

REPUBLIC OF KENYA
MURANGA COUNTY ASSEMBLY
THE HANSARD

Thursday, 2nd May 2019

The House met at 2:40 p.m.

[Temporary Speaker (Hon. Makau Ndunda) in the Chair]

PRAYER

PETITIONS

**PETITION ON LACK OF SAFE AND CLEAN TOILET TO SERVE TRADERS AT
KAKUKU MARKET**

Temporary Speaker (Hon. Makau Ndunda): Honourable members, here with me I have a Petition on Kakuku market. Pursuant to Standing Order 204 (2) (b) I wish to report that on 27th November 2018, the County Assembly received a public Petition submitted by the residents of Kakuku town, Ithanga Ward, Gatanga Sub-County, the petitioners draw the attention of the Assembly to the matter of lack of safe and clean toilet to serve the traders at Kakuku market. I further wish to state that the Petition is signed by 23 petitioners. The petitioners confirm that the issue in respect of which the Petition are not pending before any court of law. Pursuant to the provisions of Standing Order 216 (1) the Petition is hereby committed to Trade, Industrialization, Co-operatives management, Tourism and Wildlife Committee. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a report addressed to the petitioners and laid on the Table of the Assembly.

**PETITION ON ECDE CLASS AT KANDURI PRIMARY SCHOOL IN KANDURI,
ITHANGA WARD, GATANGA SUB-COUNTY**

Temporary Speaker (Hon. Makau Ndunda): Honourable members, here with me I have a public Petition from the resident of Kanduri Ithanga Ward, Gatanga Sub-County. Pursuant to Standing Order 204 (2)(b) I wish to report that on 27th November 2018, the County Assembly received a Petition submitted by the residents of Kanduri village and parents of Kanduri primary school, Ithanga Ward, Gatanga Sub-county. The Petitioners draws the attention of the Assembly to the matter of the school has one Early Childhood Development Education (ECDE) class and has a population of 75 children with one teacher to serve the children. I further wish to state that the Petition is signed by 23 petitioners. The petitioners confirm that the issue in respect of which the Petition are not pending before any court of law. Pursuant to the provisions of Standing Order 216 (1) the Petition is hereby committed to Education and Child Welfare, Research, Information and Technology. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a report addressed to the petitioners and laid on the Table of the Assembly.

PETITION ON REPAIR OF MUGUMO BORE HOLE IN KAKUKU, ITHANGA WARD

Temporary Speaker (Hon. Makau Ndunda): Honourable members, here with me is a Petition on repair of Mugumo bore hole in Ithanga ward. Pursuant to Standing Order 214 (2) b I wish to Report that on 27th November 2018, the County Assembly received a public Petition submitted by the residents of Kakuku town, Ithanga Ward, Gatanga Sub-county. The petitioners draw the attention of the Assembly to the matter of the repair of Mugumo borehole which broke down early 2018 and has not been repaired once. The borehole is the only source of clean and safe water for the entire Mugumo village. I further wish to state that the Petition is signed by 20 petitioners. Pursuant to provisions of Standing Order 215 (1) the Petition is hereby committed to Water, Energy, Forestry, Environment and Natural Resources Committee. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a Report addressed to the petitioners and laid on the Table of the Assembly.

PETITION ON UNFENCED MABANDA NURSERY SCHOOL IN NGILELYA, ITHANGA WARD, GATANGA SUB-COUNTY

Temporary Speaker (Hon. Makau Ndunda): Honourable members, here with me is a Petition on the unfenced Mabanda nursery school in Ithanga ward, Gatanga Sub-County. Pursuant to Standing Order 214 (2) (b) I wish to report that on 27th November 2018, the County Assembly received a public Petition submitted by the residents of Ngilelya, Ithanga Ward, Gatanga Sub-County. The petitioners draw the attention of the Assembly to the matter of the unfenced Mabanda nursery school which has been unsafe to their children due to unused cattle dip which is full of dirty water. I further wish to state that the Petition is signed by 20 petitioners. The petitioners confirm that the issue in respect of which the Petition are not pending before any court of law. Pursuant to the provisions of Standing Order 215 (1) the Petition is hereby committed to Education, Child welfare, Research, Information, Technology and E- Government Technology Committee. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a report addressed to the petitioners and laid on the Table of the Assembly.

