

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF KILIFI

THE HANSARD

Monday, 11th July, 2016

The House met at the County Assembly Chamber, Malindi Town, at 2.30 p.m.

[The Speaker (Hon. Kahindi) in the Chair]

PRAYERS

The Speaker (Hon. Kahindi): Hon. Members, good afternoon?

Hon. Members: Good afternoon!

(Silence)

COMMUNICATION FROM THE CHAIR

VISITORS ACCOMPANYING THE HON. KILIFI COUNTY SENATOR

The Speaker (Hon. Kahindi): I would like to acknowledge the presence in the Speaker's Gallery this afternoon the following persons accompanying the hon. Senator. I request each person to stand whenever called upon so that they may be acknowledged by the Assembly as is our tradition.

1. Simon Gona- Personal Assistant to hon. Senator
2. Lawrence Nyabiage- Manager in the Office of the Senator
3. Alex Chiminza- Driver to hon. Senator
4. Rachel Tsuma- Secretary to hon. Senator
5. Dzuya Ngamba- Chairman, Chonyi Council of Elders

On behalf of the County Assembly of Kilifi and on my own behalf, I welcome you to the Assembly and wish you well.

It is now my humble duty and pleasure to invite the hon. Senator, Kilifi County, hon. Sen. Justice (Rtd) Stewart Madzayo, to address the County Assembly of Kilifi. Thank you.

ADDRESS BY HON. SEN. JUSTICE (Rtd) STEWART MADZAYO

Hon. Sen. Justice (Rtd) Madzayo: The hon. Speaker Sir, hon. Members of the County Assembly of Kilifi, may I begin my address on this important occasion by reiterating the mandate that guides us: Article 1(1) "All sovereign power belongs to the people of Kenya and

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

shall be exercised only in accordance with this Constitution”. Article 1(2) “The people may exercise their sovereign power either directly or through their democratically elected representatives”. Article 1(3) sovereign power under the constitution is delegated to the following state organs:

- (a) Parliament and the legislative assemblies in the county governments.
- (b) The National executive and the executive structures in the county governments; and
- (c) The judiciary and independent tribunals.

Article 1(4) sovereign power of the people is exercised at (a) the national and (b) the county level

Article 6(1) the territory of Kenya is divided into the counties specified in the First Schedule. Article 6(2) the governments at the national and county levels are distinct and inter-dependent and shall conduct their mutual relations on the basis of consultation and cooperation.

Hon. Members, in most of my paragraphs, I have referred to you as my *Akoi* and I have stated the meaning; *Mkoi* is one, *Akoi* are many. You are all my cousins and I appreciate that by the will of God.

(Applause)

According to Article 96(1) (2) (3) (4), the Senate has been mandated to perform the following functions:

- (1) The Senate represents the counties and serves to protect the interests of the counties and their governments.
- (2) The Senate participates in the law-making function of Parliament by considering, debating and approving Bills concerning counties.
- (3) The Senate determines the allocation of revenue among counties, as provided in Article 217, and exercises oversight over national revenue allocated to the county governments.
- (4) The Senate participates in the oversight of state officers by considering and determining any resolution to remove the President or Deputy from office in accordance with Article 145.

Hon. *Akoi*, this therefore, means that the Senate is the defender, overseer and protector of devolution.

Hon. Members, it is only through increased revenue allocation that we can best serve the needs of the people of this county. According to available records, in the financial year 2014/15, Kilifi County was allocated Ksh. 6.4 billion. In the last financial year 2015/16, our county’s allocation rose to Ksh. 7.4 billion whereas this financial year 2016/17 we managed to get 8.0 billion.

This makes Kilifi County Government to hold the 8th position, out of the 47 Counties in the country, in allocations from the National Government. The percentages are the only ones that differ or in the alternative, we are actually occupying the 4th position from the people that are getting the highest amount of national revenue allocation.

