



GOVERNMENT OF MAKUENI COUNTY

## MAKUENI COUNTY ASSEMBLY

### OFFICIAL REPORT

Second County Assembly – Second Session

Thursday, 15<sup>th</sup> February, 2018

*(The House met at 2.30 p.m.)*

*[The Speaker (Hon. Douglas Mbilu) in the Chair]*

#### PRAYERS

#### PAPERS

**The Speaker** (Hon. Douglas Mbilu): Leader of Majority.

MINING OF PINK AND WHITE SOIL IN KILUNGU WARD

**The Deputy Majority Leader** (Hon. Richard Munywoki): Thank you Mr. Speaker for giving this opportunity. I beg to lay the following Paper on the Table of the Assembly today Thursday 15<sup>th</sup> February, 2018 at 2:30 p.m.; the Update on Mining of Pink and White Soil in Kilungu Ward as to date. Thank you Mr. Speaker.

*(Paper laid)*

**The Speaker** (Hon. Douglas Mbilu): Very well Hon. Member, the Report on the Update on Mining of Pink and White Soil in Kilungu Ward is hereby committed to the Committee on Lands, Urban Planning and Mining to report back, enquire into, invite the Minister and discuss issue that may be affecting then after that we will be able to make a decision on the same matter. Next Order.

## STATEMENTS

**The Speaker** (Hon. Douglas Mbilu): Under Order number five Hon. Isaac Munyao a Member of the County Business Committee you have a Paper to lay before the House. Proceed and do so.

## PAPERS

### UPCOMING BUSINESS

**The Member for Kee Ward** (Hon. Isaac Munyao): Thank you Mr. Speaker sir, I beg to lay the following Paper on the Table of the Assembly today Thursday 15<sup>th</sup> February, 2018 at 2:30p.m.; Statement on the Business of the County Assembly for the coming week. Thank you.

*(Paper laid)*

## STATEMENTS

**The Speaker** (Hon. Douglas Mbilu): Member for Kilungu Ward to request for a Statement number 11 of 2018 from the Chairperson Committee on Water, Irrigation and Environment regarding the Pond Liner and Irrigation System Projects in Kilungu Ward. Proceed.

### STATEMENT REQUEST- POND LINER AND IRRIGATION SYSTEMS PROJECT

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): Thank you Mr. Speaker sir. I stand here to represent Kilungu people and I want reintroduce the Statement which I had requested last year. Pursuant to the provisions of Standing Order 50 of the Makueni County Assembly Standing Orders, I rise to request for a Statement from the Chairperson, Committee on Water, Irrigation and Environment regarding the Pond Liner and Irrigation Systems Project in Kilungu Ward. This is a reintroduction of a Statement request which was made in this Assembly during the previous Session. Pursuant to the provisions of Standing Order 54 (2) the Statement request was as follows.

In the financial year 2014-2015, the Department of Water, Irrigation and Environment allocated Kshs.1 million for Pond Liner and Irrigation Systems Project in Kilungu Ward. However, the physical location of this project was not made known and up to date it is still unknown where the project is located within the Ward. It is therefore not easy to verify whether the project was implemented, the extent of implementation and the beneficiaries of the project.

The Chairperson should therefore clarify on the following:-

- a. The physical location of the project in the Ward.
- b. The status of implementation of the project.
- c. The beneficiaries of this project.

The Chairperson should therefore provide the response as it was undertaken. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Water, Irrigation and Environment Committee.

**The Deputy Majority Whip** (Hon. Joseph Muema): Thank you Mr. Speaker. The Member has just mentioned that this Statement was committed to this Committee whereby we were able to answer a few question and the rest of the questions were termed as unsatisfactory. Therefore Mr. Speaker I request for ten working days.

**The Speaker** (Hon. Douglas Mbilu): The ten working days. Member for Kilungu Ward.

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): Thank you Mr. Speaker. I believe this Second Session it will not be like the First Session which we had because when I requested the Statement, I was being given two weeks, fourteen days, ten days and the for the whole Session I did not get any Report. Ten days with a serious Chairperson, I will appreciate.

**The Speaker** (Hon. Douglas Mbilu): Very well Chairperson Committee on Water, Irrigation and Environment you report back within ten days on the said request for Statement. Member for Kilungu again to request a Statement number twelve of 2018 from the Chairperson Committee on Water, Irrigation and Environment regarding afforestation for various hills in Kilungu Ward.

#### STATEMENT REQUEST-AFFORESTATION OF VARIOUS HILLS IN KILUNGU WARD

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): Thank you Mr. Speaker. Unfortunately, I was elected in a Ward which was almost rotten and that is the reason why I have a lot OF Statements in this Hon. House. Pursuant to the provisions of Standing Order 50 of the Makueni County Assembly Standing Orders, I rise to request for a Statement from the Chairperson Committee on Water, Irrigation and Environment regarding afforestation of various hills in Kilungu Ward. This is a reintroduction of a Statement request which was made in this Assembly during the previous Session. Pursuant to the provisions of Standing Order 54 (ii) the Statement request was as follows.

In the financial year 2013/2014, the Department of Water, Irrigation and Environment allocated Kshs.1.5 million for afforestation of various hills in Kilungu Ward. However, to date, no trees have been planted on any hill in the Ward. Mr. Speaker sir, the Chairperson was to clarify on the following: -

- a) Why the afforestation on the hills was not undertaken as was planned and budgeted;
- b) What happened to the funds which had been allocated for this purpose; and
- c) Whether the Department still has plans to continue with the afforestation of the various hills in the Ward.

The Chairperson should therefore provide for the response as was undertaken. As you are aware in Kilungu we have a lot of landslides because the place is hilly and we need a lot of trees to be planted. I wish this matter be given the necessary action please.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Water, Irrigation and Environment.

**The Deputy Majority Whip** (Jon. Joseph Muema): Thank you Mr. Speaker. I really want to appreciate the Member for Kilungu Ward, number one for generating a lot of business for this House and for giving this Committee a lot of work. I really want to assure him that as many as such Statements that we have received we are really committed to ensure that the population of the people of Kilungu Ward enjoy from his Leadership therefore we want to commit 14 days to respond to this.

**The Speaker** (Hon. Douglas Mbilu): Member for Kilungu.

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): Thank you Mr. Speaker. Last year when I requested for the Statement we were almost on the onset of rains, now that period passed, next month we are expecting rains and we know very well when we are planting trees we expect the rains. I wish if it can be less than ten days because mid next month the rains will start and I wish to use that rain to plant the trees. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Water.

**The Deputy Majority Whip** (Jon. Joseph Muema): Thank you Mr. Speaker. Having heard the plea of the Hon. Member for Kilungu about the oncoming rains we want to believe that we have a month or so to the coming rains therefore 14 days will be good for him. I believe so.

**The Speaker** (Hon. Douglas Mbilu): Very well, the Chairperson Committee on Water, Irrigation and Environment you report back to the House within 14 days on the progress. Member for Emali/Mulala Ward to request for a Statement number 13 of 2018 from the Chairperson Committee on Transport and Infrastructure regarding Rural Electrification Projects in Emali/Mulala Ward. Proceed Member for Emali.

#### STATEMENT REQUEST – RURAL ELECTRIFICATION PROJECTS

**The Member for Emali/Mulala Ward** (Hon. Nicodemus Muthoka): Thank you Mr. Speaker. I stand to request the following Statement. Pursuant to the provisions

of Standing Order 50 of Makueni County Assembly I rise to request for a Statement from the Chairperson Committee on Transport and Infrastructure regarding Rural Electrification Projects in Emali/Mulala Ward. This is a re-introduction of a Statement request which was made in this Assembly during the previous Session pursuant to the provisions of Standing Order 54 (2). The Statement request was as follows.

The County Government has over the financial years allocated funds for rural electrification in the various Wards in the County. The Makueni County Supplementary Budget, 2017 shows that the Department of Transport and Infrastructure had a reallocation Budget (FY 2016/17) of Kshs.7,935,378.00 for the rural electrification projects. In Emali/Mulala Ward, the rural electrification has been done in some regions whereas in some areas the electrification has not been done. The Chairperson was clarify on the following: -

- a. The areas already covered by the rural electrification programme in Emali/Mulala Ward;
- b. The areas in Emali/Mulala Ward which are yet to be covered by the programme; and
- c. The areas intended to be covered by the remaining Kshs. 7,935,378.00;

As I request this Statement you will realize that part of Makueni County is still in darkness and as I request for the Statement for Emali, I am also crying for other Wards in Makueni County. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee Transport and Infrastructure.

**The Member for Mbooni Ward** (Hon. Alexander Mulemba): Thank you Mr. Speaker. The last Session of this House lapsed before we got a conclusive Report and I want to report to this House that before we resumed we invited the ECM and he gave us some information which was not satisfactory and we requested for further information. As of yesterday during our meeting we had not received the said information and we wrote back to them and they assured us that by next week we will get the Report which we are going to deliberate and present to this House. Also, we were requesting as a Committee to be facilitated to do a site visit to assess the areas which are covered and which are not covered. Thank you, we request to be given at least 14 days whereby we will have received the Report and also if possible, we will have done the site visit. After receiving the Report, we will do a site visit so that we can come back and as Committee we do a comprehensive Report. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Emali/Mulala.

**The Member for Emali/Mulala Ward** (Hon. Nicodemus Muthoka): Thank you Mr. Speaker. The Chair has mentioned first that you need seven days now you have gone back to 14. Secondly, you find that the assignment was supposed to be done in the financial year 2016/2017 so if there is any delay is it the contractor or what could be the reason because if you look at the amount involved it is almost eight million and looking at the months already passed I am sure there must be a reason which is supposed be on the table. 14 days to me is a lot of time. If you could, work closely with the ECM concerned and when you request this we are not bothering anyone so seven days for me would be adequate.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee.

**The Member for Mbooni Ward** (Hon. Alexander Mwanza): Thank you Mr. Speaker. The reason I am requesting 14 days is because we want to do a true fact finding mission and within seven days I do not believe we will be able to do a site visit and see for ourselves what is happening on the ground because we need to establish the reality of the matter.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Infrastructure you did indicate that you requested the County Executive Committee Member to provide a response which he is in the process of compiling. Is it?

**The Member for Mbooni Ward** (Hon. Alexander Mwanza): Yes Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Meaning that within seven days you will be able to determine whether the response by the Minister is substantive and convincing or not?

**The Member for Mbooni Ward** (Hon. Alexander Mwanza): Yes Mr. Speaker but I am saying also that if the report will not be conclusive then we will need to do fact finding.

**The Speaker** (Hon. Douglas Mbilu): Member for Emali is requesting that you get the information between now and the next seven days. That is the conversation between yourself and the County Executive Committee Member and within seven days you can be able to execute that isn't it? So that if it is possible within seven days you can give a Report whether the response was satisfactory or not satisfactory and then you may want to invest more time going on site?

**The Member for Mbooni Ward** (Hon. Alexander Mwanza): Thank you Mr. Speaker. We will do as advised.

**The Speaker** (Hon. Douglas Mbilu): Well, under the circumstances proceed and engage the County Executive Committee Member in charge of Infrastructure and Transport within the next 7 days and if there are reasons as to why you may require

to visit on site if the answers will be unsatisfactory then we will be advising you appropriately. What is it Member for Kilungu.

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): A Point of Information.

**The Speaker** (Hon. Douglas Mbilu): Proceed.

**The Member for Kilungu Ward** (Hon. Patrick Mbevi): Mr. Speaker I act as the Vice Chairperson Transport and Infrastructure and committing us for seven days will not be possible. As my Chairperson has said, we want to visit because we are a serious Committee to come out with the true story of what is happening. Thank you Mr. Speaker. 14 days will be good to us.

