

COUNTY ASSEMBLY OF NAKURU

THE HANSARD

Wednesday 28th June 2017

Assembly Building

The House met at 10.40am

[The Temporary Speaker (Hon. Stephen Kiarie) in the Chair]

PRAYERS

MOTION

REPORT OF THE BUDGET AND APPROPRIATIONS COMMITTEE ON THE
2017/18 BUDGET ESTIMATES

Hon. Moses Kamau: Mr. Temporary Speaker, I beg to move a Motion;-

THAT this Assembly adopts a Report of the Budget and Appropriations Committee on the 2017/18 Budget estimates for the County Government and Assembly tabled before the Assembly on 5th April 2017.

Mr. Temporary Speaker, I want to inform this House that there was that Report that was tabled here on 5th April 2017 but later Mr. Temporary Speaker there was another Report dated 7th June 2017, following some issues that came up after we tabled the first Report. Regarding those issues, as a Budget Committee, we sat down and found it very necessary to have them incorporated here.

Mr. Temporary Speaker, I understand Members have gone through the June Report so let me give a brief on the second Report.

Mr. Temporary Speaker, this Report is complementary to the earlier one before this House and it seeks to further amend the FY 2017/18 budget estimates in light of the new emerging issues

Mr. Temporary Speaker, This Report seeks to provide for revised health workers salaries and allowances following the successful conclusion of their CBA and also to provide for 8 eight months allowances to the Honorable Members of County Assemblies following the conclusion of the High court case on the term end of their tenure and also provide a budgetary allocation sufficient to absorb the county youth instructors into permanent establishment.

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Further Mr. Temporary Speaker, this Report also seeks to amend the revenues receivable by the county from the national exchequer following the adoption of the County Allocation of Revenue Bill 2017 on Thursday 15th June, 2017. The budget estimates I must note had earlier relied on the provisional figures provided by the budget policy statement 2017 from the National Treasury.

Mr. Temporary Speaker, you remember it is only last week when the President assented to the Division of Revenue Bill and that is why we have delayed bringing this Report

Notable changes in County Allocation of Revenue Bill 2017.

Mr. Temporary Speaker, the conditional allocation for free maternal health is conspicuous missing from the CARA 2017. The implication being that the County will no longer receive this conditional grant.

You remember Mr. Temporary Speaker we were receiving free Maternal Health but we will not receive it in the next Financial Year.

Mr. Temporary Speaker, I wish to inform honorable Members that the Ministry of Health has since 2015 been working on modalities of replacing this arrangement of ‘*cash transfers*’ with regard to conditional allocation for free maternal health to County health facilities with an insurance scheme that will guarantee mothers access to free maternal health care in the county health facilities.

The greatest beneficiary of CARA 2017 Mr. Temporary Speaker includes the Kenya devolution support program that they have included the allocation for FY 2016/17 that have not been disbursed in FY 2017/18 allocation, Road Maintenance Fuel Levy Fund increased to Kshs. 345,811,895 from Kshs. 244 million.

This means, the County will be in a position to do more roads under these conditional grants Mr. Temporary Speaker..

Mr. Temporary Speaker, the National Government in realization of the critical role the youth polytechnic performs of imparting critical and self-sustainable skills to the youth of this county and the potential this holds in job creation and consequent impetus for development of our County.

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The National government has introduced Conditional Allocation for development of youth polytechnics amounting to Kshs. 35,431,434. I commend them for this noble thought.

This honourable Members is a new conditional grant for polytechnics and Nakuru County has been given Kshs. 35million so that we can support the polytechnics for Nakuru County.

Mr. Temporary Speaker, the equitable share for FY 2017/18 was however marginally reduced by Kshs. 31,734,576 when compared to the figures approved in the budget policy statement 2017. Find the summary changes in the table below.

Mr. Temporary Speaker, you can see on page 9 the table showing that.

(The honourable Moses Kamau did not read the contents of the table below)

Sources of Revenue as contained in CARA 2017

	2017-18 included in budget estimates form BPS	Revised in 2017 CARA	Variance
Local Revenue	2,500,000,000	2,500,000,000	-
FIF	611,050,000	611,050,000	-
Donor Grants (DANIDA)	12,630,000	12,630,000	-
Kenya Devolution support program (KDSP)	37,028,227	56,299,041	19,270,814
Symbiocity programme	26,500,000	26,500,000	-
Conditional Allocation to compensate forgone user fees	38,723,265	38,723,265	-
Conditional Fund Leasing of Medical Equipment	95,744,681	95,744,681	-
Conditional Fund Free Maternal Health	145,995,158	0	(145,995,158)
Road Maintenance Fuel Levy Fund	244,912,500	345,811,895	100,899,395
Conditional Allocation For Level- 5 Hospital	373,872,832	373,872,832	-

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Conditional Allocation for development of youth polytechnics	0	35,431,434	35,431,434
C.R.A Equitable Share	9,303,134,576	9,271,400,000	(31,734,576)
SUB TOTAL	13,389,591,239	13,367,463,148	(22,128,091)

Summary on FY 2017/18 budget estimates

I will not go through the table because I believe each Member has a copy.

