
MACHAKOS COUNTY ASSEMBLY**OFFICIAL REPORT****Wednesday, 25th June, 2014**

The House met at 4.24 p.m.

*[The Speaker (Mr. Mung'ata) in the Chair]***PRAYERS**

Hon. Speaker: I wish to take this early opportunity to welcome Minister for finance. Welcome to the House. We are here because our chamber is under repair but I hope you are finding some comfort in between the Leader of Majority and the Chairman of budget committee. Welcome and enjoy your stay here. Proceed.

**COMMUNICATION FROM THE CHAIR
CONDUCT OF MEMBERS**

Hon. Speaker: Hon. Members, in view of yesterday events, this is a communication that has been prepared from the chair. Hon. Members, a few instances happened yesterday which were regrettable. Following what happened yesterday, I further received a text message from the following Hon. Members; Hon. Dominic Maitha, Hon. Brigit Kitili, Hon. Margaret Ndawa and other members who were cited, named and discharged from the chamber yesterday. This was a multimedia message addressed to the Speaker of this Assembly and was forwarded to me raising the following questions directly to the Speaker;

1. Whether I would wish to head a failed and divided team of the assembly?
2. Would I enjoy that in one and half years' time, no single Bill has been passed by the institution you head?
3. Would you be proud to be heading an institution that does not respect the constitution?
4. Would you say that the institution you head as the first Speaker played its legislative mandate to its electorate legally?
5. Would you say you are happy to encourage divisive and predetermined leadership, contrary to your oath of office?
6. Are you happy to deal with undemocratic and divisive leaders guided by greed and malice?

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Hon. Members, matters concerning the county assembly are serious matters which should not be handled in such a casual manner as to be communicated to the Speaker through text messages.

I therefore condemn that conduct by those hon. members and shall be prepared to deal with them once they finish their term. Nevertheless, I will address the issues raised in the text.

On whether I would wish to head a failed and divided team, it is not my wish to head such a team, which I keep urging members to work together for the good of the county. However, I have no power to ensure there is cohesion in the county if members themselves are not willing to work together. That is exclusively the role under the control of the members of this assembly themselves.

On whether I am happy that in one and half years' time, no single Bill has been passed by the institution I head and whether the institution I head as the first Speaker has played its legislative mandate to his electorates legally, I have time and again urged you, hon. members, to provide business for legislation in this house.

Article 185 of the constitution clearly stipulates the legislative authority of the county Assemblies but does not mandate the Speaker to provide business for discussion and approval by the assembly. It is entirely upon you members, through your committees to raise business. In fact the Speaker's mandate is only to adjudicate over businesses in the house, not to determine the business of the house.

On whether I would be proud to be heading an institution that does not respect the constitution, no law set out in the constitution or related Act has been flouted by this institution. In respect, the members who send this message together with others who were suspended are the ones flouting the law by initiating unwarranted violence in the house.

(Applause)

On whether I would say I am happy to encourage divisive and predetermined leadership contrary to my oath of office, I hereby wish to categorically state that the leadership that we have in this assembly was properly elected by yourself and not by the office of the Speaker.

(Applause)

In this regard, if members feel that the leadership they have is not efficient, there are procedures and structures in place that laid out in the Standing Orders as well as the County Government Act and procedures should be followed.

(Applause)

On whether I am happy to deal with undemocratic and divisive leaders guided by greed and malice, I would like us to first understand what democracy is. According to the Wikipedia, democracy is a form of government where all eligible citizens participate equally either directly or indirectly through elected representatives. The English dictionary defines democracy as;

- Government by the people or their elected representatives.
- A political or a social unit governed ultimately by all its members.
- The practice or spirit of social equality.
- A social condition of classes and equality.