**The Speaker** (Hon. Douglas Mbilu): Very well Chairperson and Vice Chairperson for the Committee, Member for Emali is requesting for a response. You did indicated that you are in the process of getting a substantive response from the County Executive Committee Member in charge of infrastructure and roads. Information that you can get within the next seven days and therefore I am advising that if you are able to get that information within the next seven days and that answer is satisfactory then why do you require to go to Emali/Mulala Ward? You may require to go to Thwake Bridge. If that answer will not be satisfactory at that time then we will determine the next course of action so you play your role in oversight in a very systematic manner.

**Hon. Member:** Thank you Mr. Speaker, we stand guided.

**The Speaker** (Hon. Douglas Mbilu): Very well. Member for Emali/Mulala Ward to request for a Statement number 14 of the year 2018 from the Chairperson Committee on Transport and Infrastructure regarding Street Lighting in Emali town.

#### STATEMENT REQUEST – STREET LIGHTING

**The Member for Emali/ Mulala Ward** (Hon. Nicodemus Muthoka): Thank you Mr. Speaker once more. I stand here to request for a Statement from the Chairperson Committee on Transport and Infrastructure. Pursuant to the provisions of Standing Order 50 of the Makueni County Assembly Standing Orders, I rise to request for a Statement from the Chairperson Committee on Transport and Infrastructure regarding street lighting in Emali town. Mr. Speaker sir, this is a re- introduction of a Statement request which was made in this Assembly during the previous Session pursuant to the provision of Standing Order 54(2). The Statement request was as follows.

Emali town is the commercial hub of the County and the largest revenue earner to the County Government. Considering its location along the busy Nairobi-Mombasa Highway, the town presents very good business opportunities. This has seen an

increase in the number of traders and businesses in the town, some businesses of which operate day and night hence the need for security to enable operation of the businesses at night. In the FY 2017/18 budget, the County Government has projected to collect Kshs.600 Million from the various revenue sources. This target may not be met if County commercial hubs, like Emali town, which have the ability to generate substantial amounts of revenue to the County Government, are not facilitated to operate at their full potentials in terms of business hours in those towns.

The County Government, through the Department of Transport and Infrastructure allocated a total of Kshs.71,739,806.00 in the financial years 2013/14, 2014/15 and 2015/16 for the installation of street lights in the various towns and market centres in the County. However, to date, the street lights have not been installed in Emali town despite funds having been allocated for the same. This has hampered the operationalization of the 24-hour economy in the town as the traders feel insecure carrying out business at night due to the lack of sufficient lighting in the town. This will in turn affect the revenue generation in the town, which would have grown to double figures with the onset of the 24-hour economy in the town.

Mr. Speaker sir, the Chairperson was to clarify on the following: -

- a) The reasons as to why the installation of the street lights has not been done despite funds having been allocated for the same;
- b) Whether the funds allocated for this project have been spent, and if so, how much has been spent and on what activities?
- c) Whether the contract was awarded, and if so, who was the contractor awarded the tender;
- d) Whether there was/is a Project Management Committee (PMC) for this project;
- e) If yes, who are the members of the PMC and their involvement in the implementation of this project;
- f) Provide the Bills of Quantity for the project;
- g) When the Department plans to have the street lights installed in the town; and
- h) The maintenance plans the Department has put in place to ensure that, once installed, the street lights remain functional throughout.

The Chairperson should provide the response as undertaken. Thank you Mr. Speaker. As I mentioned, I think it is well known in this House and County about the generation of the revenue we have in Emali. We need to take this seriously because if we have lights at Emali, we will be able to get more revenue and we will be able to create more jobs. People will be able to work 24 hours but right now we are in darkness. I would say only a quarter of Emali has light. The rest; three quarters is in darkness. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Chairperson on Committee on Transport and Infrastructure.

**The Member for Mbooni Ward** (Hon. Alexander Masila): Thank you Mr. Speaker. The last session elapsed before we got a conclusive Report and we are in pursuit of some concrete information from the Department which I believe within seven days we will have gotten the report and it will be satisfactory we will table the report in the House and if it is not complete, then we will do it in the next 14 days. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Very well Chairperson Committee on Infrastructure and Transport, proceed and compile a Report and bring to the House within 14 days meaning that if you can deliver it tomorrow you will still be within the 14 days. Member for Mbooni Ward to request a Statement number 15 of 2018 from the Chairperson Committee on Water and Irrigation and Environment regarding grabbing of Kithungo Water Project.

STATEMENT REQUEST- GRABBING OF KITHUNGO WATER PROJECT

**The Member for Mbooni Ward** (Hon. Alexander Masila): Thank You Mr. Speaker. Pursuant to the provision of the Standing Order 50 of the Makueni County Assembly Standing Orders, I rise to request for a Statement from the Chairperson Committee on Water, Irrigation and Environment regarding the grabbing of Kithungo Water Project. The Kithungo Water Project in Kithungo / Kitundu Ward which was serving Kithungo town and its environment has been grabbed by a private developer. It is alleged that the project was implemented to completion by an NGO called ADS. The Chairperson should therefore clarify the following;

- a. Whether it is true that the NGO ADS implemented the project to completion and who are the bonafide undertakers of the supply of the water on behalf of the community?
- b. The justifications, if any, of the private developer grabbing the water project and undertaking the supply to the water to the community.
- c. Whether the department is aware that the said water project has been grabbed by a private developer.
- d. If yes, what action has the Department taken to stop the grabbing and revert the supply of the water to the bonafide undertakers?

Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Water, Irrigation and Environment.

*(Hon. Kisungi wa Katete and Hon. Joseph Muema stood in their places)*

**The Deputy Majority Whip** (Hon. Joseph Muema): Thank you Mr. Speaker. As you can note we are many therefore Mr. Speaker ---

**The Speaker** (Hon. Douglas Mbilu): There is only one Chairperson for the Committee.

**The Deputy Majority Whip** (Hon. Joseph Muema): Yes Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): The Chairperson is in the House.

**The Deputy Majority Whip** (Hon. Joseph Muema): Yes Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Unless the chairperson was impeached this morning and I am not aware?

**The Deputy Majority Whip** (Hon. Joseph Muema): No, we cannot dare Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): May you allow the Chairperson to proceed unless he gives way.

**The Minority Leader** (Hon. Kisungi WA Katete): Mr. Speaker sir, I had delegated to the Vice Chairperson so I am sorry for the miscommunication. The Vice Chairperson can proceed.

**The Speaker** (Hon. Douglas Mbilu): Very well Vice Chairperson, you have the powers from the Chairperson of the Committee to prosecute that matter.

**The Deputy Majority Whip** (Hon. Joseph Muema): Thank you Mr. Speaker. I really appreciate my Chairperson for always delegating and giving me the powers to stand as Chairperson. For the request for Statement by the Member for Mbooni Ward, we request for 14 days to give a report in this Assembly.

**The Speaker** (Hon. Douglas Mbilu): Forty days. Did you say forty days?

**The Deputy Majority Whip** (Hon. Joseph Muema): Fourteen days Mr. Speaker.

*(Laughter)*

**The Speaker** (Hon. Douglas Mbilu): Member for Mbooni Ward.

**The Member for Mbooni Ward** (Hon. Alexander Masila): Thank you Mr. Speaker, fourteen days are okay.

**The Speaker** (Hon. Douglas Mbilu): Very well, it is so directed that the Committee on Water, Irrigation and Environment inquire into that matter and report

back to the House within fourteen days. Hon. Members, pursuant to the provisions of the Standing Order number 47(2) (a), I call upon Hon. Isaac Munyao Member for County Assembly Business Committee to give a Statement.

#### UPCOMING BUSINESS

**The Member for Kee Ward** (Hon. Isaac Munyao): Thank you Mr. Speaker sir. Pursuant to the provisions of Standing Orders 47 (2) (a) and 55 of the County Assemblies Standing Orders, I rise to give a Statement on the business of the County Assembly for the coming week. Following a meeting of the County Assembly Business Committee held on Tuesday 12<sup>th</sup> February, 2018, the following tentative business has been scheduled to be transacted by the County Assembly in the coming week.

Tuesday 20<sup>th</sup> February, 2018. One, Laying Papers on two reports of the Public Investments and Accounts Committee (PIAC) that is, Report of the Auditor General on Wote Water and Sewerage for the year ended 30<sup>th</sup> June, 2016 and the Report of the Auditor General on Kibwezi-Makindu Water and Sanitation for the Year Ended 30<sup>th</sup> June, 2016. Two, Notices of Motion on two Reports of Public Investments and Accounts Committee (PIAC) that is, Report of the Auditor-General on Wote Water and Sewerage for the year ended 30<sup>th</sup> June, 2016 and the Report of the Auditor-General on Kibwezi-Makindu Water and Sanitation for the year ended 30<sup>th</sup> June, 2016. Three, Motion for the adoption of the Report of the Budget and Appropriations Committee on County Budget Implementation Review Report (CBIRR) for the first nine months for financial year 2016-2017 from the Office of the Controller of Budget.

Wednesday, 21<sup>st</sup> February, 2018 morning session. One, Laying the Paper on the Report of the Committee on Water, Irrigation and Environment on the destruction of Kivale forest. Two, Motion for the adoption of the Report of the Public Investments and Accounts Committee (PIAC) on the Report of the Auditor General on Wote Water and Sewerage for the Year Ended 30<sup>th</sup> June, 2016. Wednesday, 21<sup>st</sup> February, 2018 afternoon session. One, Motion for the adoption of the Report of the Public Investments and Accounts Committee (PIAC) on the Report of the Auditor-General on Kibwezi-Makindu Water and Sanitation for the Year Ended 30<sup>th</sup> June, 2016.

Thursday, 22<sup>nd</sup> February, 2018. One, Laying the Papers on the Half Yearly Progress Reports of all County Assembly Committees. Two, Notices of Motion on the Half Yearly Progress Reports of all County Assembly Committees. There shall be a meeting of the Assembly Business Committee on Tuesday 20<sup>th</sup> February, 2018 at 10.00 a.m. and pursuant to the decisions of that meeting, additional business may be scheduled to be transacted by the County Assembly during that week. Thank you Mr. Speaker sir.

**The Speaker** (Hon. Douglas Mbilu): Next order.

### MOTION

BUDGET REVIEW AND OUTLOOK PAPER.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee on Budget and Appropriation.

**The Member for Kako/ Waia Ward** (Hon. Denis Musyoka): Thank you Mr. Speaker sir, I beg to move the following Motion:-

**THAT**, pursuant to the provision of Section 118 of the Public Finance Management Act 2012 this Assembly resolves to adopt the Report of the Budget and Appropriation Committee on the 2017 Makueni County Budget Review and Outlook Paper laid on the Table of the Assembly on Wednesday 14<sup>th</sup> February, 2018 at 2:30 p.m.

Mr. Speaker allow me to elaborate on The County Budget Review Outlook Paper before I call my Member to second. On behalf of the Budget and Appropriations Committee it is my pleasure to present to this House the Committee's Report on the 2017 Makueni County Budget Review and Outlook Paper. The 2017 Makueni County Budget Review and Outlook Paper was tabled in the County Assembly on Thursday 19<sup>th</sup> October, 2017 by the Leader of Majority Party, Hon. Kyalo Mumo. The document was then committed to the Budget and Appropriation Committee for consideration.

The Select Committee on Budget and Appropriations was constituted pursuant to the provisions of Standing Order 211. The Committee currently comprises of the following Members:-

- |   |                  |
|---|------------------|
| 1. Hon. Dennis Mutinda Musyoka, MCA -   | Chairperson      |
| 2. Hon. Harris Musau Ngui, MCA -        | Vice Chairperson |
| 3. Hon. Richard Munywoki Kasyoki, MCA - | Member           |
| 4. Hon. Julius Tangai Munari, MCA-      | Member           |
| 5. Hon. Ben Kyengo Kilonzi, MCA-        | Member           |
| 6. Hon. Magdalene Nduku Mulwa, MCA-     | Member           |
| 7. Hon. Martina Ngusye Kimilu, MCA -    | Member           |
| 8. Hon. Janet Ngina Wambua, MCA-        | Member           |
| 9. Hon. Justus Mutua Masesi, MCA-       | Member           |

The functions of the Committee according to Standing Order 211 shall be to: -

- (a) *Investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget.*
- (b) *Discuss and review the estimates and make recommendations to the County Assembly.*
- (c) *Examine the County Budget Policy Statement presented to the County Assembly.*
- (d) *Examine Bills related to the national budget, including Appropriations Bills.*
- (e) *Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.*

May I take this opportunity to thank all Members of the Committee for their input and valuable contributions during the deliberations on the 2017 Makueni County Budget Review and Outlook Paper. On behalf of the Committee, I wish to thank the Offices of the Speaker and that of the Clerk of the County Assembly for the logistical support accorded to the Committee as it discharged its mandate. It is therefore my pleasant undertaking, on behalf of the Budget and Appropriations Committee, to table this Report and recommend it to the Assembly for adoption.