Hon. *Akoi*, this position has not come easy, but through hard work and intensive lobbying. As your Senator, I have the will, determination and the motivation to do a better job that will ultimately result in Kilifi County remaining amongst the top ten counties in the country for receiving the highest revenue allocations.

(Applause)

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

Hon. *Akoi*, my observation is as follows: - On the side of Kilifi County analysis of revenue and expenditure equitable share analysis. In the financial year 2012/2013, because we went in close to the term coming to an end...we went in March, so we will start there. We managed to get Ksh. 5.4 billion as I said earlier and our ranking then was 8th which I have already explained to you. I will not go into the figures (reference to the table below), I have prepared this speech and each one of you will be given. So, I will go straight into the other side.

KILIFI COUNTY ANALYSIS OF REVENUE AND EXPENDITURE

1. Equitable Share Analysis

Equitable Share					
FY	2012/13	2013/14	2014/15	2015/16	2016/17
Kshs.	280,233,425	5,442,221,798	6,492,284,172	7,441,216,645	8,029,167,703
% Growth	0	0	19.3	14.6	7.9
County Rank	7	8	8	8	8

The county's equitable share of revenue raised nationally has grown by Kshs. 2 billion from Kshs. 5.4 billion in the FY 2013/14 to Kshs. 7.4 billion in FY 2015/16. The equitable allocation for FY 2016/17 is expected to be Kshs. 8 billion.

Overall, the county receives...I have repeated myself and said the eighth (8th) highest allocation of equitable share of revenue raised nationally after Nairobi City, Turkana, Mandera, Kakamega, Nakuru, Bungoma and Kiambu Counties, but receives the highest allocation among the six Coastal counties. It receives about Kshs. 2 billion more on annual basis when compared to Mombasa County that receives the second highest allocation of equitable share among the Coastal counties.

Hon. Members, the county's annual growth of its equitable share of the National shareable revenue has however, declined from 19.3 per cent in FY 2014/15 to the 7.9 per cent projected in FY 2016/17. I have tabled the figures which you will have the benefit to go through. (Below)

2. Overall Revenue Analysis

Revenue Type	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17
Equitable Share	280,233,42	5,442,221,798	6,492,284,172	7,441,216,645	8,029,167,703
Conditional Grant	61,592,200	317,885,647	-	93,218,361	
Loans/Grants	-	-	142,602,418	82,306,764	122,422,642
Local Revenue	173,700,90	459,575,703	545,499,050	586,170,588	880,000,000
Total	515,526,530	6,219,683,148	7,180,385,640	8,202,385,640	9,031,590,345

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

Hon. Members, Article 209(3) of the Constitution grants powers to county governments to impose taxes and charges.

The county generated Kshs. 460 million in FY 2013/14, and improved to Ksh. 586 million in FY 2015/16. While some improvement has been registered since the county government took over from the defunct local authority, this performance was below the county's own annual local revenue projections of Kshs.735 million in FY 2013/14 and Kshs.1.4 billion in FY 2015/16.

The County government has consistently failed to meet its annual local revenue target for the last three years. The County Assembly, must therefore take lead in interrogating this area and ensuring that appropriate measures are instituted to meet targets. For example, there is need to simplify revenue systems, leverage on automation, expand the revenue base, and rationalize levy incentives and waivers.

Hon. Members, I have given the analysis of expenditure by economic classification. You will have the benefit to go through it. (Below)

3. Analysis of expenditure by economic classification

Classification of expenditure	EXPENDITURE		
	FY 2013/14	FY 2014/15	FY 2015/16
Personal emolument	1,704,790,219	1,771,746,404	2,547,026,468
Operations and maintenance	1,882,132,694	2,764,125,561	2,454,490,319
Development	426,249,380	2,986,443,202	3,585,865,23
Total	4,013,172,293	7,522,315,167	8,587,382,016

Expenditure on development programmes has steadily increased from Kshs. 426 million in FY 2013/14 (an absorption rate of 20.7 per cent of the annual development budget) to Kshs. 3.59 billion in 2015/16 (absorption rate of 60.4 per cent). Nonetheless, this expenditure fell short of the projected expenditure of Kshs.5.9 billion in FY 2015/16 budget.

