

REPUBLIC OF KENYA
MACHAKOS COUNTY ASSEMBLY

OFFICIAL REPORT

Wednesday, 5th April, 2017

The House met at 2.31 p.m.

[The Speaker (Hon. Mung'ata) in the Chair]

PRAYERS

Hon. Speaker: Good afternoon Hon. Members. Let us proceed.

MOTIONS

FINANCIAL STATEMENTS OF MACHAKOS COUNTY GOVERNMENT UPTO 30TH
JUNE, 2015

(Hon. Kanui on 04.04.2017)

(Resumption of Debate on the Motion tabled on 29.03.2017)

Hon. Speaker: Yes, Hon. Winston Kanui.

Hon. Kanui: Thank you, Mr. Speaker, Sir. Report of Auditor General by the County Public Accounts and Investments Committee on the financial statements of county government of Machakos for the year ended 30th June, 2015. It is a debate and I request the members because we had given them time to go and read the report, to debate and dispense the report as soon as possible so as to give me the chance of bringing other reports which have been pending. Thank you, Mr. Speaker, Sir.

Hon. Speaker: Thank you. You remember yesterday we gave time for members to go through the report, therefore I will urge for contributions. The request for more time was postulated by Hon. Kyuli, he can open debate. Then in his absence the floor is still open.

Hon. Katela: Thank you, Mr. Speaker, Sir. I think as you can read the faces of these members, they are in a mourning mood after the Deputy Governor has been denied ticket by Wiper. So, I think they need to Kangaroo a bit and see their way forward. I don't think they will have time to---

Hon. Speaker: Hon. Katela you are out of order.

(Laughter)

The matter before this House is the matter of audit report as presented by Hon. Kanui. If there are no contributions of the matter, then the House is deemed that the report is adopted. Yes.

Hon. M. Mutuku: Thank you, Mr. Speaker, Sir. As a member of this committee, I would like to assure the House, we as a committee we are in a position to represent them and we went through the report and we would like to assure you that there was value for the money in line with the report and we would like to request the House to pass the report the way it is. Thank you.

Hon. Speaker: Hon. Kathinzi.

Hon. Kathinzi: Thank you, Mr. Speaker. As I support this document, I would like to request that you give some guidance as to why this report is for 2015 and now it is 2017; which is long overdue. Some of the information in the document as I have seen in page two, you realize that, they are talking of DANIDA funds which was debated long time ago and there are some discrepancies between the exchequer amount and the Controller of Budget amount which is differing with almost Ksh. 24 million, Mr. Speaker.

So, these are things of high credibility to take some time, if we form some cell groups to discuss and see, instead of passing the report as a blanket without knowing exactly what is inside, Mr. Speaker. It is a plea of supporting the chairman of PAIC to at least you allow the House so that we can go and have some sittings and in the next sitting, perhaps Mr. Speaker, we can go through because there are some weighty information which we have been talking about and also see whether what is captured here corresponds with the reports of various committee reports which have been coming in the House, so that we can be able to analyze the whole report. Thank you.

Hon. Speaker: Chairman, Hon. Kanui what the matter that is being raised about the year 2015?

Hon. Kanui: Thank you, Mr. Speaker, Sir. I think I brought the report because I said the former chairman was not feeling well and when I took over the committee there was a time-lapse and I felt we should dispose this report and Hon. Kathinzi should raise issues which are pertinent but now he is raising stories because we gave him the report the day before yesterday, he ought to come out with something which is tangible. I don't think he has anything he wants just to confuse the House and I feel the feeling of the House is that we pass the report as it is and continue with other reports because we need to do the report before and other reports before the House adjourns *sine die*. Thank you, Mr. Speaker, Sir.

Hon. Speaker: Hon Kathinzi, you were here when the chairman was presenting the report, he explained the reasons for delay and yesterday we gave time so that members could read the report and contribute today. That is why we and that is why we are having today's sitting on the matter. So your request for more time is denied. Now you can make substantive contributions.

Hon. Kathinzi: Thank you, Mr. Speaker. As one Kamba saying which says, in quotes, *kila kyaneenwa ni asungu, aindi maileaa* (what the Europeans say, Indians don't contradict) and we are ready to contribute Mr. Speaker as you can see this report, I passed through the document and

I can see what we have talking about in terms of performance of the executive because this is execution duty which we are trying to do a bit of oversight, Mr. Speaker, the Controller of Budget is in line with what we have been saying.