The Committee made the following observations;

1. The County Government has improved working relationship between the County Assembly and County Executive.
2. The County Government has also improved in the absorption rate of development expenditure as compared to the previous financial years.
3. There has been an under-performance in local revenue collection, which has affected implementation of planned activities.
4. The E-Procurement Module has been slowly embraced due to network connectivity challenges and staff capacity in the County.
5. There has been delays in the disbursement of funds by the National Treasury.
6. There has been weak enforcement of Acts passed by the County Assembly such as the Makueni County Finance Act, 2016 and Makueni County Sand Utilization and Conservation Act, 2014.

The Committee therefore recommends that the County Treasury should device strategies to enhance local revenue collection such as revenue automation and performance contracting of the revenue collectors. Just to elaborate on that point, revenue collection has been a problem or a challenge to this County Government because most estimates they put in the Budget they rarely meet the target and also they play even not half way below the average when it comes to collection of revenue. Therefore the Committee saw it important that they should come up with enforcement, come up with strategies so that we can boost our revenue collection. If for example we had a budget estimate of revenue collection of six hundred million, if

we collect halfway it means we will have a deficit and some of the programs or projects will not be done and that calls for a red card on our side and also with our County Government. We saw it wise for them to come up with strategies and also enforcement to make sure that we meet our targets.

Number two, pursuant to the provisions of Section 116 of public finance management act 2012, the County treasury should ensure that the legal instruments regarding "ENE" Microfinance, Universal Healthcare and "ENE" Radio FM are initialized by the approved legal framework. As you are aware, we have some entities which are being carried out and we need a policy which every member of Makueni County should be able to know. Like for the Universal Health Care, we should know whether it caters for the cancer treatment and all that. Also, for microfinance. I have interacted even with the Hon. Members and you find most of them do not even know how much a share will cost so we need a framework which can guide us on how we are coming up with ENE microfinance. Also for ENE Radio FM we should also come up with legal framework on how it is being operated.

Number three, the County should enhance technical capacity in E- procurement through training and also liaise with National Treasury to address the network challenges. As we were going through the several reports for last year, we have come to know most of the challenges they are facing is about E- procurement and we thought it is good at least for the National Treasury to address some of this challenges and also train the County officers who are operating this system.

Number four, the County treasury should liaise with the National Treasury to ensure that funds are timely disbursed as per the gazetted disbursement schedule. This will enhance smooth budget implementation. Another challenge we found was that the funds from National Treasury are not released to the County Government in time and when I was going through the procedures on disbursement of this money, I came to understand that the recurrent expenditure, for example salaries, can be requested for two months but when it comes to development funds, you can request for that money for a whole year. There is no limit so I think they should liaise with the National Government to make sure that we get money timely.

Number five, The County Treasury should submit both the County Integrated Development Plan 2018-2022 (CIDP II) and Makueni County Vision 2025 to the Assembly for approval. Those documents have not been tabled here for the Hon. House and Members to approve that document. Number six, the County Executive should ensure that all the Acts, especially those concerning finances are well and fully enforced. On behalf of the Select Committee on Budget and Appropriations, it is my pleasure and duty to present to the Assembly, the Committee's Report on the 2017 Makueni County Budget Review and Outlook Paper for adoption.

Just before I get to introduction, may be some of the Members may be asking what this County Budget and Review Outlook Paper is. This shows how we budgeted in the year 2016/2017 and how far we implemented our Budget so we are trying to review did we meet our target or not. If you go through that document you find there are some departmental reviews like Water and Irrigation, you will see how they performed. When you go to Lands, you will see how they performed and all that but before that I think I will talk about the revenue and expenditure and just highlight on some areas before I call my Member to second the Motion.

Mr. Speaker sir, the objective of this County Budget Review and Outlook Paper is to find a review of the previous fiscal performance and how this impacts on the financial objectives and fiscal responsibility, principals as set out in the previous County Fiscal Strategy Paper. This together with the updated Micro- Economic Outlook provides a basis for revision of the current Budget in the contest of supplementary estimates and brought fiscal parameters underpinning the next Budget in the medium term. The Makueni County Budget Review and Outlook Paper will be a key blueprint document linking policy, planning and budgeting. This financial year's Makueni County Budget Review and Outlook Paper (CBROP) is embedded on the priorities of the Makueni County Integrated Development Plan and the Vision 2030. The CBROP focuses on interventions in the following main areas; providing water for domestic use and irrigation, reducing poverty, stimulating growth and creating jobs, enhancing food security and protecting the livelihoods of the poor and the most vulnerable members of our County.

The PFM Act 2012 has set high standards for compliance with the medium term expenditure framework 2017/2018 budgeting process. Therefore, it is expected that the sector ceilings provided in the FY 2017/2018 CFSP will form the indicative baseline sector ceilings for the FY 2018/2019 Budget Estimates. The paper compares fiscal performance of Makueni County Government arms and departments in the FY 2016/2017 against targets set in the annual budget estimates and the objectives stated in the 2017 County Fiscal Strategy Paper. The Budget Review and Outlook Paper (BROP) is prepared in accordance with the provisions of Section 118 of the Public Finance Management Act (PFMA), 2012. The said provisions state that: -

*(1) A County Treasury shall—*

*(a) Prepare a County Budget Review and Outlook Paper in respect of the County for each financial year; and*

*(b) Submit the paper to the County Executive Committee by the 30<sup>th</sup> September of that year.*

*(2) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.*

*(3) Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall: -*

*(a) Arrange for the Paper to be laid before the County Assembly; and*

*(b) As soon as practicable after having done so, publish and publicize the Paper.*

This means that the 2017 County Budget Review and Outlook Paper was supposed to be submitted to the County Assembly not later than 21<sup>st</sup> October, 2017. It is therefore worth noting that this document's submission met the legal requirements as stipulated in Section 118 of the PFM Act, 2012. Allow me to go to revenue and expenditure. I think the Hon. Members will be going through their Sectoral Departments to see how the performance was in 2017 as per the review we are going through.

The total revenue collected during the FY2016/2017 amounted to Kshs. 10,652,442,847.95. The budget was financed from five main sources, mainly National Government (60%), FY 2015/2016 reallocated funds (32%), own generated revenue (4%), conditional allocations and grants (3%) and donor funds (1%). Despite the County Government's local revenue target of Kshs.330 million, the County Treasury ended up collecting Kshs.219 million. This represented a local revenue shortfall of Kshs.111 million (33.33% deviation from the targeted local revenue collection). That is a big variance. Variance of 5 to 10 % can be accommodated. 33.33 % is a huge variance. The County Government expected to receive Kshs. 33 million and Kshs. 31 million as grants from World Bank Funding - Rural Health Facilities and DANIDA and Kenya Devolution Support Program respectively. However, no disbursement was made. Therefore, we did not get the 13 million and 31 million from World Bank and DANIDA.

The overall local revenue collection for FY 2016/2017 amounted to Kshs.219 million, up from Kshs.218 million collected during the FY 2015/2016. The Committee noted that the total local revenue collection of Kshs.219, 073,500 differed with the figures indicated in the 2018/19 ADP. I would like to stress on this point. As you are aware last year we were going through most of the financial documents from the Executive and we have seen there are so many variances or some errors which they need to tally with other documents because you find one document is talking of different figures which according to me, we should have a variation of zero because these are figures and the person who is compiling the Report must be very careful when it comes to figures. We checked the ADP, the one we debated here and we made

recommendations and it was sent back to Executive to do a revised ADP and bring to us. The allocation of 2013/2014 shows that;

Financial Year	2018/19 ADP Allocation(Ksh.)	CBROP Allocation(Ksh.)	Variance(Ksh.)
2013/2014	351,383,978.26	189,187,741.00	162,196,237.26
2016/2017	218,853,188.55	219,073,500	220,311.45

Therefore, you see those are huge variances and they are the same people who are compiling the report and we as the County Assembly we may not know which the right figure is when it comes to these reports they are giving us.

The key revenue streams include; permits, liquor license, market entrance fees, parking fee and cess. These streams generated a total revenue of Kshs.164.413 million. Permits generated the highest revenue of Kshs.65.46million while agricultural produce cess recorded the lowest at Kshs. 14.997 million. The County Treasury projects to generate local revenue of Kshs.500 million with permits giving the highest revenue at Kshs.90.213 million. However, this figure is even below the Kshs.600 million target set out in the FY 2017/2018 Budget. This Committee proposes review of the rates contained in the Makueni County Finance Act, 2016. The National shareable revenue projection for the FY 2018/19 in the CBROP is Kshs. 7,231,922,431.74. This figure differs from the Kshs.7,200,200,000.00 indicated in the 2018/19 ADP; the one we debated here and sent back to the County Executive for revision. Some of these documents we get here have errors in figures which cannot be tolerated by this Honourable House.

A lot of funds have been allocated for revenue automation and enough benchmarking has been done towards the same but output is still minimal. As you are aware we have been told about the system with automating but at the end of the day the output is still minimal. We are not getting what we estimate. The revenue collected is too low. The County Government should therefore mitigate cases of deficits in the future by instituting strategies to counter challenges that hinder revenue collection in the County. These interventions include; full operationalization of the revenue automation system, developing a framework for Public Private Partnerships, coding of all businesses, sensitizing all citizens on the benefits of paying rent and rates, exploiting dormant revenue streams such as parking, updating records on land rent and rates, staff capacity building and the full implementation of the FY Makueni County Finance Act, 2016. Systems audit of the revenue automation should be done.

Let me tackle the expenditure analysis. Mr. Speaker sir, Makueni County Government overall expenditure for the FY 2016/2017 amounted to Kshs. 9,204,190,257 which represents an overall absorption rate of 86% against the FY 2016/2017 Supplementary Budget. This clearly shows that there was a relatively high absorption rate with respect to both recurrent budget and development. This high absorption rate is attributed to the hastening in the procurement process and setting up a rapid implementation team. I think the rapid implementation team did a commendable job. The total targeted expenditure was Kshs.10,652,442,847.45 representing an underperformance of Kshs.1,448,252,589.64; a deviation of 14% from the Supplementary Budget.

That is how we performed in the year 2016-2017 and without going to the Departmental performance which I know the Hon. Members are going to read through and where there is question you will put across. Let me take this opportunity to call Hon. Munywoki to second the Motion. Thank you.

**The Deputy Majority Leader** (Hon. Richard Kasyoki): Thank you Mr. Speaker allow me first of all to appreciate and congratulate my Chairperson for giving a comprehensive Report about the County Budget Review Outlook Paper. As the Chairperson has read the Report, I want to comment on just a few issues. When we looked through the all Departments, we found out their performance was above average. Also their performance was better than previous years and this is a good improvement. The only thing which is making our development slow was low revenue collection which has affected some implementation of some projects. The other area where we found requires a lot of improvement is delays in disbursement of funds from National Treasury. It is taking a lot of time so it is affecting implementation of activities. With those few remarks, I second the Motion. Thank you Mr. Speaker sir.