1. Mr. Temporary Speaker, The County in the Financial Year 2017/2018 has projected a total budget of Kshs. 13,367,463,148 which comprises of;
 - Compensation to employees -Kshs. 5,743,689,695 (43 percent)
 - Recurrent expenditure - Kshs. 3,497,333,807 (26.2 percent)

Mr. Temporary Speaker, as you are aware, the Public Finance Management Act requires not a minimum of;

- Development expenditure Kshs. 4,126,439,646 (30.8 percent)

Mr. Temporary you remember when the estimates from the Executive came to this House, they intended to reduce the ward development kitty from Kshs. 30m to 15m. And when a development of Kshs. 4b and the reduced ward development from Kshs 30m to 15m, it means we are leaving over Kshs. 3b with the Executive which is not acceptable Mr. Temporary Speaker.

(Applause)

Therefore, we are insisting again that each ward will receive Kshs. 30m which comprise about Kshs 1.6b and leave the Executive with Kshs 2.4b for implementation which is enough for the flagship projects of Nakuru County.

Financing of the FY 2017/18 budget

2. Mr. Temporary Speaker, The FY 2017/18 budget will be financed from a projected revenue as under listed below

Mr. Temporary Speaker, in our local revenue; for Nakuru County, I want to state if well managed, we can be in a position to collect Kshs. 4b.

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Sources of Revenue	2017-18
Local Revenue	2,500,000,000
FIF	611,050,000
Donor Grants (DANIDA)	12,630,000
Symbiocity programme	26,500,000
Kenya Devolution support program (KDSP)	56,299,041
Conditional Allocation to compensate forgone user fees	38,723,265
Conditional Fund Leasing of Medical Equipment	95,744,681
Conditional allocation for development of youth polytechnics	35,431,434
Road Maintenance Fuel Levy Fund	345,811,895
Conditional Allocation For Level- 5 Hospital	373,872,832
C.R.A Equitable Share	9,271,400,000
SUB TOTAL	13,367,463,148

3. Mr. Temporary Speaker, When compared to the FY 2016/17 , the County total revenue is projected to grow by a net Kshs. 512,669,027. Mr. Temporary Speaker, In summary financing of FY 2017/18 comprises of

- local revenue collection including facility improvement fund of Kshs. 3,111,050,000,
- conditional grants amounting to Kshs. 988,906,663 and
- equitable share amounting to Kshs. 9,271,400,000

4. Mr. Temporary Speaker, this Report specifically seek to address the following emerging issues

- i. Salary increments of the health workers
- ii. High court ruling on the MCAs salaries for eight months
- iii. Absorption of the youth instructors who have been on contract since 2014.

i. Health workers salary and allowances

5. Mr. Temporary Speaker, following the conclusion of the health worker collective bargaining agreement (CBA), the health workers salaries and allowances are expected to rise by Kshs. 484,080,000 a figure not included in the submitted budget estimates.

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6. Mr. Temporary Speaker, there is need to provide for this additional salaries and allowances to avert potential future industrial action. My Committee has adjusted the FY 2017/18 budget estimates to provide for the Kshs. 484,080,000.

7. Mr. Temporary Speaker, the above cost of Kshs. 484,080,000 is tabulated hereunder.

COST OF HEALTH WORKERS SALARY INCREMENT

DESIGNATION	JOB GROUP	No. Of Staff	Medical Allowance	Health Risk	Nursing/Health Service All	Call Allow.	Gross Pay P.M	Total Gross Pay P.A
Increment for the Doctor Negotiated Pay	M-P	185	42,000	20,000			62,000	137,640,000
Increment for the Doctor Negotiated Pay	Q and Above	26	50,000	20,000			70,000	21,840,000
Increment for Clinical Officers Negotiated Pay	H-L	118			20,000	10,000	30,000	42,480,000
Increment for Clinical Officers Negotiated Pay	M and Above	66			15,000	10,000	25,000	19,800,000
Increment for Nurses Allowance NURSES Allow	G-L	880		-	20,000		20,000	211,200,000
Increment for Nurses Allowance NURSES Allow	M and Above	284		-	15,000		15,000	51,120,000
		1,559						484,080,000

ii. Absorption of the youth instructors.

8. Mr. Temporary Speaker, the County inherited 140 youth instructors working in the County polytechnics who have remained on contractual terms since their transfer to the

county. My Committee has set aside Kshs. 60,774,948.00 to absorb the 140 youth instructors into permanent establishment as shown in the tabulation below.

absorption of youth instructor

DESIGNATION	JOB GROUP	No. Of Staff	BASIC SALARY	House All	Commuter All	PENSION	Gross Pay P.M	Total Gross Pay P.A	Leave Allowance	Total Leave Allowance P.A	Sub Total
Youth Instructors	G	38	16,692	5,000	4,000	3,573.00	29,265.00	13,344,840	4,000.00	152,000.00	13,496,840.00
Youth Instructors	H	47	19,323	5,000	4,000	4,824.00	33,147.00	18,694,908	4,000.00	188,000.00	18,882,908.00
Youth Instructors	J	40	24,662	6,000	4,000	4,824.00	39,486.00	18,953,280	5,000.00	200,000.00	19,153,280.00
Youth Instructors	K	15	31,020	10,000	5,000	4,824.00	50,844.00	9,151,920.	6,000.00	90,000.00	9,241,920.00
TOTAL		140									60,774,948.

iii. High court ruling on the MCAs salaries for eight months

Mr. Temporary Speaker, The High court on 27th April, 2017 heard and determined the consolidated petition 576 and granted the prayers sought that the County Government Assembly is elected for a term of five years which should end on 5th March 2018.

