



COUNTY GOVERNMENT OF MAKUENI

## MAKUENI COUNTY ASSEMBLY

### OFFICIAL REPORT

Second County Assembly – Second Session

Wednesday, 21<sup>st</sup> February, 2018

*(The House met at 9.30 a.m.)*

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

### PRAYERS

### PAPERS

#### DESTRUCTION OF KIVALE FOREST

**The Speaker** (Hon. Douglas Mbilu): Chairperson Water, Irrigation and Environment Committee to table a Report of the Committee regarding Kivale forest.

**The Deputy Majority Whip** (Hon. Joseph Muema): Thank you Mr. Speaker sir. I beg to lay the following Paper on the table of the Assembly today Wednesday 21<sup>st</sup> February, 2018 at 9.30 a.m.; The Report on the Committee on Water, Irrigation and Environment on the destruction of Kivale forest in Mbooni sub-County. Thank you.

*(Paper laid)*

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

## MOTION

### WOTE WATER AND SEWERAGE COMPANY FINANCIAL STATEMENTS

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee of the Public Investments and Accounts Committee.

**The Member for Kitise/Kithuki Ward** (Hon. Kevin Mutuku): Thank you Mr. Speaker for this opportunity. Just before I move the Motion I wish to congratulate the Governor of Makueni County. I met him this morning in the Office of the Registrar of Births trying to see how the County can assist in reducing the congestion of the people across there who are looking for birth certificates and I think this is a positive step from the Governor. This has become an issue and we expect that after the extension that was done yesterday by the respective Ministry, we are going to get our people sorted out by the end of the day. Thank you.

Hon. Speaker I beg to move the following Motion:-

**THAT** pursuant to the provisions of Article 229 (8) of the Constitution of Kenya 2010, this Assembly resolves to adopt the Report of the County Public Investments and Accounts Committee on consideration of the Report of the Auditor General on the financial statements of Wote Water and Sewerage Company Limited for the year ended 30<sup>th</sup> June, 2016 laid on the Table of the Assembly on Tuesday 28<sup>th</sup> February, 2018 at 2.30 p.m.

On behalf of the Members of the County Public Investments and Accounts Committee, I present the Report on the consideration of the Report of the Auditor General on the financial statements of Wote Water and Sewerage Company for the year ended 30<sup>th</sup> June, 2016 for adoption in the Assembly. The Committee on County Public Investments and Accounts oversees all the Departments of the County Government of Makueni, dealing with the appropriations of the sum voted by the County Assembly to meet public expenditure. The Committee consists of the following members:

1. Hon. Kevin Mutua Mutuku, MCA, Chairperson
2. Hon. Wa Katete Kisungi Mulinge, MCA, Vice chairperson
3. Hon. Jades Kalunda Muema, MCA, Member
4. Hon. Dennis Musyoka Mutinda, MCA, Member
5. Hon. Francis Mulwa Mwanja, MCA, Member
6. Hon. Japheth Mwailu Katumo, MCA, Member

7. Hon. Patrick Mbevi Musyoki, MCA, Member
8. Hon. Elizabeth Mutindi Kiiro, MCA, Member
9. Hon. Fariah Abdistar Sheikh, MCA, Member

The Auditor General has the mandate under Article 229(4) (a) of the Constitution of Kenya, 2010 to audit and report on the accounts of the National and County Governments within six months after the end of each financial year. Article 229 (8) stipulates that, *Within three months after receiving an Audit Report, Parliament or the County Assembly shall debate and consider the Report and take appropriate action.*

The Report of the Auditor General on the Financial Statements of Wote Water and Sewerage Company for the year ended 30<sup>th</sup> June, 2016 was tabled by Hon. Bernardette Mutisya on the 28<sup>th</sup> September, 2017. It was then committed to the Select Committee on County Public Investments and Accounts for interrogation and examination after which the Committee was to table a Report in the House, within the stipulated three months period. The audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

The Auditor General in his findings found Wote Water and Sewerage Company financial position to be a qualified opinion. Mr. Speaker a qualified opinion generally means it is an opinion not too bad but has several issues that are of concern that should be looked at. However the financial statements were found to represent a true fair view except for the four (4) following key findings which this Committee has interrogated and sought evidence of the management as listed below. Basically this are the key audit issues that were found in this report by the Auditor General;

1. Inventories
2. Repairs and Maintenance
3. Staff costs
4. Purchase of land

The County Public Investments and Accounts Committee embarked on a vigorous exercise of interrogating the report through the following methodologies which resulted to the production of this Report.

- a) The Committee invited the representative of the Office of the Auditor General, to assist the Committee to prepare for the hearings of the Water Company for the year ended 30 June, 2016.
- b) The Committee attended training facilitated by facilitators in mandate and dealing with Office of the Auditor General Reports and relationship between County Public Investments and Accounts Committee and Auditor General.
- c) The Committee Invited the Accounting officer before the Committee to provide evidence regarding the Report findings.

The Committee made the following observations;

- i. The Committee was of the opinion that, the Managing Director of Wote Water and Sewerage Company Limited appeared ignorant of the existing Procurement laws and contravened the Public Procurement Regulations, 2006 First Schedule Class B, which sets the threshold for maximum level for low-level procurement at Kshs10,000.00.
- ii. The Managing Director did not provide sufficient information for audit verification and also provided unsatisfactory response to the Committee during interrogation.
- iii. The Company did not have a procurement unit.
- iv. The Company did not have an approved staff establishment; therefore the Committee could not establish how many contractual and temporal labourers should have been in place at the time of audit verification.
- v. In absence of a muster roll, the Committee could not establish the number of casual labourers, the rate of payment and the time for which they were recruited in the Company.
- vi. The Company lacked proper record keeping facility and proper store records.
- vii. The Committee was of the opinion that, the Managing Director appeared not conversant with his roles and responsibilities.

Mr. Speaker, the Committee faced the following challenges;

- i. The Managing Director did not take adequate time to respond to the Committee regarding all the audit issues raised.
- ii. The Managing Director appeared not conversant with the technical issues in the audit issues raised and did not engage the Company's management in responding to the issues.
- iii. The management did not appear to have engaged the Auditor's adequately as some of the issues raised were not addressed with the gravity they deserved.

The Committee recommends the following;

- i. The Company to undertake a competitive recruitment of the Company's Managing Director and the management team.
- ii. The Managing Director should ensure the Company adheres to the Public Procurement and Asset Disposal Act, 2015.
- iii. The Company management to establish a procurement unit within sixty (60) days from the date of adoption of the Report and submit the same to this Committee for verification.
- iv. The Company should provide land ownership document of the purchase of land within sixty (60) days from the date of adoption of this Report and submit the same to this Committee for verification.
- v. The Committee recommends recovery of the following unaccounted for amounts from the Managing Director;
  - a) Kshs 1,247,900 used on staff costs to pay wages and temporary staff.
  - b) Kshs 1,147,650.00 used to buy goods and services on repairs and maintenance.
- vi. The management should account for the stock of Kshs.182,164.00 and stock movement and report to the Department of Water and Irrigation Services within a period of thirty (30) days after the date of adoption of this Report failure to which the Board of Directors shall stand disbanded.
- vii. The County Executive Committee Members for Water and Irrigation Services and Finance and Socio-Economic Planning to occasion the necessary amendments on the laws that operationalize all the Water Companies within the County to enable them sit in the Water Boards.

Mr. Speaker sir, for this House to understand what the Committee was doing and for better deliberations I will go to the specific audit issues. We had only 4 key audit issues and I will handle each, one by one, so that Members are able to understand where these recommendations came from. I will start with the first one on inventories. I will be reading what the auditor said, the response that the Managing Director gave then the findings of the Committee so that we understand.

According to the Report of the Auditor-General, during the year under review, inventory decreased by Ksh 3,319.00 from Ksh 185,483.00 as at 30<sup>th</sup> June, 2015 to Ksh 182,164.00 as at 30<sup>th</sup> June, 2016. However, no records including stock sheet, stock taking report and board of survey report were maintained in respect to the stores. In the circumstance, it was not possible to ascertain the accuracy, complete existence and security of the balance of inventories of Kshs182,164 as at 30<sup>th</sup> June, 2016.

This is the response that we were given. The Committee heard that due to financial constraints, the Company did not have an established store and thus only made purchases upon demand and subject to the available funds. The Committee was informed that, the Company was in the process of establishing a procurement unit to facilitate bulk purchase and proper store establishment.

Committee findings. The Committee found out that:

- i. There were no records including stock sheet, stock taking report.
- ii. There was no board of survey report in respect to the stores records.
- iii. There was no inventory system to monitor the movement of stock
- iv. The Committee could not ascertain any physical store or store keeper in place where the records would have been kept.
- v. The Company made purchases upon demand and according to the available funds.
- vi. The Committee could not ascertain the accountability of the expenditure of Kshs 182,164.00 on fuel and chemicals since no goods/documents were made available during audit verification.

The Committee recommends that on that particular issue;

- i. The Company should establish an inventory system to enable taking on charge of procured stock through form S11, record of inventory through S3 card, and record the issuance through form S13.
- ii. The Company should establish a store with proper controls and recruit an officer to be in charge of the stores and account for the stores.
- iii. The Company should adhere to the provisions of the Public Procurement and Assets Disposal Act, 2015 by having an approved procurement plan, budget and work plan.
- iv. The management should account for inventory balance of Kshs 182,164.00; any loss should be recovered from the Managing Director.