Hon. Speaker: Yes, point of order.

Majority Leader (Hon. Mwonga): Mr. Speaker, I think it is in order for Hon. Kathinzi to translate his quote assuming that the Chair is not a Kamba or they don't come from the same community, Mr. Speaker. So, I think it is in order.

Hon. Speaker: I agree and I am sure it was an oversight. Kindly translate.

Hon. Kathinzi: Mr. Speaker, I think it should be in order also for the Majority Leader to quote the Standing Order which says that that should be translated because I did put it in quotes.

Hon. Speaker: I agree. Both of you are out of order because none of you is even referring to the Standing Orders but now I direct, kindly translate for the sake of the records of the House.

Hon. Kathinzi: Okay. Thank you, Mr. Speaker. That means because Hon. Kanui is the chairman of the committee and I am a non-member of that committee and he is the chairman of that committee which I don't belong to, I don't sit in those sittings whereby somebody is earning some responsibility allowance, I am a very minor member in terms of responsibility, so I take position of a *muhindi* (Indian) he takes the position of a *mzungu* (European). That is it.

Hon. Speaker: Proceed. I am not sure whether you are right but proceed.

(Laughter)

Hon. Kathinzi: That is the true translation.

Hon. Speaker: Okay

Hon. Kathinzi: So, Mr. Speaker, if you go to the issues of revenue on page two which I had stated, I think the Controller of Budget has given a true and clear illustration of how reports should be because she has given a discrepancy of about.....item number two, page two in item 2.1 exchequer releases from the national treasury where the statement of receipts and payments reflects the receipts from the exchequer amounting to Ksh. 6,062,711,461 and this differs with the records maintained by the Controller of Budget amounts of Ksh. 6,087,031,461 resulting in a different of about Ksh. 24 million, Mr. Speaker.

So that discrepancy if you can check from the various reports of this House, you will find that Ksh. 24 million Kenya has been very well captured by various committees in this particular assembly, Mr. Speaker and so therefore we can see our part of legislation and oversight, at least we can give this House a credit for that because this figure, I can remember it has been highlighted in another committees but you ask a simple question to yourself as a member of this assembly as to why this discrepancy is there. So, then that means there is a loophole of fraudulent withdrawals of money to other departments.

As I support this document, Mr. Speaker, the management response, they have given it very well that the classification that is just down there, you find that the management response which they say the Controller of Budgets says the classification of Ksh. 24,320,000 as proceeds from the domestic and foreign grants was for purposes of differentiating it from equitable receipts from national government as it falls under conditional grants. So these are issues, Mr. Speaker, we have been talking of over and over again and I now support the chairman, that because I passed through this document personally, but it has a lot of mathematical calculations which I believe to many students it is a challenge and so I believe in the assembly it is not so.

So, I believe that most of the members have understood this document. So, I support it but it is also good that we take more time and try to analyze the document again to see exactly what KENAO is talking about *vis-a-vis* what the assemblies are talking about and also in the committee sittings because when we give so allocation to a certain purpose in a certain vote and then there is the supplementary budget of the same and that supplementary budget is not shown in after the final document is prepared and that means it is a lot of losses within the transfer of funds from one country to the other. That is why we have this document, it is very important and as I can see, from that particular point of view which I have tried to see it is also well elaborated.

Mr. Speaker, you go to page, I want to take the House to page eight of this document. There are some worries there Mr. Speaker in that chart under item number 3.2.1 expenditure with huge increase which says 'included in the use of goods and services, total expenditure of six expenditure items that had huge increases compared by prior year as detailed below.' You see that chart, Mr. Speaker, there are utilities, supplies and services where there is a huge decrease or increase.

That is a huge increase because you can go to column of 2013/2014 financial year, you find that the utilities and supplies, when we know in this particular one, we started the county governments in the 2013/2014 financial year so we expect the utilities, supplies and services to at least be commensurate or increase with a smaller percentage but this one is more than double because Ksh. 18 million times two you get almost Ksh. 36 million.

In the following year which is 2014/15 financial year, you find that the increase was over Ksh. 29 million. There is a worry of the guy who is going to analyze this particular report. You go to communication the same happens. In fact, for the first utility, supplies and services, it is more than 162 per cent increase. You go to item of specialized materials. This one is very well elaborated, increase of 261 per cent which according to....and I think some of these calculations are the ones which at some time bring some confusion when we are trying to reallocate the funds to other departments because of this huge percentages.