In this regard Mr. Temporary Speaker, the High court directed that the payment of salary and other applicable emoluments be made per month in arrears at the end of every month for a period of eight months by which the tenure of office of the Members of the County Assembly has been reduced.

And Mr. Temporary Speaker as I explained here, the honourable Members who are going after their 4 year term, they will be receiving their salaries as per the ruling of the high court. And this Committee was not allowed to approve the estimates for 2017/18 without allocating resources

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for the honourable MCAs who have been working very hard to make sure *Wanjiku* is taken care of.

(Applause)

My Committee has honored the above cited ruling by setting aside Kshs. 185,868,012.80 to cater for the Honorable Members eight months salaries and other applicable emoluments as tabulated here below.

But please note that you will not be receiving sitting allowances because you will not be sitting MCAs.

Mr. Temporary Speaker, the adjustment for revised health workers salaries, absorption of youth instructors and the amount arising from the High court judgment will increase the County wage bill by Kshs. 698,660,559

Mr. Temporary Speaker, the Committee proposes that the above increase in compensation to employees be financed as follows.

- i. Expected savings in the compensation to employees arising from internal virement amounting to Kshs. 36,227,482
- ii. Savings from expected retirement in FY 2017/18 amounting to Kshs. 142, 459,671

We are having so many staff retiring this financial year and we are having a savings of Kshs. 142m.

- iii. Reduction in the use of goods and services and other recurrent expenditure amounting to 294,738,149,

We have reduced expenditure in the Office of the Governor and other departments with Kshs 294 m.

- iv. Reduction in development expenditure amounting to Kshs. 143,981,542.

Mr. Temporary Speaker, costing of salary increments and financing is tabulated here below. You can see the table below as on how it will be effected.

DEPARTMENTS	BUDGET CEILING COMPENSATION TO EMPLOYEES	ACTUAL SALARY	PROMOTIONS	DOCTOR S/ MCAS SLARY AWARDS	VIREMENT	(SAVING FROM RETIREES)	PROPOSED BUDGET
Office of the Governor and Deputy Governor	77,499,970.23	74,033,224.43	3,386,177.80			-	77,419,402.23
County Treasury	477,391,569.13	431,016,891.39	21,374,677.53	29,395,080		7,360,248.00	474,426,400.92
County Public Service Board	31,906,925.18	30,383,294.83	1,530,830.35			-	31,914,125.18
Public Service Management	499,492,679.02	473,145,507.32	25,063,171.70			16,493,334.00	481,715,345.02
Health	2,757,139,218.54	2,638,002,471.60	70,147,523.22	484,080,000		53,824,209.00	3,138,405,785.82
Trade, Industrialization and Tourism	75,512,011.50	68,178,453.32	2,352,357.78			-	70,530,811.10
Roads Public Works and Transport	146,372,073.29	136,414,047.56	6,978,025.73	(36,227,482)		8,861,248.00	98,303,343.29
ICT and E-Government	35,618,858.30	29,315,257.40	1,303,600.90			-	30,618,858.30
Agriculture, Livestock and Fisheries	379,006,153.94	360,382,569.00	18,733,984.94			26,928,917.00	352,187,636.94
Lands, Physical Planning and Housing	99,800,580.00	99,800,580.00	4,352,680.80			1,930,681.00	102,222,579.80
Education, Sports, Youth and Social Services.	178,729,308.67	138,614,332.72	7,082,046.57	35,544,948		15,038,791.00	166,202,536.29

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Environment, Water and Natural Resources	231,191,28 7.28	220,012,28 4.84	10,575,44 6.08			12,022,24 3.00	218,565,48 7.92
County Assembly	315,309,36 9.00	315,309,36 9.00	-	185,868,0 13		-	501,177,38 2.00
TOTAL	5,304,970,0 04.08	5,014,608, 283.41	172,880,5 23.40	698,660,5 59	-	142,459,6 71.00	5,743,689, 694.81
Percent of total Budget	0.39						(438,719,6 90.73

reduction
in
developme
nt

143,981,54
2.00

reduction
in
recurrent

294,738,14
8.73

Mr. Temporary Speaker, I want to assure this Honorable House that extra care was observed to ensure that the reduction cited above targeted discretionary and non-critical expenditure item that have no impact on the county service delivery initiatives and County fiscal objective as set out in section 107 of the Public Finance Management Act 2012 with regard to County development expenditure.

Mr. Temporary Speaker, there were items here which were not necessary for Nakuru and we have critically reduced them because they were not of much importance.