The Second audit issue was on repairs and maintenance. The Auditor noted that during the period under review, the Company spent Kshs 2,245,518.00 on repairs and maintenance reported in the financial statements under administration costs. The Company procured goods and services in respect to repairs and maintenance amounting Kshs.1,147,650.00 on cash basis in contravention of the Public Procurement Regulations 2006, First Schedule Class B which sets the threshold for maximum level for low-level procurement at Kshs.10,000.00. In addition, the Company did not maintain stores records hence goods procured were not taken on charge. The Company breached the Public Procurement Regulations, 2006 and the propriety of expenditure of Kshs.1,147,650.00 for the year ended 30<sup>th</sup> June, 2016 could not be confirmed.

This is the response from the Managing Director. The Committee heard that, purchases of repair materials were made as need arose translating to the amount indicated by the

Auditor General. The amount was an accumulative figure for the year cash purchases mainly during emergency cases. The Managing Director informed the Committee that, the Company was in the process of establishing a procurement unit in adherence to the procurement procedures and to eliminate un-procedural purchases which include cash and direct procurement.

Committee Findings;

- i. There was no procurement unit in place for the Company, and so goods were bought against set procurement regulations.
- ii. There were no proper store records in place and movement of goods in the Company could not be traced or properly accounted for.
- iii. The Committee could not establish whether the expenditure of Kshs.1,147,650.00 incurred through procurement of goods and services were in respect of the year under review.
- iv. The company contravened the Public Procurement Regulation, 2006 First Schedule Class B which sets the threshold at a maximum level for low-level procurement at Kshs.10,000.00.
- v. The Committee could not ascertain whether the expenditure of Kshs.1,147,650.00 was properly utilized for the benefit of the Company.

Therefore on that particular the Committee recommends that;

- i. The Company management should set up a procurement unit which will enable the Company operate within the existing Procurement laws.
- ii. In absence of relevant and sufficient evidence the amount totalling Kshs. 1, 147,650.00 should be recovered from the Managing Director.

Audit query number three was on staff costs. The Company incurred total staff costs of Kshs.8,444,570.00 as at 30<sup>th</sup> June, 2016 and included in the amount was Kshs. 1,247,900.00 in respect of wages of temporary employees. However, the Company did not maintain muster rolls for the casual workers which would have aided in calculating their wages based on the number of days worked and their daily rates. The Human Resource records made available for audit revealed that, the number of employees on temporary and contract terms was 21 as at 30<sup>th</sup> June, 2016 but the Company did not have an approved staff establishment. As a result, it was not possible to ascertain how the management obtained the information regarding the optimal establishment. In view of the anomaly the total expenditure incurred on staff costs cannot be confirmed.

The response we got as a Committee was that the Committee heard that the Company had been operating with the minimum number of staff possible due to financial incapacity and this has led to some functions merged with others thereby affecting performance. The Managing Director informed the Committee that the Company had launched a Strategic Plan aiming at meeting the requirements concerning staffing as indicated in the Plan. This will lead to proper staff establishment and scheme of service hoping the Company's resources will be available to support such functions.

Committee Findings

- i. The Company did not have any approved staff establishment.
- ii. The Company did not maintain a muster roll for the casual labourers.
- iii. It was difficult for the Committee to establish whether the total amount of Kshs. 1,247,900 was paid in respect to wages for temporary staff, as no records were provided for audit verification.

The Committee therefore recommends that;

- i. The Company should maintain an approved staff establishment.
- ii. The Company to have an elaborate record for staff on contractual and temporary basis and kept in safe custody.
- iii. The unsupported amount of Kshs 1,247,900.00 should be recovered from the Managing Director.

Audit query number four was on purchase of land. The Company bought a portion of land measuring 12M by 12M at a total cost of Kshs.150,000.00 for putting up a water tank. The ownership documents for the piece of land were not provided for audit verification. In such circumstance, the ownership of the purchased portion of land valued at Kshs. 150,000.00 could not be ascertained. The Managing Director informed the Committee that, by the time of the audit the only ownership document available for the purchase of land was the sale agreement. He said that, the Company was in the process of obtaining ownership documents.

Committee Findings. there was no ownership document for the piece of land provided during audit verification or during the Committee hearings therefore the Committee recommends that The Company should provide ownership document of the purchase of land within sixty (60) days from the date of adoption of the Report.

Further Mr. Speaker apart from four audit queries that we handled in this Company, there were other issues that the auditor felt were negative signal to the Company and that is what in audit we call other matter. The Auditor General noted that under



performance of the Company mainly on under expenditure and under collection of revenue did not make basis for issuance of the qualified opinion. However, the Auditor General highlighted on the matter in order to draw the attention of the user lest it formed basis for giving audit opinion in the subsequent financial years.

During the year under review, the Company approved an expenditure budget of Kshs. 23,923,000.00, however, only Kshs.20,525,242.00 had been spent as at 30<sup>th</sup> June, 2016, leading to an under expenditure of Kshs. 3,397,758.00. The Company budgeted to collect revenue totaling to Kshs.24,250,000.00, however, only Kshs.19,218,714.00 had been collected as at 30<sup>th</sup> June, 2016 resulting to under collection of revenue by Kshs 5,032,286.00. The Company did not provide a reasonable explanation for the underperformance. In the circumstances, the Company was not able to provide services valued at Kshs.5,032,286.00 promised to its customers being revenue not collected during the year under review. The Committee found out that the Company had under collected there revenue by Kshs. 5,032,286.00. During the year under review, the Company had spent less by Kshs. 3,397,758.00. The Committee recommends that the Company should conduct public participation with the water consumers regarding tariffs used by the Company to aid in revenue collection.

We have the general recommendations that we have made which are also in line with particular recommendations for each audit query for action by this House and if this House adopts the Report as we have presented, then we expect that actions shall be taken immediately on this water company to bring things into order. I wish to inform this House that, there are four basic opinions from the Auditor that we expect so that we understand where we are. The best audit opinion of the Auditor is an unqualified opinion. Unqualified opinion means that, there are no audit queries. It is a clean report. The second one which is one which is case for Wote Water Company is a qualified---

**The Speaker** (Hon. Douglas Mbilu): Order Chairperson Committee on Public Investments and Accounts Committee. You have stopped at some place in presenting your Report.

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): Yes, I had read those recommendations earlier.

**The Speaker** (Hon. Douglas Mbilu): the recommendation appearing on page fourteen?

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): Yes they are the ones that I started with.

**The Speaker** (Hon. Douglas Mbilu): The observations?

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): Yes.

**The Speaker** (Hon. Douglas Mbilu): Challenges?

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): Yes.

**The Speaker** (Hon. Douglas Mbilu): And recommendations?

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): Yes Mr. Speaker.

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

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): The second one is the one that we have for Wote Water Company which is a qualified opinion that means the financial statements are in order but there are particular issues within that are of concern and that should be addressed for effective running. Basically a qualified opinion only means that the financial statements are in order but the financial statements being in order and balancing does not necessarily mean that all is well so that is the opinion that we have. Then we have another, the third one which is an adverse opinion. An adverse opinions simply means that the financial statements are wrong and are things that are within that the Auditor found are of great concern. We have the last one which is a disclaimer. A disclaimer is when the Auditor goes on the ground and finds no document. It means that he cannot collect any finding. In this case this is the second best which is a qualified opinion. We will present this afternoon an adverse opinion which means nothing was right. Thank you Mr. Speaker. I now call upon Hon. Eng. Kisungi wa Katete Mulinge; MCA for Kithungo/ Kitundu Ward and Vice Chairperson of the Public Investments and Accounts Committee to second this Motion.

**The Speaker** (Hon. Douglas Mbilu): Hon. Wa Katete you are aware that if you want to contribute that Motion in seconding it you can only bow if you wish to contribute in the proceedings?

**The Minority Leader** (Hon. Kisungi wa Katete): I am aware Mr. Speaker.

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

**The Minority Leader** (Hon. Kisungi wa Katete): Thank you Mr. Speaker for the opportunity. I second this Motion by putting across an opening statement that, service delivery to the people of Makueni and more so the County headquarters of our County of promise should not be taken for granted. Why? Wote Water Company is the epitome of supplying water to this County headquarters and we received a Report from the auditor general which was a qualified opinion. The Committee went through that Report and we found that this company was not working the way it should be. The first thing we found about this Company was that, the company did not have a procurement unit. One question as the Members we should ask ourselves is how long has this company been in place? This Company has been in place for so many years since Wote was a small town and when we say, they do not have a procurement unit what do we mean? They simply

purchase from the pockets. They collect money and go to a merchant and purchase from their pocket. The Committee was shocked by the absence of procurement and accounting documents such as s11, s12, store cards and the absence of store man in that Company.

My question is we have a company which has a Board of Directors who are earning allowances, which has a Managing Director, which has a Technical Manager which has a Finance Manager but this Company does not have a store man. What this informs this House is that the Managing Director also acts as the store man so that he can maneuver his way through the accounts, he can maneuver his ways through the stores so that is actually what we found about this company. The other issue was about the people they employ. There were no muster rolls. Even in your home if you have casuals you must have some place where you write those people and how much you have given them? in simple terms you must maintain a register of the persons you employ and per day you can know you had about ten casuals and you paid them this much. Therefore, the Auditor General and the Committee found that this Company did not maintain a muster roll of the casuals they employ during that period and in fact the Managing Director is on record telling the Committee that he could go and if he finds that there is some work of repairing pipes he just picks the people around there and pays them from his pocket. We were very ashamed. In fact as a former employee of the Department of Water I was ashamed to face the Managing Director because you cannot go and just pick people pay them and you do not even account. When the Auditor General comes you tell him you paid one million two hundred from my pockets. How do your account for that money? It was shameful to do work in such a manner.

