

COUNTY ASSEMBLY OF NAKURU

THE HANSARD

Wednesday 21st June 2017

Assembly Building

The House met at 3.15pm

[The Temporary Speaker (Hon. Jostine Kihumba) in the Chair]

PRAYERS

MOTION

BUDGET AND APPROPRIATION COMMITTEE REPORT ON THE FY 2016/17

BUDGET IMPLEMENTATION FOR THE PERIOD JULY 2016 TO MARCH 2017

Hon. Moses Kamau: Thank you Madam Temporary Speaker, I beg to move a Motion;

THAT this House adopts the Budget and Appropriations Committee Reports on the Financial Year 2016/17 Budget Implementation for the period July 2016 to March 2017.

Madam Temporary Speaker the Report is there as it was tabled in the Budget Committee and after interrogation of the same Report that was brought by the Executive, this is the summary that we came up with.

Madam Temporary Speaker as I had explained earlier in the morning, the serious issue is that we have not managed to meet the target which was around Kshs. 2.5 billion and as per the period under the review, we have a deficit of around Kshs. 820 million. This means that we will not be in a position to finance or implement the budget for 2016/17.

Also Madam Speaker, you can see that the National Government has been very generous. It has met the revenue allocation for the County. And you can see already the released funds to the County is as per what they were targeting.

Madam Temporary Speaker, there is the issue of development where about Kshs. 1.1 billion that we are not in a position to know where it is and that is why you are seeing in page 13 that there is need to interrogate why Kshs. 1.170 billion could not be used to fund development expenditure.

Madam Temporary Speaker, we are in the fourth quarter and you can see in that table, only 19 percent is what has been implemented on development while we are supposed to be at about 60 percent. Those are the very serious challenges that we need to address.

Thank you Madam Temporary Speaker, I beg to move. I request honourable Lucy Kihumba who is a Member of this Committee to second the Motion.

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Hon. Lucy Kihumba: Seconded

(Question proposed)

The Temporary Speaker (Hon. Jostine Kihumba): Thank you honourable Lucy, vice Chair Budget. Honourable Muigai you have something to say?

Hon. Joseph Muigai: Thank you Madam Temporary Speaker, as much as I feel ambushed, I will not fail to say a thing. This was a Report that was presented to us sometime back but I am told this is a summarised form. This is Committee Report and what was coming to this House in the morning was different from this. In that case, I will support the Committee on what it has done though I am not so sure that this is the same Report that was in the morning. If it is, though summarised and this is a Report by the Committee, then something somewhere is still wrong because we said in the morning if this is what is coming back to this Assembly this afternoon and we said that it should be signed so that it can be brought back

The Committee has only succeeded in bringing a Committee Report but not the County report in terms of what the document in the morning had, much as we are in the wee hours of our session it is not proper to joke with Members that way.

Hon. Moses Kamau: It is true that we are in the last moment of this House, I want to be on record that I did not joke with this honorable House. My colleague know the procedures of reports to this House, I want to apologize because in the morning there was an error on the Report that was tabled here and that is why I withdrew the Report that was tabled here because there was an administrative problem, that was not the document that was supposed to be tabled here.

The procedure is that document was brought here from the Executive arm and was referred to the Committee on Budget and Appropriation to interrogate and bring here. This is our finding that we are bringing here, I gave a Notice of a Motion on 24th May, 2017, and it is not the one that was here in the morning, the correct document is the one we have here now and not the one that was here in the morning, that was just an administrative error because there is no way we can bring a document from the executive to the House without interrogating at the Committee level. I highly respect this House.

Hon. Joseph Muigai: I congratulate honorable Moses because he is wise and know his job, however whatever document was brought in the morning should have been annexed to this Report and should have been duly signed so that it forms the basis of this Report because we can just lift a Report from the Executive and bring it as a Committee Report.

They should have present as he said the Committee findings but annex what came from the Executive which should have been duly signed.

The Temporary Speaker (Hon. Jostine Kihumba): Yes Honorable Warothe.

Hon. Jonathan Warothe: I would want to inquire from the Chairperson if an authentic report was forwarded to the Committee? A document without signatories raises a question of

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authenticity when it comes to this other document, was it properly forwarded to the Committee for the Committee to generate a report?

The Temporary Speaker (Hon. Jostine Kihumba): The chairperson budget.

Hon. Moses Kamau: What I can say is that the document was properly in the Committee because it had a forwarding letter from the Executive to the Clerk of the Assembly. We cannot joke with a sensitive matter like this one and we cannot just come here and accuse anybody that he has not collected revenue. Let us know the facts in this document, this is a quarterly report generated from the IFMIS system and there was a forwarding letter from the Executive to the Clerk of the Assembly and I want to request the Members here to discuss this Report for it to be on record that they interrogated the Report and also for them to make a decision on some of the issues which are very critical. I am repeating again and again that we have this document.

