

REPUBLIC OF KENYA
COUNTY GOVERNMENT OF MACHAKOS



COUNTY ASSEMBLY OF MACHAKOS

THIRD ASSEMBLY

REPORT
OF
FINANCE AND REVENUE COLLECTION COMMITTEE
ON
COUNTY RECEIVER OF REVENUE FOR THE FIRST AND SECOND
QUARTERS OF FINANCIAL YEAR 2023/2024

MAY, 2024

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ABBREVIATIONS / ACRONYMS

ATC:	Agricultural Training Center
CECM:	County Executive Committee Member
CO:	Chief Officer
COOP:	Cooperative Bank of Kenya
CRF:	County Revenue Fund
FY:	Financial Year
ICT:	Information Communication Technology
KCB:	Kenya Commercial Bank
NHIF:	National Hospital Insurance Fund
OSR:	Own Source Revenue
PFM:	Public Finance Management Act
SBP:	Single Business Permit

1.01
1.11

FOREWARD

Article 183(3) of the Constitution of Kenya 2010 provides that the County Executive Committee shall provide the County Assembly with full and regular report on matters relating to the County. Further, Article 185 (3) of the Constitution of Kenya 2010 provides that a County Assembly, while respecting the principle of the separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organs.

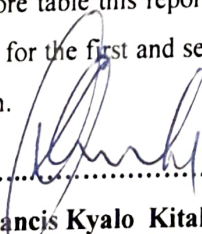
Section 166(1) and (3) of the Public Finance Management (PFM) Act, 2012 provides that, an accounting officer for a county government entity shall prepare for each quarter of the financial year in respect of the entity and submit the same to the County Treasury not later than fifteen days at the end of the quarter. In addition, Section 166(4) PFM Act requires the County Treasury to consolidate the quarterly reports and submit them to the County Assembly.

Pursuant to these provisions of the Constitution and the PFM Act, the County Receiver of Revenue for the County Government of Machakos submitted the revenue statements for the period ended 31st December, 2023 on 31st January, 2024.

The Financial Statements reveal that the County collected Kshs. 314,815,608.00 against a target of Kshs. 1,217,365,234.00 for the half year under consideration. This amount also represents 7.6 percent of the total year target of Kshs. 4,006,879,962.00. From this information, it can be observed that, own source revenue performed poorly in the first half of the financial year 2023/2024. The other concerns that can be observed from the report are: reporting of nil collections for level 4 & 5 hospitals, delaying in sweeping revenue to County Revenue Fund (CRF) account, operation of 17 revenue collection accounts and delay in sweeping of funds to CRF in the first half of FY 2023/2024.

The County Executive Committee Member for Finance, Economic Planning, Revenue Management and ICT need to put up measures that will lead to increase in own source revenue. Such measures include: deliberate management of human resource, employment of ICT in revenue collection, having clear policies on banking of County revenue and firm dealing with officers who may be diverting county revenue.

I therefore table this report of the Finance and Revenue Collection Committee on receiver of revenue for the first and second quarters of the financial year 2023/2024 for consideration and adoption.

Sign.....  Date: 14-5-2024

Hon. Francis Kyalo Kitaka (MCA, Ndalani Ward)

CHAIRPERSON - FINANCE AND REVENUE COLLECTION COMMITTEE

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1.0 PREFACE

1.1 Establishment of the Committee

1. The Finance and Revenue Collection Committee is a sectoral Committee of the County Assembly of Machakos established pursuant to Standing Order No. 190 whose functions pursuant to Standing Order 190 (5) are as follows:
 - (a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;
 - (b) To study the programme and policy objectives of departments and the effectiveness of the implementation;
 - (c) To study and review all county legislation referred to it;
 - (d) To study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
 - (e) To investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the Assembly;
 - (f) To vet and report on all appointments where the Constitution or any law requires the Assembly to approve, except those under Standing Order 184 (*Committee on Appointments*); and
 - (g) To make reports and recommendations to the Assembly as often as possible, including recommendation of proposed legislation.

1.2 Mandate of the Committee

2. In accordance with the second schedule of the Standing Orders, the Committee is mandated to consider all matters relating to the management of County public finance and revenue collection.
3. In executing its Mandate, the Committee oversees the following Departments which are under the County Executive Committee Member for Finance, Economic Planning, Revenue Management and ICT;
 - (a) Finance;
 - (b) Revenue Management

1.3 Committee Membership

4. The Finance and Revenue Collection Committee as currently constituted comprises of the following thirteen Honorable Members:

1. Hon. Francis Kitaka - Chairperson

- | | | |
|-----|----------------------|--------------------|
| 2. | Hon. Paul Wambua | - Vice Chairperson |
| 3. | Hon. Lloyd Mutua | - Member |
| 4. | Hon. Francis Kavyu | “ |
| 5. | Hon. Judas Ndawa | “ |
| 6. | Hon. Irene Mulu | “ |
| 7. | Hon. Hellen Ndeti | “ |
| 8. | Hon. Daniel Muindi | “ |
| 9. | Hon. Jackson Ndaka | ” |
| 10. | Hon. Grace Bahati | “ |
| 11. | Hon. Paul Muli | “ |
| 12. | Hon. Boniface Katiti | “ |
| 13. | Hon. Anna Ndilo | “ |

1.4 Committee Secretariat

5. During the consideration of the report on revenue statements for the financial year ended 31st December, 2023 for the Receiver of Revenue of the County Government of Machakos, the Committee was facilitated by the following secretariat:

- | | | |
|-----|---------------------|-----------------------------|
| (a) | Mr. Dominic Musyoka | - Principal Clerk Assistant |
| (b) | Mr. Samuel Mutua | - Clerk Assistant |
| (c) | Ms. Emma Nthenya | - Hansard Officer |
| (d) | Mr. Shadrack Mbithi | - Fiscal Analyst |
| (e) | Mr. Kiptum Joel | - Sergeant-At-Arms |

1.5 Acknowledgement

6. The Finance and Revenue Collection Committee is grateful to the Office of the Speaker and that of the Clerk to the County Assembly for the support accorded during the execution of this task. I wish to express my appreciation to the Honorable Members of the Committee who sacrificed their time to participate in the consideration of the report of the County Receiver of Revenue for first half of FY 2023/2024 and in preparation of this report.

