
REPUBLIC OF KENYA
MURANG'A COUNTY ASSEMBLY
THE HANSARD

Wednesday 11th October 2023

The House met at 9:39 am.

[The Temporary Speaker (Hon. Kamwanga Mwangi) in the Chair]

PRAYER

MESSAGES

**NOTIFICATION ON NOMINATION OF BOARD MEMBERS TO THE PROPOSED
KENOL AND KANGARI MUNICIPALITIES**

(Committal by The Temporary Speaker (Hon. Kamwanga Mwangi))

The Temporary Speaker (Hon. Kamwanga Mwangi): Hon. Members I wish to make the following communication pursuant to provision of urban areas and cities amendment Act 2019, the County received a notification of the nomination of board members to the proposed Kenol and Kangari municipalities. Pursuant to the provision of standing order No. 47, the following names are hereby committed to the committee on land housing physical planning which shall hold an approval hearing vetting on the suitability of the nominee to hold office and it shall table its report on the approval hearing in the Assembly within 21 days from today.

The following are the proposed names. Board members nominated to the proposed Kenol municipality. Advocate Robert Kimani Ndung'u, he is a professional Association member. Mr. John Gathuma of ID No. 13275509. He is from the private sector. Charles Kabuga Githatu of ID No. 10566781. He is from the informal sector. Rosemary Muthoni Ngugi of ID No. 8515817 nominated pursuant to the provision of the Article. Bernard Mwangi Mugo of ID No. 27613113 nominated pursuant to the provisions of the Article. Elizabeth Wambui of ID No. 22376084 nominated pursuant to provision of the Article. Reverend Captain Patrick Kamande Ndorongo of ID No. 7869675 nominated pursuant to the Article.

The following are the proposed names for the Kangari municipality; Mr. Kenenth Gaiho Gichuru of ID No. 28458325 from the private sector. Keru K. Simon of ID No. 10848411 from the professional association. Benson Njuguna Gichohi of ID No. 23597922 from the neighborhood association.

Rebecca Wangui Gitonga of ID number 24237651 she is from informal sector. Next we have Laban Thuo Wambui of ID number 24942628 nominated pursuant to the provisions of the Article. We have Helen Nyambura Kuria of ID number 10266525 nominated pursuant to the provisions of the Article. Lastly, we have Isaack Chege Njuguna of ID number 20581597 nominated pursuant to the provision of the Article.

Hon. Members thank you.

MOTION

ADOPTION OF REPORT OF BUDGET AND APPROPRIATIONS COMMITTEE ON THE FIRST HALF BUDGET IMPLEMENTATION REVIEW REPORT FOR FY 2022/2023 FROM THE CONTROLLER OF BUDGET.

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

That this House adopts the Report of Budget and Appropriations Committee on the first half budget implementation review report for the financial year 2022/2023 from the Controller of the Budget, laid on the Table of the Assembly on Tuesday, October 3, 2023.

Mr. Speaker, on behalf of the Budget and Appropriations Committee it is my pleasure and duty to present to the County Assembly the Report of the Budget and Appropriations Committee on implementation during the first half of financial year 2022/2023.

Hon. Speaker, the Report was guided by budget controller on budget review which was submitted to the County Assembly on 27 July. The Committee has securitized the report and has made policy recommendations to improve budget implementation going forward.

Mr. Speaker, this House should therefore be aware that the reporting period had no major development activities due to lack of implementation legal and policy instruments. During the period, the County Assembly adopted the revised Annual Development Plan and first supplementary estimates for the financial year 2022/2023. Additionally, various policies and legal instruments were adopted that include the health policy, agriculture input subsidy policy, internship policy, subsidy fund regulations and guidelines. These instruments honourable Speaker were adopted in order to enable budget implementation under the revised fiscal framework.

The Committee has therefore highlighted and observed the pattern budget execution as the main policy recommendation for the better performance going forward. Mr. Speaker, the

Committee observation on the first half budget implementation for the year 2022/2023, the Committee observed the following: -

