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NATIONAL ASSEMBLY

THE HANSARD

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Tuesday, 2nd May 2023

The House met at 2.30 p.m.

[The Speaker (Hon. Moses Wetang'ula) in the Chair]

PRAYERS

QUORUM

Hon. Speaker: Serjeant-at-Arms, kindly ring the Quorum Bell.

(The Quorum Bell was rung)

Hon. Speaker: Hon. Members, we now have quorum to transact business.

(Hon. Ruku GK received a phone call while in the Chamber)

Hon. Ruku, Order! Hon. Members, it is only decent if you can take your calls outside. There are rooms behind the Speaker's seat. We also have some rooms out there where you can go and take calls. It is better that way.

COMMUNICATION FROM THE CHAIR

PRESENCE OF DELEGATION FROM NATIONAL
ASSEMBLY OF ZAMBIA IN SPEAKER'S ROW

Hon. Speaker: Hon. Members, I wish to introduce to you a delegation from the National Assembly of the Republic of Zambia, who are seated in the Speaker's row. When I call your name, Hon. Visitors, you may stand to be acknowledged.

Hon. Members, the delegation comprises the following:

1. Hon. Twaambo Elvis Mutinta, MP - Leader of Delegation;
2. Hon. Sibongile Mwamba, MP;
3. Hon. Elias Daka, MP;
4. Hon. Heartson Mabeta, MP;
5. Hon. Davies Chisopa, MP;
6. Hon. Ackleo Ives Aaron Danda, MP;
7. Hon. Tyson Simuzingili, MP;
8. Hon. Alex Katakwe, MP;
9. Hon. Golden Mwila, MP; and,
10. Hon. Chrizoster Phiri Halwiindi, MP.

The delegation is accompanied by Mr. Alvin Himululi, Secretary to the delegation.

The delegation, which is drawn from the Committee on Education, Science and Technology of the National Assembly of Zambia is in the country on a study visit to our Parliament. Specifically, the delegation seeks to share and learn best practices on the legal and policy framework supporting the Free Education Policy in Kenya.

On my own behalf and that of the House, I wish to welcome you to the National Assembly and wish you fruitful engagements with your counterparts.

Thank you.

Next Order.

PAPERS

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Speaker, I beg to lay the following papers on the Table:

1. Estimates of Revenue and Expenditure for State Corporations of the Government of Kenya for the Financial Year 2023/2024 from the National Treasury and Economic Planning.
2. Judiciary's Expenditure Estimates for the Financial Year 2023/24 and the Medium Term, and the following accompanying documents from the Chief Registrar of the Judiciary:
 - (a) Programme Performance Report (PPR) for the Financial Year 2019/2020–2021/2022.
 - (b) Medium-Term Expenditure Framework (MTEF) Budget Report for Financial Year 2023/2024–2025/2026.
 - (c) Programme Based Budget (PBB) for the Financial Year 2023/2024–2025/2026.
 - (d) Expenditure Estimates for the Financial Year 2023/2024–2025/2026 (Recurrent and Development).
3. Budget Estimates for the Financial Year 2023/2024 for the Judicial Service Commission (Vote 2051).
4. Annual report and financial statements for the Financial Year ended 30th June 2019 from the University of Nairobi.
5. Reports of the Auditor-General and Financial Statements in respect of the following institutions for the year ended 30th June 2022:
 - (a) National Drought Management Authority
 - (b) Kenya Technical Trainers College
 - (c) National Biosafety Authority
 - (d) Kenya Meat Commission
 - (e) Northern Water Works Development Agency
 - (f) Kenya Deposit Insurance Corporation
 - (g) Deposit Insurance Fund – Kenya Deposit Insurance Corporation
 - (h) Staff Mortgage and Car Loan Scheme – Kenya Deposit Insurance Corporation
 - (i) Technical University of Mombasa
 - (j) Bandari Maritime Academy
 - (k) Kenya Industrial Research and Development Institute

Thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Leader of the Majority Party.

Hon. Members, I have a short Communication on guidance on the consideration of the Budget Estimates for the Financial Year 2023/2024.

COMMUNICATION FROM THE CHAIR

GUIDANCE ON CONSIDERATION OF THE BUDGET
ESTIMATES FOR FINANCIAL YEAR 2023/2024

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Hon. Members, Article 221 of the Constitution, as read together with Section 39 of the Public Finance Management Act, 2012, requires the National Assembly to consider the Estimates of Revenue and Expenditure of the National Government, Parliament and the Judiciary for each financial year. These Estimates, once approved by the National Assembly, form the basis for the Annual Appropriation Act.

Hon. Members, as you may be aware, the Estimates have since been submitted and tabled before the National Assembly as required by the law. Consequently, and pursuant to the provisions of Standing Order 235, the Estimates now stand committed to respective departmental committees to consider and make recommendations to the Budget and Appropriations Committee within twenty-one days. The departmental committees are required to engage with the relevant stakeholders to ensure the participation of all players in the process.

It should be noted that the Budget and Appropriations Committee is required to discuss and review the Budget Estimates and make recommendations to the House, taking into account, the recommendations of the departmental committees, the views of the Cabinet Secretary for the National Treasury and the general public.

Noting the importance of the budget-making process, the respective committees are required to urgently commence the consideration of the Estimates. I am aware that the Clerk has made appropriate arrangements to facilitate committees to carry out this important mandate. Indeed, Members will note that the House is scheduled to proceed for recess this week to allow committees to embark on this activity. I, therefore, encourage Members to actively participate in the exercise to ensure that their views and those of their electorate are incorporated in the final national budget.

The House is accordingly guided.

Leader of Majority Party.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Thank you, Hon. Speaker for your indulgence. As you were delivering your Communication, I scanned through the House and counted not more than six of our departmental committee chairpersons. Hon. Speaker, as we expressed ourselves in the House Business Committee, it is becoming a matter of concern that chairpersons of committees are not in the House at the time the House rises.

(Loud Consultations)

Hon. Speaker, it is important that we communicate on the Floor of this House the discussion we had in the House Business Committee. That is if a chairperson of a committee is not in the House, the bare minimum is that the vice-chairperson must be in the House at the time the House rises.

Processing of the Budget Estimates is the most important business that we have in this Session and it is a matter of concern that the chairpersons, especially those of the departmental committees, who are charged with the responsibility of processing the Budget Estimates, were not even in the House at the time you were making that Communication, Hon. Speaker. I just wanted to take this opportunity to implore upon the chairpersons again. As much as we have another meeting as I indicated in the House Business Committee, it is good for the general membership of the House to take charge of their committees and ensure their full participation in considering the Budget Estimates because this is the most important business of this House. Unlike our sister House, the Senate, we are charged with the rare privilege of being the budget-making House. It is indeed, a great honour and privilege to oversee the Government and the budget process. We must make use of the long recess. It is a long recess, but usually it is the busiest working recess that we have unlike the one in December, which is longer and for rest. This one is usually a working recess. I implore upon the membership of the House across the

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political divide to be available in committee meetings during the coming recess to process the Budget Estimates.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Members, take that intervention by the Leader of the Majority Party very seriously. As the Chairman of the House Business Committee, I attest that, in fact, the Leader of the Majority party is more polite than he was in the House Business Committee. He took a very strong view of chairpersons and vice-chairpersons of committees who take a full week without stepping in the House yet their first duty is to this House. I remember him saying that every choice has attendant consequences. I do not know what he meant. Hon. Members, you are advised, particularly, chairpersons and your deputies. If you all attended, this House would never have a quorum hitch. We hope and expect that you will adhere to what your leader is saying. I hope the Leader of the Majority Party is also not issuing empty threats so that the House can have a proper quorum.

Next Order.

Hon. Samwel Chepkonga (Ainabkoi, UDA): On a point of order, Hon. Speaker.

Hon. Speaker: Yes, Hon. Chepkonga.

Hon. Samwel Chepkonga (Ainabkoi, UDA): I thank you very much, Hon. Speaker for your Communication. I also note the Leader of the Majority Party's very serious observations.

Hon. Speaker: Are you also a chairperson?

Hon. Samwel Chepkonga (Ainabkoi, UDA): Yes, I am a Chairperson, Hon. Speaker. I have also noted this with some concern. While I was a commissioner with the Parliamentary Service Commission, we obligated all the members of staff to sign something called "performance contracts." All committee chairpersons and vice-chairpersons should know that they are on performance contracts. It is a shame that we expect members of staff to have different performance standards as opposed to those of the leadership of the House. I was in the 11th Parliament and I hardly remember a day in which the quorum Bell was rung at 2.30 p.m. It did not matter whether we were not being paid sitting allowance, which was just a small amount of money.

Hon. Speaker, if you look at the amount of salary we negotiated as commissioners in the last Parliament, it covers even the sitting allowance. There is no reason why we should not make this our number one business. We are elected to legislate and provide oversight, and this is the place where we do such things. So, I totally support.

We used to have something to mark and show attendance of Members and the best debater. In the 11th Parliament, I was only defeated by Wamalwa. I was number two. I think we should restore the ranking to help us mark Members in attendance, and also for their constituents to know. Let them not shout at us because they were elected to come here. Anybody shouting at us should not be here.

I support the Leader of the Majority Party wholeheartedly.

Hon. Ruku GK (Mbeere North, JP): On point of order, Hon. Speaker

Hon. Speaker: Yes, Hon. Ruku. Who else?

Hon. Ruku GK (Mbeere North, JP): Thank you, Hon. Speaker.

Hon. Speaker: Yes.

Hon. Ruku GK (Mbeere North, JP): Parliament is a very important arm of the Government. For us to change the situation in this country, Parliament, and more so the National Assembly, must play its role. If we have chairmen who are not actively involved in the matters of this House so that we can steer the country in the most appropriate direction, I think it is important for the House Business Committee to reorganise committees since some of us are willing to serve in them as chairmen.

Thank you, Hon. Speaker.

(Applause)

Hon. Speaker: Hon. Hassan, Member for Kamukunji.

Hon. Yusuf Hassan (Kamukunji, JP): Thank you, Hon. Speaker. I must say I was rather surprised by the comment from *Mhe*. Chepkonga because I served in both the 10th and 11th Parliaments and I do not remember any competition among Members of Parliament. He has a point in the sense that there is general lethargy and lack of commitment, particularly among the younger and newer Members of Parliament. Some of them have been saddled with responsibilities...

(Loud consultations)

Hon. Speaker: Order, Hon. Members! When a Member is on a point of order, no other Member can rise on another point of order.

Hon. Yusuf Hassan (Kamukunji, JP): Some of these new guys have been saddled with chairmanship and vice-chairmanship positions yet they lack the requisite experience and weight to carry out these functions. Another issue is that we are not getting enough feedback on Questions and Statement Requests we raise in Parliament. This is a little bit disappointing because one would expect that the chairpersons and vice-chairpersons would be running around to ensure that issues raised here are responded to in a timely manner. Most of the time they are completely absent from this House. I think you should send them a very strong message because they have a responsibility to be here listening to what is happening and respond to Members' requests relating to the committees they chair.

Thank you, Hon. Speaker.

Hon. Joseph Makilap (Baringo North, UDA): On a point of order, Hon. Speaker.

Hon. Speaker: Thank you. Honestly, I do not want to escalate debate on this. Hon. Makilap, what is the problem? Are you also a chair of a committee?

Hon. Joseph Makilap (Baringo North, UDA): Hon. Speaker, I am ready to be a chairman or vice-chairman of a committee because I am loyal to the business of the House since that is what the people of Baringo North sent me here to do. It is wrong for the Member for Kamukunji to impute improper motive on new Members by saying that they have no knowledge and experience. Has he checked our backgrounds to establish where we went to school and what we were doing? We could be more experienced than other Members who have been here for long. The fact that they are not attending yet they are vice-chairs shows that they are incompetent.

I support the Leader of the Majority Party to replace them and give others opportunity to serve this country.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. DK, Member for Soy. There is a microphone next to you.