So, Mr. Speaker I can say this is a document which is very sensitive and for the fuel, oil and lubricants, this one can be understood. I can try to debate.

Hon. Speaker: Hon. Kathinzi, when you look at this document and particularly the management response on page eight, it says 'the increase in communication and utilities arose due to additional the additional staff engaged, internet connectivity, its accessories to the sub-counties, establishment of core centres, establishment of emergencies, streamlined *mulika mwizi* (floodlights) I am sure perhaps if we had read that particular paragraph you will be different.

Hon. Kathinzi: Mr. Speaker as I continue supporting, we are reading from the same page. I think that was after because I was also depending on the government in a partial way that fuel, oil and lubricants, you find that the percentage is 382. But remember as a House, we can remember that in 2014/15 financial year is when we bought all the ambulances, and all the inspectorate cars

whereby the fuel and lubricants we expected the percentages to be too high. That one is acceptable but for other minor issues like increase of 162 percent for utilities, and also for *Mulika Mwizi* (floodlights) which are not up today is not working, at least we demand some explanation from the executive.

So it is a good document, it reflects the will and the wish of the people of Machakos because this is the naked truth. It says, this one is misused, this one is in good order, so I think it is something we need to keep next to our Bible. After you read your Bible tomorrow in the morning, you also read this to know the progress of the county. Thank you.

Hon. Speaker: Yes, yes, chairman.

Hon. Nzeki: Hon. Speaker, we go to page two, that has been the story in the reports of revenue collection committee and I am happy that everything has been shown and written in black and white here so the committee has been doing this job and it is clear that the Ksh. 24 million has been mentioned in our reports. So, I support the report on revenue collection and distribution of funds.

If you happen to go to page 24, Hon. Speaker, 7.6 on purchase of fertilizers. I have gone through the report and if you happen to go to management response, here it says 'however, the same has now been provided including the list of beneficiaries for your audit review.' So, there is a list which is supposed to be shown in appendix XI and I have tried to go through the report and checked the appendix XI and I could not get it. Can the Hon. Chairman respond on that Mr. Speaker but still I support the document.

Hon. Kanui: Thank you, Mr. Speaker, Sir. The responses are there, they are in our secretariat and they are in bulk, they are in my box files and if you want to refer you can go to our secretariat you will be able to see that and one thing members, I should say that the report of the Auditor General is a postmortem exercise and gives the recommendations of the committee on the way forward.

It is not the real treatment that is a way of providing treatment in future so that the shortcomings can be corrected with time. So, it is the work of the committee to highlight the weak points so that in the next budget or in the next period the time whose changes or the problems which have occurred will not be occurring.

Mr. Speaker, Sir, I would wish to request you again to put the question because our committee does postmortem after the death but we have no alternative except to report what we have reported. Thank you, Mr. Speaker, Sir.

Hon. Speaker: I agree with the chairman that he has done what he could. The Hon. Nzeki had time to look at appendix 11 since yesterday and I proceed to put the question.

(Question put and agreed to)

Let us proceed.

MACHAKOS AGRICULTURAL TRAINING CENTRE REPORT

(Hon. Ndolo on 28.03.2017)

(Resumption of Debate on the Motion tabled on 28.03.2017)

Hon. Muli: Thank you, Mr. Speaker, Sir. The motion I had laid last week. I would like to request know to allow me Mr. Speaker, to first read through the report.

Hon. Speaker: Proceed.

Hon. Muli: Okay. Speaker, Sir, the Agriculture and Co-operative Development committee discussed the challenges that face the Agricultural sector in Machakos County. The committee identified Machakos Agricultural Training Centre as one of the key players of the agricultural sector and resolved to conduct fact finding missions at the Center in order to understand how it has been assisting the farmers in the County and also understand the challenges that impede the once robust Agricultural Training Centre.

The committee held a consultative meeting with the Chief Officer, department of Agriculture, and the ATC principal and conducted site visits in bid to understand the management of the ATC, he challenges that it faced and how best the County government should support the Centre.