*(Question proposed)*

**The Speaker** (Hon. Douglas Mbilu): Floor is open. Hon. Masesi.

**Hon. Justus Masesi:** Thank you Mr. Speaker for this opportunity. Allow me first to thank the Chairperson on Budget and Appropriation Committee for this Report which is very comprehensive. I belong to the Committee and I can tell you how the Committee really works under him; very tirelessly. If you look at one of the functions of the Committee, to know that the Committee is very powerful, one of it is to discuss and review the estimates and make recommendations, the key word is make recommendations. This Committee can make recommendations and that is why we are making recommendations to the County Government on what they should do especially on revenue collection.

Allow me to point out on revenue collection. Without revenue this County can never move forward. We should make sure that we really collect enough revenue for this County and create avenues for revenue for this County because if you look at what we collect as per now it is very low. We need to see the relevant Department creating more room and ideas for more revenue for this County because will never move forward. We cannot be compared with Nairobi County and Machakos County because devolution has found them having a lot industries and even other avenues for revenue collection. It is for us. I know we have teething problems because we are starting but it is for us to make sure even if we are going to come together, the Executive and the County Assembly, we come together and look for ideas on how we can really create opportunities for us to collect more revenue.

Look at the parking. You go and park your car and nobody comes to bother to ask for parking fee from you. That means we are losing a lot of revenue which should be coming in for development. Makueni County has a lot of opportunities, we can create a lot of opportunities. Like for now we have the Makongo View Point. I remember asking the ECM for Finance and Socio Economic to tell us one of the projects which they have done to make revenue. One of it was Makongo View Point. We need to see more revenue coming from the Makongo View Point because it is a project which was done with a lot of money. We need to see more ideas coming out of that project to collect more revenue from that because it is our thing and we are going to support it and even other projects which the County Government has done like the Kalamba Fruit Processing Plant. I know very many of the Hon. Members here do not know whether we have historical site in Kalamba unless the Hon. Mutula who is the area MCA. A Historical site at Kalamba which is situated at AIC Kalamba but what revenue does it bring? We need to see revenue coming from all these avenues for us to move this County from poverty.

On agricultural cess now that we are told that is the one which collected less revenue; 14.9million, I ask myself why? We have a lot of agricultural produce coming out of Makueni County. At some point I saw a vehicle stopped at Ukia junction and I was told that that is a vehicle which collects the cess. We need to know whether we get the full cess collection from our farm produce. I am worried because now the mangoes are not going outside the County. I am very sure that we are going to get even less revenue from this cess so we need to know how we are going to really make more money from the cess, whether we are going to automate. We stop the collection of cash for us to get really good agricultural cess from our produce. I have seen also benchmarking has been done for revenue automation and this means a lot of money has been used for benchmarking for the County to know more about the revenue automation so we need to see fruits from this benchmarking wherever they have gone to benchmark. We need to see fruits from the revenue automation which can

really give a lot of good collection for this County and we need to be smart as a County because we are working together with the Executive.

We need to really come up with ideas because I am very aware that we have teachers here, we have engineers, and we have professors. Let us come together and reason together. This is our County. We really need to help these people. We need to help the Executive to come up with good ideas for the revenue collection for this County to go forward because it is our thing, we need to work together and I am very sure with your leadership you are going to lead us, you are very wise. Let the Executive call us, let us go for retreats and come up with ideas. Everyone has his own field, let us come with good ideas for our good County to make good progress. If you go to the Department of Road, Transport and Infrastructure, we recommended that the County Assembly and the County Executive consider to come up with green energy. We make use of the solar energy we have. We allocate a lot of money on electricity if you look at the Budget. Why don't we come up with the idea of using the solar energy? We will really make good use of that money which we allocate on electricity. This is a good idea, I really support it also because we can really move forward with this. Many Counties have done it. I am very sure that it is possible for us even to do it here. Because I belong to the Committee, I will leave time for the other Members to contribute and make recommendations for us as a Committee to see whether we can really improve or whether we have done a good job with the leadership of our Chairman. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Thange.

**The Member for Thange Ward** (Hon. Nicholas Maitha): Thank you Mr. Speaker for giving me this opportunity and I first of all wish to thank the Chairperson Budget Committee for the good Report. I stand here to support this Motion for the adoption of the Report on the 2017 Makueni County Review and Outlook paper. It seems my good friend Hon. Masesi has read my mind but then I will not fail to say at least a few things. Every time we talk about Budget what comes to our minds is that we must first of all know where we get the money that we need to plan for the Budget and from my observation when I was going through the Report the Chair has given, it is quite clear that most of the money that we normally use in our Budget comes from the National Government and part of it from us and possibly sometimes from conditional allocations and grants and our donors. As it has been mentioned earlier we can say that sometimes have a big problem with our absorption rate and that is why we keep having supplementary Budget every time. However, when I went through the Report it is outlined that in the FY 2016/2017 the absorption rate was very nice at 86% and the following year at 84% and that shows that the absorption rate is

still high but why is it that we are not spending all the money within that given period of time.

We have a problem with our revenue as it has earlier been mentioned by Hon. Member Masesi. When you look when we look at the streams that give us money it narrows itself to permits, liquor license, marketing fees, parking fees and cess. If as a County we limit ourselves to these streams we are likely not to have a lot of money, we are likely not to generate a lot of income and this may actually not give our County a way to move forward. I will propose, as it has been proposed earlier, that we open our minds and discuss and get ideas on how we can generate more income. Looking at Machakos County, there are so many industries, I am sure we can partner with our friends from other Countries and we have industries in Makueni. I come from Thange which borders Ivingoni/Nzambani and we have a very big piece of land that was bought by the Chinese when they were constructing the road where we can do a crusher that can generate a lot revenue to this County. Makueni is very rich in minerals we can do mining. We have a lot of sand in our rivers especially in Mbitini and I am sure we can even make a way and see how we can partner with other countries outside even if it would mean we do some benchmarking to see how we can use our sand and generate income. We can make the slippers that are used by the SGR and as a County we make money out of it. Other Counties are actually working out to see whether they can incorporate investors, I am sure Makueni can also bring investors.

If we had invested in Makueni seriously we would bring a lot of business and our revenue would actually go up. When I was looking at the Report we expect to collect about five hundred million this year. In fact, we are supposed to raise six hundred million but we are able to collect about five hundred million, to me that is very little and when you compare that with what the National government is giving us. If you allow me to quote, sometime we were thinking about Makueni County and all those Counties that have the People's Assembly that are likely to split ourselves from the National Government. I am worried if Makueni does that because we can only be able to generate only 300 million so I think it is high time we think about it and come up with very good ideas and see how we can generate up to two billion or three billion as a County. Finally, I must say that we have to do so much to make sure that at least we put up streams the right way and increase what we are using actually to do the projects that we are supposed to do. Finally I am very sure the Supplementary Budget will be coming to the Assembly very soon. Today I visited the office of the ECM Roads we really have a problem, many projects have stalled so it is my humble request that if the Chair finds it in order to bring that very soon and we are going to pass it. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Kasikeu.

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**The Deputy Minority Leader** (Hon. Julius Munari): First let me thank the Chairman for Budget for presenting us the County Budget Review and Outlook Paper. From the Report the way I see it, first let me criticize the Finance Department because it is like they are not aggressive to look for money from our County. What they are aggressive at is sitting in their office waiting for money from the National Government. As a business man I do not see the reason why you keep on saying Machakos has industries and ourselves we have the main road. What do we get from the main road? We have the parking, we have the all the trucks passing through that road yet we do not get anything from the parking on that road. When you are talking of the ENE FM and other projects, I asked myself we invest our money in these projects yet we do not see the revenue we are getting rather than spending our money where we are going to get revenue. Like now I see you are talking about the issue of cess. Agricultural cess has collected 14 million. All the other places from western and central they are buying the old system mango from our place. They are paying cess. We have also the sand authority, they are getting money because this is under cess yet we are talking of 14 million the whole County. During the era of Mutungi we heard that they were reading a Budget of 450 Million. Us we are reading a budget of 219 million. We have banks and businesses have expanded but it is like were diminishing on revenue collection. You see it is just a joke.

Therefore, it is my view that the Finance Department is not doing their work; they are earning salary just for nothing. We should move aggressively to sit down with the Finance Department and the Executive and the Assembly to see how we can harmonize this issue of saying we should collect 500 million and yet like now the projects have stalled. If you go to our Wards there are no projects that are initiated in our Wards. What is the reason? We do not know. You are talking of the absorption rate as 86%. If it is 86 % what is happening with projects of 2017/ 2018? It means there is another problem which I am seeing from the Executive and that is in the area of financial requisition. It means they are delaying to request for money for development.

To tackle this issue my view is Makueni has very big potential of collecting money. Not from the *mama mboga* who is selling sukuma wiki in the market. There is no need to get Kshs.20 from her when we have is the big millionaires driving on the highway charging parking fees. You will find somebody who has parking place for tourists; he is parking over 100 trucks per day. One truck he is charging at Kshs.300. Per night he is earning Kshs.30,000.00. You ask yourself what is the County getting from that parking? People are getting khat from Nyambene, those small proboxes, we are not getting money from those people yet our people are in hospital being treated for stomach problems. Those people are making a lot of money because I think somebody with a shop and someone who is having a *muguka* shop is getting more

money than that other person. Yet when you go to those shops you will find somebody selling one basin of *muguka* is being charged 100 shillings per day and he is selling over 20 basins. We ask ourselves are we serious in revenue collection? My recommendation and my view is that I think we should do more on our side and with that I beg to sit. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Member for Kalawa.

**The Member for Kalawa Ward** (Hon. Muthoka Kyalo): Thank you very much Mr. Speaker for the opportunity. I want to take this opportunity to congratulate the Chairperson for the Report that he has given us. It is well detailed and well analyzed. To understand that it is well detailed it is because when something concerns money and you find that they detected an anomaly, it means that, that committee is very serious. The Finance Officer from the Executive should also be questioned because for anybody from finance to make a mathematical error and especially in money, this one is very serious. Therefore, this person has to explain where this money has gone. In Makueni County we have a lot of money and a lot of areas where we can get revenue. For example, we have shops. Take for example Kalawa where I represent. There are so many shops and in fact they do not pay neither the rent nor anything else and there are other plots which of course are idle and nobody is concerned about that. If you go to a place like Athi River you find that there is a lot of water there, people are fishing and they do not have any place to store that fish for future sale. They just fish for that day. For these women and boys who do it along there, if something like a cooler is bought and stored somewhere, that is also another place we can get revenue from these people.

There are people who collect in several markets like Kathonzweni, Kalawa and so forth. We want to get people to do investigation where the receipts that are given there, if they come right from the finance office. People might have now prepared theirs and we start complaining when we are seated here. When you go to Kathonzweni you find that that market yard is full of cows and once a cow enters there whether you sell or not you have to pay. Where does that money go? The same thing applies to Kalawa. I normally go there on Saturdays, goods are full, you just get two people standing at the gate, goods are going, others are entering but you do not see money being collected. You see I cannot shout because those are voters and also I would like to come back here in 2022. Therefore, we want to get somebody who is non-partisan to check whether these people pay so that we may get revenue.

Next time we want the Budget Chairperson to sample the big markets in the County and give us the income that we get per month and per year from those markets because without doing that we will not know what is collected at Kalawa and during the County Council days that was what was being done and if a councilor does not

supervise his own market, I think he used to miss his monthly salary. That is why they used to go there and supervise the revenue collection. However, now that I am a Mheshimiwa I do not know whether I will wear a tie and stand there so let us get enforcement officers and others. Going back to the Finance there is an Act that was enacted sometimes that those people who bring cabbages and others they have time limit to sell. This one is never enforced, they sell the whole day and you find the retailers they have no chance of paying. When we say that now we have good relationship with the Executive let us not have good relationship and then our people that we represent here they will be sacked by people from outside. That one has to be looked into.