Hon. David Kiplagat (Soy, UDA): Thank you, Hon. Speaker. I think it is very wrong for the Member for Kamukunji to impute improper motive by saying that the new Members need to be coming here to learn. If there are Members who have been coming to this House religiously, they are the new ones. It is only that we are never given opportunity to speak in this House. If you are not given a chance to speak in the House, you have very many other businesses you can do. I can assure you that if we were given opportunity, we could be in this House religiously every time there is business.

Hon. Speaker: Member for Soy, you are not right. Members come to this House. As you know, we are too many and, therefore, not everybody can speak every day. Just as you are speaking and the rest of your colleagues are listening to you, you also have a duty to listen to those who are given opportunity to speak. I do not know of any other duty you have when the

House is sitting other than being in this chamber. If any Member is hawking some wears out there at the expense of being in the House, then you are letting your electorate down. I encourage each one of us, Hon. Members, that when the House is sitting, there is nothing better than being in the House. You have free airtime. You are televised, given publicity, your constituents are watching you on YouTube from their telephone handsets or television and assessing you for the next assignment.

(Laughter)

Hon. Members, I encourage you. Yes, Mwenje.

Hon. Mark Mwenje (Embakasi West, JP): Thank you, Hon. Speaker. I want to note that the Member for Kamukunji did not say all first timers and new Members. He might have used the term ‘some’ and there are some who have failed us. I want to agree with my colleagues from the other side that they should be given those positions. I also want to encourage the Leader of the Majority Party that the people who are failing him are his Members because they chair committees. So, he should share those positions among the Members in the House. He can give me a departmental committee and I will not let him down.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Mwenje, there are also chairpersons and vice-chairpersons from your side of the House who are not here.

(Laughter)

Hon. Mark Mwenje (Embakasi West, JP): Yes.

Hon. Speaker: Njeri, you are the last one on this matter.

Hon. Njeri Maina (Kirinyaga County, UDA): Thank you, Hon. Speaker. I want to correct the Member for Kamukunji because we young Members are always here. I also want to correct my colleague because we also get a chance to contribute in the House. I am one of the young Members who have been contributing on the Floor of this House. There are no people to learn from. I do not know why the old Members are telling us that we should be here to learn when they do not attend. Young Members are ready to take the leadership of those departmental committees because they are always here to support the agenda of the House and represent our constituents.

Thank you, Hon. Speaker.

(Hon. Dorice Donya waived her hand)

Hon. Speaker: There is a Member waving her hand uncontrollably. Who is she? Is that the Women Representative for Kisii?

Yes, *Mheshimiwa*.

Hon. Dorice Donya (Kisii County, WDM): Please, give me the Microphone.

Hon. Speaker: You have it.

Hon. Dorice Donya (Kisii County, WDM): Thank you, Hon. Speaker. When we come to Parliament, we leave behind everything irrespective of whether you are a new or an old Member. That is why all of us are on the same salary scale. We articulate issues depending on what ails us and not how long you have been in Parliament. We should not be telling people: “You are a new Member and you have not been here long enough to chair a committee.” Look at me, I am very capable. That is why I share issues affecting Kisii County like the female genital mutilation (FGM) which you have not been hearing about for a long time. We are very capable and ready. What we need is opportunity.

Thank you very much, Hon. Speaker.

Hon. Speaker: Thank you. We will leave it there. Order, Hon. Members! Leader of the Majority Party, take your seat. Hon. Members, take your seats. Hon. Malulu Injendi, that is not where you should be. Hon. Members, take your seats so that we can have order in the House.

Hon. Woman Representative for Kisii County and those Members who are new, there is no harm in being called a newcomer. Definitely, even within the rank and file of Parliament, we have veterans; the fathers and mothers of the House, the ranking Members and freshmen and women. In comparable jurisdictions, there are always ranking Members versus new arrivals. What is important is what you do with the space you have in this House. The lady from Kisii, I have seen that you are very active, and I encourage others to be active, but do not be embarrassed to be called a new Member because you are a new Member. So, the Member for Kamukunji was not out of order at all.

Next Order.

NOTICE OF MOTION

DEVELOPMENT AND IMPLEMENTATION OF FIRST AID CURRICULUM IN SCHOOLS

Hon. Caleb Amisi (Saboti, ODM): Hon. Speaker, I beg to give notice of the following Motion:

THAT, aware that first-aid training is a key component of Emergency Medical Response (EMR); further aware that first-aid response promotes a safer and healthier community by reducing accidents and injuries; noting that lack of first-aid training and skills among the general public has contributed to the aggravation of preventable injuries and accidents which, in some cases, has led to loss of lives; further noting that the current education system does not include first-aid training as a compulsory subject in the curriculum which deprives students of essential knowledge and skills necessary for their personal safety and that of persons around them; acknowledging that it is critical to equip students with the ability to assess and handle day-to-day emergencies in schools and at home; now therefore, this House urges the National Government through the Ministry of Education to develop and implement a comprehensive first-aid curriculum for schools across the country.

Hon. Speaker: Next Order.

QUESTIONS AND STATEMENTS

Hon. Speaker: Hon. Silvanus Osoro.

GENERAL STATEMENT

CLOSURE OF NDURU LEVEL 5 HOSPITAL

Hon. Silvanus Osoro (South Mugirango, UDA): Hon. Speaker, pursuant to the provisions of Standing Order 43, I wish to express my deep concern over the recent closure of Nduru Level 5 Hospital in South Mugirango Constituency, Kisii County, and the devastating impact this closure has had on the residents of Kisii, who depend on this critical healthcare facility.

It is disheartening to note that Nduru Hospital, which was built by the Government in partnership with the World Bank, has been closed for almost three weeks causing immense suffering to the people of Kisii County. On 12th April 2023, the county government sought to transfer medical equipment from the hospital to a different healthcare facility, but members of the local community protested the move by the county government to transfer equipment outside the sub-county. This incident resulted in some of the medical personnel being injured and subsequently led to the closure of the hospital due to safety concerns. As a result, the other medics at the hospital were instructed to down their tools and the facility was indefinitely closed.

Whereas the national Government acted swiftly in restoring security, the hospital remains inoperable. This has adversely affected the most vulnerable members of the community who have a difficult time accessing healthcare services, this being the only hospital within the sub-county. It is imperative that the county government works with the national Government to ensure the reopening of the hospital and the resumption of medical services as soon as possible.

The national Government recognises the critical role that healthcare workers play in our society and has provided the necessary security and support needed to carry out their duties. Action has been taken to restore security in the area. I, therefore, implore the county government to prioritise the health of our citizens and take prompt action to address the hospital's prolonged closure.

Thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Osoro. I have requests by a few Members to comment on this one. The first one is Hon. Martha Wangari. She has walked out. Hon. Chikati, Member for Tongaren.

Hon. John Chikati (Tongaren, FORD-K): Thank you, Hon. Speaker. The fact that one is a governor does not give him permission to move equipment haphazardly from one health facility to another. We have had cases where governors remove facilities from hospitals without consultation and public participation. At Ndalu Hospital in my county of Bungoma, equipment that was brought by some donors was removed and taken to another hospital without the consent of the local community that was the beneficiary of that facility. Therefore, what is going on in Mugirango, Kisii County, should be discouraged.

I wish to recommend to you, Hon. Speaker, that you direct the Departmental Committee on Health to visit the hospital, come up with findings, recommend appropriate action against that governor and restore the equipment to that hospital.

Hon. Speaker: Marianne Kitany, Member for Aldai.

Hon. Marianne Kitany (Aldai, UDA): Thank you, Hon. Speaker. I rise to comment on the closure of Nduru Level 5 Hospital. One thing we need to appreciate is that the Constitution is very clear in terms of the functions of a county government and the national Government. It is a function of the county government to provide health services to the people. By closing a hospital, the people are denied health services.

Article 43 of the Constitution is very clear in terms of provision of economic and social rights, especially provision of high standard of health services. When a county government closes a hospital in an area, the people in that area cannot access services that are ideally supposed to be accessed by them because the facilities and resources have been provided. If security is required, in this case we know that security has been provided in the area, the hospital cannot close. I, therefore, feel that the county government has been negligent and decided to move medical facilities and force practitioners not to go to the hospital.

We urge that this hospital be reopened and the Departmental Committee on Health investigates this matter and ensures that the people of Nduru get the services they require.

Hon. Speaker: Dorice Donya, Woman Representative, Kisii County.

Hon. Dorice Donya (Kisii CWR, WDM): Thank you, Hon. Speaker. As we all know, health is fundamental. A building is structured somewhere for doctors to work in and for patients to visit for treatment. Apart from what is ailing Nduru Level 5 Hospital, it is a clear mandate of the Departmental Committee on Health to visit all county hospitals to find out what takes place there. The issue of patients sharing beds is very common. The issue of less staff in our hospitals is also very common. I have come to learn that in Kenya, when something is blown up or is carried by the media, investigations begin and people in that area are assisted.

Therefore, as regards the issue of Nduru, when the Departmental Committee on Health visits the area, Members will know the issues that are ailing the hospitals out there. This is not happening only in Kisii County, but in other counties across Kenya as well.

Thank you very much, Hon. Speaker.

Hon. Speaker: Thank you. I will give the Floor to Hon. Chepkonga.

Hon. Chepkonga, had you queued in to speak to this Statement by Hon. Osoro? I can see your name here.

(Hon. Samwel Chepkonga spoke off the record)

Okay. You forfeit the chance.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Hon. Speaker, I request that you skip me, but I will come back again. I was talking to my neighbour, and he convoluted my mind.

Hon. Speaker: The last one on this matter is Hon. Kalasinga Majimbo.

Hon. Majimbo Kalasinga (Kabuchai, FORD-K): Thank you very much, Hon. Speaker.

I also want to comment on this matter and if I may call him ‘a rogue governor.’ As a governor, you do not have to go to the level of vandalising instruments that assist the people that you govern. I would urge that you give a harsh direction so that the particular governor appears before the Departmental Committee on Health and explains why priorities were put in hospital one, but he ended up having them in hospital two which he owns. The closure period at the hospital has made patients suffer. I want to thank Hon. Osoro for bringing this issue here. An immediate action must be taken so that the people can receive the services they deserve.

Hon. Speaker: Thank you. Next Order.

MOTIONS

Hon. Speaker: Order, Hon. Members!

(Hon. Wakili Muriu walked along the gangway greeting Members)

Who is the Member greeting others? Please, take your seat, Hon. Wakili. Hon. Members, we are now putting the Question on Order No.8.

NOTING OF REPORT OF THE KENYAN DELEGATION TO THE FIRST ORDINARY SITTING OF THE SIXTH PAP

THAT, this House notes the Report of the Kenya Delegation to the Pan-African Parliament (PAP) on the Proceedings of the First Ordinary Session of the 6th Parliament, laid on the Table of the House on Tuesday, 28th February 2023.

(Moved by Hon. Rahab Mukami on 22.3.2023 – Afternoon Sitting)

(Debate concluded on 27.4.2023)

(Question put and agreed to)

Hon. Speaker: Chairperson of the Decentralised Funds Accounts Committee. Is that Hon. Mulyungi? You have the Floor.

ADOPTION OF REPORT ON FINANCIAL STATEMENTS
OF NG-CDF ACCOUNTS FOR THE COAST REGION

Hon. Gideon Mulyungi (Mwingi Central, WDM): Hon. Speaker, I beg to move the following Motion:

THAT, this House adopts the Report of the Decentralised Funds Accounts Committee on the consideration of the Reports of the Auditor-General on the Financial Statements for the National Government Constituencies Development Fund for 26 constituencies in the counties of Mombasa, Kilifi, Kwale, Taita Taveta, Lamu and Tana River, for the financial years 2013/2014, 2014/2015, and 2015/2016, laid on the Table of the House on Tuesday, 25th April 2023.

