

REPUBLIC OF KENYA

NYANDARUA COUNTY ASSEMBLY

2ND ASSEMBLY- 2ND SESSION

OFFICIAL REPORT

Wednesday 28th February 2018

The Assembly met at the Assembly Chamber at 2.30 pm.

[Hon. Speaker [Ndegwa Wahome] in the Chair]

Prayer

QUORUM CALL AT THE COMMENCEMENT OF THE SITTING

(There is quorum as confirmed by the Clerk-at-the-Table)

Speaker: Hon. Members, quorum having been recognized we can proceed with the business at hand.

First order!

COMMUNICATION FROM THE CHAIR

APOLOGY TO THE HOUSE AND HON. KARIUKI MUCHIRI

I was to communicate on an issue that was raised in the morning by the member for Murungaru, Hon. Kariuki Muchiri emanating from a purported point of order that had been raised by the member for Njabini/Kiburu Hon. James Kiiru Gachomba on 21st February 2018. In view of the fact that both members are not present, I will reserve that communication. However, since I might not be sitting when both members will be here, actually, the member for Njabini Kiburu did make some utterances, which were obviously unparliamentary, and I indicated at that particular time that they had put the chair in a very awkward position because it was unprecedented in parliamentary traditions. I put it that it was an ignominy that had been introduced in the House which was actually regretted. Unfortunately, it appears that the member for Njabini/Kiburu did not withdraw or apologize to both the House and the member for Murungaru. The first time that the member for Njabini Kiburu appears in the House he will be required to immediately rise, withdraw and apologize to both the House and the member and for the particular record to be expunged from the Hansard.

Next

PAPER

PRELIMINARY REPORT OF THE PUBLIC ACCOUNTS AND INVESTMENT COMMITTEE

Speaker: Member for North Kinangop and a member of the County Public Accounts and Investments Committee, Hon. Edinald Wambugu King'ori.

Hon. Wambugu King'ori: Thank you Mr Speaker, before I move on to table the paper, I would wish to know from the chair whether it is in order to move it from here instead of going to the dispatch box.

Speaker: You will have to go to the dispatch box because you will require to table the document first and then highlight on it.

Hon. Wambugu King'ori: Thank you Mr Speaker. On behalf of the Chairperson of the committee on CPAIC and the members, I beg to table the preliminary Report of the Public Accounts and Investment Committee, on the Audited Financial Statements Of County Government of Nyandarua, the Audited Financial Statement of Ol'kalou Water and Sanitation Company and the Audited Financial Statement of Nyandarua Water and Sanitation Company for the year ended 30th June 2016.

Speaker: The report is duly tabled and the member can proceed to highlight on the same.

Hon Wambugu King'ori: Thank you Mr Speaker, the committee has managed to compile a preliminary report. To start with, Section 4 of the Public Audit Act, 2015 establishes the office of the Auditor General in accordance with article 229 of the Constitution of Kenya 2010.

Within six months after the end of each financial year, the Auditor General is mandated to among other things, audit all firms and authorities of the national and county governments and confirm whether public money has been utilized lawfully and effectively. After the audit of a county government entity, the office of the Auditor General submits its copies to the relevant county assemblies. Within three months after receiving an audit report, a County Assembly is required to consider the report and take appropriate action as stipulated in article 229 (8) of the Constitution of Kenya 2010. The following reports;

1. The County Government of Nyandarua,
2. Ol'kalou Water and Sanitation Company and
3. Nyandarua Water and Sanitation Company;

For the year ended 30th June 2016, were tabled in the House on Wednesday 8th November 2017 by the Leader of Majority, Hon. Peter Gathungu Kamau and were hereby committed to the County Public Accounts and Investments Committee for consideration. The committee is mandated under Standing Orders No 188 (2) (c) to examine reports of the Auditor General and thereafter submit its report to the House for consideration.

During a meeting convened on 29th November 2017, the committee developed a work schedule here attached, detailing the activities that it would carry out against set timelines in view of the stipulated period of three months given for consideration of audit report as provided for in article 229 (8) of the Constitution of Kenya 2010. This would ensure that the reports are brought to the House in good time and duly considered within the said three months.

The aforesaid water companies, on 30th November 2017, were to give written submissions on various audit queries raised. The committee through the Office of the Clerk received various submissions although several departments have not given their submission to date. The committee further intends to invite various accounting officers to appear before it to shed light on audit queries raised in their respective departments. This is in accordance with article 195 of the Constitution that accords the County Assembly or any of its committee's power to summon any person to appear before it for the purpose of providing evidence or relevant information. The committee will apply the tendency of prudent financial management

accordingly, in recommending actions that should be taken against accounting officers and managing directors who are found to have contravened the law or undermined any financial management. It will give its findings and give recommendations taking into account the recommendations of the Auditor General of which if implemented will ensure prudence in the usage of public resources.