Hon. Members, you do not need to be reminded of your roles as members of the county assembly as set out in section 8 of the County Governments Act. The mandate set out by the law does not have to be exercised through force and violence. You do not have to physically fight to achieve democracy. If a member feels aggrieved, that member has a right to petition the assembly by way of a motion or a Bill to be debated on the floor of the house. Alternatively, and in the extreme of cases, we have course of law where such grievances can be handled. Generally, hon members, the proper attitude when one loses is to accept defeat not to resort to violence.

(Applause)

In yesterday's sitting several members, through stones, eggs, water bottles and beer bottles to the amazement of the public and the Chair and were subsequently suspended. In view of all this, hon. Benson Kasyoka is suspended as well and should forthwith withdraw from the precincts of the county assembly for the next three days and shall consequently forfeit all allowances payable during this period of suspension.

In conclusion, madam minister in the house, when we opened the assembly in the morning, we confirmed that there was security. So you are unlikely to see any flying objects this afternoon. Thank you very much and please heed to that advisory. Proceed.

STATEMENTS

BUDGET STATEMENT FOR 2014/2015

Hon. Speaker: At this point now we welcome the executive member of finance and revenue collection Madam Elizabeth Nzyoka.

County Executive Committee Member (Elizabeth Nzyoka): Mr. Speaker, Sir, and hon. members, good afternoon. Thank you Mr. Speaker for assuring my security because I was

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worried what happened yesterday..... (*inaudible*). Mr. Speaker, Sir, I have a statement for the year 2014/2015 budget which I submitted in accordance with the constitution and the Public Finance Management Act 2012 which requires the executive committee member of finance to submit to the county assembly the budget for the following year not later than 30th April of the preceding year.

Mr. Speaker, Sir, I did submit to the county assembly and informed that deliberations have been going on. Mr. Speaker, Sir, I have developed a small speech, to elaborate on what the budget statements, which I submitted to the assembly contain. And here is the speech, Mr. Speaker, Sir.

"Mr. Speaker, Sir, it is a great honor and privilege to present the budget statements for the financial year 2014/2015, the second to be prepared by the county in advent of devolution ushered by the Constitution of Kenya 2010.

Mr. Speaker, Sir, before I proceed, allow me to take this gracious opportunity to thank hon members for the support they have given me as the minister for finance and revenue collection and the entire executive in the implementation of the budget for the financial year 2013 /2014 which is coming to an end, next week, in three days' time.

Mr. Speaker, Sir, I look forward to get the same support in implementing next year's financial budget once it is approved. Over the last one year, we have laid a solid foundation, for economic takeoff. The policy measures outlined in this budget are therefore aimed at consolidating the gains we have made over the last one year.

In delivering this budget, hon members, we are aware that the expectations of our people are still very high and therefore it is our strong desire and commitment to deliver services to the great people of Machakos at a much faster pace than ever before and hence the county slogan 'Maendeleo chap chap.'

Mr. Speaker, Sir, despite the progress we have made in the last financial year, we still have some immediate social and economic challenges facing our people. Majority of the youths have no jobs, majority of our people are still food insecure, and have lower access to health services, water, good infrastructure among other basic needs. The budget for 2014 is therefore premised on the need to address these challenges.

(Applause)

Mr. Speaker, Sir, the budget will progressively build a better future for Machakos County. This is consistent with Vision 2030 and driven by the aspiration of making Machakos County internationally competitive and a favorable investment destination. In this regard, measures put in this budget were informed by the theme '**enhancing our operational excellence for socio-economic transformation and prosperity.**'

(Applause)

My privilege today hon. members, is to present the County Economic Plan, a plan to increase access to quality health, clean water, improved infrastructure, a plan for jobs and prosperity. I will now highlight specific policies to be implemented as well as share with the hon. members the task measures and some of the projects and programmes the county will undertake over the period ahead.

We have a policy to support to investments and creation of wealth. Mr. Speaker, Sir, investments and trade are key drivers of economic growth, given their potential for wealth and employment creation as well as poverty reduction. To promote investment, we will deepen business regulatory reforms, enhance access to credit, facilitate capacity building and simplify and modernize the regime for small and medium businesses in order to amplify the multiplier effect on employment opportunities and accelerating growth.