Mr. Temporary Speaker, the above increase in compensation to employees has pushed the compensation to employees from 39.9 percent of the budget to 43 percent and consequently reduced the development expenditure by 1.1 percent as shown below

Impact of the salary increment on the FY 2017/18 budget

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economic classification	Budgeted		Revised to accommodate Health workers, instructor & MCA		change
	amount	percent	amount	percent	
compensation to employees	5,304,970,005.00	39.6%	5,743,689,695.00	43%	(438,719,690.00)
use of good and service	3,919,512,417.00	29.3%	3,624,774,269.00	27%	294,738,148.00
Development expenditure	4,165,108,817.00	31.1%	4,021,127,275.00	30%	143,981,542.00
	13,389,591,239.00	100.0%	13,389,591,239.00	100%	-

County wage bill

Mr. Temporary Speaker, the County wage bill has been on the rise, between 2013/14 and 2017/18 the county wage bill have increase by 83.9 percent i.e Kshs. 2.621,869,425 as shown below.

salary growth over the year			
years	salaries	percent (2013-14 as base year)	Percent annual growth
2017/18	5,743,689,695.00	83.99%	13%
2016/17	5,097,456,997.32	63.28%	4%
2015/16	4,911,699,047.62	57.33%	11%
2014/15	4,440,887,941.80	42.25%	42%
2013/14	3,121,820,270.00	0.00%	0%

Remember honourable Members, we are receiving a Conditional Grant of Kshs 9b and salaries are consuming Kshs. 5.7b. This is an issue that needs to be critically reviewed in future.

Mr. Temporary Speaker, The County had allocated Kshs. 17,820,000 in FY 2016/17 for the recruitment of 100 enforcement officers for a period of nine in a competitive, fair and free process. However, the just concluded recruitment of the said enforcement officers was marred by serious malpractices, corruption and blatant abuse of law including appointment of persons who were neither shortlisted nor interviewed including a person who was in secondary school by the time of application but now he is an enforcement officer in the county in contravention of section 193 of

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Public Finance Management Act and County Government Regulation 2015, recruitment of the 130 officers who are far beyond the allocated budget provision and the envisaged recruitment of 100 officers .

In the view of the above, in allowing this recruitment to go on will only serve to perpetuate the culture of impunity, rot and abuse of law and bolster recruitment cartels that the County Public Service Board has gracefully embraced. Arising from the foregoing and in view of the fact that the recruitment of the enforcement officers did not meet the legal and integrity threshold, the committee recommends that recruitment of enforcement officers be dismissed and appointment letters be revoked forthwith and a tentative budgetary provision amounting to Kshs 29 million shown in the table be allocated for recruitment of 229 health workers on permanent basis.

(Applause)

There are other 200 enforcement officers over and above this 130 that have just received their appointment letters last week. Honorable Members even if we have some few hours to go home, let us leave a legacy and make sure that this issue will not see the light of the day. We need to report here that this House did not approve money for the enforcement officers, even if they have been employed and in training, we want to know where they will be getting salary from because we have not factored salary for those officers, they are 130 plus another 200 recruited recently.

This House needs to give tough information as we leave, in fact we need to hold a *Kamukunji* and give out our position as an honorable House that we did not provide for their employment. The approved Budget of 2016/2017 did not provide for the recruitment of enforcement officers, even the department of Finance and Economic Planning did not approve.

In view of this, the proposed allocation in the financial year 2017/2018 amounting to Kshs 29 million ostensibly for salary in the county department of Finance and Economic Planning is disallowed and this allocation be allocated to absorption of 229 Health Workers on permanent basis.

Let this House have priorities, there is no way we can employ over three hundred enforcement officers whereas our Health Facilities do not have working staff, this was a wrong priority. On bursary the committee appreciate the impact the County bursary has had especially in enabling bright students' access education across the county, however there is need to make a marginal reduction in order to absorb the health workers on contract, in this regard the Committee recommends that County bursary allocation be reduced from Kshs 165 million to Kshs 110 million, a difference of 55 million be provided for the absorption of the 229 health workers on permanent basis.

In the first Report, we had suggested that we have three million per ward for bursary but now subject to a Motion we shall have two million as it was before, the committee had initially proposed to it be increased from two million to three million per ward.

The county recruited on contract 229 health workers to work in the health facilities on 1ST December 2016 during the protracted industrial strike by the county health workers in agitation of the revised comprehensive pay agreement (CPA).

This officers have continued serving this county diligently to date, the majority of this recruited workers left lucrative employment and other engagement in the promise that they will be absorbed in the financial year 2017. In this regard it will be unjust and unfair to this officers if they are not absorbed into permanent basis, and that is why I told the Members that we amend the word “contract” to be permanent basis.

In order to remedy the above issues, the committee has allocated Kshs 140 million realized from the adjustment proposed above for the immediate absorption of the 229 health workers, the shortfall of Kshs 207 million requires however the county treasury be directed to explore ways of financing the short fall. For those health workers to be employed permanently we require Kshs347 million but we have just managed to realize only Kshs140 million and therefore we have a shortfall of Kshs 207 million for them to be employed on permanent basis and we need to discuss this because we might leave it there and they will again be taken on contract basis .

The Report seeks to retain the earlier budgetary allocation of Kshs 55 million for people with disability, honorable Emma had requested this, bursary be retained at Kshs 110 million and the transfer to County Emergency Fund at Kshs45 million, debt resolution at Kshs 200 million and the Ward Resource Kitty was enhanced to Kshs1.65 billion, the executive had proposed to reduce this to Kshs 850 million but it has been enhanced to Kshs1.65 billion for all the fifty five wards.

