
REPUBLIC OF KENYA
MURANG'A COUNTY ASSEMBLY
THE HANSARD

Tuesday 17th October 2023

The House met at 2:45 p.m.

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

PRAYER

PAPERS

REPORT OF FINANCE AND ECONOMIC PLANNING COMMITTEE ON
FINANCIAL STATEMENTS FOR MURANG'A MUNICIPALITY FOR THE PERIOD
ENDED 30TH JUNE, 2023

.....(technical hitch).....(no recording).....

The Deputy Speaker (Hon. Gachui Mungai): I think you can Table from anywhere. You can use any mic; it seems they have a---

Hon. John Ngugi: Thank you Mr. Speaker. I beg to lay a Paper; -

That, the Report of the sectoral Committee on Finance and Economic Planning on financial statements for Murang'a municipality for the period ended 30th June, 2023, be laid on the Table of the Assembly today Tuesday October 17, 2023.

Thank you, Mr. Speaker.

MURANG'A COUNTY ANNUAL DEVELOPMENT PLAN (ADP) FOR THE FY 2024/25

Hon. John Ngugi: Thank you Mr. Speaker. I would like to lay a Paper;-

That, the Murang'a County Government Annual Development Plan (ADP) for the FY 2024/2025, be laid on the Table of the Assembly today, Tuesday October 17, 2023.

Thank you, Mr. Speaker.

REPORT OF LAND, HOUSING, PHYSICAL PLANNING AND SETTLEMENT
COMMITTEE ON VETTING OF NOMINEES FOR APPOINTMENT AS BOARD
MEMBERS TO THE PROPOSED KENOL AND KANGARI MUNICIPALITIES

Hon. Kibe Wasary: Hon. Speaker, on behalf of the chairperson of the Lands Committee, I beg to lay the following Paper;-

That, this Assembly adopts the Report of the sectoral Committee on Land, Housing and Physical Planning and Settlement on the vetting of nominees for appointment as board members to the proposed Kenol and Kangari municipalities, laid on the Table of the Assembly on 17th October 2023.

Thank you, Mr. Speaker

The Deputy Speaker (Hon. Gachui Mungai): Next order.

NOTICES OF MOTION

ADOPTION OF REPORT OF FINANCE AND ECONOMIC PLANNING
COMMITTEE ON FINANCIAL STATEMENTS FOR MURANG'A MUNICIPALITY
FOR THE PERIOD ENDED 30TH JUNE, 2023

Hon. John Ngugi: Thank you Mr. Speaker. Mr. Speaker, I would like to give a notice of Motion;-

That, this Assembly adopts a Report of the Finance and Economic Planning on financial statements for Murang'a municipality for the period ended 30th June, 2023, laid on the Table of the Assembly on Tuesday October 10, 2023

Thank you, Mr. Speaker.

The Deputy Speaker (Hon. Gachui Mungai): Next order.

ADOPTION OF REPORT OF LAND, HOUSING, PHYSICAL PLANNING AND
SETTLEMENT COMMITTEE ON VETTING OF NOMINEES FOR APPOINTMENT AS
BOARD MEMBERS TO THE PROPOSED KENOL MUNICIPALITY

Hon. Gerald Wambugu: Thank you Mr. Speaker Sir. Mr. Speaker, I beg to give the following notice of Motion; -

That the Assembly adopts a Report of the sectoral Committee on Land, Housing, Physical Planning and Settlement on vetting of nominees for appointment as board members to the proposed Kenol municipality, laid on the Table of the Assembly on October 17, 2023

Thank you, Mr. Speaker.

ADOPTION OF REPORT OF LAND, HOUSING, PHYSICAL PLANNING AND SETTLEMENT COMMITTEE ON VETTING OF NOMINEES FOR APPOINTMENT AS BOARD MEMBERS TO THE PROPOSED KANGARI MUNICIPALITY

Hon. Gerald Wambugu: Mr. Speaker, I beg that this Assembly adopt a Report on the sectoral Committee on Land, Housing and Physical Planning and Settlement Committee on vetting of nominees as board members of the proposed Kangari municipality laid on the Table of the Assembly on October 17, 2023. Thank you, Mr. Speaker.