PETITION ON ESTABLISHMENT OF AN ECDE CENTRE IN KINYONA WARD, KIGUMO SUB-COUNTY

Temporary Speaker (Hon. Makau Ndunda): Honourable members, with me is a public Petition on the establishment on an ECDE centre. Pursuant to Standing Order 214 (2)(b) I wish to report that on 27th November 2018, the County Assembly received a public Petition submitted by the residents of Kinyona ward, Kigumo Sub-County. The petitioners draw to the attention of the Assembly to the matter of establishment on an ECDE centre in an area which is densely populated and has a lot of children who need education, since the school which is near is about three kilometres thus some students fail get to the school in time. I further wish to state that the Petition is signed by 23 petitioners. The petitioners confirm that the issue in respect of which the Petition are not pending before any court of law. Pursuant to the provisions of Standing Order 216 (1) the Petition is hereby committed to Education and Child Welfare, Research and Information Technology and E- Government Committee. Further, pursuant to Standing Order 215 the

Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a Report addressed to the petitioners and laid on the Table of the Assembly.

PETITION ON LACK OF LATRINES IN KANYENYA-INI MARKET CENTRE

Temporary Speaker (Hon. Makau Ndunda): Honourable members, with me is another public Petition on the lack of latrines and risk posed in Kanyenya-ini market centre. Pursuant to Standing Order 214 (2) (b) I wish to report that on 3rd December 2018, the County Assembly received a public Petition submitted by the residents of Kanyenya-ini ward, Kangema Sub-County. The petitioners draw the attention of the Assembly to the matter of Kanyenya-ini market which has no latrines and is near the road which is a risk since the market is very busy. I further wish to state that the Petition is signed by 23 petitioners.

Pursuant to the provisions of Standing Order 216 (1), the Petition is hereby committed to the sectoral Committee Trade, Industrialization, Co-operative management, Tourism and Wildlife. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a Report addressed to the Petitioners and laid on the Table of the Assembly.

PETITION ON STATUS OF KANGEMA HEALTH FACILITY

Temporary Speaker (Hon. Makau Ndunda): Pursuant to Standing Order 214 (2) (b), I wish to report that on 3rd December 2018, the County Assembly received a public Petition submitted by residents of Kangema. The petitioners draw the attention of the Assembly to the matter of the Kangema health facility. I further wish to state that the Petition is signed by 18 petitioners. The petitioners confirm that the issues in respect of which the Petition are not pending before any court of law or constitutional or legal institution.

Pursuant to the provisions of Standing Order 216 (1), the Petition is hereby committed to the sectoral Committee on Health Services. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the petitioners by way of a report addressed to the petitioners and laid on the Table of the Assembly.

PETITION ON INADEQUATE FACILITY AT KIMORORI YOUTH POLYTECHNIC

Temporary Speaker (Hon. Makau Ndunda): Honourable members, here is a public Petition on inadequate facility at Kimorori youth polytechnic. Pursuant to Standing Order 214 (2)(b), I wish to report that on 5th December 2018, the County Assembly received a public Petition submitted by residents of Kimorori/Wempa, Maragua Sub-County. The petitioners draw the attention of the Assembly to the matter of the Kimorori youth polytechnic which lacks equipment and tools that are meant to facilitate essential courses being offered by the institution such as hairdressing, dressmaking, tailoring and plumbing.

Further the institution has no power which make it difficult for the students to undertake practicals in many areas where power is essential. I further wish to state that the Petition is signed by 23 petitioners. The petitioners confirm that the issues in respect of which the Petition are not pending before any court of law or constitutional or legal body.

Pursuant to the provisions of Standing Order 216 (1), the Petition is hereby committed to the sectoral Committee on Education and Child welfare, Research, Information Technology and

E-Government. Further, pursuant to Standing Order 216 (2) the Committee shall in not more than 60 calendar days from today, respond to the Petitioners by way of a Report addressed to the Petitioners and laid on the Table of the Assembly.

PETITION ON MURANG'A COUNTY TAEKWONDO ASSOCIATION

Temporary Speaker (Hon. Makau Ndunda): Honourable member, there is a public Petition on Murang'a County Taekwondo Association. Pursuant to Standing Order 214 (2) (b), I wish to report that on 23rd April 2019 the County Assembly received a public Petition submitted by residents of Murang'a County and members of Murang'a County Taekwondo Association. The petitioners draw the attention of the Assembly to the matter of Murang'a County Taekwondo Association which has been displaced from the hall that they have been training by a church (Church of God Power).

