



REPUBLIC OF KENYA

COUNTY ASSEMBLY OF KILIFI

SECOND ASSEMBLY –THIRD SESSION

THE HANSARD

Wednesday, 19th June 2019

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

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

PRAYERS

COMMUNICATIONS FROM THE CHAIR

VISITING STUDENTS AND TEACHERS FROM PAOLA KATSUHANZALA PRIMARY SCHOOL

The Deputy Speaker (Hon. Kenga): I have two Communications to make. In the first Communication hon. Members, I would like to acknowledge the presence in the gallery this afternoon of the students and their teachers from Paola Katsuhanzala Primary School. The students are here for a study visit to appreciate the legislative procedures, practices, traditions and parliamentary proceedings. I request that all students and teachers of Paola Katsuhanzala to stand so that they may be acknowledged in the Parliamentary tradition and practice.

On behalf of the County Assembly of Kilifi and on my own behalf, I welcome them to the Assembly and wish them well. Thank you. Paola Katsuhanzala Primary school kindly be standing. I now call upon the hon. Member for Kakuyuni Ward, hon. Mramba, to welcome the students. Please students, take your seats.

Hon. Mramba: Thank you Mr. Speaker. Just for introduction purposes, I am hon. Mramba, Member representing Kakuyuni Ward in Malindi Sub-County and I wish to take this opportunity to welcome students and the teaching fraternity of Paola Katsuhanzala primary together with Chanagande Secondary School. I will start with Paola Katsuhanzala which is

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situated in Adu Ward and let me assure you that you are ably represented in the Assembly by hon. Kenga who is the Deputy Speaker in the House.

I wish to warmly welcome them and there is no need for you to travel all the way to Nairobi to see Parliamentary procedures; what is going on there is the same as here, in fact our Chamber is better than the National Assembly. So, this is the work of devolution. I wish to tell the students to learn to respect their teachers and put more effort in studies because this County Assembly has allocated Kshs 350 million towards their secondary education, that translates to Kshs10 million for every ward.

Therefore, I wish to tell the students of Paola Katsuhanzala; though I know as the name derives it is a very remote place, inhabited by poor people and it is an arid area, I wish to appeal to this Assembly, whenever we are allocating monies for emergency purposes, remember Paola Katsuhanzala so that the students can get feeding programmes that will enable them concentrate on their learning. I want to tell them that the Constitution that we voted in 2010 created the County Assemblies, were it not for it then devolution we would never be here.

I appeal to them to learn, so that when hon. Kenga retires in the near future, some of you take his seat. Thank you and God bless you.

The Deputy Speaker (Hon. Kenga): Thank you hon. Member from Kakuyuni Ward. Hon. Ziro from Garashi, I believe you neighbour the ward that the students come from.

Hon. Ziro: Thank you very much Mr. Speaker. For purposes of introduction my name is hon. Peter Ziro, a Member of this County Assembly representing Garashi Ward. I want to take this opportunity to thank you for showing your interest to these students so that they could come to this House to see how procedures are being handled here. I believe you are trying to expose them as the hon. Member, Sheikh Mohammed Nixon Mramba, the Member for Kakuyuni has said. This is a good representation because we have started with a Muslim and now as a pastor I welcome these students to this House from Paola Katsuhanzala.

As the name suggests you come from far; you are my neighbour at Garashi and I believe that you people have the same problems I am facing in Garashi. As my fellow hon. Member was suggesting that whatever allocations are being made you should be remembered. I also concur with him so that you can have this school well managed. I also want to congratulate the teachers because that is a hardship area and the teachers have taken time to stay with the students to teach and guide them. Welcome to this Hous. I believe after this we can organize a cup of tea with your hon. Member so that you can feel free.

VISITING STUDENTS AND TEACHERS FROM CHANAGANDE SECONDARY SCHOOL

The Deputy Speaker (Hon. Kenga): The second Communication is to acknowledge the presence in the gallery this afternoon of students and teachers from Chanagande Secondary School.