Allocation of Kshs 11 million for ward sports development which translate to Kshs 200,000 for each 55 ward, there is allocation of Kshs30 million for setting up the county attorney office in the department of Public Service Management, this allocation is placed under budget item “expenses”. An allocation of Kshs 30 million for the operationalizing Urban and Cities Act in the department of Land, Housing and Urban Development, and this allocation is placed under the budget item “expenses”

An addition allocation of seven million for construction of ward offices, this is meant to add to existing allocation of 55 million to make it 62 million for ward kitty.

In conclusion, the Committee recommends that all pending recruitment be suspended forthwith under the medium term to allow county salary increment for health workers, absorption of youth instructors and the high court judgment on the tenure of the MCAs and also pave way for 229 health workers on permanent basis.

The County will record one of the highest local revenue deficit since inception in the financial year 2016/2017 and in this regard the county is advised to explore strategy for rising local revenue. In this financial year 2016/2017 is one of the financial year which we shall have a very serious financial shortfall on revenue collection because we cannot realize the target of Kshs2.5 billion and this we want to be on record that it will seriously affect the implementation of projects for the financial year 2016/2017.

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We are making sure that all project for this financial year to be rolled over in the next financial year because some might be locked out and some might lack funding because of this deficit, the county considers completing the existing pending projects as opposed to proposing new headquarter projects. We are proposing that the resources that we have to first fund to complete the existing projects, on the back page there is the cost of absorbing 229 health workers on permanent and the table tells you that the gross per month will be Kshs 75, 246 but when they were employed on contract they were receiving Kshs 30,000, we are amending it to read permanent basis.

Therefore together with the first report tabled on 5th April 2017 and together with this emerging issues I am urging this House to debate on this Motion and adopt it and I request any Member of the Budget Committee to second

The Temporary Speaker (Hon. Stephen Kiarie): thank you honorable Moses, honorable Beatrice.

Hon. Beatrice Wambugu: Thank so much Mr. Temporary Speaker, I am a Member of the Committee of Budget and Appropriations and I second the Motion.

The Temporary Speaker (Hon. Stephen Kiarie): Thank you, the Motion is open for debate and remember to correct on where it is written “*on contract*” to “*on permanent basis*” on all pages of your documents.

Hon. Peter Muchiri: Mimi ningependa kuunga mkono na kumshukuru mwenyekiti wa kamati hii ya Bajeti pamoja na wenzake kwa kazi hii. Yeye ameguzia kwa kusema wale daktari walioandikwa kwa muda ijulikane na kunakiliwa katika rekodi zetu hapa. Hii ni kitu kimoja Nyumba hii imeangalia na ni ya maana sana kuhusu hospitali zetu. Tumelia kwa hii Nyumba kuhusu uajiri wa askari wa kaunti na mimi nauliza katika Nyumba hii ni kwa nini bodi ya kuajiri wafanyikazi wanafanya kile Nyumba hii imekataa?

Nataka kuuliza ya kuwa zile peza zilitumiwa kununua *uniform* za askari zilitoka wapi ilhali kuna huu mswada na waliambiwa wazimamishe? Hii kumaanisha ya kuwa kuna watu katika upande wa serikali ambao hawataki kufanya vile serikali inataka. Ombi langu ni kuwa kama kuna mtu ambaye atapatikana na makosa ya kutumia pesa za serikali kununua *uniform* tujuwe hiyo bajeti imetoka wapi kwa sababu katika bajeti hakuna makadirio ya kununua uniform na ya kuajiri.

Mimi nasema ya kuwa tukitoka hapa nchi nzima ijuwe ya kuwa tumekataa ununuzi ya uniform na mwenye kuhusika lazima astakiwe na kurudisha pesa zote, kwa sababu bado tuko serikali hadi mwezi wa nane, daktari waajiriwe haraka sana kwa sababu watu wetu wanakufa sana, mimi nataka kushuru na kumtaka mwenyekiti wa kamati ya afya aende atoe taarifa ya kuwa sisi tutaajiri daktari lakini sio askari wa kaunti.

Askari walioajiriwa sio watu wa kaunti hii na mimi naunga mkono mswada huu.

Hon. Joseph Muigai: Thank you very much, I rise to support the Motion and it is good to be consistent on the issue of the Eight Months Pay for the Members, because at some point it is indicated as eight months allowances and it is salaries not allowances because it is clear we shall not be having sittings so it is salaries for the eight months.

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I have risen to raise an issue of support on the absorption of Health Workers that are on contract basis to be absorbed on permanent basis. The Polytechnic Instructors is also good and I congratulate the Budget Committee for having considered that, and maybe I will raise an issue because there is a certain group of people that have always been forgotten and they have always been on contract basis though short term contracts, we call them Casual Workers but they are all contractual workers because more often they sign contracts for three months and this are services that we cannot do without.

If you look at our markets and towns, they provide this services that we cannot do without, much as we can say we have allocated money for casuals it is only important that we adjust this money upward so that we can absorb them on permanent basis unlike the enforcement officers who we have recruited and they have been collecting revenue and instead of improving we are deteriorating in terms of revenue collection.

I believe we cannot do without the services of the casual workers, it would have been prudent to absorb the casual on permanent basis so that we cannot leave a window where the incoming government recruits and leaves out the ones who have been in service for long period and have had numerous contractual periods of three months. That is my concern; it is only prudent, if there is room for adjustment and room for sourcing for resources to consider them. I believe it is possible and we will have protected them from being laid off. In any case unlike the enforcement officers who have been employed contrary to our expectation, these people have been in service and they stood a better chance to be employed than recruiting enforcement officers who most likely have satisfied the desires of some people in the executive to employ their own.

