



REPUBLIC OF KENYA

COUNTY ASSEMBLY OF KILIFI

THIRD ASSEMBLY-THIRD SESSION

THE HANSARD

Tuesday, 20th February 2024

*The House met at the County Assembly Chamber,
Malindi Town, at 9:30 a.m.*

[The Deputy Speaker (Hon. Kombo) in the Chair]

PRAYER

PAPER LAID

REPORT OF THE COMMITTEE ON FINANCE AND ECONOMIC PLANNING ON THE KILIFI COUNTY
FINANCE BILL, 2023

Hon. Mohamed: Thank you, Mr. Speaker. On behalf of the Chairperson, Finance Committee, I beg to lay the following Paper on the Table: -

The Report of the Committee on Finance and Economic Planning on the Kilifi County Finance Bill, 2023.

(Hon. Mohamed laid the document on the Table)

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BILL*Second Reading*

THE KILIFI COUNTY FINANCE BILL, 2023

Hon. Mohamed: Thank you, Mr. Speaker, for this opportunity. On behalf of the Chairperson, Finance Committee and pursuant to the provision of Standing Order 121, I beg to move that the Kilifi County Finance Bill, 2023 be now read a Second Time.

Before I call my seconder, the Committee moved around the County. We received the Bill though late as I reported yesterday in this House, and I was requested by the Speaker to report with reasons why it has been a historical habit of the Bill to be tabled in this House late. Almost every financial year since we came to this House, the Finance Bill has been coming to this House late. We have communicated and the reason that had been given for this Finance Bill to be brought late to this House is that there was a change in the Finance Department; for them, the CECM (County Executive Committee Member) was moved and the current CECM came during the month of August proceeding to September.

They have committed and assured me that this House, going forward, will be receiving this document on time because there is no reason as to why we should break the law. This is a law document that has a date to be tabled and it is instrumental since it is used to collect a fund which has been appropriated in the budget.

If I may give an example, Mr. Speaker, for this current Finance Bill that we are debating and adopting today as a House, there are charges which have been appropriated in the budget like *miraa*. In the Finance Bill, 2022, *miraa* is not considered in that Bill and in this current Bill which has been considered, we expected to have collected some monies since the month of September 2023 to now from the sale of *miraa* in the County but because the Bill was brought late we have been unable to collect anything which means that there will be a lot of money which has not been collected and we may end up not reaching our target. So, because of that, I beg this House today that we adopt the Bill so that we can move with speed to get some funds which have been appropriated in our current budget which have not been collected simply because we have not passed this Bill.

The assurance from the Department is that going forward, all Bills will be received on time. That is an assurance that has been given by the CECM and the Chief Officer from the Department of Finance.

If I may take the House through a few recommendations and observations that the Committee went through as we were going around the County to collect public opinion regarding the Bill; in processing the Finance Bill, 2023, the Committee took into consideration the requirements of Section 132(3) of the Public Finance Management that stipulates the following; Any recommendations made by the relevant Committee or adopted by the County Assembly on revenue matters shall ensure that the total amount of revenue raised is in consistence with the approved physical framework and the County allocation taking into account the principal of equity, clarity and ease of collection. Consider the impact of the proposed changes on the composition with tax relevance, direct and indirect tax. Consider domestic regional and international tax trends. Consider the impact of development investment employment.

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When we went around, most of our people when we met for the public opinion, raised some concerns and when the Committee retreated for Report writing, we made considerations on the oral submission that had been done by the public and the memorandums that we received as a committee. In this, one of the areas that we found was on Agriculture, Livestock and Development. It is in the Committee's recommendations that the County Treasury maintain the changes on grazing permits on leased private land under item No. 91 of the First Schedule as follows; This is because this one they had put it together, they just said animals. So, we thought it was wise because we have different animals so we said that cows can be charged at Kshs100, goats and sheep can be charged at Kshs50, and camels can be charged at Kshs150.