Mr. Speaker, Sir, we have established Machakos Investment Promotion Board which is mandated to promote investment in the county through identifying investment opportunities and linking them to the identified investors. Mr. Speaker, Sir, strategic efforts will be made to diversify markets by providing an environment conducive for business and creating investor confidence. These will be achieved through development of policy, legal and institutional reforms for the development of the sector, ensuring their trade practices support entrepreneurship and industrial development and promotion of exports.

(Applause)

In addition, Mr. Speaker, Sir, specific measures will be undertaken to provide incentives to both local and international investors in order to position Machakos County as the premiere investment hub in the country. Mr. Speaker, Sir, to ensure land is available for investment, we have set aside substantial funds to acquire strategic pieces of land within the constituencies in all the eight constituencies and wards to be utilized as special economic zones for setting up of factories to spur industrialization. Mr. Speaker, Sir, in line with employment creation, we plan to construct Jua kali sheds and market sheds at a cost of Ksh. 280 (sic) *(presumed in million)* across the county. This will create enabling business environment, especially for the small scale traders.

(Applause)

Policy in facilitating infrastructures development

Mr. Speaker, Sir, we shall address infrastructure challenges by accelerating ongoing infrastructure development by maintaining and rehabilitating our infrastructure, improving efficiency and effectiveness of the infrastructure development process at all levels of planning.

Contracting and construction

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In this regard Mr. Speaker, Sir, Ksh. 700 million has been set aside for construction of roads, bridges and drifts while Ksh 50 million has been set aside for modern rural housing. The programme of modern rural housing is aimed at ensuring our poor people live in good homes as a way of improving their way of life. Mr. Speaker, Sir, in order to hasten road construction and maintenance, significant resources have been put aside for purchase of more machines which include excavators and tippers.

Policy on expansion and access to affordable energy supply for our people

Mr. Speaker, Sir, the government intends to explore renewable energy sources such as solar, wind, bio-fuel, biomass and recycling of solid waste which are more environmentally friendly. This will ensure access to affordable energy both for home consumption and for business. Mr. Speaker, Sir, to ensure increased connectivity to energy supply, we are expanding rural electrification programme to all wards.

(Applause)

Market centers, primary and secondary schools boreholes, coffee factories, hospitals and other government institutions.

Boosting agricultural productivity

Mr. Speaker, Sir, majority of our people are still food insecure and live in absolute poverty especially in the rural areas. Agriculture remains the mainstay of our county economy. However, over reliance on rain-fed agriculture, use of inappropriate technology, inaccessible farm inputs and weak extension services has led to low productivity. To deal with the perennial challenges of food insecurity and reduce cost of living associated with high food prices, the county will be implementing a revitalization programme aimed at expanding and enhancing food productivity and transforming agriculture to a business venture. In this regard Mr Speaker, Sir, substantial amount of resources have been allocated for

- Building more silos to increase the storage capacity in the county.
- Construction of coolers for proper storage.
- Construction of incubators for rearing of chicks.
- Provision of certified subsidized seeds and we have provided fuel for our machines to ensure they are operational all the time.
- Revival of irrigation schemes.

Mr. Speaker, Sir, we also established a grain reserve to enhance post-harvest farm management systems and ensure our people will always have food in case of unlikely occurrence

of a calamity. Mr. Speaker, Sir, we are alive to the fact that once we have bumper harvest, our people sell people at throw-away prices only to buy the same 10 times the amount they sold. And that is why we are establishing the grain reserve so that we harvest this food and we give back to the people when there is less food.

Water for all

Mr. Speaker, Sir, we cannot be ignorant to the fact that our county has been for a long time faced by scarcity of water. The government intends to alleviate this problem by prioritizing irrigation especially in Yatta Canal and expanding water harvesting through ongoing water harvesting programmes to increase water availability. The government intends to construct 800 additional boreholes and dams as well as keeping the existing ones.

