REPUBLIC OF KENYA

NYANDARUA COUNTY ASSEMBLY

3RD ASSEMBLY — 2ND SESSION

OFFICIAL REPORT

Tuesday, 5 September 2023

The Assembly met in the Assembly Chambers at 9.30 a.m.

(The Speaker, Hon. Wachira Waiganjo, in the Chair)

PRAYER

Speaker: Hon. Members, welcome to today's sitting. Tuesday, the 5th day of September 2023.

QUORUM CALL

Clerk, please confirm there is quorum to transact this sitting's business.

(There was quorum as confirmed by the Clerk-at-the-Table)

The quorum having been confirmed, we can now proceed with the businesses for the day. First Order.

COMMUNICATION FROM THE CHAIR

Speaker: There is no communication to make. However, the Majority Leader, Hon. Mwangi Nyagah can proceed and read the Notice Paper for the week. Welcome.

Hon. Mwangi Nyagah: Thank you, Mr Speaker. I beg to present the Notice Paper to the House.

BUSINESS OF THE WEEK COMMENCING FROM 5TH TO 6TH SEPTEMBER 2023

DATE/TIME	BUSINESS	SPONSOR
Tuesday 5th September 2023 9.30a.m		
	Communication from the Chair	

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	Messages	
	Petitions	
	Papers	
	1. Nyandarua County Bursary Fund Report and financial statements for the period ended June 30, 2023	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	2. Olkalou Municipality Quarterly report and financial statements for the period ended June, 2023	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	3. Nyandarua County Emergency Fund report and financial statements for the quarter ended June 30, 2023	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	4. Nyandarua County Executive member's (state and public officers) car loan and mortgage scheme fund report and financial statements for the financial period ended June 30,2023	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	5. The County Government of Nyandarua Quarterly reports and financial	Hon. Elijah Mwangi Nyaga (Leader of Majority)

DATE/TIME	BUSINESS	SPONSOR

	statements for the period ended 30th June 2023 6. The County Government of Nyandarua Quarterly Reports and Financial Statements of the County Revenue Fund for the period ended June 30,2023 7. The County Government of Nyandarua Risk Management policy and Anticorruption framework	Hon. Elijah Mwangi Nyaga (Leader of Majority) Hon. Elijah Mwangi Nyaga (Leader of Majority)
	Notices of motion	
	1. Notice of motion on affirmative action for persons living with disabilities	Hon. Joyce Munyua (County Member from Central Ward)
	Statements	
	Motions and Bills	
	1. Report of the Committee on Finance, Economic Planning and ICT on the Reports and Financial Statements for the Receiver of Revenue, Nyandarua County for the financial year ended 30th June 2022. 2. Report of the Committee on Finance, Economic Planning and ICT on the Half Year report and financial statements for the County Revenue Fund in the County Government of Nyandarua for the year ended December 31, 2022.	Hon Zachary Mwangi Njeru (Chairperson on Committee on Finance, Economic Development and ICT) Hon Zachary Mwangi Njeru (Chairperson on Committee on Finance, Economic Development and ICT)

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Tuesday 5th September 2023 2.30p.m.		
	Communication from the Chair and Chairpersons Brief	
	Committee on General Oversight pursuant to Standing Orders 32 and 198	
	1. Committee on General Oversight on the Pronouncement of County Annual Development Plan for FY 2024/25 by the County Executive Member on Finance, Economic planning and ICT	

DATE/TIME	BUSINESS	SPONSOR
Wednesday 6th September 2023 9.30a.m.		
	Papers	
	1. The Nyandarua County Annual Development Plan for FY 2024/25	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	2. The Nyandarua County Treasury Budget Circular No. 1/2023 on the Guidelines for the Preparation of the FY 2024/2025 and the Medium-Term Budget	Hon. Elijah Mwangi Nyaga (Leader of Majority)
	Notices of Motions	
	Statements	
	1. Statement on status of floodlights on Wanjohi Ward	Hon. Milka Wanjiru Ndirangu (M.C.A Wanjohi Ward)
	Motions and Bills	
	1. Motion on affirmative action for persons living with disabilities	Hon. Joyce Munyua (County Member from Central Ward)

Wednesday 6th September 2023 2.30p.m.		
	Papers	
	1. Preliminary Report of the Committee on Tourism, Cooperatives Development, Trade and Industrialization on the Budget Implementation for the Third Quarter. 2. The Report of the Committee on Education, Gender, Children Affairs, Culture and Social Services on the Half Year Report for the Nyandarua Bursary Fund for the period ending December 2022	Hon. Samuel Rimui Kaiyani (Chairperson Committee on Tourism, cooperatives development, Trade and industrialization) Hon. Peter Gathungu Kamau (Chairperson Committee on Education, Children Gender affairs, culture and Social services)
DATE/TIME	BUSINESS	SPONSOR
	Notices of Motions	
	1. The Report of the Committee on Education, Gender, Children Affairs, Culture and Social Services on the Half Year Report for the Nyandarua Bursary Fund for the period ending December 2022	Hon. Peter Gathungu Kamau (Chairperson Committee on Education, Children Gender affairs, culture and Social services)
	Statements	
	Motions	

This Notice Paper is prepared and published pursuant to Standing Orders 40 and 41.

Speaker: The Notice Paper is duly tabled. Next Order.

PAPERS

Speaker: Yes, the Leader of the Majority Party and the Member for Kaimbaga, Hon. Elijah Mwangi Nyagah.

(Hon. Peter Maina rose on behalf of Hon. Mwangi Nyaga)

Yes, Hon Peter Maina.

Hon. Peter Maina: Thank you Mr Speaker. I beg to table the Nyandarua County Bursary Fund Report and financial statements for the period ended June 30^{th}, 2023. Thank you.

Speaker: The report is duly tabled. I refer the Report to the Committee on Education, Gender, Children Affairs, Culture and Social Services. Chairperson, how much time do you require to compile a report on the tabled paper?

Hon. Gathungu Kamau: Mr Speaker, considering that my committee is considering the Nyandarua County Alcoholic Drinks Control Bill, a task which will take substantial amount of time, I would request that you give us sixty days, Mr Speaker.

Speaker: Well, the Clerk should put that on record. Hon. Gathungu Kamau, kindly submit the report in sixty days. Proceed, deputy Majority Leader.

Hon. Peter Maina: Mr Speaker, I beg to table the Ol' Kalou Municipality quarterly report and financial statements for the period ended June 30^{th}, 2023. Thank you.

Speaker: I refer the report to the Committee on Lands, Physical Planning and Urban Development. I also refer the report to the County Public Accounts and Investments Committee for information purposes as we await the audit report on the same.

Hon. Thuo Gachino, how much time do you require to bring a report on the same?

Hon. Thuo Gachino: Twenty-one days.

Speaker: Kindly ensure the report is tabled in twenty-one days. Clerk put that on record.