The next question was on purchase of land and I quote, as our Leader of Majority does, 'Kwani hii pesa ni yako?' You go and purchase land from your pocket and you just sign an agreement with a person and give that person money so that you can construct a tank. There is no title, there was no effort made by anybody to occasion the acquisition of a title deed for that land and this MD tells us that it was an emergency. Does it come to be an emergency when you want to construct a tank? So we found that the MD was actually not up to the task of managing that Company and as I said the County Headquarters actually requires a developed Company which can take us to the next level. We found that the MD actually did not take the Committee seriously and by extension he did not take the County Assembly seriously. In my opinion and the opinion of that Committee we need an MD who is recruited through a clear process and who has the qualifications to know that Wote is the headquarters of Makueni.

On the same, having some institutional memory I know when you were the ECM Water you paid a lot of electricity bills for this company. Every year they bring electricity bills to the County Government so that they can be settled and they are making money so how will we continue like this when customers are actually paying for water and that water is also scarce? The County Government has spent a lot of money on this Company. The County Government has put so much in infrastructure for this Company. There is the Kaiti Sand Dam, there is the pipeline and I know these projects cost a lot of money. There are bore holes but Wote does not have water. What we can conclude is that this Company has become a milking cow. Somebody is just there to enrich himself from this Company and I am not talking of the MD only. I am talking of the staff who are working in that company. They should actually be audited and there should be recruitment. A proper recruitment open to the public so that we can get somebody and people who are willing to take that Company to the next level. Hon. Members when we said this is a qualified opinion, qualified means you are qualified to be audited. You have done something wrong. Unqualified is that opinion which means your books of record are good so in this case the Auditor General found the company to have a qualified opinion and as a Committee we also found that this Company actually qualified, not even to have the books looked at, but to be overhauled. I rest my case and request that Hon. Members we support this Motion so that we can move forward and get this County headquarters a proper running Company which can take us to the next level. Thank you.

*(Question proposed)*

**The Speaker** (Hon. Douglas Mbilu): The floor is open. Member for Kikumbulyu South.

**The Member for Kikumbulyu North** (Hon. Jackson Mbalu): Mr. Speaker sir, I stand to support this Motion and I am doing this with a heavy heart because what I have heard is really a very touching and disheartening Report. To imagine today in Makueni County that is respected for accountability, we have such Companies running like a personal business even without following any rule. I am so surprised and if this can happen in Wote town what about in the outskirts. What could be happening? I am very ashamed to feel that we call it a Company. I am wondering whether we can call them a Company with a Board of Management. These people should be at home and I am supporting to give teeth to the PAC so that they can go and audit these people and send them home. You do not need to give them a chance because they have been reaping money. They have been stealing from our people. If you can be able to pay casual laborers to a tune of a million and something from your pocket then how much money

are you putting in your own pocket? It means you have stolen a lot and it means people of Makueni have lost a lot of money. Makueni County must be bleeding quietly.

On top everything seems to be okay but underneath are bones. It means we have a lot of corruption going on in Makueni if this water company can run under our nose. No wonder they are not respecting the Committee because it is like asking who are you, we have seen many have come and gone. Therefore, it is time that we should turn the tables and hold them to accountability. How would they purchase land without ownership and they do not think it is abnormal. How would a Company even be able to pay laborers at a tune of millions and something and there is nothing to show? That just tells me that is a tip. I am saddened because it means money is being taken by this Company Managing Director and the Board and everybody under that should be scrutinized such that we can be able to ascertain their qualifications and even to know whether they are fit to be working in that Company because Makueni Country is suffering from lack of water and if such are the people who are running our companies, I am not surprised we have no water. I am surprised that we have no solutions because the people we have employed are below par and it is the time this Committee must move with the strength and the power given by this House and take them to accountability. Where necessary you should be recommending that they be stopped, sacked and employ others because already this query is clear.

If today you can flout procurement process in Kenya, I am surprised they have not been asked before and no wonder when the Committee went there, they were not moved because they have been doing that for long. Therefore, should we give them a day more to continue stealing or misappropriating our money? Should we give them a day more to do that? The Committee must move with speed and get control of such and we must send a message to all other companies that we are coming to follow because we cannot keep quiet here as our money is being taken to their pockets yet there is no water in Makueni. Therefore, with the seriousness it deserves, the Committee must move with such. You should be able to move in and properly audit and recommend and bring your Report to the House and we pass it so that we may put an end to such and employ qualified people. There are so many young people who are qualified from universities and middle level colleges who want to work and who want to earn decently and be able to use their money decently but when you allow corrupt cartels to run water services then the people at home are suffering. That is why our mothers are trekking thirty kilometers to go for water while we are allowing people to balloon their stomachs with stolen money. Mr. Speaker sir, I am not happy and I put my case. Thank you.

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

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**The Member for Thange Ward** (Hon. Nicholas Maitha): Thank you Mr. Speaker for giving me this opportunity. First of all I want to say it is not going to be business as usual for this Company. I am stand here as a very bitter man. Every week I stay in Wote for two days and to be sincere yesterday morning when I was taking a bath, I had put some soap on my head and the shower ran dry and you can imagine how that can be. I had to go to my neighbor and borrow some water and put it in a basin. We really have a big problem with water in Makueni and it is no wonder that ---

*(Hon. Elizabeth Mutindi interjected)*

**The Speaker** (Hon. Douglas Mbilu): Hon. Elizabeth Mutindi.

**Hon. Elizabeth Kiio:** Thank you Mr. Speaker. Is it in Order for the Member to go on without supporting or not supporting the Motion?

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

**The Member for Thange Ward** (Hon. Nicholas Maitha): Thank you Mr. Speaker. I was a bit emotional, I stand here to support.

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

**The Member for Thange Ward** (Hon. Nicholas Maitha): Mr. Speaker I support this Motion. When I saw the name Wote Water and Sewerage Company, it is such a big name and what came to my mind is that it is a company which is very competent but it is so sad as per the Report that was given by the Chairperson PAC that this Company does not uphold accountability, it does not uphold transparency and integrity. I so much wanted to know about the Board of Directors and even went to the MD and it is quite sure that this guy is not competent enough. He is actually a B com majoring in finance, he has 20 years' experience in water operations but when you look at the Report, it quite sad that this guy does not seem to know anything about water and he is quite an embarrassment to the people of Makueni and majorly Wote town which is a very big town.

The Report as has been indicated by the Deputy Chairperson Hon. Kisungi, he is a qualified as per the Auditor General's opinion meaning it has several flows and gaps as it has been indicated and I think it is very important that we now look at this issue more critically as see whether we can have a solution to this kind of problem because we cannot let our people suffer simply because of people who are seated somewhere and are not willing to do anything yet they are spending our a lot of money living luxurious lives while our people are suffering. When we hear of a company that has existed for more than 15 years or 20 years that does not have an inventory, it is quite a serious matter because in this case it is likely they have no systems of how they can monitor the

movement of the stock in the Company and when you hear over a situation whereby they go and purchase a piece of land; 12 by 12 meters at Kshs.150,000 and they are not able to provide documents for the purchase, then it simply means that this is a briefcase company where the Members put all the money in their pockets and they can do anything they want and in that case they cannot actually be audited.

When it comes to the issue of staff like it has earlier been indicated by some of the Members, even in our homes we have muster rolls where we indicate the number of staff that we have and how we pay them. A company like this one that does not have a muster roll is quite difficult. It means there are several ghost workers in this company. When the MD cannot identify those who are on contract and those who are permanent, it means he does not know how many staffs there are and cannot even comprehend a good budget for the staff that he has. When we go further you find that looking at the accounts of the company, the Company spends less than it has budgeted. The Company collects revenue that is not within their budget that they had anticipated to collect sometimes leading to under collection of Kshs.5 million which could not be explained. I believe we have a big problem in this Company and something has to be done if we really want to perform. I believe this is the Second assembly, we are determined to do and bring a lot of changes in Makueni so that Makueni can be a land of promise and our Governor can be a proud Governor when these Members are fighting for what is supposed to be fought for. Finally, it is evident that we have a serious problem in this Company and as earlier indicted, it is a matter of time we come here as Committee and agree as an Assembly, that we send these guys packing and we bring new Board so that we can have good things happening in the County and the problems that we experience of water in Makueni County can become a thing of past. Thank you Mr. Speaker and I support.

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

**The Member for Emali/ Mulala Ward** (Hon. Nicodemus Muthoka): Thank you Mr. Speaker. I stand here to support the Motion and more or less echo what my fellow Hon. Member has just mentioned with regards to this Company. Having read and heard from the Chairperson of PAC regarding what has been read, it is in common sense just to realize that the running of this company was poor, and unethical and it something that cannot be tolerated. Looking at the figures, there is no way that you will have more repairs hence the revenue, when you compare with the 2015, does not match. That is why no wonder you find that the bank charges for 2016 were more meaning they were just withdrawing money. If you look at the bank charges for 2015 as shown in financial statement it is Kshs.55,000 but now in 2016 when you look at the revenue, there is a

deficit and you realize that the bank charges are Kshs.116,985.00 which is almost two and half times meaning they were just withdrawing money.

Secondly, I am looking at the wages of temporary employees. There is a very huge gap. They found that there was a gap to mint money and they thought trap will not catch up with them but I am sorry it is high time for them to be able to answer. I would have suggest a few of them could just attend and be in the gallery to be able to get the message that we are sending in this House then they would go and have less lunch, dinner and sleepless nights because it will mean that, this House does not what to play around with the people of Makueni when we are representing them. Once more, I go back to the company muster roll; I think this has been mentioned by Hon. Maitha. You cannot have an institution where you do not have a roll call. We are setting a good example, every morning we have our roll call which begun even when we entered in this House. This is a big company with a Board of Directors and a team which is managing this Company. I do not see how they could be allowed to run a Company without a muster roll. That is why they were able to get a way and not be able to explain how the casuals where been managed.