Hon. Speaker, oversight over national revenue and expenditure is amongst the roles of the National Assembly as stipulated under Article 95(4)(c) of the Constitution of Kenya, 2010. Further, Article 226(2) of the Constitution provides that an Act of Parliament shall provide for the designation of an accounting officer in every public entity at the national level, who is accountable to the National Assembly for its financial management. In addition, Article 229(8) mandates this House to debate and take appropriate action on audit reports from the Auditor-General.

[The Hon. Speaker (Hon. Moses Wetang'ula) left the Chair]

[The Deputy Speaker (Hon. Gladys Boss) took the Chair]

In fulfilment of these constitutional provisions, the National Assembly's Standing Order 205(b) established the Decentralised Funds Accounts Committee (DFAC), whose mandate is to examine reports of the Auditor-General for the National Government-Constituencies Development Fund (NG-CDF), among other funds like the National Government Affirmative Action Fund (NGAAF).

The predecessor committee, the Special Funds Account Committee (SFAC), in the 12th Parliament, prepared the 11th Report on the Audited Financial Statements for the NG-CDF for 26 constituencies in the counties of Mombasa, Kilifi, Kwale, Taita Taveta, Lamu and Tana River for the financial years 2013/2014, 2014/2015 and 2015/2016 after receiving evidence from the Chief Executive Officer (CEO) of the NG-CDF and the Fund account managers. The SFAC tabled its Report on 2nd December 2021. However, it was not debated by the 12th Parliament.

For this reason, the DFAC, which is the successor of the SFAC, in its 7th Sitting held on 28th February 2023, resolved to revive the matter from the exit report of SFAC by considering the report with a view to presenting it to the 13th Parliament for consideration and adoption, which I am now doing.

Hon. Deputy Speaker, the Committee considered the Report in three sittings that were held on 28th February 2023, 16th March 2023 and 11th April 2023. The Report highlights what was previously examined and tabled before the House by the SFAC in the 12th Parliament. The Committee reviewed the queries, observations and recommendations for each constituency. In

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its sitting held on Tuesday, 11th April 2023, the DFAC unanimously adopted the Report without amendments.

This Report highlights what was previously examined and tabled before the House by the SFAC in the 12th Parliament. The Committee reviewed the audit queries, observations, and recommendations for each constituency proposing cause of action in response to matters raised by the Office of the Auditor-General.

The SFAC, in its 11th Report, subsequently adopted by the DFAC, made specific observations and recommendations arising from audit queries regarding 11 constituencies, namely, Likoni, Kisauni, Nyali, Jomvu, Bura, Lamu West, Taveta, Mwatate, Ganze, Kilifi North and Malindi. It recommended the investigations of some issues by competent investigative agencies against specific officers of the NG-CDF.

In addition, the NG-CDF Board was tasked to follow up on some issues mentioned in the Report. In 15 constituencies, namely, Mvita, Changamwe, Msambweni, Lunga Lunga, Matuga, Kinango, Garsen, Galole, Lamu East, Wundanyi, Voi, Kaloleni, Kilifi South, Magarini and Rabai, the Committee made observations and recommendations that relate to policy issues, non-compliance with existing laws and non-adherence to the International Public Sector Accounting Standards (IPSAS) framework.

The section on general observations and recommendations captures issues regarding bookkeeping, preparation and accuracy of financial statements, compliance with reporting standards, accuracy of financial statements, standardisation of projects and late disbursement of funds, compliance with audit cycle timelines, non-remittance of statutory deductions, compliance on the use of emergency funds and reallocation of funds without approval. The Report makes recommendations to address the issues raised, some of which I beg to highlight.

Having considered the audited financial statements, the Committee made general observations and recommendations that cut across the 26 constituencies. On the first observation, which is on late disbursement and under-utilisation of funds, the Committee observed that there was underutilisation of funds in different constituencies due to late disbursement of funds by the Board and the National Treasury, hence rollover of funds from subsequent years due to late receipts. That is similar to what is happening now. Two months before the end of the financial year, the National Treasury is yet to release over 60 per cent of NG-CDF funds. On this observation, the Committee recommends that the National Treasury should ensure timely disbursement of funds to the Board for immediate release to constituencies. Secondly, the Committee recommends that the Cabinet Secretary for the National Treasury and Economic Planning should submit to the National Assembly constituencies' quarterly exchequer disbursements schedule not later than the 15th day of the end of each quarter.

On bookkeeping and preparation and accuracy of financial statements, the Committee observed that bookkeeping and preparation of financial statements is a big challenge in almost all the constituencies' offices. The Committee recommends that the Board strengthens the constituency offices by establishing treasury units to serve the constituencies. Currently, constituencies are served by sub-county treasury units.

On compliance to reporting standards and accuracy of financial statements, the Committee observed that Fund Account Managers (FAMs) experience challenges in adapting to IPSAS reporting framework in preparation of financial statements. Therefore, the Committee recommends that the Board should conduct continuous capacity building on financial reporting standards for constituency committees and PMCs to improve quality of reporting and enhance compliance. Secondly, the Committee recommends that the Board considers employing qualified accountants for constituency offices beginning in the Financial Year 2022/2023 within the 5 per cent administrative allocation to the Board. This will strengthen maintenance

of books of accounts, preparation of financial statements and timely submission of statements and documents to the Auditor-General by the constituency offices.

On standardisation of NG-CDF construction projects, the Committee observed that there were inconsistencies in design, cost and quality of similar projects across constituencies in the Coastal region. This creates a challenge in determining value for money since the costs of constructions and designs are not similar. Further, there are no policy guidelines and cost estimates provided by the Board to guide the NG-CDF committees and PMCs in undertaking similar projects in their constituencies. Therefore, the Committee recommends that the Board fast-tracks the recruitment of independent quantity surveyors and architects to address the inconsistencies in projects across the constituencies, that the accounting officer ensures that all projects undertaken by the NG-CDF are branded, including the year of funding and photographs taken during the handing over by the contractor and commissioning as evidence of ownership of the project, and that within three months of adoption of this Report, the Board initiates development of overarching policy guidelines that include design and cost estimates for NG-CDF projects.

On reallocation of funds without approval by the Board, the Committee observed that some FAMs implemented projects and reallocated funds without seeking prior approval from the Board. This was in contravention to sections 6(2) and 31 of the NG-CDF Act, 2015. The Act provides that reallocation of funds during a financial year must at all times be done with the approval of the Board. The Committee also noted that some NG-CDF committees had not engaged the services of a clerk of works as provided for in the Board guidelines. The Committee recommends that the Board takes administrative action against FAMs that reallocated funds without approval of the Board contrary to Section 6 of the NG-CDF Act, 2015 and desist from political witch-hunting of Members of Parliament, who are not signatories to the accounts, that accounting officers ensure that all FAMs ensure compliance with sections 6(2) and 13 of the Act, and that accounting officers ensure that all FAMs and PMCs consult and involve relevant Government departments during initiation, cost estimation and implementation of projects to ensure that priority projects are selected and adequate budgets and quality works are provided, in compliance with Section 46(1) of the Act.

On guidelines on the use of emergency funds, the Committee observed that some of the projects funded using emergency funds did not meet the threshold set out in Section 8 of the NG-CDF Act, 2015. The Committee recommends that within three months of adoption of this Report, the Board issues guidelines to all constituency committees and PMCs clarifying the use of emergency funds.

On non-remittance of statutory deductions, the Committee observed that some FAMs failed to file or remit various statutory deductions such as NHIF and NSSF as required by the law. Consequently, the FAMS paid penalties for non-compliance. The Committee recommends that accounting officers should ensure that all FAM comply with the NSSF Act and the NHIF Act; that accounting officers, in liaison with KRA, should put in place sensitisation programmes on taxation for FAMs and PMCs with the aim of enhancing tax compliance, and that the Board takes administrative action against FAMs who do not remit statutory deductions on time.

Hon. Deputy Speaker, as I conclude, allow me to thank fellow Members of the Committee for their great sacrifice and many hours that they put in to come up with this Report. My appreciation also goes to the predecessor committee that prepared the 11th Report on audited financial statements for the NG-CDF of the 26 constituencies in the counties of Mombasa, Kilifi, Kwale, Taita-Taveta, Lamu and Tana River for the financial years 2013/2014, 2014/2015 and 2015/2016. I would also wish to thank your Office and that of the Clerk for the great support that you have given to the Committee. I also extend the Committee's appreciations to the Office of the Auditor-General, the National Treasury and the Office of the

Chief Executive Officer (CEO) of the NG-CDF Board. I thank them for making available the necessary information required, which enabled the Committee to finalise its Report in time. I, therefore, call upon Members to support this Report.

I beg to move and request Hon. Dorothy Ikiara to second the Report.

Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Proceed. Give her the microphone.

Hon. Dorothy Muthoni (Nominated, UDA): Thank you, Hon. Deputy Speaker. I rise to second the Motion on the Financial Statements of NG-CDF. Having considered the audited financial statements, the Committee made the following general observations and recommendations that cut across the 26 constituencies.

Number one is on bookkeeping preparation and accuracy of financial statements. The Committee observed that the bookkeeping and preparation of financial statements is a big challenge in almost all constituency offices. Further, the fund account managers faced challenges in submitting supporting documents to the auditors in time because the documents are usually in the custody of sub-county accountants, formerly district accountants. The sub-county accountants are required to sign the financial statements as per the templates issued by the Public Sector Accounting Standards Board (PSASB). However, they did not undertake this responsibility. More often than not, they did not co-operate with the fund accounting managers during audits to ensure timely submission of documents for audit review.

Further, delays in preparation of complete financial statements are also attributed to the lack of adequate capacity at the NG-CDF offices. The sub-county treasurers, formerly district accountants, are in charge of maintaining books of accounts for all NG-CDF offices at the sub-county level and also maintaining accounting records and various supporting documents of the Fund at the constituencies. The Committee went further and recommended that the NG-CDF Board strengthens constituency offices by establishing treasury units that serve the constituency.

Number two is on compliance to reporting standards and accuracy of financial statements. The Committee observed that fund account managers experience challenges in adapting to the International Public Sector Accounting Standards (IPSAS).

Three is on reporting frameworks in the preparation of financial statements. The Committee also observed that the PSASB periodically uses the IPSAS to take into account emerging issues and conform to the best accounting practices. The Committee found out that some fund account managers experienced challenges in the application of those standards while preparing financial statements as evidenced by the audit matters.

Finally, the Committee recommended that the NG-CDF Board should conduct continuous capacity building on financial reporting standards for constituency committees and the project management committees to improve the quality of reporting and enhance compliance.

I second. Thank you.

(Question Proposed)

Hon. Deputy Speaker: Hon. Leader of the Majority Party.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Thank you, Hon. Deputy Speaker. I rise to support those reports by the Decentralised Funds Accounts Committee.

Let me begin by thanking the Chairman, Hon. Mulyungi, for bringing this very timely Report that covers almost five counties. It is actually six counties and close to 30 constituencies. Just as you were talking about the participation of chairpersons and vice-chairpersons in the House, it is good that Members of those constituencies are also in the House when we are debating reports like these.

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On Page 11, I understand the first issue is from Likoni Constituency in Mombasa County. You may understand that the Member for Likoni might be busy elsewhere. However, the people of Likoni Constituency and Kenyans elected us, as Members of Parliament (MPs), to come to represent them. More importantly, it is to oversight the Government on their behalf. The NG-CDF is a Fund of the national Government that is implemented by the project implementation committees under the stewardship of the fund account managers.

That is why you will find, many a times, the media getting excited whenever an issue touching on the NG-CDF is prosecuted even in a Report like this. Many people imagine that you can prosecute and persecute the MP of that constituency for this matter. Whereas we bear the bigger responsibility of overseeing those Funds, we, as MPs, are not the implementers of those projects. Therefore, it is rather important that the MP, who is charged with responsibility of overseeing those Funds on behalf of the people of the constituency they are elected in, are here when Reports like those are being debated in the House. This is so that they can speak to the issues that are raised by the Auditor-General and looked into by a Committee of this House that interrogates all those reports.