I request that the committee considers that if it is possible to source for money. The Jubilee manifesto and the commitment of the Government of Kenya which we believe they will win come 8 August is that next year right from primary to secondary school the education will be free. If that is the case we have some resource we can redirect to absorb those casuals because bursary absorption will be very minimal because it will only be for universities and colleges and I believe if I heard them properly they said the HELB will apply across board meaning that the money that was set aside for bursaries can be redirected to other areas.

It is clear if the Jubilee Government continues they have put it in their budget to cater for this. That being the case I feel it is important we redirect that money to absorb the casual workers that we have already. So in this case I hear somebody say they will then move an amendment that the money set aside for bursaries be reallocated to top up on absorption of contractual casual workers in trade and environment departments. Thank you.

The Temporary Speaker (Hon. Stephen Kiarie): Thank you Hon. Ngugi, I think ...

(Hon Moses Stood in his place)

The Temporary Speaker (Hon. Stephen Kiarie): Yes Moses

Hon. Moses Kamau: Thank you Mr. Temporary Speaker, before you go far and so that the Members will not debate on the information that was given by Hon Muigai, I want to inform him that the contractual workers we have in our grassroots, some of them do not qualify to be employed
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as permanent employees. If I may give an example in my area there were no qualified people as they were being employed on contract and therefore we cannot say that we get funds for them to be employed on permanent basis because they have not met the criteria.

What we have done in this estimate, we have provided the resources for them to continue in the same line as contractual employees and remember there is information out there that their jobs will be terminated.

The resources we have provided for them will may be used to pay enforcement officers who we do not know how they have been recruited without funding for them.

The Temporary Speaker (Hon. Stephen Kiarie): Hon. Ngugi is it a response to that?

Hon. Joseph Muigai: Hon Temporary Speaker, I believe the work they are doing is a necessity and if they have been serving without those qualifications, we only need to define the formula of recruitment because I remember we sat down with the executive as the Committee of Implementation and we agreed that we need them. The only thing that we cannot do and that is a disadvantage of not going to school is that they cannot get promoted from the entry point. What they are doing is manual but otherwise in terms of qualifications it is we that we say these are the kind of people that we need and these are the kind of people that we have had providing such services.

We only need to have goodwill to have them absorbed. With the exemption of the local annual increment of salaries that any worker gets as a result of continued service...

The Temporary Speaker (Hon. Stephen Kiarie): Hon. Kihara.

Hon. Stephen Kihara: Mr. Temporary Speaker in as much as I appreciate the efforts that Hon. Ngugi is trying to put across a point regarding the casual workers, I want him to understand very well the labor relations that you cannot have someone any time to a job group and let them remain in the same job group for the entire time they work for you.

Sorry to speak but some of these casual laborers cannot even qualify to go back to school and probably reach a level that can help them go up the ladder for promotion.

It is important for all of us to underscore the fundamental points that even in this country there is a bare minimum that you are supposed to have for you to get to civil service. One of them is that you must have done your O levels and some of these workers have not seen a door to secondary school and for that they do not have the bare minimum qualification.

I think it will be a toll order for us to recommend that all of them be absorbed on permanent basis, probably what could be done and that could also be administrative is that those of them who have the bare minimum may be considered in the near future if an opportunity arise, because if they have served this county as casual laborers and they possess the bare minimum qualifications they should be given first consideration if such opportunities arise. Thank you.

(Several Members stood in their place)

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The Temporary Speaker (Hon. Stephen Kiarie): Thank you Hon. Kihara, I think Hon. Langat was first.

Hon. Joseph Langat: Thank you Mr. Temporary Speaker, I will be very brief, I want to thank the Budget Committee for allocating Ksh140 Million for the absorption of the medical personnel, we need to put the full amount so that as we employ these people we have total amount for their salaries. I am suggesting that we have the Kshs 140 million and increase to Kshs 347 million so that they can be employed on permanent basis.

It is important we employ the nurses because their contracts is up to 30th June, 2017 and there are only two days remaining, these nurses should now be given letters to continue.

And you know there is the ongoing strike and if these officers are not given letters to continue all the facilities will be closed and people will die and also I have seen some money have been allocated for staff at the ministry to cater for salaries there should be no reason now for the strike if we take care of the CBA and then I think in Nakuru we are better off.

The other thing I am seeing are ongoing projects in the headquarters, I am not aware in my ward of these ongoing projects in the Headquarter. As the Chair has said money has to be allocated for specific purpose. There are so many millions being used in headquarters and in my ward I have not seen any.

In the ministry of health there are about 17 cadres so as you are paying for salaries for staff makes sure you take care of those others like occupational therapists, stenographers, lab technicians. In fact look at the ministry as a whole. Thank you very much

The Temporary Speaker (Hon. Stephen Kiarie): Hon Langat I know your Ministry has been taken care of very well. I know you are excited and the Chairman will respond to that.

Hon. Stephen Ng'ethe: I rise in the support of...

