



REPUBLIC OF KENYA
COUNTY ASSEMBLY OF KILIFI
THIRD ASSEMBLY-THIRD SESSION

THE HANSARD

Monday, 14th October 2024

*The House met at the County Assembly Chamber,
Malindi Town, at 2:30 p.m.*

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

PRAYER

PAPERS LAID

FINANCIAL STATEMENTS OF KILIFI-MARIAKANI WATER AND SEWERAGE COMPANY LIMITED
(KIMAWASCO) FOR THE YEAR ENDED JUNE 2023

Hon. (Ms.) Koki: Thank you, Mr. Speaker, Sir. I beg to lay the following Paper on the Table: -

The Report of Auditor General on the Financial Statements of the Kilifi-Mariakani Water and Sewerage Company Limited (KIMAWASCO) for the year ended June 2023.

(Hon. (Ms.) Koki laid the document on the Table)

THE KILIFI COUNTY WET MARKETS DEVELOPMENT AND MANAGEMENT POLICY, 2024

Hon. (Ms.) Koki: I also beg to lay the following Paper on the Table: -

The Kilifi County Wet Markets Development and Management Policy, 2024.

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(Hon. (Ms.) Koki laid the document on the Table)

The Speaker (Hon. Mwambire): The Committee on Public Investment Accounts and the Committee on Trade, respectively to handle the two Reports and bring back the Report to the Assembly.

STATEMENTS

STATUS OF ZIANI ECDE CLASSROOM PROJECT

Hon. Mbura: Thank you, Mr. Speaker. I beg to read a Statement to the County Executive Committee Members (CECMs) in charge of the Department of Education and ICT through the Chairperson for Education Committee on Ziani ECDE (Early Childhood Development and Education) project;

Whether the CECMs Education and ICT are aware that Ziani (two-number) ECDE, Classrooms Project was budgeted for in the Financial Year 2023/2024 at a sum of Kshs5,600,000.

Whether they are also aware that the tendering process of the project was conducted, and the successful bidder handed over the site on 5th April 2024, but since then, the project has not started.

If yes: -

1. Why did the contractor vacate the site and why has the Department not initiated termination to pave the way for fresh tendering?
2. What measures is the CECM taking to ensure that the project is started and completed as soon as practical to provide the service it was intended to?

Thank you.

The Speaker (Hon. Mwambire): The Chairperson of Education to bring the responses from the CEC Members required. Is it the Chairperson Budget and the Appropriations Committee? Response to a Statement sought by hon. Ngirani from the CECM Finance. Hon. Emmanuel from Marafa, the Chair Budget and Appropriations Committee.

STATUS OF REVOTED PROJECTS FOR FY 2023/2024

Hon. Emmanuel: Hon. Speaker, thank you so much for this opportunity. I rise to read the Response to a Statement sought by the Member for Ganze, hon. Ngirani. The Response is to the County Assembly of Kilifi Statement on Revoted Projects for FY 2023/2024.

Hon. Members of the County Assembly of Kilifi, I appreciate the opportunity to address your concerns regarding the revoted expenditure from the Financial Year (FY) 2023/2024 in the Financial Year 2024/2025 budget. Before addressing the specific points raised, it is important to clarify the concept of budget revoting and how it was applied in the context of Kilifi County.

Budget revoting in Kilifi County's context. Budget revoting as governed by Regulation 116 of the Public Finance Management Act, regulation 2015 is a process for managing funds allocated to projects that cannot be fully utilized within the current financial year. As the budget revoting involves rolling over funds of ongoing or incomplete projects to the next financial year.

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This ensures continuity of projects and skewers to their completion in the next financial year. Pending bills, on the other hand, are unpaid invoices or obligations that remain at the end of a financial year. Often due to reasons such as shortage of funds, budget revolting focuses on proactively managing ongoing project funds.

Pending Bills management deals with addressing existing unpaid debts, making them through the instinct process in Public Finance Management. In the context of Kilifi County, the revolting process of the Financial Year 2023/2024 project and activities was undertaken in June 2023.

Having considered the various stages of implementation of programmes, projects and activities as well as the disbursement of county equitable share and own-source revenue collection specifically, the revolting encompassed projects at different stages ranging from those budgeted but not yet awarded to those invested and in the internet banking system to be implemented and completion.

I thought it was made to avoid revolting funds for the projects and that we are completed and likely to be paid soon. This category is entitled to projects with payments already in the Internet Banking system. The process also took into account the vast equitable share of the county ensuring that revolting aligned with actual financial resources available. With this context in mind, I will now address each of your points in time.

Confirmation of approved reverted expenditure; The County Executive Committee Member for Finance, Economic Planning and Resource Mobilization confirms awareness that the County Assembly approved the budget estimates for the Financial Year 2023. In 2024/2025, a cumulative amount of Kshs3,429,531,889 shillings are as reverted expenditure from the Financial Year 2023/2024 spread across the Departments.