I must say it is rather embarrassing showing that a number of us have found it better to be out there on the streets in *maandamano*, and I do not know over what. They are demanding that we open servers that the people in the streets have no keys to, whereas we should be demanding that the money allocated to their constituencies is properly utilised for the benefit of their constituents. But you have abdicated that responsibility and gone to the streets. Therefore, we must encourage Members. If you allow me, let me say it is all the constituencies in Mombasa County. I do not think I see any Member from Mombasa County in the House today; not even one. Looking around, I do not see any Member from Kwale and Tana River counties. Before I even mention Kilifi County, Hon. Omboko is saying that the Member who represents Shakahola is not in the House and, indeed, the Member for Malindi Constituency is not in.

(Laughter)

Also absent are Members for Magarini and Rabai constituencies as well as Taita Taveta County. Only the Member for Kilifi North was in the House. For Lamu County, which has only two MPs, there was Hon. Muthama and his counterpart. We need to encourage all our Members to be present.

Going to the substance of the Report, perhaps, a clarification I will be seeking from the Mover of this Report is about the issues that were raised about Likoni Constituency. The Committee observed that the Fund Account Manager provided a satisfactory explanation to the Committee. However, when you go to the recommendations, they are saying that the accounting officer should, within three months of the adoption of the Report, institute disciplinary action against the Fund Account Manager for violation of the laid down procedures on payment of projects as per the NG-CDF Act of 2013, which was repealed. I was wondering whether the Mover, Hon. Mulyungi, while replying, will appraise the House as to why that seems to be contradictory. If the Fund Account Manager provided a satisfactory answer to the issue that had been raised by the Auditor, I would expect the recommendation not to be adverse against the said person. I hold no brief for the Fund Account Manager. As an accountant and a former auditor, I am a believer in facts and figures. Therefore, if the Committee was satisfied with the explanation that was availed, then it should not recommend that disciplinary action be taken against that particular person.

That is why it would have been better if the Member for Likoni Constituency was in this House today to clarify on the issues. Many other issues have been raised in this Committee Report relating to how our fund account managers manage the resources that have been

dedicated to our constituencies. I want to encourage all the Members of this House to take time and offer meaningful oversight of the NG-CDF money. As much as we are not implementers of those projects, we bear responsibility as the people who oversee those resources. The people back in our constituencies have entrusted us with the responsibility to provide meaningful oversight. I want to encourage Members not to get involved with the day-to-day micro-management of the NG-CDF. You should offer meaningful oversight because if you get engaged in the day-to-day running of NG-CDF in terms of micro-managing, then you become conflicted and you will lose the moral authority to even critic issues. Avoid issues that are touching on procurement, but instead allow due processes under the Public Procurement and Disposal Act of 2015 to take charge.

I have seen MPs in some constituencies insisting on directing who gets what contract. That is none of our business as Members. I want to confirm that for the time I have overseen the NG-CDF in my constituency since I joined this House in 2013, when we were still patrons of the then NG-CDF committees, I never and purpose to never sit in that committee to deliberate on procurement issues. I purpose that I will be there to offer meaningful oversight, and I believe that the people of Kikuyu Constituency have enjoyed my term as their MP since 2013 in being able to roll out development projects that have given value for money. I have been there to offer proper and meaningful oversight of the committees that we elect to implement those projects. Even Hon. Chepkong'a is reminding me that, indeed, in my first term in Parliament, because of purposing to offer proper and meaningful oversight of NG-CDF, the people of Kikuyu appreciated what I had done and re-elected me un-opposed, being the first Member under the 2010 Constitution to be re-elected un-opposed. I want to encourage even our new Members to learn from those of us who have been there as well as those who came ahead of us to ensure that your funds at the constituency are properly managed. To ensure that is done, you have to offer oversight and not get involved in deciding what money goes to what projects or which contractor gets which contracts.

The constituency Kenya Rural Roads Authority (KeRRA) funds, allow the Citizens Report Cards (CRC) Committee and officers on the ground to implement projects without necessarily meddling, especially in the procurement processes. We have seen many new MPs being charged in courts over procurement issues that we should never involve ourselves in. I want to encourage all MPs in this 13th Assembly to ensure that what we are doing is in line with the NG-CDF Act and our Constitution. Let us offer our oversight role and represent our people. In representing our people in NG-CDF matters, we begin by getting involved in the public participation exercises which direct where you shall take your money in terms of project implementation. Allow your people in the constituencies the opportunity to propose projects and be there to moderate. Offer leadership in the prioritisation of those projects, but do not seek to be the one to always direct where to implement projects in a biased manner. Allow balanced implementation of projects across the constituency. Whether people voted for you or not, do not sideline any part of your constituency because you think you did not get enough votes from that particular area. Balancing development across the constituency pays off at the end of the day.

Therefore, I want to encourage Members to also take time to review what your committees are doing. Take time to get involved. Do not send your fund account managers and constituency office managers to give bursaries on your behalf. Be available on the ground to give out those bursaries. Do not allow your fund account manager and your constituency office managers to be the ones to go and commission projects on your behalf. They will commission the next election before you commission your campaign. We have seen instances where fund account managers and constituency office managers have succeeded the MPs because they were never available on the ground. The people thus got accustomed to those officers in the constituencies and failed to understand that it is the MP who takes time in this House to

appropriate adequate resources into the NG-CDF. People forget that you are the one who oversees and ensures that those committees and the officers are, indeed, implementing projects that are in the interest of the people that have elected you.

I want to also ask particularly the Members of those six counties to not only participate in demonstrations, which I know many of them are busy with, but to take time... I see one of them has just walked in, and I understand. I understand them because they are only in “*maandamano*” in quotes, because I have seen many of them hovering around Parliament, but they are afraid to appear on the Floor of the House because they will be reprimanded for not having gone to the streets. I encourage them to be strong leaders. If you do not believe in chaos and anarchy, please be gentlemen like Hon. Mulyungi, who has taken time to be here to move this Report because that is what the people in Mwingi elected him to come and do in this House. Members who sit in the Committee on Decentralised Funds Accounts have entrusted him with its leadership. I thank Hon. Mulyungi.

I was trying to trace who the Vice-Chairperson of this Committee is. It is Hon. Gertrude Mbeyu who, again, is from Kilifi County, but is not even in the House. Those are the kind of chairpersons and vice-chairpersons that we were talking about earlier. I do not want to encourage Members to do what they ought to do with chairpersons and vice-chairpersons who are not available either in their committees or in the House. But it is within our rights, as MPs, to ensure that there is proper oversight of chairpersons and vice-chairpersons in our committees.

I conclude by thanking Hon. Mulyungi and the Committee for the good work that they have done. I encourage all of us to take a keen interest in the on-goings of our NG-CDF committees.

Hon. Deputy Speaker: Thank you. The Hon. Member for Ganze Constituency, Hon. Charo Kazungu.

Hon. Kenneth Tungule (Ganze, PAA): Thank you, Hon. Deputy Speaker. I also support the Report by the Committee as it has been presented. I also support the recommendations. However, there is an observation that I also wanted to make. In the recommendations, the Chairperson of the Committee has said that they were proposing to have a standardised design for projects and, for the issue of costs to be standardised. The problem is that when it comes to building projects in Kilifi County, all materials are found in one area. All building materials like blocks and all the big hardware stores are found in Kilifi Town. Kilifi Town is very expensive and expansive. If we say that we will standardise costs, it means that some contractors will not be able to do projects in far-flung areas. As much as I support the Report, we need to work on that recommendation, because if we say that we will standardise everything, some projects in far-flung areas will not get contractors.

Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Member for Bura Constituency.

Hon. Yakub Adow (Bura, UPIA): Thank you, Hon. Deputy Speaker, for giving me this opportunity to contribute to this Motion. I also thank the Committee for the good work that they have done.

In the same breath, I wish to correct the sentiments by the Leader of the Majority Party on the blanket condemnation and assumption that any person who comes from that county is involved in *maandamano*. I reported to this House earlier than the Leader of the Majority Party. I just stepped out to go and get those important documents.

Having said that, I have seen one issue on unauthorised withdrawals to the tune of Ksh2.8 million in my constituency. I have gone through the Committee’s observations and recommendations. I wish to inform the House that it is prudent for us to ensure that there is value for money and proper evaluation of any project that is done.

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

[The Temporary Speaker (Hon. Farah Maalim) took the Chair]

One critical thing that we need to understand is that when I came into office, I had a meeting with all the people involved to ensure that everybody who works in the NG-CDF Committee adhered to the rules and regulations. My observation during my seven months in office is that the NG-CDF Board needs to properly educate the staff. I am happy that, after raising several concerns with them, I am informed that they will be holding some kind of training for officers next week, which is appropriate. Sometimes, someone might be working against the law without their knowledge. I encourage the Board to ensure that they properly invest in educating those Board members because, once a member is illiterate or does not know what they are supposed to do, they might be caught doing what is not expected according to the law. I encourage the Board to ensure that there is periodic education of the Board members.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Member for Teso South, Hon. Mary Emaase.

Hon. Mary Emaase (Teso South, UDA): Thank you, Hon. Temporary Speaker, for giving me the opportunity. I rise to support the Report of the Auditor-General.

At the outset, my observation is that we are looking at the financial reports for the 2013/2014, 2014/2015 and 2015/2016 financial years. We are in 2023, and from 2013, those are 10 good years. I am the Vice-Chairperson of the Budget and Appropriations Committee, and I was still its Vice-Chairperson in the 11th Parliament. I remember very well that the Auditor-General appeared before our Committee. The Office of the Auditor-General requested for additional funding citing challenges of underfunding, inability to hire more auditors for them to give us timely reports and many other challenges. I vividly remember that we enhanced the budget of the Controller of Budget and the Office of the Auditor-General. I am, therefore, surprised that we are looking at those reports 10 years later. This delays implementation of the recommendations as well as corrections.

We should also look at the report of the Auditor-General after the audit of the Office of the Auditor-General. This House approved the procurement of an independent auditor to audit the Office of the Auditor-General so that we can be told what else is still ailing that office. This House needs to get reports early so that we can act on them in good time. If we are going to get reports 10 years down the line, that is an issue of concern to this House.

Secondly, I agree with some of the observations by the Committee, particularly the issue of delayed disbursements to the NG-CDF. Two months are left before the closure of this financial year, but Members have not even received half of the allocation to constituencies. This is an issue of concern. I support the recommendation that the National Treasury gives us a schedule of when disbursements will be made to constituencies so that we get the money on time and implement our programmes and projects in our various constituencies. There is also the issue of fund account managers. I believe that the Board recruits qualified fund account managers. When they say that they are unable to comply with the IPSAS, then that is an issue that needs to be looked into seriously. I support the recommendations by the Committee.

When it comes to the issue of presentation of the documents and efficiency in processing and implementing our programmes, there are serious delays as cited. Some of the accountants who are posted by the National Treasury have a lot on their table. They attend to all Government departments within the sub-counties. They probably have too much on their tables. I support the proposal that NG-CDF Board should employ their officers – surveyors, architects and accountants – who will be audited by the Auditor-General. It will enable them

to give us timely services in the constituencies. It will also allow faster and efficient implementation of projects.

As I conclude, I echo some of the recommendations that have been given with respect to the issue of management of those funds. The delays occasioned by the reasons that have been given lead to low absorption and sometimes non-absorption of the funds. They are received late, and you have to carry them forward to the next financial year.

Thank you for giving me the opportunity to contribute. I support the Report by the Committee. Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): The Member for Mandera West will be followed by the Member for Tharaka.

Hon. Yusuf Adan (Mandera West, UDM): Thank you, Hon. Temporary Speaker, for giving me this opportunity to contribute and give my input on this Report. It is shameful and unfortunate to find out that a financial audit of all the constituencies in a whole region is questionable. I hope that when other reports will be brought here, we shall see an improvement where, at least, there will be constituencies in a region which will be questionable and others not.

