

## MURANG'A COUNTY ASSEMBLY

### THE HANSARD

Thursday, 9<sup>th</sup> July 2015

The House met at 3:03 p.m.

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

#### PRAYERS

#### STATEMENTS

#### STATUS OF AMBULANCE DONATED TO KANGEMA HEALTH CENTRE BY KANGEMA CDF

**Hon. Boniface Njihia:** Thank you Mr. Speaker, I am to respond to statement by Hon. Lucy Wangechi on the status of the ambulance donated to Kangema health centre by CDF Kangema. I request for seven more days because the chief officer is involved in funeral arrangements for his late brother and he so he requested for seven more days, thank you.

**Hon. Deputy Speaker:** Hon. Lucy

*[Hon. Lucy Wangechi was not in the Chamber]*

Next order

#### CONSTRUCTION OF A NURSERY SCHOOL AT GITEI VILLAGE, MBIRI WARD

**Hon. Deputy Speaker:** I think you are not prepared, we move to the next order.

**Hon. John Gitau:** Mr. Speaker, I think I will have to give response to that statement in the next sitting, thank you.

**Hon. Deputy Speaker:** Hon. Member for Mbiri you had requested for that statement, do you have anything to say about it?

**Hon. Joseph Njoro:** It is a month since I requested for that statement and now the chairman says we push it to next week, I think the Chairman for Education and Child Welfare, Research, information Technology and E-Government committee has done nothing on my statement and I request as he has said that let next week be next week and not the next one month, thank you Mr. Speaker.

#### STATUS OF KAIHUNGU BRIDGE

**Hon. Eliud Gitau:** Thank you Mr. Speaker, I want to request the Hon. member who has requested for the statement to give us seven more days because the report we have is not comprehensive. We have received communication from the CEC and we requested for the contract document and he has not brought it to the committee. Today we will not be able to give a comprehensive report. I think by next sitting we shall give the Hon. member a comprehensive report, thank you.

**Hon. Deputy Speaker:** Hon. member for Mugoiri.

**Hon. Kago Njoro:** Thank you Mr. Speaker, I think that is just an excuse because it is now six months down the line and a document was prepared maybe three months before the contract was given, so it is just a matter of picking the document.

I had also requested for the minutes of the site visit and it is very shameful for this House to be receiving excuses that next week, after seven days because it is just a matter of requesting for the documents. There is nothing that needs to be prepared because the documents are already prepared.

Though I am going to wait for it, I must say that I am not satisfied at all. Remember yesterday I was waiting for a response from the same department which was never answered, I feel they are not doing well to my people.

Though I accept the request from the chairman as it is not his fault but I believe that department should, even if it is censuring the CEC, it should be done because for six good months what was he doing, just picking the document and dropping them at the Assembly? Thank you Mr. Speaker.

**Hon. Deputy Speaker:** Hon. Members it is good for us to remember what Hon. Speaker said and I want to reiterate, the chairpersons of various committees should take this matter very seriously about the response. It is very ironical for any member to request for a statement and wait for three months, it is very unfair and we need to be very serious. We need to compel the CEC in charge so that they can produce documents. Next order

#### TRAINING AND ISSUANCE OF LICESSES TO BODABODA OPERATORS IN GAICHANJIRU WARD

**Hon. Rebecca Mwicigi:** Thank you Mr. Speaker, I am a member of Water, Energy, Forestry, Environment, Natural Resource and Co-operative Management committee. I am here on behalf of the committee bearing in mind that our chair sustained some burns while fighting alcohol which we sympathise with him.

The committee's mandate includes dealing with all matters related to implementation of specific county government policies on natural resources and environmental conservation including soil, water conservation and forestry;

- a. Control of air pollution, noise pollution, other public nuisances and outdoor advertising, refuse removal, refuse dumps and solid waste disposal,
- b. Water distribution, management, regulation; sewerage and sanitation services and all matters related to electricity and gas reticulation
- c. Energy regulation and management of co-operatives societies.

Mr. Speaker, in an Assembly sitting held on April 16, 2015, Hon. Bernard Wanyoike MCA Gaichanjiru ward requested for a statement from the chairperson, Water, Energy, Forestry, Environment, Natural Resources and Co-operative Management committee.

The problem statement; the statement requested by Hon. Bernard Wanyoike was as follows; pursuant to standing order number 45(2) (c) I hereby request for a statement from the Chairperson Water, Energy, Forestry, Environment, Natural Resources and Co-operative Management committee on the following;

- a. Is the chairperson aware that bodaboda operators in Gaichanjiru ward have not benefited from the free training and issuance of licenses by the county government?
- b. Can he explain why no attempt has been made to create this awareness among boda boda operators in Kandara sub- county?
- c. Is he aware that equitable allocation of resources across the county is a constitutional obligation?

Methodology; the chairperson tabled the statement in a committee meeting whereby it was resolved that the statement be forwarded to the office of the County Executive Member for Youth, Sports, Culture, Gender, Social Services and Special Programmes. The committee forwarded the statement to the Executive member once again who had given a very narrow response and it was returned to him and this what he said; he said up to now Gaichanjiru bodaboda operators have been trained and the only thing they do not have is the licences which are withheld by the person who was training them for the lack of payment. The licences have been withheld for the following.....

*(The commissionaire stood between the Chair and the member as he got water from the Clerk's table)*

*(The Deputy Speaker called for order)*

**Hon. Deputy Speaker:** I want to make the following observation for learning, nobody is supposed to be between the person contributing and the chair, you may continue.

**Hon. Rebecca Mwicigi:** The following; members of the bodaboda operators from Gaichanjiru who have been trained and are awaiting their licences and they have qualified to be good cyclists; Samson Ng'ang'a, Moses Njaramba, Joseph Miring'u, Samuel Muiruri, Francis Wambu, Anthony M Kinuthia, Derrick Njoroge, Peter Gatamba, James Mburu, John K Muiruri, Elias Mwangi, Patrick Wanjohi, Gladys M. Kariru, Charles K. Ngugi, Erastus N. Mugo, Duncan Chege, Joseph N. Chege, Livingstone G. Karachu, Michael Mwangi, Joel K. Kaba, Peter M. Wamutitu, all these people as soon as the trainer is paid will be given their licences.

On question (b) awareness of free training in Kandara, the programme is fully embraced in Kandara sub- county as evidenced by participation as follows; trainees in Kandara sub- county were as follows in July 2014; 179 trainees were trained, in October 2014, 354 trainees were trained, January 2015, 736 trainees were trained April 2015, 236 were trained. Total trained cyclists are 1505.

The program is run through co-operatives and the committee was happy to note that the cyclists from Gaichanjiru have come together and formed a co-operative called Gakamu and they were registered in April 2015, under the society registration number CS no.18058 and it is attached to the report. It held its first meeting on 16<sup>th</sup> May 2015.

Equitable allocation of county resources; the member wanted to know and I am happy to note the constitutional threshold is being implemented; no area in the county has been left out. In general formation of co-operatives is through voluntary initiatives .....

*(Hon. Charles Kirigwi crossed the floor without bowing)*

*(Hon. Duncan Njuguna rose on a point of order)*

**Hon. Duncan Njuguna:** Mr. Speaker, is it in order for Hon. Kirigwi to crisscross the floor without bowing to the mace.

**Hon. Deputy Speaker:** Hon. Kirigwi you are out of order, go back and bow to the mace as a sign of authority.

**Hon. Rebecca Mwicigi:** Thank you Mr. Speaker, in general formation of co-operatives is through voluntary initiatives. As part of the county government's responsibility, we educate members of the public on the benefits accruing from forming or joining co-operatives in every opportunity we get. With those few remarks I am happy to note that it has been answered properly. Thank you.

**Hon. Deputy Speaker:** Hon. Member for Gaichanjiru do you have anything to say about that?

**Hon. Bernard Kariuki:** Thank you Mr. Speaker, I want to thank and congratulate the committee for that very elaborative answer and say that they have set a precedent of how the statement should be answered in this House but I want to appreciate that part of the training that is in that answer it is because I asked for a statement and immediately I sought for a statement they commenced that training but I am happy if that is what is going to work in this county, we are going to do that.

I congratulate the committee for that elaborative answer and perhaps request them because in the report they have said they have trained 1500 bodaboda riders and most of those come from Ruchu and upper Kandara but in my ward they have indicated it is just 21, so you can see it is a very low number. I would request the acting chair to undertake to communicate to the CEC so that my ward also benefits from the county government. Thank you Mr. Speaker and I thank the committee.