Proceed, deputy Majority Leader.

Hon. Peter Maina: Mr Speaker, I beg to table the Nyandarua County Emergency Fund report and financial statements for the quarter ended June 30^{th}, 2023.

Speaker: The report is duly tabled. I refer the report to the Committee on Special Funds. Since the chairperson of the committee is not present, Hon. Carolyn Njarara, how much time does the committee require to bring a report on the same?

Hon. Carolyn Njarara: Thirty days will be okay.

Speaker: Kindly ensure the report is tabled in thirty days. Clerk put that on record.

Proceed, deputy Majority Leader.

Hon. Peter Maina: Mr Speaker, I beg to table the Nyandarua County Executive (State and Public Officers) Car Loan and Mortgage Scheme Fund report and financial statements for the financial period ended June 30^{th}, 2023.

Speaker: The report is duly tabled. I refer the report to the Committee on Special Funds. Since the chairperson of the committee is not present, Hon. Carolyn Njarara, how much time does the committee require to bring a report on the same?

Hon. Carolyn Njarara: Mr Speaker, due to the backlog that the committee has, I request for sixty days.

Speaker: For noting, what backlog does the committee on Special Fund has?

Hon. CarolynS Njarara: Mr Speaker, we have several reports that we must table.

Speaker: That is noted. County Member from Weru, kindly ensure the report is tabled in sixty days. Clerk put that on record.

Proceed, deputy Majority Leader.

Hon. Peter Maina: Mr Speaker, I beg to table the County Government of Nyandarua quarterly reports and financial statements for the period ended 30^{th} June 2023.

Speaker: The report is duly tabled. I refer the report to all sectoral committees for budgetary reporting. I also refer the report to the Committee on Public Accounts and Investments for information purposes as we await the audited report. I will give other directions with regard to consideration of the report.

Deputy Majority Leader, proceed.

Hon. Peter Maina: Mr Speaker, I beg to table the County Government of Nyandarua Quarterly Reports and Financial Statements of the County Revenue Fund for the period ended June 30,2023.

Speaker: The report is duly tabled. I refer the report to all sectoral committees for budgetary reporting. I also refer the report to the Committee on Public Accounts and Investments for information purposes as we await the audited report. I will give other directions with regard to consideration of the report.

I give the sectoral committees forty-five days to respond on the two reports. The Clerk should note this.

Deputy Majority Leader, proceed.

Hon. Peter Maina: Mr Speaker, I beg to table the County Government of Nyandarua risk management policy and anti-corruption framework.

Speaker: The report is duly tabled. I refer the report to the Committee on Finance, Economic Planning and ICT. I also refer the report to all the sectoral committees for budgetary noting.

Hon. Zachary Njeru, how much time do you require to report back to the House? I the committee is one of the busiest. I do not know whether that is the position.

Hon. Zachary Njeru: Mr Speaker, forty-five days will be sufficient. The committee has six pending businesses. We will try as much as possible to ensure that the business on the report in question is executed alongside the others.

(Hon. Isaac Kung'u rose)

Speaker: What is the information, Hon. Isaac Kung'u?

Hon. Isaac Kung'u: Mr Speaker, the Committee on Budget and Appropriations is interested in the paper at hand. Remember, when tabling budget estimates we table two documents. One of them is the risk management paper, and we are the committee that ensures that financial risks in the county are addressed. In this regard, the Committee on Budget and Appropriations is interested in going through the report.

Speaker: It has come to my notice that most of the affairs of the Committee on Finance, Economic Planning and ICT have budgetary implications. In view of this, I will give directions with regard to your concern.

Next order.

NOTICE(S) OF MOTION(S)

AMENDMENT OF THE NYANDARUA COUNTY BURSARY FUND ACT, 2019 TO INCORPORATE BURSARY FUNDS EXCLUSIVELY MEANT FOR PERSONS LIVING WITH DISABILITIES, AND OTHER RELATED MATTERS

Yes, Hon. Joyce Munyua.

Hon. Joyce Munyua: Mr Speaker, Sir, I beg to give notice of the following motion:

Aware that article 54 of the Constitution of Kenya provides inter alia

"(1) A person with any disability is entitled—

a) to be treated with dignity and respect and to be addressed and referred to in a manner that is not demeaning;
b) to access educational institutions and facilities for persons with disabilities that are integrated into society to the extent compatible with the interests of the person;

c) to reasonable access to all places, public transport and information;
d) to use Sign language, Braille or other appropriate means of communication; and
e) to access materials and devices to overcome constraints arising from the person's disability. ….."

Further aware that Persons Living with Disabilities Act No. 14 of 2003 which has the main objective of provision for the rights and rehabilitation of persons with disabilities; to achieve equalization of opportunities for persons with disabilities;

Noting that the objectives of the article 54 of the Constitution and those of the Act have not been realized by both levels of Government.

Further noting that article 2 of the Constitution binds all persons and both levels of government to the constitutional provisions while article of the 3(1) of the Constitution demands that every person shall respect and defend the Constitution.

Concerned that the continued and systemic failure to implement the Constitutional provisions and the provisions of the Act has left a large section of persons living with Disabilities disenfranchised.

Further concerned that the state of inertia by both levels of Government needs to be addressed urgently by putting correctives measures and mechanisms in place.

Now therefore, the House does resolve that:

i. This House through the Committee on Education, Children, Gender Affairs, Culture and Social Services, does amend the Nyandarua County Bursary Fund Act, 2019 by setting aside bursary funds exclusively meant for the benefit of persons living with disabilities.
ii. The Department of Education, Children, Gender Affairs, Culture and Social Services and the County Public Service Board does find mechanisms of supporting ECDE teachers in Special Schools and those in Special units within regular schools within the County.
iii. The Department of Education, Children, Gender Affairs, Culture and Social Services through the Directorate of Social Services does incorporate social programmes benefiting persons living with disabilities such as cash transfers and universal health care to compliment the National Government programmes.
iv. The County Government through the Department of Education, Children, Gender Affairs, Culture and Social Services does set-aside funds in budget estimates for every financial year for infrastructural support and related costs for special schools within the County to ensure increased enrolment for pupils living with disability.
v. The Department of Education, Children, Gender Affairs, Culture and Social Services does develop and submit to this House a Social Protection Policy, which must embrace policies, bills and/or laws promoting the well-being of persons living with disabilities across the County, within 60 days.
vi. The County Government does ensure budgetary allocations as well as establishing partnerships with other government agencies and non-governmental organizations with the aim of following;
    - Obtaining assistive and mobility devices with ease
    - Accessing medical assistance such as assessment, corrective surgeries, therapy, etc.
    - Accessing financial assistance for persons living with disabilities for economic empowerment.

