

MACHAKOS COUNTY ASSEMBLY**OFFICIAL REPORT****Tuesday, 14th April, 2015**

The House met at 2.37 p.m.

*[The Speaker (Mr. Mung'ata) in the Chair]***PRAYERS****Hon. Speaker:** Sorry, good afternoon hon. members. Let us proceed.**COMMUNICATION FROM THE CHAIR
JOINT REGISTRATION OF LOGBOOKS**

Hon. Speaker: Hon. members, there are few current issues that I have prepared a communication for to cover them up for the period that has been spent so far and among them the first item here is log books, the joint registration of logbooks. Hon. members, pursuant to section 9 (2) of the Machakos county assembly car loans scheme fund regulation 2014, a log book of a motor vehicle funded under the scheme shall be kept under the custody of the officer administering the fund until the loan is repaid in full. The Salaries and Remuneration Commission, in a circular reference, SRC/TAC/CGOVT/3/61 dated 14th July, 2014 sought information on among others, the long recovery mechanisms in place and associated securities against each of these loans taken up by the members.

The office of the Clerk requested members in three occasions, through letters dated 1st September, 2014, 13th October, 2014 and 4th February, 2015 to avail their logbooks to the office of the Clerk but so far only 17 members have done so. I hereby direct that all members who took car loans do submit their logbooks to the office managing the fund by the end of the week in order for us to adhere to the regulations in place, failure to which appropriate action will be undertaken.

QUORUM ON COMMITTEES

Further, hon. members, it has come to my attention that committee chairpersons are adjourning committee sittings before the lapse of the set time. Hon. Members, the operations of this house are governed by relevant laws on procedural matters because this assembly relies on standing orders.

Standing Order No. 165 on adjournment for lack of quorum states ‘that unless quorum is achieved within 30 minutes of the appointed time, a meeting of a committee of the assembly shall stand adjourned to such time of day as the chairperson of committee may appoint.’ Therefore, hon. members, I urge you to observe time during committee sittings and to only adjourn committee sittings once the 30 minutes lapse. I further urge members to fully participate in committee sittings to enrich their deliberations and which remind members that they should attend committee meetings without fail.

Otherwise the provisions of the Standing Order No. 167 will apply where failure to attend four consecutive sittings without the written permission of the chairperson of committee or the permission of the Speaker, if the member is chairperson, will lead to removal from a committee. I hereby direct that the provisions of Standing Orders of quorum of sitting of committees be implemented to the letter.

COMMITTEE REPORTS

On committee reports, hon. members, the committee system is an important component parliamentary business and practice around the world. Indeed, the time at the disposal of the house is usually limited and only allows for close scrutiny and consideration of just a few matters. It is therefore, the norm for committees, as agents of the house to take up a large scope of various matters not consider at plenary, review them and later inform or guide the direction to be taken by the house, usually by way of reports. It is therefore imperative that committees prioritize consideration of bills, legislative instruments, audit reports, petitions and submit reports within the statutory timelines.

Some committees have taken inordinately long to conclude inquiries engaging in unending investigations while others reopen enquiries even after going for report writing. A case in point is the motion on pollution which was tabled on 26th November, 2014 where I directed that an ad-hoc committee be formed to further investigate pollution on river Athi, river Tasia and file a supplementary report on status of pollution in the county. It is now five months down the line and no report has since been tabled.

The delay in concluding investigations and producing reports on time leads to unnecessary speculations of rent-seeking by committee members. This waste of public resources on unending investigations will not be acceptable and moving forward an inquiry by a committee

should not take more than two months to conclude and reports submitted thereafter first one to Standing Order No. 179.

PETITION BY MAKATA SACCO

Hon. members, I am in receipt of petition by Makata savings and credit co-operative society Limited, dated the 23rd March, 2015 on establishment of a booking office in Machakos town. The society wrote letter to the county government of Machakos requesting to establish a booking office in Machakos town which was granted as evidenced by a letter from the county government of Machakos of that reference dated 16th January, 2015 and signed by one D.M. Makau, the town manager. However, in his letter addressed to the Clerk, Machakos county assembly, there was certain intimates that a member of this county assembly, on two separate occasions, directed that the office of the Sacco be closed for undisclosed reasons, in contravention of the consent that had been given by the county executive.

Hon. members, I want to remind you that your work as members of county assembly involves representation, legislation and oversight and not implementation of county legislation or management and coordination of the functions of the county administration and departments. The matter of Makata Sacco was dealt with by the transport committee and concluded. The said member has no business interfering with the activities of the county executive and all hon. members must, in future, desist from engaging in matters that do not fall under their mandate.

DEBATE ON PRESIDENTIAL ADDRESS TO THE JOINT PARLIAMENTARY SITTING

On the 7th April, 2015, hon. Dominic Maitha tabled a motion under Standing Order No. 30 (1) on the report from the Ethics and Anti-Corruption Commission presented by the President during the special sitting of parliament on the 26th March, 2015. The Chair directed that a report on the progress of the matter shall be tabled today. I therefore give directions as follows; that the office of the Clerk to provide the following documents to all members of the county assembly:

1. Copies of the report on the status of corruption matters presented by His Excellency the president to the special sitting of parliament on the 26th March, 2015.
2. Copies of the HANSARD REPORT of the 31st March, 2015 where the same was deliberated by the national assembly.
3. Copies of the Ethics and Anti-Corruption Crimes Act, 2003.

Those three items are currently available in the assembly. Hon. Members, the purpose of supplying the said documents is to enable every hon. member to go through them and get proper information on the matter and in case a member feels that there is need to debate on any part therein, they should bring a substantive motion to the assembly.