**Hon. Deputy Speaker:** Next order

TRANSFER OF MR. PAUL N KAMAU (SENIOR ASSISTANT CHIEF PUBLIC HEALTH OFFICER)

**Hon. Jesse Mburu:** Thank you Mr. Speaker, on 26<sup>th</sup> May 2015, a statement was sought by Hon. Charles Kirigwi and I have got a comprehensive report compiled and sent to me. I have very late observed that this statement from the director of health is not signed so he does not own the statement and I seek your advice whether I can present it the way it is or I present it next week when the document is signed.

**Hon. Deputy Speaker:** Order! Hon. Member, you are the representative of the person who gave that statement and it can be a very bad precedent for this Assembly to accept any document that is not owned, so you are out of order. If you are willing, you can respond to the statement because you have clearly indicated that it is not owned.

**Hon. Jesse Mburu:** Thank you Mr. Speaker, I would not like to go ahead and respond to the statement because the report is good as I said but I would like it to be signed, so I request the House to give me until Tuesday.

**Hon. Deputy Speaker:** You are allowed by the chair, plan yourself properly and then come and respond, next order

STATUS OF GIATHANINI ECDE CENTRE

*(Hon. John Gitau crossed the floor without bowing)*

**Hon. John Gitau:** Thank you Mr. Speaker, the statement was sought by Hon. Esther Nyakio, Member for Ithanga and in response to the statement I will have to say that Ithanga was previously administered from Kiambu County until....

*(Hon. Charles Kirigwi rose on point of order)*

**Hon. Deputy Speaker:** What is it Hon. Kirigwi? And you quote the order that has been violated.

**Hon. Charles Kirigwi:** In the decorum of this House, five minutes ago I was ruled out of order because of criss-crossing the floor. Is it in order for the member for Kamahuha to criss-cross the floor without bowing to the mace.

**Hon. Deputy Speaker:** Yes, Hon. Member for Kamahuha do the necessary, and it is good for the members to be quoting the standing order that has been violated to give the members a chance to remind themselves, you may continue.

**Hon. John Gitau:** Thank you Mr. Speaker, I was saying Ithanga was previously administered from Kiambu county and until the new Constitution was adopted, it was transferred to Murang'a county. In the first financial year no projects for youth polytechnics were initiated there, however, plans are underway to initiate several projects in the current financial year including building of a polytechnic in Ithanga.

From the information gathered on the ground it has been established that at least three youth polytechnics, that is Muti, Ithanga and Matunda used to exist in Ithanga ward but were closed down sometime back due to various reasons;

Therefore, the first priority will be to revive the old institutions before embarking on new ones and I am going to organize a visit to these institutions and establish their current status.

Money was factored in the budget of Ward Development Fund in the budget of year 2015/2016 and we hope that part of this money will be spent on establishment of youth polytechnics, thank you.

**Hon. Deputy Speaker:** I can see the Hon. Member for Ithanga is not with us today so we assume she will be satisfied with the answer or liaise with the member who was responding to that statement, next order

### MOTIONS

#### ADOPTION OF SPECIAL AUDIT REPORT ON THE FINANCIAL OPERATIONS OF MURANG'A COUNTY GOVERNMENT AND FORMER DEFUNCT LOCAL AUTHORITIES

**Hon. Deputy Speaker:** As the member is coming, I can see today the public gallery is full.

**Hon. Erick Kimani:** I thank you Mr. Speaker, on behalf of the members of Murang'a County Public Investments and Accounts committee, I beg to move; the adoption of the Special Audit Report of the Auditor General on the Financial Operations of Murang'a County Government and Former Defunct Local Authorities for the period January 1, 2013 – June 30, 2013.

The Public and Investments committee is mandated to do the following:-

- a. Examine the reports and accounts of the public investments;
- b. Examine the reports, if any, of the Auditor General on the public investment;
- c. Examine, in context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

This is what the committee is not mandated to do;

- a. Matters of major government policy as distinct from business or commercial functions of the public investments;
- b. Matters of day-to-day running and
- c. Matters for the consideration of which machinery is established by any special statute under which a particular public investment is established.

The powers of the committee are derived from standing order no. 175 of the Murang'a County Assembly, Article 195 of the Constitution of Kenya 2010, Section 39(2) of the County Governments Act, the State Corporations Act (Cap.466) and the Public Audit Act (Cap.412) to summon witnesses, examine them on oath and receive evidence.

The committee membership is as is in the document, I am very sure every member has the document with him or her, we have 13 members

The major challenge the committee has experienced in the execution of its mandate is lack of enough funds to carry out its oversight role due to the recent created expenditure ceilings in all County Assemblies in Kenya. The above notwithstanding, the committee discharged its mandate as provided for by the standing orders.

Allow me Mr. Speaker to thank the entire members of this committee and staff attached to it for their hard work and commitment which made the taking of evidence and production of this report a success.

The background of Murang'a county government and its defunct local authorities which is from number seven; the Auditor General has the mandate under Article 229 of the Constitution to audit and report on the accounts of the national and county governments. Further, section 134(1) of the County Governments Act, 2012 repealed the Local Governments Act, Cap 265 and effectively dissolving all the 175 local authorities and creating the current 47 county governments.

According to the Transition to Devolved Governments Act, 2012, after the General Elections of March 4, 2013; the functions, assets, liabilities and staff of the former local authorities were to be taken over by the county governments.

The objectives of this special audit exercise was therefore to ensure the existence of a seamless transition process and proper systems for accountability of public resources before, during and after transition to the county governments.

The audit of the Murang'a County Executive, Murang'a County Assembly and the former Town Council of Maragua, former Town Council of Makuyu, Former Town Council of Kandara, former County Council of Murang'a, former Municipal Council of Murang'a, former County Council of Maragua and former Town Council of Kangema involved transactions for the period January 1

*(Hon. Bernard Kariuki rose on a point of order)*

**Hon. Deputy Speaker:** Yes, Hon. Bernard.

**Hon. Bernard Kariuki:** Mr. Speaker, I raise on standing order number 80 that no member shall read a speech but the member may read short extracts, but Mr. Speaker the mover is reading the whole report, he is out of order.

**Hon. Deputy Speaker:** The Chair can allow any member to extract and the Chair has allowed to a particular extent, so if that member is going beyond that extent I will rule him out of order but the Chair has allowed.

**Hon. Erick Kimani:** Thank you Mr. Speaker, I said that I am going to be very brief and I just want to read the most critical areas. The members can understand the mandate of this committee and I am also very sure that apart from Hon. Bernard maybe we need to be reminded of the Articles in the Constitution because it is not in most cases that we read the Constitution.

Number ten, the terms of reference set for the audit included verification and confirmation of transactions in respect to but not limited to the following areas;

- a. Taking over of the former local authorities and bank balances
- b. Current debtors and suppliers balances
- c. Motor vehicles and office equipment
- d. IPPD payroll and establishment
- e. ICT and G-Pay System
- f. Recurrent and development expenditure items
- g. Procurement and procurement procedures

While taking evidence, the committee was guided by the existing procedures and modalities of operations of the Murang'a County Assembly derived from the Constitution of Kenya 2010; Murang'a County Assembly standing orders, common practices and rulings and directives of the Chair.

Article 226 (1) (5) of the Constitution of Kenya 2010, stipulates that "If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not.

Article 74 of the Public Finance Management Act 2012, states that: pursuant to Article 226(1) (5) of the Constitution of the Republic of Kenya, section 74 of the Public Finance Management Act 2012, gives accounting officers powers to discipline errant officers under their jurisdiction. The same section of the Act also gives the appointing authority powers to discipline errant accounting officers. Further, Section 74(3) of the Act empowers the appointing authority to revoke appointment of errant accounting officers.

The committee is glad to note the enactment of the Public Finance Management Act and calls on the appointing authority to strictly apply provisions of this Act to ensure fiscal discipline over public funds.

In this report, the committee has applied sections 226(1) (5) of the Constitution of Kenya, 2010, and 74 of the Public Finance Management Act to recommend the investigation and surcharging of various persons that may have been responsible for the loss of public funds.

General observations Mr. Speaker; from the evidence adduced both orally and written the committee made the following observations and recommendations

**Hon. Deputy Speaker:** Order! Hon. Member you are now reading a speech.

**Hon. Erick Kimani:** I wanted to break down, Mr. Speaker if you could have allowed me.

**Hon. Deputy Speaker:** That report should be now in your head and you should be highlighting it.

**Hon. Erick Kimani:** Thank you Mr. Speaker; I will go direct to the observations and recommendations of the committee, I am very sure those are the key areas the members of the House need to know well. We went into details in every former local authority and the observations from different former local authorities were similar while others would differ according to the location of that former local council.