Hon. Members, the average expenditure on personnel emoluments over the last three years was 34 per cent of total expenditure compared to an average of 28.0 per cent for the development expenditure. Section 15 of the Public Finance Management Act, 2012 requires the counties to allocate and spend at least 30 per cent of the budget on development activities in the medium term.

Therefore, there is need for the county to put more resources in development activities. The MCAs, my brothers and sisters have a responsibility to ensure that this is done.

The absorption rate compares actual performance against the approved budget. While the absorption rate of recurrent programmes has been impressive since FY 2013/14, the absorptive capacity for development programmes has lagged behind. This means that some planned development activities are not implemented. While this could be attributed to some external reasons such as delay in disbursement of funds by the National Treasury, internal factors such as inadequate staff capacity to use IFMIS have been cited by the Controller of Budget.

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

The County Assembly should therefore take the lead in ensuring that the Executive takes the necessary action to address the internal challenges.

Hon. Members, on several occasions the Governor has duly informed us what his government has done for the county this far and what he intends to achieve in the future. But we must at all times demand that such rhetoric be accompanied by actions. Time for being big on words but little to show on the ground is no longer being tolerated by the vast majority who are the people we are called to serve. To this end, it would only be fair for the hon. Governor to highlight the County's achievements and allow the people of Kilifi to audit those achievements. After all, the Swahili would say "Mwenye macho haambiwi angalia."

Hon. Members, there is overwhelming evidence that Kilifi County lags behind in education. Our poor performance in national examinations represents only a small fraction of the ailing education standards in our county. It is paramount for leaders to raise the literacy levels in this county to greater heights by increased participation in the county education activities as well as being in the know of the school curricula, and offering any insights that help raise the education standards. I am aware that this is a process that will take time. Rome was not built in a day, but was eventually completed through commitment, dedication and people pooling together. We can do this at Kilifi County. The award of bursaries, building of Early Childhood Education Centres, and construction of new polytechnics are all good incentives that can be tapped into, and in a sense, help in the realization of this Sustainable Development Goal. We must quit making promises, and deliver the vision and the ideas that we have for the people of this great County of Kilifi.

We need to see fair and just distribution of bursary funds to bright and needy students. I want to congratulate the Governor for the recent gesture of releasing bursary funds to our students who performed well in their examinations. But this alone is not enough. The government should recruit more ECD (Early Childhood Development) teachers, otherwise who will be teaching in the new classrooms to be built. In addition to raising the number of technical institutions in the county, existing institutions should be fully equipped to provide professional training for the youth of this county.

On the side of the youth, they form a key resource for this county and yet they have not been adequately involved in designing, planning and implementing development programmes. While there have been several initiatives that have been started to empower youth to come up with small and medium enterprises, a lot more needs to be done to address youth unemployment, drug and substance abuse and HIV and AIDS.

Hon. Members, I call upon the youth to take advantage of Access to Government Procurement Opportunities (AGPO) so that they can get the national and county government tenders and contracts. This also goes to women and persons with disability. Opportunities are available if the county can support in training, mentorship and organizing youth groups to enable them pull their resources for income generation and access to credit. The county also has great potential in sports, arts and culture if the talent from the youth can be tapped and nurtured. The recreational facilities should therefore be made available to them and encourage them to participate in sports competitions.

On the side of health hon. Members, (*Akoi*), the construction and facelifts of medical facilities in the county is laudable. I also want to congratulate the Governor on this effort. However, such initiatives should be fast tracked and given high priority so that our people can enjoy quality, affordable health care.

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

In the recent past, our mothers had to travel long distances to hospitals or maternity homes to deliver. It is unfortunate that in this day and age that we suffer fatalities from such issues. I support the “Beyond Zero” campaign championed by hon. First Lady Ms. Margaret Kenyatta, and believe that no woman should die while giving life. I want to urge the County Government step up on the issue of health. We should not have a reactive approach rather we should have a preventative one in matters of health.