- a) The first implementation budget for the Financial Year (FY) 2022/2023 Kshs9.64 billion that comprised of Kshs2.89 and Kshs6.85 for development and recurrent budget, respectively. The approved estimate of revenue comprised of Kshs7.1 billion from equitable share, Kshs1.5 from own source revenue and Ksh639,63 million as conditional grants, and Kshs322 million as a cash balance from the FY 2021/2022.
- b) As at 31st December 2022, the County received Ksh3.46 billion comprising of Kshs3.3 billion equitable share, Kshs175.4 million own source revenue and Kshs918.9 million appropriation in aid. The total amount received was 36% of the total budget. The amount received from the equitable share was 33% of the total estimate. Mr. Speaker the local revenue collected was Kshs11.7 on the total revenue target comprised of Kshs47.4 million from budget from hospital fees of Kshs37.2 from sales revenue and Ksh19.4 million barter market fees. Which is Kshs14.6 million. From bus park fees, Kshs9.2 million, from plan approvals Kshs47.2 million from other revenue sources. The revenue collected represented an increase of 15% compared to the amount received in similar period of financial year 2021/2022. Mr. Speaker, the County was authorized to draw from the County Revenue Fund (CRF) Kshs3.19 billion that comprised of Kshs181 million twenty-three for development expenditure and Kshs3.01 billion for recurrent expenditure.

The recurrent exchequer comprised of Kshs2.13 billion from the compensation to employees of Ksh880 operation and maintenance. The wage bill included Kshs1.07 billion paid to health sector employees translated to 50% of the total wage bill.

The Committee also noted that the personnel emolument amounting to Kshs350 million was processed through manual payroll instead of the Integrated Personal Payroll Database (IPPD)

The County revenue fund had a cash of 273million as per 31st December, out of that the County spent 3.1billion on both development and recurrent expenditure with absorption rate for both development was 6.3 % and recurrent budget was absorbed for 43.5%. The County government settled a pending bill of Kshs62.39million shillings for recurrent expenditure while pending bills for development expenditure were not settled during this period. The absorption capacity of our departments is included and scheduled as below, I know all members have the Report and you can see the Report there for 15 departments where the budget for both recurrent

and development for the Kshs6.749billion and whatever they received from the exchequer departments was 3.008 billion and the expenditure was at 2.933 that is a 97.5 absorption rate.

For the development budget Mr. Speaker, we received from the exchequer 2.992 billion and absorbed 1.18 billion which is a 100 % of the absorption rate. Mr. Speaker, my Committee gave the following recommendations; that the County Executive Committee Member for finance should submit a report on how the County Treasury has addressed and raised the issue of the Controller of Budget to integrated personnel and payroll database over expenditure in some votes, low revenue collection and payment of pending bills.

The County Assembly sectoral Committees should engage their respective County executive departments to review sectoral plans and policies to measure their effectiveness in budget implementation. The review should inform the future budget approved for the County Assembly. That the County Executive Committee Member for finance to devise strategy to raise revenue collection during the first six every financial year. More research should be done and identify revenue sources that can be productive during the receipt period of the business cycle. Mr. Speaker, I urge the honourable members of this House to adopt this Report and forward the same to the executive for implementation. Thank you Mr. Speaker, and I call upon Honourable Edwin Wairagu to second the Motion.

Hon. Edwin Wairagu: I stand here to second the Motion as it is, thank you honourable Speaker.

(Question proposed)

The Temporary Speaker (Hon. Kamwaga Mwangi): The Floor is open for debate.
Hon. Carol.

Hon. Caroline Njoroge: Thank you Hon. Speaker. I rise to support the Motion and this Report and since this Report came as a review of something that we did not engage ourselves into because we were just new, I have no much to say but I want to appreciate my Committee on Agriculture that did absorb a 100% of the development expenditure and Health Committee, the Education Committee. However, the reason being that there were no policies. I would wish that in future I don't think some of these programs need policies. It is good we try or the Executive try and absorb this money because we need to do a lot for our people.

However Mr. Speaker it is also good to--- I have noted something, this is my second time that now that even our clerk is even in this Assembly, I am a Member of this Committee and this is the second Report I am missing my name, and I am worried because I do not know

the reason and I would not want this House to repeat, to have such mistakes because I cannot stand here as a member, yet, I even moved this Report and I was not part of the people that signed. I think the person who attached this, this is what we were signing and normally it is good to check on that because it may bring more issues. So, I am asking the members, especially the sectoral committee chairs to look into our budget and implementation of this budget, so that if you realize that there are some things missing or there are some projects that are dragging behind you can be able to fast track them through your department, ensure, that we are able to absorb this money as we pass them in the budget. However, I really appreciate the Committee and I urge the members to adopt and to support the Motion. Thank you, Hon. Speaker.

The Temporary Speaker (Hon. Kamwaga Mwangi): Honorable from Ithanga.