AD-DOC COMMITTEE ON CENSURE OF COUNTY PUBLIC SERVICE BOARD SECRETARY

On 8th April, 2015 hon. Sammy Nduva tabled a motion to censure Ms. Rosemary Mulee, the secretary to the Machakos County Public Service Board. Following debate on the same, the motion as passed with amendments and the Chair gave directions that a nine-member ad-hoc committee be formed in consultation with the Leaders of Majority and Minority to investigate the allegations brought against her. On Thursday, 9th April, 2015, I received names of members who were selected to sit in the ad-hoc committee. However, changes have since been made to the membership and Hon. Cecilia Sereka has been replaced by Hon. Margaret Ndalana, Hon. Catherine Nguluku has taken the place of Hon. Oliver Nzeki and the rest of the membership remains unchanged. I therefore direct that the committee sits in the earliest to investigate the secretary and report back to the house within one month.

CHANGE OF MINORITY LEADERSHIP

Hon. Members, I am in receipt of a letter reference NDA/1090415 dated 9th April, 2015 from Hon. Stephen Muthuka on change of minority leadership. The letter states in part: 'pursuant Standing Order 16(5) as adopted by the county assembly of Machakos on 9th July, 2014 and pursuant to provisions of section 14 of the County Governments Act No. 17 of 2012, having been appointed the Minority Whip following a decision taken by the Minority Coalition on 3rd April, 2015, I wish to communicate the dissolution of the existing minority leadership under successful election of a new minority leadership as per the attached minutes and annexed documents. The office of the Speaker is gathering all the relevant facts as pertaining to this matter and the communication on the same shall be done in due course.

OFFICIAL COMMUNICATION TO PUBLIC AND PRIVATE SECTOR

Hon. Members, it has come to my attention that some chairpersons of committees are making official communication to government institutions as well as the private sector. There is a growing and worrying trend where chairpersons went directly to government officials on

various issues before committees in total disregard of the official channels of communication. I therefore wish to inform you that all correspondences from the county assembly communicating house or committee resolutions should only be done through the office of the Clerk and not any other office. Therefore, chairpersons ensure compliance as you have no business making official communication on behalf of the office of the Clerk. Thank you very much.

Let us proceed, Clerk. I thought you had given notice. Hon. Chairperson, proceed.

MOTION

MACHAKOS COUNTY BUDGET REVIEW AND OUTLOOK PAPER 2013/14

Hon. Isaac Muinde: Mr. Speaker, Sir, that aware that this house received the county budget review and audit paper for the fiscal 2013/14 as stated in the Public Finance Management Act section 118(1) that states that account treasury shall; (a) Prepare a county budget review and audit paper in respect of the county for each financial year,' and aware that the budget review and audit paper outlines the status of the county budget implementation and provides an analysis of the revenue received and collected by the county government and the expenditure against the budget estimates for the fiscal year.

Mr. Speaker, aware that the budget and appropriation committee retreated for three days to discuss the report, I wish to move the motion that this house discusses and approves the committee report of the Machakos County Budget Review and Outlook Paper for the fiscal year 2013/14. Thank you, Mr. Speaker and I ask hon. Christine Mwende to support.

Hon. Christine Mutune: Thank you Mr. Speaker, Sir, and the house at large. Mr Speaker, Sir, before I second this motion, I would wish to notify you that one Hon. Nzoka is not well dressed in the chamber.

Hon. Speaker: That point of order is sustained. Hon. Nzoka---

(Laughter)

Hon. Mutune: Mr. Speaker, Sir, with your permission, I would like to support this motion---

Hon. Speaker: Maybe you can check around maybe.....(inaudible).

(Laughter)

Ok, proceed, just proceed.

Hon. Mutune: Mr. Speaker, Sir, I want to support the motion as moved by the chairman of budget committee. Thank you Mr. Speaker, Sir.

Hon. Speaker: Thank you very much. The matter is before the house. Proceed.

Hon. Muinde: I would wish the copies of the report and the county budget review outlook paper be forwarded to us and distributed to the members.

Preface

Mr. Speaker, Sir, on behalf of the budget and appropriation committee and pursuant to the provision of standing order number 186(1), it is my pleasant privilege to present to this hon. house the report of budget and appropriation committee findings on the county budget review and outlook paper 2013/14.

Mandate of the committee

Mr. Speaker, the committee derives mandate from Standing Order No. 186 (3) (a) that states that ‘there shall be a select committee to be known as the county budget and appropriation committee which is mandated to investigate, inquire into and report on all matters related to coordination control and monitoring of the county budget.’ The main objective of the committee is therefore to ensure that public funds are well utilized and the public realizes value of money in all government expenditure. The basis of the committees execution of its mandate is annual and on special reports.

Committee membership

Mr. Speaker, the committee as constituted by this assembly comprises of the following members;

Hon. Isaac Muinde	- Chairperson
Hon. Rachel Nduku	- Vice chairperson
Hon. Wilson Kasimu	- Member
Hon. Ruth Ndumi	“
Hon. Charles Mutisya	“

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor, Machakos County Assembly.*

Hon. Sammy Nduva “
Hon. Christine Mutune “
Hon. Renson Muthiani “
Hon. John Sila “

The county budget review and outlook paper 2013/14

Mr. Speaker, the county budget review and outlook paper for the fiscal year 2013/14 shows the actual performance of the year's budget. The document was forwarded to the county assembly on 21st October, 2014 in line with the public finance management act 2012 section 118 (1) that states that account treasury shall;

- (a) Prepare a county budget review and outlook paper in respect of the county for each financial year and
- (2) In preparing its county budget review and outlook paper, the county treasury shall specify
 - (a) The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year.
- (c)(1) Any changes in the forecast compared with the county fiscal strategy paper or
 - (2) How actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principals or the financial objectives in the county fiscal strategy paper for the financial year.
- (d) Reasons for any deviation from the financial objectives in the county fiscal strategy paper together with proposals to address the deviation and the time estimated to do so.