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- Conducting civic education and sensitization

vi. The County Government through the Social services directorate, Health Services Department and the Public Administration Department does conduct registration of persons living disabilities in all the 25 wards and provide the updated database for all the categories of persons living with disabilities including their self-help groups within 6 months.

vii. The County Government does ensure that all the County Government's building especially all the ECDEs centres and Vocational Training Centres are accessible to persons living with disability (PWDs) to enhance mainstreaming of PWDs.

Thank you, Mr Speaker, Sir.

Speaker: The notice is duly given and I do hereby, pursuant to Standing Order 157 (b) refer the business to the House Business Committee for the processing of the same if they have not done so already.

However, I would like to point out an error in the numbering of that motion. You realize that number vi is featuring twice. So, amend it to have vi, vii, and viii.

Next order.

MOTION (S)

1. REPORT OF RECEIVER OF REVENUE FOR THE NYANDARUA COUNTY REVENUE STATEMENTS FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2022.

Yes, Member for Nyakio and Chairperson Committee on Finance, Economic Development and ICT Hon. Zachary Mwangi Njeru.

Hon. Zachary Njeru: Thank you Hon. Speaker. I beg to move the following motion;

That this House does adopt the Report of the Committee on Finance, Economic Planning and ICT on the Receiver of revenue for the Nyandarua County revenue Statements for the financial year ended 30th June 2022 as a report of the House and the recommendations therein as the resolutions of the House.

Mr Speaker, Sir, with me is the report of the receiver of revenue for the Nyandarua County revenue Statements for the financial year ended 30th June 2022.

First and foremost, I take this opportunity to appreciate the Office of the Speaker and the Clerk of the county Assembly for the logistical support they accorded to the Committee on Finance, Economic Planning and ICT as it discharged its mandate during compilation of the report on the Receiver of Revenue County Government of Nyandarua Revenue Statements for the year ended 30th June 2022.

I further express gratitude to the Members of the Committee and the Secretariat for their immense support and commitment portrayed during the consideration and compilation of this report.

It is my pleasant duty and privilege, to present the Report of the Committee on Finance, Economic Planning & ICT on the Receiver of Revenue Nyandarua County Revenue Statements for the year ended 30th June 2022.

Preface

Mr Speaker, Sir, Regulation 61 of the PFM Act regulations, 2015 intimates that the receiver of revenue designated by the County Executive Committee Member under section 157 of the Act shall be responsible for the collection of and accounting for such revenue items as the County Executive Member may specify and is domiciled under the Department of Finance, Economic Planning, and ICT.

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Mr Speaker, Sir, the receiver of Revenue shall, in accordance with Section 156 of the PFMA, authorize a public officer or any of the County government entities to be a collector of revenue for the County government for the collection of, and accounting for such items of revenue as the receiver may specify.

The county is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction, which include the services that were provided by the defunct Local authority and the ones that have been transferred from the National Government to the devolved units. The receiver of revenue collects and remits revenue to the County Revenue Fund (CRF).

Further, the Receiver of Revenue (Nyandarua County Government) presents reports on the revenue performance of the County for each financial period. Consequently, the statements for financial year ended 30th June, 2022 were tabled in the House and committed to the Committee on Finance, Economic Planning and ICT for scrutiny and reporting to the House.

The Committee on Finance and Economic Planning and ICT is established under Standing Order No. 200 and mandated to;

i) Investigate, inquire into and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;
ii) Study the program and policy objectives of departments and the effectiveness of the implementation;
iii) Study and review all county legislation referred to it;
iv) Study, assess and analyze the relative success of the department as measured by the results obtained and compared with their stated objectives;
v) Investigate and inquire to all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the Assembly;
vi) To vet and to report on all appointments where the constitution or any other law requires the Assembly to operate;
vii) Make reports and recommendation to the Assembly as often as possible, including recommendation of proposed legislation.
viii) All matters relating to access, use and skills in ICT and e-government.

Mr Speaker, Sir, The Committee comprised of the following Members and Secretariat during the report writing exercise;

Members

1) Hon. Zachary Mwangi Njeru - Chairperson

2) Hon. Benson Kiarie Njoki - Vice-Chairperson

3) Hon. Peter Mwangi Maina - Member

4) Hon. Joseph Kuria Thuo - Member

5) Hon. Cathryn Nyawira Mathenge - Member

6) Hon. Julianna Mugure Babu - Member

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7) Hon. Patrick Kariuki Muhindi - Member

8)Hon. Elijah Mwangi Nyagah - Member

9)Hon. Edinald King'ori Wambugu - Member

Secretariat

1) Ms. Nancy Muthee - Committee Clerk

2) Mr. Moses Kinyua - Senior Legal Counsel

3) Mr. Peter Waweru - Principal Hansard Editor

4) Ms. Leah Njenga - Serjeant-At-Arms

Mr Speaker Sir, Section 164(1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a county government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Accounting Standards Board. Further, Section 165 (1) states that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received, and recovered by the receiver during that financial year.

The Financial statement has been prepared in accordance with and complies with International Public Sector Accounting Standards (IPSAS), with particular emphasis on cash basis financial reporting under the Cash basis of accounting and relevant legal framework of County Governments. It therefore complies and conforms to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

Mr Speaker, the Cash basis of accounting recognizes transactions and events only when cash is received or paid by the entity. The receiver of revenue recognizes receipts from various sources when the related cash is received or paid to the entity.

Cash and Cash equivalents comprise cash at hand, cash in the bank, short-term deposits on call, and highly liquid investment with original maturity of three months or less which are readily available into known amounts of cash and are subject to insignificant risk of change in value. Bank Account balances include revenue collection accounts held at Commercial Banks.

(Hon. Stephen Muriithi rose on a point of order)

Speaker: What is it Hon. Hon. Stephen Mureithi

Hon. Stephen Mureithi: I am humbly requesting that the same document be shared with us so that we can follow through as Hon. Zachary goes through it.

Speaker: The ICT department should ensure that every Member has the report on his gadget.

Hon. Zachary Njeru: Mr Speaker, having considered the said report by the Receiver of Revenue on the Revenue statements for the period ended 30th June 2022, the committee has made the following findings and observations: -

1. The own source revenue target for the year 2021/2022 was Kes. 990,000,000 yet the actual revenue collected was Kes. 473,061,811. This is an increase of Kes. 64,343,552 from FY 2020/2021 which had an actual collection of Kes. 408,718,259 against a target of Kes. 954,000,000.

   Setting appropriate targets is instrumental in the County’s actual realization of its targets and implementation of budgets. Total revenue collection can be enhanced by the identification of new revenue streams like the milk cess and leveraging on the under-tapped streams.

Honourable Speaker, you realise that in our current Finance Bill, we have a number of new revenue streams as well as measures and strategies to make sure that we streamline the under tapped streams.