Awareness of funds, and divisions; the CECM for Finance, Economic Planning and Resource Mobilization is indeed aware of instances where there have been attempts of some county heads to divert funds for re-voted for specific projects to other users. This is a matter of serious concern and measures have been taken to prevent this diversion of funds re-voted for specific projects including:

One is specific project allocation; a key aspect of the new approach is to specify the individual re-voted projects in the budget as opposed to having a pooled re-voted budget line from which payments for the re-voted projects were made in the financial year 2023/2024. This change will ensure greater transparency and accountability for each re-voted project.

Two, an enhanced monitoring system, and implementation of a robust financial tracking system that will flag any attempts to reallocate re-voted funds without proper authorization.

Three, quarterly review meetings. The County Treasury will hold mandatory quarterly review meetings with all Department heads to discuss the progress of the re-voted projects and address any challenges.

Hon. Speaker, these measures will significantly improve the management of re-voted funds and ensure they are used for their indicated purposes.

Compilation and submission of re-voted projects for each Department; In response to the County Assembly request and in light of the issue surrounding re-voted expenditure, the County Treasurer presents a list containing all recurrent and development re-voted projects for the financial year 2023/2024.

The County Treasury is committed to working closely with the County Assembly to enhance financial accountability and transparency in our budgeting and expenditure process. Any

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further enquiries or suggestions from the hon. Members of the County Assembly on this matter are welcome. Respectfully submitted; CECM Finance, Raymond Ngala. Thank you so much.

Hon. Speaker, with this Response herein, attached the annexes which provide the voted project from each Department. Members can go through and attest to what I have read.

The Speaker (Hon. Mwambire): Voted or re-voted?

Hon. Emmanuel: Re-voted, not voted. Thank you, for the clarification, hon. Speaker. With your permission, I sit down.

The Speaker (Hon. Mwambire): Hon. Ngirani.

Hon. Ngirani: Thank you, Mr. Speaker. With the Response, the reason, Mr. Speaker, why I requested this Response was because the vote was a pool vote, Mr. Speaker, and they did not actually distribute the various re-voted projects in the budget and so, Mr. Speaker, hon. Members, including me, could not actually know the exact project that has been re-voted.

With this Response, Mr. Speaker, two issues are emerging from the talks of my colleagues. Some of the projects that were either not done or were incomplete, and some of them, Mr. Speaker, were not re-voted from the list that was shared by CECM Finance.

So, Mr. Speaker, this was an opportunity for hon. Members to understand their projects that were not re-voted and so, Mr. Speaker, they can do a close follow-up with the relevant Departments so that they can see how best it may become the first supplemented budget they can allocate some funds.

With the response, I am 50-50. By saying so, I mean the project; they have not told us what they will do with the project that they have not re-voted and so, I expect them, Mr. Speaker, to assure this House that the non-revoted projects will be allocated income, a supplemental one.

With the measures that the CECM is trying to say, the measures that they are yet to undertake to prevent the diversion of funds re-voted for specific projects are well noted and they are good concerns, and the measures are positively taken. The number one key aspect of the new approach is to specify individual projects, individual re-voted projects in the budget as opposed to pulled re-voted ones. That is a good one.

Also, the implementation of a robust financial tracking system that flags any attempts to reallocate the re-voted projects or other funds without proper authorization, is a good measure. The third one is that the County Treasurer will be holding mandatory quarterly review meetings, with all the Department heads to discuss the progress of re-voted projects and address any challenge that arises. The three measures, Mr. Speaker, I acknowledge them and accept them. That they are good, and they will be put into note or on the re-voted projects. We will make sure that the re-voted projects are being implemented properly.

With that concern, Mr. Speaker, I say I am contented with the measures that are about to be undertaken, but again, I propose they could have actually addressed the issue of whereby any project that is not re-voted, will be put in priority come the first supplementary. Thank you, Mr. Speaker.

The Speaker (Hon. Mwambire): Yes, Chairperson. Maybe let us get from other Members. Is there any other Member who wishes to comment on the same? Yes, hon. Mohamed.

Hon. Mohamed: Yeah, thank you, Mr. Speaker. I stand to echo some sentiments on the same regarding the Response that the Chairperson Budget has just read to the Assembly. We acknowledge, or I also join my colleague, hon. Ngirani, by acknowledging the Response. The measures put, if well adhered to and followed, are good. They will actually ensure that all these re-voted projects are well taken care of.

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However, I wish to express that what hon. Ngirani has just said that there were a few projects which were left out of the re-voted projects is true. If I may give an example for Bamba in the Department of Education, there are contracts and contractors on site for several projects. I have two number classrooms which are ongoing at Majengo ECDE; that project was not revoted. I have (six number) door pit latrines that are ongoing, and the contractor is on-site because this project was not revoted. Lastly, I have (two number) door pit latrines at Bengoni ECDE which were not revoted. From the list of the Department of Education projects which they have listed here, it is clear that these projects were left out.

Hon. Speaker, it is not only these; there are also a few projects from other Departments which were left out. It would be good if the CECM Finance could assure this House through the Chairperson Budget that in the coming Supplementary Budget, these projects will be given priority. We need to avoid stalled projects because once these contractors realise there is no money for these projects in the budget, then they will stop, and we will remain with stalled projects. I wish to make a note to the Chairperson Budget that there are few and the Response is good, but we need to look more. Thank you.