MOTION

ADOPTION OF REPORT OF THE BUDGET AND APPROPRIATIONS COMMITTEE ON THE FIRST NINE MONTHS BUDGET IMPLEMENTATION REVIEW REPORT FROM THE CONTROLLER OF BUDGET

Hon. Charles Machigo: Mr. Speaker sir, I beg to move the following Motion; -

That, this House adopt the Report of Budget and Appropriations Committee on the first nine-months budget implementation review report from the Controller of Budget laid on the Table of the Assembly on Tuesday 3, 2023.

Hon. Speaker on behalf of the Budget and Appropriations Committee it is my pleasure and duty to present to the Assembly the Report of the Committee on the budget implementation during the first nine months of the financial year 2022/2023. Hon Speaker this Report was guided by the Controller of Budget review which was submitted to the County Assembly on 27 July. The Committee has scrutinized the report and have made policy recommendation to improve budget implementation going forward.

Mr. Speaker, the first nine months of the financial year 2022/2023 range from first July 2022 to 31st March 2023. During the reporting period the county government will put various structures to ensure budget implementation is enabled in the new fiscal framework.

Mr. Speaker the following legal instruments were adopted by the Assembly during the first nine months of financial year 2022/2023;

- a) The review of Annual Development Plan for FY 2022/2023.
- b) Supplementary estimates for FY 2022/2023.
- c) The Murang'a County agriculture input subsidy policy.
- d) The Murang'a County health policy for 2022 to 2027.
- e) The Murang'a County agriculture input subsidy regulations.
- f) The Murang'a County internship policy.

During this the Committee observed the following; that the approved supplementary budget amounting to 9.64 billion that compromised of 2.89 billion for development and 6.74 billion for recurrent activities. As at 31st March the County received 3.55 billion as equitable share. Raised Ksh453.67 own source revenue and 453.67 million received as a conditional grant. And had a cash balance amount to 574.41 million; the total funds available for budget implementation amounted to Ksh4.85 billion.

Hon. Speaker, the conditional grants received comprised of 218.5 million from IDA Bank, World Bank and NAGRIP 6.97 million from DANIDA universal health care support of Ksh15.3 million, agriculture sector development ASDSP and Ksh46.5 million for County nutrition grants.

Mr. Speaker, the amount collected from the local revenue amounting to Kshs543 million, represented an increase of 15 percent when compared to Kshs394 million realized in a similar period financial year 2021/2023. The revenue collection Mr. Speaker, are as analyzed below here, which total to 453667 to 425 that is the total from all our revenue streams.

Mr. Speaker, revenue from licenses contributed the highest amount of Kshs149.91 million that was 33 percent of total revenue. The Committee attributed the performance to the fact that businesses seek permits from January to March every year, and also approved amount of the withdrawal from the County Revenue Fund (CRF) amounted to Kshs4.77 billion that compared to the Kshs512.67 million for development programs and Kshs4.2 billion from the recurrent.

Hon. Speaker the expenditure review indicated that the County spends Kshs4.67 billion, that was 9.79 percent of the total funds realized. The amount comprises of Kshs506 million spend of development activities and Kshs4.17 billion spent on recurrent expenditure. The expenditure on development budget respected an absorption of 17.5 while on the recurrent was 61.7. During the period, the County reported stock eligible pending bills of amounting Kshs661.07 where the bills

of Kshs93.1 was settled. Honorable Speaker, the bills settled represented Kshs26.87 million for recurrent expenditure and Kshs66.23 million of development expenditure. Hon. Speaker, there were County establishment funds that reported expenditure and the comprised the Murang'a County educational scholarship fund with Kshs2261.9 billion, Agriculture farm input subsidy and Incentive Fund for Kshs10.38 million, and the County Assembly Car Loan and Mortgage Fund for Kshs14.29 million.