The reason or justification for this is that the Committee wants the influx of goats, sheep, and cows from nearby counties to be controlled in our county. It has become a menace that most of our areas have been invaded by the livestock from nearby counties and hence as a County, we need to get revenue from here because we have not been able to. If I can give an example from my ward in Bamba, we have been getting these people who call themselves investors. So, they come to invest in our areas, and they get grazing land, but as a County, we have not been getting anything. We have not been having any Law to get anything from them. So, this is the time that we have said at least we will be giving them the grazing land, yes, but as a County, we should also get something from there.

We also noticed from the memorandum and the oral submissions by the Water, Environment and Natural Resources Department, that there were a few issues that the public had raised more so on the cess collections. We have been collecting revenues through cess but then we found out that cess has not been giving us as much as what other counties have been collecting. For example, the building materials we are getting are coming out from Kilifi County, but we are getting less of what our nearby counties are getting like Mombasa. So, Mombasa County is not collecting cess but it is collecting entry points, so that is where we also said that we will be collecting entry points and not cess. So, in this, we considered that a lorry of 14 tonnes to 20 tonnes will be charged Kshs2,000, coral blocks will be Kshs2,000, Salt Murram kshs1,300, Manganese Kshs2,000, Ballast Kshs1,800, Builders Harvesting and Limestone Kshs800, Harvest of Iron Kshs1,200. This is a bracket that any lorry or any vehicle with a tonnage of 14 to 20 will be getting.

Above 20 tonnes per trip on trailers, we will be collecting coral blocks at Kshs2,500, Salt and Murram Kshs1,625, Manganese and Red Oxide Kshs2,500, Ballast, and Sand Kshs2,250. By doing this, we will be getting more than what we are receiving currently. Justification for this the Committee further segregated the category of tonnage for fairness in collection and increase in new base.

Under the Department of Tourism, Trade and Cooperative Development, the Committee recommends that item number 995 be amended as the sale of *Miraa* and *Mogokaa* on daily basis. Here also if I can report to this House, we had a deliberation and the Committee saw it wise because from the public opinion and the memorandums that we had received that we should control this. It is affecting our youths as well as it is a business in Kilifi. So, we were set into a balance as a committee and in this we recommend that the sale of *Miraa* or *Mogokaa* be daily.

If you look at the 2022 Finance Bill, they have been charged 15 shillings per day but then it was raised from 15 shillings to 1,000 shillings. So, one of the memorandums came out and they were saying that it is unfair to move a charge or a tax from 15 shillings to 1,000 shillings. So, the Committee deliberated, and we said that we would strike a balance, that the sale of *Miraa*

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and *Mogokaa* would be combined. Though we know *Miraa* and *Mogokaa* are a bit separate, we combined by saying that we will be getting a daily charge of 500 shillings each. The justification is that the proposed Kshs1,000 that had been proposed by the County Treasury was a bit on the higher side.

I have a few of these recommendations Members if you allow me, then I can sit; Education, Information and E-Government. The Committee recommends that the daily library access fees of 20 shillings for secondary school students be waived. This is because we want our pupils once they are at home they can also access the libraries. So, if we impose charges, yes, we need revenue but then let us see where we are getting the revenue from; charging students might not be reasonable. So, the Committee saw it wise and recommended that the charges of 20 shillings per student in a library be waived and by doing this then the children will be able to access it.

Under Transport and Public Works, the charge on the erection of illegal bumps, there is a charge in this Department, numbered 808 and 809 be maintained, although in the public opinions and the memorandums that we have received the public cried and requested that we remove this. The Committee saw it wise to discourage it because we find that most of our roads or county roads that we construct, have the BQs (Bill of Quantities) and the Plans and the committees that will be selected to oversee this project implementation should be very keen to ensure that every place where there is supposed to be a bump is legally placed.

After the construction of that road then we should not see that people are just coming out and illegally digging trenches and erecting bumps. That is why we are saying, the public had requested that we waive this money but then to discourage this, the Committee justified to retain the amount. In summary, we received the memoranda, we went through public participation and after considering both the memoranda and the public opinion, here we are today tabling the Report and requesting that this House considers the Report with amendments in the First Schedule.

For that much, I hereby call hon. Mkadi to second the Motion. Thank you.