The Temporary Speaker (Hon. Stephen Kiarie): Hon. Ng'ethe you have not been permitted by the chair, it was Hon. Palang'a

Hon. Stephen Ng'ethe: Mr. Temporary Speaker, mine is very brief please let me contribute

(Laughter)

The Temporary Speaker (Hon. Stephen Kiarie): Okay continue.

Hon. Stephen Ng'ethe: Thank you, while I concur with Hon. Steve that some of these workers do not meet the minimum qualifications, I am still in support of Hon. Muigai's assertions that we are aware a good number have not met these qualifications but there is a number who have the papers and what this county is lacking is motivation of the workers. Some have served for more than 10years and they have not been confirmed. I have these people in Naivasha and Mai Mahiu, I can say we are not getting priorities right and this being the fifth year it is very sad that the executive can make such a move without consulting this Hon. House.

When former contributors say that we should do something I agree, let us have a press conference and stall what is going on for the good of this County. This County have so many managers but we are lacking the technical people. We have a ballooning wage bill, and when you go there, there is no service delivery because there are no technical people.

The Temporary Speaker (Hon. Stephen Kiarie): Conclude because you are getting out of topic

Hon. Stephen Ng’ethe: I am in support of the same but I think something should be done to halt the recruitment of enforcement officers. Thank you.

The Temporary Speaker (Hon. Stephen Kiarie): We may not consider the amendment that has been proposed by Hon. Muigai and what Hon. Ng’ethe is contributing towards because I am sure we can refer this to the Committee on labor because I know they also have a report towards this and the relevant ministries should be addressed by the report the labor committee has prepared.

We may not be able to address this because even the budget has not talked about them but the relevant Ministries and the Report from the Labor committee. What we could just say is that the labor committee should ensure they do a Report that the next government can work on. Hon. Palang’a then we put to question.

Hon. Peter Palang’a: Thank you Mr. Temporary Speaker, for this opportunity to contribute to this noble discussion today. I want to mention a few things emanating from this budget but I want to remind the Hon. House that I do not know what strategy we are coming up with and it casts some doubts on some of the issues.

I have heard Members here talking of doing away with the recruitment of enforcement officers which is very okay and healthy but I want to still remind the House that sometimes back we noted that the Ward Administration Officers and even the Sub county Administrators had been employed contrary to our provisions, four years down the line the said employees are still in the payroll of this County.

As we speak today, these officers whether legally or illegally, the 130 employees in the name of enforcement officers have been recruited. I am only concerned before I get to specific items, that history has it that we do a lot of talking but when it comes to implementation in this County , how are we sure that even if we talk about these people not being employed they are going not to be recruited.

I am aware that these officers are at training at Soilo having been recruited, so it casts some doubts on practicability of this danger in the budget. I want to agree with the Budget Committee that we need to have the nurses absorbed on permanent terms.

And I want to remind Members who were here yesterday So that I may take them through where I feel we should cut some money. Yesterday I presented the report from PIAC Committee which was adopted by this House and part of the recommendations was that this County is losing a lot of money from debt resolution.

I want to propose here that the issue of debt resolution that were adopted by this House yesterday, we said that we should not clear the debts until this debt are clarified, so in my view I propose we cut down debt resolution. Until those debts are confirmed and verified, then we can factor them in our subsequent budget. So as per now, we carry forward Kshs 207 million to cater for nurse's absorption. There is also some money where we are paying the county attorney where they get a lot of money and we have not seen the tangible work of that office. This are conduit and loopholes of losing money. In my own opinion, I suggest that we seal those loopholes by reducing money allocated to County attorney to get money for nurses' absorption. I want to emphasize that now we are on our exit, we have had committees in place including that of Implementation and now we have not been able to implement thoroughly out recommendations, I would recommend that this House resolves to adopt this budget, we consider absorbing the Enforcement Officers who have been recruited for us to cater for the same. Otherwise, we are going to go into unnecessary legal battles which this County might be sued to pay.

These employees have been given appointment letters by the county. So for us to avoid legal battles we should cut the budgetary allocation to the County attorney to reduce the debt resolution to cater for the nurses. That is my submission.

The Temporary Speaker (Hon Stephen Kiarie): Hon Muchiri

Hon Peter Muchiri: Bwana Spika wa muda nataka nimshukuru ndugu yangu mheshimiwa Palang'a lakini kuna kitu kimoja nataka kuomba; hawezi kwenda na njia mbili. Ni lazima tufuate njia moja. Kuna hawa wauguzi ambapo watu wetu wanalia hakuna madaktari na wauguzi. Nasema kuna deni nyingi katika Kaunti lakini pale anasema wale askari wanaendeleo kuwa kazini kwahofu ya kuwepo kwa kesi hapo mbeleni. Ni kesi gani itakuewepo na ilhali hii bunge haikupitisha waajiriwe. Sisi wote katika Nyumba hii, tulisema tunataka madaktari, namshukuru mheshimiwa Palang'a kwa kusema hiyo pesa itolewe kutoka ofisi ya County attorney ili madaktari waajiriwe. Mimi napendekeza tusije tukasema twende njia mbili. Kama tunaajiri wauguzi, tusimame na idara ya afya na tuhakikishe pesa hizo zitengwe.