2.0 BACKGROUND

7. Section 157(1) of the PFM Act, 2012 provides that, the County Executive Committee member for finance shall, in writing, designate persons to be responsible for collecting, receiving and accounting for such county government revenue as the County Executive Committee member for finance may specify in their letters of designation. Pursuant to this provision, Mr. Julius Kasanga, Chief Officer - Finance was designated on 3rd April, 2023 by the County Executive Committee Member for Finance to be the receiver of revenue for the County.
8. Article 183(3) of the Constitution of Kenya 2010 provides that the County Executive Committee shall provide the County Assembly with full and regular report on matters relating to the County. Further, Article 185 (3) of the Constitution of Kenya 2010 provides that a County Assembly, while respecting the principle of the separation of powers, may exercise oversight over the County Executive Committee and any other County Executive organs. In addition, Section 166(1) and (3) of the PFM Act, 2012 provides that, an accounting officer for a county government entity shall prepare for each quarter of the financial year in respect of the entity and submit the same to the County Treasury not later than fifteen days at the end of the quarter. Section 166(4) of the PFM Act, 2012 requires the County Treasury to consolidate the quarterly reports and submit them to the County Assembly.
9. Pursuant to section 166 of the PFM Act, 2012, the receiver of revenue submitted Revenue Statements for the financial year ended 31st December, 2023 on 31st January, 2023. The report was tabled in the House and committed to the committee on 14th February, 2023.

3.0 REPORT OF COUNTY RECEIVER OF REVENUE FOR THE FIRST AND SECOND QUARTERS OF FINANCIAL YEAR 2023/2024

3.1 Own Source Revenue Collected over the Period under Review

9. The receiver of revenue anticipates to collect to Kshs. 4,006,879,462.00 in the FY 2023/2024 from own source revenue. As at 31st December, 2023, the receiver of revenue managed to collect Kshs. 314,815,608.00 representing 7.66 percent of the total revenue target. The receiver of revenue had swept Kshs. 295,252,931.00 to the CRF account with Kshs. 23,715,409.00 remaining in the County’s local bank accounts and M-PESA paybill but this amount has since been swept to the CRF account.
10. The Receiver cited that the high season for revenue collection is in January to April as the reason for the low collections and explains that he expects the County will realize its target for FY 2023/2024. Table 3.1 provides for a comparison between the revenue collected in the first and second quarters of the FY 2023/2024.

Table 3.1: Comparison of Revenue collected in the First and Second Quarters of FY 2023/2024

County Own Source Revenue					
	Revenue Stream	Q1 FY 23/24 (30.9.23)	Q2 FY 23/24 (31.12.23)	TOTAL FOR Q1 & Q2	% VAR FOR Q1 & Q2
1.	Cess	21,945,017.00	17,829,766.00	39,774,783.00	- 10.35
2.	Land/Poll Rate	69,093,876.00	21,840,346.00	90,934,222.00	- 51.96
3.	Single/Business permits	10,071,177.00	10,181,429.00	20,252,606.00	0.54
4.	Property Rent	398,921.00	562,281.00	961,202.00	17.00
5.	Parking Fees	20,948,504.00	20,921,004.00	41,869,508.00	- 0.07
6.	Market Fees	1,906,462.00	1,983,865.00	3,890,327.00	1.99
7.	Advertising	5,249,180.00	2,191,343.00	7,440,523.00	-41.10
8.	Hospital fees	29,446,625.00	29,606,943.00	59,053,568.00	0.27
9.	Public Health Service Fees				
10.	Physical Planning and Development	22,395,272.00	19,433,734.00	41,829,006.00	-7.08
11.	Hire of County Assets				
12.	Conservancy Administration	1,028,514.00	548,063.00	1,576,577.00	-30.47
13.	Administration Control Fees and Charges	3,441,931.00	3,286,126.00	6,728,057.00	-2.32
14.	Park Fees	120,504.00	384,726.00	505,230.00	52.30
15.	Other Fines, Penalties, And Forfeiture Fees				
16.	Miscellaneous Receipts.				
	Total County Own Source Revenue	186,045,983.00	128,769,626.00	314,815,609.00	-18.19
	Decline in revenue over the two quarters		57,276,357.00		

Source: Compiled from County Government of Machakos Report on County receiver of revenue financial statements for the second quarter of FY 2023/2024

11. From Table 3.1:
 - (i) Revenue collection for the second quarter compared to collections in the first quarter declined by Kshs. 57,276,357.00 which is about 18.2 percent.
 - (ii) Five revenue streams recorded increase in revenue collection in quarter 2 compared to quarter 1, namely: Single Business permits (SBP), Property rent, market fees, hospital fees and park fees.
 - (iii) Four revenue streams recorded nil collections in both quarters, namely: public health service fees, hire of county assets, other fines, penalties, & forfeiture; miscellaneous receipts.
 - (iv) Seven revenue streams recorded a decline in revenue collection in quarter 2 compared to quarter 1, namely: cess, land/ poll rate, parking fees, advertising, physical planning & development, conservancy administration, administration control fees and charges.

12. The reasons for failure to attain target and even record decline in collection in the second quarter are not clear and the strategies to be used to realize over Kshs. 3.6 Billion or over 92 percent of collections between January and April, 2024 have not been stated. The Committee sought clarification on the challenges in revenue collection and response is provided under section 3.4.1 (a)

13. The report from the receiver reveals that the County collected Kshs. 314,815,608.00 in the first and second quarters of FY 2023/24 which was an under performance of Kshs. 144,882,758.00 or 31.5 percent compared to collections of Kshs. 459,698,367.00 attained during the same period in the FY 2022/23. Table 3.2 provides a comparative analysis of cumulative revenue collection for the first and second quarters of FY 2023/24 and FY 2022/23.

Table 3.2: Comparison of revenue collection between second quarter of FY 2023/24 and second quarter of FY of FY 2022/23

	Revenue Stream	Q1 & Q2 FY 23/24 (31.12.23)	Q1 & Q2 FY 22/23 (31.12.22)	% VAR
1.	Cess	39,774,783.00	170,031,988.00	-76.61
2.	Land/Poll Rate	90,934,222.00	49,377,645.00	84.16
3.	Single/Business permits	20,252,606.00	21,478,398.00	-5.71
4.	Property Rent	961,202.00	2,252,990.00	-57.34
5.	Parking Fees	41,869,508.00	44,423,298.00	-5.75
6.	Market Fees	3,890,327.00	5,071,700.00	-23.29
7.	Advertising	7,440,523.00	5,467,186.00	36.09
8.	Hospital fees	59,053,568.00	27,120,563.00	117.74
9.	Public Health Service Fees			

