

MACHAKOS COUNTY ASSEMBLY

OFFICIAL REPORT

Thursday 27th June, 2013

The House met at 2.30p m

[Temporary Deputy Speaker (Mr. Kyalo Kyuli) in the Chair]

PRAYERS

COMMUNICATION FROM THE CHAIR ACTING SPEAKER

Temporary Deputy Speaker: Members, I am humbled to have been delegated this duty of Temporary Speaker and to sit on this precious seat today so today I will be the speaker on acting capacity. That is all we have on communication from the chair.

MOTIONS SUPPLEMENTARY BUDGET

Temporary Deputy Speaker: Members, let me invite the Chairman, Budget and Appropriation committee so that he can present the supplementary budget.

Hon. Muinde: Mr. Acting Speaker, allow me to table before the house the supplementary budget.

Temporary Deputy Speaker: Point of order

Hon. Matheka: Mr. Speaker and the house at large, I think there is no quorum in the house, thank you.

Temporary Deputy Speaker: Members, on the issue of quorum, I can see some members are seated outside. I can ask the clerk to count for me so that so that we know whether we have a quorum.

(Members counted and quorum met)

Temporary Deputy Speaker: Thank you. We can proceed; we have enough members. Budget Chairman, please continue.

Hon. Muinde: Thank you Mr. Acting Speaker. What I am about to table is very key and considering that we have only two days of business before we end the financial year 2012/2013, I think it is only fair that we table what is before us. Mr. Speaker, I beg to table the supplementary budget 2013/2014 to this house to be given authority to spend on items which had not been provided for in the 2012/2013 budget. For example, the Assembly intends to spend Kshs. 27 Million on refurbishment of the Assembly and what the budget had provided for was only Kshs. 9.8 Million, hence the need for a supplementary budget.

Mr. Speaker, this is also to seek approval to allow all unspent money be returned to the County Revenue Fund so that we seek a fresh approval in the 2013/2014 budget to spend the

money. Mr. Speaker, you know that the Public Finance Act allows the Assembly and Government to spend as per the financial year; our year is coming to an end in two days' time. There are monies that we may even spend but the authority to spend this money is ending as the year ends.

This is money that should be returned to the County Revenue Fund and that the Minister for Finance will come to the house again with a supplementary budget allowing the government to spend the money again in 2013/2014. This is money that will be available to the government. This money will not be returned to the National Treasury in Nairobi but will remain in the County Treasury of Machakos. Therefore, Mr. Acting Speaker, I ask Hon. Joshua Mwonga to second that we adopt the supplementary budget. Thank you, Mr. Acting Speaker.

Hon. Mwonga: Thank you Mr. Acting Speaker. I will start by congratulating you for having been seen by the Speaker of Machakos County Assembly to be able to chair the plenary in his absence. Mr. Speaker, I just want to second what has been presented by the budget chairman and I say let's not dwell on this issue for long. We were with the Minister here in the morning and she took us through the supplementary budget. I want to assure members that our money that had been voted in the itemized budget is not going back to Nairobi as the chairman said. But the minister will be here again next week to seek authority so that we can spend that money after the financial year 2012/2013. Thank you, Mr. Speaker.

Temporary Deputy Speaker: I therefore want to open the debate for this. Is there anybody with any comment so that we can close this chapter?

Hon. Kasimu: Having gone through what we have gone through today Mr. Speaker, I would like to support the idea that we adopt the supplementary budget. So I come here to second. Thank you, Mr. Speaker.

Temporary Deputy Speaker: Any other person with a comment?

Hon. Kathinzi: Mr. Speaker, in support of what the Chairman of Budget has just stated before the house, it is important to take care of the County resources and it is our duty to make sure that the money which was allocated to Machakos County for the financial year 2012/2013 comes back to develop our County. Therefore, I would like to support and say it is good we have such brilliant chairmen to act when the need arises. Therefore I fully support that motion. Thank you.

Temporary Deputy Speaker: Thank you. Do we have any other member so that I pose a question?

Hon. Maitha: Mr. Speaker, as we very well understand, the County Government came in just some four months ago. It hasn't been easy for most of them to budget for their monies that had been allocated from the National Government, and with the Constitutional support and protection that gives the County Governments authority to plan for their own monies even if they have to go back to the exchequer, I think it is in good interest that I support this bill so that we can get our monies back and proceed because it was quite difficult for us to plan everything and I am very sure that when we pass this bill and this money comes back for the interest of the County, we will be able to move forward. So I beg to support. Thank you, Mr. Speaker.

Temporary Deputy Speaker: Members, I think this has been exhaustively debated and since the Minister was here, I wish to pose a question that, do we have anybody opposing this document so that we can adopt it as a document of the County?