The issue is the way the NG-CDF is being misappropriated, when it is released and how it is managed by entities which are not part of the NG-CDF system. For example, the district accountant of every sub-county or constituency is the sole Authority to Incur Expenditure (AIE) holder. He keeps all the books of account of NG-CDF. He has many other issues in the district, which he is supposed to give priority to. Hence, he only gives the NG-CDF time when it is convenient to him. That is why we have problems. Again, funds are released very late. Right now, we have two months to the end of the financial year and yet, the funds have not been released. As soon as they come, the NG-CDF Committee and the fund account manager will want to implement their projects, but the district accountant might not be available. Nothing moves forward without him or her. That is why we see a lot of misappropriation of funds because of that rush to implement projects.

On the other hand, all the constituencies fund managers are not answerable to anybody within the constituency. They are answerable to the CEO in Nairobi. Hence, they take their sweet time. They disappear sometimes and are not available when critical issues are happening. Recently, MPs made a lot of noise and funds for bursaries were released. A lot of bursary money delayed because those entities, which are not directly part of the NG-CDF team. They were not available to fast-track and enhance their payment. I support the recommendations of the Committee. I would like to see them being implemented. Many a times, we come up with very good recommendations, but I do not know what happens in the Committee on Implementation. That is because there is no follow up. They are presented here, but they are not implemented. Can those recommendations be implemented to the letter?

With those remarks, I support the Motion. Thank you.

The Temporary Speaker (Hon. Farah Maalim): We will have Hon. Gitonga Murugara followed by the Member for Emuhaya, Hon. Omboko Milemba.

Hon. George Murugara (Tharaka, UDA): Thank you very much, Hon. Temporary Speaker. I rise to support this Report with all the jest, because it is very important. I congratulate the Decentralised Funds Accounts Committee led by my friend and neighbour, Hon. Gideon Mutemi Mulyungi, from Mwingi Central. He is my neighbour because I have very strong roots in Mwingi. That is why I always treat him as my very close neighbour. Thank you for this.

Hon. Members, the NG-CDF is in the hands of a fund account manager by design of the law of this country. The role of the MP is purely to oversee how the money is applied. Sometimes, we are caught by surprise when we see MPs being hauled to courts to be charged with various offences relating to the NG-CDF. This should not happen. Misappropriation, stealing and misuse of NG-CDF, fraud or misapplication of contracts fall squarely within the

hands of the fund account managers. However, it is important to be cautious because we are also responsible if there are cases of neglect of duty and breach of relationships. This comes when an MP is not responsible enough with how the NG-CDF is applied. With all that, it is important to take care of those funds because it is public money. It is part of the money that we, as MPs, are supposed to oversee. When that is not properly done, then we are as guilty as those who misapply the funds. It goes without saying how important the NG-CDF is, because all noticeable development in the country is attributed to it.

I always echo the NG-CDF. My constituency of Tharaka is marginalised, neglected and left behind. In the last five years, I was able to put up about 200 classrooms across primary and secondary schools using the NG-CDF. This may be a drop in the ocean, but it is vitally important. If we put up 200 classes every five years, then within a short period of time, the constituency will catch up with those from developed counties.

There are many problems that are facing the NG-CDF that we must always discuss. As it is properly captured in this Report, one of them is the district accountants. They used to be called district treasurers long time ago. They authorise the expenditure of the money by signing the vouchers, which is important. I am also convinced that we should now divorce the district treasuries from the NG-CDF. The NG-CDF Board should employ accountants for the NG-CDF offices so that we do not have to go to the districts, where we are treated with contempt. I am told some of them deliberately refuse to sign on the basis that “there is nothing here for me”, which should not be the case. Let the Board use the money we reserve for them and recruit the accountants for us so that we have a seamless flow of monies to the NG-CDF and projects as required.

We must also put emphasis on timely release. We are concerned that the Financial Year is coming to a close, and I think each constituency has received about Ksh57 million. Some constituencies are supposed to get Ksh145 million, Ksh150 million and Ksh2 million depending on which constituency it is, but up to now, we only have Ksh57 million, which is a concern to all of us.

We must also emphasise that the Board should solve our problems in a timeous manner so that when we send our complaints there, they are not ignored. Some of the fund account managers who did all those things in the former Coast region may be in office today; and MPs may be complaining that those people have been there for too long. The Board should take immediate action so that we have people who are prepared to serve in the constituencies without many hiccups.

When it comes to implementation, very good recommendations are in this Report. We now require those recommendations to be implemented. Some of the recommendations are to be implemented by our own Committee on Implementation, while others by the Board itself. Without this implementation, despite the fact that this Report may be ten years old or slightly more or less, then, this House would be acting in vain. This House should not be seen to act in vain, especially on important matters like the NG-CDF for each of the constituencies. We must exercise our supervisory roles in a manner that is beneficial to the constituencies so that, as I sit in this House, despite the fact that I am not supposed to interfere with what is happening in the NG-CDF's Office, the fact remains that I am the overseer and the one to give oversight so that what is done there is under my supervision. If you thought otherwise, then you sincerely need to be taken to court for neglect of your own duty under the Act that establishes the Funds.

With those remarks, it behoves on all MPs, whether we are here today or out there doing other things that are peripheral to our responsibilities as MPs, whether you are in *maandamano* or where, please note that your responsibility lies in this House, in NG-CDF and not in other things, which include *maandamano*, which are not going to solve the issues that are raised by the Decentralised Funds *Accounts* Committee. The issues articulated by the Chairperson, Hon.

Mulyungi, would not be solved out there, but have to be debated, resolved in this House and implemented by a committee of this House.

Again, we must talk about what is happening in the country. From time to time, we have said that it is only debates and talks in this House, including the bipartisan talks, which are going to solve the problems that are bedevilling our country. As MPs, we should come to this House or go to our committees to debate, discuss and agree or disagree on what should be done, because at the end of the day, Kenyans are looking upon us to give leadership. That leadership is not going to be through violent protests out there and destruction of private property as it is now. We have seen vehicles going up in flames today, and we are told that those are peaceful *maandamano*. This is not in consonance with what Hon. Mulyungi has brought here. It is actually contrary to what this House is supposed to be doing.

With those very many remarks, I support this Report. Let us agree to pass the recommendations by the Committee and thereafter, move on to implement them for the welfare and benefit of the good people of the Republic of Kenya.

With those remarks, I support. Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Member of Parliament for Emuhaya followed by Hon. Phylis Bartoo, Member of Parliament for Moiben.

Hon. Omboko Milemba (Emuhaya, ANC): Thank you, Hon. Temporary Speaker. Let me begin by congratulating and appreciating Hon. Mulyungi for a Report well done on behalf of the Decentralised Funds Accounts Committee, which is basically looking at the accounts and operations of the NG-CDF.

The NG-CDF is a very important arm of the national Government funds that go to our constituencies, and one that reaches the lowest level of this country. It is one of the most important funds, given the type of work it does, especially in the education sector and other sectors that are under the NG-CDF. I also want to indicate that the recommendations of this Report are very well placed and relevant to what we usually see in the field when we are there.

As I support this Report, there are a few items I would wish to speak on. First, the Committee should have brought us a paragraph – not just a small paragraph but a big paragraph – on oversight and Oversight Fund. This is because the Oversight Fund that we have proposed and which is put at a very small per cent, one, is what would enable the MP to do the work that should be done in terms of overseeing the fund account manager and the team that is running the NG-CDF. Chairman of the Committee, in future, I want you to give some real concentration on the Oversight Fund so that it is strengthened and given powers. In some of the constituencies, the fund account managers do not like the creation of the Oversight Committee, and that is where we would get our solace in terms of overseeing the Fund.

Hon. Temporary Speaker, in totality, I support the issue of overhauling the law that governs the bursaries. This is because the law and the per cent terms that are governing the bursaries were made long time ago. Those per cent terms are sometimes allowed as low as 30 per cent of the total allocation of the NG-CDF, but you realise that within time and overtime, we have added the NG-CDF. We need to look at that and review it so that the needs of the people possibly, like in my area where bursary is depended on, all the time are given a good chunk or per cent term of that particular Fund. Then moving forward, we can balance and harmonies the other areas accordingly.

Hon. Temporary Speaker, the other area I would wish to make a comment on is their recommendation on the re-allocation of funds. The Committee observed very well that, in some instances, we have had fund account managers reallocate the use of funds from one project to another without getting direct pre-authorisation or some form of authorisation from the Board, which is very common. I, however, want to request the committee that will be dealing with this that this can also be included or taken over by the Chairperson of the NG-CDF, because he deals with the Board directly. That whenever we take certain projects to the Board for re-

allocation, it takes long and sometimes it is frustrating. You may want to re-allocate money that was meant for land because the land is not available, and when you send it to Nairobi, it may take up to eight months; which is very frustrating. The Board in Nairobi must become more efficient in terms of allowing the NG-CDF to re-allocate funds from time to time so that it does not lead to a situation where a fund account manager may re-allocate without getting approval from the Board.

I must indicate that with time, the Board has been very assertive on the type of projects that we should do. They tell us what to do and what not to do, despite the fact that those are projects that emanate from public participation, and the report has explained that it must be done. In some cases, they have observed that it was not done efficiently. We support the Report, but the Board must adhere to what is approved by the public participation teams.

Hon. Temporary Speaker, there is a recommendation and an observation on the cost of projects, especially in the concerned coastal constituencies. I am also saddened by the fact that most of the MPs from those constituencies are not in the House. I would wish to ask the Hon. Chairperson that he should be magnanimous enough in future to inform Members when he knows that their constituencies are going to be dealt with. It is not his task, but it is very unfortunate when MPs for the concerned constituencies are not present.

I was talking about the standardisation of the cost. This has been a matter that keeps coming up in this House, and we have been very divided because the cost of those buildings is different. I wish the Report would tell us more, despite the variation in the cost of each project within the coastal region that they observed. For instance, if they are talking about the cost of a classroom, they should compare its cost with what those fund account managers and the general public is supposed to observe. The people who determine the cost of any project like a classroom are public works engineers. Their costs tend to be very high all the time. I do not know what the case in the Coast Region is, but in our places, they tend to build one classroom at a cost of Ksh1.3 million. Sometimes, we realise that if we go in that direction, we may not do as much as possible. So, we tend to do it at a much lower cost. How I wish the Report would bring out the comparison between the public works themselves, who are the official advisors on bill of quantities, and what happens within the coastal region and in other areas.

I cannot be gainsaid on the issue of disbursement of funds on time. It has been mentioned a lot. It is a key thing that affects the administration of the NG-CDF. It was worsened this year because it came in slowly in small units. Therefore, bursaries were also given in numbers, if I may borrow from National Youth Service (NYS) language that we used. The funds are given in portions. So, their recommendation on the timely delivery of the funds is very much welcome.

Hon. Temporary Speaker, on the issue of the accounting, other Hon. Members may have spoken on it. The accounting, the reports and the document supporting the accounting are not available. This is because of the chain of the accounting that is required of those funds. Hon. Chairperson, the process of accounting is fairly too long. We have the district accountants popularly known as DAs. Those are mysterious guys. They worked in the old Government and they are still around and are very experienced. Whenever I have a discussion with my committee members, it is like they continuously intimidate them in one way or another. They even hold them at ransom on many cases. I would wish to raise this to the Hon. Chairperson. They have to move at the speed of the DA. So, one cannot move projects as fast as possible. Now I realise that even the documents...

(An Hon. Member spoke off-record)

Thank you very much. Even the documents for accounting still have to go through the DA. Remember, they act like they are God-given; that they are doing so much work and they are

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the final guys and without whom you cannot move a step. I am telling you, there is a challenge with that position of DA. The Board should think of either employing its own accountants, or having direct accounting from the fund account manager to the Board. That will help in that area. We cannot afford to completely live in an island, where one particular office is frustrating everybody and finally reports are coming here that the accounting is not being done very well.