The last one I was to mention was about the ENE that has been mentioned. We would also want to know about the Universal Health Care, what extent because others have been asking me if I pay five hundred shillings and I have a fracture and I am told that a plate is wanted, will these people buy because it is free? We also need to have that information. When you go to the bus terminus in Wote the act is never followed there. The *matatus* now collect people anyhow and anywhere which means that some money there is not collected by whoever does that. Where are these people and we use to see *askari's* there trying to supervise that? With that Mr. Speaker I say thank you and once more thank the Chairperson for Budget and Appropriation Committee.

**The Speaker** (Hon. Douglas Mbilu): Member for Kikumbulyu South Ward.

**The Member for Kikumbulyu South Ward** (Hon. Jades Kalunda): Thank you Hon. Speaker for the opportunity. I wish to stand and support this Motion from my good friend Hon. Dennis for doing a good job with your Committee. I like the praise from Hon. Masesi where estimates are looked at and you make recommendations that means you can influence those estimates. I doubt whether you are making any recommendations or those recommendations are taken into play so that should be clearly defined and I know you are doing that as the Chairperson for Budget and Appropriation Committee. I just need to highlight some few things to do with this budget even before we comment on the absorption rate which may not be true because there is no project which has been undertaken like when you go to Kikumbulyu South Ward. I wish to beseech the Assembly to take advantage of the new National Government projects like the KENHA projects. When you look at Kitui-Kibwezi road there is a lot of opportunity there because there will be a big bus park where we can be collecting money when it is complete. Because there is scarcity of land in Kibwezi town we are being forced to look at our friends like Dua Rea Vipingo where we want to get some piece of land so that we can establish that bus park and the police post and the ablution blocks and markets stalls but it is impossible because we are only doing it on personal grounds.

It is a commitment where a company which is operating around Kibwezi the CSR gives them a commitment to do such a thing like giving hundred hectares, twenty hectares of land like that and we need this House also to help us in that because me and Hon. Maitha and the business community of Kibwezi may not be able to push a lot. We wish even the Speaker to bring on board the head of this County Government to help us in taking advantage on that and if we get this I can tell you we will spur development and economy power of Kibwezi people along Mombasa road. Secondly, when you look at the town developments and we concentrate a lot like the Sessional Paper number four by the British people which gave advantage to the central province people of this country and then diminished the powers of other people in this country it means that, if we develop Wote alone and the shopping center along Mombasa Road that is Emali, then we leave the biggest towns and cities like Kibwezi and Makindu that means we will not get what we want. As the Chairperson Budget and Appropriation Committee would agree with me, we need to have some impact on those towns which have got potential and which have shown potential in the past and which are really supporting the economy of Makueni County by not neglecting them and that power been transferred to those headquarter towns you are trying to building even with a lot of struggle. Please, Hon. Chairperson for Budget and Appropriation Committee you need to allocate a lot of resources to towns like Kibwezi and Makindu to spur development

When you look at Kibwezi it serves more than ten Wards even in Kajiado and Kitui Counties. I have heard that, street lights will be added in Emali shopping center where there are street lights we need to take those street lights to Kibwezi, Kambu and Mtito Andei because that is where you will get business 24 hours in a day even Machinery will be the best place to take those street lights. Otherwise, if you take street lights to Emali where there are street lights and there is nothing which is coming out of that it means that your efforts will be not winning what you want. When you look at the recurrent expenditure from that budget, the recurrent expenditure should also help us in developing our County---

**The Member for Emali/ Mulala Ward** (Hon. Nicodemus Muthoka): Point of Order.

**The Speaker** (Hon. Douglas Mbilu): What is it Hon. Member for Emali/ Mulala Ward?

**The Member for Emali/ Mulala Ward** (Hon. Nicodemus Muthoka): Mr. Speaker is it in order for the Hon. Member to say that nothing comes out of Emali and everybody knows very well that, Emali collects the biggest revenue in this County and when I am talking about street lights I want to enhance and improve the collection. Is he in order? Do have the figures?

**The Speaker** (Hon. Douglas Mbilu): Member for Kikumbulyu South Ward are you speaking from an advantage of figures?

**The Member for Kikumbulyu South Ward** (Hon. Jades Kalunda): That is why I was challenging him because he does not have the statistics to show that but you can have statistics for Kibwezi with eight banks; serious banks, that means money is in circulation. There are people go to Kibwezi to withdraw money from Kibwezi Banks that means Kibwezi is making a good kill in terms of economics of Makueni. If you can allow me Hon. Speaker I would want to proceed.

**The Speaker** (Hon. Douglas Mbilu): Member for Emali/ Mulala Ward.

**The Member for Emali/ Mulala Ward** (Hon. Nichodemus Muthoka): Mr. Speaker I think I will just forgive the Hon. Member. It is a routine, something that we are used to, so it is not news for him to communicate and put words but everybody understands in this House. Let him continue Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Hon. Kalunda you need to substantiate your statement with figures comparatively between Kibwezi and Emali. Substantiate means that you are in a position to produce a document and table it. If it must go on record otherwise you withdraw so that it is expunged from the HANSARD.

**The Member for Kikumbulyu South Ward** (Hon. Jades Kalunda): Hon. Speaker I will provide that within seven days because this fallacy of Emali is doing well. It is getting to the extremes and we do not want that story to continue ---

**The Speaker** (Hon. Douglas Mbilu): Very well Hon. Kalunda provided that you will produce a document and table it substantiating that Emali has less figures than Kibwezi then you may proceed.

**The Member for Kikumbulyu South** (Hon. Jades Kalunda): Thank you Hon. Speaker for ---

**The Speaker** (Hon. Douglas Mbilu): Please be informed that you must substantiate within the next sitting. I direct that on Thursday at such a time you will be required to table a document and substantiate your sentiments. Proceed.

**The Member for Kikumbulyu South** (Hon. Jades Kalunda): Thank you Hon. Speaker with my good friend Hon. Maitha because we share Kibwezi, we will get the statistics in good time. Thank you, Hon. Speaker, for protecting me. When you look at the recurrent expenditure we are saying if we have to incur recurrent expenditure it has to affect the smallest citizen of Makueni County. We do not expect to grow the recurrent expenditure even within the Budget allocations but there is no impact on the common citizen. I would like to give an example. When we have the mentorship program with the First Lady our kids who have just left high school are getting

nothing. They are getting two hundred shillings. For example when we were at Kibwezi we accommodated four Wards but at the end of the day because they had budgeted 300 kids the kids had to divide the money amongst 1300 kids so that means we need to do something so that every *kalila* gets to all villages of Makueni County and not one person may be like Hon. Kimongo who represents Mavindini takes everything for Mavindini and that will be very important for all of us. Therefore Hon. Chairperson through the Speaker, I would have wished if you take that one into consideration because we said we want to make a difference between the past and the current setting and regime.

When you also look at the youth empowerment because I represent the youth and even in 2022 I will still be a youth, we need to look at how to empower our youth because we are 60% of the Makueni population and Hon. Beth will agree with me if we do not impact on the youth, you're coming back to this Assembly will not be guaranteed. Things to do with AGPO, I would even wish Hon. Chairman Budget we put a lot of efforts in making sure that 30% of Government procurement is done within the youth, women and people with disability and we enforce that any procurement which is being done in this County Government AGPO gets 30%. Then online jobs is also making a big impact to kids who are leaving colleges and universities. If we could invest in our Budget by making sure that we do good benchmarking and also facilitate these kids with information communication centers in all our Wards, very close proximity to where the kids are and then we provide free Wi-Fi and then capacity building on the same, we will employ 80% of the kids who are leaving the colleges and universities. I am very experienced in this because I used to teach IT and computer science and all my students 70% are doing online jobs and they are even doing very well. I would wish to challenge the Budget Chairperson who is very capable CPA Dennis to make sure that this one is realized within the next Budget cycle.

Then we have got the youth service which I understand the Executive is working on something. If we could instill skills in this through our Budget we would make a very big impact in Makueni which we love. Internship and training will also offer good opportunities for formal and structural students who have gone through the university or colleges and by the time they will be getting into the job market they will have the best skills. I also think on the recommendations, marketing and enforcement we should be a priority. When you look at the people who are collecting revenue like in Kibwezi they will collect the revenue, they will see whether you have paid, they will even tell you how much you are supposed to pay, sometimes they will even look at banks. Like I said, we have got eight banks in Kibwezi, they are being charged Kshs.40,000.00. That is too little but *mama mboga* who is paying twenty shillings every day in a year she will pay Kshs.17000.00 compared to a bank like KCB

with all the millions that means we are not objective enough to collect these taxes, otherwise we will have to invite KRA to do it for us. We need to put clear instructions. We need to put clear profiles for Enforcement Officers in all our collection points and that will be the best way so Hon. CPA Dennis I know you are going to take up that.

The other thing is about a taskforce to be in charge of absorption. Previously we were told that when that task force came into operation sometime in 2015/ 2016, it was able to do a good job. Why don't we try to reenergize that taskforce or bring in a new task force and it will make everything possible for all of us. Like my Kshs.33 million has not been absorbed and I do not know why 88% is coming from. May be 88% is the recurrent expenditure which should be at 50% as at now. Follow up on project management should also be carried within those tasks. Thank you Hon. Speaker for giving me the opportunity to explain and make recommendations to CPA Dennis and his team. Otherwise I am very happy that my Majority Leader Hon. Munywoki, my good friend, is working on all this and I know within a very short while we will realize everything as we had promised the Makueni people. Otherwise we are very happy, Hon. Munyao yesterday enjoyed his valentine, I was very happy also for him to enjoy the valentine and also Kalekye. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Hon. Members reading the mood of the House, I realize that some Members have a feeling that those contributing are taking longer than usual however I refer you to Standing Order number 117 (4), *No Member may speak in a debate on Bills, Sessional Papers, Motions or Reports of Committees for more than twenty minutes without the leave of the Speaker but the Leader of the Majority party and the Leader of the Minority party may each speak for a maximum of sixty minutes.* Hon. Members under the circumstances this is a Report of a Committee and therefore a Member has an opportunity to speak for a time not exceeding 20 minutes therefore hold your patience and prepare for your 20 minutes to speak. This is why you are paid sitting allowances. Proceed Member for Emali. On a Point of Order Member for Muvau?

**The Member for Muvau/Kikumini Ward** (Hon. Elizabeth Mutinda): I wanted to contribute.

**The Speaker** (Hon. Douglas Mbilu): Member for Emali.

**The member for Emali/Mulala Ward** (Hon. Nicodemus Muthoka): Thank you. Mr. Speaker. I stand here to support the Motion and make some little sense in terms of my contribution. As per the Report from the Chairperson of Budget Committee it seems very comprehensive and the Committee did a good job. On the recommendation part of it maybe they could find a way of getting a response from the ECM. I will just go to the point may be could have been repeated severally. I am just concerned about the revenue. With me is a Report that I think the Budget

Committee retrieved information from to be able to come up with this Report and I am surprised the actual revenue on health is zero so may be Budget Committee you could tell why there is no income from health because we know that for licenses for health each kiosks pays Kshs.2000 and we want to know if this money is going to people's pockets. I want to echo what Hon. Tangai just mentioned. I am very concerned about this revenue.

Secondly on the revenue part of it when Makueni residents pay Kshs.500 shillings for Universal Health Care, to me I see that as an income. It is not being reflected anywhere. The other one is about revenue collection on liquor. Right now I understand it is time to renew this license. In Emali we have 162 bars and you find one proprietor has three using one license while in actual sense each unit is supposed have a license on its own meaning that this is an extra income. Therefore to me the Department of Finance that is in charge of the collection of the revenue, they are not serious and if this will be followed keenly, you will be able to get enough money. The other thing I have seen is about the plans of approval. We have construction all over in Wote, Emali, Malili, and Kibwezi which I think they are almost beginning or they have begun. All this construction comes with money but I am very concerned about the fees that are paid for the construction and why they are too minimal and this goes with approval of plans. You could find this money is going to people's pockets.