2. In FY 2021/2022, the top five revenue streams were as tabulated below.

S.NO	**REVENUE STREAM**	**ACTUAL REVENUE(Kes)**
1.	J.M HOSPITAL	98,653,158
2.	SINGLE BUSINESS PERMIT	90,714,712
3.	PRODUCE CESS	49,404,903
4.	NHIF FEE/ INSURANCE	49,046,404
5.	LIQUOR LICENSING/ INSPECTION/ APPLICATION	39,063,928

From the above, J. M. Kariuki Memorial Hospital recorded the highest collection of Kes. 98,653,158 followed by Single business permit with Kes90,714,712.
Regularization of Liquor licensing was instrumental in increasing total revenue with an increase from Kes. 204,000 from FY 2020/2021 to Kes. 39 million.

3. The comparison of the set targets and the actual revenue collected in the last 5 financial years is as indicated in the table below.

Table 2: Targets and Actual Revenue collected in Kes. In FY 2020/21

FINANCIAL YEAR	**TARGET**	**ACTUAL REVENUE**	**VARIANCE**
2017/2018	400,000,000	318,585,599	81,414,401
2018/2019	600,000,000	403,402,541	196,597,459
2019/2020	630,000,000	379,480,630	250,519,370
2020/2021	954,000,000	408,718,259	545,281,741
2021/2022	990,000,000	473,061,811	516,938,189

From the table, the Committee noted that:

- A gradual increase has been noted with receipts submitted by the receiver of Revenue in the last five years. However, a comparative analysis between the targets and the actual receipts indicate high unrealized targets with the greatest variance being Kes. 545,281,741 for the financial year 2020/2021.
- Revenue collection declined in collection from the Year 2018/2019 to 2019/2020 with Kes. 23,921,911 due to the COVID-19 pandemic and the highest variance recorded in FY 2020/2021. The comparative analysis between the revenue targets and actual receipts indicate high unrealized targets that have rendered target setting unrealistic.

4. The Public Finance Management Act, 2012 section 165 (2) (b) requires the inclusion of a statement of arrears of revenue. Arrears in revenue is revenue earned and is yet to be received or collected by the receiver of revenue. in the year under review, the revenue collected was Kes. 473,061,809 and arrears of Kes. 516,938,189 was recorded. The statement also reported a total of Kes. 1,750,088,956 as cumulative arrears in the last 5 financial year as tabulated below.

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Table 3: Statement of Arrears of Revenue as at 30th June 2022

CLASSIFICATION	BALANCE AS AT 1ST JULY 2021	ARREARS RECEIVED DURING THE YEAR	ADDITIONS IN ARREARS FOR THE CURRENT YEAR	TOTAL ARREARS AS AT 30TH JUNE, 2022
Cess	-243,988,787	0	-71,095,097	-315,083,884
Land/poll rate	-88,839,718	0	-18,390,190	-107,229,908
Single Business permits	-154,225,225	0	-84,424,916	-240,650,141
Property Rent	-23,856,387	0	-9,832,808	-33,689,195
Parking fees	-71,137,571	0	-25,253,148	-96,390,719
Market Fees	-21,727,114	0	-13,131,048	-34,858,162
Advertising	-9,657,155	0	-2,659,815	-12,316,970
Hospital Fees	-232,714,358	0	-126,013,523	-358,727,881
Public health Service fees	-15,853,571	0	-8,355,170	-24,208,741
Physical planning & Dev	-67,402,982	0	-33,005,338	-100,408,320
Hire of County Assets	-26,603,819	0	-5,979,752	-32,583,571
Conservancy Admin	-8,233,737	0	-2,321,602	-10,555,339
Admin Control Fees/charges	-220,342,316	0	-93,679,158	-314,021,474
Park Fees	-277,205	0	-161,650	-438,855
Other Fines/penalties	-21,645,497	0	-4,103,078	-25,748,575
Miscellaneous	-26,645,325	0	-16,531,896	-43,177,221
Total Arrears	-1,233,150,767	0	-516,938,189	-1,750,088,956

Mr Speaker, Sir, as indicated in the table above, the top three revenue streams in arrears are Hospital Fees, Single Business permits, and cess with Kshs. 358,727,881, Kshs. 240,650,141 and Kshs. 315,083,884 respectively. Hospital fee includes; Level 4 hospitals, that is (J.M Hospital) Engineer Hospital and Linda Mama. Single Business permits include Business permit application fees, Annual Business permit fees, Business permit penalties and interests, business permit fees arrears and Change of Business name. Cess include the produce cess and royalties.

5. The statement of arrears did not include measures taken to recover the arrears or an assessment of the recoverability of the arrears.
6. The Committee noted the following arrears as having been recorded over the past financial years.

Table 4: Ageing Analysis of Revenue in Arrears

DESCRIPTION	AMOUNT IN ARREARS
Less than 1 Year	516,938,189.25
Between 1-2 Years	545,281,741.00
Between 2-3 Years	250,519,370.00
Over three years	437,349,656.03
Total	**1,750,088,956.28**

The financial statements of the year under review did not report waivers and variations of fees or charges granted by the Receiver of revenue during the year. Further, the report did not include a report on the progress on follow-up of prior years' Auditor General's recommendations.

This is a general concern whereby this must be addressed to the letter. Hon. Speaker, I won't go to the entire analysis because it is really explicit.

Hon. Members, as you can see from annexures, the receivers were: Hon. Stephen M. Njoroge (Former CECM in charge of Finance and Economic planning), Mr Juvenalis Gitau Thiong'o (Chief Officer of Finance) and Ms Miriam Mwai (Director of Revenue).

Hon. Speaker, we have chart there showing the receiver of revenue from top ten revenues streams from public health fees, approval of building plans, plot rates, bus and *matatu* fees, open air market fees, Engineer Hospital, project management fees, liquor licensing (application fees), produce and cess royalties, NHIF (insurance and Linda mama), J.M. Hospital to single business permits. The analysis is there and well stipulated.

Hon. Speaker, under statements of performance against County predetermined objectives, we have an analysis over there. It ranges from promotion of industrialization, which was a flagship project to advancement agribusiness for high household incomes. We recorded gradual progress due to the limitation of funding. We have the enhanced access to health through upgrading of health centres to level IV hospitals as well as upgrading of J.M. and Engineer hospitals. We also enhanced access to clean and water because of operationalization of all water supply schemes and efficient management of community run water projects.

Hon. Speaker, the financial statement has been prepared in accordance with and complies with International Public Sector Accounting Standards (IPSAS), with particular emphasis on cash basis financial reporting under the Cash basis of accounting and relevant legal framework of County Governments. It therefore complies and conforms to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

Mr Speaker, the receiver of revenue recognizes receipts from various sources when the related cash is received or paid to the entity.

Cash and cash equivalents comprise cash at hand, cash in the bank, short-term deposits on call, and highly liquid investment with original maturity of three months or less which are readily available into known amounts of cash and are subject to insignificant risk of change in value.