Mr. Speaker, Sir, the Public Finance Managing Act 2012, section 118 (4) states that ‘as soon as practicable, the paper be laid before the county assembly and be published and publicized.’ Mr. Speaker, upon receiving of the county budget review and outlook paper the budget under appropriation committee retreated to 67 Airport Hotel from 31st March to 2nd April, 2015 to analyze, discuss and deliberate on the paper

Observations

Mr. Speaker, the county budget review and outlook paper was published and publicized in the Machakos county website as stated in the public finance management act section 118 (4)(b). Mr. Speaker, Sir, on page 9, the county government adhered to the public finance management act section 107 (2) on expenditure that states that;

- a) The county government recurrent expenditure shall not exceed the county government total revenue.
- b) Over the medium term, a minimum of 30 per cent of the county government budget shall be allocated to development expenditure.
- c) The county government expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government total revenue as prescribe by the county executive member for finance in regulations and approved by the county assembly. During the year under review, the actual recurrent expenditure was Ksh. 3,274,778,019 and Ksh. 2,691,446,428 was spent on development. This translated to 54.9 per cent 45.1 per cent respectively. Mr. Speaker, out of the recurrent expenditure Ksh. 1,622,676,697 was paid out as employee compensation and this translated to 27.2 per cent.

Mr. Speaker, Sir, the budget for the health sector was reviewed in the third quarter of the year when the function was devolved. Mr. Speaker, the committee observed that the late disbursement of funds cause poor development performance in development. In line with this the executive committee members of finance should restructure the usage of funds in operations of the county government to avoid such inconveniences. Mr. Speaker, Sir, some county projects were tied to donor funds mounting to Ksh. 414 million which were budgeted for but were never received resulting to underperformance in development projects.

Mr. Speaker, most existing boreholes which should be active and serving were never maintained as the county embarked on drilling new bore holes contrary to what was reported on page 11, paragraph 21. Mr. Speaker, on paragraph 22 of the report, on page 12, members observed that the subsidized agricultural programs were poorly managed except distribution of seeds. The free tractor ploughing program was neither sustainable nor effective and should be subsidized to make it more efficient. The greenhouses were not captured in the budget review and outlook paper 2013/14 fiscal year.

Mr. Speaker, Sir, the establishment of youth centers and social welfare empowerment were not achieved as narrated in the report. On paragraph 26, of page 12, the school-feeding program was in the same way was poorly performed. Mr. Speaker, on paragraph 26 of page 12, the non-core expenditures that included purchases of vehicles, computers, furniture and office equipment were all over done. Most of the vehicles are not on regular use to the benefit of the county and are being misused. Others are obsolete and not recoverable because they had no insurance cover while some of the procured furniture is piled at county offices without use.

Mr. Speaker, the measures to safeguard the stability of the county economy should be specified and not stated as general and assumed as set out on paragraph 31 of page 13. Mr. Speaker, on paragraph 34, page 14, the committee observed that the County Public Service Board was overstaffed. This was after comparing it with the national Public Service Commission

sector which has lower number of staff. Mr. Speaker that observation was critical because being the body that employs and that should also manage the wage bill, it is leading in creating a ballooning wage bill and that is why is not feasible.

Recommendations

Mr. Speaker, on paragraph 36 of page 15 and annex 1 on revenue projection on page 16, the committee expressed its reservations on the achievements of the 2014/15 budget and recommends that the CEC finance to institute measures to correct and avoid a repeat of the short falls of the 2013/14 budget. Mr. Speaker, Sir, the committee noted that professional input is required in preparation of financial reports to increase efficiency and performance at the county treasury and recommends staffing of the county treasury with the right qualified staff. Mr. Speaker, Sir, the committee recommends that the 2015/16 budget to be limited to drawn programs and prioritized with much emphasis on incomplete projects and all departments will have to prepare their total outstanding debts.

Mr. Speaker, Sir, the committee recommends that the county should seek other alternatives sources of energy like solar energy instead of hydro power to lower expenditure on electricity which is currently overwhelming. Mr. Speaker, the committee recommends that the recommendations on the national circular on local and foreign travel be implemented and adhered to that requires state officers to travel economy class to cut on costs. Mr. Speaker, this was reached by the committee after noticing that most executive members travel business even for short distances like going to Mombasa which is almost double the cost which is totally unnecessary.

Finally, the committee recommends that the hon. assembly puts forward the regulations to monitor the activities of the County Public Service Board in comparison to the national Public Service Commission that has a lean labor force.

Acknowledgement

Mr. Speaker, Sir, the budget under appropriation committee is grateful to the office of the Speaker and that of the Clerk to the county assembly for the support accorded during committee sittings. I wish to express my appreciation to the honorable members of the committee who sacrificed their time to participate in the activities of the committee and in preparation of this report.

Mr. Speaker, Sir, this report was discussed and approved by all the committee members as drawn below and this time every member signed. I believe they were careful not to be bashed.

Mr. Speaker, it is therefore my pleasant duty and privilege on behalf of the budget and appropriation committee to table this report on the county budget review and outlook paper for the fiscal year 2013/14 to the hon. house for consideration. Thank you, Mr. Speaker.