(Hon. Mkadi seconded)

(Question proposed)

The Deputy Speaker (Hon. Kombo): Hon. Members, any Member who wishes to make deliberations? Hon. Mkadi.

Hon. Mkadi: Thank you, hon. Speaker, for this opportunity. I stand to support the adoption of this Report. I am one of the Members of that Committee and I happen to have an opportunity to move around this County to collect the views from the public. In coming up with this Bill, we considered many things. For example, the economic status of the county even the Executive side went to the nearby counties to benchmark and take note so that we can come and compare with our charges here.

This Report has concentrated more on the issues which had changed and the new items which were being charged which have been introduced by the Executive, so we considered the views of the public. We also received some memorandum which we went through and as we were writing this Report, we considered so many things and found that if we come up with the charges which will affect our people, we will not be fair.

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So, we were on this part considering making some money from the charges and on the other hand also considering putting those charges at minimal prices so that our people can easily do business. So, we came up with this Report and as the Chairperson has put it, we discussed it and deliberated that this is a good Report which now we can come and pass it today so that we can allow the Executive to collect this revenue which will in turn help us to build good markets and give services to those people who will be working with those markets. So, with those few remarks, I stand to support this Report. Thank you.

The Deputy Speaker (Hon. Kombo): Thank you. Hon. Morgan (Kubo)

Hon. Kubo: Asante sana, mheshimiwa Spika, kwa nafasi hii. Nikiwa mmoja wa Wanakamati wa Fedha na baada ya kuzunguka katika *sub-county* zote na kuweza kupata maoni ya wananchi, nafikiria na naona ni muhimu pia kusimama kuunga mkono Ripoti hii na naomba pia waheshimiwa waweze kuunga mkono Ripoti hii ili kazi iweze kusonga mbele na tuzidi kutumikia wananchi. Asante sana, Bw. Spika.

The Deputy Speaker (Hon. Kombo): Thank you. Hon. Faith.

Hon. (Ms.) Faith: Thank you, Mr. Speaker. I concur with the Report, but I have a slight question for the Chairperson. As far as the building materials are concerned, I can say they have concentrated on 14 to 20-tonne vehicles. My question is, what about the small lorries from one tonne to seven tonnes? Are they going to be scot-free? No charges are indicated here. Just a question. Thank you.

The Deputy Speaker (Hon. Kombo): Okay. Hon. Benson (Ngirani).

Hon. Ngirani: Thank you, Mr. Speaker. First and foremost, let me congratulate the Finance Committee through their Chairperson Hon. Biryia Fondo. They did a good job; this is a way of increasing revenue in our County but again the problem is not with the Bill, but the problem is the implementation of the Bill. How effectively will the officers of the Executive collect these revenues? We are in the 21st Century, yet we are still in cash collection of revenue; there is a need for this House of which I am preparing a Motion, that we move completely to cashless collection of revenue. We need a single pay bill for this County where all these permits, where all these taxes will be moved or rather collected in one basket for proper oversight by this House.

Parking fees are cash, you park a car and then you pay cash; there is no transparency in the collection of this revenue and therefore we urge the Executive to adhere to the Motion so that we have an effective collection of revenue. Otherwise, I support this Bill 100 per cent. Thank you.

The Deputy Speaker (Hon. Kombo): Thank you, hon. Benson Karisa (Ngirani).

(Question put and agreed to)

(The Bill was read a Second Time and committed to a committee of the Whole today by leave of the House)

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[The Deputy Speaker (Hon. Kombo) left the Chair]

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IN THE COMMITTEE

[The Temporary Chairperson (Hon. (Ms.) Sophia) took the Chair]

THE KILIFI COUNTY FINANCE BILL, 2023

The Temporary Chairperson (Hon. (Ms.) Sophia): Welcome, hon. Members, to the Committee of the Whole. The rules are relaxed, so you are all welcome to contribute towards the Bill. Thank you.