(Question put and agreed to)

Members this is a document of this County and I had invited the Minister to come and present the document to the house.

BUDGET 2013/2014

Temporary Deputy Speaker: Members as you are aware, in this particular chamber we were able to deliberate and pass our 2013/2014 budget. I want to invite the Hon. Minister to present the financial year 2013/2014 budget for this precious County. Madam Minister.

Minister for Finance (Mrs. Elizabeth Nzyoka): Thank you Chairman. Honorable members, I want to take you through the budget statements and the budget estimates which you approved on Tuesday on what was contained in that budget for the Government of Machakos for people to know what we are doing and this is part of public participation. And I read.

BUDGET ESTIMATES 2013/14

Background

Mr. Speaker, on the 4th August, 2010, Kenyans overwhelmingly voted for a new Constitution which was promulgated on 27th August, 2010. The people of Machakos, we know we're not left behind. In delivering this budget honourable members of this Assembly, we are alive to the fact that the expectations of our people are still very high. The Government of Machakos is fully committed and focused to fulfilling those expectations. The budget theme therefore was tackling the basics of life so as to fight poverty, create wealth and increase the competitiveness of Machakos County.

Mr. Speaker, Sir, the budget of 2013/2014 is premised on the need to address the immediate socio-economic challenges faced by our people today. The theme was based on the fact that we must meet our people's expectations and go the extra mile to restore their dignity and pride. Mr. Speaker Sir, I am honoured that the County Assembly passed the budget for the 2012/2013 with which we shall progressively build a better future of our children, consistent with the Vision 2030. Therefore Mr. Speaker Sir, the budget was invoked by the theme which I read above.

I now highlight the specific policy issues that we have addressed in the budget estimates which we passed. On strengthening our tax administration, the objective was to develop a strategy of sealing all loopholes in revenue collection systems and reducing unnecessary revenue expenditures for the Executive and Legislature. We would also want to introduce a banking hall cosset where all the government departments are housed in one building. This Mr. Speaker will reduce unnecessary expenditures on renting offices for government officers and also on the amenities which are required for the same.

Mr. Speaker, we shall continue to scrutinize and identify areas that need future cost saving. This we have to do because we know our budget was not quite high. As such the Chief Officers responsible for finance shall audit all the departments that existed prior to the coming to force of the County Government, identify unnecessary spending and promote efficient spending. We are focusing on all our local authorities to identify where there could be some unnecessary expenditure which used to exist and that includes the personnel.

Mr. Speaker, in partnership with the National Government, we want to introduce the electronic project monitoring system where we would be able to monitor all the projects from procurement to completion thus ensuring adherence to provided timelines. This Mr. Speaker is

one of the greatest weaknesses we have whereby at any given time we don't know where in the procurement process a project is and that is why you find in most cases, government projects are never completed. We want to introduce an efficiency monitoring unit, so that we increase efficiency and eliminate wastage of public resources.

Why we want to introduce this unit is to ensure that whatever our procurement department is quoting is the best competitive price we can get and to ensure that the unit assures the government of Machakos that we have procured the services and our goods at the most competitive price and at the lowest possible cost.

Mr. Speaker, in charging our rates, we shall continue being guided by the local authorities' guidelines on fees and charges until we pass the Finance Bill to review those existing rates. Mr. Speaker, I want to request that this house allows the Executive to form a Machakos Revenue Commission which will enhance operational efficiency of our government in respect to revenue collection and distribution. This we are requesting because we understand that, and we all agree that we are losing a lot of revenue because of lack of co-ordination. We need to dedicate a commission to look into issues of efficiency in collection.

We are losing a lot of revenue today because we do not have revenue entity set aside to purely to look into that. Mr. Speaker, when the County Government took over in March, there was a local authority whose collection was Kshs. 10,000 a day. When some measures were instituted, the collection increased within a fortnight to over Kshs. 600,000 per day. So you can imagine how much revenue we were losing just because there was no control and officers could do what they wanted to do.

As a revenue enhancement measure, the Machakos County Government would wish to harmonize the sand harvesting rates and charges in all the former local authorities and come up with a Finance Bill to approve any new rates that we shall be proposing.

Mr. Speaker, in supporting business and enhancing competitiveness, we shall provide an enabling investment environment by ensuring that the policies developed are predictable to avoid uncertainties and build investor confidence. We know part of the reason why investors do not like to invest in government is due to instability both in our governors in our economy. We want to build that confidence in our government of Machakos County.

Therefore Mr. Speaker, trade licensing, environmental approvals and other related licenses required by investors will be processed with the aim of facilitating and not frustrating business at this one stop shop where investors would get all the licenses they require for operation in the shortest time possible.

Specific measures will be undertaken to provide incentives to both local and international investors in order to position Machakos County as the premier investment hub in the country.