Finally, I wonder how the MD could go ahead and say that, and I read, 'the Managing Director informed the Committee that the Company had launched a strategic plan aiming at meeting the requirements concerning staffing as indicated in the plan.' This is the common sense, they should have done that before. They should have known that there is strategic plan that should be incorporated when running this Company to be able to capture all details and all operational requirements in this Company. As I rest my case I want to send a very strong message that we need to have these people brought to answer and every single coin that has been lost be recovered. Thank you sir.

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

**The Member for Wote Ward** (Hon. Felix Mateso): Thank you Mr. Speaker. I have known Wote Water and Sewerage Company for quite some time. A company without proper management systems, without procurement units, a company that the MD is the one in charge of the store is not a company that we will rely on. We have had shortage of water in this town for quite some time and all what we hear is this Report is what has contributed to shortage of water in this town. Personally I am one of the people who benefits from this Company but I want to tell you that I get bills every month but there is no water but the company is actually demanding for money to paid yet we do not get water. This is the corruption to the highest level and we will not sit, personally I will not sit and watch this corruption continue and my people are not even getting water.



Hon. Maitha I am so sorry, you see the mess and what has caused this mess and it is time now to get into this matter and make sure that this MD is held accountable for the losses that have been incurred and the suffering that the people of Wote and other environments that benefit from this Company have suffered. I would urge this Committee to make sure that this man does not run free because we cannot actually continue watching people being corrupt with our resources while we suffer. It is my request this man should be taken to court and account for this and he should not be set free unless he pays for all these losses that have been incurred. Thank you, Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Member for Kako/ Waia Ward.

**The Member for Kako/ Waia Ward** (Hon. Denis Musyoka): Thank you Mr. Speaker. I think the debate nowadays is becoming sweeter day by day. I just want to make technical advice. We have a qualified opinion before us for Wote Water and Sewerage Company. What does that mean? It means that the figures are okay but the Auditor had limited information from the Managing Director and that is why the Director, according to what we have seen, he was the Managing Director, he was the store keeper, he was the Procurement Officer and at the same time he was the HR. To shield all that information and to make sure the information he releases to the Auditor who was limited. When you check on the stocks you see there was no stock movement record. The figure dropped from 182 to a lower figure than 5000. Where was the stock movement sheet and all that as we have been explained to?

As you have heard, he could go and pay casuals as if he was the Human Resource by the way, from the pocket and all that. The information was limited. When it comes to the procurement there was no storekeeper, the balance of the materials which were left there were no place where we can say they were being kept and that is the information we have gotten when we were going through this document because I am a Member of the Public Account Committee. What we can say is, as the Hon. Maitha has said, the person is qualified. Yes, he is qualified but what is the problem? The problem is the integrity of this person and that is why this Committee found it very well that this person should bear the losses which have been made by this Company. The stock which has gotten lost through lack of proper records this person should bear the losses. There three things here which make this person liable for all loses which have happened to this company. One, there were no internal control system. How can you control yourself if you are the Human Resource, you are the store keeper and all that. There is no person who is supervising the other, you are supervising yourself. There were no internal control systems.

No accountability. You cannot go into agreement to purchase land with a person who does not own that land because according to him, and it is on record, he went into agreement for land with the son of the owner of the land. That means that he had an agreement which was blank because that person was who was selling that land is not the owner and did not have a tittle deed and up to this moment there is no title deed for that Company because that was articulated to us by the Managing Director. Therefore, the information according to the Auditor was limited but this guy was very smart, all the figures balanced very well and that is why the Auditor said that this is a qualified opinion because the information was not sufficient. Violation of law. The Procurement and Disposal Act was violated by going to procure against the law and that is why this person should bear the cost of losses which have happened to the Company. Those are the three major issues we went through and I support this Motion so that we can recover this money because we are here for Makueni people and the citizens of Makueni are watching us and therefore we must firm our game and make sure we recover all the money. It is not business as usual as and as I have said, the debate is becoming sweeter day by day. Tomorrow is another case. Thank you and I support.

**The Speaker** (Hon. Douglas Mbilu): Hon. Elizabeth Mutindi.

**Hon. Elizabeth Kiio:** Thank you Mr. Speaker. I stand to support the adoption of the Report. I am happy as a member of this Committee. Reading from the mood of the House is that they are going to adopt this. We thoroughly interrogated the officers and the recommendations that we made were very objective and not personal and so we want to see our people getting water. The blatant breach of procurement laws and other laws by the officers, I do not know if it is a case of ignorance or they just want to run the Water Company as though it was their own kiosk as somebody has said. It is very clear that the officers or the management of this Company do not have the interest of the residents of Makueni at heart. They have just gotten a job where they make money and they do not think about the people of Makueni. It is very unfortunate Mr. Maitha that somebody had to bring you water in the bathroom because the shower went dry.

Myself, my son had to get late this morning because the donkey man got late. I had ordered last evening for water, it was brought today at 8.00 o'clock, my son should have showered by then so I had to drop him very late today because that guy got late. Makueni is a much respected County but it is also very famous for the population of donkeys and this is because of this kind of people. There is even a highway, a street in this town that is referred to as *punda* road. I do not know if you know it. The traffic of donkeys on that street is major. It is actually more than Uhuru highway traffic. We want to see the end of donkeys in this town and we are not going to do that with such kind of officers who do

not have the qualification to be in that office and neither do they have the interest to provide us with water and therefore I want to rest my case and seek the support of the Members so that we adopt this Report. Thank you.

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

**The Deputy Majority Leader** (Hon. Richard Munywoki): Thank you Mr. Speaker for giving me this opportunity. I stand to support this Motion. Listening to the Report, I conclude that this company has been living by the grace of God. Having a Managing Director who does not ensure proper structures and systems are put in place is so ridiculous ---

*(Low consultations)*

**The Speaker** (Hon. Douglas Mbilu): Order Hon. Members. Kindly consult in low tones. Proceed Member for Masongaleni.

**The Deputy Majority Leader** (Hon. Richard Munywoki): Mr. Speaker sir, a Managing Director who does not respect or follow procurement procedures I think this man can be termed as a corrupt man. A Managing Director who goes ahead to procure land using his own money, this man must be extremely corrupt. When I listened to Hon. Members no Member has supported this Managing Director because of the actions he himself has undertaken and seriously nobody can convince us today this is a qualified Managing Director for that post he holds today. We want to put it very clear that people who cannot meet responsibilities and duties in their current post especially like this Managing Director, need to be shown the door because what we need is service for our people. It is so shameful to have a case like where our Hon. Member goes to shower and before he finishes the shower he is there shouting to be brought in water. We cannot afford to continue that way. Again, this Managing Director needs to be informed that Wote is capital of Makueni and if people will come and face those kind of hardship our Hon. Member faced for the last few days he has been here, then they will go away and we want investors to come to this town. Finally, I want to commend Chairman PAC Committee and his Members for a job well done. I support, thank you.

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

**Member for Makindu Ward** (Hon. Alfred Kituku): Thank you Hon. Speaker for giving me this opportunity to contribute. I stand to support the Report and maybe make a few comments on the same as this Report go to the Implementation Committee. I have heard Hon. Members contributing and also commenting on the MD. I was trying to look at his qualifications and I have seen that he is a holder of Bachelor in Commerce majoring

in finance and also has work experience of around 20 years in water supply operations and management. As we concentrate much on the MD we might be looking at a person that is the accounting officer but also that is working under difficult circumstances. I serve in the Committee for Water in the Assembly and we were interrogating the ECM for Water, Mr. Kisyula and there are so many underlying issues in the Department which look like they are trickling down to the water service providers and we are yet to see, we will see more when the Report for Makindu and Kibwezi Water and Sewerage Company comes to this House and other reports that will come to this House concerning the water providers in our County. Therefore, we are just seeing a small percentage with this company and we are expecting more that will not be looking so well.

I was looking at the management experience and key professionalism of the MD and I think there needs to be a lot of structuring in the company. We have a Finance Manager in the company, maybe he is not being well utilized. I understand from the Finance Department is where we should be having a procurement unit that should be below the finance management. We should also be looking at the cartels that are in water. I was looking at the numbers and in Wote it is not wise to invest in a motorbike, you would rather invest in a donkey because the motorbike will cost about Kshs.90,000 and one donkey will cost about Kshs.10,000 or Kshs.12,000.00. Therefore, those around 8 or 9 donkeys and if a donkey brings a minimum of Kshs.300.00 in a day, while one motorbike brings around Kshs.300.00 shillings. If you invest in 8 donkeys which is an equivalent of one single motorbike, you will be earning Kshs.3000.00 of one single motorbike you will be earning Ksh 3000 in a day from the donkeys. Therefore it is not wise to invest in a motorbike. I am not giving business tips to the Hon. Members to invest in donkeys. I am also very sorry for Hon. Maitha and what happened in the morning. The only bit he did not finish is who the neighbor who brought the water is ---

*(Laughter)*

**Member for Makindu Ward** (Hon. Alfred Kituku): Therefore, it is also important we hear from him so that we do not get other cases of lady neighbors bringing water to Hon. Members in the morning. Lastly, I think we need an overhaul of the Board of Directors in this company, I was looking at the portfolio and I see that they were appointed in 2006, most of them. I know you served in the Department and you know that you can only serve for three years that can be renewed. Therefore, you can only serve for six years and so we are in 2018 and some of them like the Chairperson and the Members of the Board have served since 2006. That means they have served for 12 years. I do not think it is according to the law and I wish the Committee on Implementation would follow up on the same. Finally, the lack of water in a town like Wote which is the

headquarter affects the headquarter itself, the County headquarters, the hotel industry, and the traders. You expect total let down when we fail in providing water for the people of Wote and this is going to make the services that these people offer, the Hotel industry, the traders and even the services that we offer in the County headquarter bad. I also expect the Committee on Trade to also look at this because it going to affect the traders in our town. I support this Report and we should adopt the Report so that the Committee on Implementation and other Committees can take it up to see that we get the best of services from this Company. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Member for Mtito- Andei.