(Clauses 2, 3, 4 and 5 agreed to)

(Clauses 6,7,8,9 and 10 agreed to)

(Clauses 11, 12, 13, 14 and 15 agreed to)

(Clauses 16,17,18,19 and 20 agreed to)

(Clauses 21, 22, 23 and 24 agreed to)

First Schedule Part II

Hon. Mohamed: Thank you, Madam Chairperson. I beg to move: -

THAT, the First Schedule Part II of the Bill be amended by inserting a row immediately after item number 90 with a sub-heading; Grazing Permits on Private Leased Land (Per head, per day) and insert the following items below it with their subsequent numbering; Cows Kshs100.00, Goats and Sheep Kshs50.00, Camel Kshs150.00.

(Question of the amendment proposed)

(Question, that the words to be inserted be inserted, put, and agreed to)

(First Schedule Part II as amended agreed to)

First Schedule Part IV

Hon. Mohamed: Thank you, Madam Chairperson. I beg to move: -

THAT, the First Schedule Part IV of the Bill be amended by deleting item number 482 to 489 and substitute thereof with the following items with their subsequent numbering.

14 Tonnes - 20 Tonnes Per trip (Trailers)

- 482 Coral blocks at Kshs2,000,
- 483 Salt, Marram/Gravel at Kshs1300,
- 484 Manganese/Red Oxide/ Silica Sand at Kshs2,000,

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- 485 Ballast/Sand at Kshs1,800,
- 486 Builders/Harvesting of Shale/Limestone/Stone/Chips/Garden Soil/Quarry Waste at Kshs800,
- 487 Harvesting of Iron Ore at Kshs1,200,
- 488 Glass sand at Kshs14,000,
- 489 Scrap Metal at Kshs1,500.

Above 20 Tonnes Per Trip (Trailers)

- Coral blocks at Kshs2,500,
- Salt, Marram/ Gravel at Kshs1,625,
- Manganese/Red Oxide/ Silica Sand at Kshs2,500
- Ballast/Sand at Kshs2,250,
- Builders/Harvesting of Shale/Limestone/Stone/Chips/Garden Soil/Quarry Waste at Kshs1,000,
- Harvesting of Iron Ore at Kshs1,500,
- Glass sand at Kshs17,500, Scrap Metal at Kshs1,875.

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put, and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(First Schedule Part IV as amended agreed to)

First Schedule Part V

Hon. Mohamed: Thank you, Madam Chairperson, I beg to move: -

THAT, the First Schedule Part V of the Bill be amended in item number 627 by deleting Kshs2,000 appearing in the proposals 2023/2024 column and replacing with Kshs2,500; Item number 629 delete Kshs11,000.00 appearing in the change column and replace with Kshs5,500.00.

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put, and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(First Schedule Part V as amended agreed to)

First Schedule Part VII

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Hon. Mohamed: Thank you, Madam Chairperson. I beg to move: -

THAT, the First Schedule Part VII of the Bill be amended in item number 995 by deleting Kshs1,000 appearing twice in the row and replacing with Kshs500; Offloading fees in the market and non-market areas. Amend by classifying item numbers 1075 and 1076 as below and subsequently amend the numbering; Onion small sack up to 50kg to be charged at Kshs80. Big sacks above 50 Kgs to be charged at Kshs120. Banana small sacks of up to 50kg are to be charged at Kshs100. Big sacks above 50kg are to be charged at Kshs150. Offloading-flat rates; Amend item 1187 by inserting “motorbikes” immediately after the word handcarts.

(Question of the amendment proposed)

(Question, that the words be left out, be left out, put, and agreed to)

(Question, that the words to be inserted be inserted, put, and agreed to)

(First Schedule Part VII as amended agreed to)

First Schedule Part VIII

Hon. Mohamed: Thank you, Madam Chairperson, I beg to move:

THAT, the First Schedule Part VIII of the Bill be amended in item number 1216 by deleting its provisions.

(Question of the amendment proposed)

(Question, that the words be left out, be left out, put, and agreed to)

(First Schedule Part VIII as amended agreed to)

First Schedule Part IX

Hon. Mohamed: Thank you, Madam Chairperson. I beg to move: -

THAT, the First Schedule Part IX of the Bill be amended in item 1294 by deleting its provision.

Amend item 1299 in the change column by deleting Kshs97 and replacing it with Kshs95 and further deleting Kshs597 and replacing it with Kshs595.