(Applause)

The government has set aside resources to purchase more equipment such as bulldozers and tippers to increase the pace at which our people can access clean quality water.

Ensuring access to quality health care services for all

Mr. Speaker, Sir, a prosperous county demands substantial investment in health. Although we have made significant strides in providing healthcare, more strides need to be done. To this effect therefore, in the 2014/2015 the county undertakes to construct a hospital in Mavoko and construct three ICUs, one in Machakos, another one in Kangundo and Matuu. More staff quarters to enhance good working environment as well as responding and attending to patients in a timely manner will also be constructed. Mr. Speaker, Sir, the county will also provide incentives to our health workers to ensure they are well motivated to attend to our people. To these end hon. members, we have set aside funds to remunerate our health workers in form of additional allowances.

Promotion of tourism and culture

Mr. Speaker, Sir, for the last one year we have experienced rapid growth in our tourism sector in our county which has been one of the key sources of revenue. Key attraction has been, The Machakos People's Park which has hosted various major functions, generating more revenue to fund our development programmes and also promote the social life of the county, necessary for socio-economic growth.

More needs to be done to develop the sector. In this regard, funds have been set aside for construction of a conventional center and rest areas. More funding Mr. Speaker, Sir, has been allocated for the rehabilitation of the Wamunyu Handicraft and Machakos Peoples Park and

other parts to be identified. Such investments are potentially capable of attracting more tourism both locally and internationally.

Promotion of education and youth empowerment

Mr. Speaker, Sir, over the mid-term we will increase the access to quality Early Childhood Education through subsidized cost of education, sustained feeding programme and training of staff. The county shall undertake to renovate ECD Centers in the rural areas and renovate and equip village and youth polytechnics to ensure improved and effective youth participation in all structures of decision-making.

(Applause)

Cushioning the vulnerable through social protection

Mr. Speaker, Sir, the vulnerable members of our society are faced with numerous challenges leading to decreased wellbeing. As a government, we have prioritized cushioning the elderly, the poor and persons living with disabilities in our community. In this regard the government has set aside funds for the following groups:-

- People living with disabilities
- The elderly in the society
- The youth and the women.

Investing in security

Mr. Speaker, Sir, you will agree with me that security is the cornerstone for sustained growth and development and although the national government is charged with the function of security, we still have a responsibility to maintain law and order at the county level. In fulfilling this objective, the government therefore aims at partnering with the National government to ensure security for our people.

The county is undertaking installation of more CCTVs in all major towns, purchasing of motor cycles for security purposes and purchasing of vehicles to enable the administrators access every part of this county. Mr. Speaker, Sir, investigation is key in establishing crimes and to enable investigation, we have allocated funds to construct and equip a forensic laboratory.

Wage bill management

Mr. Speaker, Sir, the county has operationalized county public service board and together with the department of public service, ICT and Labor, shall continue to develop policies that will enable the county to attract and retain capable human resource. To this end, Ksh. 100 million has been seen set aside to provide for voluntary early retirement. This will ensure only employees who are productive and have necessary skills are retained in the service and thus ensuring efficiency and productivity in the service.

Enhancing efficiency and effectiveness in revenue collection

Mr. Speaker, Sir, the government plans on stepping up efforts on collection of revenue and eliminate leakages which result to increased revenue. We have already established Machakos Revenue directorate, under the ministry of finance which is charged with revenue administration and management. We are also in the process of fully automating revenue collection and ensure we achieve cashless revenue collection. Others measures include enhanced monitoring and enforcement.

Mr. Speaker, Sir, the house may wish to note that, this year, we were able to collect over Ksh.500 million additional to what we collected last year because of the measures this house approved in the last budget of 2013/2014. Mr. Speaker, Sir, the county has an operational Mpesa account now and this will go a long way in enhancing efficiency in revenue collection. This will not only enhance efficiency but also aims at increasing transparency and accountability.