Also about cess collection, last week I had meeting with Sand Authority and my electorate told us that just within two weeks they were able to collect Kshs.2.7 million in sand. Just one cycle and if you look at the cess collection for the entire Makueni it is Kshs.14 million yet this is just a source collecting 2.7 million within 14 days. Something is wrong therefore, Chairperson Budget Committee please if you could look into this and your recommendations dig further. We are losing money with these amount. Finally is about the user transfer of property. We know most of the expansion of towns for example in Kibwezi, in transferring land use from residential to commercial, there are fees which are supposed to be paid. They are not paying this amount. This money is not coming to us Mr. Speaker and if we could get all this revenue, then we would get good money. The Kshs.600 million we are talking about is very little if we have a competent team to be able to give us this money. Therefore, I would say thank you very much Chairperson Budget for the Report but let your recommendations be acted upon. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Nzau/ Kilili / Kalamba.

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): Mr. Speaker sir I wish to thank you for this opportunity. I also stand to support the adoption of this Report. Allow me to congratulate the team which came up with this Report chaired by Hon. Dennis and his team. It is such a detailed Report that it leaves no doubt about

the thoroughness of this particular Committee. I do not wish to talk much about the Report, much has been said on the issues raised in this Report. I wish to make comment on two or three issues on this Report ---

**The Deputy Speaker** (Hon. Harrison Mutie): Point of Order.

**The Speaker** (Hon. Douglas Mbilu): What is it Hon. Deputy Speaker?

**The Deputy Speaker** (Hon. Harrison Mutie): Thank you Mr. Speaker. I seek to move a Motion based on the seriousness of the Business that is ahead of us. I beg to move the following Motion;

**THAT**, pursuant to the provisions of the Standing Order number 33 (3) (a), this Assembly resolves to extend its sitting time until the business appearing in the Order Paper is dispensed.

Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Your Motion has not been seconded.

**The Deputy Speaker** (Hon. Harrison Mutie): Thank you Mr. Speaker. I would request Hon. Miriam to second the Motion.

**Hon. Mariam Musyoka**: Seconded.

*(Question proposed)*

**The Speaker** (Hon. Douglas Mbilu): Hon. Member for Thange.

**The Member for Thange** (Hon. Nicholas Maitha): Thank you Mr. Speaker. I stand to support the Motion and before I contribute allow me to recognize a member from Thange seated in the gallery, Mr. Mututi. He was a very good supporter while I was campaigning and I wanted to treat him today that is why I said that he should stay there. This Report is very important and I am sure it is the feeling of the Members and you can see they are shooting up. Therefore I would propose that we continue with this business until it is complete and therefore, I support. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Nzau.

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): I wish to thank you once again for this opportunity ---

**The Speaker** (Hon. Douglas Mbilu): Order Member for Kilili. The Motion of extension of time is still on the floor.

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): That is what I wanted to contribute about.

**The Speaker** (Hon. Douglas Mbilu): You support this Motion?

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): Yes.

**The Speaker** (Hon. Douglas Mbilu): Proceed.

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): Mr. Speaker sir, I stand to support this Motion given the importance of the business which is before us. It is imperative that we extend time until the business ahead of us is dispensed with. I beg to support.

*(Question put and agreed to)*

**The Speaker** (Hon. Douglas Mbilu): Member for Nzau proceed.

**The Member for Kilili/ Kalamba Ward** (Hon. Julius Mutula): Thank you Mr. Speaker sir once again for the opportunity to continue contributing to this important Motion. As indicated earlier I stood to support the Motion and I first began by congratulating the Committee for the good work, a very thorough job which they did. Congratulations Hon. Dennis and your team. This was a good work. I do not wish to say much on this Report. As the Chairman of Finance, you will allow me confine myself on issues of finance and revenue. It is common knowledge that any Budget making process is about income and expenditure. If we are budgeting for expenditure and then the income is not coming in, I think we are in a lot of problems. Therefore, the issue of revenue, I think is very critical and the Department of Finance I think they need to up their game. It is very important because every year since devolution started in Makueni, I think we have been consistently falling short of our target. This time round they are telling us they want to raise Kshs.500 million. Fine, it is a good target but I am sure we can still target more than this.

The issue is what strategies are they going to put in place to ensure that this target is met. I think it is important. Enforcement I think is the bottom line which we should consider if we want to improve revenue collection in Makueni. Enforcement, very critical because of course we have got quite a number of revenues streams which are bringing a lot of money but unless we tighten the strings and seal the loopholes, we will continue talking about improving the revenue year in, year out. Therefore, I think it is important that the ECM Finance comes up with very clear strategies and timelines about how they are going to improve revenue. I remember during the vetting session and you were the Chairperson of that Committee, we insisted that the ECM Finance and all other ECMs and the Chief Officers be put on performance contract. When we talk about the performance contract, we are talking about set targets. If we do not meet the set target then there must be sanctions that must be applied to that particular officer. Therefore, let us be serious on revenue collection and let us start with this year 2017-2018. If the target is five hundred million let us realize that. If there is a short fall, it will only be prudent for the Officer to explain that the shortfall has

been occasioned by a, b, c, d and it should be explained in a such a way that, it will be quite understood and would be acceptable.

Lastly, I wish also to recommend that, we expand our revenue base. We create as many revenue streams as possible so that much more money will be coming into our officers. I wish to comment on one thing I noted and also something else we also noted when we are considering the first financial statement for the first quarter of 2017-2018. What we realized there a quite a number of inconsistency in the reporting. There some kind of misreporting. Some figures are being misquoted and it is also good for the ECM Finance and her team to come up with strategies of proper and correct reporting. We noted in the other report which we will be presenting to this House sometimes later, a difference which you cannot say is a typing error or you cannot realize what is it but a difference of one hundred million. I mean it is quite unacceptable. A report which is going to the Controller of Budget, Kenya National Audit Office and Treasury and then there is an error of hundred million, I think it is better we become serious.

*(Hon. Jonathan Mwaniki stood in his place)*

**The Speaker** (Hon. Douglas Mbilu): What is Hon. Muoki?

**Hon. Jonathan Mwaniki:** *Hon. Member spoke off microphone*

**The Speaker** (Hon. Douglas Mbilu): Member for Nzau/ Kilili/ Kalamba Ward you stand be informed by your colleague. Otherwise proceed with the subject matter at hand.

**The Member for Nzau/ Kilili/ Kalamba Ward** (Hon. Julius Mutula): thank you Hon. Mwaniki for the correction. I am sure I was under stating the amounts for the obvious reason but I think he has put it the way it is. That shows the seriousness of the inconsistencies in the writing some of these reports. I was concluding by saying that, is important that we spare re-expand of revenues steams and insist that all revenue which is supposed to come to the County coffers really comes to it. Allow me to comment on roads and infrastructure developments. Infrastructure is very important in the development of any Country or County. If you remember very well after election of 2002 when the Kibaki administration came into office, the GDP by that time was around two hundred and fifty thirty billion. By the time Mr. Kibaki was exiting the political scene it was almost over six hundred billion.

The secret was enhancing a being serious on issues of revenue collection. During that particular time 2002, the economic growth rate was around 4.2%. When he exiting the political scene, it was almost 6.9%. If you remember very well that figure was only brought down by the political clashes of 2007. If we bring the seriousness which is required to raise revenue for this County of ours I am sure Makueni will go very far.

The bottom line about development Makueni is about the revenue collection. The shareable funds from the National treasury, I think this Financial Year we are talking of 7.2 billion and I am sure we have got the capacity to raise one billion in this Government. If we can start with five hundred million is okay but let us try our level best to bring this County up in terms of economic development. Thank you Mr. Speaker sir.

**The Speaker** (Hon. Douglas Mbilu): Member for Kikumini/ Muvau Ward.

**The Member for Kikumini/ Muvau Ward** (Hon. Elizabeth Kawembe): Thank you Mr. Speaker sir for this opportunity. I stand to support the Motion. Mine is very little because much has been said and I don't want to repeat myself. I have a very major observation which I want to make and I want the Chairperson Committee on Budget and Appropriation to listen because I have the evidence with me. My issue is about the revenue of local shops. You find that, when the officers go to the ground they issue a receipt of two thousand nine hundred but when the license comes the license is written two thousand shillings. Where does the nine hundred shillings go? Because I have a very tiny shop in Nairobi whereby I pay license fee of ten thousand shillings and when the license comes its written ten thousand and not less than ten thousand. In the case of Makueni County I think there is very big issue. I tried to contact the person concerned in my Ward and tried to enquire from him but the reasons which he gave me were not satisfactory.

The Chairperson for budget and Appropriation Committee please try to enquire about that issue. The local shops in Muvau/ Kikumini Ward and in Makueni County are so many and loosing nine hundred shillings per shop is a lot of money. That is where the County Government is losing a lot of revenue because of ignorance. I find it total ignorance which is supposed to be addressed and I have summoned that officer to my Ward so that we can go around the Ward explaining to the traders why they pay two thousand and nine hundred and then the license is written two thousand. Thank you Mr. Speaker sir for the opportunity.

**The Speaker** (Hon. Douglas Mbilu): Hon. Isaac Muoki.

**Hon. Jonathan Mwaniki**: Thank you Mr. Speaker. I stand to applaud the Chairperson for Budget and Appropriation Committee for a report well done. However, I would like to say we the Members of the County Assembly were elected to this House so that we can oversight on development and other issues for the benefit of the people of Makueni County. If you go through this report you will find that it says that the monies that were allocated for development projects within the last four years were absorbed above 80%. In the most of the departments absorption was around 82%, 84%, 86% and some 96%. We ask ourselves this question, if the absorption rate is 80% and above for development then we expect some impact.

What is the impact after the absorption of the development money. In many places like where I come from Mavindini there is a bore hole which was dug there and it was capped and that is money which was spend. The money was spent and the people are not getting the water. It is just there. It is not only where I come from. I know Hon. Members will agree with me that is occurring in very many places. In the Department of Water, Irrigation and Environment, the trucks are mobilized during the rainy season where they come there, spend a lot of fuel money and I think also per diem and you cannot actually see why the money was being used there.

The other thing is in the ministry of Health services. Hon. Members you are aware that every person who is a food handler according to the public health act chapter 142 of the laws of Kenya and even sellers in bars are supposed to go and get certificate of good health after every six months and then pay money. Also, butcheries, the small abattoirs which are almost in every market must pay money through the ministry of public health department. Where does that Money go? It is not reflected anywhere in this report. Where does that money go? including the universal health care money. Where is it? It is not seen anywhere. During the time of the retired president of the Republic of Kenya before Hon. Mwai Kibaki who is also retired, the County Council of Makueni used to collect over four hundred million in revenue and we can see in this report we are only getting 66 but if you go to the rural areas you see there are so many businesses as Hon Tangai has said. There are lots of activities that are generating money. That means that the revenue is not being collected. You are aware we passed in this Assembly the Makueni County Revenue Automation Bill and it was assented by his Excellency the Governor.

I would expect within the course of this year or next year we get a report indicating that we have collected over a billion shillings from the revenue. It is also clearly stated in the report that the department of finance targeted to collect three hundred and something million during the time covered by this report. If you are targeting to get 320 definitely you must have planned on how you are going to achieve that. If you plan to get Kshs.320 million then you get Kshs. 66million, that is very low because there is a difference of about Kshs. 111 million. I think either there is some revenue being lost. The officers are there collecting the revenue but they are not submitting the revenue to the County treasury. This must be the case. I request we see improvement on revenue collection because without revenue we cannot develop.

Hon members, you are aware that nowadays it does not mean you go benchmarking in the United States or in Israel or anywhere in the world. The World is in your palms. If you go to your smartphone you can research on what is happening in the United States or anywhere else. I am not saying that we should not go and do some benchmarking. I am just saying for purposes of day to day running of the system we can use the internet to compare ourselves with what is being done by the rest of the

World. For example, I have seen in the Report the Department of Agriculture was allocated some money which was used for irrigation and other things including poultry farming. I have gone to several places and if somebody gets sick in Kitise and Mavindini Ward and the medicines is elsewhere that person can die not unless the patient is airlifted to South Africa or the aid is imported from South Africa and it is a pathetic situation. I think we must get serious on development issues and revenue collection. I can see my colleagues showing me the time, I beg to stop there Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): While at that Hon. Muoki, I will refer you to 2.0 of the previous fiscal program me 2016/2017 paragraph 2, it indicates that despite the County Government Local revenue totaled to 330 million. Paragraph 3 it indicates that all local revenue collected for the financial year 2016/2017 amounted to 219 million. You have indicated that the collection was 66 million. For the purpose of record do you want to clarify on that? You would say that the target was 600 million and the collection was?