**The Member for Mtito- Andei Ward** (Hon. Francis Mwanja): Thank you Mr. Speaker. I wish to support the adoption of this Report. I wish also to state that we had an opportunity to meet the Director and I wish the Hon. Members could understand how he took it lightly to be an MD of a Water Company in the city of Makueni County. The way he was talking I thought to myself who appointed him? Is it the Board of Directors who as Hon. Kalunde said they have some qualifications which to me the MD could think they do not understand what he is doing. He has the qualifications, Bachelor's Degree, but when it comes to the real management of the Water Company for him and his supervisors, there are some interplays which I think he was underrating the Board of Directors. He could buy land, negotiate with the son of the owner of the land, no lease agreement anywhere, he could buy items from a merchant from his own pocket, no stores anywhere, he can manage the stores, he can manage the pipeline system and in the management there are commercial directors, they are technical managers. To me I feel as the MD action should be taken with immediate effect and the Board of Directors should be overhauled immediately.

ECM for Water and Irrigation should even develop a policy on how these water companies are run. They are frustrating the efforts of the County Government. Again, he had a budget of Kshs.23,903,000.00 and he spent Kshs.20,525,000.00. Therefore he had an under expenditure in a town where we have shortage of water. He could not collect Kshs.5 million. To me he collected but he never reported the collections he did. I wish the Hon. Members to support the adoption of this Report and the Implementation Committee to take action immediately and author their timelines. In sixty days action should be taken although there is another case for 30 days after the adoption of this Report where action should be taken. The Hon. Members who are in Wote need to see water running in our pipes as soon as today. Thank you. I support.

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

**The Member for Kalawa Ward** (Hon. Kyalo Mutunga): Thank you Mr. Speaker for the chance. I feel comfortable to address the House when I am still near my Chairperson. I stand to support the Motion. Before that I have heard several speakers here talking about the qualifications of this Managing Director. To start with as a teacher I doubt his qualification because somebody with a B Com, how can he fail to have records. Failing to have records even in your home means that also you are a corrupt husband.

*(Laughter)*

**The Member for Kalawa Ward** (Hon. Kyalo Mutunga): Therefore, this man he has not kept records to show what he has been doing. Two, when you check the price of a kiosk costing Kshs. 150,000 this is a direct show that this man is a corrupt man. I understand that he was vetted by people or employed by somebody. These people were not concerned whether this man has the experience that he has been talking about. This experience that this man has and the man that I do not know and whom I would not like to meet, is the experience of stealing not the experience of knowing how to do that work because we have seen several things that have been detected by the Auditor and the Committee.

I also want to commend and give a distinction to the Chairman of the Committee because they have given us a very detailed Report on this. therefore, I will recommend immediately after this session, let this man be arrested because it is a big shame for an Hon. Member Maitha to walk out, and we do not know what form he was in, to go and borrow water when we still have a company that runs water in our city. I am a resident of this market and the people keep blaming us, asking us what are you still doing there when donkeys are now supplying us with water? What are you doing there when the donkeys bring water which of course according to home science is unhealthy? I once more repeat let this man not only go home let him go indoors and be taken to the nearest courts to have some questions and refund the money that he has now stolen. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Hon. Rose Ndibo.

**Hon. Rose Ndibo:** Thank you Mr. Speaker sir, I stand to support the Motion. I am a shamed because when we went Nairobi for benchmarking I was very happy when I stood and said Makueni is County number one and those people should come and see what we have done. I would be very ashamed if the same people would come and find that in the Makueni headquarters there is no water. As the Hon. Member for Makindu Ward said, most of these Directors were appointed ten years ago and if you stay in a place for more than ten years it becomes business as usual. They do not mind whatever they

are doing. They are taking it like their own homes and on the payment when they say that there are no records I wonder whether they do not have businesses because I know even Mwikali who sells tomatoes has a record of income and expenditure. I think it is just ignorance that the Directors and the Board Members did not keep records for the water. I remember there was one time the Minister for Water -I think it was you Mr. Speaker- said no donkey with water and I do not think the donkeys have been removed, we are still seeing donkeys. I wish we could have new Board that can make the County very clean and with a lot of water. I stand to support the adoption of the Motion thank you. Mr. Speaker sir.

**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 will start by saying I am standing to support the Motion being a Member of the Public Investment and Account Committee lead by my good and able Chairperson Hon. Ken. What Hon. Mutunga Kyalo he is saying in terms of arresting that man should be executed but I do not know the way to go about that but since I am the Chairperson Implementation Committee, I am still waiting for this Report so that it is acted upon. I would also want to applaud the Chairperson and his team, otherwise if I do not do that they will crucify me in the next Sitting which is after this Plenary, for a vey good job and also your Office for facilitating us to do a good Report.

One I want to note that the Managing Director is very competent in looting. If you can invite him to one of your Committee Meetings you will see a casual man who knows everything and he knows how to hide everything. He will not even expose himself, he can only respond to what he wants not what the Committee is seeking. I can tell you with no doubt that this is a very competent man but in the wrong profession, he should be in River Road trying to inflate amounts somewhere in that city of Nairobi. We want to challenge the Committee on Water, Irrigation and Environment to work hand in hand with Department of Water and Irrigation so that they can bring a good a regulation or policies on these Water Companies because we are inheriting water companies from private sector because they were merged from those under WARMA and those under National Government and now they are under County Governments. That is the reason as to why we said, we have got an opportunity since they can account to us. If they do not, we can send them packing without any notice. I wish to challenge the Committee to bring up to speed good regulations and policies in terms of Boards. We also want appointees of these ECMs, maybe ECM for Water and ECM for Finance to send board members into these companies so that we can be more accountable to the public finance and that will be one of the best ways to manage these ones.

Two, we want to do away with all of them. For Finance Managers we have seen how they have amassed wealth when they are paid forty thousand shillings but you can see the much they are controlling at their disposal. You can tell, you do not need to be a genius to know that these people were stealing with huge margins. We need to do away with them even the revenue officers as I have been saying. If we can take a simple overhaul of all these trained looters of public finance will have one of the best service delivery in Makueni. Otherwise, if we continue with this County Council people who we inherited from that entity and this private and national Government Water Companies will never get service. Look at a simple example of KIMAWASCO in Kibwezi along Mombasa road from Mtito Andei to Nguu/ Masumba. You can tell who controls that company. If you want to borrow two million shillings maybe for campaigns or anything, you have to see the guys who at the helm of KIMAWASCO. They will even give you ten million shillings cash from their pockets and we know their salaries. We want to tell you Hon. Chairperson for PAC we will support you in everything you want us to do so that this service delivery is not a thing on paper but something which is practical.

We also want to give a very strong warning that this is not a milking zone. When the Department of Water is transferring some officers from the Department to head those Water Companies they know they have been taken somewhere they call a milking zone. We want even get somebody who is does not have a water background, who has been a teacher like Hon. Mutunga, a headmaster and has got good will not to siphon money from the public to head those Water Companies. Management is an across the board thing when you are a manager you do not need to be a person who has been trained to be a manager. Those are skills which you motivate people who are under you. A simple qualification; a bachelor's degree. You do not need to be a PHD holder, a specialist, a consultant for you to head a simple Government entity. It needs somebody of honest opinion, a person of integrity, a person who can manage a public finance, a public entity without coercion, without anything else but just somebody who is able. We want even to remove that notion that for you to head to KIMAWASCO you must have been a staff member of Department of Water. We can even get somebody, the fleet manager to head that company and you can see the difference you will get within six months. Service delivery will be a big plus for you.

I was giving an example of Mtito Andei to Nguu/ Masumba. There is no water, taps are dry because they are even diverting those taps to individual connections where there is no money. The Company is not collecting anything. These guys will always be siphoning our money as we stay here and look at them playing their dance. Hon. Chairperson through the Speaker, we want to say we will support you at all moments. I want to finish



by saying if we do not act, nobody else will act. If we do not impeach the people who are concerned, if we do not sack the MDs, the finance managers, the HR managers, the Directors, the Cos, the ECMs, the public will impeach you. It will impeach you with a lot of ease come next general elections so I would wish we adopt this report then we give it to the Committee on Implementation to act on it. I will promise that within 60 days you will see all the resolutions that have been made on this Report being done as soon as possible even before the expiry of 30 days because I know the Speaker will facilitate this. We will work with all stakeholders to make sure that we reinstate the sanity which is expected of these water companies. With those many remarks I wish to say thank you for allowing me and also protecting me against guys who would have interrupted my session.

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

**The Member for Mbooni Ward** (Hon. Alexander Masila): Thank you Mr. Speaker for this opportunity. I stand to support the Motion and I need to first congratulate the Committee for the good report. I want to take this House back to the beginning of this 'cartels' who are the water suppliers. Water is a very important resource but few individuals in our communities and societies have taken advantage to make huge sums of money while other people are languishing. This Wote Water Company came to existence before the County Government of Makueni. When the County Government came into power some six or seven years ago, this company was there and it used to make money. These are the cartels that believe public money is meant for their own enrichment and this House will not stand to contain such cartels so without much talking I recommend and I urge this House and the County Government of Makueni to move swiftly and bring on board reliable companies that can sustain water supply without the issue of curtailing every now and then. Thank you Mr. Speaker.