Hon. Members, the students are here for a study visit to appreciate the legislative procedures, practices, traditions and Parliamentary proceedings. I request that all students and teachers of Chanagande Secondary School stand so that they may be acknowledged in the Parliamentary tradition and practice. Students and teachers from Chanagande, kindly stand up.

On behalf of the County Assembly of Kilifi and on my own behalf, I welcome them to the Assembly and wish them well. Thank you. Kindly be seated. I now call upon the Member hon. (Ms.) Saumu Sidi to welcome the students.

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Hon. (Ms.) Sidi: Thank you Mr. Speaker for this opportunity. My name is Saumu Sidi and for the purposes of gender balance, I want to appreciate that. I also want to welcome the students from Chanagande Secondary School to this Parliament; Kilifi County Assembly. This is where laws are being made through the process of Bills or Motions so feel free, purpose to learn and network with your various MCAs (Members of County Assembly). Thank you.

The Deputy Speaker (Hon. Kenga): Thank you hon. Member. I thought you are an older student of Chanagande but all the same, thank you for welcoming them. Let me call upon hon. Stallone Mkadi to welcome the students.

Hon. Mkadi: Thank you Mr. Speaker for giving me this chance to acknowledge the students of Chanagande Secondary School. For the purpose of introduction, my name is Humphrey Mkadi. I represent Mwarakaya Ward and I am standing on behalf of hon. Yassin who is the hon. Member for Kaloleni Ward. Chanagande Secondary School is situated in Kaloleni Sub-County but it is neighbouring Mwarakaya Ward. So, I would like to take this opportunity to let the teachers and the students know that they are welcome in this honourable House. Try and learn what we do here; understand all the processes that are undertaken here.

The hon. Member for Kakuyuni stood up and talked about the monies which are being given to each ward for the sole purpose of your education. We are not only saying that you work hard but we are saying that you nurture your dreams so that when the time comes and we retire, we will have able leaders leading Kilifi County. Allow me to welcome you here, feel at home and learn everything that you can and trigger your minds to think deeper than you normally do. Thank you and welcome.

The Deputy Speaker (Hon. Kenga): Thank you very much hon. Member. Next order!

MOTION

ADOPTION OF THE AUDITOR GENERAL'S REPORT FOR MALINDI WATER AND SEWERAGE COMPANY FOR THE FINANCIAL YEAR ENDED 2014/2015/2016

Hon. Baya: Thank you Mr. Speaker, Sir. I beg to move the following Motion:-

THAT, this House adopts the Auditor General's Report for Malindi Water and Sewerage Company for the financial year ended 2014/2015/2016.

Before I call upon hon. Maitha Masha to second, allow me to take the hon. Members through the proceedings and general observations of this Audit Report.

The Committee held 18 sittings in which it closely examined the Report of the financial statements of the Malindi Water and Sewerage Company Limited for the financial year ended 30th June 2014/2015/2016.

In this exercise, the Committee was guided by the stated principles as well as the rules, procedures of the County Assembly derived from the Constitution of the Republic of Kenya, Acts of Parliament, County Assembly Standing Orders, conventions, usages, practices and rulings plus the direction of the Chairperson. The Minutes of the Committee are hereto annexed, and copies of the HANSARD Report may be obtained at the County Assembly of Kilifi Hansard Department.

In its inquiry into whether or not the affairs of the public entities were managed in accordance with sound management principles and prudent public sector practices, the Committee heard and received both oral and written evidence from the accounting officer and

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management of MAWASCO Limited. The recommendations on the issues raised by the Auditor-General will be found under appropriate paragraphs of the Report.

The records of evidence adduced, documents and notes received by the Committee form the basis of the Committee's observations and recommendations as outlined in the Report. These can be obtained in the HANSARD Reports of the Committee, available in the Office of the Clerk.

These observations and recommendations, if considered and implemented will enhance accountability, effectiveness, transparency, efficiency and prudent management in public entities within Kilifi County.

It is the Committee's considered position that MAWASCO Limited may be experiencing financial difficulties in settling maturing obligations as and when they fall due. This is owing to the fact that the company has a negative working capital of Kshs194, 745,473.