(Applause)

Hon. Speaker: Thank you very much hon. members. That is the report. That is a very well reason report. Hon. Members for guidance and as the report began, this is a report that is presented pursuant to the statute of Public Finance Management Act and the role of the house is to discuss and make comments that are normally forwarded together with the outlook paper to help in preparation of the budget. So this is a procedural matter that is before the house and with that I will open debate. This is a matter that we will not make decisions on as a house. We will only make recommendations where we are happy and where we are not happy with the performance of the Executive. With that I open the floor.

Then I will say that the report presented by the committee on budget is enough. So I will proceed and put the question. Alright, let us hear Hon. Francis Matheka.

Hon. Francis Matheka: Thank you Mr. Speaker, Sir, and the house at large. Mr. Speaker, Sir, I personally cannot say that the report is good enough as presented by the budget committee. There are some issues which need some comments like in page 6, No. 2 in the county outlook paper. It says that there are inadequate and ineffective enforcement officers. I am wondering how comes the county is struggling to pay its workers and we can see we don't have enough enforcement officers. You go to the county offices you see a lot of people sitting idle and yet we lack enforcement officers. The right department should do the right thing.

There is lack of vehicles for supervision. Again I am wondering, how we can lack enough vehicles for supervision yet we can afford to give away vehicles to work as taxis? Mr. Speaker, Sir, it is quite perplexing and annoying in a way. Mr. Speaker, Sir, there are revenue cartels. Where else can revenue cartels come from apart from the executive? The assembly does not collect revenue neither does anyone else. It is the work of the executive to direct and especially the CEC finance who is to collect revenue and who is not to. How can we have revenue cartels? Are there no systems? Yes we agree there can be revenue cartels but are there no systems? This money from this point has to be taken to this point and from this point has to go to this point. Where are the cartels coming in? We see the revenue clerks having machines, where are the cartels coming?

This is the work of the executive and I cannot be convinced otherwise. On table one, I am also wondering here, the contents of this table died in the finance committee only to resurrect in

the budget committee. Are we seeing reports incarnate *ama* what is happening here? I am taking you, for example, to the area of house rent. The same trend which was happening in the finance report is the same here. We are we are starting from high then going to low. Where on earth, were the houses demolished *ama* what happened? It is just another wonder and Mr. Speaker, Sir, mind you, wonders will never cease in Machakos county government. They will continue coming up and coming up.

The same thing is in column 3 we have the same, predetermined figures. You correct the same figures this month, next month the same figures. Mr. Speaker, Sir, revenue collection cannot be determined or predetermined. This is the same table which was copied from there and pasted here and I think this house contains *ama* as hon. members and they deserve that honour and respect. Can the Executive just be sincere to this house. If at all they cannot be sincere to themselves, let them for once be sincere to this house. This house will soon become tired of their tricks and should have been. It is only the house is pretending. It is only the house that is playing to the Executive. The house wants to be corrupt like the Executive. Thank you, Mr. Speaker, Sir.

POINT OF ORDER

Hon. Speaker: Yes, I will take a point of order.

Majority Leader (Hon. Mwonga): Mr. Speaker, is it in order for the Hon. Member of Kangundo North, that is Hon. Francis Matheka to impute improper motive to the Hon. Members of this house by saying that soon they will be corrupt as the officers of the executive?

Hon. Speaker: I think Hon. Matheka said soon they will be corrupt and he only sends a warning signal. I wouldn't think there is any problem there but what was your wording Hon. Matheka because I think the way the point of order was put may not be the way you said it? You said something different?

Hon. Matheka: Mr. Speaker, Sir, I can put it in the right way. I said this hon. house soon will be corrupt like the Executive and I said this house is corrupt like the Executive and I am ready to substantiate that, Mr. Speaker, Sir. Thank you.

Hon. Speaker: Ok. Now I'll hear the point of order.

Majority Leader (Hon. Mwonga): Mr. Speaker, now that the hon. member says he is ready to substantiate his claims, can he start by substantiating how the Executive is corrupt, Mr. Speaker. Thank you.

Hon. Matheka: If you allow me, Mr. Speaker, I can do that right away.

Hon. Speaker: I do,. Just do it proceed.

Hon. Matheka: Mr. Speaker, Sir, I will not start with the executive; I will start with this hon. house. Mr. Speaker, Sir, when the motion came to censure the Deputy Governor, people were called and given money. Mr. Speaker, Sir, when the finance committee---

Hon. Speaker: Hon. Matheka, do you have evidence that people were given money?

Hon. Matheka: The evidence is there.

Hon. Speaker: Hon. Matheka, you know it is a disorder to give allegations that you cannot prove before this house.

Hon. Matheka: Mr. Speaker, Sir, let me finish then---

Hon. Speaker: Can you table the evidence, before this house, that members were given money?

Hon Matheka: Mr. Speaker, Sir, it is common knowledge some members of this house are corrupt. Mr. Speaker, Sir, when the---

Hon. Speaker: Order, Hon. Member. Are you going to withdraw that statement?

Hon Matheka: Mr. Speaker, Sir, I cannot withdraw a fact. It is a fact and when the finance committee was called, members were given money to vote otherwise. I cannot withdraw a fact, Mr. Speaker, Sir.

Hon. Speaker: Order. Then I rule you are out of order. I give you the last opportunity to withdraw or you discharge from the assembly.

Hon. Matheka: Mr. Speaker, Sir, I cannot withdraw a fact. Let a fact remain a fact, I better remain out of the house rather than withdraw a fact.

Hon. Speaker: Then you are discharged from the proceedings of the house for the next two days.

Hon. Matheka: Thank you, Mr. Speaker, Sir.

(Hon. Matheka withdraws from the Chamber)

Hon. Speaker: Have a nice day. Proceed with the contributions.