I must point out that not enough efforts or initiatives are in place to alleviate HIV/AIDS and malaria, two most dangerous diseases that have negatively impacted Kilifi County. In this era no Kilifian should die of HIV/AIDS related diseases.

Hon. Members, (*Akoi*), I would like to see, in addition to the ambitious plans the Governor has, budgetary allocations to support existing structures in the medical field to deal with preventive measures, a case in point is the “construction of a blood bank in Kilifi County”. We cannot afford to have such a vital facility being operated from outside the county to the disadvantage of the residents.

(Applause)

I also want to salute our doctors, nurses and the entire medical team and personnel for their efforts and commitment to work under difficult conditions.

In addition, we need a timeline for the completion of the dispensaries, wards, mortuaries in the various sub-counties so as to avail medical services to the people sooner rather than later.

On agriculture Hon. Members, (*Akoi*), we are facing climatic changes that threaten to have millions of people suffer hunger and starvation. Only recently it was reported that 1.6 million Kenyans are facing hunger and starvation. We are endowed with resources that if utilized well, our county will have plenty for our people and for economic purposes. Areas like Ganze Constituency need more “mbegu” (seeds) and fertilizer together with extensive agriculture officers to teach the locals on profitable farming methods

My concern is the procrastination in delivery of agricultural incentives to boost production in the county. I see misplaced priorities and skewed distribution of available agricultural resources which threatens the advancement of agriculture in Kilifi County.

Hon. Members, (*Akoi*), some areas in our county for example like Magarini Constituency fall under the statistics of persons facing hunger and starvation. It is disheartening to see our people starving and or living from hand to mouth. What is the County Government doing to alleviate this situation?

The Kilifi Cashew Nuts Factory died, and was buried a long time ago through no fault of our own. It is a shame that a cash crop like cashew nut no longer benefits Kilifi farmers. What is the Kilifi County Government doing to revive or take back the factory from the current occupiers in order to support our farmers financially and economically? I remember the days when I was a young boy growing up and playing football for “Lucky Boys Football Club” at Karisa Maitha Stadium. Kilifi Town was a very vibrant town economically because of Kilifi Cashew Nut Factory. Residents had jobs and money. We as Political leaders must do everything within our powers to support the farmers in the production and processing of cashew nuts for local consumption and for export overseas by ensuring the revival of Kilifi Cashew Nuts Factory.

A legal fact remains today that the government of former President Daniel Arap Moi did great injustice to the people of Kilifi County by selling the Kilifi Cashew Nuts Factory through public auction. How do you auction a State Corporation to the detriment of the people of the

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

County? Currently, we know Mumias Sugar Factory is being revived from its death bed by UhuRuto (National) Government. Pan Paper Mills Co. Ltd. in Webuye is also being revived. Miraa as a cash crop in Meru County has been given Ksh. 1 billion by the same Government. Any prudent man or woman would therefore ask; why is Kilifi Cashew Nuts Factory which was a State Corporation not being revived? I must call upon to the UhuRuto Government to note that the people of Kilifi County want back their Kilifi Cashew Nuts Factory because we are not citizens of a lesser God or of a lesser county. I call upon all stakeholders including the MCA's, the County Government of Kilifi and National Government to engage and have the Kilifi Cashew Nuts Factory, a State Corporation, revived.

On the side of infrastructure Hon. Members, (*Akoi*), better infrastructure will improve movement of people and goods which in turn will lower the cost of production of goods and services and lower prices in general.

I welcome the opening up of unclassified roads in all wards. I urge the county government to speed up the many roads and other construction projects that they have initiated. Contractors that are delaying projects should be put on notice and payments and future contract awards must be pegged on performance of their contracts. Blacklist the contractors who have been paid money and not delivered thereby creating ghost-projects.