The Committee observed that the loss was largely attributed to the delay in the renewal of the cost recovery tariff, increase in water coverage area like in Magarini plus an increase in cost of operations.

The Committee after conducting a site visit further noted that MAWASCO Limited had been losing a lot of revenue due to an increase in un-accounted for water as a result of burst and leaks, old pipes and meters plus illegal connections.

The Committee applauds the company for putting in place un-accounted for water reduction strategies in order to reduce non-revenue water loss through the installation of new water pipes, meter replacements and employee training as evidenced during a visit to various sites. The Committee therefore recommends that progress reports should be submitted to the...

The Deputy Speaker (Hon. Kenga): What is your Point of Order the Member for Garashi?

QUORUM

Hon. Ziro: Thank you Mr. Speaker. The Motion that hon. George Baya is tabling in this House is very crucial because this one concerns water and water is a very important commodity. If I look at the House, I do not think we have quorum for this Motion to be tabled. Kindly advice.

The Deputy Speaker (Hon. Kenga): Thank you. Hon. Members, the Member for Garashi is raising on a Point Of Order on the issue of quorum considering that the matter before this Assembly is of great importance. Clerk do we have quorum in the House?

Clerk-at-the-Table: No Mr. Speaker Sir, we do not have quorum.

The Deputy Speaker (Hon. Kenga): Sergeant, can you ring the Bell for 10 minutes.

(The Division Bell was rung)

The Deputy Speaker (Hon. Kenga): Chairperson, Select Committee on County Public Investment and Accounts, kindly proceed.

Hon Baya: Thank you, Mr. Speaker Sir. Because I can see that we have visitors here may I take this opportunity to introduce myself; my name is hon. George Baya Mramba. I am representing Watamu Ward and I am the Chairperson of Public Investments and Accounts Committee.

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Mr. Speaker Sir, let me take this opportunity to proceed. The Committee applauds the company for putting in place un-accounted for water reduction strategies in order to reduce non-revenue water loss through the installation of new water pipes, meter replacements and employee training as evidenced during a visit to various sites.

Mr. Speaker Sir, the Committee therefore recommends that progress reports for MAWASCO Limited on the status of implementation of this un-accounted for water, reduction strategies put in place on a quarterly basis should be submitted to the County Assembly. It is the Committee's position that close to 60 percent of audit queries in this Report could have been resolved by way of prompt action by accounting officers upon being invited by the Committee. There would most probably have never been audit queries if the accounting officer had sufficiently and promptly responded to the Auditor General's management letters and provided the necessary supporting documents.

Mr. Speaker Sir, in most cases, the accounting officers act on queries just when about to appear before the Public Investment and Accounts Committee or when ordered by the Committee during sittings, the most common issue being failure to provide documents at the time of audit. In this regard therefore, the Committee recommends that the accounting officer should take the audit process seriously...

The Deputy Speaker (Hon. Kenga): Order hon. Member! Can you please wind up as the Report is out and most Members have gone through it? Instead of reading word by word from the Report, just tell us why you want the Members to adopt the Report tabled before the Assembly. Kindly.

Hon. Baya: Okay. Thank you Mr. Speaker Sir. I am sorry I have just seen most of the Members do not have copies of this Audit Report that is why I have taken this opportunity to take them through but thank you very much. Let me just summarize and I hope the Members have taken the few points I have highlighted. In general in this Report, on behalf of the Committee we have considered all matters and measures which should be taken so as to avoid future losses or future audit queries like these ones. So, Mr. Speaker Sir, I call upon hon. Maitha Masha to second me.

Hon. Maitha: Thank you Mr. Speaker Sir, for giving me this opportunity. First let me introduce myself for the benefit of the visitors who are here. I am hon. Maitha Masha representing Jaribuni Ward and a Member of this Committee.

The Deputy Speaker (Hon. Kenga): Proceed.

Hon. Maitha: Thank you Mr. Speaker, Sir. I was very keen and paying attention. As a Member of this Committee, I rise in support of adoption of this Report.