In former local council of Murang'a, the committee observed, I will just go to the key areas, that the Transition Authority was responsible for preparing and maybe as I get there I have to say in all the former county councils, the issue of transition, in the issue of the asset register these are liabilities and also the assets, were almost the same and this is well written in general recommendations of the committee that the TA should take up the matter and ensure that all assets and liabilities are audited in the whole county. I think the exercise is ongoing.

The other issue that the committee came across that was almost similar is the issue of the debt. There were no proper records on the debts so the debtors and creditors ledgers were not well maintained, so the committee resolved that the creditors' ledgers and debtors' ledgers must be well done by the county government and the County Secretary so that we can account well to all those officers who were in defunct local authorities and if there are any dues to be paid, they should be well audited by the County Secretary and county government so that these officers can be paid their salaries and their due allowances.

Another thing that was similar is the issue of the asset register. The issue of land is much critical and it was the finding of the committee that whatever was presented by the Auditor General in regard to audited assets from the local authorities the committee was not satisfied with the report, so the committee resolved that there should be thorough audit in issues pertaining to the land so that the county government can have a list of all the land owned by the community so that there can be good records of land in our county.

The issue of county government, the members recommended that there should be enhanced the process of securing all the land by valuing and acquiring title deeds for all the parcels of land under its jurisdiction in order to safeguard the county assets.

The members realized that if there is no proper valuing and also issuing the title deeds of the government parcels of lands there might be loss in some years to come so the committee recommended the valuing and issuance of title deeds on those lands be done.

In conclusion Mr. Speaker, the observation clearly indicates that the process of taking over the assets and liabilities including the former staff of former councils was not properly handled due to lack of proper arrangement by officials of Transition Authority that had responsibility to ensure a smooth and seamless transition process.

The county government of Murang'a should however ensure full control of functions including revenue collection, recording and proper accounting of the same while awaiting guidance from the National Treasury on accounting and reporting system to be developed by

the Public Sector Accounting Standard Board in accordance with section 194 of the Public Finance Management Act. Mr. Speaker those are the most critical areas and findings.

Of the members in some of the defunct local authorities, is that there were no proper records submitted to the Transition Authority by the clerks and hence the committee recommended that forthwith all the expenditure incurred by the former Murang'a Municipal Council be prepared and confirmed by the Auditor General and thereafter presented to the County Assembly for ratification and approval within the next 60days.

We came to realize that the expenditures that were incurred during the transition period by the most of the defunct councils despite a circular from the Transition Authority that banks accounts should have been closed by 28<sup>th</sup> March 2013, most local authorities did not close the accounts and they went ahead to spend the money in those accounts contrary to the circular. Most of the accounts were closed at 30<sup>th</sup> June so expenditures continued for those three months.

Committee recommended accounts to be done on all the defunct councils and brought to floor of the Assembly for ratification. Since the Assembly was not in place to give a go ahead with expenditure, the committee found it wise that an audit should be done and brought to the Assembly so that members can know what was happening and whether it was spent in right manner.

On former Makuyu town council Mr. Benson Njihia, the former town Clerk of Makuyu Town Council and Mr. James Mbugua Kimotho appeared before the committee on September 3, 2014, and adduced the following evidence; compliance with circulars; the Ministry of local government circular reference no. MLG/1333/TY/52 dated 18<sup>th</sup> February 2013, required all Town Clerks to prepare a statement of assets and liabilities as at 28<sup>th</sup> February 2013. In addition, letter reference no. MOF/IFMIS/1/41 dated 7<sup>th</sup> March 2013, instructed the previous local authorities to freeze their bank accounts with the exception of the receiving accounts, this is what I had stated it never took place. The committee recommended;

- a. That the TA verifies the contents of the presented assets register
- b. That the immediate former Clerk and Treasurer be suspended for not presenting the reconciled accounts to the committee and the Auditor General for verification
- c. That forthwith that all expenditures incurred by the former Makuyu Town Council be prepared and confirmed by the Auditor General and thereafter presented to the County Assembly for ratification and approval within the next 60days.

The former Kandara town council; the officers were Mr. Zachary Ngatia who was the clerk and Mr. Nelson Njeru who was the Treasurer. They appeared before the committee on September 13, 2014, and adduced the following evidence; compliance with circular; they gave the circular that was given by the Ministry of local government on 18<sup>th</sup> February 2013, and another circular that was showing the closure of bank accounts dated 7<sup>th</sup> March 2013. After interviewing the officers the committee observed that;

- a. The fixed assets register was not presented
- b. Bank reconciliations were not presented
- c. The creditors ledger was not presented, the committee however notes that a list of salary arrears was presented.
- d. The salary arrears presented could not be authenticated.

The committee recommended;

- a. The TA should authenticate the arrears
- b. That the immediate former Town Clerk and Treasurer be suspended for failure to present to the committee and the Auditor General their reconciled bank statements



- c. Forthwith that all expenditures incurred by the former Kandara Town Council be prepared and confirmed by the Auditor General and thereafter presented to the County Assembly for ratification and approval within the next 60days. Also if the audit will reflect any mismanagement then disciplinary action shall be meted on the officers

In former council of Maragua, during the transition period, the council's chief officers were Town Clerk Ms. Jane Wairimu Njuguna and the Treasurer was Mr. Charles Ng'ang'a. After interviewing the officers the members observed that;

- a. That the fixed assets register was presented
- b. There were no ownership documents attached to the assets register i.e. title deeds, leases and log books
- c. There was no official handover through the TA
- d. Bank reconciliations were presented and reconciliations done up to June

The committee recommended;

- a. That the assets be coded to ensure easier tracing and inventory management
- b. That the TA should carry out a verification exercise and an official handover report tabled in the County Assembly.
- c. Forthwith that all expenditures incurred by the former Maragua Town Council be prepared and confirmed by the Auditor General and thereafter presented to the County Assembly for ratification and approval within the next 60days. Thereafter disciplinary action shall be meted on officers where laxity, negligence of duty will be observed.

Mr. Speaker in the former Murang'a county council where the former officers were Mr. J.M Muthamia clerk and Mr. B.K Nkodo who was the former Treasurer for the former Council of Murang'a.

The committee observed

- a. They did not maintain an assets register.
- b. They did not submit valuation asset documents.
- c. The debts were not handed over properly since there was no information to fully support them. The treasurer said that there was a communication to interim county secretary on the debts but he did not have it with him.
- d. Some plots have matters in courts that have not been settled regarding payment of rates and he did not have documents.....

**Hon. Deputy Speaker:** Hon. Member you are still reading, I want you to limit yourself to the key points.

**Hon. Erick Kimani:** Thank you Mr. Speaker, the committee recommended that

- a. TA should verify the records of the defunct local authorities.
- b. The council should update the asset register, this we said TA should also take up the exercise of auditing the assets in the county.
- c. All assets should be valued, marked and numbered.
- d. The county government department of land and physical planning should conduct official land exercise.

In the Murang'a County Government; Mr. Edwin Kimuyu, the Chief Finance Officer of the County Government of Murang'a appeared before the committee on September 4, 2014, where he adduced the evidence and the committee observed the following;

- a. That a formal handing over ceremony was not done properly.
- b. There were no proper assets register which were maintained.
- c. The salaries arrears presented could not be authenticated.

The committee recommended that;

- a. The arrears should not be paid until they are authenticated by TA.
- b. The Town Clerk and Treasurer be suspended for failing to provide to the committee and to the Auditor General their reconciled bank statements.
- c. The county chief officer provides an updated assets register and the TA should carry a comprehensive assessment.

The committee also recommends that the incurred expenditures should be verified and also audited by the Auditor General and brought to the Assembly for ratification.

Mr. Speaker after the committee went through all those defunct local councils; it came up with these general recommendations; allow me to read this they are not many.

- a. A formal handing over ceremony should be carried out between the TA and former chief officers of the defunct local authorities.
- b. The CEC member for finance fast tracks the process of securing ownership documents to safeguard all the county government assets owned by the former defunct local authorities.
- c. The CEC member for finance undertakes to provide an updated register for assets, and the Transition Authority should carry out a comprehensive assessment. The committee also recommends that the incurred expenditures should be verified and audited by the Auditor General before being brought to the Assembly for ratification.

Mr. Speaker, after the committee went through all those defunct local councils, it came up with general recommendations, allow me to read them through because they are not many. A formal handing over ceremony should be carried out between the TA and former chief officers of the defunct local authorities.