The hall is also poorly lit and also lacks an ablution block, further the petitioners have tried in vain to engage Murang'a Town Manager on the matter. I further wish to state that the Petition is signed by 11 petitioners. The petitioners confirm that the issues in respect of which the Petition are not pending before any court of law. Further to the provision of Standing Order 216 (1), the Petition is hereby committed to the sectoral Committee on Youth, Culture Gender and Social Services Committee. Further, pursuant to Standing Order 216 (2), the Committee shall in not more than 60 calendar days from today, respond to the Petitioners by way of a report addressed to the petitioners and laid on the Table of the Assembly.

STATEMENT

TENTATIVE BUSINESS OF ASSEMBLY THE WEEK COMMENCING TUESDAY 7TH TO 9TH MAY 2019

Hon. Peter Mweri: Thank you Temporary Speaker, I wish to issue the following Statement; on Tuesday, 7th May there will be a Report on the visit to Kigali, Rwanda to attend Africa Health Agenda International conference held from 5th March to 7th in Kigali Convection Centre. There will be another Paper; Report by the Murang'a County Government quarterly report and financial statements for the period ended 30th December 2018. There will also be a Paper on public Petition by residents of Ithanga ward Gatanga sub-county on construction of latrines of Ithanga Health centre.

On Tuesday 7th afternoon there will be a Report on a visit to state department Housing and Urban Development, the same afternoon there will be a Paper on the Report from the office of the Controller of Budget (COB) implementation review report for the first half financial year 2018/2019. There will also be another report on public Petition regarding conversion of maternity wing to a cerebral palsy unit at Kambirwa health centre. On Wednesday 8th May there will be Paper laying on Murang'a County Government quarterly report and financial statements for the period ended 30th December 2018. On the same afternoon there will be notice of Motion on a visit to state department for Housing and Urban Development. There will also be a notice of Motion on a visit to Kigali, Rwanda to attend the Africa Health International conference, held from March 5, 2019 to March 7, 2019 in Kigali convention centre.

On Thursday, 9th May 2019; afternoon sitting, there will be a Statement for the tentative business of the Assembly from the week commencing Tuesday, May 14 to Thursday, May 16, 2019. The same afternoon there will be a Motion for the report on the visit to Kigali, Rwanda to

attend the Africa Health Agenda International Conference held from March 5, 2019 to March 7, 2019, in Kigali Convection Centre. That is the end of the business next week.

Thank you Honourable Speaker.

MOTION

THE MURANG'A COUNTY GOVERNMENT QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2018.

Hon. Ruoho Wangechi: Thank you Mr. Speaker. I beg to move the following Motion; that, this Assembly adopts the Report of the sectoral Committee on Finance and Economic Planning on the Murang'a County Government quarterly report and financial statements for the period ended June 30, 2018, laid on the table of the Assembly on April 30, 2019.

Mr. Speaker, I want to draw the attention of the members to a document that is in our files which is detailed but also well explained. Section 166 (4)(a) of the PFM Act requires that the County Executive Committee Member (CECM) for Finance to submit quarterly reports to the County Assembly, in compliance with the aforementioned provisions the CECM submitted the fourth quarterly reports and financial reports for the period ended June 30, 2018 on July 2018. Consequently it was tabled in the House. The financial report was committed to the Finance committee for review.

On various dates between January 2019 and February 2019, the Committee scrutinized the quarterly reports and financial statements for the period ended June 30, 2018. The CECM of Finance was also invited to make submissions on pertinent issues raised on members on 27th February 2019 and a follow up with a letter with reference as indicated.

Mr. Speaker, the document we have in our files like I stated it is well detailed and explained but I want to draw the attention of the members to some points. When you go to 2.1 supplementary budget review, we realised that the Assembly approved a supplementary budget FY 2017/2018 of 8.32billion. Which comprised of a recurrent expenditure of 5.28billion and a development expenditure of 3.03billion. This Budget was expected to be financed in various ways and the County Government expected 6.19billion from equitable share which is 74.4%. The County Government also expected conditional grants of 454.19million. We also had local revenue which was generated and expected to be 850million and 328million as the cash balance for the FY 2016/2017. That is in accordance to the annual Budget report from Controller of Budget.

Mr. Speaker, I wish to indicate that the Budget decreased by 330.9million from 8.631billion to 8.282billion and the decrease comprises of Kshs330,911,545 of reduction on local revenue and the amounts allocated by the Treasury. There were adjustment or movements of funds based on the supplementary budget as indicated in points a, b, c. I want to draw the attention of the members to point c, d, e, f which indicate development expenditure reduction and additions and also recurrent expenditure, also expenditure reductions and additions.