Hon. David Manyolo: Thank you Mr. Speaker, Sir and the house at large. First, I congratulate the chairman of the committee on budget for what they have done. Mr. Speaker, Sir, it is a nice job and for us, because we are just going to recommend on the paper, on the issue of the wage bill or the employees who have been employed within the Machakos county, the number, in fact, Mr. Speaker, Sir, has raised and it is a concern to the residents of the county. If you move around the wards, you find that there are also people who are employed and are not known within the county. We have also the coordinators who we don't know how they were employed and have also increased the wage bill.

If you go round the streets here, you find so any revenue collectors. You find two sitting and they are told that they are in job. Mr. Speaker, it is a matter of concern so I beg the relevant committee to go and come up with.....we find out the number of employees and secondly, we have equal representation from every ward. We know the numbers who have been employed from Matuu, the number that have been employed from Kathiani and every ward for us to have equal representation.

The other issues are the issue of tractors. Mr. Speaker, how the chairman has gone, it is good because if the tractors are being used without being paid, maintenance costs have gone high but if we subsidize, we will have money to maintain our tractors and have efficiency of our work. So it is a good way. Thank you, Mr. Speaker, Sir.

Hon. Speaker: Thank you. Yes hon. Nzoka.

Hon. Nzoka Munywoki: Thank you Mr. Speaker, Sir. Yes, I think I am dressed well.

(Laughter)

Hon. Speaker: Proceed.

Hon. Nzoka: I am most concerned by this table one here. When we were here with chairman of finance, he taught us well, he explained us well when they went to our mining quarries there, how they collected revenue for continuous three days and it is obvious you cannot collect Ksh. 5, tomorrow the same unless it is fixed. So what chairman of budget committee said here is that there are revenue cartels? We are not aware how he is dealing with these cartels. It is good for you to understand that the executive because it is mentioned here. I don't know how we trust those people to still keep on handling our finances. It was explained well by our chairman of finance, he said what is there, what is going on and we are still making budgets to empower those people to keep on doing the same.

So we need a drastic change in those offices and that is why we are making budgets and it is not executed. We are still talking of 2013/14 which was not executed up to know and I can recall, yesterday, we were in our sub-county headquarters trying to make 2015/16. If you get the response of the community, in fact it seems as if we are doing nothing here because they have seen the budget, they were expecting this and they have not received anything and again we are coming to tell them we shall do this.

I was with the Minority Leader there. He understood what the people complained of. So it is the duty of this house to see, we should not be rubber stamps to come and make something here and then we enrich some cartels. We need to act on that one. I am not supporting it. Thank you.

Hon. Speaker: Thank you. I think it is time we hear from the chairman. Particularly, address us on this table. This is a table that is not familiar to this house.

Hon. Muinde: Mr. Speaker, I would wish to bring to the attention of the members of the assembly that the paper itself the county budget review outlook paper itself, as forwarded to us by the Executive and it reached us on the 21st October, 2014. What I have read here in the house is the report by the committee on budget, based on our observations on what is written here. I am not the author or the budget committee is not the author of the county budget review outlook paper but our report is based on this report. Statements like what is contained in the review paper, on page 5 and 6, is authored by the CEC finance. It is not authored from this assembly. Ours was an analyses and Mr. Speaker, for more clarification to the hon. house, the CEC finance is talking about, in page 5, fiscal performance. She says the fiscal performance for 2013/14 was pleasing despite a number of short comings which included;

1. Delay in disbursement of funds and as scheduled by national government.
2. Under performance of local revenue.

Then she goes ahead and talks of the revenues which is contained in 6 and those factors that caused underperformance of revenue are the ones that she has highlighted. Her own office, not the assembly, where she says there was delay in automation, there was inadequate and in effective enforcement officers, there was lack of vehicles for supervision, there was lack of clear departmental mandate. You know, Mr. Speaker, there is a war between the decentralized units and the revenue collecting unit under finance, on their roles, and these so called enforcement officers, the people are referred earlier as military wing, that enforces revenue, are controlled from decentralized units. They are not under the command of the CEC finance and that unclear departmental mandate was responsible for underperformance of revenue in 2013.

Mr. Speaker, we are in 2014/15 so some of these issues have been corrected or the government is correcting even the existence of cartels. Mr. Speaker, it is important the house to realize that this was the first year when the county government was formed. We took over from the county councils and municipalities and before the county government could settle, these cartels were active. They may still be active, Mr. Speaker, I may not want to say it is clean but since then, a lot has been happening and Mr. Speaker, table 1, yes, this is the table that was also present in the income and expenditure report as read to this house by the committee on finance.

Mr. Speaker, you remember the time these income and expenditure was prepared and send to this assembly was at the same time that the county budget review and outlook paper was send. The same page is the page that was in that other paper and we did not take a lot of time because this house took over three days to debate the same. We found it not worth repeating again because we spend all this time, it is on record, Mr. Speaker. I am told that since then, the finance committee, together with the CEC and the CO sat together and made corrections to this and I believe they will continue to do this. Mr. Speaker, we could not expunge these pages.

We allowed them to continue because this is what was forwarded to us and we believe that in the next year, a well researched paper will be brought to us and that is why the committee on budget said that or recommended that the treasury needs to be staffed with professionals who know their work, people who don't just use simple software like the excel where they will just copy paste documents or figures which do not make any sense to this house.

Mr. Speaker, I would wish that the house do not spend more time like we spend on finance committee debating their income and expenditure report on the same page 6 and that we recommend, we have already commented, for the treasury to style up for this house needs to be taken seriously. So it is my wish that members differentiate between the review paper, as

presented to us by the treasury, and the committee report as analyzed and presented to this house. Thank you, Mr. Speaker.

Hon. Speaker: Let us hear...Yes Hon. Nduva, and then we can hear Hon. Kitheka.