**Hon. Jonathan Muoki:** The target was 300 and something and the revenue collected was 66 million.

**The Speaker** (Hon. Douglas Mbilu): But this report indicates that the collection is 219 million

**Hon. Jonathan Muoki:** Yes, then if we go through the report, there is a place where there is 111 million. It is the way you have said Mr. Speaker

**The Speaker** (Hon. Douglas Mbilu): Then you withdraw that particular statement.

**Hon. Jonathan Muoki:** I withdraw Mr. Speaker

**The Speaker** (Hon. Douglas Mbilu): Very well. Hon. Members allow me to take this opportunity. I am informed the Executive Committee Member for finance is in the gallery and therefore she is consuming your information as you recommend even before it gets in to the Hansard. Take this moment to send your message and interact with the minister. Thank you very much Minister for appearing and listening to the County Assembly. Member for Ukia

**The Member for Ukia Ward** (Hon. Japheth Katumo): Thank you Mr. Speaker for the opportunity. Mine is very brief and I want to start congratulating the Committee for Budget for the good work they have done. One of the things that has caught my attention is the issue of revenue; which is each what every Member who is standing is talking about. When you look at the materiality of this Budget, the Budget of the financial year 2016/2017 was around 9 billion then when you compare it with the revenue that was collected was around 200 million. It means that the County

Government of Makueni is just becoming another spending entity and with that it means that it does not take seriously the issue of revenue collection.

When you look at the issue of cess and especially now I am the Chair Agriculture. The Agriculture business especially the food business in Makueni County, is estimated at 1 billion. When you collect 14 million in a financial year, it means that the effort put towards collection of the revenue is not much. There is a mis-conception that we only sell our Agricultural produce in Nairobi or Machakos because the only cess point that I see in this County that collects revenue from agricultural produce is just at around Ukia / Emali junction. There is a lot of produce that is taken to Mombasa and I have never seen a cess point in Makindu or along the Mombasa road.

There are also other produces that are moved through Mombasa road and even Tawa and Mumbuni in Mbooni. The business of french beans is a big business and I doubt if there is any revenue collected on those points. Therefore, we need to tighten the noose as far as revenue collection. Much has been said about the much taunted automation. When I look around Wote market, I only see one person collecting parking fee and that person just looks like an impostor. He stands around Ngooni Supermarket. He is not in uniform and from last year I have never paid any parking fee to that person. Not because I don't want to pay but he is rarely around. When he comes he cannot even convince you? He does not even look like an employee of this County Government. Therefore, we don't expect that one person while we have so many parking areas to collect parking fee from the whole of the town. What it means is that the department is not serious with the business of collection of revenue. Now that the ECM is in the gallery, I think that should be a strong message to her to ...

**The Speaker** (Hon. Douglas Mbilu): Order Member for Ukia! Do not interfere with my guest in the gallery. Address the Hansard. However, she will have a way of getting that information herself. Address the Speaker and the Hansard.

**The Member for Ukia Ward** (Hon. Japheth Katumo): what I mean is that the department needs to be serious in collection of revenue. You don't do things in one way and expect results. A lot has been said about the automation. I don't think automation in the collection of the revenue is just having those ETR machines and all that. Much has to be done not just having the machine. You can just have the one machine in town and does not guarantee increasing on the collection of the revenue. What we should be seen people all over. I am also told that a number of the revenue collectors but not less than ten in the department are alcoholics and I assume that these people are getting the revenue that they are supposed to deposit in the accounts of the County Government and instead taking it to the bars to drink alcohol because they are not well supervised. Without taking much time, I want to rest my case there. Thank you

*(Hon. Harrison Mutie stood in his place)*

**The Speaker** (Hon. Douglas Mbilu): Hon. Deputy Speaker you will have an opportunity. Resume your seat. Member for Kiima Kiu/ Kalanzoni

**The Member for Kiima Kiu/ Kalanzoni Ward** (Hon. Ben Kilonzo): Thank you Mr. Speaker. I stand to support the Motion of the adoption of the Budget report. If you read the mood of the Members of the House is that they have known the disease that is killing the economy of Makueni. The disease is revenue collection. I did a census of Kiosks in my Ward and found that there are more than 400 Kiosks in Malili Town. When I went around asking them how they pay revenue they told me they normally pay two hundred shillings for each kiosk to the area chiefs. When they do so, they don't even see any Officer from Makueni County going around asking for the license. That why, I am saying that is the only disease affecting our County. If you go around Makueni and you park your car anywhere, there is nobody will come and ask you for the parking fee. The question of sand, it's being carried freely by sand thieves. The sand authority people are doing nothing. They are not doing any effort to stop the sand harvesting. About the other businesses they are operated without any licenses. We have to do something because if we have known the disease then it is us as the House to stand firm and find a way of how we can cure that disease. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Hon. Kahindu and the Minority Whip.

**The Minority Whip** (Hon. Joseph Kahindu): Thank you Mr. Speaker sir. I stand to support the report on Budget and Appropriation Committee. As we have heard from most of Members we have a lot revenue across the County. However, our main challenge is enforcers. It is my kind request that we get enforcement officers who will enforce Revenue Bill that we passed last Session. In a case where we have kiosks which are paying two hundred shillings per month to the chiefs, the enforcement Officer will go around and check whether the specific kiosks have been issued with County receipt that reflects the actual amount that has been paid to the County Government. My view is that we have the revenue with the County but what we lack are enforcers. We can have the councils *Askari's* so that we have the revenue collected in every corner of this County; be it in the mangoes, in your own farm, in your business everywhere across the County and we will meet the target as per our expectations. It is my kind plea to the Department concerned with revenue to have enough employees to enforce any revenue collections for the County. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Member for Mavindini Ward and Majority Whip.

**The Majority Whip** (Hon. Jonathan Kimongo): Thank you Mr. Speaker for this chance. I stand to support this report and I have one or two observations to make.

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Much has been said about revenue collection and I wish not to touch on that. I want to say something about absorption rate which has been noted to be relatively low. I tend to think this matter of absorption is all round, in that several partners share the blame for this. One of the partners if I may use that word they can lay this blame is the Department that deals with the budgeting. You have heard many times Mr. Speaker people saying and I quote in Kikamba, "*Gavana nukutunga mbesa.*" And people ask, why is this money returned when we are suffering? and the whole blame goes to that office but look at an example of project that was awarded in my Ward to make a drift in this particular year worth 2.5million. That is budgeting office.

When the engineers came on ground to do the BQs they gave a BQ of eight million. Obviously, that project will not been done that Financial Year because 2.5million is not enough and you cannot do a drift in bits. What was to happened? that money to use the layman's language will be returned. In the next Financial Year if a reallocation is not done it will be returned again. In essence, the absorption rate will constantly remain to be low if we have to go by that case study. I would request that the budgeting office really gets it right. If it's a project let the project be budgeted for amount that can really do that project.

The other area that I find wanting and resulting to poor or a low absorption rate is the people themselves because they don't cooperate in some cases. I will also give an example from my Ward there is a dam that was allocated some money for scooping in I think 2015-2016 Financial Year. That dam did not dry up until after September. It was only one month to the rains and no contractor can come on site to do that dam within one month. What happens to use the layman's language that money is returned because a financial year comes, it goes without the actual work being done. The next year, the locals were asked to let that water drained. They refused. The rains came, it was not done. To use the layman's language, when the year ended that money was returned resulting to low absorption rate. Eventually, I had to request the locals and the people in the Ward at large to be a little bit serious and I told them for a long time there have been stories of MCAs and especially the last term and I quote, "*nimuukinyia Governor Kisandoo*" and I told them this time round you are the people "*muukinyia Governor Kisandoo* because when a project is proposed and the only avenue to execute it is in your hands and you completely lock the door. what do you expect? You are the ones who are doing disservice on your part. This matter of budget absorption should be approached from...

**Hon Bernadette Mutisya:** Point of information Hon. Speaker.

**The Speaker** (Hon. Douglas Mbilu): What is it Hon Bernadette Mutisya:

**Hon Bernadette Mutisya:** Just to inquire from Hon. Kimongo, if there was no public participation done to the public then they would not clearly understand their

priorities and may be that is why the money was being send back. Maybe there was need for public participation so that they can try and understand where they are coming from. Thank you

**The Speaker** (Hon. Douglas Mbilu): Hon. Kimongo.

**The Majority Whip** (Hon. Janathan Kimongo): Can I respond.

**The Speaker** (Hon. Douglas Mbilu): Proceed.

**The Majority whip** (Hon. Jonathan Kimongo): Thank you Hon. Bernadette That is a good assumption. I did not say it was not done. Obviously, with the trade in our operations in our Government nothing is done without public participation. It was done that is why I am using the word "kukinyia kisandoo" because you do public participation. You bring that project very well knowing that the dam has water and it dries one month or so to the rains and then you are not ready to have the water drained and you want the dam to be done. In short it was done and thank you for your concern. You will go to heaven. I had finished the issue of absorption but my point was that we need to approach this matter from a very serious perspective.

The other thing is that, I have a problem with this Committee. You bring out issues that you and you do not make recommendations. For instance, there is a sentence I can see on bullet 2.0 the third paragraph, the overall local revenue collection for the financial year 2017 blah, blah, then the Committee noted the local revenue collection of Kshs. 219,073,500 differed with the figures indicated in the 2018 ADP. Then you leave it at that. You do not make a recommendation. You should make a recommendation about that.

The other thing is on bullet 3.8, where you are talking about the sand authority not showing the amount of revenue raised on the period of concern then you leave it at that. You should make a recommendation because this is our money and you cannot pinpoint that a body or an agency collected revenue and we do not see it. Then you leave it at that. We need to see you make a recommendation.

Having said that, I want to conclude by saying I really applaud the Government for making major strides in almost every department. Monumental achievements that can really be emulated by other counties. If you look at the department of Health where we have the universal health care. You look at the department of trade, we have the ENE microfinance bank. You look at Agriculture, we have Kalamba fruit factory. Literary every department has a benchmark attracting achievement and I comment that one very much. Thank you very much.

**The Speaker** (Hon. Douglas Mbilu): Very well Hon. Deputy Speaker and Member for Nzambani/Ivingoni Ward.

**The Deputy Speaker** (Hon. Harrison Mutie): Thank you Mr. Speaker Sir. I am here to support this report from the Budget and the Appropriations Committee but before I proceed. Allow me first of all to sympathize with my fellow Members Hon. Masesi and Hon. Mbula based on what happened yesterday and my recommendation to them is that as a House we stand with them.

Secondly, Hon. Masesi is a member of this Committee and his contributions in the House and the Committee level has been very good. We encourage him and things will be fine as time goes on. Thirdly, I would like to applaud the Chairperson Budget and the Members for continued presentation of good reports to this House. When you look at this report you will understand how a Committee can be very serious. We only ask you to proceed with that zeal and then you will be of good value to the people of Makueni.

I would like to constrain myself to only one aspect that has continually been mentioned and that is revenue. As per the report, only 4% of what we generate in Makueni County supports our development. In my own view and this is the may be a general observation for Members. Makueni County will continue unless something is done to be a heavy reliance to national Government allocations only. Assuming that no money is received from National allocation then we will not be able even pay for our staff salaries.