10.	Physical Planning and Development	41,829,006.00	122,435,088.00	-65.84
11.	Hire of County Assets		1,622.00	
12.	Conservancy Administration	1,576,577.00	2,447,905.00	-35.59
13.	Administration Control Fees and Charges	6,728,057.00	9,031,090.00	-25.50
14.	Park Fees	505,230.00	558,894.00	-9.6
15.	Other Fines, Penalties, And Forfeiture Fees			
16.	Miscellaneous Receipts.			
	Total County Own Source Revenue	314,815,609.00	459,698,367.00	-31.52
	Decline in revenue over the two periods		-144,882,758.00	

Source: Compiled from County Government of Machakos Report on County receiver of revenue financial statements for the second quarter of FY 2023/2024

14. From Table 3.2:

- (i) Three revenue streams recorded increase over the two periods, namely: land / poll rate, advertising and Hospital fees.
- (ii) Four revenue streams recorded nil collections over the two periods, namely: public health service fees, hire of county assets, other fines, penalties, & forfeiture; miscellaneous receipts.
- (iii) Nine revenue streams recorded a decline in revenue collection over the two periods, namely: cess, single business permit, property rent, parking fees, market fees, physical planning & development, conservancy administration, administration control fees and charges, and park fees.

15. Further analysis of the report for the second quarter and comparison with the report submitted by the receiver of revenue for the first quarter of the FY 2023/24 reveals that the figures reported in the two periods differ. The County Receiver has not provided any comments on the differences. The report submitted for the first quarter showed that the County had collected Kshs. 103,818,570.00 in the first quarter of FY 2023/24 while the report submitted for the second quarter show that the County collected Kshs. 186,045,983.00. This represents a difference of Kshs. 82,227,413.00 that has not been explained. The Committee requested for clarification from the County Receiver on the difference in collection in the same quarter and the response is presented in section 3.4.1(h)

3.2 Analysis of Individual Revenue Streams

3.2.1 Cess

16. Revenue for cess of Kshs. 39.7 million consists of: farm produce (Kshs. 6.3 million), quarrying (Kshs. 23.7 million), livestock (Kshs. 4.2 million), fish farming (nil) and sand (5.4 million). A keen interrogation of reveals a big decline in quarrying cess from Kshs. 152.9 million to Kshs. 23.7 million over the same period in the previous FY and there is need for investigation on the decline.

3.2.2 Land/ Poll Rates

17. Revenue from land/poll rates of Kshs. 90.9 million came from land rates and was an increase from Kshs. 49.3 million recorded in a similar period in the previous year. Land penalties and interest and arrears reported nil. Persons who want to develop their land must clear all outstanding land rates before their plans are approved. This also happens for those traders obtaining SBP and as such nil reporting for penalties and interests is a point of concern.

3.2.3 Single Business Permits

18. Revenue from SBP of Kshs. 20.2 million came from annual business permit fees and there was a very small decline compared to amount reported over similar period in the previous FY. Business application fees, business permit penalties and interest and business permit arrears reported nil collections yet from practice, businesses pay application fees as well as penalties since not all that pay for SBP before 31st of March every year hence a major concern of how revenue is collected or reported.

3.2.4 Property Rent

19. Property rent collections of Kshs. 961,202.00 came from county housing (Kshs. 313,208.00), stalls/kiosks rent (Kshs. 619,479.00) and others - interest & penalty on plot & stall (Kshs. 28,515.00). Plot rent, transfer of property and tenancy agreement reported nil collections.

3.2.5 Parking Fees

20. Parking fees of Kshs. 41.8 million was collected from: Street parking fees Kshs. 1.3 million, registration fees Kshs. 757,236.00 and bus-park fees Kshs. 39.7 million. Monthly toll/ stickers fees, motorbikes fees and reserved parking reported nil collections yet there are very many motorbikes within the town and also that several businesses have reserved parking areas. In addition, small vehicles such as maruti and tuk tuk seem to be exempted from the parking fees.

3.2.6 Market Fees

21. Market fees collections of Kshs. 3.8 million was from market entry fees. Hawking fees reported nil collections yet the County has been invaded by various types of hawkers including the traders selling household wares on credit. There is need for the receiver of revenue to consider revenue collection from hawking.

3.2.7 Advertising

22. Advertising revenue of Kshs. 7.4 million came from billboard advertising and was an increase from Kshs. 5.4 million. Branding, signage, roadshows, banners, posters, tent

advertising and street pole/ clock advertising reported nil collections. All these forms of advertising are very common in the County yet they reported zero collection.

3.2.8 Hospital fees

23. Level 4 and 5 hospitals reported nil collections while and others (all hospitals and PH services) reported Kshs. 59,053,567.00. This amount was double what was reported in the same period in the previous FY.

3.2.9 Public Health Services fees

24. Public health services fees comprises of public health permit, inspection of buildings/premises/institutions, inspection for issuance of hygiene license, vaccination (yellow fever, typhoid), application for medical examination, sanitation inspection for schools and rodent control/fumigation and all of them reported nil collections.

3.2.10 Physical Planning and Development

25. Revenue under this stream of Kshs. 41.8 million came from building plan approvals (Kshs. 40.9 million) and enforcement / demolitions (Kshs. 890,755.00). The following reported nil collections: sale of county planning documents, land valuation and registration fees, change / renewal of user, signboards, occupational permits, architectural designs by county officers and hoarding fees.

3.2.11 Hire of County Assets

26. Hire of County Assets comprises of conference facilities/agricultural training centers (ATC), hire of machines/equipment, agricultural mechanization services and hire of county stadia and halls all of which reported nil.

3.2.12 Conservancy Administration

27. Conservancy administration revenue of Kshs. 1.5 million was from refuse disposal fees at Kshs. 1.4 million and noise control at Kshs. 136,119.00. The following reported collections yet the activities are vibrant: dumpsite fees, sewerage fees, sale of seedlings, public cemetery and disposal of carcasses.

3.2.13 Administration Control fees and Charges

28. Administration control fees and charges of Kshs. 6.7 million was reported from: weights & measures (Kshs. 740,734.00), fire services (Kshs.2.3 million), liquor licenses (Kshs. 3.3 million), salary refunds / advances (Kshs. 196,803.00) and others - social services & water sales (Kshs. 109,311.00). Under this revenue stream, it was only betting levy which reported nil collections.

3.2.14 Park Fees

29. Park fees of Kshs. 505,230.00 came from park entry fees (Kshs. 420,667.00) and filming

and photography fees (Kshs. 84,563.00). Lodge tariffs and levies, camping fees, and balloon landing fees reported nil collections.

3.2.15 Other revenue streams

30. The following revenue streams were included in the report even though they reported nil collections: other fines, penalties & forfeitures; miscellaneous receipts; proceeds from sale of assets; and donations & grants not received through CRF.