Hon. Sammy Nduva: Thank you Mr. Speaker, Sir. I am a member of the budget committee. Mr. Speaker, I want echo the sentiments of the chairman of budget committee and put to the attention of this house that the budget committee did not make this document but ours was to give recommendations on the document which is the way forward to the next budget. The committee looked at this document entirely and finally the recommendation that committee made, didn't mean that we support what is not right, that is being done by our executive side but under the recommendations here, will tell, because it is also the duty of this hon. house to oversee the Executive for the better performance to this county government.

Mr. Speaker, it is also the mandate of this hon. members to check and correct the Executive so when we put our recommendations, I think we have not set ourselves aside from the entire house but the recommendations are observations that this document that we have written after we have gone through the paper, we need to look forward and correct, where necessary, especially for the better performance of this county government.

Mr. Speaker, all the time when anything starts, it can't start at a 100. We know the first financial year that we had, the second one we on and we are going for the third one. Performance cannot be like it was in the first financial year so it is the mandate of these hon. members to make sure that whatever can be corrected, so that after the term we are serving for the people of this county, a difference will be seen

Secondly, Mr. Speaker, while correcting the executive, we don't serve to come here to blame each other but to correct where necessary. Our part, as budget committee, we did our best and yet I congratulate the rest of our budget committee members, led by the chairman. Thank you, Mr. Speaker.

Hon. Speaker: Thank you. Hon. Kitheka, at the back.

Hon. Cornelius Kitheka: Thank you Mr. Speaker, Sir, and the house at large Mr. Speaker, I wish first and foremost to start with a saying which says; honour and share your riches with the poor before they share their poverty with you. Mr. Speaker, the sentiments have just set aside is that let us share the kind of wisdom we have in this august house, with the executive before they share the poverty of not understanding what to bring into this house with them because all of us will end up in jail if we continue with such a trend of sharing our weaknesses.

Mr. Speaker, I am pointing out from this document, where this table, even though our able chairman has tried to cool the house in terms of the issues which are here.

Mr. Speaker, when you hear a blind man tell you that I see, know that there is a problem because what he is seeing, he is seeing behind his blindness and cannot be seen by you who have bright eyes who can see. Mr. Speaker, the hon. member, pointed out some issues in this document and Mr. Speaker, you remember vividly and very clearly that, this same document as is typed as it is with the same font size, came to this house and the members rejected it on issues that it had a lot of typographical errors which by now, to me, I have believe they are not typographical errors. They are errors made to justify and to correct some mathematics somewhere.

Mr. Speaker, if you can go through this document, even you as a Speaker who is guiding this house in the best way, you cannot accept this document at whatever stage. So Mr. Speaker, before we go for long, this document should be far from the precincts of the assembly, the way Hon. Matheka has gone. Mr. Speaker, to point out on the recommendations, as you go to page 5, we can guide ourselves to that page. Mr. Speaker, in the third paragraph from bottom, the committee noted that professional input is required in preparation on financial reports to increase efficiency and performance at the county treasury and recommends staffing of county treasury with right and qualified staff. Not only for the preparation of the documents, because you can see even if we employ people who are not qualified, this is the kind of stuff they are bringing into this house even they cannot steal in a more smart way. Even a good thief can steal in a more smart way and you fail to notice.

These are thieves who cannot steal in a smart way and they cannot make it to this house because this document, entirely, it will be rubbished in the house simply because they are stealing blindly, leaving traces of what they have carried. Mr. Speaker, I agree with the chairman for budget committee. They have recommended the overhaul of the staff in the revenue and in the treasury because we are losing a lot of money. Mr. Speaker, last time I went round with the ladies who were collecting revenue on the streets and I found that the gadgets they are using, they are using sending money guided from the system and the system is not having one account. The system is not having one account. Bear with me, get one of the receipts, get another one from one of the others and sample about three, you will find that the coding is very different and to a professional in systems, you will definitely know that this money is going somewhere, this money is going somewhere and this other money is going somewhere else.

That is the kind of a cartel the chairman is trying to point out. At the end of the day, Mr. Speaker, we have to find somebody who is well conversant with the systems to make sure that the money collected from the streets and by the park attendants, is send to one point and transacted at one point by the department of finance because at that point, you may end up even

you, the Speaker or me, I may end up corrupting the entire issue getting somebody to be bringing the money and the money will be reflecting the money is going to the county.

We are losing a lot of money and we beg for this house to take very stern measures on this issue of the system because the system has become a burden to us. *Mara* IFMIS and all other issues. Mr. Speaker, we are crying for your indulgence. Mr. Speaker, on my last point, the committee has recommended a very good issue here. The committee recommends that the 2015/16 budget be limited to drawn programs. If we adhere to that you, will never hear this kind of monkey business which is within the corridors of Machakos and elsewhere in the county asking about why this was not done why that was not done.

It will entirely die at this place and everything will be in order. If we have a drawn programs and prioritization of everything at least we will be somewhere because I will know, while sitting here, that there is a borehole which will be sunk somewhere. I know there will be a cattle dip which I will ask somebody but at this point, money was meant for the roads. Which road? Which path road? Nothing but we are kindly requesting, now that this document has been put forward, we adhere strictly to what the committee has done, because if the committee might even have gone to Mombasa for five days, they pocketed their allowances and they come up with a very good document like this with very good recommendations and we fail to honor the document, Mr. Speaker, even in the eyes of the Lord, we will be judged wrongly and we will be send to where some of the other people had been send when Jesus was around.