Amend item number 1301 by deleting Kshs97 in the change column and replacing it with Kshs95 and further deleting Kshs2,597.00 and replacing it with Kshs2,595. Amend by deleting the provision of items number 1353 to 1356 and 1358 to 1366 and replacing thereof with the following with their subsequent numbering:

- a. Effective Cold Surgery at Kshs7,000 with a change of Kshs275 to charge at Kshs7,275.
- b. Effective Gynaecology Surgery at Kshs7,000 with a change of Kshs275 to charge at Kshs7,275.

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- c. Major General Surgery – Emergency at Kshs8,050 with a change of Kshs275 to charge at Kshs8,375.
- d. Major Surgery Emergency – Gynaecology at Kshs7,000 with a change of Kshs275 to charge at Kshs7,275.
- e. Minor Theatre – Minor Procedure at Kshs5,750 with a change of Kshs225 to charge at Kshs5,975.

Amend by deleting the provisions of the following item numbers 1429, 1431, 1464, 1470, 1489, 1776, 1780, 2412, 2413, 2416, 2417, 2433, 2436, 2439 and 2508 and further amend by re-aligning the item numbers.

Amend by deleting 20 appearing in the change column and replacing thereof with -45 (negative forty-five) and further deleting 450 and replacing with 385.

The Committee recommends the following deletion: Amend by deleting the following words in their respective item numbers:

- Item number 1619- delete the words Reimbursement and primary.
- Item numbers 1620, 1621, 1622 and 1623 – delete the phrase Linda Mama Reimbursement.
- Item number 2415- delete the phrase civil servant NHIF scheme.
- Item numbers 2430, 2432, 2434 and 2437 – delete the phrase NON NHIF.

Amend by introducing a new row just after item number 2457 sub-headed Health Commodities Management with item numbers 2458 to 2464 with their provisions under it.

Amend item number 2570 by deleting -Kshs8,500.00 in the change column and further deleting Kshs2,000.00 in the proposals 2023/2024 and replacing thereof with Kshs10,500.00. Amend item number 2571 by deleting- Kshs19,000.00 appearing in the change column and further amending by deleting Kshs2,000.00 appearing in the proposals 2023/2024 and replacing thereof with Kshs21,000.00.

(Question of the amendment proposed)

(Question, that the words be left out, be left out, put, and agreed to)

(Question, that the words to be inserted be inserted, put, and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put, and agreed to)

(First Schedule Part IX as amended agreed to)

(First Schedule agreed to)

(Second Schedule agreed to)

(Clause 1 agreed to)

(The Long Title agreed to)

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The Temporary Chairperson (Hon. (Ms.) Sophia: We have now come to the end of this Bill. I would like to ask the Chairperson to Move the Bill.

Hon. Mohamed: Hon. Chairperson, I beg to Move that the Committee do Report to the House its consideration of the Kilifi County Finance Bill, 2023 and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

(The Deputy Speaker (Hon. Kombo) in the Chair)

REPORT AND THIRD READING

THE KILIFI COUNTY FINANCE BILL, 2023

The Deputy Speaker (Hon. Kombo): Hon. Members, you may be seated.

Hon. (Ms.) Sophia: I beg to report that the Committee of the Whole House has considered the Kilifi County Finance Bill, 2023 and approved the same with Amendments. Thank you.

Hon. Mohamed: Hon. Speaker, I beg to move that the House do agree with the said Report and call upon Hon. Mkadi to second.

(Hon. Mkadi seconded)

(Question proposed)

(Question put and agreed to)

Hon. Mohammed: Hon. Speaker, I beg to move that the Kilifi County Finance Bill, 2023 be now read the Third Time and I call upon Hon. Mkadi to second.

(Hon. Mkadi seconded)

(Question proposed)

(Question, put and agreed to)

(The Bill was accordingly read the Third Time and Passed)

ADJOURNMENT

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The Deputy Speaker (Hon. Kombo): Hon. Members, there being no other business for now, the House is adjourned until 2:30 p.m. today. Thank you.

The House rose at 10:10 a.m.

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