The County Executive Member for Finance, IT and Economic Planning should fast track the process of securing ownership documents to safeguard all the county government assets owned by the former defunct local authorities.

The CEC Member for Finance, IT and Economic Planning should undertake identification and valuation of all the assets inherited from the former defunct local authorities.

The CEC Member for Finance, IT and Economic Planning should prepare all expenditures and incomes of the County Government and the Former Defunct Local Authorities during the transition period and table the said statement for ratification by the County Assembly.

The County Secretary should carry out a legal audit and prepare an inventory of all past and on-going court cases involving all defunct local authorities and other legal entities that took over and thereafter submit the report to the County Assembly for approval before any payments are affected.

The current chief officers for the county government of Murang'a should be suspended for causing the loss of public funds by approving the payments of Kshs 6,759,467 to two law firms.

In addition, the CEC Member for Finance, IT and Economic Planning should immediately prepare an inventory of all credits of the defunct local authorities and submit the report to the County Assembly for approval before the creditor from the defunct local authorities is paid.

Finally, the County Assembly should adopt with amendments the Special Audit Report of the Auditor General on the financial operations on Murang'a County Government and Former Local Authorities for the period January 1, 2013 to June 20, 2013.

Mr. Speaker, the officers were given enough time to produce the said reports of which they failed to produce; hence the suspension recommendation. The committee recommends

forthwith that all expenditures incurred by the Murang'a county government be prepared and confirmed by the Auditor General and thereafter presented to the County Assembly for ratification and approval within the next 60 days. Therefore, disciplinary action should be taken against the officers where laxity, negligence of duty and malpractices are established.

That is the report that the committee did, it is the mandate of the committee to analyse and report to the Assembly when accounts or audit reports are done by the Auditor General. Without much ado, I invite my very able vice- chair to second the motion, thank you Mr. Speaker.

**Hon. Deputy Speaker:** Hon. vice- chair.

**Hon. Peter Murigi:** Thank you Mr. Speaker, I second the motion.

**Hon. Deputy Speaker:** Hon. members, for the interest of refreshing our minds, motions emanating from committees do not necessarily need to be seconded, however, it is good because the motion before the House has been seconded. I will now read the motion.

*(Question proposed)*

Hon. Duncan

**Hon. Duncan Njuguna:** Thank you Mr. Speaker, I stand to oppose the report.

*(Applause)*

One, the reference that has been made in this report on the chief officers is wrong because I do not know which defunct local authority had personnel that had such titles. It is therefore very confusing to call them so whereas we did not have such titles in the then local authorities. This is a very sensitive committee because its mandate is to investigate and examine statements, especially those that come from the Auditor General. For them to say that there were doubtful claims without elaborating is to make the House want to know how doubtful the claims were, there is no report to substantiate the same; they have only stated that they are doubtful.

Mr. Speaker, on the mandate of the TA, it is very clear that they were supposed to oversee transition from the former local authorities to the devolved governments; they were to oversee that in both the Executive and the legislative arms of the county governments. There were interim officers then and we have some of them to date, the interim officers were seconded from various departments by the TA. When they say that the TA was not involved yet the people who were doing work before the coming of the county government were under the county co-ordinator of the TA, is to mean that the supervision of the said officers was not done properly.

When they say that disciplinary measures should be taken against the junior officers yet leave the senior officers, including the TA officers and those who were in line in the former local authorities, it leaves a lot to be desired. They have, for instance, gone for the Treasurers but left the clerks. The mover has said that, in other areas, there were valuers that were contracted to do the valuation of the assets. He has also said that in some other areas, no photographs were provided as evidence. They are not stating that there was supposed to be given a report with photographs and other evidence on the contract that was done between the contracted valuer and the municipal council or the county council such as Maragua county council, to show that the land existed.

Mr. Speaker, the mover is saying that the TA should verify the assets yet they only have six months left to be in office. If they have not done anything in two and a half years, I do not see what they will do in the next six months. We have the county government already in place. I concur with the mover that evaluation of properties owned by the county

department of Lands in the government of Murang'a is being done by a valuer, however, about the last recommendation on the legal officers, we still have a case in a Kerugoya court and the county is represented in that case by one Mr. Kimwere, whom they have cited not to have been paid his dues properly. I wonder why such a person should be retained yet two years down the line, he is said to have been illegally paid an amount that cannot be substantiated.

When they say that the TA did not witness, I wonder who received and presented the reports. The interim Finance Officer by then was under the TA co-ordinator of Murang'a county. There is also a section that is contradictory; it says that the TA was giving very contradicting statements and letters without going to the ground. You therefore cannot take the words of the TA county co-ordinator as facts. Saying that nothing was handed over to her does not make sense to me. We know that this report was withdrawn on 23<sup>rd</sup> April 2015. The report that had been tabled then is not the same with the one we are currently debating. With those few remarks, I completely oppose the report as presented to this House, thank you Mr. Speaker.

**Hon. Deputy Speaker:** Hon. Mary.

**Hon. Mary Waithira:** Thank you Mr. Speaker for giving me this chance, I rise to support the report as it has been presented by the Chairman. The Mover of the Motion has been clear that whatever we are looking at is not of our own making; ours was to extract the areas of concern from the Auditor General. The Auditor General is supported by Article 229 of the Constitution, he is, therefore, legally in office to make sure that he audits and looks at the reports of accounts of the national and county governments. Ours was limited to calling witnesses, examining them and making sure that we listened to their evidences as regards the queries that the Auditor General had raised.

Mr. Speaker, we had a similar problem in all the seven defunct local authorities that informed our recommendations, especially from the handing over reports. The TA lacked enough staff to oversee the handing over. When we inquired from the person who was to co-ordinate the taking over here in Murang'a, we were told that they did not have enough staff to undertake the process. We had also read the various complaints in the newspapers by the TA on the same. We have cited oversight roles that the TA was supposed to do but never did because they did not have enough staff.

We do not regret calling them chief officers because that is how they are referred by the law. We also questioned and confirmed that the Accounting Officers were supposed to be called chief officers. The moment it was realised that the TA could not undertake the handing over, the chief officers in the defunct local authorities were instructed by the county government to make sure that they prepared the handing over reports. The reports were then forwarded to the interim County Secretary whom we also invited to appear before the committee. The county government of Murang'a did not however do so; all the others prepared and handed over to the then interim County Secretary.

Mr. Speaker, there were grey areas in many of the Defunct Local Authorities and we had to make recommendations on what we have said. We should have a proper process done to verify that whatever they provided in the handing over report is exactly what was on the ground. Article 226 of the Constitution provides what is supposed to be done to the public officers while Article 74 provides the mandate given to the accounting officers as per discipline of the errant officers. It also outlines the powers given to the appointing authority to revoke appointments for the errant officers. When we looked at that, we saw the failure by the defunct local authorities to close down their bank accounts. There were two letters that were written; one was written to all the town councils informing them that they were

supposed to write a report for the assets and the liabilities while the other one, dated 7<sup>th</sup> March, was instructing all the defunct local authorities to close down their accounts.

We invited them to inquire why they defied the letter and they told us that there was no money that had been given to the county government for salaries, fuelling vehicles and other operations. We bought their idea because they supported why they did that and from where they borrowed from. The Principal Finance Officer explained that very well, he had the handbook of the Governor that was given to them and he also cited the relevant laws they borrowed from. Ours as a committee was to listen to the reasons and see if they were viable or not.

Mr. Speaker, there was the issue of the bank reconciliation statements which were supposed to be done but were not done. That was also another grey area that we identified and we have cited our recommendations to many of the grey areas we identified. We saw that there were so many pending bills which continued to increase as per the audit queries. The officers that were in the defunct local authorities were to make sure that proper records with documents were given.

*(Loud consultations)*

The report is in our files and many of the Hon. members can look at it, they will note that we have talked of suspension of some officers in the then defunct local authorities. I want to give the reasons why we have recommended for the suspension of some chief officers. We were, for instance, looking at the weight of the matter before coming up with a recommendation. We did not recommend suspension in every case because, as I said earlier, general mistakes were done by most of the defunct local authorities. Although we had general problems, you will find that in some defunct local authorities such as Maragua, Makuyu and Kandara, we had extra mismanagement of funds. In these cases, however, they were not in a position to substantiate or even provide documents to explain the missing millions.

