

**REPUBLIC OF KENYA**  
**MURANG'A COUNTY ASSEMBLY**  
**THE HANSARD**

Tuesday, 6<sup>th</sup> August 2024

The House met at 2:37 p.m.

*[The Deputy Speaker (Hon. Gachui Mungai) in the Chair]*

**PRAYER**

**PAPER**

**REPORT OF ENERGY, ENVIRONMENT, FORESTRY AND NATURAL RESOURCES  
COMMITTEE ON MURANG'A COUNTY INVASIVE AND ALIEN SPECIES POLICY**

**Hon. Dinah Muthoni:** Thank you, Mr. Speaker, I am nominated to represent gender and the chairperson Energy, Environment, Forestry and Natural Resources. I beg to lay the following Paper; -  
That, the Report of the sectoral Committee on Energy, Environment, Forestry and Natural Resources on its consideration of the Murang'a County Invasive and Alien Species Policy Alien Species Policy, be laid on the Table of the Assembly today Tuesday, 6<sup>th</sup> August 2024.  
Thank you, Mr. Speaker.

*(Hon. Dinah Muthoni laid the Paper on the Table)*

**The Deputy Speaker (Hon. Gachui Mungai):** Thank you, Next order.

**NOTICE OF MOTION**

**ADOPTION OF REPORT OF ENERGY, ENVIRONMENT, FORESTRY AND NATURAL  
RESOURCES COMMITTEE ON MURANG'A COUNTY INVASIVE AND ALIEN SPECIES  
POLICY**

**Hon. Dinah Muthoni:** Thank you, Mr. Speaker, I beg to give the following notice of Motion; -

That, this Assembly adopts a Report of the sectoral Committee on Energy, Environment, Forestry and Natural Resources on its consideration of the Murang'a County invasive and alien species Policy, laid on the Table of the Assembly today Tuesday, 6<sup>th</sup> August 2024.

Thank you, Mr. Speaker.

### MOTION

#### ADOPTION OF REPORT OF BUDGET AND APPROPRIATIONS COMMITTEE ON THE FIRST HALF BUDGET IMPLEMENTATION REVIEW REPORT FOR FY, 2023/2024

**Hon. John Ngugi:** Thank you, Mr. Speaker, I am a Member of the County Assembly (MCA) for Gatanga and also a Member of the Budget and Appropriations Committee and I beg to move the Motion; -

That, this Assembly adopts a Report of the Budget and Appropriations Committee on the first half budget implementation review for Financial Year (FY) 2023/2024 from the Controller of Budget (CoB), laid on the Table of the Assembly on Tuesday, 6<sup>th</sup> August 2024.

Mr. Speaker, I take this opportunity to present to this House a Report of the Budget and Appropriations Committee of the first half Murang'a County Budget Implementation Review for FY 2023/2024. The first half comprises of the first six months of the FY 2023/2024, ranging from 1<sup>st</sup> July to 31<sup>st</sup> December 2023. The County approved a budget for FY 2023/2024 amounting to Kshs10.76 Billion, comprising of Kshs7.18 Billion and Kshs3.85 Billion for recurrent and development programs respectively.

During the first six months, the County received a total of Kshs3.46 Billion that comprised of Kshs2.46 Billion in equitable share, Kshs5,000,000 conditional grants and Kshs295 Million own source revenue, and Kshs630 Million as balance brought forward from the FY 2022/2023. Kshs3.36 Billion was spent on both recurrent and development programs, inclusive of Kshs512.78 Million used to settle part of the pending bills.

On budget implementation challenges that we experienced during this first half year use; of manual payroll to settle part of employee compensation, use of commercial bank accounts to operate public funds and ballooning stock pending bills as of 31<sup>st</sup> December 2023. The Budget and Appropriations Committee recommends that;

1. The revenue base in order to create more fiscal base for development project going forward and develop a strategy to verify the ineligible pending bills amounting to Kshs. 2.09 during the financial year 2024/2025.

2. In addition, the Treasury should transform employee management to the integrated payroll and personnel database (IPPD) system to ensure fiscal transparency.
3. Further all County transactions should be operated through central bank of Kenya as per the public management regulation 2015.