Mr. Speaker Sir, this Report which was compiled by a very able Committee Chairperson by our able Member, hon. George Baya, who is an accountant by profession and was very keen during the audit and compilation of this Report.

Mr. Speaker Sir, it was not easy but through the determination of our able Chairperson we managed. This is a Report for the financial year 2014/2015/2016; this was a backlog. Let me urge our hon. Members in this House that we adopt this Report so that the recommendation given by this Committee can be implemented and as the Chairperson of Implementation Committee I am very prepared to take it up from there.

Mr. Speaker Sir, there are some issues we discovered during our compilation of this Report like the customer deposit: The customer deposit was inherited from Coast Water Services Board. MAWASCO could not account for the customer deposit but after interrogation through

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the accounting officers, we came up with a recommendation that MAWASCO have a meeting with the Coast Water Services Board so that they can iron out their differences which was identified by the Auditor General for smooth running of MAWASCO activities.

Mr. Speaker Sir, we also noted that the Kilifi County Government had not honoured the payment of shareholders but after inviting the Minister for Water and Environment hon. Mwachitu, he came and agreed that in this financial year the Kilifi County Government will pay for the share shareholding capital so that the Kilifi County Government can own the company. Mr. Speaker looking at the mood of the Members, I wish to insist that this hon. House adopts this Report as we wait to implement it. Thank you Mr. Speaker, I beg to support.

(Question proposed)

The Deputy Speaker (Hon. Kenga): Yes the Member for Ganze, Hon. Benson Chengo.

(Hon. Ziro stood on a Point of Order)

The Deputy Speaker (Hon. Kenga): What is your Point of Order?

Hon. Ziro: Mr. Speaker, given that the system is not working, I wonder what criteria we will use to contribute to the Motion.

The Deputy Speaker (Hon. Kenga): For those who would like to catch the attention of the Speaker, kindly raise your hand and you will be accorded an opportunity to make your contribution. Thank you. Proceed

Hon. Chengo: Asante sana mheshimiwa Spika. Nimesimama kwa ajili ya kuunga mkono hii Ripoti ya MAWASCO.

La kwanza ni kwamba, wamepata Ripoti kuchelewa kwa sababu kuna miaka mitano hawajapokea Ripoti yoyote. Naamini kama wangukuwa wanapata Ripoti kila mwaka ya *audit* labda wangukuwa wamejirekebisha. Mheshimiwa Spika, imekuwa muda mrefu bila kupata Ripoti, naamini tutakapopitisha Ripoti hii, basi MAWASCO wataweza kujirekebisha katika hesabu zao ili kuanzia mwaka huu mambo yawe mazuri. Kwa hivyo, naomba tupitishie Ripoti hii ili MAWASCO waweze kuitekeleza. Asante sana.

Hon. Dele: I have a Point of Order!

The Deputy Speaker (Hon. Kenga): What is your Point of Order?

Hon. Dele: Mheshimiwa ni kwamba ni miaka mingi imepita...

(Hon Dele spoke off record)

The Deputy Speaker (Hon. Kenga): You are off record. Kindly make your request or take the microphone. Please, kindly hand over the microphone to the Member... You can use hon. (Ms.) Mwangome's.

Hon. Dele: This is a hon. House; if the system does not work, even the microphones do not work. We have Directors of Departments. Hon. Speaker, this is not a school, this is a hon. House and in fact today we have visitors. I withdraw my case. I have an important issue but....

The Deputy Speaker (Hon. Kenga): Hon. Member, you are out of Order!

(Laughter)

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The Deputy Speaker (Hon. Kenga): The Member for Kakuyuni, are you raising your hand?... Yes, the Member for Garashi.

Hon. Ziro: Thank you Mr. Speaker for giving me this golden chance so that I can contribute to this Motion. Before I say whether am supporting or I am not, I have a few challenges that I want to point out so that I can test the expertise of the Committee. I want them to address their misgivings.

First of all, we have heard from the seconder of the Motion, he has pointed out that the Committee or the MAWASCO people could not account for the monies that were being remitted by the common *mwananchi* for the meters. That is a pothole in this Report. So, supporting this Report without addressing that...