Mr Speaker, Sir, from the foregoing, the Committee makes the following recommendations:

1. That, the County Executive Committee Member for Finance, Economic Planning and ICT does investigate the route course of the variance and establish means of increasing revenue collection per stream.
2. That the County Executive Committee Members for Finance, Economic Planning and ICT does implement the recommendation of the Auditor General to enhance revenue collections and seal leakages.
3. That, the County Executive Committee Member for Finance, Economic Planning and ICT considers reviewing local revenue targets in the supplementary budget(s).
4. That, the County Executive Committee Member for Finance, Economic Planning and ICT does ensure that the Nyandarua County Alcoholic Drinks Control Act of 2019 is enforced fully.

It is good to mention that we have the Bill that will now address this issue and it cuts across a number of Counties and not just Nyandarua.

5. That this House does adopt the Committee's Report on the Receiver of Revenue, Revenue Statements for the Financial year ended 30th June 2022, and the recommendations therein as the resolutions of this House.

Mr Speaker, Sir, with that analysis, I wish to call upon the Deputy Leader of the Majority Party who happens to be a Member of Finance and Economic Planning Committee and the Member for Ndaragwa Central Ward, Hon. Peter Mwangi Maina to second.

Thank you.

Speaker: Hon. Mwangi Maina, proceed.

Hon. Mwangi Maina: Thank you Mr Speaker. I rise to second the report of the Committee on Finance, Economic Development and ICT about Receiver of Revenue report on financial statements for financial year ended 30th June, 2022.

I second. Thank you.

(Question proposed)

Speaker: Yes, Member for Wanjohi and Chairperson Budget and Appropriation Committee, Hon. Isaac Kung'u

Hon. Isaac Kung'u: Thank you, Mr Speaker. I want to start by commending the committee for a report well done. The report is brief but precise. This is a good report that should be used as a baseline when it comes to planning. There are three main issues that I have been able to point out in this report. This report calls for a conversation among ourselves and extend that conversation to the Executive. I think that this is the right time to sit and discuss some of these pertinent issues for this County. We should have in mind that we are just about to receive the Annual Development Plan for the year 2023/2024.

Mr Speaker, if you look at this report, it will interest you to know that in the year 2021/2022, we had a target of collecting 954 million as own source revenue. We just collected 408 million; we had a deficit of about half a billion. In the following year, 2022/2023, we proceeded to do the same mistake. We projected 990 million but collected 473 million; we have a deficit of 575 million. Mr Speaker, what this means is that we now have a deficit of about a billion in those two financial years. That translates to pending bills worth a billion shillings. This is money that this County owes to Nyandarua contractors.

Mr Speaker, this financial year, we still have a target of 990 million. I can bet that nothing much has changed. The indicated reforms are yet to take place. Going by the same trajectory, we are just likely to collect some 500 million and create another deficit of about half a billion. This conversation does not normally happen when we are doing the estimates. It is normally very hard to convince the Members of this Assembly that we would reduce the irreducible minimum to around 20 million. During that time, everyone is normally under pressure. The Budget Committee is normally put in a very tricky position to function.

Mr Speaker, we need to start this conversation early enough when the pressure in the House is not much and Members can understand what has always been or undoing. If we are not careful, there will be a financial year that we shall not able to do any development. We need to have a sober conversation with the Executive about now and forge a way forward together.

Mr Speaker, my second point is about the arrears of about 1.7 billion. I do not understand what exactly should happen when you accrue arrears that are not payable the following year. I have seen that we had arrears of single business permit of about 300 million. How is one provided with a business permit before one pays for the one of the preceding year. I sense some sort of corruption on the side of revenue collectors such that they are able to overlook those arrears. There should be no provision for one to be provided with a new license before paying for the old one. I can only understand the case of land rates which I know accumulate over the years. We also seem to lose a lot of money in cess points. We need to know exactly what happens there.

Mr Speaker, we finally need to look at the fourth recommendation that state that the County Executive Committee Member for Finance, Economic Planning and ICT does ensure that the Nyandarua County Alcoholic Drinks Control Act of 2019 is enforced fully. I know that they are working with that Act that was passed in this Assembly but I also know of another Act that has been tabled in this Assembly. We should try and fast track the new Act. Thank you, Mr Speaker.

Speaker: Yes, specially elected Member from Karau Ward, Hon. Stephen Mureithi

Hon. Stephen Mureithi: Thank you, very much for granting me this opportunity. I want to start by thanking the committee a job well done. I wish to congratulate the Chairperson for planning a serious committee report. Mr Speaker, it is evident that we have a very big deficit in matters revenue collection. Mr Speaker, if you visit any of our cess collection points, you will find a revenue collector and a law enforcement officer stationed together. These are two different entities that cannot be together to reduce cases of corruption. The enforcement officers should be stationed at a different location and their work can only be to ensure that revenue was paid. We need to come up with a policy and a law that will ensure that the enforcement department is a stand-alone department in matters revenue collection.

I cannot say that corruption really happens, but in case the revenue officer is bribed it implies that the enforcement office in their company will also be bribed. Consequently, the county government would lose revenue. But if the two officers work independently, the revenue officer would ensure that cess payers, for example, have paid the appropriate money that they should pay to the county government. If the two departments work independently, revenue collection would be enhanced in the county.

I wish to ask the Chairperson of the Committee on Finance, Economic Planning and ICT if we have a database of all the business in the county? This would help the county government do a comparison of the licences issued every year and the targeted revenue. The county government should maintain databases on the business in the county, all land parcels for which rates should be paid, as well as the matatu and motorbike operators from whom money should be collected. This would help in comparing what is collected in a financial year with revenue targets.

Hon. Isaac Kung'u has talked about the Alcoholic Drinks Control Act. Mr Speaker, the Committee on Education, Children Affairs, Gender, Culture and Social Services should be facilitated to finalize on the bill so that it can be debated and passed by this House. I know it is doable. The county government can collect a lot of revenue from the sale of licit alcohol.

Automation of revenue collection systems is key. We should stop physical manual of revenue. Mr Speaker, a revenue officer was caught with two sets of revenue collection receipts, one for the county government and the another one that they had forged. The officer was collecting revenue with the forged receipts. We would increase the revenue basket of the county should we go cashless.

Finally, we need to be truthful with ourselves as regards own-source revenue targets in order to avoid pending bills. We have been year in year out been overestimating our revenue targets. I have heard from the Chairperson of the Budget and Appropriations Committee that this financial year we target to collect 990 million shillings. Suppose we collect half a billion. It will mean that we shall commit as 'hot air' especially in contractual works approximately four hundred million shillings. Accordingly, at the end of the financial year there will be no money to pay the contractors and this will pile pending bills further. This might even recur in the next financial year. We need to be truthful to ourselves. We should recon with ourselves and work within our means. Let set a one-shilling revenue target that we will meet.

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I thank the committee for its good work. Let them keep up the spirit. Thank you.

Speaker: Yes, Hon. Muhindi Kariuki.