The Temporary Speaker (Hon Stephen Kiarie): Thank you Hon Mujing'a

Hon Mujing'a Kariuki: Thank you Mr. Temporary Speaker, I stand to support the Motion. If you go on page 20 and other highlights, you find that Kshs 30million has been allocated per ward. You remember when we were at Panari Hotel in Nyahururu, we came up with a formula for equitable distribution of resources. I do not know if that formula is being adhered to because some wards in Nakuru are diverse. Therefore if that formula was going to be used, I think the Budget Committee should have considered that issue. If you go to paragraph 33, you find that the Budget committee has allocated Kshs 140 million for employing 229 nurses or health workers. In this budget we leave a deficiency of Kshs 207 million where will that money be gotten from. Don't you think this House is creating a loophole? So I stand to support what Hon Palang'a proposed that before we pass this budget, we look for Kshs 347million so that the issue of health workers be budgeted for fully.

The other issue is on paragraph 19 concerning the eight month pay for MCA's why didn't the Budget Committee consider the MCA's to be paid for the whole amount because as such it is **Disclaimer:** *The electronic version of the Assembly Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor, County Assembly of Nakuru*

going to create conflict because some of us who are going to come back, don't you think we are going to be paid twice per month an issue that is going to attract legal battles. The other issue is on page 10 where I do not understand what these symbiotic programs are. Can the Budget Committee clarify what are these so that if they are not necessary we can allocate money elsewhere?

The Temporary Speaker (Hon Stephen Kiarie): Thank you Members. I am sure the chair Budget will respond to some of those issues, he will explain what symbiotic programs are ongoing and is being funded by external donors. Anyway just respond. I had briefly allowed some time for consultation. However, let us give chair Budget to respond on these and I think you will touch on Ward envelop formula which was mentioned and also the MCAs court ruling.

Hon Moses Kamau: Thank you, on the issue of the MCA's allowances for the eight months, it is not the Budget committee that said we pay them on monthly basis. The court ruling allowed the MCA's to have their five year's term but because the government cannot pay in lump sum and because it is a salary. It is true also as Hon Palang'a has stated, it is very difficult dealing with the issue of health workers. We have allocated Kshs 140million for the health workers to be employed on permanent basis and we have left a deficit of Kshs 207 million.

It is true also that there is challenge of little resources which we were trying to look for a way of navigating how we can deal with, but I am proposing or them to agree that instead of removing the total Kshs 200million for debt resolution we remove Kshs 100 million and retain Kshs 100million. In the office of County attorney we remove Kshs 30 million and on the issue of urban cities we remove Kshs 30 million then we can try to see whether we can enhance the balance of Kshs 140 million. There is revenue allocation where we can enhance with Kshs 50 million so that we can factor the total deficit of Kshs 207 to be sure that these health workers will be employed on permanent basis.

I want to also inform Hon Palang'a by saying that we are going to have legal battles for enforcement workers. First requirement the Chief Officer in charge of that department must prove that there was resources, but now they have employed enforcement officers and yet there is no budgetary allocation for them. As leaders of Nakuru County, can you see the priority; the problem we have been having is not that of employment but it's on matters relating to our priorities. We have constructed so many health facilities in our Wards and you find a health facility with a single nurse. Are we supposed to expect such a single nurse or clinical officer to effectively provide service? I want to be on record as MCA for Elementaita Ward, the priority of Wanjiku in Elementaita is a nurse or clinical officer to give health service...

(Applause)

Because we have been having serious problem in revenue collection and it is not that we do not have revenue collectors but it is because of high level corruption. Hon Palang'a as chair PIAC there has been problem with revenue collection. We had agreed to provide Kshs 35million for automating our revenue collection system. This automation was to enhance revenue collection. I agree with this honourable House and be on record that we need to consider employment issues based on priority basis and not because I have a nephew or a brother who wants to be an

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enforcement officer because there is no professionalism needed in that field. Let us act as honourable Members and at the end we are going to be rewarded by God because we are considering those priorities. Thank you Mr. Temporary Speaker.

(Applause)

The Temporary Speaker (Hon Stephen Kiarie): Honorable Members, there are some points which we have to note in regard to what the Chair has said. In addition, this House has done its work. I remember we had the *ad-hock report* which was to address the litigation issues and so when it comes to illegal employment and what this House passes remains in record. So it is upon those coming after us to take care of this House resolutions.

There are some amendments that have been proposed:

1. On Page 20 we reduce debt resolution by Kshs 100million.
2. Allocation of Kshs 30 million for setting up County attorney be removed.
3. Allocation of another Kshs 30 million for urban cities to be reallocated
4. Then we have a deficit of Kshs 47 million.

If you go to page 10, it talks about the revenue allocation; if we can enhance that where we have Kshs 2.1 billion being enhanced by Kshs 47 million, we will have taken care of Kshs 347 million required by doctor's .So Hon Moses and the Budget committee considers those resolutions.

(Question proposed that this House adopts Report of the Budget and appropriation committee budget estimates for the county assembly tabled before this House 5th April 2017.)

(Question put and agreed to.)

Thank you Hon Members for a lively debate.

BILL

THE NAKURU COUNTY APPROPRIATION BILL NO. 1 OF 2017

(First Reading)

The Temporary Speaker (Hon. Stephen Kiarie): The Nakuru County Appropriation Bill No 1 of 2017 is now referred to the Budget and Appropriation Committee.

This House stands adjourned until this afternoon at 2.30.

(The House rose at 12.05 pm)