On the side of forestry and mining Hon. Members, (*Akoi*), I want to challenge the hon. MCA's of the County Assembly of Kilifi to formulate policies and laws that will safeguard our forests and protect the water catchment areas like Baricho and Marereni. Our county has the potential of developing its mining capabilities in coal, phosphates, and gas on the offshore of Kilifi County. I am yet to hear from the County Government on the way forward in exploiting the mining potential for the benefit of our county.

Fishing, if well planned can become a great source of wealth and employment to the people of Kilifi. A case in point is the construction of a fish port in areas of Kilifi with facilities to process and store raw fish for export. We all know that other counties without large masses of water are doing it e.g. Kisumu County with Lake Victoria. Why not in Kilifi County which has God given ocean at its disposal?

Hon. Members (*Akoi*) I must admit on corruption, that the kingpins and lords of corruption have taken over all the procurement contracts and or businesses in Kilifi County to the detriment of the local businessmen. It is unfortunate for a local businessman to apply for a tender and not be considered successful simply because another businessman from outside the county is willing to part with 10% kickback...

(Applause)

...“or chicken,” as some may call it.

It is within the public domain that some employees have been doing business with the employer and or have been used to facilitate unscrupulous businessmen as colleagues to get these tenders. This is in total breach of their own contract of employment and I want you as MCAs to ask yourself, why? Being the honourable Members of the County Assembly, you are supposed to be the watchdogs. You are required to check this cancer of corruption. But am afraid you are not doing enough.

Hon. Members, we must all remember that once a businessman from outside the county has completed his contract and is paid, he does not spend the money earned in Kilifi County but outside. Kilifi County therefore is left with economic drought and as a result, no money remains

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

in circulation within Kilifi County and what kind of a county are we leaving behind for our children, grandchildren and great grandchildren? I want to remind you the hon. Members of the County Assembly, that if we are not careful, we shall end up being a laughing stock county compared to other counties.

I urge you my *Akoi* that you must provide oversight and demand that the projects do not become white elephants. We know those who are involved in corruption. We must name and shame them in this County Assembly. We should not allow ourselves to be compromised.

Hon. Members, (*Akoi*) still on corruption, when we came into office in 2013, some of the staff we employed in the county government lived a humble and or ordinary life devoid of extravagant lifestyles but what surprises me now is the way their lives have metamorphosed. They are now overnight millionaires, owning fuel guzzlers and putting up commercial buildings in Kilifi County at an alarming rate. Ask yourself, where did they get all this money from? Corruption! Period!

Some employees' lives are more comfortable than that of Members of the County Assembly, yet we know their basic salaries! Ask yourself where did they get the money from? Corruption! Period!

(Applause)

I recommend that a committee be formed to conduct and investigate their lifestyle audit and let them be prosecuted in a court of law.

(Applause)

It's a shame to see a very junior staff or a member of staff driving a 4x4 vehicle fuel guzzler and at the same time constructing a bungalow or a commercial building and yet the boss who are the hon. Members of this County Assembly cannot even afford to fuel their vehicles.

(Laughter)

Hon. Members, (*Akoi*), the letters and calls, and complaints coming to the Senate office are overwhelming. Hardly a month passes without a corruption report being flagged to my e-mail address. Kilifi residents are getting concerned with the operations of the outside corrupt businessmen who get contracts to the detriment of small businessmen of Kilifi County. The employees together with some of the corrupt businessmen have eaten too much.

The members of staff are now doing what the former UK Ambassador, HE Mr. Clay, said at one time and I quote, "they are now vomiting on your shoes without any shred of shame and or respect". My question to you hon. Members of this County Assembly, are you satisfied with the way you are conducting your oversight role? Are you satisfied? I recommend that the Kilifi County Government consider our Kilifi businessmen first then the others from outside our county can follow.

Hon. Members, (*Akoi*), on misuse of Government vehicles, I have noted with concern that some of the low cadre of staff are allocated official vehicles. I have witnessed with my own eyes that there is a clear abuse of these vehicles examples; carrying *makaa* (charcoal), carrying wives or used as public transport and or carry children to school, they are parked outside bars

Disclaimer: *The electronic version of the Official Hansard Report is for information purposes only. A certified version of this Report can be obtained from the Hansard Editor.*

and hotels during working hours or at night. This is a shame. The responsible staff should be named in the Assembly and be disciplined.