Hon. Muhindi Kariuki: Thank you, Mr Speaker. I appreciate fellow committee members because we did a good job led by our able chair.

We are depending so much on JM Hospital. As indicated, we received from the facility about a hundred million shillings. We budget the money for other projects. Fortunately, Facility Improvement Fund Bill in in the pipeline and it will help health facilities to spend money at the source. If JM Hospital raises a hundred million shillings, it should use the money at the source.

If Members do not want to reduce the irreducible minimums, we will soon stare at a big financial deficit of about 140 million shillings. Actually, this might occur during the consideration of the supplementary budget. Remember, with the passing of the said Bill, JM hospital and Engineer Hospital will be spending money at the source.

We hence need to develop better mechanisms of revenue collection to ensure that budgetary projections are realised. If we depend on revenue from the said health facilities, we will not achieve our budgetary plans.

We do not understand how collection of cess can be in arrears of about 315 million shillings. I do not know how this happens. I have never had a person who had been allowed a cess debt. There is no way a driver will be told to sell materials first then pay cess later.

One pays in advance for the usage of county machinery. How then does it happen that hiring of county machinery is in arrears of 32 million shillings, unless, as the Chairperson of the Budget and Appropriations Committee said, there is corruption being perpetrated? These are areas that the new administration should look into.

We should enhance revenue collection a great deal if we increase NHIF enrolment. We have more to do in sensitizing residents to register. We still do many harambees. Almost every weekend we are called for them. But we should put more money for sensitization in this aspect. I know we have put some money in the budget for the same. We should increase the amount in the supplementary budget and Members of this House should be involved more in the sensitization to have more people enrol. Fortunately, NHIF enrolment will be compulsory, but before that, can we, as a county government, ensure increase in NHIF enrolment in the county. It will help in bridging the financial gap that will be created with the passing of the FIF Bill.

I call the mover. Thank you, Mr Speaker.

Speaker: Yes, Hon. Zachary Njeru.

Hon. Zachary Njeru: Thank you, Mr Speaker. I appreciate the Members who have put emphasis on the areas that they feel need to be improved.

I start with the issue that was raised by the Chairperson of the Budget and Appropriations Committee. It is explicit, even on account of econometrics, that we are not doing well. We are performing below our projections and that is an incoming time bomb having created a deficit in the last two years of over a billion shillings. Over the last five years, we have created and noted a deficit of over Kshs.1.7 billion. We need to go back to the drawing board and be in a position to budget within our means. Having unrealistic budget, is not a solution when we are doing our plans of service delivery.

As a committee, we trying as much as we can to push the Department so that we are able to streamline some of our revenue streams in an attempt to enhance our own source revenue and in essence, reduce this deficit. I do agree with a Chair, Committee on Budget and Appropriations that we have a lot of leakages especially at cess points. That is why we need to enforce our own source revenue collection mechanisms.

As it was indicated by County Member from Karau, Hon. Matimu, is that, if possible, the enforcement department should be a standalone department so that we are able to seal all these leakages.

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It is good to note from the Controller of Budget that Nyandarua has a capability of collecting more than Kshs.3 billion. So, we have a very huge task to explore all those avenues to make sure that we collect Kshs.3 billion, which Controller of Budget thought was really possible. We need to come on board and devise mechanisms and methodologies on how we get to that amount.

Hon. Speaker, I agree with Hon. Matimu that we must have updated data. From the last benchmarking exercise, we conducted at Laikipia County and Meru County with the Members of the Committee on Finance, Economic Development and ICT, it clear that there is an urgent need to prepare regulations for each and every revenue stream so that we are able to set targets for each and every stream. That is the only way that we are able and be in a position to increase our own source revenue and also seal a number of leakages and equally, be able to get new revenue streams. As it was indicated by Hon. Muhindi, we need to think collectively because, now, there will be a ripple effect of facility improvement fund and on the same be in a position to see how as a government we can improve the issues of healthcare bearing in mind that our institutions our main sources of own source revenue. That is, Linda Mama, NHIF and we also want to incorporate the issue to do with UHC although, that is a programme from the National Government. As much as possible, we should make sure that our people have health covers. Hon. Speaker, we are losing a lot of revenue because are forced to pay out of pocket for their hospital bills, which could have been paid by NHIF and at the same time, you are aware of the kind of poverty rates that will be brought about by lack of an elaborate health system. It is a double loss! So, we need to examine that and where, as a government, we are able to chip in and assist in terms of health care issues.

(The Speaker, Hon. Stephen Waiganjo, left the Chair)

(The Deputy Speaker, Hon. Chege Gathirimu, assumed the Chair)

Hon. Speaker, there is also an issue to do with the hire of County Assets, I concur with the Member of my Committee, Hon. Muhindi Kariuki that this stream (AMS and ATCs), we need to do something so that, at the very least, this money is tapped. It is a source of revenue and it is generated when we are an enabler, as a government, by offering services to our people. We should therefore be in a position to seal all those leakages.

Last but not least, Hon. Speaker, I think we are working hand in hand with our ICT department to make sure that we are able to automate most of our revenue streams so that we can go cashless. By so doing, Hon. Speaker, some of these leakages will have been dealt.

Without much emphasize I want to give assurance on behalf of the Committee on Finance, Economic Development and ICT that the Department of Finance will ensure that what has been achieved over the last years is consolidated and the Committee will also push the Department shamelessly to make sure that they don't make a budget based on 'air'. We will not be budgeting on monies that are not available! That is why you can see we are having a lot of pending bills and a lot of issues when it comes to procurement.

Hon. Speaker, I think, when we are considering the ADP, I will call upon the Committee on Budget and Appropriations to ensure that last financial year own source revenue informs the targets set so that we can have more realistic targets. This will ensure that we cut the Kshs.1.7 billion deficit we have for the coming years. This is crucial when it comes to supplementary budget. It is only here where we do a supplementary budget just to reorganize votes but not address the fundamental issue like the existing deficit. So, I am calling upon the Committee on Budget and Appropriations to be able to deal with some of these emerging issues in the upcoming supplementary budget head-on even if it means scrapping or doing away with some of the programmes for the purposes of getting things right.

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With those few remarks, I beg to move.

(Question and agreed to)

Speaker: Next order.

2. COUNTY REVENUE FUND FOR THE COUNTY GOVERNMENT OF NYANDARUA HALF YEAR REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

Yes, Chairperson, Committee on Finance, Economic Development and ICT.
Hon. Zachary Njeru: Mr. Speaker Sir, I beg to move another motion:

That this House does adopt the Report of the Committee on Finance, Economic Planning and ICT on the County Revenue Fund for the County Government of Nyandarua Half Year report and financial statements for the year ended December 31, 2022 as a report of the House.

Honourable Speaker, the Committee is greatly indebted to the office of the Honourable Speaker and that of the Clerk of the County Assembly for the immense support received as it discharged its mandate during consideration of Nyandarua County Revenue Fund half year report and financial statements for the period ended December 31st 2022.

