue and on the same issue we also see to it that we automate all our revenue sources.

When you look at a market like Machakos which was transferred to the nearby market near Mungala, at Mavivye, you will understand that those guys they collect a lot of revenue but when they collect the money they just give a receipt and maybe in one or the other we have cartels in the revenue department because some are using different receipts from the one coming from the department and by so doing, they are pocketing the money.

If we automate our revenue collection in this county, in one year time we will even collect more than Ksh. 2 billion which is required from us so that we can meet our budget.

The other thing is about the areas, like when you look at the quarries that we have in our area, our quarries collect a lot of revenue but the way the money is being collected, then there are questions which must be asked because many a times you find that sometimes they are being paid through Mpesa, other times they are collected cash and this is where we are losing it, Mr. Speaker. Therefore, my point would be, let us automate our systems of collecting money.

Look at Level V hospital where we have people from KCB who are collecting our money yet the money is going to the county revenue account and they do not give back to the hospital and that money needs to be given back to the hospital in terms of FIF so that our hospital can be rebuilt and buy some equipment which is missing in the hospital. Mr. Speaker, I want to say that, if we can---

Hon. Deputy Speaker: Point of order from, Hon. Maitha

Hon. Maitha: Mr. Speaker, a while ago I noticed a Member walking out of the chamber without bowing to the Chair and just now the Hon. Majority Leader entered the Chamber without bowing to the Speaker. Is it in order?

Hon. Deputy Speaker: I thought I saw he bowed.

Hon. Muendo: Yes.

Hon. Deputy Speaker: He did; I noticed that, do not worry. Go ahead, Hon. Member.

Hon. Munguti: Thank you, Mr. Speaker. Sorry for that interruption. Hon. Maitha, if the Majority Leader did or did not catch the eye of the Speaker, then we should not worry; even I was rising, I saw him bowing.

Therefore, Mr. Speaker, what I was saying is that our county has got a lot of resources but our revenue collectors are misusing that opportunity and if we can organize ourselves and we pin them down, I know we can be able to raise a lot of revenue in our county and we will be placed in a better place. Thank you, Mr. Speaker.

Hon. Deputy Speaker: Thank you. Can I call upon the mover of the motion, Hon. Stephen Mwanthi, please just respond?

Hon. Muendo: Hon. Speaker, before that, can I have a point of information.

Hon. Deputy Speaker: Hon. Majority Leader, I have already called the Member; you have the next motion so let the Hon. Member.

Hon. Mwanthi: Thank you Hon. Chair and Members for contributing positively towards the report that we have already read and yes it is true that having returned Ksh. 1.4 billion in a year raises so many questions as to why we should not work with that money during the stipulated period of the first year. This year we have still returned funds of Ksh. 1.7 billion that we are going to work on and I think the Executive needs now to check on that and make sure that at least by the end of the year we have done enough for our people because this is money meant especially for development.

The issue of pending bills is something that we have discussed as Members of this Assembly that our contractors should be paid and I also see it good that we should also be furnished with the list of the contractors that are supposed to be paid rather than talking of the Ksh. 942 million that we do not know it is who and who to be paid in the pending bills.

The other thing is the issue of macro-economic forces; you see, those are some terms you cannot understand when somebody tells you because I do not meet this because of macro-economic forces. It is something that is not enough so we expect the department to wake up and work on that.

The issue of wage bill, is also something I want to request even the House to work on that. We need to strategize and push and see how the issue of wage bill can be cut down because we are paying up to four point something billion is a lot of money. Some of the answers that we got are that we are expecting some people to retire, others to die and others leave the work so that we may cut down our wage bill. Yes, but it does not make enough sense that that is what we are supposed to wait because we don't know some of the things and how long we are going to wait for the same.

On the issue of automation, it is something we have been asking the department every now and then and the response that we get is that our county is cashless. So, Hon. Members, the information that we were given as a committee is that whoever finds or confronts any county revenue officer receiving any cash by hand should report that officer immediately to the department so that we may curb the issue of clerks dodging with county monies. Soon we will be tabling another report of that same issue.

The other thing we have also agreed with the department is we now do not expect our Members of public to have their goods impounded by the county government. There are channels they are supposed to follow; if somebody has flouted paying he or she should be taken to court but not that kind of impounding that used to happen. So in case of such issue, we need now to talk together and see how best we can serve our people.

I understand and they told us even the Governor is in support that; that our people should no longer be used in that manner; that it is not respectful to our people because we have been elected to serve them and serve them diligently. Thank you, Hon. Speaker.