I recommend the Assembly to form a committee that shall investigate and come out with a fact finding report that shall be presented to the County Assembly and eventually to H.E the Governor for appropriate action.

(Applause)

I further recommend that the County Government channel most of the resources towards development and not service a huge wage bill which is already bloated and or maintain unwanted County Government vehicles for private use or by junior officers using tax-payers money.

Hon. Members, we are now four (4) years into the new constitutional dispensation and devolution. Without oversight, we risk reversing the gains of devolution or even lose out all the same. We must set priorities right. Oversight is one of the corner-stones of democracy and democratic governance. It means holding the executive accountable for their actions. Article 185(3) states that, “a county assembly, while respecting the principle of the separation of powers, may exercise oversight over the county executive committee and any other county executive organs”.

I urge you hon. members to invoke Article 185(2) and pass laws that ensure effective performance of the functions and exercise of the powers of the County Government under the Fourth Schedule.

Exercise the powers given to you under Article 185(4) to approve plans and policies for management and exploitation of Kilifi county’s resources and the development and management of its infrastructure and institutions.

In doing so, we shall be meeting the constitutional obligation imposed by the Constitution and specifically the devolution agenda of providing goods and services to the people. The County Assembly in this regard must endeavor to reduce the cost of living at the county level as envisaged in Article 43 of the constitution.

Hon. *Akoi*, I want to assure the County Assembly that the Senate being the protector of Counties, and their governments as provided for under Article 96 (1) of the Constitution, is doing its level best to ensure the Controller of Budget releases monies to the County Governments in line with the Appropriation Act. I have managed to secure a budget and public finance management seminar for three days, to be held soon, where you will be taught on issues of budgeting and finance to enhance your knowledge on oversight. As your Senator, you will never walk alone. It’s a promise under oath and I will fully support you.

Nepotism and tribalism are vices that shouldn’t be allowed to divide us and curtail the process of devolution in this great County and the Nation at large. I get deeply disturbed when information and queries are raised concerning improper employment of staff which is lopsided within the County Government. Such actions must be nipped in the bud.

We are a County founded by two sisters who gave birth to nine brothers; two brothers that are the Digo and Duruma reside at home, Kaya, which is in South Coast, whereas the seven brothers namely; Giriama, Chonyi, Rabai, Jibana, Kambe, Ribe and Kauma reside at home which we normally refer as *Mudzini* in the North Coast. We are proud to be referred to as *Ana-a-Mbodze na Matsezi*. In this county we are also joined by other Kenyans from different tribes and or diverse ethnic backgrounds. Indeed, Kilifi County is therefore, the face of Kenya. I expect that

such diversity is also portrayed in the staff establishment of the County. It is only in embracing such diversities that we can be able to overcome various ethnic challenges that plague us.

In conclusion hon. Members and my parting shot I say with a lot of humility, the measure laid down by the County Government for implementation are commendable. However, if we keep on mark timing on the same spot we shall not deliver our mandate as required by the Constitution. We have an ambitious County Integrated Development Plan (CIDP) that lays down the road map of where we are and where we want to be five years into devolution. Let us implement it. Hon. *Akoi*, I thank you, but above all, God bless the people of Kilifi County. Thank you.

The Speaker (Hon. Kahindi): Hon. Members, thank you for your time. Hon. Senator, this being your first visit, I want to personally thank you for having created the time to visit us and I am sure the Members have had a good time listening to you.

Hon. Members, as provided for under the Standing Orders; I am seeing hon. Hassan has requested to speak, but you are not allowed to because we are going to have sessions within which the speech will be debated.

ADJOURNMENT

Now, there being no other business in the Order Paper, I move to adjourn this House until tomorrow morning at 9.30. Thank you very much.

The House rose at 3.22 p.m.