Mr. Speaker, we know under the new constitutional dispensation we need counties to compete with each other and it is only proper positioning that will attract investments necessary for job creation and poverty reduction. To this end we are provided within the budget which was approved, with resources to acquire land within the constituencies and wards to be utilized as special economic zones for setting up factories and spurring industrialization. We know land is one of the factors of production and without land it will not be easy for us to be industrialized. We know there is a lot of land lying idle and we want to make use of that land.

Mr. Speaker, we want to maintain law and order and provide security. This is important for us and also to give investors confidence. In this regard, the government is proposing to employ the following specific measures.

- To enhance community policing by encouraging the youth to work in liaison with and under the supervision of the chiefs, the police and the ward and village administrators and buy motorbikes for security operations. Currently, when police are called to assist when there is an issue, they say that there is no vehicle or that the vehicle that is available has no fuel. We also know that motorbikes can go through areas where vehicles may not be able to. We also want to purchase vehicles for each location to be assigned to police stations within the location.
- We also want to encourage alternative dispute settlement mechanisms where we don't always have to go to court if there is an alternative way to resolve a dispute.
- Mr. Speaker, we are proposing to install CCTV cameras in strategic urban areas. These can be used not only for security purposes but also to enhance collection of revenue. Once we install the CCTV we will be able to see what is happening and where revenue is not being collected and also for security reasons which is very important for our people.
- Mr. Speaker, investigation of crimes that require forensic investigation analysis has been a challenge in this country and what we are proposing is to have a forensic laboratory and research centre.

Mr. Speaker, in terms of infrastructure, we are alive to the fact that only county roads have been devolved for maintenance and repair. These roads however are as important to our farmers to get to the market as they are important to the commuters. Our public transport system depends only on the rural roads. In this regard, we have allocated 15Million for each of the county wards in order to build new roads, undertake repairs of existing roads, build new bridges as well as repair damaged ones improving our road infrastructure.

We promise to buy graders, excavators and tippers for all locations within the county. In order to achieve this, we have allocated money to purchase the graders, excavators and tippers to be shared by the sub-counties and this program will be implemented in the next four years in order to meet the promise of our manifesto.

In order to enhance access to affordable energy supply for our people Mr. Speaker, we know that Machakos County has positioned herself as a green county. We will explore environmentally friendly and renewable energy sources such as low-heat geothermal, solar, wind and biogas and recycling of our solid waste. In order to implement this project, a public- private partnership will be critical but as an immediate measure, we are committing ourselves to expand the rural electrification program in all our forty wards, our market centres, our primary and secondary schools, our coffee factories, hospitals and all government institutions. For this we have allocated funds to cover at least one new project in every ward within this year so we'll expect every ward to have electricity in the next financial year.

Mr. Speaker, we know we have in our society members who are vulnerable, who are marginalized, who cannot achieve what every other person can achieve. This is a government that cares for our most vulnerable people and we have set aside funds targeted for the specific groups which include bursary funds for the needy and bright students, social welfare programs for the elderly, the orphans, the street families and widows, disability funds and also funds for school feeding programs.

In order to promote regional development equity and social stability as I stated earlier, Machakos County has varying geographical and climate conditions. The levels of development in the different areas vary. The government will therefore appeal to the Commission on Revenue Allocation (CRA) to consider Machakos for inclusion in the disbursement of the equalization. We know Mr. Speaker that Machakos was left out in the list of the 14 counties which are benefitting from the equalization fund but we still want to pursue with the CRA because as we all know, Machakos is one of the semi-arid areas and we should have benefitted from that.

Mr. Speaker, in terms of investing in good security Machakos County is prone to incidences of extreme droughts occasioning famine and malnutrition. Therefore, agriculture remains the mainstay of our County economy. However, dependence on rain-fed agriculture coupled with low levels of agricultural mechanization and low percentage of the cultivated agricultural area has continued to expose our county to frequent famine. We shall therefore institute a post-harvest farm management system that involves construction of silos in every sub-county over the next three years to ensure that the aflatoxin infections are eliminated.

We are committed to implement all the above within our budget constraints in order to ensure a food-secure Machakos county where people will never again die of hunger. Mr. Speaker, it makes us not to be respected when we go out and hear that we are always being fed on relief food. We want to feed ourselves and also if possible to feed other counties and we know this is possible. We don't want to hear that our women are queuing a whole day to be given 2kgs of maize while they would be doing something constructive and I'm sure we are able to feed our people and even feed the neighbouring counties.

In the meantime, Mr. Speaker, we have set aside some emergency relief supplies to feed our people in some targeted areas and especially school-going children because we know we won't be able to harvest immediately. So as we wait to harvest, we don't want any of our people to die of hunger.