3.3 Bank Accounts operated by the County for the Purpose of Revenue Collection

31. The County operates the following 17 bank accounts with local banks for the purpose of revenue collection:

- (i) Machakos County Internal Revenue Account, Co-operative bank, Account No. 01141655622700.
- (ii) Machakos County Main Revenue Account, cooperative bank, Account No. 0114550377700.
- (iii) Machakos County Revenue Account Cooperative bank, Account No. 01141549052000
- (iv) Machakos County Revenue Account, KCB, Account No. 1140764594.
- (v) Machakos County Revenue M-PESA, KCB, Account No. 1176017276.
- (vi) Machakos County Building Approval Revenue Account, KCB, Account No. 1171824939.
- (vii) Machakos Town Revenue, KCB, Account No. 1144008484.
- (viii) Machakos County Liquor License, KCB, Account No. 1143572432.
- (ix) Kangundo Sub County Revenue, KCB, Account No. 1144009111.
- (x) Kathiani Sub County Revenue, KCB, Account No. 1146264518.
- (xi) Masinga Sub County Revenue, KCB, Account No. 1146264747.
- (xii) Matungulu Sub County Revenue, KCB, Account No. 1146264887.
- (xiii) Yatta Sub County Revenue, KCB, Account No. 1146274335.
- (xiv) Mwala County Health Mwala L4, KCB, Account No. 1180862678.
- (xv) Machakos County Health Family Bank, Account No. 073000052806.
- (xvi) Machakos County Revenue Account, Family Bank, Account No. 073000035792.
- (xvii) Machakos County building Approval Revenue, KCB, Account No. 1171824939.

32. The Committee sought clarification on the many number of bank accounts opened for reason of revenue collection and also transfer of funds to County revenue fund (CRF) account and response is provided under sections 3.4.1(i) and 3.5.

3.4 Engagement with the County Receiver of Revenue on the Report

33. The Committee sought clarification from the County Receiver of Revenue on a number of issues of concern on the report vide letter Ref: MKSCA/PSC/CMM/FRC/VOL. 10/6 dated 6th February, 2024 and Ref: MKSCA/PSC/CMM/FRC/VOL.10/21 dated 3rd April, 2024. The Committee also invited the Chief Officer - Finance and Chief Officer – Revenue

Management to make further clarification on the report vide letter Ref: MKSCA/PSC/CMM/FRC/VOL.10/23 dated 23rd April, 2024 (*Appendix 1*). The Chief Officer – Revenue Management appeared before the Committee on his own behalf and on behalf of Chief Officer – Finance on 29th April 2024 and addressed the concerns. The issues of concern were:

- (a) Challenges and reasons that decline of revenue collected compared to the same period in the FY 2022/2023 noting that was immediately after elections and Covid – 19 and many businesses were just recovering.
- (b) Challenges the department was facing which led to low average collection of Kshs. 500,000.00 per day in quarries and the decline of cess by over 200 percent?
- (c) The basis of setting revenue targets and provision of a breakdown of quarterly targets per revenue stream for the financial year.
- (d) Strategies put in place to maximize revenue collection.
- (e) Reporting of nil collection by some revenue streams / sub – streams.
- (f) Reasons why Level 4 and 5 hospitals are reporting nil collections yet patients do pay to get services in these facilities.
- (g) The designate County Receiver of Revenue as per Section 157 of the PFM Act, 2012 since the report indicated he was appointed on 20th July 2018 (*Provide letter for designation*).
- (h) Provide CRF account statement from 1st July, 2022 to 31st January, 2024.
- (i) Variance in reporting where Chief Officer – Medical Services reported that Machakos Level 5 hospital collected Kshs. 106 million in the first half of FY against the report of receiver of revenue showing Kshs. 59 million.
- (j) Variance in revenue collection reported for the first quarter at Kshs. 103 million in October, 2023 and at Kshs. 186 million in January, 2024.
- (k) The rationale of using 17 bank accounts for the purpose of collecting own source revenue and delays in sweeping funds from local banks.
- (l) Conflict emerging in revenue collection among the inspectorate, trade department and revenue officers.
- (m) Cash collection reported from several parts of the County.
- (n) Deployment of revenue clerks.

34. The County receiver responded to the Committee's concerns vide letters ref: MCG/FIN/CA/VOL.1/92 dated 16th February, 2024 and MCG/FIN/CA/VOL.11/8 & 9 dated 12th April, 2024 (*Appendix 2, 3 & 4*).
35. The Department also responded through the Chief Officer – Revenue Management who appeared before the Committee on 29th April, 2024 and responded to the issues orally and through a written submission vide unreferenced letter dated 29th April, 2024 (*Appendix 5*).
36. The responses to the Committee's concerns are presented in sections 3.4.1 and 3.5.

3.4.1 Responses of County Receiver on Concerns of the Committee to the Report

(a) Challenges and Reason for decline of revenue in the first and second quarters of FY 2023/2024

37. Decline in OSR was as a result of reduced capacity in terms of revenue staff workforce. The Department of Revenue Management had close to 200 employees due for retirement this year and additional staff within less than 5 years of retirement. This has led to reduced productivity in the department especially on field collected revenues. To cushion this, 438 new revenue staff have been on-boarded on a contract basis.
38. In addition, the Department pointed out that revenue collection is physically involving and require officers to walking around and waking up early especially on field collected revenues. The officers nearing retirement from 55 years and above have challenges and this impacts their productivity. The Chief Officer – Revenue Management further informed the Committee that officers due to retire get a notice of retirement 6 months to the due date. The notice requests them to start preparing and get their leave days ready. During this period the officers pre-occupation is about exit and life after retirement and productivity goes down. Further, new officers have to be trained and it takes time before their productivity reaches the optimum. It is these reasons that led to decline in revenue collection in the 1st and 2nd quarters of FY 2023/2024.

(b) Challenges faced at Lukenya quarries leading to reduced collections

39. Lukenya quarry revenue collection was majorly affected by the reduced rate of construction in the County and more so in Nairobi in the first quarter of FY 2023/2024. This led to reduced usage of building materials produced by Lukenya quarries. Lukenya quarry revenue collection has been affected majorly by extended El Nino rainfall between October 2023 and January, 2024.