The Deputy Speaker (Hon. Kenga): There is a Point of Order from hon. (Ms.) Sidi. Kindly take your seat.

Hon. (Ms.) Sidi: Mr. Speaker, being a Member of the PIC/PAC Committee, I want to answer to what the hon. Member has said. At the Committee level, the Report has not stated that it is not able to account for the monies, what *msheshimiwa* has said is that MAWASCO inherited balances from the Coast Water Services Board that is not able to account for. It is not the Committee that has said that. We are saying it inherited balances. Thank you. I remember he said the monies that were collected for meters could not be accounted for.

Hon. Ziro: Thank you Mr. Speaker. The hon. Member has brought in another version that is raising questions. What the Secunder said and I trust my memory very well; I saw the four corners of a classroom.

Mr. Speaker, this is a pothole in this particular Report. These guys have to correct these mistakes. Mr. Speaker, we have so many white elephant projects going on. Projects are being done and at the end of the day, they have no results an example is from my ward. We have a pipeline from Garashi to Bore that was done about three years ago and water has not been tested.

The Deputy Speaker (Hon. Kenga): There is a Point of Order from the Secunder. Kindly take your seat.

Hon. Maitha: Thank you Mr. Speaker. It is good that hon. Ziro accepts that he has not gone through this Report. This is a Public Investments and Accounts Committee it is not a Water Committee Mr. Speaker.

We are dealing with funds that are channeled to MAWASCO not about projects. So if he says that there are white elephant projects, it is because there are some issues which need to be corrected so that the white elephant projects can be taken care of.

Mr. Speaker, he should not put words in my mouth, I used the word 'inherited' before MAWASCO was formed. All the water supplies were under the Coast Water Mr. Speaker. By the time MAWASCO was formed, they inherited some debts which Coast Water could not furnish us with the information so that MAWASCO could account for. I urge hon. Ziro to come near me, consult me and I will show him what is in the Report instead of putting words in my mouth. Thank you, Mr. Speaker.

The Deputy Speaker (Hon. Kenga): Kindly proceed.

Hon. Ziro: Thank you Mr. Speaker. Thank you for your advice my friend but I think you are crossing the line. I was talking of white elephant projects and the hon. Member has said that they are dealing with funds and I believe this funds are the ones used to do these projects. These funds are not given to MAWASCO or to the Department of Water to put in their banks or pockets; this money is for the projects. What I am complaining about is the projects that have

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been done by MAWASCO or the Department of Water which does not function by now. I was pointing out two projects in my ward.

One, from Garashi to Bore; the projects was completed three years ago and up to now we have not even seen a drop of water and when we ask MAWASCO, they say we have no meters; how long does it take for us to have meters? I think this is bad; there is a pothole in their Report which has to be covered that is why I said I am testing their expertise so that they can address their misgivings.

Number two, we have another project from Kundeni to Karimboni; this started over two years ago. No drop of water has been tasted by the *mwananchi* and yet they want funds, why should they be given funds to do white elephant projects?

The Deputy Speaker (Hon. Kenga): Any other Member who would wish to make contributions regarding the Motion before the House? Yes hon. Hadad.

Hon. Hadad: I want to highlight some few issues on the Motion. As the PIC/PAC Committee, we are scrutinizing the Report; we are not asking for funds but we are trying to see the accountability of all the funds that were utilized by MAWASCO. I think some of the Members were misguided or have not understood the Report or the mandate of the Committee. They should get back to the Standing Orders and know our mandate and know why this Report is being tabled here.

Hon. Mramba: Thank you Mr. Speaker. As a Member of the Public Investments and Accounts Committee, I wish to support the adoption of this Report and advise hon. Ziro whom I respect so much and I know he saw the four corners of Makumba Primary School...

(Laughter)

What we usually do as a Committee...

(Hon. Ziro stood on a Point of Order)

The Deputy Speaker (Hon. Kenga): What is your Point of Order?