Mr. Speaker, in providing water to all households, the government promised to introduce a new strategy to solve the water problem once and for all. The government has come up with a program working with the existing water sector stakeholders to provide clean drinking water in all households within the next four years. This is informed by the realization that the provision of clean drinking water solves many human problems including health, food security and much more and supports rural economies.

Honorable members, you may realize that our water agenda is extremely ambitious. To implement it we therefore require huge resources and our ministry has already initiated discussions with other water sector groups in order to secure the much needed additional funding for this sector. With the available resources Mr. Speaker, we intend to undertake the following programs: -

- Rehabilitation of boreholes and pumping systems for each ward
- Distilling, rehabilitation and construction of earth dams
- Construction of sand dams
- Construction of water pumps
- Undertaking reticulation of pumps, water tanks and piping
- Construction of new water purification plants

- Purchase of borehole drilling rigs and pump testing units

Mr. Speaker what I want to mention to this house is that we want most of these issues to be handled by our own equipment.

In making quality health care available to all, we have heard of people who can't even afford to go to hospital and people dying in their homes. As we strive to improve our county economy and create jobs, we recognize that building a better Machakos requires a healthy population. That goes without saying.

Mr. Speaker, Machakos County must be able to attract and retain qualified health workers for our healthcare system to succeed. To achieve our healthcare program, we intend to implement the following specific measures: -

- Purchase of ambulances
- Upgrading of dispensaries to community hospitals
- Capacity building for community health workers
- Undertaking disease preventive measures and control programs for malaria, drug and alcoholic substances
- Employment of health workers
- Construction and purchase of maternity and laboratory facilities
- Construction of staff housing
- Quick response for health emergencies and disasters

Mr. Speaker, in providing healthcare, drugs and other medical supplies will be key and we therefore intend to partner with KEMSA in releasing essential medical supplies in time for our hospitals.

Mr. Speaker, in leveraging ICT and human resource opportunities in order to implement our programs, our human resource capacity is essential and we therefore need to form the county public service board which is not only a requirement of the County Government Act, but will help us in managing our human resource. We are in the process of undertaking a staff audit to establish the number of employees serving in the county and their qualifications which will enable us to match skills requirements with available staff competencies.

Mr. Speaker, what I want to emphasize is that we have come to realize that our ministries are crowded with officers who don't have the necessary skills, so we are paying heavily on their salaries but getting very little from their output. We want to match the requirements with the qualifications and where possible get competent officers and we may have to send the ones who are not competent home, because we cannot sympathize by putting people who are not working and paying them yet they are not delivering.

Mr. Speaker, the county seeks to reap benefits due to its proximity to the Konza ICT City. We therefore intend to start Internet kiosks around the entire county to increase the uptake

of the internet. We know that I.T is the way to go for everybody and we don't want to miss out on that.

Mr. Speaker, those are the expenditure proposals which we intend to implement through the budget which you approved.

In terms of financing the budget Mr. Speaker, the implementation of the budget will require huge amounts of resources which we intend to raise as follows:-

- The national government has given us a transfer of 4.9 Billion and that is what we have factored in the budget.
- The other source of our revenue is the internally generated revenue which will be collected from our five municipalities which existed before the new system of devolution. Therefore we estimate to raise 2.1 Billion from the measures which I requested this house to approve including installation of CCTVs to ensure that we are collecting our revenues as required.

Our revenue sources as per the constitution are from land rates and debt clearance, single business permits, sand, gravel, market fees, plots and stalls rent, from bus parks, house rent, sign boards and advertising fees, slaughter house fees, livestock fees, court fines, building plans approvals and sales mainly from sand.

Mr. Speaker, though we haven't received any commitments in terms of grants, we expect to convince our development partners to finance some of our development projects. We are therefore negotiating with some of them including the World Bank to finance our capacity building training and also fund the revenue enhancing system. These grants will be brought back to the house for approval on expenditure of the same.

Mr. Speaker, we now humbly request the honourable members of this county assembly to interrogate and debate the proposals we have made and pass them so that on July 1st, which is next Monday, we start to work on what we have promised our county residents and also on our manifesto. Thank you, Mr. Speaker.

Temporary Deputy Speaker: Members, those are the budget estimates as presented by the minister. First, I would like to pose a question so that we adopt the document as it is and then I give a direction thereafter. Therefore, I am asking those who are in favour of the budget estimates and policies as read by the minister in her statement.

(Question put and agreed to)

The ruling that I want to make at this juncture is that you members know what awaits us this evening.

ADJOURNMENT

Temporary Deputy Speaker: Since time is not on our side, I want to rule that we adjourn until next week Tuesday at 2.30 p.m.

The House rose at 3.30 p.m.