Mr. Speaker, Sir, in charging our rates, we shall continue to be guided by the Machakos County Finance Act for 2013 until we enact the Finance Act 2014. Mr. Speaker, Sir, towards enactment of the Finance Act for 2014, we have initiated discussions with our stake holders on amendment to the Finance Act 2014 (sic) to ensure we do not crowd out private investors but rather promote investment and job creation. Once we get the views from all key stakeholders, we shall forward the amendment to the house for consideration and approval.

Efficiency in public procurement

Mr. Speaker, Sir, the government intends to implement measures that will make procurement process less cumbersome, more transparent to our supportive development agenda. The Procurement Act has been amended to include measures that reduce the time it takes to initiate and award a tender to not more than 30 days. The county shall also ensure procurement of all items is only allowed to be within established price. In line with the national government, we are in the process of establishing an automated procurement process commonly known as 'procure to pay'.

Financing our budget

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Mr. Speaker, Sir, the budget estimates of financial year 2014/ 2015 amounts to Ksh. 8.9 billion comprising of Ksh. 4.9 billion recurrent and Ks. 4 billion for development. This translates to 55 per cent recurrent and 45 per cent development. This is in line with fiscal responsibility principals outlined in the PFM Act, which requires not less than 30 per cent of the total budget to be set aside for development. Mr. Speaker, you note that the requirement is 30 per cent but the county government of Machakos has allocated 45 per cent to development.

Mr. Speaker, Sir, I propose to fund the budget from Ksh. 6.2 billion allocated from the equitable share of the National government revenue and the balance of Ksh. 2.7 billion will be funded from our local revenue projected at Ksh. 2.7 billion from the current trend of revenue collection. Mr. Speaker, Sir, we felt this is conservative and is achievable.

Mr. Speaker, Sir, specifically and as per the proposed Finance Bill 2014, the county shall impose property rates, entertainment taxes as well as other tax and user Fees and Charges and shall be approved by the county assembly under the Finance Act 2014, when enacted. Revenue measures will target the following sources; land rates and debt clearance, single business permits, quarry extractions fees, sand gravel market fees, ...*inaudible* ...and stalls, bus park, house rent, refuse conservancy, signboards, firefighting, slaughter houses, court fines, building plan approvals and sales.

Mr. Speaker, Sir, as I indicated that we will be guided by the 2013 Finance Act until we enact the 2014 Finance Act, we did not want to rush. We want to have enough consultation with all the stakeholders to ensure that our rates do not disadvantage any group of our county people. Mr. Speaker, Sir, we forwarded the budget estimates for the implementation of the above proposals and I am requesting the approval of the above proposals and policies, in order to facilitate the finalization of the 2014/2015 budget as required by law.

I humbly request the hon. members of the house to approve the policies and the budget estimates and to implement the same so together we change the livelihood of our people as we make Machakos County the great county to be. Thank you very much Mr. Speaker, Sir. Thank you very much hon members.

Hon. Speaker: Hon. Minister, you can give us a minute so that we can be orderly move out together to further ensure your security. The chairman of budget committee, you can proceed with the next item, the Appropriation Bill 2014/2015.

BILLS

First Reading

MACHAKOS COUNTY APPROPRIATION BILL 2014

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Hon. Muinde: Mr. Speaker, Sir, I wish to introduce the Machakos County Appropriation Bill 2014 to be read for the first reading today, 25th June 2014. Thank you, Mr. Speaker.

(Order for First Reading read - Read the First Time and ordered to be referred to the relevant Departmental Committee)

Hon. Speaker: Then the Machakos County Appropriation Bill 2014 2014 is hereby read for the first time.

ADJOURNMENT

Hon. Speaker: Hon. Members, there being no other business, the House adjourns until 2.30 pm tomorrow. Thank you very much and have a good afternoon.

The House rose at 4.58 p.m.