Mr. Speaker, we therefore called for the suspension of the said officers until they provide documents to account for the money. I will cite Maragua County Council as an example where we had D.N Ngugi as the County Clerk and Isaac Khalisia as the County Treasurer. In that case we are talking of loss of some money to which they were not in a position to substantiate. In the audited report, there was some extra money that was paid amounting to Kshs 800,000 for searches and the report to provide that or act as evidence was not provided. There was also large amounts of money in the same Maragua County Council which could still not be substantiated or even provide documents we required to prove for doubtful claims on legal services which were amounting to more than Kshs 2,000,000.

*(Several hon. members rose)*

**Hon. Deputy Speaker:** Under the standing order no. 83

**Hon. Duncan Njuguna:** Mr. Speaker, the Hon. Member is misleading the House because the amount we have in our reports is Kshs. 800 and not---

**Hon. Deputy Speaker:** Order! Order! Hon, Member, Order! Hon. member, respect the Chair; the Chair is addressing the House. standing order 83 states that when an order has been violated you may rise on a point of order and state that order for the other members to note so that they may not violate the same order in future, continue.

**Hon. Duncan Njuguna:** Mr. Speaker, the misleading order is not in the standing orders.

*(Laughter)*

The Hon. member is misleading the House because the report states clearly that documents were not provided to account for a total cost of Kshs. 800.

**Hon. Deputy Speaker:** Hon. member you may continue and I want to state clearly that I will not be giving opportunity to anybody to speak on a point of order that is not contained in the standing orders that guide us

**Hon. Mary Waithira:** Thank you Mr. Speaker, for the defence because I am looking at page 15 where we are looking at the official handing over, if you look at number 40 (h), it says that they paid the valuer an extra Kshs. 800,000 to do the searches, however, the officers did not produce the official searches paid for. The report I have is the official one we tabled because maybe there could be different reports. If you look at page 16, the committee observed that there were doubtful claims on legal services which were paid for and amounted to Kshs 2,067,467 and Kshs 4,692,000.

Mr. Speaker, we are calling for the suspension of the officers in some areas because of the large amounts of money that could not be substantiated. We were requesting for documents that could prove to us how the money was spent. We had no problem with the documents we went through and found enough proof because, as I said earlier, there were general grey areas in the seven defunct local authorities.

I refer you to page 20 which focuses on Makuyu Town Council where we are also calling for the suspension of the chief officers. You will find that members were concerned that the council had no documents to relay the matter of the land dispute in the area. The identification of assets was done but the handing over was not carried out as required. When asked about the various double allocations in Makuyu area, the officers said that they lacked a way to identify the original owners as some documents were still with the former larger Murang'a. If you, in fact, look at (a), you will find that the chief officers for the former council did not even provide a fixed asset register. Others however produced that register later on.

If you also look at the former Kandara Town Council where we are also calling for suspension, you will notice that there were issues to do with large amounts of money. That is why we are saying that we have not called for suspension in some cases; we are only calling for suspension where we found that the issue was too much to bear with or could not be compared to others. For example, the fixed assets register, bank reconciliation and the creditors' ledger were not presented in the case of Kandara, despite having given them ample time to do so.

Others were however able to produce those documents and they brought them to the committee where we approved after looking at them. It is worth to comment that the chief officer for the Town Council of Maragua was very smart in whatever we requested for. It was the only defunct local authority that was able to give us a very good report on all the concerns which the Auditor General had raised in his report. Finally as I conclude, when we went to look at the county government, we saw that there were some monies

*(Hon. Charles Karina rose on a point of order)*

**Hon. Charles Karina:** On a point of order, Mr. Speaker

**Hon. Deputy Speaker:** State the order that has been violated.

**Hon. Charles Karina:** Mr. Speaker, standing order n0. 97 (4), states that no member shall participate in debate for more than 20 minutes. I think the Hon. Member has participated for more than 20 minutes.

**Deputy Speaker (Hon. Gachui Mungai):** Hon. member, I think there is nobody who was looking at the time.

*(Loud consultations)*

Order! members, Order! It is good for us to be quoting the standing orders as the Hon. Member for Township has done so that we manage to fill the gaps that we have been experiencing in the Assembly. There was no timing and you may therefore continue, however, conclude because other members want to contribute.

**Hon. Mary Waithira:** Thank you Mr. Speaker, I was in fact concluding but I think you can see the objection that is coming from the floor. Such a House that holds a lot of integrity in terms of how we were elected by the public or nominated, has the mandate to oversight the public resources that belong to Wanjiku so that if those resources are used prudently, Wanjiku will be subjected to more development and services.

I was commenting on the chief officers of the county governments where we called for their suspension because Kshs. 6,000,000 and above could not be accounted for. It is good to tell this House that we gave these officers more than six months to provide evidence on every query that the Auditor General had raised. It is therefore the mandate of this House to either adopt or reject the report. We have members of the public in the public gallery who are waiting to see if we are here to support those who are mismanaging public funds or to fight corruption to ensure that money is used prudently so that citizens get value for their money, thank you Mr. Speaker.

**Hon. Deputy Speaker:** The Hon. member for Kangari.

**Hon. Anderson Muchemi:** Thank you Mr. Speaker, I want to give a very short chronology of the events that have been going on in the production of this report. I joined this committee as a member after the April recess and it was then that we tabled this report for the first time. I was the one who tabled the report and I also gave the notice of motion. However, it was after giving the notice of motion that members realised that the report had been doctored or had been changed. We therefore had to withdraw the motion which had been slotted in the business of the following day.

**Hon. Deputy Speaker:** Order! Hon. member, you cannot purport that this House doctored the report. You can however quote another reason why you decided to withdraw the report because it is not good to smear this House by saying that it doctored the report.

**Hon. Anderson Muchemi:** Thank you Mr. Speaker, I am giving the small history so that the House can know where we are. After the motion was withdrawn on Thursday 23<sup>rd</sup> April 2015, members met and agreed to focus on the original report, which I, Anderson Muchemi Waweru- the representative of the people of Kangari- was not part of. It was after that decision that divisions arose in the committee; the report divided the committee into two groups, that is the truth.

Members then agreed that we table the original report for the second time. If you go to number 81, you will see that we all agreed to sign the report. I was a member and I signed the report. However, if you go to number 23, you will see where the problems emanated from in the whole issue of the defunct local authorities; the committee observed that there was a problem in taking over the assets and liabilities from all the former counties due to lack of necessary arrangement by the officials of the TA.

Mr. Speaker, I wish to remind the members that this report has taken more than one year, it came to this Assembly in the month of April last year and members of the Public Investment Committee (PIC) went through it up to the month of December the same year when went for our recess. We have been discussing it ever since we resumed from that recess. What do I want to say? I signed this report as a member of that committee, however, after consulting my inner conscience- that is Mr. Anderson Waweru the man- I found that there was a problem with this report, despite having signed it. After reading the laws and the Constitution---

*(Hon. Mary Waithira rose on a point of order)*

**Hon. Mary Waithira:** On a point of order Mr. Speaker

**Hon. Deputy Speaker:** Remember to clearly state the order that has been violated.

**Hon. Mary Waithira:** Mr. Speaker, standing order no. 183 (5) states that if any member of the committee does not support the majority report, there should be a minority or dissenting report appended to the report. I stand to be corrected if I am wrong because you cannot mislead the House by giving a contrary opinion to a report which you read and signed. It only means that you signed something which you did not know what it was, thank you Mr. Speaker.

*(Loud consultations)*

*(Several hon. members rose)*

**Hon. Deputy Speaker:** Order! Hon. members, there is no competition in this Assembly and you cannot rise on a point of order on another point of order. Hon. Anderson, it is good for you to note that the standing order she has quoted means exactly that, you however have the right to continue debating.

**Hon. Anderson Muchemi:** Mr. Speaker, I have not opposed and I still own the report. I was saying that if you go to number 14 (b) of our report, it is written that pursuant to Article 226 (1) (5) of the Constitution of the Republic of Kenya and section 74 of the Public Finance Management Act (PFM) 2014, accounting officers are given powers to discipline errant officers under their jurisdiction.

If you go to our report, you will see that we are only disciplining two officers yet we are told that there was an accounting officer in every town council. What am I saying? We for instance had an accounting officer for the defunct Maragua Town Council. Some of our members are having grudges with some of those chief officers. Mr. Speaker, I have been soul searching. I have also told this Assembly that, as a committee, we are divided into two because of this report.

*(Applause)*

We were defeated by those in support because they were more than us.

**Hon. Deputy Speaker:** Order! Hon. member, I now want to rule you out of order because that is lowering the dignity of this House by purporting that the committee is divided yet you have brought the report. I now invite another member to contribute; Hon. member for, Rwathia!