Mr Speaker sir, section 102 (1) of the Public Finance and Management Act, 2012 (1), Each county government shall ensure adherence to the principles of public finance set out in Chapter Twelve of the Constitution.

In the execution of its mandate, the committee was guided by the core constitutional and statutory principles in public finance management as well as established norms, customs, traditions and practices as stipulated in article 201 of the constitution of Kenya. These principle are *inter alia* that;

- a) There shall be openness and accountability including public participation in financial matters and
- (d) Public money shall be used in prudent and responsible way
- (e) Financial management shall be responsible, and fiscal reporting shall be clear.

Article 226 is equivocal that if the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not.

Section 149 (1) of the Public Finance and Management Act, 2012 provides that *inter alia*; an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is—

- (a) Lawful and authorised; and
- (b) Effective, efficient, economical and transparent.

The provisions obligate all accounting officers to appear before the public accounts and investments committee of the assembly to respond to audit queries in their respective departments.

From the findings and observations, the committee was constrained by time and resources, which hindered the timely consideration of the reports of the Auditor General for the financial statements of;

- a) County Government of Nyandarua,
- b) Ol'kalou Water and Sanitation Company and
- c) Nyandarua Water and Sanitation Company, for the year ended 30th June 2016.

At the time of receiving the said audit reports, the committee was in the process of scrutinizing the audited financial statement of the county executive of Nyandarua for the year ended 30th June 2015 which was time consuming bearing in mind the numerous audit queries raised there in. The committee has also been continually frustrated by some uncooperative accounting officers who gave their submissions late also noting that some have not responded to the queries to date despite the reminder letter sent to them. In the event that the said submissions are inefficient, the committee shall invite the respective accounting officers to clarify.

The committee acknowledges receipt of submissions from the following departments and officers;

- Health Services
- Roads, Public Works, And Transport
- County Treasury
- County Secretary and Head Of Public Service
- Youth, Sports And Arts
- Water Tourism, Environment, and Natural Resources
- Nyandarua Water and Sanitation Company limited.

The committee commends all the accounting officers and managing director who made their submissions in good time and strongly castigates those who have delayed in responding to the queries. These challenges notwithstanding, the committee is committed to discharge its mandate as expected. The committee came up with a recommendation that the House grants the committee leave to conclusively consider the three audit reports namely: The financial statements of;

- a) County Government of Nyandarua,
- b) Ol'kalou Water and Sanitation Company and
- c) Nyandarua Water and Sanitation Company for the year ended 30th June 2016 within three months of giving this preliminary report.

Mr Speaker we are behind time and that is why we are seeking leave from this Hon. House so that we can catch up with the statutory timelines. Secondly, County Executive department that has not responded to the audit queries raised by the auditor should make their written submissions to the committee within seven days of giving this preliminary report. We have written letters twice to the relevant departments and officers but they have failed to reply. We want leave so that we can summon those officers.

This is a standing committee, we have a lot of work, and I believe that once granted leave we shall have more time to compile a report that will be analysed and discussed in this House. Thank you Mr Speaker

Speaker: Very well member for North Kinangop. Unless there is any objection, I think the request thereof is well grounded and we are all alive to the facts that have been highlighted by this particular committee. Unless there is very compelling reasons why the three months cannot be granted, I think we should proceed and grant the committee leave to. There is no contrary opinion and this House upholds the preliminary report. You will proceed appropriately. The clerkship will notify you when the three months will expire so that by that time the report on the three entities is complete and ready for tabling in the House.

NOTICE OF MOTION

PROCUREMENT OF GOODS AND SERVICES FROM POLYTECHNICS

Member for Nyakio and the deputy Speaker, Hon. Zachary Mwangi Njeru

Hon. Zachary Njeru: Thank you Mr Speaker, sir, I beg to give notice of the following motion;

Aware that the county government is tasked with enormous responsibility of county development which involves procurement of goods and services from various contractors and suppliers, including supplies from other government entities;

Further aware that some of the goods and services can readily be provided and sourced locally especially from among our youths and the youth polytechnics;

Noting that there are 24 public youth polytechnics in Nyandarua, which provide various technical courses to the youths of Nyandarua, and that they supply quality goods and services to other institutions in the course of their program;

Appreciating that if the county government procurement procures goods and services from these polytechnics the move will uplift their financial standing increase the quality of the education offered; Now therefore this House does resolve that;

- i. The county executive committee does formulate a policy outlining how departments shall procure certain categories and percentages of goods and services from the youth polytechnics.
- ii. The executive committee member for education, culture gender affairs and social services does initiate capacity-building programs for the polytechnics to ensure that they have the requisite capacity to supply goods and services.

Thank you Mr Speaker.

Speaker: Very well, the motion is duly notified to the House. The House Business Committee shall give directions on how the same shall be processed if it has not already done so.

Next order.

ADJOURNMENT

The business for this particular sitting having been exhausted, this House will now adjourn to tomorrow Thursday 1st day of March 2018 at 2.30 pm.

(The House rose at 2.50 p.m.)