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

**The Member for Nguumo Ward** (Hon. Alfred Nyamai): Thank you Mr. Speaker. I stand here to support this Motion and before I do that first I would like to appreciate the good work that has been done by fellow Chairman and his team of PAC. I have gone through this Report and I have come to realize that there are some issues that were ignored by this Committee. You know very well that I head the Committee on Delegated and County Legislation which is required to ensure that every bit of the law has been followed. I say this Board of Management has to be dissolved with immediate effect. Why? Simply because they have broken the law. You know when a Government institution being headed by Government officials want to do development projects first

they have to call for public participation on the same. This Board went ahead, bought a piece of land measuring 40 by 40 feet but there was no approval of the community so with that kind of consideration I support the Motion and I recommend that those individuals must be prosecuted. In fact they should be in a cell right now so I am in full support. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Hon. Sharon Mutinda.

**Hon. Sharon Mutinda:** Thank you very much Mr. Speaker. I stand to support the Motion and first I want to thank the Committee of PAC. What I have come to know here is that corruption is dimensional and is real because this is a company which is running for its own benefit and it is not there to benefit the common citizen. In any interrogation without a supporting document it is null and void and record keeping is a very versatile tool even in our own homes. In reference to what I have just read in this document a lot needs to be done purposely to send the common beneficiary of the Company. Without repeating what most of my colleagues have said I urge the relevant authority who shall now follow this matter to be very sharp in their duty because this is sabotage in our community and even in our County so I stand to support the Motion. Thank you.

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

**The Deputy Majority Whip** (Hon. Joseph Muema): Thank you Mr. Speaker for this opportunity. I first begin by thanking the Committee on Public Investments and Accounts Committee for the great work that they have demonstrated, for the bold step they have taken to ensure that the people of Makueni County, and specifically Wote honestly get what they deserve. Yourself you are on record in the campaign to drive out donkeys from this town. Such kind of a Report that we are reading here is not the service that we are expected to give the people of Wote. My attention has been drawn more specifically, before I comment on the other issues, to the Chairman's statement and I read a lot of irony whereby the Chairman states that water service delivery has gone on uninterrupted throughout the year. Personally I have been walking around Wote looking for a residential place that can have supply of water and since I came to Wote I have not found one not unless a private investor who is supplying water, without water. Secondly, the Chairman continues to say, '*the good governance of this organization has brought us this far and brought us these results*'. That is a clear indication that this is irony that if where we are, the state of Wote town as at today is as a result of good governance then we are getting lost as a County Government. There is somewhere we are missing the mark.

I am more disappointed because I sit in the Committee of Water and Irrigation to notice that one of the sources of water for this company is Kamunyolo earth dam. As you are aware we have been handling an issue of affluent emission to Kamunyolo stream. I do not know what to say but I am still asking myself is this the kind of water that has been provided? In the small house where I stay when water comes once in a month I find it somehow yellowish. Therefore although I do not want to insinuate something, I do not know the connection between what has been happening in the Statement that was sought by Member for Wote Ward concerning effluent in Kamunyolo stream and Kamunyolo earth dam as a source of water for this Company. I want to comment on the four issues that have been raised by the Chairman of PAC. to do with inventories, I ask myself how does someone procure items, go to the shop, buy items, does not have anywhere to record the number of tissues that have been bought, the number of items that have been bought, these items are spent and there is nowhere to indicate how long the items have been there and when the items are to be disposed. This seems like a public toilet not a company.

Secondly, he talked about repairs and maintenance. I am asking myself how does someone use Kshs.1.2 million to procure maintenance items from your pocket, you do not record anywhere and there is no stores manager who notices what has come in and what has gone out. Someone, an Hon. Member in this House indicated that this Managing Director seems to play every role in this Company. When you talk about staff I do not imagine a case whereby the MD does not know the number of staff on contract or on permanent basis who are working in this company. Even us, as heads of our families, we know how many kids we have. There is no way a father will say I do not know how many boys and girls I have in my house. I am more amazed to realize that there are even no muster rolls for the staff who work there. That tells me if today as a member of staff for Wote Company I decide not come to work, I will just do so. If today I decide I will give myself leave for the next one month, I will be absent and because there is no rationalization of staff neither do we have staff establishment, it means if I am the Human Resource Manager, tomorrow I may decide to act as technical officer in the same company because staff rationalization profiles every job each officer is supposed to undertake. Therefore I really want to support this Motion and I really want to ask and support my fellow members who have said by the end of this session, such kind of people should be in jail. Thank you Mr. Speaker.

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

**The Member for Mbitini Ward** (Hon. Josphat Nzuki): Thank you Mr. Speaker. I stand to support this Motion to adopt this Report on the Wote Water Sewerage

Company. Let me start by thanking the Chairman of this Committee and echo them for doing a good job and getting some enlightenment on what happens in this Company. First, they commented on the MD as an ignorant staff. The second thing I want to inform this House is that Hon. Muema has said the Chairman has indicated Wote town as having free supply of water but when you go to the Managing Directors report he actually says '*During the year under review a company operated four sources of water including three boreholes and earth dam*'. One of the boreholes is powered by electricity while the other two are diesel powered. This makes the cost of production and operation and maintenance very high. During the year Kamunyolo earth dam one of the fresh water sources did not to get water supply. What does that show? The Chairman and the Managing Director are not reading in the same script. What does that imply? These people actually do not know what they are doing in that Company. Therefore, I actually support this Motion, to adopt it and do the recommendations that the Committee and its Chairperson have given on the Managing Director that is in 30 to 60 days, if they do not act on these issues raised they should go home and I support and rest my case. Thank you Mr. Speaker.

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

**The Member for Muvau/ Kikumini Ward** (Hon. Elizabeth Mutinda): Thank you Mr. Speaker for this opportunity. I stand to support this Motion. As you are all aware Wote Water Company was established long time ago to supply water in Wote town which is the capital city of Makueni County. The County of promise. As you know the agenda number one for Makueni County is water. Number 2 is water and number 3 is water. Therefore, this Company it has a full Board of Directors yet they do not have a store man. They do not have proper procurement unit in place and when they want to purchase land they use their money from their own pockets. What does this one mean? It means this Board of Directors are just operating a kiosk not a company. This company it has no proper register for the employees or their casuals. What does this mean? It means that they do not have proper accounting books to show how they pay their workers. There are both casuals and Directors in this Company. Therefore, I stand here to support this Motion because Wote town is supplied with water using donkeys. I remember when you were in the Ministry of Water you tried to finish the supply of water in Wote town using donkeys but because there were people who were benefitting from the sale of water using donkeys, it was resisted. Therefore, I stand here, because I know water is life, to support this Motion and I want to urge my fellow Members to send this Company home with immediate effect and let this Company know that we are here as Hon. Members to represent the people of Makueni because this is the task which we were

given by our residents. Therefore in stand here to support the Motion. Thank you very much.

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

*(The Leader of Majority stood in his place)*

**The Speaker** (Hon. Douglas Mbilu): Order Member for Nzau/ Kilili /Kalamba Ward. What is it Leader for Majority?

**The Majority Leader** (Hon. Kyalo Mumo): Thank you very much Mr. Speaker sir. Looking at the mood and of course the matter before us, I would, with your permission, request to move procedural Motion.

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

## PROCEDURAL MOTION

### EXTENSION OF SITTING TIME

**The Majority Leader** (Hon. Kyalo Mumo): Mr. Speaker sir as I have just indicated a minute earlier, it looks like every other Member wants to say something. It is so important that they may want to be heard. I beg to move the following Motion:-

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

In this case therefore, I call upon the Deputy Speaker to second. I thank you.

**The Deputy Speaker** (Hon. Harrison Mutie): Thank you Mr. Speaker, I do second.

*(Question proposed)*

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

**The Member for Thange Ward** (Hon. Nicholas Maitha): Thank you Mr. Speaker. I stand here to oppose this Motion. I am the Chairperson Committee Education and ICT and Vocational Training and we normally have a meeting exactly at noon and because I know there are other Committees also meeting I oppose. Thank you.

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

**The Member for Kikumbulyu South Ward** (Hon. Jades Kalunda): Thank you Hon. Speaker. I wish to stand here and oppose the Motion based on the calendar of today. We have got many Committees which are taking shape from noon and that is the reason as to why we cannot allow more Business to continue. When you look at the contribution of Members, it means that we do not even need to wait for every Member to contribute. We can put the question then we move to other Business. There is no need for us to extend time because even in the evening, will be extending time. Since in the evening there no anticipated Committees sittings thereafter, we can now extend for the evening but not for the mid-morning and that is the reason as to why we are opposed to this Motion. It is not in bad faith but because of the business ahead of us. Thank you Hon. Speaker.

**The Speaker** (Hon. Douglas Mbilu): The Majority Whip.

**The Majority Whip** (Hon. Jonathan Kimongo): Thank you Mr. Speaker I stand to-

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*(Laughter)*

**The Majority Whip** (Hon. Jonathan Kimongo): Agree with this Motion. It is a little bit funny that the two Members who are opposing this Motion literally took all their time in the debate. If we were a little bit mindful of the others and we speak for two or one minute because we are repeating ourselves. As a matter of fact the remaining minutes we have like 30 minutes to time, if we agree in principle ---

*(Hon. Nicholas Maitha interjects on a Point of Order)*

**The Majority Whip** (Hon. Jonathan Kimongo): Mr. Speaker let me finish.

**The Speaker** (Hon. Douglas Mbilu): Majority Whip proceed.

**The Majority Whip** (Hon. Jonathan Kimongo): Thank you. If we agree in principle that we reject the Motion of extension I will agree, but we say for the remaining 30 minutes those who are contributing please take a minute or a minute and half. There is no need of repeating. Thank you.