Hon. Temporary Speaker, as I wind up, I wish to indicate that I support the Report. It will go a long way to improve our management and oversight of the NG-CDF, which is very important for development in the constituencies across the country.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Member for Moiben constituency, Hon. Phylis Bartoo.

Hon. Phylis Bartoo (Moiben, UDA): Thank you very much Hon. Temporary Speaker. I rise to support this Report of the Decentralised Funds Accounts Committee. When I look at the dates, this Report covers financial statements from 2013. That is 10 years ago, when I was still a doctorate student, and I had not even thought of becoming an MP. I am imagining how society has changed a lot in the last 10 years. I do not know whether this Report is going to make an impact on the ongoing NG-CDF processes.

In the short time I have interacted with NG-CDF money and the office, I find that by the time a Member is elected to the House, for instance in my case, it takes a long time for the committee to be put in place. By the time money is wired to the NG-CDF account, there is no correlation to an extent that the Committee will start implementing projects when they do not have the knowledge on how they are supposed to midwife the NG-CDF processes.

One thing that is required is early training. At the moment, most of the NG-CDF committees are undergoing trainings in different parts of the country and already started...

(An Hon. Member stood in his place, blocking the Member contributing from the view of the Temporary Speaker)

The Temporary Speaker (Hon. Farah Maalim): Order, Hon. Members. Who is the Hon. Member standing between the Hon. Member who is speaking and myself? The rules are...

(Hon. Silvanus Osoro spoke off-record)

Order, Hon. Silvanus Osoro!

(Laughter)

Order, Hon. Member! You are not allowed to stand between a Member who is contributing and the Hon. Chair.

(Hon. Silvanus Osoro spoke off-record)

He is a newcomer. Order, Hon. Silvanus Osoro! Proceed, Hon. Member for Moiben.

Hon. Phylis Bartoo (Moiben, UDA): Thank you Hon. Temporary Speaker, for restoring order. I was talking about the committee members undergoing training in different parts of the country at the moment and yet, the 13th Parliament was in place almost eight months ago. Those committee members started dealing with the NG-CDF even before they got the knowledge of how to go about it.

Hon. Temporary Speaker, I request that, as soon as a new Parliament is in place, the NG-CDF Committee should be in place and they should be trained before they take office.

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Most of the time, the fund account managers are transferred. In some constituencies, even up to recently, the offices of the fund account managers who are supposed to be working with the committee are vacant. Hence, it takes almost one year for something meaningful to take place.

Hon. Temporary Speaker, the disbursement of the NG-CDF money is a very slow process to an extent that it affects the operations. That is why this Report, which we are dealing with, is 10 years ago. When the funds are delayed, it becomes problematic even in the implementation of the said projects.

I do not support standardisation of projects in constituencies because they are different. So, we cannot have a blanket agreement to implement our projects in a standard way. We cannot standardise. Let every constituency work with the funds given according to their needs and local materials available as long as the money is utilised efficiently. I do not support the idea of having a fixed figure for materials to build a classroom in a constituency. This is because some constituencies have proximity to the capital city, where materials might be cheaper. They are different from those in the extreme parts of Kenya, where materials and transport are expensive.

So, we should not have a blanket implementation for all projects. There should be guidelines. I know that as leaders, we want to give the best services to our people, maximise the money and make good use of it. So, we are not interested in misappropriating funds. There should be no situation where we are capped or our hands are tied because of standardisation or uniformity of projects. We need a schedule of how funds are dispersed so that the committees can plan accordingly. This should not be by chance. We keep looking to find out if money has been disbursed. We have no clear timeline on implementation, and when you fail to plan, you plan to fail. You cannot plan if you do not know when the money will be disbursed.

For example, in my constituency of Moiben, we have done public participation, identified projects and are ready to start. But we do not have money. There is inflation, prices of goods in the market are changing, the dollar is changing and this is affecting everyone. We are waiting, and I am wondering what will happen if that money is not disbursed on time. This is even affecting the development of the constituency. How I wish we would be given a schedule so that we know when to expect the money and do our plans and projects accordingly. If this is not done, it will be difficult.

One of the issues that members of this Committee have reported is with regard to documentation. If the money is given in piecemeal, we keep waiting and not implementing our plans accordingly. Thereafter, documentation becomes problematic. This is because documents are also given in piecemeal, since we are unable to pay on time. Some of the challenges that constituencies face have to do with slow remittance of that money. I do not know about the training of some fund account managers. They need to be re-trained because they behave like they are not very competent in handling finances or implementing projects. This should be re-looked into or otherwise, we will keep having anomalies with some of the audits that are received from those projects.

Thank you, Hon. Temporary Speaker. I can see that my time is up.

The Temporary Speaker (Hon. Farah Maalim): Member for South Mugirango followed by the one for Lamu East.

Hon. Silvanus Osoro (South Mugirango, UDA): Thank you very much, Hon. Temporary Speaker. From the onset, I support the Report by Hon. Mulyungi's Committee. I want to state that our roles as MPs are enshrined in Article 95 of the supreme law of the land, the Constitution of Kenya. They are limited to oversight, legislation and representation. The Decentralized Funds Account Committee has played the role of oversight, and this is what we do as MPs, as we represent our people from the constituency or county level.

From the onset, I commend Hon. Gideon Mulyungi for not only tabling the Report, but also being in the House to follow the proceedings when his colleagues are out there in the

streets protesting. I want to tell him that this is what he was elected to do; to represent his people and oversight. I must congratulate him because it pains me when we are discussing matters of decentralised funds, which touch on every Member in this House, and our colleagues from the other side are missing even when some of the constituencies mentioned affect them directly.

As my colleague, Hon. Kimani Ichung'wah has said, if you read this Report, you will notice that Likoni Constituency is mentioned immensely but not on the positive side, but on the negative side in terms of misappropriation of funds. The Committee observed that the Fund Account Manager directly paid about Ksh1.9 million to contractors, which is very sad. That explanation has not been given to this Committee which sought further explanation from him and yet, we cannot see the Member of that constituency in the House to explain and give an account of what happened.

The Temporary Speaker (Hon. Farah Maalim): Order! Order!

Hon. Silvanus Osoro (South Mugirango, UDA): Yes, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Do not discuss a Member without a substantive Motion.

Hon. Silvanus Osoro (South Mugirango, UDA): Hon Temporary Speaker, I am reading the Report.

The Temporary Speaker (Hon. Farah Maalim): You read the Report but keep away from discussing a Member.

Hon. Silvanus Osoro (South Mugirango, UDA): Much obliged. Without mentioning names, the Likoni Constituency Committee that oversees...

The Temporary Speaker (Hon. Farah Maalim): You can generalise if you want, but do not go to specifics without the substantive Motion.

Hon. (Dr.) Makali Mulu (Kitui Central (WDM): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): What is the point of order, Hon. (Dr.) Makali Mulu?

Hon. (Dr.) Makali Mulu (Kitui Central (WDM): You know I respect the Minority Whip, and I wish he could...

Hon. Silvanus Osoro (South Mugirango, UDA): It is the Majority Whip, Hon. Makali Mulu!

Hon. (Dr.) Makali Mulu (Kitui Central (WDM): I am on my feet and wish you could sit down. I respect the Majority Whip a lot, but I think it is better to get the records straight. When you associate an MP with accountability of the NG-CDF, I think we are sending the wrong signal out there. MPs are only patrons and not accounting officers. So, please, separate those two.

Hon. Silvanus Osoro (South Mugirango, UDA): Thank you, Hon. Temporary Speaker. When I started my submissions, I said that our roles as MPs are limited to representation, legislation and oversight. If, for whatever reason, this Report had South Mugirango, then it would call on me to give my view on my responsibility to oversee the funds. When I mention my colleague, the Member from Likoni or any other MP, what I mean is we should oversee those decentralised funds, particularly the NG-CDF. I do not mean that we directly get involved. By the way, the Report does not mention the MP, but talks about the Fund Account Manager.

So, I call upon my colleagues to take our work seriously, especially the oversight role and matters NG-CDF. We are patrons and do not handle that money directly. We do not handle that money directly but simply oversee the funds. When our constituencies are mentioned, because we are people who represent the people, we should be here to follow and see what happened as far as that money is concerned.

Hon. Temporary Speaker, it will be very important for us to state that the decentralised funds are spread out in different areas but the NG-CDF is very visible on the things it does because those things touch on the common mwananchi. We are directly involved in overseeing the decentralised funds. The people and Members of Parliament that came before us set a clear precedent as far as the oversight of such funds is concerned. That is why it is very easy for any member of the public to walk in the streets and identify a single project. You cannot walk about 10 metres without noticing a project done by the NG-CDF. You cannot walk in any constituency and fail to notice a project that has been done by NG-CDF which is overseen by the Members of Parliament. This is contrary to what we see in the county governments. You will sometimes have county government officers appearing before committees seeking to be allocated huge sums of money yet you cannot identify a single project. In fact, in my county, we have a history where the county government claims to have given each household a cow. For some reason, I thought that somebody might have taken my cow because that was the report at that particular point. You can hardly see anything done by the county government. You will struggle to see. Due to the structures that were put up by the people who came before us, you are able to identify the NG-CDF projects.

In picking the words of my colleagues who have spoken before me, it is important for us to be keen on all the things that have been raised by the Decentralised Funds Accounts Committee because there are things that affect the operations of the NG-CDF like the district accountants as mentioned by someone. There is need for us to come up with other structures. I remember a time when my committee was meant to commission some classroom block that was done by the NG-CDF, but the contractor had not been paid and he declined to hand over the keys. When we tried to ask, he said that the fund manager told him that the district accountant is not there to sign the cheque and he had not approved. When we tried to call the guy, he said that he was upcountry and could not come. He asked us to give him about three days. Those gentlemen who are sent as district accountants are turning out to be small gods as far as these funds are concerned. We keep begging them at times to make sure that they are available for purposes of signing and such kind of things.

Even as we do that, it is also very important for us, as the people who oversee these funds, to propose matters of construction of the schools and anything that is directly on us, equitably. Sometimes it pains us when we move to other areas and notice that there are some areas that are well done and others not well done. But again, it is also because of equitable funds. It has never made sense to some of us that in a constituency like mine that has about 158 schools, I get an equal amount as the constituencies that have about 40 schools. Sometimes you see members of the public complaining that we are not building storey buildings like our neighbours. This is because my neighbours have 40 schools while I have 158 yet we get an equal amount of money. Those are the things that we also need to discuss even as we discuss this Report so that we get some equitable amount so as to mitigate challenges of high population or very many schools.

I beg to support the Report. Thank you very much.

The Temporary Speaker (Hon. Farah Maalim): Hon. Ruweida, followed by Hon. Wakili Muriu.

Hon. Ruweida Mohamed (Lamu East, JP): Asante Mhe. Spika wa Muda kwa kunipatia nafasi ili nichangie hii Ripoti ya Mkaguzi Mkuu wa Mfuko wa Fedha.

Katika hii Ripoti, nimeona Lamu Mashariki haiko lakini Lamu Magharibi iko. Nina masikitiko kwani naona kuna matatizo mengi na fedha hizi huwa ni za kusaidia wanyonge kule. Wale ambao hawajiwezi hata haziwasaidii. Fedha hizi zikiwa haziangaliwi vizuri, wale wanyonge wanazidi kuwa wanyonge.

Mimi naunga mkono hii Ripoti kama Mkaguzi Mkuu alivyosema. Nimeshangazwa sana kama Kaunti ya Lamu. Upande wa Lamu Magharibi umefanyiwa ukaguzi na Lamu

Mashariki haujafanyiwa. Imekuwa shida kwetu kwani Lamu Mashariki imekuwa nyuma sana kwa miaka mingi kwa sababu hawa wakaguzi wakienda wanaambiwa kule kuna Al Shabaab, bahari chafu na huwa hakuna bahari chafu wala Al Shabaab. Huwa ni kigezo tu cha kuwafanya wasiende kukagua. Na wakiendelea hivyo huwa wanaleta shida. Shida ni kama sasa hivi mimi nimeingia nikifika kwangu kazi ni nyingi za kufanywa na pesa nayo iko lakini nikiangalia zile kazi nilizonazo kama zingefanywa nyuma ingekuwa rahisi kwangu.