Further, our appreciation goes to the Members of the Committee and the secretariat for their commitment and dedication in compiling this report.

On behalf of the committee members, it's my pleasure and duty to present to the County Assembly the committee's Report on Nyandarua County Revenue Fund half year report and financial statements for the period ended December 31st 2022.

The County Revenue Fund is established under Article 207 of the Constitution of Kenya, 2010. This Article provides for establishment of County Revenue Fund which shall be paid to, all money raised or received by or on behalf of the County Government.

Notably, the County Treasury shall be responsible for the administration of the County Revenue Fund which is maintained as the County Exchequer Account at the Central Bank of Kenya.

Mr. Speaker, Sir, The County Government Revenue is received by the County Receiver of Revenue who is appointed by the County Executive Committee Member for Finance. Transfers are made from the County Revenue Fund with the approval of the Controller of Budget to the County Executive and County Assembly Bank Accounts. The County Executive and the County Assembly are responsible for the administration of their approved budgets.

Mr. Speaker, Sir, The County Revenue Fund Financial statements for the period ended December 31, 2022 was prepared in a form that complies with relevant Accounting Standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Mr. Speaker, Sir, this report contains the committee's proceedings during consideration of the Nyandarua County Revenue Fund half year report and financial statements for the period ended December 31st 2022 as committed to the sectoral Committee on Finance, Economic Planning and ICT.

Mr. Speaker, Sir, the Committee on Finance and Economic Planning and ICT is established under Standing Order 200, and it is mandated to:

i. Investigate, inquire into and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;

ii. Study the program and policy objectives of departments and the effectiveness of the implementation;

iii. Study and review all county legislation referred to it;

iv. Study, assess and analyse the relative success of the department as measured by the results obtained and compared with their stated objectives;

(Hon. Isaac Kungu rose on a point of order)

Speaker: What is the point order Hon. Isaac Kungu

Hon. Isaac Kung'u: Mr Speaker, I humbly request Hon. Zachary Njeru to go straight to the report since he had read the mandate of the committee when he was moving the other report.

Hon. Zachary Njeru: I was doing it deliberately but I will now go straight to the committee observations. Mr Speaker, the Committee scrutinized the County Revenue Fund half year report and financial statements for the period ended December 31st 2022 and made the following findings and observations;

1. Receipts

Pursuant to Article 207 of the Constitution of Kenya and Section 109 of the PFM Act 2012, the receipts include funds deposited in the County Revenue Fund.

In the year under review, the receipts collected included:

a. Exchequer releases.
b. Grants from development partners.
c. Own source revenue and other miscellaneous deposits in the County Exchequer Account.

The receipts were in Kenya shillings as tabulated below.

Table 1: County Receipts

RECEIPTS	BUDGET/TARGET	PERIOD ENDED DEC 31, 2022	%	PERIOD ENDED DEC 31, 2021
Exchequer Releases	5,670,444,228	2,324,882,138	41	2,353,234,353
Transfer from Other Government agencies	211,710,098		-	2,500,000
Other grants	459,832,754		-	
Proceeds from Domestic Borrowing	-		-	
Proceeds from Foreign Borrowing	-		-	
Own Source Revenue	660,000,000	121,043,845	18.34	188,298,489
Return to CRF issues	-	5,481,438	-	
Total Receipts	7,001,987,080	2,451,407,422	34.93	2,557,551,357

a. Exchequer Releases

During the first half of FY 2022/2023, the County received Kes. 2,324,882,138 from the exchequer which was 34.93% of the total amount expected to be received from the exchequer during the Financial Year. The exchequer releases accounted for 81% of the County receipts.

b. Grants from Development partners

As at 31st December, 2022, the County Government had not received any transfer from other Government agencies despite having budgeted for Kes. 211,710,098. However, in the comparative period, a sum of Kes. 2,500,000 was received.

Further, a sum of Kes. 459,832,754 for other grants was in the original budget for FY 2022/23 but the funds had not been received during the period under consideration. On matters CRF, proceeds from domestic and foreign borrowing were not included in the original budget and neither was any money received under these revenue streams.

c. Own Source Revenue

Revenue is recognized as receipts when the funds are received in the County Exchequer Account.

In the Financial year 2022/23, Own Source Revenue had a target of Kes. 660 million. In the period under review, the County Government collected a sum of Kes. 121,043,845 which is 18.34 per cent of the target. In the comparative period, the County collected 19.02 per cent of a target of Kes. 990 million.

The second quarter registered improvement in revenue collection in most departments. Overly, the County is making progress in its revenue collection and it estimates to meet its revenue targets for the next half year as it strives to better delivery of services and drive the development agenda within the County.

2. Payments

Payments are based on the County Government Appropriation Act. The exchequer is received by the County treasury, which rationalizes the requests based on the available funds, consolidates the requests and forwards them to the Controller of Budget for approval. Once the approval is obtained, the funds are released to the respective accounts.

In the period under review, the transfers made to the County Executive was Kes. 1,986,680,345 which included Kes. 173,889,986 for development expenditure while the transfer made to the County Assembly was Kes. 394,474,813. This accounted for 32.2% and 47.5 % of the 2022/23 budget respectively as tabulated in Table 2 on ‘County Payments’.

Before I go to recommendations, Hon. Members, the report has annexures. Under the first bulletin, there is key entity and information management, where the background information, vision and mission statements, and key management setup are incorporated. Under key management setup, the current administration is outlined. It is led by our able Governor, H.E. Dr Kiarie Badilisha, and hid Deputy, H.E. John Mathara. The others include CECM for Finance, Economic Planning and ICT, Hon. Mary Wanjiku Kamande, CECM for

Health Services, Hon. Dr Zakayo Kariuki, CECM for Agriculture, Hon. Francis Miring'u, and all the other CECMs.

It is good to recognize the key management personnel who held offices during the period ended 31st December 2022, who had direct responsibility on the financial issues at hand. they were led by the then CECM for Finance and Economic Development, Hon. Stephen Mwaura, Chief Officer, Hon. Juvenalis Thiong'o, Chief Officer for Public Administration and ICT, Mrs Mary Dorongo, as well as senior officials of the other departments including the Lands, Housing and Physical Planning that was led by Mrs Florence Annan.

Oversight arrangements

The County Assembly is responsible for looking into issues of budget pronouncements, presentations before the Whole House and meetings with the County Assembly House Business Committee as regards adoption and approval of the supplementary budget estimates.

The Budget and Appropriations Committee is responsible for reviewing and critiquing county pending bills for incorporation into the supplementary budget. We cannot forget the role presumed to be fulfilled by supplementary budgets.

'Statement of management responsibility' is very explicit. Members can analyze information on statement and receipts of payments for the period ended 31st December 2022. This is contained on pages 1 through 15 of the annexures.