**Hon. Peter Mweri:** Thank you Hon. Speaker, I am the Budget and Appropriations chairman and I would like to first congratulate this team for coming up with a very wide report, however, I stand to oppose it on the following grounds.

*(Applause)*

Mr. Speaker, you remember that when we came into office in March 2013, we were in a new system of devolution. Most of the departments did not know their mandates in the first two years, we also faced the same challenge and we have been learning as time goes on. I appreciate the committee because they even summoned the sub-county accounting officers, it is good that they have noted that we had problems in almost all the sub-counties in the first few months or even the first one year. The government had mandated the TA to oversee the transition and there were so many assets that were supposed to be handed over to the Murang'a county government.

Mr. Speaker, we had called the TA the other day, unfortunately, we have not been in a position to account for all the assets of Murang'a. What do I want to say? It has not been a



very easy task and it is very good that the committee has come up with very good recommendations, especially on the sub-counties. They have also come up with recommendations touching on the county government, which are in good faith. The only reason why I am not supporting this report is because the committee has gone further to recommend for the suspension of some officers of the former county councils while leaving others.

Mr. Speaker, you cannot say that one offense has more weight than the others, if a mistake has been done, it remains as that; a mistake. Therefore, if we are to suspend, it should be done to all the accounting officers. I presume that as we talk, the county has progressed and it is going on in improving the services. I do not disown the whole report because this is a very good start. I, however, propose that we do not adopt it on the basis that they are proposing that we suspend some accounting officers while sparing others. Most of those who were in the system also did mistakes, in fact, it is better to correct a mistake rather than just tell somebody to go.

I know that there are many people who want to contribute and, therefore, as I conclude, I saw somewhere where they said that the TA should have clearly stated guidelines and procedures in regard to the closing of all the bank accounts by the defunct local authorities. In addition, the TA should have taken stock of all the assets and liabilities in the defunct local authorities and hand them over in good time to the county government of Murang'a. That was not done in time and because of that, there was a lot of confusion. People were also being transferred from one place to another leading to more confusion. Otherwise, the report is good but I propose that we do not adopt it as it is; it needs a lot of changes, thank you Mr. Speaker.

**Hon. Deputy Speaker:** The Hon. member for Gaichanjiru.

**Hon. Bernard Kariuki:** Thank you Mr. Speaker, I rise to strongly oppose this report because for one, and from the face of it, it was hurriedly written.

*(Applause)*

We have also been informed by one of the Hon. members that despite having this report, there was another one that was withdrawn. We do not know the motive of that and we suspect that this report could be blackmail. We do not, for instance, have Section 226 (1) (5) of our Constitution. In addition, the language used is suspect and the various grammatical mistakes in this report raise a lot of questions.

*(Applause)*

Mr. Speaker, if you, for example, go to page 15; they paid a valuer an extra 800,000 what? These are issues that this committee failed to observe. If there is a committee that should observe due diligence in writing a report, is non-other than this watchdog committee. Therefore, this report is fraud; it is fictitious, it is injurious; it is malicious; and we need to condemn it in the strongest words possible.

*(Applause)*

We have seen committees write reports in this House but it cannot be a one morning exercise leading to a report being written in the wrong format. This report is continually and consistently referring to members of the former local authorities as chief officers; hence it cannot be further away from the truth that there was something sinister in that. If this Assembly approves this report as it is, the affected persons will rush to court and they are going to say that they were not chief officers; thus this Assembly will look bad.

Mr. Speaker, we therefore cannot allow this committee to run away with this. I urge the Members of the Assembly that, because this committee has gone wrong, we seriously deal with it.

*(Applause)*

As it has been adduced by one of the members, this committee is sharply divided down the middle. Your family is at stake when you have your first born spoilt, the watchdog committee of this Assembly is a spoilt child. Every committee is a child of this Assembly and we need not spoil the child; we need to spoil the rod. We are not going to approve a report that is highly suspect and controversial, full of blackmail, and very vague. If you look at the language that is used, the committee is saying that we suspend some people; we are suspending them to do what? I wonder that because you cannot suspend forever.

Therefore, Mr. Speaker, this report is fictitious and it needs to be defeated. This committee has failed this Assembly and after defeating this motion, we must deal perpendicularly with this committee because our oversight role is at stake.

*(Applause)*

The mandate of this committee is very clear that they are supposed to investigate. In their report, they are saying that one of the officers did not come with court proceedings. The burden does not lie with the officer being investigated; the committee could have rushed to the court and get evidence. Therefore, this is a committee that requires address, it is our child and children are always punished and corrected. This is one of those committees that have gone wrong and I propose that we deal with it by defeating this motion and later on bring a motion on how to deal with it.

Mr. Speaker, there are very serious allegations on the committee about this particular report. Money is said to have exchanged hands on the said report and the same committee wants us to approve what they did as an afterthought, we cannot do that. Chicken has been slaughtered

*(Laughter)*  
*(Loud consultations)*

**Hon. Deputy Speaker:** Order! Order! Hon. Members. Order! Order, that is a very serious allegation and there is nothing of that kind that has been mentioned in the report we are currently debating. Neither the mover of this motion nor any other member who has already contributed mentioned such an issue. It is therefore important for members to remember to accord respect to this Hon. House whilst debating.

*(Several hon. members rose)*

The Hon. Member was on the floor and he may continue.

**Hon. Bernard Kariuki:** Thank you Hon. Speaker for that correction. We, however, need to make sure that this committee is put in order so that our oversight role as a County Assembly is not put at stake. I urge the whole House to show that every committee is our child and they must act within the law; must act with due diligence; and must act within the required procedure. This report will make this Assembly look bad if it is going to be challenged in a court of law. I urge this House to wholeheartedly defeat this motion. With that I strongly oppose it, thank you.

**Hon. Deputy Speaker:** The Hon. Member for Muthithi.

**Hon. Samuel Wandia:** Thank you Mr. Speaker, if you allow me, I would ask each member of this House to say a prayer on his or her own for one simple reason; our role is oversight and it is very saddening to hear the members saying that this report was poorly done. If it is so, they should not be calling for the disbandment of this committee but they

should be saying that the office of the Auditor General should be withdrawn because this report is a pull-out from the Auditor General's report.

When someone says that we have mentioned a chief officer, we all went to school, by definition, a chief officer, I can be one in my own capacity wherever I am and I wonder why they are worried about a chief officer being mentioned because a chief officer is someone who is higher and has officers working under him, that is my contention if I went to school well.

I want to clarify one thing, when we say that someone is holding an office on interim basis, he holds accountability and we should not save people on grounds that they are interim, if we do so, this county will die one time. Once in time the government might bring a person here and if he messes we might say that he cannot be punished because he is on interim capacity.

I would also say that the Audit report from the Auditor General states clearly that these fellows did not reconcile their bank accounts, that is why the Auditor General came out with this report highlighting the shortcomings. In the same report, assets register were not submitted to the Auditor General. That office has accountants and auditors, some of us have never read an accounting book and we cannot throw out this report because what is in it is a pull-out from the Auditor General's report.

Salary arrears could not be proved, who were to be paid. The Auditor General noted that there are some amounts we paid in form of salary arrears but the people could not be traced and my colleagues here saying that we throw away the report because it is not properly written, written by whom? By the Auditor General or the committee because this is a pull-out

The bank statements were never presented. I have never seen throughout my working life that we can allow an organization to continue without presenting banking reconciliations, but in this report, the councils and municipalities do not present banking reconciliation reports. If they had, this report would not be there. What would have come is to congratulate the officers holding the Clerk and Treasurer positions but that important information was not presented.

The Auditor General clearly noted that ledgers were not presented. Who are those people that were owed by the county councils? They only presented figures, I wonder when I then hear that the committee should be disciplined, disciplined for what? We ought to be congratulated for pulling out this report from the Auditor General's report. Whoever is saying that we should be disciplined, if you put him there, he will come out with a similar report, these were figures in the audit report not our creations.

Referring to bullet 43 of the report, this is a sad day, when I hear the members say that we should throw out this report because it is poorly written, then we should abolish the office of the Auditor General. In Bullet 43, committee observations, I warn the Hon. members, even if we throw out this report, then you go to the Auditor General's you will see whether there is anything that the committee has added. We could have been silent and say that the Murang'a people can lose 6 million which could never have been substantiated by either receipts or anything.

In other areas, we asked for court proceedings but they could never be presented Murang'a people could have lost 8 million. That is why this is a sad day for me, I urge members to reconsider their stand, they should not look at personalities, let them look at Murang'a as it is but not at Wandia or anybody else. Let's focus on what we were nominated and elected to do, to look at the financial affairs of this county and the welfare of our people. As I conclude, I ask the members to raise their hands and pray before we vote, so that they can save Murang'a.