You will be accused that we are the ones who embezzled public money especially in this issue of revenue collection. We are supposed to be in record criticizing the way the revenue was collected. Again Members need to see a critically analyze the issue of development and I can say the report from the controller of budget it is there that this County received all this amount of money and the county government of Nakuru cannot account how they spent Kshs 1.1b.

This is the document that is bringing correct information and that is why we are debating this document. We cannot bring a document in which we are accusing someone without proper information.

Maybe those colleagues who are dodging this important Motion colluded with the Executive not to collect the revenue and also not to implement the budget for this financial Year and we we need to know.

The Temporary Speaker (Hon. Jostine Kihumba): Yes Hon. Langat.

Hon. Joseph Langat: Thank you Madam Temporary Speaker, I rise to support this Motion and urge all members to also support it because there are very important services to be carried out, for example in the Ministry of Health on page 7, in the summary of county funding, like the donor grants and millions of conditional grants allocation, funding for medical equipment's, these are issues that we need to pass so that patients get services and ladies and gentlemen let us not fight this document. Let us focus more on the facts and benefits. Thank you.

Hon. Joel Karuri: Madam Temporary Speaker, this unallocated amount totaling to Ksh1.17 billion, could it possibly be the amount that was forming the 50percent that was not allocated in our wards? because it was in communication before we went for recess that the executive was only implementing 50 percent of the projects that the public had prioritized in that financial year 2016/17. Even as we sit here, we are direct victims because how can we explain that Ksh15 million that was not utilized in the wards? This is a critical matter and it is an important question. The only worry that I would have is if we are going to wait for the Public Investment and Accounting Committee (PIAC) to interrogate that in 2019. The last time the PIAC brought the report here was for 2014, so I am wondering the one for 2017 when is it going to be investigated or probed?...

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The Temporary Speaker (Hon. Jostine Kihumba): Order Hon. Jeptarus

Hon. Joel Karuri: Or maybe the chairman should enlighten us on what we are going to do because this amount of Kshs 1.17b is not that kind of money that we can keep quiet and see it being embezzled.

The Temporary Speaker (Hon. Jostine Kihumba): Hon. Moses can you at least explain to us

Hon Moses Kamau: Thank you Madam Temporary Speaker, on page 12 of our Report it is indicating the development expenditure. What we are saying if you can look at that table on page 12 bullet 18, it is showing what County Government of Nakuru was receiving and the expenditure. In the first quarter, you can see for instance in the first quarter there was construction of buildings which took Kshs 82 million. The construction of roads Kshs 80million. Overhaul and refurbishment of construction and civil works Kshs 54 million. Purchase of household furniture and institutional equipment Kshs 7.6 million. Purchase of ICT equipment and software Kshs 16 million. Total in that quarter that was spent was Kshs 241million. So what we are saying is that Kshs 1.4 billion was spent, now we need to know whether this is inclusive of what was supposed to have been spent in Ward development.

Therefore in the three quarters, there is Kshs 1.17 billion that cannot be accounted in terms of what it did. It was not indicated whether it is for ward development. We want to know if there was ghost development projects because there is no explanation on it. That is why we are recommending the County Assembly even if we are approaching end of our term, the other Assembly should interrogate where the other resources are and also in the same page, you can see we had carried forward Kshs 1.8 billion for the previous year's development projects. We need to know if these resources were utilized for the intended purpose.

The Temporary Speaker (Hon Justine Kihumba): Thank you Hon Moses for that clarification. Hon Karuri I hope you are satisfied. Hon Muigai

Hon Joseph Muigai: While this could be our last debate on budget, it is good that it goes to record that we are all concerned that we have closed the year and yet all projects have not been procured, contractors have not yet been paid and hence are worried and I have fears that those projects that have not been procured may not be implemented especially during this transition period. Those that have been done in fact it is good to confess on behalf of many that have expressed interest, they fear that they might not eventually be paid their dues even after having worked for the county.

We should be working for a way forward to ensure the Executive and the respective ministries can be coerced to ensure that the contractors are paid. Most importantly we cannot ignore the fact that the National government is a key player in this. We are told that the National Government should not release money to the counties because they fear that the money will be miss appropriated. That should not be the excuse because work has been done and it has to be paid and services have to be delivered. If work has not been done and we have been given the Report, then we could be approving of plans that have been implemented in the wrong manner. I support the Motion.

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(Question proposed)

(Question put and agreed to)

ADJOURNMENT

The Temporary Speaker (Hon. Jostine Kihumba): We stand adjourned until tomorrow at 2.30pm

(The House rose at 3.40pm)