(c) Basis of Setting Revenue Targets and a Breakdown of Quarterly Revenue targets per revenue stream

40. The County Receiver indicated that different quarters or months in any FY collect different amounts of OSR and this is determined by the peak and off-peak period of each revenue source. For example, all revenue streams paid annually would collect higher amounts at the start of the calendar year and during the deadline month (end of March). Such revenue streams include SBP, land rates & ground rent, refuse/ conservancy fee, motor vehicle registration, advertisement & signboards etc. Liquor license would get on peak period after the completion of inspection of liquor outlets just like sand would peak during rain seasons. Others like quarries, market, and off-street parking would be moderately uniform across months of the year. This trend of the peak and off – peak helps to set monthly cash inflows from where quarterly targets are derived from.
41. Table 3.4 represents quarterly OSR targets as derived from the information presented by the County Receiver of Revenue:-

Table 3.4: Quarterly Targets for Own Source Revenue for FY 2023/2024

QUARTERLY REVENUE TARGETS FOR FY 2023/2024	
Quarter1	566,943,923.00
Quarter2	650,421,311.00
Quarter3	1,638,186,657.00
Quarter4	1,151,328,071.00
Total	4,006,879,962.00

Source: County Government of Machakos Receiver of Revenue Reports dated 16th February 2024.

42. The examination of targets per revenue stream in the response reveals differences in the naming of revenue streams. For instance, hospital fees and public health service fees which are in the receiver of revenue report have been omitted and health revenue introduced in the response. In addition, sand gravel, quarry extraction fees are reported as cess in the receiver of revenue report while in this response, they have been reported separated and also cess reported. This is an inconsistency.
43. Further, the County Receiver of revenue presented information to compare cycles in revenue collection. Table 3.5 presents a demonstration previous FYs to indicate similar cycles of revenue collection:-

Table 3.5: Revenue Collection Cycles

	QUARTER1	QUARTER2	QUARTER3	QUARTER4	TOTAL
FY 2022/2023	195,734,529.00	224,554,874.00	565,576,177.00	443,925,679.00	1,429,791,259.00
FY 2021/2022	274,661,355.00	213,166,117.00	468,785,605.00	323,071,142.00	1,279,684,219.00
FY 2023/2024	186,045,983.00	128,769,626.00			

Source: County Government of Machakos Receiver of Revenue Reports dated 16th February 2024.

44. From Table 3.5, the cycles presented are not similar in FY 2022/2023, 2021/2022 and 2023/2024. In FY 2022/2023, the collection depict a normal curve of a gradual increase

from quarter 1 with a peak at quarter 3 before decline in quarter 4. In FY 2021/2022, the cycle represent a zigzag shape where revenue collection declined in quarter 2 before increasing quarter 3 and eventually dropping. Further, from records of the Assembly, the County did not collect Kshs. 1.279 billion in FY 2021/2022 but instead collected Kshs. 1.1 billion hence the assumption that the explanation may contain errors. In FY 2023/2024, the cycle starts high in quarter 1 and declines in quarter 2 and in the end, collections for FY 2023/24 will not be a normal curve.

(d) Strategies put in place to maximize revenue collection

45. The County receiver informed the Committee that the following strategies have been put in place to maximize revenue collection.

- (i) Continuous enforcement by teams comprising of sub-county administrators, ward administrators and inspectorate officers.
- (ii) Involvement of respective departments in revenue collection.
- (iii) Automation of revenue collection and linking of revenue system to M-PESA payment to allow only electronic payments.
- (iv) Regular rotation of revenue staff.
- (v) Employment of new 438 revenue staff.

(e) Reporting of Nil Collection by some Revenue Streams / Sub - Streams

46. The County Receiver of Revenue responded that two revenue streams reported nil collections namely: house loan repayment and agri farms. House loan repayment revenue stream receives revenues from employees and non-employees who received loans to buy houses built on defunct Local authority land by National Housing Corporation. In the agreement, the house buyer would continue channeling repayment amount through defunct Local Authority (now County Government) up to the final installments. Agri farms revenue stream receives revenues from the hire of the Agricultural Training Center (ATC) facility and sale of produce from the centre and during the period under review, no such hire or sale was done.

47. Public health revenue was reported together with Hospital fees hence did not have nil collections while other fines, penalties, forfeiture fees, miscellaneous receipts and donations/grants not received through CRF did not receive any revenue during the period under review.

(f) Reporting of nil collections by Level 4 and 5 Hospitals and collection of revenue in Level 5 Hospital

48. The County receiver responded that Level 5 and Level 4 receipts are reported under others (all hospitals and PH services). However, *the Health and Emergency Services Committee reported that Chief Officer – Medical Services had informed them that Level 5 had collected Kshs. 106 million as at 31st December, 2023.*
49. On the variance in reporting on hospital revenue at Kshs. 59 million by receiver of revenue and at Kshs. 106 million for Machakos Level 5 hospital by Chief Officer – Medical Services, the Chief Officer – Finance stated as follows:
- (i) That total collections for Machakos Level 5 was Kshs. 106,712,084.00 which included amount collected via MPESA paybill, National Health Insurance Fund (NHIF) & Linda Mama claims and NHIF reimbursement.
 - (ii) The breakdown for these collections was: MPESA paybill – Kshs. 40,440,675.00; NHIF reimbursements – Kshs. 25,216,300.00 and NHIF & Linda Mama claims – Kshs. 38,104,441.00.
 - (iii) That NHIF reimbursements are swept directly to CRF and that NHIF & Linda Mama claims are not yet paid.

(g) The designate County Receiver as per Section 157 of the PFM Act, 2012

50. The County Receiver informed the Committee that the designate County receiver of revenue appointed by the CECM – Finance was the Chief Officer – Finance, Mr. Julius Kasanga and was appointed vide a letter ref: MCG/FIN/RR/03/04/2023 dated 3rd April, 2023 (See Annex 1)

(h) Variance in revenue collection reported for the first quarter at Kshs. 103 million in October, 2023 and at Kshs. 186 million in January, 2024

51. The Chief Officer – Finance reported that the County collected Kshs. 186,045,983.00 in quarter 1 and swept to CRF Kshs. 103,818,570.00 leaving a balance of Kshs. 86,380,145.00 in revenue bank and pay bill. However, during preparation of quarter 1 statement, it was reported as Kshs. 103,818,570.00 which was the total sweepings to CRF only. Table 3.6 provides information to explain variation of OSR for quarter 1 of FY 2023/2024 as reported in the report of receiver of revenue in quarter 1 and in quarter 2.