*(Loud consultations)*

**Hon. Deputy Speaker:** Hon. members maintain order, there is no competition, and everybody will contribute

**Hon Danson Mburu:** As I stand to comment on this report, first I do not understand whether to own it or disown it, if it is true that when it was being written, the committee was sub-divided as one of the members said, then I wonder where we are because the committee should stand and talk with one voice as they bring the report here.

But there have been contradictions through the whole report that is why I am saying that it is not convincing. I am asking myself questions on this report, on assets. I wonder whether the assets belonging to the defunct county

..... *(Power interruption)*.....

Whether in the books of Murang'a county, the assets are there and properly settled. On the land where he offices of the former councils are, has that been settled or whether this belongs to the Ministry of lands. The chairman commented, if this has not been done, it must be quickly done quickly. We understand there were debtors, are the debts now fully settled as we talk? On the workers, there was a case where a certain member noted that most of the workers are still on contract, we were arguing that they be put on permanent basis. I once heard that Mr. Njihia of Makuyu was once suspended, I wonder whether that took place because Mr. Njihia is in office to date. I am asking whether the committee divisions are still hanging in the air.

*(Loud consultations)*

**Hon. Deputy Speaker:** Order! Members. You may continue

**Hon. Danson Mburu:** As we talk, let us not be taken by emotions, when someone is telling us to pray for ourselves and I remember I prayed in the morning, I wonder whether I am going to kneel and pray for a second time.

*(Laughter)*

That is why I am saying let us control our emotions, let us deliver our points properly without looking different from how we ordinarily look.

*(Applause)*

**Hon. Charles Kirigwi:** I was advised by my grandfather, that when matters are too sensitive especially I myself with two caretakers who I call wives, I take time off and by the time I come back I will have sobered up. This issue appears emotive to the members, I must say that we have the national office, the Auditor General's office, this is an independent office and they do not have ways of coming to this floor is it as not for our committee the PIAC.

If we pass or reject this report , there will be consequences. You look at what I am seeing on the floor, I am seeing committee members disowning the report on the floor, that one is worrying to me. I humbly request the mover of this motion to consider withdrawing it, we can give them seven days to put his house in order, we have new signatures on the reports, so that as we discuss we will know that the committee's house is in order. If we pass or reject it today, there are consequences to this Assembly. We will be ridiculed. Already the report has leaked out, it is a public document. The public and the media will have it. If they report that the committee is not talking on one voice we will go the National Assembly way, the Namwaba way. If we reject the report, the consequences to the committee are severe, if we pass it the way it is there are people that we love too much.

I humbly request a voice of reason to defer putting the question or the mover withdraws the motion for a fixed period that is not more than seven days, so that he can put his house in order and be able to move forward. Mr Speaker, I wish to remind members that we hold this seat because of public trust, our role is oversight. I request that we defer putting the question or withdrawal. Thank you

**Hon. Deputy Speaker:** Hon. members, I want to refer you to standing order 59, I wish to read. According to what the Hon. Member for Kinyona is proposing, the motion now cannot be withdrawn without the leave of the House, I want to read the standing order; motion in the possession of the Assembly. After the question is proposed on the motion, the motion is deemed to be in the possession of the Assembly and such the motion shall not be withdrawn without the leave of the Assembly, not with the leave of the Chair, nor the mover's wish but with the leave of the Assembly. If the mover will think of withdrawing, he will seek the leave of the Assembly not the Chair. Hon. Leader of Majority.

**Hon. Peter Kihungi:** I congratulate the committee for the comprehensive study on the Auditor General's report. They have given the Assembly the insights into what was in the audited reports. But, the only mistake with the committee is on suspension issues. This is why I oppose it.

On the report on Murang'a County Council, page 10 27 ( c ), it states that the council did not prepare bank reconciliations as at 28<sup>th</sup> February. In (f) it is about the Kshs. 15 million used to renovate the Governor's office as the Transition Authority did not send money immediately but at the end. They say that there were no clear guidelines for operations after bank accounts closure hence operations and service delivery would be adversely affected.

In the observations, the council did not maintain an updated assets register, they did not present valuation of assets documents, and then in their recommendations they do not address this. Those are the grievous things that they have made us understand that were there in Murang'a county council but on recommendations, the council is supposed to update the register and conduct audit on the remaining assets.

In Part 30, the expenditure of 45, 600 were paid to a lawyer but they were not supported by any documents, but the committee recommended that the expenditure by the former Murang'a County Council be prepared, audited by the Auditor General and presented to the County Assembly for approval. In that section there is no approval. In Murang'a Municipality, the observations are still the same, they observe there were no current valuation of assets, a fixed assets register was not generated but a computer generated fixed assets register was provided.

In their recommendations, you still find that the committee recommended that the CEC member for Finance and Economic planning to provide the original fixed assets for the municipality, the committee also recommended that the expenditure incurred by the Murang'a Municipality be prepared for the Auditor General and thereafter be presented to the County Assembly. In the two councils, there is a soft landing for the accounting officers in these councils.

In Maragua county council they had done a valuation but the question comes in because they paid a lot of money. I would like to know who did the right thing, the one who attempted or the one who did nothing? In Murang'a County Council, they are not being asked about valuation because they did not do it but in Maragua, the accounting officer had gone ahead but in the valuation report they are told that they paid a lot of money. They recommend that the former chief officer for Maragua to be suspended. How do you secure the one for Murang'a council who did not produce an assets register, valuation report and the accounts were not closed. The recommendation gives the former officer a soft landing but

this is not the case in Maragua. The suspension does not clearly say why he will be suspended, what will be done and until then.

In Kangema, bullet six says that there was a contract between the council and the surveyor who was paid 1 million as survey fees. The contractual agreement to confirm the number of plots surveyed and the fees was not available, but in the recommendations regarding the same issue where there is no value for money. In Maragua they recommend suspension but in Kangema, the same CEC Finance to carry out a forensic audit on the operation of the survey contract in Kangema town council and establish whether there was laxity and negligence.

The report recommends some people to be suspended while others are being left in the office. I wish that we treat all people similarly, if for misuse you recommend suspension, let there be suspension. If it is a forensic audit, let it be across and then be tabled in the Assembly. We are not disputing all these things, but different recommendations for similar mistakes. If somebody can pay 45, 600 without any supporting documents, then somebody pays 4 million

*(Loud consultations)*

**Hon. Deputy Speaker:** Order! Hon. members; let us maintain decorum in the House

**Hon. Peter Kihungi:** Somebody pays 6 million, with the documents there, but he is questioned that this was a lot of money, now who do you take to court? The one of 45, 000 when he is in a position, he will even pay 100 million without supporting documents. You cannot exonerate him, everybody has committed a mistake. They started with Murang'a, the Municipality but as they were going further, there was change of attitude and the suspension aspects came.

I want to say that the report has shown us what was going on and the comprehensive survey that they had done, but there are double standards when dealing with the mistakes done. Those that did valuation including Makuyu, being questioned because it has not been validated. Who has done a greater mistake? The one who did valuation or the one who made a mistake during valuation? I feel that these people have not been dealt with well, the document can be taken to court. Even if we want to protect the committee, the Assembly will find itself in court. I oppose

**Hon. Joseph Kimani:** I congratulate the committee for doing this report, but as a professional accountant, I may not be able to comment on the specifics in the report, but if the report has come from the Auditor General, I remember as a committee, we have said that they brought another report. I pray that the House does not approve this report because the report that came before was a different report.

My prayer is your office to disband this committee, constitute a different committee that will re-do a report which is fair and the Assembly will agree with it because at the moment we are not sure whether what is in the report is the original thing they had. They are purporting that they had another report that they doctored. I pray that we have a complete reshuffle in the committee and have a new committee, thank you Mr. Speaker.

**Hon. Kago Njoroge:** I have listened to what members of the committee and the others have said. Starting with what the members have said that our committee should be disbanded, the question is, is this the first committee which has brought a report that have not satisfied the mind and the reasoning of the members? This is not the first committee. We have rejected many reports here and none has ever said that it be disbanded. We even have the implementation committee which has never brought any report.

This is work done by the committee and I do not know whether to request your office to organize inductions or information meetings so that the members can know what the committees are doing.

It seems that if a report from PIAC is not adopted, the committee has to be disbanded meaning, can we refer how many other reports from other committees which have been dropped but they have not been disbanded? If the report does not have substance, we throw away the report rather than saying that the committee be disbanded. There are many other reports that we have rejected. Mr. Speaker, if we are unable to convince members, can we then disband the committees and then reconstitute them?