Hon. Ziro: The Speaker who is on the Floor is trying to lower my dignity; as a pastor I should be respected. He is talking of me as having seen the four corners of Makumba Primary School. Who told him I went to Makumba Primary? Can he substantiate his remarks? That is diminishing my character. I never went to that school; I do not know where he got this information from.

The Deputy Speaker (Hon. Kenga): I thought Makumba is one of the schools in Garashi Ward and it is equally a school just like any other.

Hon. Ziro: It is, but I never went to Makumba Primary School. Why should he allege that I went to that school?

The Deputy Speaker (Hon. Kenga): So, the issue of concern is alleging that you went to Makumba yet you did not go to Makumba, but on the issues of diminishing your dignity, I do not think is right because Makumba is a public school just like any other public school in Kenya offering equal opportunity to any member of the public.

Hon. Ziro: That is fine but you know he is telling lies in this hon. House...

The Deputy Speaker (Hon. Kenga): Kindly take your seat. Proceed hon. Mramba.

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Hon. Mramba: Mr. Speaker, some people whenever they are elected into higher offices they tend to live in denial. I went to Madunguni Primary School and I am proud of that. So why do you deny that you went to Makumba Primary School yet I know for sure you attended Makumba Primary School? The Public Investments and Accounts Committee deals with the Reports of the Auditor General; we do not deal with white elephant projects. So, I would wish to advise hon. Ziro to seek a Statement from the Chairperson of Water Services Committee on the stalled projects in his area. Otherwise, this Committee does not dwell in those projects.

The Deputy Speaker (Hon. Kenga): There is a request. Yes hon. Member?

Hon. (Ms.) Mbuhe: My name is Elizabeth Mbuhe, special elected Member of this hon. House. Thank you for this chance, I stand in support of the Motion and beg Members of this House to support and adopt the Motion.

The Deputy Speaker (Hon. Kenga): Chairperson, can you please make your final contribution. Just a minute Chairperson; kindly take your seat. There is a request from hon. (Ms.) Scholastica.

Hon. (Ms.) Scholastica: Thank you Mr. Speaker for giving me this opportunity. My name is Scholastica Adit Oduor special elected. I stand in support...

(Hon. Ziro stood on a Point of Order)

The Deputy Speaker (Hon. Kenga): What is your point of Order?

Hon. Ziro: There is a term that is being used in this House that we do not know where it comes from. We know of 'special nominated' and 'nominated' but I am hearing the Member saying she is 'special elected.' Where does that come from? Can we get a clarification on that matter?

The Deputy Speaker (Hon. Kenga): Proceed.

Hon. (Ms.) Scholastica: Member for Garashi, I want to tell you today there is no 'special nominated'; it is 'special elected' because we are elected to serve all the wards in Kilifi County. I stand in support of this Report as a Member of PIC/PAC and what I want to tell the Member that we do not do projects; our work is about auditing, so most of us are accountants. Our work is to go by what the Auditors have said. We are very professional accountants led by our able Chairperson.

The Deputy Speaker (Hon. Kenga): Thank you. Kindly Chairperson, make your final contributions.

(Question, that the Mover be now called upon to reply, put and agree to)

Hon. Baya: I do not have much to say; most Members have contributed positively. I beg this House to adopt this Report. Kilifi residents should realize every asset we have; one of them being MAWASCO and if we are to avoid future financial problems in parastatals such as MAWASCO and KIMAWASCO this Report has to be adopted. If this House adopts this Report it will give a boost to my Committee so that we can do the other Reports. We have the Financial Reports which were presented in the House and we need to proceed to those and make sure that those responsible for these queries are brought to book.

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I also beg my Chairperson of Implementation to take this up if the Report is adopted and assist us in the implementation of these recommendations. With those few remarks, I beg this House to adopt this Report.

The Deputy Speaker (Hon. Kenga): Hon. Members, a Motion has been moved, seconded and the same has been debated.

(Question put and agreed to)

ADJOURNMENT

There being no other Business in the Order Paper, this House stands adjourned until Monday next week at 2:30 p.m.

The House rose at 3:30 p.m.

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