Analysis of receipts from the National Treasury, including the equitable share, is well incorporated. Level 5 hospitals are well illustrated. The transfers from other government agencies are also included. We received money from DANIDA, World Bank, Agricultural Sector Development Support Programme (ASDSP) and the Kenya Climate Smart Agriculture Programme (KCSAP). The latter recorded transfers worth Kes. 150,501,526.

From the foregoing, the Committee makes the following recommendations:

1) That, the County Executive Committee Member for Finance, Economic planning and ICT does ensure optimization of collection of own source revenue in order to achieve the target, and
2) That, this House does adopt the Committee's report on the Nyandarua County Revenue Fund half-year Report and Financial Statements for the period ended 31st December 2022 and the recommendations therein as the resolution of this House.

I now wish to call upon Hon. Muhindi Kariuki, a member of this Committee and the Deputy Majority Party Whip to second this motion.

Speaker: Yes, Hon. Muhindi Kariuki, Deputy Majority Party Whip and specially elected Member from Magumu.

Hon. Muhindi Kariuki: Thank you Mr Speaker. I rise to second by highlighting that many of the Members were not able to follow because of a hitch in our gadgets. There were only four pages of the entire report. So, Mr Speaker, if you could, within your powers, direct that this motion be debated in the afternoon to give us time to go through it, it would be better.

I second.

(Question proposed)

Speaker: Yes, Hon. Isaac Kung'u, Member for Wanjohi and Chairperson, Committee on Budget and Appropriations.

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Hon. Isaac Kung'u: Thank you Mr Speaker. I support that we finish with this business because the CECM for Finance will make pronouncements on the CADP in the afternoon. Since this is not a big report, I think I will just make one comment.

Actually, I am surprised. I heard that we an uproar last year that there were late disbursements but according to this half year report, it seems that the money was not late if you compare it to 2021/2022 financial year. The figure that had been disbursed was Kshs.2.3 billion and almost the same had been disbursed in the previous year. So, it means that, even though in the last half of the financial year had some delayed disbursements, it was not that badly off.

May be one point, Mr Speaker, that is of my concern and should be a concern to the Committee on Finance, Economic Development and ICT is that, if you look at the conditional grants, it informs us that by the end of that half year, we had not received a penny from the development partners. Then, we should ask ourselves why we had not. By the time we put this money in the budget, we already have CARA. If the money comes through it, it means that memoranda of understanding had been drafted and signed. Commitment has also been done and availability of the money for the grants is already there. Then, the question begs, why is that we are not receiving grants for a whole six months? I have discovered this a trend because it has been the same for the last two years. We had only received Kshs.2.5 million.

As I know it, for you to receive money from the donors, you must meet some conditions as county. That is why they are called conditional grants. One of the conditions is development of work plans. So, the Chair, through the Speaker, you need to interrogate whether it is the respective departments in the County Executive that are not able to prepare work plans for the conditional grants within the right time. I don't think that this money is late because it is unavailable. When it comes to the National Government, they make excuses such as saying that they have not collected taxes and that the National Treasury has no money. However, when it comes to the conditional grants, the monies are available by the time we make our budget. We need to understand the reason why the monies come late so that if the departments are late to prepare work plans, then, we will need to act. What happens when the money is released late is that some projects are not done, procurement is not done in the right and the money goes back. We even lose, as a county, Mr Speaker.

I call upon Committee on Finance, Economic Development and ICT to interrogate Kenya Climate Smart Agriculture Programme (KCSAP) and see what happened because we were number 46 out of 47. We lost over Kshs.100 million due to lateness. We could not meet the timeframes that have been stipulated by the conditions of the grants. I want to draw your attention to the fact that we were just about to lose about Kshs.60 million on National Value Chain Development Project. Were it not that we happened to be in that meeting, the donors and officials from National Government were there and they were saying that for us to qualify for funding, there is a document we needed to sign by five in the evening. We needed to transfer money from the fund account to a commercial lest we lost the money. At some point, I had to intervene and talk to Chief Officer of Finance for the letter to be released on that day. If it was not signed on the material day, we would have lost Kshs. 60 million.

So, Mr Speaker, I am trying to say that this report is speaking to us and more specifically, on conditional grants. We need to interrogate all the conditional grants especially the sectoral committees to go to the mother departments. If we have money in the department of agriculture, let the committee know whether the work plans were within the timeframe so that we are able to receive these monies in good time.

I don't want to say much. I want to thank the committee and I think some of these recommendations that we deduced from this committee should be follow up so that it does not become a Public Relations (PR) exercise or an exercise in futility of coming to this House, presenting a good a report but nothing becomes of it.

Thank you, Mr Speaker. Kindly allow me to call the mover to respond.

Speaker: Yes, the mover, Hon. Zachary Njeru.

Hon. Zachary Njeru: Thank you Hon. Speaker. I wish to appreciate the House for their input. If you can examine the committee recommendations Hon. Speaker, we have emphasised on enhancing our own source revenue and making sure that all the work plans are in place. As it was alluded by the Chairperson Budget and Appropriations Committee, a conditional grant just like it is called is pegged on conditions.

We were both invited in another department- the Chairperson of the Finance and Budget and Appropriations Committee-. This particular establishment wanted a copy of the Budget and the work plans to develop a policy which was to guide how these monies would be implemented. What was interesting is that we were called one morning to act on these matters while the deadline for this same matter was at midnight the same day. We were to work on the work plans rules and procedures on how these monies will be utilized, deriving them from the approved budget, and meet the deadlines.

Therefore, Mr Speaker, I am calling upon all the Departments that have these kinds of funding to have prior preparations so that we do not lose on the monies. I do not want to mention these Departments but I want to say that we had a really tough time trying to act on what was needed so that we do not lose the monies on Climate Smart as a country. We did what was humanely possible. I am calling upon all the departments that by the time we are planning and we know that we expecting certain funds from a certain quarter we should be able to plan so that we all have our work plans ready. If there is to be any policy in place, it is formulated. I want to tank this House, as the head of the mother department, the Finance and Economic planning in conjunction with the Budget and Appropriations Committee are well prepared. We are having pronouncements from the CECM of Finance today in the afternoon. We should purpose to see that, before any pronouncement, we have an elaborate structure of all the Departments. Cognisant of all the monies in place from within and without.

I thus want to thank this House, the Finance Committee and everybody else, that going forward, we will be able to work with all the other Departments so that and as the mother Departments, we can follow up on all these monies with an elaborate work plan. It is the reason you can see all the recommendations we have given. If we effect all this, we will be able to implement all that is required. And with all the many comments. I wish to move.

(Question proposed)

(Question put and agreed to)

ADJOURNMENT

Speaker: Hon. Members, there being no other business, this House now stands adjourned to Tuesday, 5th September 2023, at 2.30 p.m.

(The House rose at 11.48 a.m.)

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