I will not bother the House with the membership of the Committee nor will I elucidate on the background of the information contained in this Report because members have this Report with them but I will go to page number eight on Committee observation and there is a table out there. During the first six months of financial year of 2023/2024, the County revenue was realized up to 32 percent of the total budget estimate as indicated in the schedule below. The table shows clearly the estimates vis-à-vis the actual receipt. The equitable share estimates was Kshs7 million we had received Kshs. 2.4 for the first six the last six months. On Nutritional International the grant you can see that, own source revenue we had estimated Kshs. 2 billion but we had only received Kshs. 187,411,896 by the end of six months of the last financial year brought forward of the last previous year you can see it there and Facility Improvement Fund (FIF) was Kshs107,710,313 that is the actual.

The absorption realized revenue for the six months was 32 percent, that the County generated Kshs295.12 million from its own sources of revenue you can see the articulation of those funds there. The hospital being the highest with Kshs107,710,313, building materials being Kshs 34,033,988, land and planning Kshs 43 Million, licenses Kshs 18,527,533 and barter market Kshs 21,002,248 and other sources to bring to a total of Kshs 295,122,209 for own source revenue.

That the County spent Kshs 3.36 billion where Kshs 308. Million was spent on development programs and Kshs 3.05 billion was spent on recurrent activities. The expenditure report also indicated that Kshs3.02 billion was spent by the County Executive while the Assembly spent Kshs338 million. There is a table that talks to that below there. Members when you retire you can look at those numbers.

During the period, the County Executive settled Kshs512.78 million of pending bills that comprised of Kshs477.18 million for recurrent expenditure and Kshs35.59 million for development expenditure. The County Assembly also had pending bills amounting to Kshs77.8 million as at 31<sup>st</sup> December 2023. These funds were not availed to the Assembly so those pending bills are still here with us.

The County Government had established seven Public Funds as per Section 116 and 110 of the Public Finance Management (PFM) Act 2012 and allocated Kshs675 million. The funds performed as

indicated in the schedule below; the scholarship Kshs245, the actual was Kshs63 and you can see the rest of the table.

I will beseech members of the various sectoral Committees to dig deeper into these numbers so that they can have a deeper understanding of what all this entails granularly. It was observed that the County was using commercial bank accounts to operate the funds contrary to the regulation 82 (1) (b) of the County Government Regulation 2015 that require all County Government accounts to be maintained at the Central Bank of Kenya.

Mr. Speaker, I can attest to the fact that some of the money that we are getting from these donors they are insisting that we have to open commercial accounts so I think the onus is on the executive to write to the Controller of Budget (CoB) and articulate the reasons as to why we have to operate some of this commercial accounts. Expenditure on development programs indicated the County had ten projects which consumed 267.2million for the total development funds.

Development projects as scheduled as below you can see agriculture subsidy has taken the lion share, youth 60 million health 23 million, we have Mathioya hospital 23 million, maternal health and infant support 19 million, medical equipment 15million, Maragua level four hospital 9 million and I know the Member of County Assembly for Kiru is very happy to see that the money is being spent in the neck of woods. Mr. Speaker, departmental budgets indicate that the youth had the highest absorption rates for the development funds at 37.5% and the trade department had the lowest 1.6% and I can attest to the fact that some monies were moved from the trade docket to cater for MCC, when they gave the factory to MCCU that is probably why the absorption rate is low.

Recommendations of the Committee Mr. Speaker were as follows; the Committee recommends that; the County Treasury should develop a strategy on verification of the ineligible pending bills amounting to Kshs2.09 billion. The verification should be expedited during the FY 2024/2025 and payment plan developed before the submission of the supplementary estimates FY 2024/ 2025.

Mr. Speaker I must speak to this issue and say that this is a thorn in the flesh for this government and justice delayed is justice denied, there is a flock of people who did work for this County. Some are residents of Murang'a County and their bills have been pending and there is no due process done on these bills and they were considered as out of scope, they were never looked at, so we urge this House especially the Finance and Planning Committee to ensure they look into this matter because it affects the residents of this beautiful country of ours.

The County Treasury should expand the revenue base to ensure that more money is collected during the first half of every fiscal year. Overreliance on licenses and hospital fees would inhibit revenue growth going forward. The County Executive Committee Member for Finance and Economic Planning should ensure that all accounts are maintained and operated at the Central Bank of Kenya as provided by Regulations 82 of the PFM (County Government) Regulations 2015. We have to follow the law and that is why we made that recommendation though we know there are instances when the County may not be able to fulfil this end of the bargain.