*(Loud consultations)*  
*(Several hon. members rose)*

**Hon. Deputy Speaker:** Order! Members, the member is still on the floor

**Hon. Kago Njoroge:** Truth be told that any of us who was in the former defunct council, there were no records, but the queries by the Auditor General could not be answered. Even now we do not have an assets register in our county government, even the other county governments, but the Auditor General is requesting to know where the documents are.

As another member said, there was some disconnect through the transition period, there was some money given to the provincial administration and more that was to be channelled to the county governments and the money was not channelled so in the process of sustaining the county government, that is how this money was being used. The question from the committee was; can you satisfy the committee with receipts on how this money was used? As simple as that and that is why the committee is saying that this and that should have been done

The grey area is what to do after suspending these people? If this is the case, I could have seen that you have really opened my eyes that we did not state where the person was taken.

*(Laughter)*

If this was the information, then we could be saying that we did a mistake by not saying what we were to do with these people. That could be the argument but otherwise whatever is being stated here is what is in the Auditor General's report and we need to support it. If it was for that grey area we can withdraw.

We still need these people to give us services as a county, that is why the committee recommended that we give them time to compile the report, and that is where we are saying that there may be that grey area, But Mr. Speaker those who are saying that we be disbanded. I do not understand. Last time we brought another report, I do not know whether it was touching on personalities but it was dropped, so even if we bring 50 reports here, all of them will not be dropped for reasons I cannot tell.

**Hon. John Gitau:** I do not know to support or not. I need to take the members to page 27, item (e) which says that the County Secretary carries out a legal audit and prepares an inventory of all past and on-going cases involving defunct councils and other legal entities that took over and then submit the report to the County Assembly for approval before any payments are effected.

Mr. Speaker, I wish to point to the committee that the work of the Assembly is not to approve payments. I have heard from past debaters and I wish that they know that we are calling for disbandment of the committee, not because the report will not pass but because of the serious allegations that have come there before.

Looking at sub-section (f) we have two advocates; the members are naming one and leaving out one. I do not know why they are naming Kimwere and concealing the name of the other advocate. You can see there is clear vendetta on that one advocate because the amounts

are not less for the other not to be named. You also note, in some authorities for the same observation, they are saying suspend, while in others they are quiet.

To an employee, suspension is very serious; they cannot take it lying down. Going to page 6 Section 74 of the Public Finance Management Act 2012, states that pursuant to Article 226( 1) sub-section 5 of the Constitution, Section 74 of the PFM Act 2012, gives accounting officers powers to discipline errant officers under their jurisdiction. The same section of the Act gives the appointing authority powers to discipline errant officers. What should be underlined is the appointing authority. If you look at the recommendations given, they are saying suspend. Is the committee the appointing authority? They should only say that disciplinary action be taken. Who is the appointing authority? On a balance of probability, I oppose this report.

**Hon. Martin Mwangi:** Asante, ningetaka kuchangia mjadala huu nikiwa m' moja wa viongozi ambao wanatajwa katika hizi serikali saba za mitaa. Tunapoongea kuhusu mpito tunashangaa, huu mpito ulifanyika na hatujawahi husishwa? Hata ofisi inakaliwa na mkuu

**Hon. Deputy Speaker:** Hon member, before you continue, the standing orders are very clear that if you have been mentioned in any report you have to declare interest first. As the member for Kihumbu-ini and the way I have gone through this report, you have not been mentioned, so for the purpose of correcting the Hansard you have not been mentioned, so you can continue debating.

**Hon. Martin Mwangi:** Asante sana Spika kwa kupeana mwelekeo mzuri. Kwa njia ya hekima hatujataja majina lakini ni kazi inapotajwa, wengine katika dhamiri zetu twajua tulihusika. Nikiendelea..

**Hon. Deputy Speaker:** Order! Order! Hon. member according to the rules of this House, if at all you have confessed that you were part of what was happening in the local authorities, then you are not supposed to contribute.

**Hon Martin Mwangi:** Nimekubali bwana Spika na ninaendelea kuchangia

**Hon. Deputy Speaker:** There is clear indication. You know this is a public place and this is a public debate and we do not want our report distorted because of a small issue, the Chair has ruled that you will not continue to debate because of what you have said.

**Hon Martin Mwangi:** Nimekubali bwana Spika

**Hon. Deputy Speaker:** Hon. Member for Township

**Hon. Charles Karina:** Ningetaka kuchangia kupinga hii ripoti. Kwanza ningeomba yale yote tumejadili yawe kielelezo kwa hii bunge kwa sababu tumeelezwa vile hii kamati imegawanyika na ningeomba hii kamati ichukuliwe hatua mara moja na waende mbele ya kamati yetu ya sheria.

Tunaona kwamba hii kamati imekaa na hii ripoti kwa mwaka moja karibu miaka miwili, na tunawashukuru sana kwa sababu wamekaa sana bila kuleta ripoti kwa hii bunge lakini wamejaribu kuleta ripoti ambayo hawajafanya utafiti kamili. Wamesema hawawezi badilisha yale yote wameleta kwa hili bunge kwa sababu wanasema hii ni ripoti waliopata kutoka kwa mkaguzi mkuu. Ningeomba hili Bunge litupilie hii ripoti kwa sababu haijafika kile kiwango cha kupitishwa kwenye Bunge. Wamesema tufute wafanyikazi na hawasemi ni kipengele kipi cha katiba ambacho hawajatimiza. Badala ya hii Bunge itumie wakati mwingine na hawa wameapa ya kwamba yale yote wameleta kwa hii bunge ni maneno ya kweli, kumaanisha hata tukichukua

mwaka moja kujadili, hawatabadilisha. Kwa hivyo mheshimiwa Spika ningeomba Bunge isikubali hii ripoti ili tuwatie nidhamu hawa wanakamati kwa sababu wameonekana ni kama wamekuwa wakipokea kitu kidogo.

**Hon. Deputy Speaker:** Order! Hon. Member, those are false allegations and you should withdraw and substantiate



**Hon. Charles Karina:** Naomba kutoa yale matamshi kwa sababu sina ushuhuda walihongwa, ni vile tu wamesema kwa hili Bunge kwamba walikuwa wanakutana wanasema mambo fulani halafu kesho wanasema jambo lingine. Wameleta ripoti mbili kwa hili Bunge, hiyo si kusema ati

**Hon. Deputy Speaker:** Order! Hon. members, as I said and I have been saying, we have to observe what we are saying as we debate because we would hate to erode the respect and the dignity of the House by false allegation because this is a public debate and we have the members of the public and of Fourth estate. It is good that we measure when we are debating. I will now call the mover to respond

**Hon. Erick Kimani:** Thank you Mr. Speaker. I will directly go to the issues raised by the members. I wish to state that most of the members who have strongly criticized this report are leaders of committees and they have never brought any report to this House. When someone says that the members of the committee are sharply divided and looking at the report you can see that more than two thirds of the members have signed the report, so those are false allegations.

If any member of the committee which is presenting a report feels that the report is not in order, the member should bring a minority report to the floor so that he can argue on the basis on the minority report, so there is no danger in some members of the committee having a different opinion and bring a minority report.

This was a report derived from the Auditor General's report, so it was not a committee's report. Any member here can use any language for the purpose of opposing the report, if he or she feels the report touches on a personality that he or she has interest on.

This is the fourth report from the committee, the other report that was touching some officers was also knocked on the floor, this is another report that is touching on people and I think members will support. It is a matter of the Assembly to know what they want to do, because the committee has done its work in bringing the report to the floor, thank you

**Hon. Deputy Speaker:** Hon. Members, I had a request from the Hon. Member for Kinyona to defer putting the question under standing order 54 (2), but it is my discretion whether to put the question or not. The order reads, at the conclusion of the debate, the Speaker shall put the question, (3) says that despite paragraph (2) above, the Speaker may on the request of a member defer putting the question to the following day and in such case the Speaker shall nominate a time at which the question can be put. We had that request but it is within my discretion. The matter has been exhaustively debated and I want to put the question, so that we may dispense with this business once and for all.

For the purpose of our visitors, this Assembly is non-partisan and the members of the Assembly when debating, they speak their mind and about what they know

*(Question put and motion defeated)  
(Loud consultations)*

**Hon. Deputy Speaker:** Order! Members, we have not yet adjourned

### ADJOURNMENT

**Hon. Deputy Speaker:** The House stands adjourned until Tuesday 9:30 in the morning

*The House rose at 5:30 p.m.*