The other last point is about the projects and the total outstanding debts. Mr. Speaker, I request this house and I beg this house, because this hon. members we sit with them here in this house, we cry together when we go to the wards, we find projects not done, I am now coaxing and trying now to seduce these members, when this document for the budget comes into this house, we request, so that at least the outstanding debts of the projects be taken seriously.

Mr. Speaker, to the entire wards of Machakos county government, every ward has got a hospital, a dispensary which is half built to the lintel part of the building. Every member here who is elected knows that there is that hospital which is built half way and it is not complete. I think if there is any member who might be having a complete hospital can rise to claim the issue because I know those are the issues which we should be passing in the budget.

We say that first and foremost, before we pass anything else new, go and complete this hospitals, go and complete these dips and any other project which is pending but any project which was awarded on corridors, on bar counters, we are not going to honor that. Those which were given on the streets, we should not honour those. They should go and sort out issues on the corridors just the way they did. So Mr. Speaker, I wish to move out from the talks with the quote that; you can break our hearts but you can't break our spirits.' These people will not break our

spirit but they will break our hearts but they will never break our spirit to do what we want to do for the people of Machakos. Thank you, Mr. Speaker, Sir, and the house at large. Thank you

Hon. Speaker: Thank you. Perhaps before you sit and for the record of the house, you can take us through the saying that you began with. Maybe guide us on whether it is an author's quote or it is your own personal effort

Hon. Kitheka: Thank you Mr. Speaker. I think this quote was from one of the famous preachers from USA who said that 'if you fail to share your riches with the poor, they will share their poverty with you'

Hon. Speaker: Thank you very much.

Hon. Kitheka: Can I elaborate much further?

Hon. Speaker: Please yes.

Hon. Kitheka: Ok. This goes into sense, assuming that you are living in a place alone and you are the richest and you are living with other poor people surrounding you. At the end of the day, if you will not share your riches with them by building for them, giving them work to work with you, sharing what you have with them, at the end of the end of the day you, will share their poverty with them because they will come to steal from you. Those are the things I am talking about and I cannot explain much further. Thank you.

Hon. Speaker: Thank you. Let us hear from hon. Muthuka.

Hon. Stephen Muthuka: Thank you Mr. Speaker, Sir, and the rest of the house. Mr Speaker, my attention is drawn from page 4 where by r some county projects were tied to donor funds amounting to Ksh. 414 million---

Hon. Speaker: That is page 4 of the outlook paper or the report?

Hon. Muthuka: That is page 4 of the report and on the outlook paper is from page 9 and 10.

Hon. Speaker: That is ok.

Hon. Muthuka: If I am touching on the report where some county projects were tied to donor funds amounting to Ksh. 414 million which were budgeted for but were never received resulting to underperformance in development projects. If you go to the outlook paper, from page 9, the last paragraph, No. 12, where during the year, the development expenditure was Ksh. 2,691,446, 428 against the target of Ksh. 4.7 billion. This represents a 43 per cent under spending. This was mainly caused by late disbursements of funds from the national government, lack of disbursement of donor funding amounting to Ksh. 414 million and financing of level 5 hospital of Ksh. 108 million and underperformance of our own county revenue.

Mr. Speaker, Sir, I am a member of health committee and we are working on a report on our health institutions and I am privy that we received more funding for our health services. Actually, I don't know whether it is a coincidence that Ksh.108million is indicated that it never came to the county but this is the money that was given to the county by the World Health Organization. Still we have another Ksh. 97 million given to the county by the World Bank. All these monies, we are preparing that report and now, I lack words because if we can be discussing things for formality and the when we know the truth, we rubbish the truth and abide to what is written.

We may be injuring our conscience because you know, we also want to know if this donor funding was budgeted for Ksh. 414 million from was it from? Do we have a record of the donors who were to fund us in some projects? What projects were to be funded by these donors so that we can talk about under performance or under spending? This was just an observation and I think, I don't want to be pessimistic, but I think through the budget committee, you need to guide the executive because we will not always come to discuss cooked information in this house while we ourselves know the truth.

The bone of contention between the county government and the health institutions, simply because when this money came it went to the county revenue account instead of going to the hospitals or institutions so that it can do the work that it was meant for Mr. Speaker, I just want to give that observation so that, maybe in future, we can have something which is substantial and something which we can discuss, not just bringing the report in the house as a formality. Thank you, Mr. Speaker.

Hon. Speaker: Thank you very much. As I had indicated, all these observations and recommendations will be attached together with the report as it is returned towards this process. Maybe you can talk lastly. Let us hear finance chairman.

Hon. Oliver Nzeki: Thank you Mr. Speaker, Sir. I congratulate the budget committee which did a lot of research on this and I also congratulate them because they never changed any details in the report I got in the finance report. First, they talked about revenue cartels which I talked of so I still give you thumbs, Mr. Chairman. What I could just tell Mr. Chairman, is that I think they are over estimating our collection because I can see they estimated that we collect Ksh. 2.6 billion and what we collected was Ksh. 1.2 billion which is estimated as 54 per cent under collection.

I think in this year's budget, you will either decrease the estimates of revenue collection but I can talk about this column they are talking of. Many have talked of this column. Page 6, I don't want to pre-empt what we have talked with finance officer that is the Chief Officer, we have talked about this document and as Majority Leader had said before, somebody somewhere authored the report and that is what we are discussing and what we are going to investigate and know whether it was authored. As it is, that is why most of the members are complaining this month we collected this one this month we collected this one but somebody somewhere just found it better to just, if it is Ksh. 200 million, he divided it to twelve months then he just inserted amount which equaled to Ksh. 200 million so I congratulate the committee on budget and we should not throw the document away.

We are just giving out recommendations. I will just recommend that, as they said that the staffing of treasury should be checked upon, we need people of integrity and people who can give us money and who cannot steal from revenue collection points. Thank you Mr. Speaker, Sir.