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

**Hon. Sharon Mutinda**: Thank you Mr. Speaker. I stand here to support the Motion because we are dealing with our people's lives here and each and every Member has his/ her own right to give his/ her view on the Motion so that the Motion can take the next move. I beg to support, thank you.

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

**The Member for Nzau/ Kilili/ Kalamba Ward** (Hon. Julius Mutula): Thank you Mr. Speaker sir. I wish to oppose the Motion on the grounds that in the remaining time I am sure the remaining speakers can confine themselves to 30 minutes and we can dispense with this business. Let us forget about this business of everybody talking for thirty minutes. If somebody has stated a point, let us agree with him and move forward. I wish to take two minutes.

**The Speaker** (Hon. Douglas Mbilu): Member for Nzau/ Kilili/ Kalamba Ward are you opposing or supporting the Motion?

**The Member for Nzau/ Kilili/ Kalamba Ward** (Hon. Julius Mutula): Mr. Speaker sir I am opposing Motion.

**The Speaker** (Hon. Douglas Mbilu): Hon. Members I wish to guide the House as follows. Pursuant to the provisions of Standing Order number 35 on resumption of interrupted business. *Any debated interrupted under this part shall be on coming again before the County Assembly or the Committee, be resumed at the point where it was interrupted and any Member whose speech was interrupted shall have the right to speak on such resumption for the remainder for the time available to him or her but if such Member does not avail himself or herself of this right, speech shall be deemed to have been concluded.*

Under the circumstances Hon. Members we may wish to proceed with the debate as it is or not whereas you discuss and debate on this particular Motion you still have an opportunity to resume this debate in the afternoon as the first business when we resume.

*(Low consultations)*

Order Hon. Members the Speaker is guiding the House. The Motion is still open for debate. Proceed and contribute to the same Motion I have not put the question. There being no other Member willing to contribute I put the question.

*(Question put and negatived)*

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

**The Member for Nzau/ Kilili/ Kalamba Ward** (Hon. Julius Mutula): Thank you Mr. Speaker sir, allow me to congratulate the Members for that move. I have resumed the floor and I promise to take not more than two minutes. I have had an opportunity to look at the Report, interrogate it for quite some time and to me the Report seems to rotate around management issues and I think management issue should be handled in a

management manner. During my tenure of public service at one time I happened to be almost a Chairperson of almost every Committee in the District and issues of procurement are very critical. For the Managing Director in this particular Water Company I think it is a question of issues of integrity. To me he lacks a lot of integrity. Looking at qualifications he has, the gentleman appears to be qualified. He has the necessary qualification but what drives him to act the way he does? To me he lacks a lot of integrity and the best thing to go about this issue of the Water Company I agree with what the Committee did, I agree with the recommendations of the Committee but I want to take the recommendations a little bit further and recommend that the entire board together with Managing Director must be sent packing.

Secondly, they should be investigated by the DCIO. In fact the EACC should move in to protect public funds. It is unfortunate Wote is lacking water, Wote is in a mess and any serious investor who wants to move to Wote with a kind of problems we have in terms of water nobody will want to invest in this place. What are we in essence doing? We are driving investors from this place and who is doing that? The MD and his team. Why can we not get will of them? The Wote Water and sewerage Company very soon is going to be gazetted and become a Government entity. I argue the Minister for water, for Finance when it becomes a Government entity they should cultivate a lot of interest and follow up the issues happening in this particular County. Much as I agree with the recommendations of the PAC committee especially recommendation number two, the Managing Director should ensure the company adheres to public procurement. This gentleman should not be there in the first to ensure this is done because he should be the first casualty and then the new team comes in to streamline the operations of the Company. Thank you Mr. Speaker sir.

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

**The Majority Whip** (Hon. Jonathan Kimongo): Thank you Mr. Speaker for this chance. I start by congratulating this Committee. This Committee is not like the Committee on Budget and Appropriations that yesterday allowed their Chairperson to go through an avalanche of questions and bashing and nobody stood to support him. Much has been said about the Managing Director of this Company but very little is said about the Board of Directors. As the speaker who has just left the floor has said, there is a very serious omission of recommendation in this Report because there is no way the managing director can do all this stuff without the involvement of the Board of Directors. It is either they are incompetent or co-perpetrators and as far as this Report is concerned, these guys are scot-free. There should be an addition that the whole Board of Directors should be disbanded. When I was reading this Report, I found a place where it is stated



that there was an under collection. To me, an under collection in an agency that deals with water in Makueni is just proof of financial impropriety and stealing because if water is needed and the water is there, when and how are you under collecting money? It seems like money is being taken to the wrong place. With those few remarks, I do not know how it can be done. Maybe the Chair can guide on how it can be done that there be a recommendation that the entire Board of Management goes home. Thank you.

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

**Hon. Jonathan Muoki:** Thank you Mr. Speaker. I stand to support the Motion and applaud the Chairperson Committee on Public Investments and Accounts; Hon. Kevin Mutuku for writing a very good Report. I will say that the problem that we have will BE solved if recommendation number five is executed, that the ECM Water and Irrigation and the ECM Finance and Socio- Economic Planning bring forth laws before this House so that they can be passed to regulate the operations of County Government entities. If you look at this Report it is a Report on a company in Makueni County which is a limited Company. This means that this Company can sue and can be sued. I support and say that the ECM Water and Irrigation and the ECM Finance and Socio- Economic Planning must bring forth laws to govern and regulate the functions of Government entities that deal with water in Makueni County.

The ECM Water and Irrigation is supposed to make sure that the people of Makueni have sufficient quality water and the ECM Finance and Socio- Economic Planning is supposed to make sure that the revenues that need to be collected by the Government entities are collected as per the document. I recommend that the ECM Water and Irrigation and the ECM Finance and Socio- Economic Planning bring forth laws before this House so that we can pass; laws to regulate and guide the operations of these County Government entities. I rest my case. Thank you.

**The Speaker** (Hon. Douglas Mbilu): Member for Kiima Kiu/Kalanzoni.

**The Member for Kiima Kiu/Kalanzoni** (Hon. Benson Kilonzi): Thank you Mr. Speaker. I stand to support and also to congratulate the Committee for the good job they have done. As you know Wote is the headquarter of Makueni County and if Wote can lack water what about the other Wards in Makueni County? As we move around we go calling ourselves County number one and you cannot be County number one without water. The question of water has become a headache in Makueni. As we have heard of this Company, the operators of the Company are operating the company as though it as if it their property. How can a company purchase land without even an allotment letter? How can a Company be running without a procurement officer or procurement process? How

can a Company operate as though it somebody's property? How can a Company collect revenue and fail to account for the money collected? What is remaining here is for those people to be investigated and, if possible, as another Member said, be shown the door. Also, they should be investigated by the police. The ECM Water and Irrigation should open his eyes. There are many cases of water which are being brought here in the Assembly and the question of water has become like what our Majority Leader normally quotes, "*Musoa wa kulilikana na Ngoo*" in this Assembly. Thank you Mr. Speaker.

*(Laughter)*

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

**The Deputy Speaker** (Hon. Harrison Mutie): Thank you Mr. Speaker. I am a very saddened Member of this Assembly because of the report that is before me. Number one this report is an unqualified report. That means in accounting terms it shows that

1. There were inadequate disclosures.
2. estimations that were given were full of uncertainty
3. The financial statements were not pervasive and do not represent the actual position of the Company.
4. The accounting report prepared never followed what we call in accounts GAAP meaning generally accepting accounting principles.

The Auditor General contradicts himself and I found his report very inconsistent. I want to point out to this House that this County Assembly has the final say on this Report not the Auditor General, not the PAC but the resolutions that is going to be adopted and passed by this House. Therefore, I think it very important to point out some of these issues. When you go to page 4, of the Auditor General's report, you will allow me to just point out two points. The Auditor General says according to legal and regulatory requirements as per Kenya Company's Act 2015, this company in his own opinion provided adequate accounting records. If I can read in roman two, '*in my opinion adequate accounting records having kept by the company so far as it appears from my examination of those records.*' In roman three, '*the company's financial statements are in agreement with the accounting records and returns.*' That is very incorrect and inconsistent to the audit findings.

This Report by our Committee, and I would want to applaud the Committee for doing a very wonderful job, gave us hints how funds has been lost or else assumed to have been lost because no documents were found. A company loses money through three ways. If there are no proper records of staff, then it assumed that there are ghost workers and

some money is likely to get lost. If there is no procurement unit, it shows that procurement procedures will be used as a conduit to get money out of that company. If there are no records of inventory assets for example inventory asset register movement or even stock sheet and stock taking report, it tells you that nothing was procured and if there was something that was procured then those records would have been in the Company. Lastly, if there were no records on expenditure especially on repairs and maintenance it shows that a lot needs to be done.

I draw this House to page 16 and 17. On page 16 operating activities on payments; those are the expenses. You will notice that the staff costs was Kshs.8.4 million and then there were other expenses totaling to Kshs.7.8 million and my focus is on these other expenses. Proceed to page 17 whereby the expenditure shows what these operating expenses are. You realize the staff cost is there on the actual column Kshs.8.4 million as it was in page 16 and but on the other expenses there is Kshs.6.9 million , Kshs.3.0 million and down there other operating expenses of Kshs.1.7 million. If you do simple arithmetical of this total math, it gives you Kshs.11.6 million as compared to the Kshs.7.8 on page 16. These books were cooked and somebody needs to tell us the truth about these documents.