All the forty seven Counties have a main focus on how to become independent and this is only through revenue collection. Makueni being one of it, we have no exception. I draw this House's attention to a meeting that we had in Ole Sereni, Nairobi last year where the department of Finance and Socio-Economic Planning was given an opportunity to do a demo of the system that we procured. From the demonstration that was done we all acknowledged that it was a very good and robust online system in that a member at the headquarter can know what has been collected in a town called Nthongoni in my Ward Ivingoni/Nzambani.

We acknowledge that a system is as good as its users. If the users are not good then regardless of how good a system is then it would not add value. My conclusion comes down to four points where I think the department of Finance and Socio-Economic Planning needs to put a lot of weight. This includes: -

Data mapping on the revenue streams; when you listen to the contribution by Members you realize that the department of Finance and Socio-Economic Planning lacks that data. For example, how many shop do we have in Malili, Kalawa, Kathonzweni and based on the Kshs. 2,000 for licenses then we can do a small map to know how much we are going to collect alone from the shops and markets in Makueni County. When you do that you realize the approximate budget that was

given of Kshs. 600,000,000 is way too low. This County has a potential to collect a lot of money

Network failure; many of the challenges that were cited is that an officer will go a place like Ngwata and then network will fail and that person will not be able to collect. I do not know which service provider we use but I think right now with the mobile provision that we have like Safaricom then we are able to reach everywhere and this should not be a challenge to this County anymore.

Staff; the revenue collectors at the ground are very few. An example has been cited here, for our headquarter Wote town where only one person has been seen collecting money for parking. There was an example that cited last year that towards the end year some shops had not yet paid their licenses and we were coming to the end of that financial year. It is in the headquarter where all the offices are based. That tells there is problem. In my own view, if these revenue collectors could be increased assigned different duties; those going for licenses alone, those who are going for parking alone just towns like Mombasa and Nairobi are doing then we will do a lot of improvement. This includes things to do with liquor licenses, public health units that go for the permit that Hon. Mwaniki was talking about. The other challenge still on service is that these staff are not trained on how outreach to the revenue streams that we were talking about.

We expect the revenue collector to be like a marketer. That is the first qualification so that when I park my car he will approach me in a friendly manner trying to tell me how important this money is to the County then I will be obliged to pay without any hustle. Number two is on customer service. When a collector comes talking to you nicely you will be obliged to pay without any problem but the ones that we have are wanting. I believe now that this information is getting to right person something will be done.

Income linkages; I believe even now a lot of income being collected but that money is not reaching where it is supposed to reach. Number one, this may be because there is uncomplete collection where somebody just wakes up and refuses to go certain market where he supposed to collect. Number two, local arrangement with shop owners to pay small amounts that are not accounted for. Why? It is usually because they will tell them that I am the one collecting and I am the one coming to verify if you paid, so do not worry. Give me the Kshs. 200 and you will be safe. My recommendation would be that we have enforcers who will come after the collectors. In Mombasa for example, after the period that is commented for payment, if payment for this financial year is 31<sup>st</sup> March the enforcers come by May or June going to every shop requesting to see that license.

Through that check balance every shop holder will be obliged to pay and ensure that they have a receipt and certificate or license. This is because enforcers come the recommendation or punitive action that is there is one, to withdraw the license and two to close that shop and pose some fine. Through this the collector will have no business in coining some local arrangements with the owners of the shops and we will collect whatever we are talking about. Hon. Nicodemus Muthoka talked about Kshs. 2.7 being collected in two weeks in Emali/Mulala Ward. That speaks volume on what we are trying to lose as a County.

Publicity; I wish the department of Finance and Socio-Economic Planning would arrange for enough publicity. We request somebody to come on our local radio stations. Try to speak out to the shop owners. Try to educate them on their rights and what are the consequences of not paying tax so that when the agents go those shops the owners know if they fail to pay then this is what is likely to happen to me or my business. Through that we will have sorted so many issues. The last comment is that, we can continue talking about this. We started last year and we have never seen a pilot test report on the system. This is because before a system is operationalized a pilot test is usually done on the major markets and that report is tabled and we see the way forward in terms of planning. I would request that a meeting is set between the department of Finance and Socio-Economic Planning and the Committee for Finance, Committee for Budget and Appropriations and Public and Investment Accounts Committee to scrutinize this system and what has been put in place and how it has come then we can start appreciating are we really moving or stagnant. I beg to support. Thank you.

**The Speaker** (Hon. Douglas Mbilu): I call upon the Mover of the Motion to reply.

**The Member for Kako/Waia** (Hon. Dennis Musyoka): Thank you Mr. Speaker. I would like to respond to the matters that have been raised. Members, I have heard you and some of the questions that have been raised to respective Departments may it be Agriculture, Health, my Committee is going to ask the respective ECMs to respond to the concerns so that you can digest at Committee level. Let me say, you have heard the Hon. Members and about ninety percent they have commented about revenue. Revenue is key to a Developments and there is no way we can budget well if we don't have revenues. We will have deficit when it comes to budgeting and what will happen the common citizen will suffer because there is no impact on some of the projects which will be left uncomplete.

I would also say, that causes a problem when it comes to revenue and we may further recommend a revenue audit to the respective steams. I will respond to Hon. Elizabeth Mutinda from Muvau/ Kikumini Ward who have indicated very well that, she has

summoned the Officer who is issuing a receipt of two thousand and nine hundred and when it comes to the amount indicated on the license its two thousand shillings losing nine hundred shillings for every shop. That is not recommended but we will not say, at this point but we will ask the respective ECM to appear before us and answer such questions at Sectorial Committees.

I would like to respond to Hon. Masesi, who embarked most on increase of revenue and the way the cess is ranked number three at fourteen Million. We have been given a very quick mathematics. If a cycle can collect 2.7 within two weeks then it translates the money which is collected for cess is a lot on sand. Sand is grouped under cess and we have not even handled the cess we are getting from Mangoes, oranges, french beans. Hon. Members, some of these products we export from a County Government especially the maize baby corns, if we charge these ones then the traders will go to buy from other counties. We must be very much careful but because we know mangoes comes from Makueni and they cannot get it in another County then we can at least increase sells on that. It's much wanting according to Hon. Masesi.

We have recommended on revenue and I thank you because you have already said about the historical site which is in Kalamba. We should be getting some revenues from there where the Africa Inland Mission started. About Makongo, we should be seeing revenue coming from that. let me tell you Members on revenue from Makongo as Members we would like to have a place to rest when we are travelling all the way to Nairobi. That is a benefit to us and also to the Makueni citizens.

Hon. Maitha, talked about green energy and market sheds to have solar lights because the absorption rates increase in the year 2016-2017 but when you go around the market you may find some of the markets they are not light up. There is no impact. Most of the Members have talked about the impact on this absorption rate because if rates are eighty-six, eighty five percent and seventy it means that, most of the projects have been complete. Therefore, the impact must be felt by common Mwananchi. What has happened you find that, you find a borehole was dug in 2013 cupped but that is money which has been used so the absorption rate has gone to the borehole which has been drilled and cupped but the impact to the common Mwananchi is not there. That one must be addressed. When we are doing projects, we do them at a complete package so that the common *Mwananchi* can feel it.

When it comes to revenue Maitha talked about coming up with a crusher for stones and all that and also come up with mining. We have a lot of mining in Makueni County and I can tell you Members we are buying cabros from Athi River while we have sand in Makueni. We can have an industry which can do those cabro. We have the red soil which have being told does tiles. It's the high time now the ECM Finance should see the ways and means on how lift the living Standards of Makueni People through job

creation, industrialization. If they can partner with right people like ICDC on this issue whereby they give money. That was a good contribution from Maitha on mining about the impact on absorption rates.

Hon. Tangai, talked about revenue again, he gave us an example of a trader along Mombasa road who is collecting thirty thousand Kenya shillings per night and when you go to cess you find they are collecting little. If an individual is collecting thirty thousand per night for fifty two weeks or for three hundred and sixty five days in a year that translates to a lot of money whereas County Government is collecting little money when it comes to parking. That is a great concern and we have heard it. The good thing we have the ECM Finance with us. We have a consultative meeting and get the areas which have great concern and where we can harvest more revenue. It has been talked about by ninety percent of the Hon. Members.

Hon. Mutunga, also detected or talked about how serious this Committee is for Budget and Appropriation on checking and analyzing the report we get. He said we detected anomaly in figures when said the figures in ADP and CIBRO are not tallying. That is very much wanting and also Hon. Kimongo talked about it and we have recommended on page two that these anomalies should not happen and should be corrected. When the document goes on the other side I know they are going to correct it and give us the reasons why the reports are not tallying when they are giving those reports to the Hon. House.

The absorption rates of the year the 2016/2017 which Hon. Tangai talked about were high. If you see the different department, you see about 86% but when we come to 2017/ 2018 I think the absorption rate is not that pleasing. I have seen the first quarter. Therefore, it will be a problem when we have rated ourselves at 86% and we get absorption rates of 46%. The respective ECM will have some difficulties to explain why there is a decrease and I think also we applauded the task force to increase absorption rate which was there by that time and made the rates to go up.

Hon. Mutunga also talked about the losses the normal retailer is getting when the wholesalers come with cabbage from other Counties and they sell the whole day, not giving room for the retailer to do business therefore it means these retailers may end up not selling anything and may end up not paying the fee at the market place. Also, Hon Mutunga talked about policies on ENE microfinance, universal healthcare and all that which is also key and we have recommended in our report and I think the respective person will address the issue.

Hon. Members, have seen there are no enforcements when it comes to revenue collection. He talked about bus terminus in Wote town where we have our headquarters. There is no collection which is being done there and also busses can board passengers at any point without getting inside the bus terminals. That is a

major concern and the way Nairobi has traffic marshals, I think we should also employ people to make sure that if the laws are violated then we get fines and penalties on those who are violating the law and that we will increase our revenue. It is the high time now for the treasury to think about coming up with traffic marshals.

Hon. Kalunda recommended about the big opportunity because of Kitui/Kibwezi road and the big market there. I will not talk more about that because he will give us some statistics because Emali was mentioned to be the one which is being given the lions share where else Kitui we are talking about lack of power in the Market and all that. Hon. Kalunda I can say you are better off. In our place there is no light, no cabro and that is Mbumbuni market. There is visibility study, visit of projects and all that so that Makueni can see what can be done in Kibwezi and which can bring revenue to us so a visibility study according to Kalunda is very important before they start any projects there. I have also talked about equitable distribution of resources and talked more about Emali youth empowerment and all that of which we have done several recommendations on that.

Hon. Nicodemus Member for Emali talked about revenue and also questioned about health revenue. When you check on that list in the final document, the CIBRO on page 37 line number 28, In 2016/2017 there is nothing and we know very well there is license for health which traders pay 2000. There is nothing there although we may say the universal health care may be started 2017/2018 but that one as I have said the respective ECM will come to the department and respond to that. I think also he talked liquor licenses whereby one trader is using several licenses to do business on different shops which is not recommended and I think we will articulate this issue and also invite the ECM or the respective person to give us more details on revenue collection on this. He also talked about transfer of land and land issue from resident to Commercial and all that. I think hon. Members what has been said by Hon. Mutula, Hon. Elizabeth, Hon. Muoki, Hon. Katumo, all their contributions tie with most of what we have talked here. The document as you have said and thanked the Budget and Appropriations Committee we have done detailed report which we are going to share it with the ECM or treasury and get back to us on the issues we have raised. Therefore, Members this Committee as you have applauded us and said we are serious, we are very serious when it comes to figures and we cannot go astray when it comes to figures. Hon. Members Thank you for your contribution and your concerns and we are going to put them in to consideration and relay the information to the respective department. Thank you so much and thank you for your contribution.

**The Speaker** (Hon. Douglas Mbilu): Hon members I now put the question.

*(Question put and agreed to)*

## ADJOURNMENT

**The Speaker** (Hon. Douglas Mbilu): Hon. Members the time now being 17.37 hours the House stands adjourned until Tuesday 20<sup>th</sup> February, 2018 at 2.30 pm.

*(The House rose at 17.37 p.m.)*