Hon. Deputy Speaker: Thank you Hon. Stephen Mwanthi for that motion.

(Question put and agreed to)

That motion has been adopted but before I move on to the next motion, I just want to point out one or two things. The first one which we need to note and I think from the spending and the debate which has come here on the floor of the House and what is happening with the economy. You are aware of the capping of interest rates which was passed yesterday. You are also aware of the debt situation of our country. Those two combined give you a not so very rosy projection of the economic

performance. The outcome of that is that whatever monies we are given---

(A cellphone rung)

Let me tell the Hon. Member it is important to make sure that your phone is off. Whatever funds we are given, must be utilized prudently and effectively to the best of our ability. Whatever funds we get must be utilized for the projects which will be having high impact on our people because a combination of what is happening in the economy tells you that sooner than later we are going to have an economic crunch, a credit crunch that is coming, being brought about by the capping of the interest rates and also the debt position of the country.

They have even raised the ceiling of the debt which means we are going deeper in to debt and we are also increasing on interest rates so cost of finance is going to go up and therefore it is going to become increasingly difficult to get funds. So whatever funds we are going to be allocated or have been allocated in our budget must be spent to the best of our ability and in the projects we diligently choose as Hon. Members.

The other item I would like to talk about is the issues of delays in projects approval. The carry forward of the funds you are seeing here, most of it is coming as a result of delays in project approvals. If you delay the projects which are being approved and execution of them and they are done towards the end of the financial year of the government, then that means by the time we close a financial year, the payments have not been done, the funds are carried forward, a supplementary budget is required to pay them and we go back to the same routine like we are seeing happening.

So to curb, I think we need to ensure the process is put up early enough. One Hon. Member has talked about the issue of pending bills, and given a solution which may be positively thinking needs to be looked at. This is the issue of early retirement; that needs to be looked at and budgeted for.

It might be prudent to give a handshake; most of the workers who are being given a handshake in the Moi era, get like three or four months' salary yet in your budget we allocate put a budget of the whole year. So if we can budget and say if you are going to get so many people given early retirement and you budget for it and allocate it in your financial budget, then you can be able to execute this and have a positive impact on the wage bill going forward as Hon. Joseph Musau said.

Finally, the issue of delays in the remittance of funds especially from KCB, where we have seen KCB is delaying up to 46 days before they remit funds to the CRF; the finance committee needs to get to the bottom of that find out what is necessitating the delay in remittance of funds on KCB bank to CRF. Who is earning the interest? If the money stays in the bank for 46 days, who is earning the interest of those funds when finally they are transferred and isn't there a policy which says is it a week, is it two weeks when funds should be transferred to CRF from the collecting banks.

I think that is important for us to look at. With that, Mr. Clerk, proceed.

PROCEDURAL MOTION

ADJOURNMENT OF AFTERNOON SITTING TO ATTEND TRAINING FINANCIAL AND STRESS MANAGEMENT

Hon. Deputy Speaker: Hon. Members we have one motion by Hon. Majority Leader Mark Muendo.

Hon. Muendo: Thank you, Hon. Speaker

Hon. Speaker, that aware that the House approved an Assembly calendar pursuant to Standing Order 25(1);

Aware that Standing Order 25(4) provides that the Assembly may, by resolution alter its calendar or the adjournment date;

Further aware that the Assembly has organized training for all Hon. Members on financial and stress management commencing today;

Hon. Speaker, I wish to move the motion that pursuant to Standing Order 25(4) this

Hon. House resolves to adjourn the afternoon sitting of the Assembly of 6th

November, 2019 to allow the Hon. Members to attend the said training.

Thank you, Hon. Speaker. I ask Hon. Mitaa to second the motion.

Hon. Deputy Speaker: Hon. Moses Mitaa.

Hon. Mitaa: Thank you, Hon. Speaker. As the Motion has been read, it is clear that we need to undergo such trainings. There are so many expectations on the ground and it is good for us to have such trainings and be empowered on how we can overcome such situations whenever they come across us. So, I support. Thank you.

Hon. Deputy Speaker: Thank you, Hon. Moses. This is a procedural motion for adjournment of the House. I want to find out whether there is anybody who has got any contrary opinion to what the Hon. Majority Leader and Hon. Mitaa has said in as far as this motion is concerned or can we go ahead and adjourn the House. Any Hon. Member who has got divergent view? Silence means we are all in agreement.

ADJOURNMENT

Hon. Deputy Speaker: Therefore this House stands adjourned to resume again on 12th November, 2019 at 10.00 a.m. Enjoy the rest of your day.

The House rose at 11.45 a.m.