Table 3.6: Own source revenue analysis for quarter 1 of FY 2023/2024

Description	Q1	Q2
Opening balance (A)	4,152,732.00	86,380,145.00
Sweepings to CRF (B)	103,818,570.00	191,434,361.00
Balance Due to CRF (C)	86,380,145.00	23,715,161.00

Collection for the period (D) = (C+B-A)	186,045,983.00	128,769,377.00
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Source: County Government, responses by Chief Officer – Finance dated 12th April, 2024

52. The Committee further engaged the Department on the reasons why Kshs. 86 million was not swept at the end of 1st quarter and the exact time when the funds were swept to CRF. The Department responded that local banks have clear instructions on revenue sweeping to CRF and that the amount in question was swept immediately after the closure of 1st quarter in the beginning of October, 2023.
53. The Committee confirmed that Kshs. 14,582,000.00 from Family bank and Kshs. 68,860,100.00 from KCB were swept to CRF on 2nd and 3rd October, respectively.
- (i) The rationale of using seventeen (17) bank accounts for purpose of collecting revenue**
54. The Chief Officer – Finance reported that County Executive Management wrote to Kenya Commercial Bank limited (KCB) and Cooperative Bank of Kenya limited (Co-op) requesting them to transfer funds to the County’s main revenue account and proceed to close the said accounts. However, the banks did not close all the bank accounts as requested.
55. The Chief Officer provided copies of letters addressed to the Managers of Coop bank and KCB dated 11th and 12th August, 2022 signed by the then Chief Officer - County Treasury and Chief Officer - Revenue Management. Table 3.7 provides list of bank accounts that were to be closed:

Table 3.7: List of Bank Accounts that KCB and Coop Bank were advised to close

	ACCOUNT NAME	ACCOUNT	A/C FUNDS TRANSFER
COOPERATIVE BANK			
1.	Mavoko Sub-county account	0114149052000	1415503777000
KCB			
2.	Kathiani Subcounty revenue account	1146264518	1140764594
3.	Masinga Subcounty revenue account	1146264747	
4.	Matungulu Subcounty revenue account	1146264887	
5.	Kangundo Subcounty revenue account	1144009111	
6.	Machakos Town revenue account	1144008484	
7.	Yatta Subcounty revenue account	1146274335	
8.	Machakos County Liqour licence	1143572432	
9.	Machakos County AG Farm	1146774044	
10.	Machakos County Health revenue a/c Mwala L4	1180862678	
11.	Machakos County Health revenue a/c Matuu L4	1180852672	

12.	Machakos County Health revenue L5	1180862775	1140764594
13.	Machakos County Health revenue Kathiani L4	1180862961	
14.	Machakos County LATIF funds	1142184129	
15.	Machakos County noise pollution	1146176759	
16.	Machakos County Sand harvesting	1143997557	
17.	Machakos County Tender a/c	1142999262	
18.	Machakos County tourism revenue a/c	1144879027	
19.	Machakos County weights & measures a/c	1148873899	
20.	Machakos County Health revenue Kangundo L4	1180882210	
21.	Mwala subcounty revenue a/c	1146264267	
22.	Machakos County Health revenue a/c	1144516609	

Source: County Government, appendix (c) responses by Chief Officer – Finance dated 12th April, 2024

56. The Chief Officer further informed the Committee that the County currently operates seven (7) bank accounts as follows:

- (i) Machakos County Internal Revenue Account, Co-operative bank, Account No. 01141655622700.
 - For customers who intend to pay into cooperative especially in Athiriver where there is no other bank.
- (ii) Machakos County Main Revenue Account, cooperative bank, Account No. 0114550377700.
 - For receiving revenues from Machakos County Internal Revenue Account and sending sweeps weekly to CRF.
- (iii) Machakos County Revenue Account, KCB, Account No. 1140764594.
 - For receiving revenues from customers and remittances from other KCB accounts and sending weekly sweeps to CRF.
- (iv) Machakos County Revenue M-PESA, KCB, Account No. 1176017276.
 - For receiving daily sweeps from pay bill 1616160 and sending sweeps to Machakos County revenue no. (iii) above.
- (v) Machakos County Building Approval Revenue Account, KCB, Account No. 1171824939.
 - For receiving construction approval revenues and remitting to Machakos County revenue no. (iii) above.
- (vi) Machakos County Revenue Account, Family Bank, Account No. 073000035792.
 - For customers who intend to pay into the family bank account.
- (vii) Machakos County Health Family Bank, Account No. 073000052806.
 - For receiving daily sweepings from paybill 1616161 and sending sweeps to CRF.

57. The Committee sought further clarification on the purpose of having two accounts in one bank where one account collects revenue and then remits to another account in the same bank for purpose of sweeping to the CRF. The Department responded that initially the

County government had accounts for sub-counties and some major revenue streams such as liquor among others which then remitted the revenue to a main account. All these accounts were opened for the purpose on enabling traceability of revenue sources to the main account.

58. The Committee also sought clarification on:

- (i) Retention of building approval revenue account when all the other accounts were being closed;
- (ii) Why funds held at Machakos County NHIF reimbursement accounts at KCB are remitted to a Family account before they are finally swept to CRF.
- (iii) What informed opening of bank accounts with fully privately owned as opposed to banks that have government shareholding.

59. The Department informed the Committee as follows:

- (i) NHIF reimbursement accounts transfers its collection to Machakos County revenue account held at KCB – 1140764954.
- (ii) That the County operates revenue collecting bank accounts with three banks namely: KCB, Coop and Family bank. The Family bank was opened due to unavailability of KCB and coop in Mlolongo (location of most industries in the County).

60. The Committee observes that:

- (i) The reasons for retaining building approval account have not been disclosed.
 - (ii) Remitting of NHIF funds from KCB to Family bank has been corrected.
 - (iii) The operation of Family bank seems unclear as Mlolongo has several banks.
- (j) Conflict emerging in revenue collection among the inspectorate, trade department and revenue officers**

61. The Chief Officer – Finance reported that the three sections have clear and separate mandate for each of the unit on revenue collection. Trade department identifies and invoices all customers / businesses on single business permit, market fees, plot / stall rent, outdoor advertisements, interest & penalties on stall/plot rent and weights and measures.

62. The Department of Revenue Management through revenue officers receipt all invoiced customers / business while inspectorate enforce payment by non-compliant customers / businesses.

(k) Cash collection reported from several parts of the County

63. The Chief Officer – Finance reported that the County collects all revenues electronically through MPESA or banks on revenue system or County Integrated Financial Operations & Management System (CIFOMS). The system has Point of Sale (POS) devices linked to its server for remote access and cashless receipting and there is no cash receipting option.

(l) Deployment of revenue clerks

64. The Chief Officer – Finance reported that all deployments are done on routine basis and with approval of Departmental Human Resource Advisory Committee (DHRAC). All complains for such deployments are addressed accordingly by the same committee.
65. The Committee sought further clarification on the parameters that informed the current deployment of revenue clerks. The Department informed the Committee that deployment was based on staffing gaps in various collection points. The Department considered revenue potential of the area / sub – county and revenue streams available in a sub-county.