Hon. Speaker: Thank you. We can hear hon. Mueni and then finally we hear the mover of the motion

Hon. Bernadette Mueni: Thank you Mr. Speaker, Sir. I think the executive is taking us for granted and they are not bringing the right things to the house. Our able chairman here, I know he works very hard, even the finance committee works so hard. The problem is with the finance executive. The other thing is that, I don't know whether there is any ward, that the nursery classes were built and that is what we were promised from the word go. Every ward we are going to have a class for nursery---

Hon. Speaker: Hon. Mueni, did you have a moment to go through the outlook paper?

Hon. Mueni: Thank you but mine is to complain about the executive. I think they should be serious about this house. Thank you.

Hon. Speaker: Thank you very much. Let us hear the chairman. You had an opportunity to speak, hon. Nzoka. Let us hear the chairman.

Hon. Muinde: Mr. Speaker, I believe this county government is our baby which is now two years old and I believe we will not throw the baby away and retain the bath water but we just throw away the bath water and retain the baby. Mr. Speaker, as we talk tough on the executive, we sometimes do, I do, Mr. Speaker, we will need to correct them with love and guide them for inexperience could also be part of this and the teething problems of devolution could also be taking a toll on it but I rise to put some clarification on the points raised by the hon. member for Ndalani, Hon. Muthuka but Mr. Speaker, I want to let the house remember that in the year 2013/14, we budgeted for a total figure of Ksh. 8 billion and that was the global figure for the entire county government and by the time we passed the budget, the health sector was not fully devolved so we never ever budgeted for them until sometimes later through a supplementary when they were devolved.

We had to struggle with the wage bill for the health workers which is above Ksh. 1 billion alone and it is true that even after budgeting for Ksh. 8 billion, Ksh. 5.4 billion of the money and it is contained in page 2 of our report, the outlook paper, the Machakos county government did not receive the whole Ksh. 5.4 billion. Out of it is Ksh. 414 million which was conditional grants through the donors and it was to pass through the national government. It was not received and this is a fact.

We also did not receive Ksh. 0.5 billion from the national government which was money deducted by the CS Treasury Rotich while disbursing money to this county. In total we did not receive Ksh. 0.9 billion out of the Ksh. 5.4 and out of the budgeted Ksh. 2.6 billion local revenue, this county only managed to collect ksh. 1.2 billion and the reasons for the underperformance, the reasons highlighted on page 5 and 6 of the outlook paper by the CEC finance herself meaning therefore that this county, in total, had actual receipts of Ksh. 5.7 billion.

This is actual money we spend on recurrent expenditure and on development expenditure and therefore the programs that were budgeted for, that is development programs and that began, it meant that a spillover to the year 2014/15 was experienced and these are what we are currently calling debts that emanated from 2013/14. The bulk of the budget for the 2014/15 has been used to pay off some these debts and we are not yet out of the woods. Only Ksh. 1.3 billion has been paid so a budget of Ksh. 8 billion, the actual receipts was Ksh. 5.7 billion and that created the hole that we are in.

These are facts I wanted just to clarify so that the hon. member for Ndalani and other members can get to know this. Mr. Speaker, I also want to say community hospitals have been built. It depends on the contractors that won the tenders. The ECDE centers are under

construction. I have an example, in my ward, my community hospital is complete and the contractor is waiting to be paid. Two ECDE centers, the contractors who were given in Ekalakala are complete and they are waiting to be paid. Only I want to dispute that works are 75 per cent or rather said by the hon. Member for Machakos Central, that there are works that are incomplete.

Yes there is underperformance in the Executive but please again, I reiterate, let us not throw the baby and retain the bath water but let us retain the baby for we need the baby to grow and live with us. Thank you, Mr. Speaker.

Hon. Speaker: Thank you very much, chairman. Hon. members.....Hon. Nzoka you had contributed in this. Then, I give you the last opportunity because we are concluding debate.

Hon. Nzoka: Thank you Mr. Speaker, Sir. I needed to respond a bit---

Hon. Speaker: You don't need to respond. The mover has already spoken.

Hon. Nzoka: Yes, I am saying I wanted to highlight something which I was expecting when I was coming to hear this document and I am somehow surprised that our chairman of the budget committee has agreed that he received this document and he went on with his committee to make recommendations without interrogating the source of the document or the author of the document because what is here is what was given by the chairman finance and he has accepted that. What I was expecting is that after the finance gave out this document, it had highlighted everything so I was expecting when he go to sit with his committee to interrogate details of this and come in this house with information. This was this way because of this, according to what he has done but what he has told us is what he was given this document, he just went on with his committee to make recommendations and that is what is here. Again about the community hospitals, in my ward I want to draw attention to this house---

Hon. Speaker: Hon. Nzoka, let us hear from the chairman first. Sorry, just wait chairman. Are we handling the document that was being handled by the finance? Let us hear that first. Otherwise, if it is not the position then you are misleading the house.

Hon. Muinde: Mr. Speaker, with all humility I realize we are different levels. We are handling the county budget review outlook paper and a few days ago or a month ago, we were dealing with the income and expenditure report. Mr. Speaker, they are two different reports. I urge hon. members to be taking a bit of their time to read what is presented to the house before they contribute. I humbly submit this Mr. Speaker.

Hon. Speaker: Thank you. Hon. Members, we have lost opportunity because you are misleading the house and you are out of order.

(Question put and agreed to)

Let us proceed.

ADJOURNMENT

Hon. Speaker: in the absence of any further business, then the house adjourns until tomorrow morning. Thank you and have a good day.

The House rose at 3.59 p.m.