During these nine months, County incurred a 506.81 million on development programmes as indicated below which totaled to 243,446,044 million. The budget performance as per department is as indicated below, members you can follow from the schedule there and it is as follows, from the recurrent budget performance per department as stated, the development budget is as well indicated there and Mr. Speaker, my Committee came up with the following recommendations.

That the County Executive Committee Member (CECM) for Finance and Economic Planning should submit to the County Assembly detailed report on the status of pending bills as at 30th June 2023. The report should indicate the strategy of clearing the existing pending bills. Mr. Speaker, the County Treasury should ensure that there is effective local revenue collection and management and acted and approved of the Finance Bill 2023 should be expedited to enable realization of revenue during the financial year 2023/2024. Honourable Speaker, the County Executive Committee Member for Finance should ensure that the wage bill is contained of 35% of the total revenue as provided per section 107, 12(c) of the Public Finance Act 2012. Further all wages and further dues to the County employees should be processed through Integrated Personnel and Payroll Database (IPPD) and not through manual systems.

Madam Speaker, all county executive members should submit all work plans for budget implementation for the year 2023/2024 to enable Budget and Appropriations Committee perform its oversight role, Mr. Speaker, that is our Report and I urge the honourable members of this House to adopt this Report and hand it to the executive for implementation of the recommendations. I call upon my able vice- chair Julian to second the Motion.

Hon. Julian Njiri: Thank you Mr. Speaker. I rise to second the Motion.

(Question proposed)

The Deputy Speaker (Hon. Gachui Mungai): Yes Hon. Member for Gatanga.

Hon. John Ngugi: Thank you Mr. Speaker for affording this opportunity to me. I rise to support this Motion and I want to commend the Committee that is led by Hon. Machigo for a thorough job that has been done in analyzing the Controller of Budget report and it is clearly enumerated in this report and it is also cited in our recommendations. There are things that probably the Executive should be on the lookout and especially on programs where we are doing much funds, we are supported by the World Bank and we do matching funds like NAGRIP. There is a project right now, Ititu dam that was meant to provide water for irrigation and also for fish ponds and we looked at this implementation of that project and we have seen that there are financial issues with that project. We also cite the fact that NAGRIP is exiting from the County and there is a pending budget that is not utilized of a hundred and seventy something million and some of the projects are zero percent completed. So as a Budget Committee we are very wary of such issues because they don't auger too well when you are settings funds aside that could be utilized in other areas. Because we have scarce resources and there is competing interest or opportunity cost in the utilization of other resources, the minimal resources that we have.

We also put aside Kshs250 million in this budget that we will be implementing 2023/2024 and now the first quarter is done and the issues around the land in Makenji, Gatanga sub-county, I do not think that issue has been resolved, I request the chairman and the Committee that we look into that marching fund to see if it is implementable in this year and if it is not we can reallocate these monies to other pressing needs in the County.

Also, the absorption rate in critical areas like agriculture where we have set a subsidy fund. Most of the utilization of agricultural budget is on that fund therefore we must ensure that the Agriculture Committee works to ensure that they are overseeing their counterparts in the executive to ensure that monies that has been provided in the budget for this critical area in our County because our County is an agricultural county is utilized and utilized efficiently.

Thank you.

The Deputy Speaker (Hon. Gachui Mungai): I call the mover to respond

Hon. Charles Machigo: Thank you Mr. Speaker, I thank all the members who have contributed to this Motion. To Hon. Kibaiya I am very happy that he is a member of that Committee and all the concerns he has raised I promise that we are going to work together and ensure that they are fully implemented. Mine is just to ask members to adopt this Motion for further action.

Thank you.

(Question put and agreed to)

ADJOURNMENT

The Deputy Speaker (Hon. Gachui Mungai): Honorable members now this House stands adjourned until tomorrow at 9:30 am. Thank you.

The House rose at 3:10 p.m.