I want to highlight point f, this does not imply that the other points are not important but point f was of importance to the Committee. That is on recurrent expenditure additions, the allocation of general administration and support programs in the department of administration and public service which increased by 105million. Two, the allocation of the programme on general administration and support in the department of health and sanitation, which increased by Kshs10,686,845 from 2.142billion.

Hon. Ruoho Wangechi: Mr. Speaker, as I had highlighted, the Committee sat when the Report was Tabled and used several methods to come up with this Report. Of importance, the County Executive Committee Member (CECM) was invited to the Committee for various discussions.

Mr. Speaker, I draw the attention of the members to several aspects or points on page six, that is statements of receipts and payments. The County Government expects funds from various sources and like we had stated earlier, equitable share is the amount that is deposited in the County Revenue Fund (CRF) by the National Government. In the first quarter, the County Government received Kshs843,370,00, the second quarter and third quarter as indicated and Kshs1.707 billion in the Fourth Quarter. The cumulative amount of sharable revenue received was Kshs5.886 billion, which was an amount against a projection of Kshs6.12 billion.

Mr. Speaker, we have highlighted several things on the matter of County own generated revenues in our recommendations and I also want to highlight a few things. In the period ended 30th June 2018, the County Executive collected Kshs423,996,982 as local revenue against a projection of Kshs850,000,000, which represents a 49.9 percent of the revenue generated from own sources. In the fourth quarter for the Financial Year (FY) 2018/2019, we analysed top revenue sources for the County which are highlighted; hospital fees at Kshs38.6 million, agricultural cess at Kshs32.4 million, and single business permits at Kshs28 million. It is also important to note that bus park was the best performing revenue stream which realised Kshs32,000,000 in the fourth quarter against an approved budget of Kshs50,000,000 which represents a 64 percent.

As indicated on own sources of revenue, a projection of Kshs850,000,000 against a collection of Kshs4.3 million implies that there could be several challenges. We have highlighted several of them but I want to draw the attention of this House to the point where we said that efforts to collect County revenue and enforce provisions of Finance Acts are often confrontational, involve brutal force, arrests, street chases and riots. This could be compared to the National Government's Compliance Enforcement Agency where they use the Kenya Revenue Authority (KRA) where we may not find a lot of arrests, riots, and street chases. It is also part of our recommendations that maybe the County Government----- but we shall get there.

Mr. Speaker, there are several things that we also highlighted based on other sources of revenue. While I may not say that the County is doing badly, the County mobilisation on revenue indicates that there could be many areas where the County is doing well but may require improvement in some areas. 4.3 indicate some payments, the compensation of employees.

Mr. Speaker, the provisions of Regulation 2 (5) of the Public Finance Management (PFM) Act 2015, provides that the CECM for Finance, with the approval of the County Assembly, shall set a limit on the County Government expenditure on wages and benefits for its public officers pursuant to Section 107 (2) of the Act. The limit set under paragraph (a) above shall not exceed the County Government's total revenue. Table one indicates the revenue received which as we have highlighted before is from the equitable share, transfers from the National Government's entities and other sources. The total amount received in the County Government was Kshs6.549 billion.

We also have an additional expenditure on personal emoluments for the County Government and it is also important to note the last point on the County Assembly Service which is Kshs475,152,975. 4.4 is on Exchequer releases. In the period ended 30th June 2018, the

Controller of Budget (COB) approved a withdrawal of Kshs6.5 billion from the CRF account. This amount comprised Kshs4.29 billion in recurrent expenditure, representing 66 per cent of the budget and Kshs2,2 billion for Development Expenditure representing 34 per cent of the budget. 4.5 indicate several development expenditures and, as per the Report, we tried to summarise some of those projects. For instance, we went to project number five or project number eight and realised that supply of manure or fertiliser which was County wide cost Kshs42.3 million against an annual budget projection of Kshs60,000,000. Bank balances on various bank accounts are on table four on various bank accounts, 4.7 indicates pending bills. It is also important to note that the pending bills indicated here, Mr Speaker the CEC did not issue corresponding notes on account and therefore the Committee did not manage to adequately interrogate the financial statements item by item.

On County Assembly expenditure, the County Assembly was allocated 939million in financial year 2017/2018 whereby 863million was for recurrent and 73million for development, however there was a revision which indicated 746million with a recurrent of 673million and a development budget remained constant at 73 million.