Mr. Speaker, Sir, the committee of Agriculture and Co-operative development is established pursuant to the Second Schedule of the Standing Orders with specific mandate on to all matters related to agriculture, including crop and animal husbandry, livestock sale yards, county abattoirs, plant and animal disease control, irrigation, fisheries, cooperative societies and veterinary services (excluding regulation of the profession).

Mr. Speaker, Sir, the committee has 13 Hon. Members as laid in the report. Mr. Speaker Sir, Agricultural Training centers were started in Kenya in the 1950s after the launching of the Swynnerton Plan, which called for intensification of African Agriculture. The centers are managed by the principal who in turn has a team of casuals who handle the day to day activities at the Centre. In every Agricultural Training Centre there are two interdependent sections namely; the school and the farm. The school comprises of the training facilities including classrooms and conference rooms while the farm comprises of two sections; the demonstration plots of various crops and the animal enterprises.

Mr. Speaker, Sir, the committee was informed that the primary objective of an Agricultural Training Centre School is provision of training facilities and/or organizing for training/courses for farmers and stakeholders aimed at bringing about change in the knowledge, attitudes and skills of farmers and enhancing receptiveness to emerging skills and technologies.

The specific objectives for ATCs are:

- a. To improve access to agricultural technology and information.
- b. Provide quality training facilities for agricultural development.
- c. Promotion of sustainable land use and conservation of natural resources.
- d. Promote value-addition and utilization of agricultural produce.
- e. Promote commercialization of agricultural enterprises.

The following are the core functions of ATCs:

- a. To offer residential and non-residential training on relevant farming technologies backed with practical demonstrations;

- b. To provide training facilities to farmers and to other stakeholders involved in agriculture and development.
- c. To maintain a model farm for training purposes and for demonstration to stakeholders in Agriculture;
- d. To provide facilities for and participate in carrying out adaptive on-farm trials of relevant technologies
- e. To serve as bulking centers of plant materials and multiplication of livestock for farmers; and
- f. To generate revenue for self-financing of commercial activities.

Mr. Speaker, Sir, the Demonstration Farm Fund (DFF) was created by the National Government specifically for running of commercial enterprises at the ATCs and was established by the Exchequer and Audit Act, Cap 412 Laws of Kenya, through the LEGAL NOTICE No.456 of 11th October, 1990.

The objective and purpose of the DFF Fund was to provide funds for development and running of the commercial farms at the ATCs on a revolving basis with the ultimate goal of making the ATCs self-sustaining. The core income generating enterprises are livestock (dairy and Beef), perennial crops (tea, coffee and sugarcane) rain-fed and irrigated horticultural crops, commercial and seed production of annual food crops. From the sale of farm produce ATCs were able to raise revenue Demonstration Farms Fund (DFF- FARM)

Mr. Speaker, Sir, the ATC principal informed the committee that after devolution came about the ATCs was devolved and the County Government took over the management of these centers. The existing DFF fund account was closed and at that point, operations at the ATC went to a decline stage because of inadequate funds to run the operations at the Centre.

Mr. Speaker, Sir, the Principal informed the committee that before devolution the ATC had a revolving Fund that ensured effective running of the centers but after devolution the Fund was terminated.

Mr. Speaker, Sir, the committee conducted several fact finding missions at the Machakos Agricultural Training Center and observed that they were in a deplorable state with most of the existing facilities closed specifically the training rooms, dormitories and the kitchen. It is important to note that these facilities used to provide funds for the day-to-day management of the ATCs.

Further, Mr. Speaker Sir, it was also noted that the dairy cows had not received artificial insemination since the year 2013 citing poor management/ lack of funds for the exercise. The principal informed the committee that the casual workers had worked for more than three months without pay thus reducing their morale.

Mr. Speaker, Sir, the committee observed generally that after devolution, the ATCs started facing many challenges majorly due to inadequate and untimely availability of funds.

Mr. Speaker, Sir, informed by the consultative meeting held amongst the stakeholders and the committee's observations, the committee made the following recommendations;

1. That the department of agriculture should give special focus to the ATC by ensuring that the center is adequately funded and also ensure that it is provided with a vehicle that will assist in logistical movements.
2. That all arrears due to the ATC casuals should be paid without further delay.
3. That the casuals who have been working at the ATC should be absorbed by the County government since they have served at the center for many years and have the requisite experience required for working at the institution.