3.5 Statement of the County Revenue Fund

66. The Committee requested for a CRF account statement from 1st July, 2023 to 31st January, 2024 from the County Receiver vide letter Ref: MKSCA/PSC/CMM/FRC/VOL. 10/6 dated 6th February, 2024 to study transfers of OSR to the CRF account. The County Receiver vide letter ref: MCG/FIN/CA/VOL.1/92 dated 16th February, 2024 provided the Committee with the requested statement which the Committee analyzed (*see annex 1*) and observed the following:
- (i) The County used three banks to collect revenue namely: Cooperative Bank of Kenya ltd (Coop), Kenya Commercial Bank limited KCB) and Family Bank limited.
 - (ii) Transfers from Coop were almost regular at an interval of 7 days i.e. weekly.
 - (iii) Transfers from KCB and Family were not regular and seemed not to have a defined pattern. The duration from one transfer to another varied from 2 to 31 days in KCB and 4 to 63 days in Family bank. This is contrary to the policy of sweeping funds to CRF account on weekly basis from the local commercial collection banks.
67. The Committee requested for a clarification from the Chief Officer – Finance on sweeping of funds to CRF vide letter Ref: MKSCA/PSC/CMM/FRC/VOL.10/21 dated 3rd April, 2024 and he responded to the Committee vide letter ref: MCG/FIN/CA/VOL.11/9 dated 12th April, 2024.
68. The Chief Officer stated that the management noted the delay in sweeping funds to CRF and engaged the officials of KCB and Family banks over the matter requiring them to fully

adhere to the weekly sweeping instructions. The Chief Officer stated that the sweepings for January, 2024 are being done weekly and provided a CRF statement for January, 2024 to confirm the issue.

69. The Committee noted that there were delays in sweeping of funds by Family bank between 19th January and 14th February, 2024 and by KCB between 31st January and 12th February, 2024. The Committee sought clarification from the Department and the department responded that the two banks had adhered to weekly sweeping of funds to CRF. The Department provided a tabulation of sweepings to CRF for month of March and part of April, 2024.
70. The Chief Officer – Finance also provided letters addressed to KCB and Coop by CECM – Finance dated 5th December, 2023 instructing and / or reminding them of sweeping revenues as per regulation 81(2) of the PFM (County Governments) Regulations, 2015 and not later than five (5) working days after receipt thereof.
71. The Chief Officer – Finance also provided a letter from CECM - Finance instructing KCB to sweep all funds held at Machakos County NHIF reimbursements account, KCB bank Machakos branch a/c no. 1179296206 be swept to Machakos County Health revenue, Family Bank – Machakos Branch, a/c no. 073000052806 every last working day of the week. This is in line with the provisions of the Facilities Improvement Financing Act, 2023.

4.0 COMMITTEE OBSERVATIONS

72. Based on the analysis of the report and the responses of the Chief Officer, the Committee made the following observations:

(a) That performance of collection of own source revenue in the first and second quarters of FY 2023/2024 was low.

73. This observation can be collaborated by the following information which the Committee flags out as red alert that the County may not attain its target in this FY.

(i) Own Source Revenue missed its targets in the first and second quarters of the FY 2023/2024 by collecting Kshs. 186 million and Kshs. 128 million respectively giving a total of Kshs. 314 million. The targets for the first and second quarters of the FY were Kshs. 566 million and Kshs. 650 million respectively giving a total target of Kshs. 1.216 billion. The amount collected represents 7.66 percent of the total target of the FY which is Kshs. 4.0 billion.

(ii) The revenue collection for the first and second quarters of FY 2023/2024 was lower than the collection of the first and second quarters of FY 2022/2023 which had a collection of Kshs. 459 million.

(iii) In the FY 2022/2023, the graph of revenue collection from first to second quarter was increasing while in the FY 2023/2024, the graph of revenue collection from the first to second quarter is declining.

(b) That collection of own source revenue in the first and second quarters of FY 2023/2024 had encountered a number of challenges.

74. The challenges include: -

(i) Aging staff and very new staff whereby close 200 employees were due for retirement this year and more others in the next five years and about 438 new revenue staff employed on contract basis in September, 2023. The aging staff are less productive while the new staff require training thus affecting revenue collection.

(ii) Decline in the global economy which has affected construction industry thus reduced collection. In addition, heavy rains in November – December, 2023 affected collections especially quarries.

(iii) Conflict between the Trade department, Revenue department and Inspectorate department in revenue collection. The revenue officers claim that some businesses have

been under- valued or over – valued in the invoices. This has caused confusion among traders. The revenue or / and trade officers are using this to solicit for bribes to issue correct invoices or to allow for corrections and payment of revenue. This has contributed to collection of revenue in cash and the emergence of imposters and cartels. Additionally, in some areas, sub-county, ward and village administrators go round collecting revenue, a mandate that is for revenue officers.

- (c) **That the management of revenue collected in local banks and operation of the accounts in local banks for revenue collection does not adhere to the Public Finance Management Regulations and advisories by regulatory bodies.**

75. This observation is collaborated as follows:

- (i) There were delays in sweeping of funds from KCB and Family banks during the first and second quarters of FY 2023/2024 of up to 63 days for Family bank and 32 days for KCB. This is contrary to regulation 81(2) of PMF (County Governments) Regulations, 2015 which provides that the receivers of revenue shall promptly pay the revenue received into CRF as soon as possible and in any case not later than five working days after receipt thereof.
- (ii) The Department in response on delay in sweeping funds indicated that, the CECM had written to KCB and Coop on 5th December, 2023 reminding them of sweeping funds to CRF as per the law but KCB and Family bank seem not to have heeded to instructions as delays in sweeping can be seen in the CRF statement for February, 2024.
- (iii) The instructions by the CECM to Manager, KCB vide letter ref: MCG/CECM/BANKS/VOL.1/38 dated 18th January, 2024 to sweep funds weekly held at KCB – Machakos branch a/c 1179296206 to Machakos County Health Revenue, Family Bank – Machakos Branch, a/c 073000052806 and the response of the Department dated 29th April, 2024 on remitting of funds to another bank instead of CRF seem to contradict. In the response, the Department informed the Committee that NHIF reimbursement accounts transfers its collection to Machakos County revenue account held at KCB a/c 1140764594.
- (iv) The Controller of Budget and the Auditor General have pointed out that operation of multiple revenue collection bank accounts is a key contributor to revenue leakage and loss. The County has opened 17 accounts in local banks for revenue collection and this coupled with delays in remitting collected cash to CRF is likely to lead to revenue loss.
- (v) The Department in response on many bank accounts for collection of OSR informed the

Committee that the County Executive had asked KCB and Coop Managers to close some of the accounts in August, 2022 but they have not been closed. In addition, the seven accounts in operation by the County are still many. The Department did not provide a response to the Committee on why building approvals have a bank account at KCB.