Hon. Ndunda Makau: Thank you Hon. Speaker. Let me first thank the Committee; the Budget Committee for their work well done. And again, let me point out about two issues which I have seen in this Report. Mr. Speaker regarding the absorption rate, it is worthy to note that we have 15 departments but there are some which needs to pull up their socks for example like now the Energy and Transport, I can see, the Energy received Kshs13 million from the exchequer they were able to absorb only 5.2. Again, the Land and Housing department Kshs4.3 million but the absorption was 1.9 which is about 45.3 percent.

Even if it was in the beginning of the financial year or the first quarter there were chief officers who were there and it is very bad for a department to have a budget and they cannot use this budget.

The sectoral committees should put them to task to make sure that they use this money because it is like you are given money and you are not using. I am happy to see what the Agriculture and Health are doing because they are doing very well. We as the committee who are incharge of these departments now in the sectoral committees we can push our committees because every time when they come to us they tell us there is no money yet the Report here shows clearly they had money which they did not utilize in the first half of the year. Thank you.

Temporary Speaker (Hon. Kamwaga Mwangi): Hon. Muigai

Hon. Steven Muigai: Thank you Mr. Speaker, allow me first of all to thank the Committee on Budget and Appropriations led by the well able Hon. Charles Machigo for the good work they have done and the scrutiny of the budget they have Tabled before the House. Mine are just a few and I want to agree with the previous member who has spoken and I want

to reiterate on the word absorption because looking at this budget it tells you there are departments that performed dismally. I do not know whether this is supposed to be directed to the Committee on Implementation because they are supposed to be following up on appropriation of the budget and absorption seeing that we can have some of these funds well utilized. A proposal that I would give to this House and to the Committee on Budget and Appropriations and touching on Finance and Economic Planning Committee is that we need to do the appropriation according to the absorption performance. If you look at the department on Energy and Transport with an absorption rate of 37.6 per cent and others performing at 42 per cent while we have others that are performing at 100 and above and others at 77. It tells you next time because we have some departments that have a squeezed budget. We need to see that we allocate more to the departments that are performing. The department of agriculture which performed at 75.7%, one, it is a department that is really touching on the livelihood of our people in Murang'a County. It is one of the departments that I would suggest especially when it comes to subsidies, that we should add more and maybe deduct more, and I don't want to mention from who, so that we can touch more lives. If you come to the department of health, it performed at 122.8%, while we had some projects that we thought were not properly appropriated funds. It means if we give more money to health and sanitation, then it means it is money that is going to be used and used appropriately.

Allow me to touch on Health, and I want to direct this to the Committee on health. If you are able to add more money to the Committee of health, this goes to the chair budget, then it means we are able to do more drugs to our hospital because it is a big issue.

Mine I will support the Motion as it is and congratulate the Committee on Budget for a job well done. Thank you.

The Temporary Speaker (Hon. Kamwaga Mwangi): I now call the mover to respond.

Hon. Charles Machigo: Thank you Mr. Speaker. Let me say and thank all those members who have contributed to this Motion and assure them that whatever they have cited in our Report, let me assure members that we are keenly going to take the observation. We all agree that as Hon. Caroline mentioned, that we are all new during the implementation of our first-year budget. We can also thank members of the several Committees, being new and the way they came up with policies in order to implement the budget. I thank members for the same.

Whatever Hon. Carol, the chairperson of the sectoral committees to make sure that they understand the budget in order to scrutinize and be able to know how the budget is being implemented. The other observation regarding the department absorption, Hon. Alex I still insist to the chairmen of the committees so that they can look into the absorption of their votes.

Mr. Speaker, I will also mention regarding the absorption rate mentioned by Hon. Mungai. The way he mentioned regarding absorption rate, that whenever we appropriate money, that we should relate the same to the absorption rate because there is no need of giving a department money which they are unable to absorb.

The way you mentioned about the Health Committee, that we increase the funding because of the drugs that one we are going to take it seriously so that we can see all our hospitals have got drugs. So, Hon. Speaker, with that I plead to the Members to adopt this report so that these recommendations can be forwarded to the Chief Executive Officer.

Thank you, Mr. Speaker.

(Question put and agreed to)

Temporary Speaker (Hon. Kamwaga Mwangi): Next order.

ADJOURNMENT

Temporary Speaker (Hon. Kamwaga Mwangi): Honourable Members, this House stands adjourned until Tuesday 17th October 2023 at 9:30 a.m.

The Assembly rose at 10:09 a.m.