4. That the Department of Agriculture should expand and modernize the ATC so that it keeps up with the changing technological trends.

Mr. Speaker, Sir, the committee is grateful to the Office of the Speaker and that of the Clerk to the County Assembly for the support accorded during the committee sittings. I wish to express my appreciation to the Hon. Members of the Agriculture and Co-operative and Development committee who diligently sacrificed their time to participate in the activities of the committee and preparation of this report.

Mr. Speaker, Sir, it is therefore my pleasant duty and privilege, on behalf of the Agriculture committee to table this report on the Machakos Agricultural Training Centre in this Hon. House for consideration and adoption. Thank you Mr. Speaker Sir.

Hon. Speaker: Thank you. Hon. Members, the report is before us, I welcome contributions. I take it that Members are happy with the report. Yes, Hon. Majority Leader.

Majority Leader (Hon. Mwonga): Thank you, Mr. Speaker. I want to start by applauding the committee and the Chairman for a job well done. Mr. Speaker, last week we had a motion on ATC and I am wondering whether some issues which are here were not highlighted when the mover of that motion which came into a conclusion that we should have an *ad hoc* committee. Mr. Speaker, I think I needed some clarification before I contribute on this report because there could be clash of interests on this.

Hon. Speaker: Just proceed with your contribution first.

Majority Leader (Hon. Mwonga): Thank you Mr. Speaker, for allowing me to contribute and mine is just to support the adoption of the report as per the recommendations of the committee.

Hon. Speaker: Chairman, we resolved it last week about a matter on ATC. What is your position?

Hon. Muli: Mr. Speaker, as the question which was laid, we considered the issue of ATC as a sector which is very independent and because the issue was touching about the chicks, I had already prepared to do a research on the issue of chicks because those were the Governor's manifesto. Therefore, Mr. Speaker, we only considered the running and the situation of the ATC not only the activities which are being carried there because Mr. Speaker, they are part of the Governor's manifesto and they need to be taken independently. Thank you, Mr. Speaker.

Hon. Speaker: Even then Chairman, it seems there is a matter that is pending before the House. Don't you think it will be appropriate that you hold further debate on this report until we receive that special report from the special committee that is already appointed?

Hon. Muli: Thank you, Mr. Speaker, I have no objection. If there is any issue which we raised and also heard more details about the ATC, I will be comfortable, Mr. Speaker.

Hon. Speaker: Thank you. Maybe Hon. Members, let us direct that the debate on this report be held until we receive the report by the special select committee.

EASTER RECESS 2017

Majority Leader (Hon. Mwonga): Thank you, Mr. Speaker.

Mr. Speaker, Sir, that aware that the Assembly has been in session since 14th March, 2017;

Aware that the session has been very busy and that Members need a break to celebrate Easter Holidays with their families, with their electorates and participating in party nominations that will take place in this month of April in preparation of 8th August, 2017 general elections;

Noting that the House approved an Assembly calendar which guides the House when to have a break and when to resume sittings;

Aware that the Assembly calendar indicates that, the House should adjourn for recess from 7th April, 2017 up to 8th May, 2017;

Aware that, the Assembly changed the hours of House sittings from Thursday 2.30 p.m. to Tuesday 10.00 a.m. and acknowledging that, this is the last plenary sitting for this week;

Mr. Speaker, Sir, I wish to move the motion that, this Hon. House adjourns its plenary sittings from today Wednesday, 5th April, 2017 and resume on Tuesday 9th May, 2017.

Mr. Speaker, I want to call upon Hon. Raphael Mutuku to second the motion.

Hon. R. Mutuku: Thank you, Mr. Speaker, Sir. Mr. Speaker, Sir, I stand to second the motion that this House adjourns its plenary sittings from today Wednesday, 5th April, 2017 and resume on Tuesday, 9th May, 2017. Mr. Speaker, this is just a procedural motion. We adopted a calendar for the House that should guide the House when to break for recess and when to reconvene back for the plenaries. I stand to support that we adjourn our sittings until 9th May, 2017. Thank you, Mr. Speaker, Sir.

Hon. Speaker: Thank you, I hope there is nobody with a contrary opinion. I agree with the Hon. Member of the panel that this is a position for a procedural matter and the motion will be granted. Any other motion.

ADJOURNMENT

Hon. Speaker: Then the House adjourns until the break.

The House rose at 3.10 p.m.