- (vi) On the rationale of having two accounts per bank where one is for collection and the other is a main account for sweeping funds to CRF, the Department seem not to have provided adequate response. The Department, responded that it had opened accounts for each sub – county and major revenue streams for traceability of each of revenue sources. The County closed most of these leaving two per bank where one is for collection of OSR and the other is for sweeping funds to CRF. The issue is why the collecting account cannot sweep funds to CRF?
- (vii) The reason for operating Family bank as provided by the Department seems not satisfactory since Mlolongo is served by all banks and KCB has the widest network of branches.
- (viii) The Managers of KCB and Cooperative bank by not obeying instructions issued by authorized County Officers have exposed County funds to risk. The banks need to be in the forefront by ensuring that County funds are safeguarded.

(d) Lack of commitment and clear strategies for revenue collection by the Department

76. The Department is not committed in revenue collection and this can be observed as follows:

- (i) In its response on the strategies put in place to enhance revenue collection, the Department states that it will undertake automation. The Department was allocated funds in this FY 2023/2024 for automation and if it was serious, this should have been the first project to be undertaken to ensure that the target of Kshs. 4.0 billion was attained.
- (ii) This House has reported that inspectorate officers have been accused by revenue officers and physical planners to be a hindrance to revenue collection. The Department proposes to use the same officers in revenue collection and this in itself may not yield much revenue.
- (iii)

close
the

5.0 COMMITTEE RECOMMENDATIONS

77. The Committee makes the following recommendations for the adoption by the House:

78. That the Department of Finance, Economic Planning, Revenue Management and ICT should:

- (i) Enhance the measures and strategies in place to ensure revenue collection target of Kshs. 4.0 billion was attained. This may include strategic deployment of revenue staff, penalizing those collecting revenue in cash and setting revenue targets for individual revenue clerks.
- (ii) Enhance the 'new' revenue collection mode involving Trade Department by ensuring that the invoices have serial numbers and once filled are digitized and kept electronically and used by revenue officer to receipt revenue. The revenue or trade department or a taskforce of both teams made of senior officers should later inspect whether what was invoiced is what was receipted.
- (iii) Ensure that enforcement for revenue collection is done humanely and follow due process where demand notice for payment is issued. Inspectorate officers should have a written authority from the CECM – Finance to enforce payment of revenue and in their course of duty they should be accompanied by revenue officers.
- (iv) Operate one bank account per bank for the purpose of collection and sweeping of revenue to CRF and ensure closure of all other bank accounts.
- (v) Ensure that local revenue is banked with the CRF account weekly as per regulation 81(2) of the PFM (County Governments) Regulations, Act 2015.
- (vi) The CECM to direct the Managers of KCB and Family bank to ensure that own source revenue collected and banked with them is swept to CRF account as per regulation 81(2) of the PFM (County Governments) Regulations, Act 2015. The CECM should report back to the Assembly within 14 days of approval of this report that the instructions of sweeping funds by KCB and Family bank have been issued. The CECM to strictly adhere to the regulations.

Sign..... Date 14-5-2020

Hon. Francis Kyalo Kitaka (MCA, Ndalani Ward)

CHAIRPERSON – FINANCE AND REVENUE COLLECTION COMMITTEE

ANNEX 1: TRANSFER OF FUNDS TO COUNTY REVENUE FUND (CRF) ACCOUNT

COOPERATIVE BANK LIMITED TRANSFERS		
DATE	AMOUNT	INTERVAL
04-Jul, 2023	1,620,631.00	
11-Jul	501,841.00	7
18-Jul	3,519,749.00	7
25-Jul	566,724.00	7
08-Aug	1,124,907.00	14
15-Aug	621,714.00	7
22-Aug	4,761,925.00	7
29-Aug	4,358,038.00	7
06-Sep	295,425.00	8
14-Sep	62,925.00	9
20-Sep	23,425.00	6
27-Sep	84,825.00	7
12-Oct	600,369.00	15
25-Oct	263,425.00	12
26-Oct	299,425.00	1
01-Nov	9,425.00	6
08-Nov	7,598,468.00	7
10-Nov	6,910.00	2
14-Nov	54,736.00	4
28-Nov	307,425.00	14
05-Dec	614,605.00	7
13-Dec	2,886,490.00	8
19-Dec	646,517.00	6
28-Dec	940,774.00	9
TOTAL Q1+Q2	31,770,698.00	
04-Jan, 2024	4,532,270.00	7
11-Jan	1,059,175.00	7
18-Jan	1,659,815.00	7
25-Jan	4,782,386.00	7
01-Feb	2,738,105.00	7
08-Feb	2,512,868.00	7
15-Feb	850,033.00	7
TOTAL	49,905,350.00	
KENYA COMMERCIAL BANK TRANSFERS		
10-Jul, 2023	25,722,950.00	
14-Jul	15,069,950.00	4
24-Jul	10,353,900.00	10
02-Aug	17,718,300.00	9

11-Aug	2,323,047.00	9
04-Sep	35,223,600.00	24
03-Oct	68,860,100.00	29
05-Oct	500,000.00	2
06-Nov	52,842,500.00	32
07-Dec	35,472,366.00	31
TOTAL Q1+Q2	264,086,713.00	
02-Jan, 2024	50,698,120.00	26
09-Jan	33,839,000.00	7
17-Jan	45,016,100.00	8
26-Jan	49,828,000.00	9
31-Jan	30,691,000.00	5
12-Feb	49,148,000.00	12
16-Feb	30,508,000.00	4
TOTAL	553,814,933.00	
FAMILY BANK LIMITED TRANSFERS		
17-Aug, 2023	2,945,000.00	
02-Oct	14,582,000.00	16
04-Dec	1,855,000.00	63
14-Dec	422,000.00	10
29-Dec	2,570,000.00	19
TOTAL Q1+Q2	22,374,000.00	
08-Jan, 2024	616,000.00	10
12-Jan	3,713,000.00	4
19-Jan	8,792,000.00	7
01-Feb	23,085,561.00	13
14-Feb	9,560,000.00	13
20-Feb	2,731,000.00	6
TOTAL	70,871,561.00	

TOTAL SWEEPING TO CRF FOR Q1 AND Q2= 318,231,411.00