The Speaker (Hon. Mwambire): Hon. Kubo.

Hon. Kubo: Asante sana, mheshimiwa Spika, kwa nafasi hii. Kulingana na Ripoti hii kuna baadhi ya miradi katika Wadi yangu ya Kambe Ribe ambayo haikufanywa na sioni kwa mfano mradi mmoja wa maji wa Chigangoni *bore hole* hauko na pia barabara moja ambayo wame *revote* ambayo wameandika, Kisia, sijaona barabara hii kwa Wadi yangu nafikiri ni ya Wadi nyengine. Mheshimiwa Spika, pia kuna miradi mengine ambayo inakuwa *revoted* kila wakati lakini kule Kambe Ribe haiko na haifanyi, kuonyesha hii Ripoti ina shida kidogo. Asante sana.

The Speaker (Hon. Mwambire): Chairperson, if you have a rejoinder or anything related to...

Hon. Emmanuel: Thank you, hon. Speaker. I have taken note of what my fellow hon. Members have articulated and thus I concur with them. However, I would like to say the following: I have read the Response originated from the projects which were not done in the previous budget that goes to the next financial year.

The Speaker (Hon. Mwambire): Or partially implemented.

Hon. Emmanuel: Yes, thank you. It is the duty, and the responsibility of the respective Department to be in consultation with Members of the Wards to make sure that these projects which need to be revoted are brought to the awareness of the Departments. The Treasury will note that all the projects that come from the Department will be noted as I have read here. Hon. Members, if there are any projects which were not revoted, it is not a mistake of the County Executive Committee Member (CECM) Finance, and it has originated from the different Departments.

Hon. Members, I would urge that at the end of the financial year if there are any projects which are ongoing or are completed and have not been paid, then those that are completed and not paid will go to pending bills, those which are not completed will go to the revoted so that all the Reports that will come on the table of CECM should concur with what the Report has eluded to.

Mr. Speaker, Sir, as much as I agree with my fellow hon. Members, I would also urge them to make a follow-up on these projects so that when they are brought to my committee then

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we will be all aware and as a result make it easy for all of us. That is all that I wanted to add or air. Thank you, hon. Speaker.

The Speaker (Hon. Mwambire): Very well, at least today I have heard Members that they are contented with the Report. That is good work, Chairperson. Hon. (Ms.) Koki.

STATUS OF KITSAMINI, MKWAJUNI AND MAKUWAWA ECDE PROJECTS IN MARIAKANI WARD

Hon. (Ms.) Koki: Thank you, very much Mr. Speaker. I stand to seek a Statement from the CECMs in charge of the Department of Education and ICT through the Chairperson for Education Committee on Kitsamini, Mukwajuni and Makuwawa Pre-primary Schools ECDE Projects in Mariakani Ward:

Whether the CECMs Education and ICT are aware that Kitsamini, Mukwajuni Pre-Primary School (two number) classrooms and (two number) cubical pit latrines and Makuwawa Pre-primary (one number) classroom and two number cubical pit latrines projects were budgeted for Kshs3, 490,558.02 each in the financial year 2020/2021.

Whether the CECM is also aware that the projects were started but the contractors abandoned the sites several months without any notice or explanation.

If yes: -

1. Why did the contractors vacate the site?
2. What measures is the CECM taking to ensure that the projects are completed as soon as possible to provide the services to the people of Mariakani Ward?

Thank you, Mr. Speaker.

The Speaker (Hon. Mwambire): Are they two or one? Okay. The Chairperson of Education will bring the Response of Hon. Koki's Statement as required by the Standing Orders within twenty-one (21) days. So, he should liaise with the CECM for Responses. If the Chairperson or the Vice-Chairperson is not around, then any Member of that Committee should do so.

PROCEDURAL MOTION

ALTERATION OF THE COUNTY ASSEMBLY LEGISLATIVE CALENDAR, 2024

The Speaker (Hon. Mwambire): Hon. (Ms.) Koki.

Hon. (Ms.) Koki: Thank you, Mr. Speaker, Sir. I beg to move the following Procedural Motion: -

THAT, Pursuant to the provision of Standing Order 25(4), this County Assembly do now adjourn its plenary sittings from Tuesday, 15th to Wednesday, 23rd October 2024 to allow the Sectoral Committees to undertake consultative meetings with their respective Departments on the Kilifi County Annual Development Plan (ADP) 2025-2026 and to attend the Fifth Edition of CASA (County Assemblies Sports Association) games 2024. That, this County Assembly resumes its plenary sittings on Monday, 4th November 2024.

The Speaker (Hon. Mwambire): Who is Seconding?

Hon. (Ms.) Koki: I am calling upon the Deputy Speaker to second the Motion.

The Speaker (Hon. Mwambire): No, be on record. Are you on record or not? I have not seen you on...the Speaker's eye was unable to...

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The Deputy Speaker (Hon. Kombo): I am Seconding the Motion.

(Question proposed)

(Question put and agreed to)

ADJOURNMENT

The Speaker (Hon. Mwambire): Hon. Members, the House now adjourns until 4th November 2024.

The House rose at 3:04 p.m.

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