Going forward, the County Treasury should ensure that the guidelines on program based are adhered to promptly. Specifically, submission of the budget estimates should include; procurement plans, departmental plans, cash flow projections and itemized budgets. This will enable quick absorption of development funds during the first half of the financial year. At this juncture I will request the majority whip to second the Motion.

**Hon. Morris Ngunu:** Mr. Speaker I rise to second the Motion and Mr. Speaker I want to start by commending the Committee for the good work that they have done and also the County in general for the good progress that has been realized for the last one year. Mr. Speaker it's notable from the Report that the County generated Kshs295 million from its own source revenue that is the last quarter of 2023 representing of 40.6% increase from the revenue. Mr. Speaker needless to say that these has only been realized out of the good working relationship putting proper measures in how the revenue is collected and how it's channeled. And Mr. Speaker we can only commend the Governor and his team for the effort he has done to ensure the revenue from this County has gone up.

Mr. Speaker it is so notable than the revenue streams that we have in page six from the Report, the leading is the hospital fees collecting around Kshs107 million. Mr. Speaker I think we can do better in as far as this revenue stream is concerned, it is a revenue that has not been tapped there before. And Mr. Speaker I want to urge the Committee for Health in this Assembly to come up with innovative measures on how we can be able to optimize this revenue stream that looks very promising in as far as this County is concerned.

Mr. Speaker, the issue to do with health care in this County has been an issue to many Members of this County Assembly and I want to speak on my behalf from the ward that I serve that members of the public do not have an issue on maybe how drugs get to the dispensaries even if they are to pay a small fee. But, Mr. Speaker, we have been tied by some of the national regulations that dispensaries are not supposed to be charged. But Mr. Speaker, as an Assembly, there are things that we can be able to do so that we can

make the whole health sector, on how we can make it sustainable. Because the way it looks, the whole County issues to do with that is being sustained by maybe Maragua level four and Murang'a level five, we can expand the scope of some of the hospitals that can be able to be bringing revenue in this County. But maybe doing another level four hospital in each sub- County and in some wards an example, if you look at Sabasaba health center, I think that is one of the health centers that we can be able to upgrade to maybe a level four. Not in the name of just improving it but also expanding some of the revenue streams this County can earn.

And I am saying this because the regulations that we have nationality allows County government to collect money from a level four hospital upwards. The same case with Mathioya where is the only sub-County that do not have a level four hospital and I want to appreciate this Assembly for approving money for us to have a level four hospital in Gitugi ward, that would also be another revenue stream for this County Government. Because the minute we ensure the level four hospitals are working it is the only maybe we can be able to double these revenue. And when I am saying this it has been a challenge of funding the drugs from equitable share to ensure sustainability of our health care is working seamlessly.

Mr. Speaker I also want to note on the same page six, the development expenditure where this County spent Kshs308 Million or thereabout and the County Assembly budget for development is at zero. It is very important for this Assembly to note that the money allocated for development can never be used in recurrent expenditure. And one of the legacy this Assembly is likely to leave, is something that is not consumable, it is not something that you are given as money and you take home. The legacy that you are likely to leave as an Assembly, is the development that we are going to do as an Assembly.

I want to commend the first Assembly for the bold step they made of starting the construction of these chambers. Mr. Speaker, the whole glory goes to the first Assembly, because when the second Assembly came into place, their role was just to allocate money and finish these chambers. This history can never be rubbed, Mr. Speaker. Despite earning in other ways, despite having meetings elsewhere, they sacrificed to ensure any other Assembly coming after them, they have a comfortable place they can sit.

Mr. Speaker, because I was in the second Assembly, we had issues on where we used to hold our meetings. The old chambers I know most members have gone there and they have seen how it was, you can imagine how the situation was. I want to urge this Assembly in as far as we have other things that we need to do as an Assembly, let us not sacrifice the development expenditure for this Assembly because it is there and it can never be used to pay for meetings. It can never be used to pay for

allowances. So that as we leave this Assembly as the third Assembly, we can also show we left a legacy on something worth to be remembered. Mr. Speaker, there are different proposals this Assembly can take, without pre-empting; one of it can be a canteen, where members can be taking their beverages and the likes. I also want to appreciate that automation is ongoing, and it is also something to be proud of.