The Committee had several findings, but I want to invite the attention to the House to finding number three that there is need to rationalize the ballooning wage bill which shot up by 22% from 2.8Billion in 2016/2017 to 3.4Bilion in Financial Year 2017/2018. That was the most important findings in the report which will also be within our recommendations.

In our recommendations, I want to invite the attention of the House to recommendation number two that the County Public Service Board should in the earliest convenience establish an internal audit committee in compliance with section 155 of the PFM Act 2012. Mr. Speaker the recommendations range from financial to policy and legal recommendations and most importantly policy and legal recommendations number four that the county treasury should create a stable business and investment environment through adequate infrastructure development as well as improving service delivery and regulatory reforms that can enhance trade thereby creating more taxation opportunities for the County. This calls for adequate re- investment of resources in urban areas where businesses are located. Mr. Speaker, considering how we do in local revenue. Point number 5 also holds a lot of interest to this House that rural areas should not be left behind in the development of infrastructure since they are at the centre of agricultural production that support taxable trade activities in the County improving the quality and availability of services such as health, agriculture, water and sanitation which is expected to enhance citizen participation and willingness to pay tax that would help raise the revenue collection from 423million to the projected 850million.

I wish to indicate that the Committee members did what they are expected to do by law and also some of their meetings were held beyond expected time. On behalf of the Committee I express my sincere appreciation for the facilitation accorded by the committee by your office and office of the clerk. Hon speaker, it is my privilege and honour on behalf of the committee on Finance and economic planning to bring this report on Murang'a county government financial report and financial statements for the period ended 30th June 2018 and recommend this House to adopt the report based on the various activities and intellectual input by the committee. It is therefore my duty and honour to invite the vice chair Hon. Mungai to second the motion.

Hon. John Mungai: I rise to second the Motion.

(Question proposed)

Hon. Charles Mwangi: I stand to support the Motion and commend the Committee for good work and coming up with this elaborative report. Foremost, I have noted that the Committee went ahead and got a template from Makueni County Assembly whereby they have invested much in a manner in which the County of Murang'a we can depend on how things are done. Mr. Speaker, I also believe that when it comes to the issues of County Assembly expenditure and I have found that this Committee recommended a standardized system. That means that if we adopt the report the way it is this county assembly of Murang'a will make tremendous progress if we adopt this report, I stand to support Mr. Speaker.

Hon. Francis Kibe: Mr. Speaker as I support this report and as I commend the good work that they have done, I have noted they have raised the issue of Internal Audit Committee which has been coming to this Floor since we came to this Assembly two years down the line. Every Report that the Budget Committee and Finance Committee has been making has always been recommending that internal audit be put in place. Mr. Speaker we are worried that this Committee will not be set since we have three years to go and it is high time that this matter be looked into and be done with.

The issue of revenue, we have underperformed as a County and I have noted the Finance Committee has recommended that automation should be done. This also has been coming to this Floor, automation, we hope it will be done. And they have noted that there are various items that can increase revenue for the county, I have noted morgue charges can generate revenue for the County with renovation and extension for infrastructure and commensurate service provision by health facilities. These are some of the areas that can be tapped and improve local revenue for the county. So, Mr. Speaker I support.

Hon. Pelagiah Muthoni: May be a point of correction, the External Audit Committee is already in place from last year and they have been doing their work.

On second point we are talking about the Finance and Economic Committee should formulate and implement strategies to enhance source of revenue. This is very important Mr. Speaker, it is overdue and it should be done as fast as possible.

When it comes to disbursement to the County Assembly, we have noted that there are some delays and sometimes you find that things are done when it is already too late. This should improve and disbursement should be done in time. Otherwise, I support.

Hon. Ruoho Wangechi: Thank you, Mr. Speaker, I want to take this opportunity to thank the members for keen interest in some of the areas that they have raised. And one common area with every member who have rose here is local mobilization or local revenue and it has been highlighted by Hon. Pelagiah it is mandate of committee to ensure that strategies to increase the same are explored. I want to assure this house that we shall do everything that we can with help of members to ensure that may be next time when we will be looking to the statement, we shall have that done.

It will be a good site to observe tremendous improvement of local revenues as it shall be indicated in the strategies thereof. Thank you Mr. Speaker and I need to appreciate the whole House.

(Question put and agreed to)

ADJOURNMENT

Temporary Speaker (Hon. Alex Ndunda): Honourable Members the House stands adjourned until next week Tuesday, 7th May 2019 at 9:00 a.m.

The House rose at 3:00p.m.