On page 34; progresses on follow up of audit recommendations. I will just dwell on point number one. Auditor General in his report there is no where it is indicated that there was revenue that was unbanked but as per recommendation number one, it shows there was revenue that was unbanked and that is why the company is required to resolve that issue. That speaks volume. Somebody is playing with this Assembly and is trying to cook books to misrepresent the true position of what is happening. On the other recommendations you will notice that all those four items are not resolved on status column. The recommendations that I will put across and urge the Members to support is that this company has violated the Public Procurement Regulations 2016 First Schedule and other regulations that relate to procurement. This MD needs to be surcharged seriously. Thank you Mr. Speaker.

*(The Majority Leader stood in his place)*

**The Speaker** (Hon. Douglas Mbilu): Leader of the Majority on a point of Order?

**The Majority Leader** (Hon. Kyalo Mumo): No.

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

**Hon. Bernadette Mutisya:** Thank you Mr. Speaker. First and foremost I wish to support this ---

**The Speaker** (Hon. Douglas Mbilu): Order Hon. Bernadette, Member for Nzambani /Ivingoni. You refer to this Report as unqualified. The report presented is qualified?

**The Deputy Speaker** (Hon. Harris Mutie): Yes the Report has presented is qualified and needs not to be qualified in my own view.

**The Speaker** (Hon. Douglas Mbilu): Come again.

**The Deputy Speaker** (Hon. Harris Mutie): a Report that is qualified as per the accounting standards, and I will take you through them again, should be a document that the Auditor found inadequate disclosure from the people responsible and number two, the estimates that were given are full of a uncertainty. Number three, the financial statements were nor pervasive and do not represent the actual position of the Company. Number four, the accounting report prepared is prepared without following the generally accepted accounting procedures. That gives a qualified report. When you go to that page number 4, the Auditor General contradicts himself when he says in roman two, *'in my own opinion adequate accounting records have been kept by the company so far as it appears from my examination of those records.'* and yet he has given his Report has qualified status.

**The Speaker** (Hon. Douglas Mbilu): Therefore, it is your submission that?

**The Deputy Speaker** (Hon. Harris Mutie): It should be that---

**The Speaker** (Hon. Douglas Mbilu): For purpose of your record, what is your submission the advance status?

**The Deputy Speaker** (Hon. Harris Mutie): The third status, adverse. Again on roman three, the company financial statements are in agreement with accounting records and returns which is not the true position.

**The Speaker** (Hon. Douglas Mbilu): Chairperson Committee Public Investment and Accounts Committee you have something to say on that?

**The Member for Kitise/Kithuki Ward** (Hon. Kelvin Mutuku): Thank you Mr. Speaker, it is true that according to the Auditor General, the report is a qualified opinion. According to what the Deputy Speaker presented to this House in our opinion of the Auditor it means that the financial statements are true but the Deputy Speaker quoted on issues that, put the financial statements incorrect. In that case according to the accounting standards it should be an adverse report. What I would want to tell this House is that, it is possible for the Auditor to be coerced. It is normal, it happens but I want to

assure this House that whatever comes to this Public Investments and Accounts Committee is not just a subject of what the Auditors presented. We do go an extra step and that is why we have these recommendations with you. We just need to rest and be assured that this Committee will bring the truth and the whole truth to this House. Thank you Mr. Speaker.

**The Speaker** (Hon. Douglas Mbilu): Chairperson considering the opinion that has been postulated by Member for Nzambani/Ivingoni Ward and what has been presented by the Auditor General as the Chairperson what is your opinion because it is not detailed in your Report.

**The Member for Kitise/ Kithuki Ward** (Hon. Kevin Mutuku): In my opinion, this should have been an adverse opinion but you see we brought exactly what the Auditor saw but we brought further details.

**The Speaker** (Hon. Douglas Mbilu): Hon. Bernadette resume.

**Hon. Bernadette Kalekye:** Thank you Mr. Speaker. I wish to suppose this Report having been the Member that brought it to the table. First and foremost, like the Hon. Kawembe stated, water number one, water number two and water number three. It is the most important item for this County. With this Report and there being no water in this town. Water is a very essential item and not to mention what is not here, that water is being brought into the House by donkeys. For the women this is a waste of time because the time wasted having to go and fetch water for the women that time could be used doing something else. They could either be in the market doing some trade and bringing some income for this County. Going back to the Report, I wish to draw your attention to page twenty where as the Hon. Nichodemus for Emali/ Mulala Ward stated that the money collected from this company was not banked properly. In an important Company or any Company that has its record straight, one does not hold money with M-pesa. M-pesa is where the money is brought in temporarily and then it has to be banked in a proper manner.

I also wish to bring to the attention page twenty again where there were no muster payroll I do not wish to repeat myself. In page twenty three on the financial statement it states that they had twenty one employees. You wonder how they arrived to twenty one employees if there were no muster payrolls. On the same page when you go to the infrastructure, is this construction company or is it a transport company because they said they had the repairs and maintenance of infrastructure? I fail to understand what repairs they were doing on Infrastructure. Thank you Mr. Speaker.

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

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**The Majority Leader** (Hon. Kyalo Mumo): Thank you Mr. Speaker for giving me this opportunity to contribute finally. It looks like I am the final Member to contribute in my view. As I support this Motion today I would wish first of all to thank the Members who participated in yesterday's debate which was really of high quality. I technically was not around because of very urgent matter unavoidable circumstances. I also wish to thank the Members of the fourth estate who really reported positively and accurately what was happening yesterday in this House. Please feel welcome to do it. What I heard from radio stations is that this House is developing teeth. I want to say that, we still have teeth but I want to confirm that milk teeth do not bite much but when it comes to molars and premolars and canines then you will know what teeth means. I want to say that, we are very independent Assembly, Members are free to say what they think is good for this County. To that effect I will really want to appreciate each and every player for that matter.

On the agenda of today it all goes without saying that this Report is overdue. This Manager should be somewhere as a lot of Members have said. This is a company that was established by an Act of Parliament on 28<sup>th</sup> June, 2006 when some of us where in schools and today the very same persons are still working. What are they doing? It is also saddening that the Minister for Water is representing that Committee at the Cabinet level, what is happening? When is he coming to sit on a hot chair here so that we do our oversight as a House? I am looking forward to that. Again, I am only wondering that this Report is done for 30<sup>th</sup> June, 2016 and you can see what is happening. I am wondering by the end of 2017 June what will they be auditing. Nothing, zero, because it is finished, over. I do not know what we will be doing and in this case. The Committee which is comprised of very competent ladies and gentlemen, of high substance. I have seen five of them are Chairpersons while four of them are Vice Chairpersons. These are Members who are of high integrity. I happened to attend the sessions although I could not speak, I could not say anything because I was an ex-officio but the quality of the investigations and deliberations was very high and as the Leader of Majority I can say we have a County Public Investments ---

*(Laughter)*

I do not want again to dwell much on this. I would say that the Executive Chairperson Mr. Justice Kuti be done what the wrong people are done and it is obvious. The Hon. Member for Kalawa has said it. Secondly, the Hon. Deputy Speaker is very conversant with figures not like me who is very in Christian Religious Education (CRE) because I will say love one another. Members who participate and contribute it is also good to allow others to also say something and not leave your chair before the debate is over. This is a request I am

making. On corporate responsibility, what can this company say they did? I am told that there are 80,000 members of Makueni who are supposed to benefit from this company; from Makueni to Mukuyuni. I want to tell you this is not happening. If it is not happening in Makueni how about Mukuyuni? Let us not waste a lot of time. Let us adopt this report and let us deal with the matter accordingly. I beg to support. Thank you Mr. Speaker.

*(Question put and agreed to)*

**The Speaker** (Hon. Douglas Mbilu): Hon. Members I have the following directions to make: -

1. That the resolutions of the House on the said report be communicated to the Auditor General for information and the Report and the HANSARD report attached.
2. The resolutions of the House on the said Report be communicated to the Senate for information with the Report and the HANSARD report attached.
3. The resolutions of the House be communicated to the Makueni County Executive Committee Member in charge of Water, Irrigation and Environment to oversight and occasion the implementation of the Committee's recommendations and ensure adherence to the timelines set by the Committee and provide a report to the House on the same pursuant to the Standing Order 204.
4. That the resolutions of the House be communicated to the Board of Directors of Wote Water and Sewerage Company to implement the recommendations of the Committee and a copy of the Report and HANSARD report be attached.
5. That the Implementation Committee takes up the matter and the undertakings that shall have been given by the Executive Committee Member for Water, Irrigation and Environment and examine whether or not the discussions and undertakings were implemented and to what extent and whether the implementation has taken place within the stipulated timelines by the Public Investments and Accounts Committee on or within the minimum necessary time.
6. The Committee on Water, Irrigation and Environment services to request for the policies guiding the management of Wote Water and Sewerage Company.

It is so directed.

Further, Hon. Members I wish to direct that the HANSARD report be prepared within 48 hours from now to facilitate communication to the said officers, offices or Institutions.

## ADJOURNMENT

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**The Speaker** (Hon. Douglas Mbilu): Hon. Members the time now being 12.00 hours the House stands adjourned until Wednesday 21<sup>st</sup> February, 2018 at 2. 30p.m.

*(House rose at 12. 00p.m)*