Finally, Mr. Speaker, and not the last, I am really concerned about the absorption rate of this County Government whereby it is only the Youth Committee that was able to absorb the largest share of the budget something that as an oversight body of these County as an Assembly, we need to push the Executive in matters to do with budget absorption so that the money allocated to us can be used to where they are meant to be.

I want to end this by cautioning my fellow members, in this year's budget, since we are talking about matters to do with financial reports, we are likely to have a review contrary to maybe how we have been doing it there before. One of the issues is to do with the National Government Finance Bill Mr. Speaker, without digressing which is likely to make this Assembly review its current budget. And some of the issues that we are raising in this Report, they are likely to repeat themselves but I believe the efficiency of this County Assembly and the Executive we are going to find our way out, and we ensure things are running smoothly. Thank you, Mr. Speaker.

**The Deputy Speaker (Hon. Gachui Mungai):** Thank you.

*(Question proposed)*

**The Deputy Speaker (Hon. Gachui Mungai):** Hon. Member for Kahumbu, you seem like you want to say something. Go ahead.

**Hon. Chefman Njoroge:** Thank you very much, Mr. Speaker Sir. I rise to support the Motion, with additional opinions to make sure that we are able to run and to scrutinize the document well. I was more concerned on the agricultural subsidy whereby we can improve by ..... *(inaudible)*..... some of the projects which we are doing or the funding we are doing with the agricultural subsidy project to incorporate the youth. Because you can understand what the country is going through; there is a disconnect between the youth and the real issues on the ground.

Remember, for us as the County of Murang'a, you saw what happened when our good roundabout which was burnt and there was an issue that we spent a lot of money there which was not true and I am categorical that, if we do not give them information, it becomes a problem. I think the Budget Committee

or Finance Committee in future, we need to look at those sectors that are taking up big revenue of our money but look at projects that can generate more money. So, as we spend a shilling, we are able to get two shillings. For example, this subsidy program, it is my opinion that it is only in Murang'a County and there is a time I was on the Floor of this House and I gave a proposal that, Murang'a County as much as we are doing the subsidy, we need to divide our County and know exactly; for example, when you are saying you are giving the maize, to which areas are we giving? And which quality of the maize? We are lucky that we have the KALRO, which has the three research institutions in the whole republic of this country of ours; and they are based here in Murang'a. If we can know when we are doing the issue of giving the maize in future, we need to look for those guys to look at our soil texture then use our youths, because most farmers are the young entrepreneurs, currently. We can merge with them and as we are issuing those things and when using these funds, a certain fund is also trying to assist this kind of temperature which is being raised by our youth. Also on the issue of health, we can end up saving a lot of the finances which we are using in our hospitals by buying drugs, we are complaining about drugs being stolen but if we can start a unit in the same sector (a certain budget) in our health institutions - either Murang'a Level five, Maragua or Kenneth Matiba - but we do, I know we will be having a tele-medicine but you open a nutrition, so that if somebody is sick because of diabetes, when you are struggling to get the medicine for diabetes, he is also told the kind of nutritious food he should eat. So that you can rule the cost of buying. So, why I am bringing to your attention, Mr. Speaker, is that, if we combine agriculture, youth and health in terms of farming, eating the nutritious/ traditional food which will assist us to save money to do more projects and make our people grow. I was happy, on Saturday I was invited by one of your friends, as much as I did not tell you, and I saw what they are doing in Kihumbu-ini. The students there are being trained about the new medicine of heathy eating whereby there is one plant I was so shocked because I also ate, the.....(*inaudible*).....we think they are for rabbit, but it is medicinal for us to clean and fresh our body ways of disease which we have. I was connecting it with the youth, because when the meeting which were having there, Mr. Speaker it was about youth, the parents and the pioneers of that organization called world planet.

If we can match the youth in terms of a small business especially the program which you have the MYS and you show them how they can use those of the land, so that whoever wants to invest in agriculture it is even if it gets Kshs15,000 which we are giving, you can go and buy maize, you can buy those rabbits and incorporate and safeguard the economy of Murang'a.



Basically, what I was saying is that, even what my brother senior has said about the revenue collection, yes indeed it's high time if we want to get money and avoid the dispensaries to consume a lot of our budget in terms of free medicine, which has cost a lot of problems in our wards for the last one year. We have been fighting that, I think it is high time that either if we have like for example if my ward have like six dispensary, it's high time we look way of improving one of the dispensaries around. I won't mind we close one and we give all the facilities in one dispensary. It is like you are closing one to improve the other one. So that you can improve the other one. I'll give you a good example so that you can understand. Mr. Speaker, I was being put pressure to build a dispensary in Kahariro. Rather than building the dispensary in Kahariro, the money which could have used for the community project, what I have done, I've done the first lift in one of the dispensereries which is approximately serving now Kahumbu, Kigumo and Kagunduini on upper. By installing a lab and minor surgery unit, now what we are looking for is to talk with the County government to bring clinical officer and also, we add the HIV and whatever staff which are there so that we can be able to get now the revenue. Rather than people coming all the way from Kigumo ward down, Kihariro, Gathimaini, they cross down to the hospital. Again they make the one in Sabasaba, which again is in Kahumbu. busy more than whatever is busy because we are sharing with the Kamahuha.

If the budget location and the development committee in the executive side, they can look about improving facilities so that people save money like transport. Sorry Mr. Speaker, like this one month I have gone, that institution Kahariro used to serve like 20 people, now per day it's serving 110. They were using fare, the 110 they were using fare in the latest to go to Kenneth Matiba which again has go to Makenji. They lose fare to go to Sabasaba, they might use fare to go to Kagumo hospital but if you can upgrade one facility in either in the central area then you are talking about people not using fare but to come and pay a certain fee to sustain so if somebody goes to one dispensary and is not attended, he can be able to go to the next health centre which is between there. Which will save them money and get the medication.

I have had an issue whereby by most of my residents, they used to go even to Kenneth Matiba but they cannot get that facility of lab testing because by the time he takes the matatu or even take the motorcycle, by the time he reaches there it's late, then there's a queue, then there's to come another day, so the end up again we're having a problem. My advice was that if we can be able to merge the two, the agriculture, the youth and health we can be able to save so much money in terms of combining them in a way that creates more earning and we are able to save for development. And I think that will assists.

I am borrowing the leaf from Makueni that is exactly what they are doing in terms of agriculture and their women and their youth and in the hospital, they have gone back to the medicine, we avoid eating junk food which we are used to do that.

Mr. Speaker I rise to support and I think the consideration will make me happy because Sabasaba Hospital which my friend has said comes from my ward and can be elevated then I will be happy. We have a big problem after Murang'a then it is Maragua. From Maragua we go to Makenji so in case anything happens and we have been having a lot of accidents I would prefer also in your budget you consider Sabasaba and make it a good hospital for the sake of Murang'a people because it is on the highway. Thank you so Much Mr. Speaker.

**The Deputy Speaker (Hon. Gachui Mungai):** Yes, I will now call the mover to respond.

**Hon. John Ngugi:** Thank you Mr. Speaker, I want to thank members who contributed to this Motion profusely. I enjoin myself with sentiments of Hon. Morris that the Assembly development budget should be looked into and to tell the members that, that budget is over and above the ceiling so that budget doesn't eat into our money. So we should encourage that when we are doing budget we allocate money for legacy project in this Assembly.

Hon. Kahumbu thank you for your presentation, the budget that we are looking into is 2023/2024 budget and the absorption rate for this budget is a bit low. But you can appreciate that during the first quarter that we are in right now the disbursement are delayed, there is nothing much happening in government. Also, you must appreciate that we do not collect as much in these two quarters because most of the licences where we draw much of the money it happens in months of March to June. That is the rate of absorption for this budget is low.

Never the less, I think things are going on well in this County of ours and I will ask and urge the various sectoral Committees to dissect this more so that we can get more understanding of these numbers and compare it with work plans that we developed for the previous budget. And to ensure that the executive is playing the game with the rules that we set in the first place.

Thank you Mr. Speaker and I urge members of this Assembly to support.

*(Question put and agreed to)*

## **ADJOURNMENT**

**The Deputy Speaker (Hon. Gachui Mungai):** Thank you Hon. Members, now this House stands adjourned until tomorrow Wednesday August 7, 2024 at 9:30 a.m.

*The Assembly rose at 3:07 p.m.*