Kwa mfano, saa hii wanaambiwa upande wa NG-CDF wapande miti. Miti hiyo itapandwa vipi na sasa shule zote za Lamu Mashariki hazina kuta, yaani *boundary walls*? Hakuna shule hata moja iliyonayo. Watu wa Lamu Mashariki wataendelea kutatizika lakini Mwenyezi Mungu atatusaidia tung'ang'ane. Mimi saa hii niko macho kuangalia na kufanya yangu. Kama Mbunge inafaa niangalie kwamba *fund manager* anafanya kazi vizuri na hao *auditors* wakaribishwe kule wakague. Lakini pia matatizo yale pia yasionekane ni ya sasa hivi. Uzuri utajulikana ni akina nani ndio waliofanya makosa katika miaka iliyopita.

Hao wakija kule watasaidia maanake kuna matatizo ambapo saa zingine *bursary* inatumika kisiasa, saa zingine *bursary* haiendi kwa watarajiwa, na saa zingine kuna shule ambazo kuna wakora ambapo inakubidi ukague pesa ya *bursary* moja kwa moja mpaka ukosane na walimu. Kama hufanyi hivyo, imekuwa ni kama biashara. Ninataka huyo *Auditor-General* kwa hii Ripoti yake pia ahakikishe amekagua vizuri hizi shule. Shule pia zina matatizo mengi.

Kwa hii NG-CDF, tulipoingia, wale walio na wadi tatu wamepunguziwa. Ni masikito kwa sababu sijui walitumia mbinu gani kupunguza na imekuwa kila mtu anazungumza mambo ya *one man, one shilling, one vote*. Watu wengine wanatutolea bahati eti kwa nini watoto wetu wanaenda kusoma shule zao. Ukienda zile shule pengine zimetengenezwa hizi *boundary walls* au hizi kuta zilijengwa kutoka wakati wa ukoloni. Sisi zetu hazina mpaka itabidi tutegeme mfuko huu kuzitengeneza ambapo hata sasa hatuwezi kupanda miti. Wanaambiwa kwa NG-CDF wapande miti lakini hauwezi kuipanda hadi utengeneze kuta. Na ukitengeza kuta inaweza chukua miaka kumi ndio imalizike na hizo ni kuta peke yake. Utakosa kufanya jambo jingine kwa sababu pesa imepunguzwa. Ingekuwa vizuri Kamati ya Bunge itembelee maeneo yaliyona wadi tatu ili iangalie matatizo walionayo, iboreshe zile shule, itafute mbinu kabla ya kufikiria mambo ya *one man, one shilling, one vote*. Mwanzo mumeinua wengine maanake matatizo ni mengi kwa shule. Tukiendelea hivi, itabidi hawa watoto wetu waje huko kwenu vivyo hivyo. Ni lazima mtafute mbinu za kutusaidia hata kama ni kwa mfuko mwingine; angalau ukuta wa mpaka ujengwe ili sisi tufanye mengine. Hii ni kwa sababu mambo mengi hayajafanyika kwa muda mrefu na yameleta shida na kuendeleza mgogoro.

Bw. Spika wa Muda, mambo haya yanasikitisha. Shule zimetajwa nyingi kama vile Kiwayu, Mkunumbi, Matondoni na Witu. Pesa nyingi zimetajwa pia na inasikitisha kuwa huwezi kuona pesa iliyotumika pale. Nimesikia Wabunge wakizungumza na ni kwa utovu wa ufahamu na hawaelewi mambo kwa kuwa hawajazunguka Kenya hii na kuona jinsi mazingira yalivyo. Kuna mmoja aliyesema kuwa Pwani ina matatizo na gharama za kujenga ziko juu, lakini kama angekuwa na ufahamu, basi hasingesimama na kusema vile kwa sababu Lamu Mashariki ina changamoto tofauti. Kwa mfano, mafuta ya meli itakayotumika kutoka Lamu kuenda mahali pa dakika ishirini itatosha kuja Nairobi na kurudi. Sasa lazima gharama za usafiri ziwe nyingi na ukisema Pwani, ni lazima useme ni wapi? Huwezi kufananisha mtu wa Nairobi kwa kusema kuwa gharama yake ya kujenga darasa itakuwa sawa na mtu wa Kiunga. Kandarasi inapotolewa kule, hata mtu anakataa kufanya. Kwa mfano, sasa hivi tunataka kutengeneza barabara na pesa zimetolewa lakini ni mpaka meli itoke Mombasa ibebe vifaa hivyo kupeleka Mtagawanda, ambapo ni dakika ishirini tu kutoka Lamu. Lakini meli hiyo inatoza pesa ngapi? Inaweza kulipisha zaidi ya Ksh6 milioni kusafirisha vifaa pekee yake.

Kwa hivyo, mkizungumzia gharama za usafiri, ni lazima mtaje mahali husika. Kamati inafaa kutembelea sehemu hizi. Hakuna Al Shabaab na mnafaa kuona changamoto. Kwa hivi

visiwa, inakuwa ngumu kutengeneza kwa sababu gharama ziko juu sana. Wengine pia hutumia gharama kama hizo kuiba na inakuwa juu kushinda huku.

Shukran, Mhe. Spika wa Muda.

The Temporary Speaker (Hon. Farah Maalim): Let us have Wakili Muriu followed by the Member for Mbeere North.

Hon. Wakili Edward Muriu (Gatanga, UDA): Thank you, Hon. Temporary Speaker, for giving me this opportunity. I would like to support the Report by Hon. Mulyungi. It is extremely elaborate and in-depth. It is addressing the key pertinent issues affecting the lives and well-being of the National Government Constituencies Development Fund (NG-CDF). While the Report casts aspersions, it is at the same time making recommendations to Parliament. Our role is to strengthen legislation to ensure that the objective of the NG-CDF Act lives its day.

I appreciate the role of Parliament as stipulated under Article 95. We have an Act, but it is neither absolute nor perfect. As Members of Parliament, we must point it out to the NG-CDF Board and the public so that the NG-CDF meets the aspirations of our people.

I want to associate myself, 100 per cent, with the recommendations made by the Committee. Under Article 95 of the Constitution, the role of Members of Parliament is oversight, legislation and, representation. According to the Report, Members of Parliament are coming in too late. First, the reports are already here because at the end of the financial year, the horse has already bolted. As provided by the Report, I want to recommend that issues pertaining to preparing the budgets for the NG-CDF squarely sit with the Members of Parliament. I am proposing that because these Members were elected for their manifestos... We took our vision to the people; it was more superior than that of our competitors. The voters took over and gave us enough votes to carry out that vision. Our first obligation is to ensure that before our budgets are taken to the Board, we have a robust conversation with the NG-CDF managers and committees to ensure that they are aligned to the will of the people.

Secondly, fund managers, in their own structure, leave a lot to be desired. They report to the Chief Executive Officer (CEO) and the human resource office in Nairobi. Therefore, whenever there is an issue, they normally just say that they will report the matter to Nairobi. The issue pertaining to the fund management is about local issues. The question is: how do we ensure that the fund managers are aligned to the will of the people? There is a disconnect between the fund managers and the people on the ground.

For instance, in Gatanga Constituency, although with a lot of stress, we have been able to overcome the challenge of bursary. Children were sent out of school and parents were calling us every day because we had promised them timely distribution of the NG-CDF bursary. Fund managers are dragging their feet. They are bringing all manner of complications. They ask for all manner of documentations but in a nutshell, it is purely a delay tactic. If you talk to the CEO of the NG-CDF Board and the management, you will find that there is a serious concern about the workings of the fund manager. The much the Board can do is to transfer the fund manager from one station to another. This is basically transferring a problem from one constituency to the other one.

I urge Members to ensure that we come up with a legislation that enables us to make substantive complaints against fund managers. It is not enough to transfer a fund manager from Gatanga to Gatundu, or from Gatanga to Kandara. We must ensure that serious disciplinary action has been taken so that we are aligned. We are not serving air. We are serving the people who elected us.

I also want to talk about the committees provided for under the NG-CDF Act. They are the carriers of the vision on the ground. Therefore, fund managers are supposed to be subservient to the committee. Their work is purely to account, and not to direct. There is always a conflict when it comes to matters pertaining to development funds. There is always dragging

of feet by the fund managers, but when it comes to allowances, they are paid very fast. When it comes to issues of funding, it is like removing a tooth from the fund managers. This issue is again complicated by a district accountant who is not aligned in the constituency; he is not under the control of the NG-CDF Board. You now have a third party who is not responsible to anyone. He can even fail to go to the office. In case of an emergency, the district accountant makes certain demands in terms of documentation to make sure the process delays. It is high time that, because the NG-CDF Act is a creation of this House, the House ensured the Act provides for an accountant who is under the control of the NG-CDF Board as opposed to a third party who the Board has no control of.

The third issue is about the creativity of fund managers. I have had a number of conversations with the NG-CDF managers in Nairobi and at the constituency. They use extremely archaic working methods. I introduced a digital system in Gatanga Constituency, which was received with a lot of hostility. The digital system notes duplication and reduces the time you take to verify beneficiaries of the bursary fund. That brought a lot of issues. I lost the NG-CDF chairman and manager because I brought traceability, accountability and transparency. The Act needs to be looked at again. It should address modern times. If you look at the years the Gatanga NG-CDF committee was disbanded, there is no iota of record on the beneficiaries of the fund.

Finally, creativity is required in the 21st Century. There is a Motion before this House that is particular on the interpretation of sections 48 and 48A of the Act. The fund managers and the secretariat are not helpful. There is no way we can be funding secondary schools and universities with bursaries but leave out primary schools when all the institutions are funded through capitation. Imagine a four-year-old child going to school and spends the whole day without food, but his brother...

The Temporary Speaker (Hon. Farah Maalim): Order. Nobody can donate time. Member for Kitui Rural.

Hon. David Mwalika (Kitui Rural, WDM): Thank you, Hon. Temporary Speaker. I want to be very brief.

The Temporary Speaker (Hon. Farah Maalim): Order, Member for Kitui Rural. You will contribute after the Member for Mbeere North. There is no donation of time.

Hon. Ruku GK (Mbeere North, DP): Thank you, Hon. Temporary Speaker, for this opportunity. I rise to point out a number of issues as far as NG-CDF is concerned. One, when scholars in strategic management come up with a strategic plan of any institution, whether a constituency, government institution or a private company, there are a number of elements they look at, including the external and internal environments of the institution. The constituency is a legal unit established by the Constitution. There is need for fund managers, constituency office managers and, Members of Parliament to look at these variables: the external and internal environments of the constituency. Different constituencies have different factors to be considered in administering NG-CDF. Since we have different challenges, we will definitely come up with different strategic plans and implementation matrices. Therefore, it will be wrong for the Board to develop a template to be applied across the 290 constituencies in the Republic of Kenya. These constituencies are distinct politically, environmentally and in terms of the number of schools, security infrastructures and population. Every constituency should develop its own template applicable in its circumstances.

On Recommendation 5 on reallocation of funds without approval of the Board, as much as we seek approval for reallocation of funds, which sometimes takes time for consideration, constituencies have different priorities. The funds are for the benefit of the constituents. There should be no tug of war between the Board and the constituency when fund managers seek reallocation of funds to be used in the neediest areas which the management of the

constituencies feel require to be invested in. This is something that should be expedited by the Board at all times.

It is important to oversee all agencies that conduct audits. We should not be talking about a report that was done 10 years ago. As a House of the people, we will be failing the people we represent. It is important to ensure audit reports are available on a timely basis, especially immediately after every financial year, so that we can be accountable to the people of the Republic of Kenya on how their resources are utilised. I support this Report and congratulate the Chair and his team for coming up with it. In future, let us get audit reports of all constituencies and government institutions at the end of every financial year, so that we are accountable to the people who brought us to this House.

I thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Member for Kitui Rural.

Hon. David Mwalika (Kitui Rural, WDM): Thank you very much, Hon. Temporary Speaker, for giving me this opportunity to also air my views on this Report. I support the Report. I am a member of the Committee. As Members have said, the Report is outdated, but it reflects the current situation and challenges facing the NG-CDF. We may need to look at more current reports so that we can get an overview of the challenges facing the NG-CDF.

The Report raises several challenges. Most of us who were in the 12th Parliament faced a lot of problems with fund managers. During the five years, I changed fund managers four times. One of the challenges is that most of these fund managers do not respect Members of Parliament. If you want something to be done, you can look for fund managers for a month and you do not find them.

On the structure of the NG-CDF employment, there is what we call “regional managers.” Personally, I do not know the work of regional managers. As you may realise, most of the Members do not know that there is somebody called a regional manager who fund managers are supposed to report to. If, indeed, these managers have no work, their positions should be declared redundant.

There is a recommendation on fund managers facing challenges in preparing financial reports and submitting them to auditors. On the recommendation of employing qualified accountants, the fund managers should have accounting knowledge so that they at least understand what they are accounting in their counties. That way, they will adopt International Public Sector Accounting Standards (IPSASs) reporting framework. The Report says that most of them do not understand those standards. It is very important for them to understand them.

There are issues with district accountants. The NG-CDF has no control over district accountants. I believe that the district accountants are important. We have said that we need to create our own treasury for the NG-CDF, but I am wondering because the NG-CDF money is seasonal; it comes quarterly. So, are we saying that we are going to have an accountant at the treasury who will handle the NG-CDF? We need to see how we can work closely with the district accountants so that they can facilitate our work.

On the issue of quality course design, that is standardisation of the NG-CDF construction projects, it is important. If you go to different constituencies, you will realise that construction designs of classrooms are different. However, if you go to the Ministry of Education, they have standard classrooms for primary schools and secondary schools. If you have a very good quantity surveyor (QS) from the Ministry or the County Government, he will give you the design and size of classes.

I have an issue with the construction costs. They may not be the same in the same county because of distance and the construction materials used. For example, where I come from, Kitui Rural and Kitui Central cannot have the same cost of constructing a classroom because my constituency is vast and you will cover a long distance. Nonetheless, the difference in the cost of building should not be too wide. If a classroom costs Ksh1 million in Kitui

Central, in Kitui Rural it should not cost Ksh1.5 million. That will not make any technical sense.

The other thing that the NG-CDF is facing – this is very serious – is delayed disbursement and underutilisation of funds. As we speak, we have undisbursed funds from the previous financial year of Ksh2 billion which we should push to get. My biggest worry is that, up to now we have not received even 50 per cent of the NG-CDF and we only have one month of June to go. If we go to the next financial year with Ksh20 billion undisbursed funds of the NG-CDF, what will happen? We will have to wait for the supplementary budget which will be a challenge. The Ksh2 billion was previously Ksh4 billion. In the 12th Parliament, we managed to squeeze Ksh2 billion out of the National Treasury and we had a balance of Ksh2 billion. Now, if you have Ksh10 billion undisbursed plus the Ksh2 billion, that will be Ksh12 billion. How will we get that money? We need to push the National Treasury.

The good news is that, I was in Washington for the 2023 Spring Meetings of the World Bank Group and the International Monetary Fund (IMF) and the World Bank promised to give us US\$1 billion. I read in the newspapers today that there is another organisation which is giving us US\$400 billion. So, as Parliament, we should push to be given all our NG-CDF money before the end of this month so that we can complete the projects that we are supposed to implement.

Lastly, is on sharing of the NG-CDF. This is a very big issue. In the last Parliament, we passed that we are going to use wards. I do not think that is a viable policy. Most of the NG-CDF money goes to schools. We should use the number of schools in an area. Imagine, a Member who represents a constituency in Nairobi has less than 10 schools whereas the rest of us have more than 200 schools yet we are given the same amount of money. Is that not discrimination? Let us think. The data of schools and their enrolment is with the Ministry of Education. For me, that will be the best method to use to get fair share distribution of the NG-CDF money.

With those few remarks, I support.

The Temporary Speaker (Hon. Farah Maalim): Let us have the Member of Parliament for Saku. He will be followed by the Member of Parliament for Ainabkoi.

Hon. Ali Raso (Saku, UDA): Thank you, Hon. Temporary Speaker. From the outset, I want to thank the Chairman, Hon. Mulyungi and the Members of the Committee, for this Report. This shows that Government records only gather dust but they do not die. So, whether it is a 2013 or 2016 Audit Report, the Report is still valid to the extent of telling us if there are any differences with what we are experiencing today in our constituencies. We still have fund managers; some overstay and some stay for a few months; others are not trained accountants and for others, we doubt their credentials. So, all these issues are still relevant today as they were when they were questioned by this Audit Report 10 years ago.

On the issue of standardisation, I am looking at this Report and Members were building water dams, street lights, health facilities and water points. So, there are still certain constituencies that have the luxury to do projects that are largely done by counties or are devolved. I agree with the Member of Parliament for Kitui Rural that there are people who do not know what to do with that money. They might have too much money on their hands. With the little money we get, let alone bursaries or putting up classrooms, even constructing laboratories for all our secondary schools becomes a tall order.

On the issue of standardisation, I agree with all Members that we cannot standardise on cost. We can standardise on design, particularly on the common facilities used in secondary or primary schools. If you go to Northern Kenya, the costs within a constituency are different. The cost of cement, sand, water and all other materials required for use can never be the same for the schools that are in town with the ones in far-flung areas.

Reading this Report, beekeeping is really the bend of this Report. It says that Ksh20 million was allocated here. If you try to go through the books and the receipts, you find there is Ksh2 million, Ksh500,000 or Ksh3.5 million that is missing. Then you ask yourself who will be losing this money in the long run? It is constituency allocation disappearing: Ksh500,000 or Ksh600,000 is a lot of money in our constituencies. If you use the labour to cost method, you can construct a classroom as opposed to contracting somebody out there to do this work.

On bursaries, many of my colleagues have talked about it. A majority of our children today attend secondary schools or tertiary colleges because of bursaries. People have lost all their livestock in the region I come from. They are destitute. What they wait for is when the bursary will come. If you give them that Ksh3,000 or Ksh4,000 when the schools open the following term, they will still wait for the same or else those youngsters drop out of school.

There is the idea of thinking it is about the population. A majority of allocations in this House must be motivated by needs, not just certain fixed factors. If we look at per capita in this country, some regions are wealthier than others. Some regions are endowed as a result of continuous allocation of more resources or the government has invested in some areas more than others. In the region I come from, I still feel marginalised even with devolution. I am still excluded. I still feel I am poor. That is why we lost some money recently with the reduced NG-CDF allocation. They tagged it on wards. Our needs are actually more, rather than being reduced.

Finally, the Japanese invented something called 'Kaizen'. Kaizen means continuous improvement. What I had wanted to read in this Report, may be a rider after the recommendation, is that certain issues in this Report have been corrected or have been looked at because of time lapse. What we have is a raw Report where a majority of the Members of Parliament who are overseeing no longer enjoy the comfort of this House. It is just another Report. What is glaring and which I ask the Chair is that those constituencies should not lose money that has been misappropriated by individuals who have transferred money to wrong places without being authorised.

With those many remarks, I beg to support. It is a good effort from that Committee.

The Temporary Speaker (Hon. Farah Maalim): The Member of Parliament for Ainabkoi. The Woman Representative for Kirinyaga, Hon. Njeri Maina, will follow.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Thank you very much, Hon. Temporary Speaker.

At the outset, I take this opportunity to congratulate my very good friend, Hon. Mulyungi, the Chairman of the Decentralised Funds Accounts Committee. This Committee has done a very commendable job. This Report was tabled in December 2021. The House was unable to debate it. However, this Committee had three sittings to consider this Report in a very efficient and effective manner. They discharged their responsibility in a very acceptable manner. I thank them. I also thank the Chairman for being very patriotic and nationalist in his outlook of things. He is here today in spite of the *maandamanos* that are taking place from his side of the coalition. I thank him because he did not abscond duty. He knew that it is more important to be in the House and discharge his mandate as required by the Constitution of Kenya. We must thank him very much. He has sat throughout and he has not been concerned. There is a Member who walked in and made a lot of noise here. He was not concerned or moved. I saw that his demeanour did not change. He has done a commendable job.

This Report is indeed late in its consideration by the National Assembly. This Report touches on the 26 constituencies for the period ranging from 2013 to 2016. Indeed, we are considering a stale Report. Although we consider audit reports as post-mortems, this one over delayed. Even in post-mortem terms, this is rotten. Some of the fund managers supposed to have been held responsible have retired. Terms have expired for some of them and they are no longer in service.

Hon. Temporary Speaker, as we speak, the people who are to be held responsible have since ceased working for the NG-CDF. It now becomes a Report on the misappropriation of funds by certain fund managers but as you know, criminal offences do not have a time limitation. Whether they have retired, resigned or their contracts have come to an end, they will still be held responsible under the criminal justice system. Once this Report is approved, the responsible agencies will certainly investigate them.

One important thing that I must support in this Report is the removal of the National Treasury Manager being domiciled at the Sub-County Treasury. We support that this manager be appointed and be domesticated at the constituency development offices so that the auditors or the accountants that we have employed in our constituencies would work under them and increase their effectiveness.

As we speak, when they are asked to write cheques, we have to wait for a long time due to the competing interests including the Deputy County Commissioner (DCC) and many other government agencies. Our cheques get delayed and as you know, bursaries do not wait for everyone. Students are being asked to pay school fees failure to which they are sent home. I remember an incident where because of the delay by the Treasury Manager in my constituency, I was at a far-flung area of my constituency, where a mother told me that her daughter had been sent home... I directed her to tell the daughter not to come because I would sort it out by Monday. She then said that she could not tell her not to come because she was already in a matatu and would arrive in ten minutes' time. I could not stop her from going home since the parents had already paid money for transport. All this was because the treasury officer or manager had failed to write a cheque of Ksh10,000. We are not in charge and therefore we cannot inquire why they have not done so or disciplined them. It is important for this recommendation to be carried and implemented.

Secondly, there is need to consider the formula that has been used in the division of the constituency development funds. I am aware of the relevant amendment that was made to the Constituency Development Act in June last year when most of the Members of Parliament had retired or had been removed in the nominations and had lost interest. In one of the amendments, the allocation of the NG-CDF will be based on the number of wards that a constituency has. This is highly faulty and unlawful. This is a constituency development fund and not a ward development fund. There is a criterion that was used in the Constitution to create the 290 constituencies to ensure that there is equity. There are a number of parameters and criteria that were used. For instance, North Horr Constituency is the size of Uasin Gishu County yet it is one constituency.

The Temporary Speaker (Hon. Farah Maalim): Order. It is the size of Central, Western and Nyanza combined.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Hon. Temporary Speaker, you have suitably informed me.

The Temporary Speaker (Hon. Farah Maalim): It is definitely bigger than Uasin Gishu.

Hon. Samwel Chepkonga (Ainabkoi, UDA): There is another constituency called Tiaty, which is infested by banditry, which is bigger than all the five constituencies in Baringo yet we are allocating resources based on the number of wards. That is not the criterion that was used in creating constituencies. There were parameters used. There was a criterion that the constituencies must meet the population requirements of 133 and a divergence of about 30 per cent.

Hon. Joshua Mwalyo (Masinga, Independent): On a point of order.

The Temporary Speaker (Hon. Farah Maalim): Hon. Joshua Mwalyo, what is your point of order?

Hon. Joshua Mwalyo (Masinga, Independent): It is a point of information. Having sat in the NG-CDF Committee during my last term in the 12th Parliament, the Bill by Hon. Eseli informed the division of the NG-CDF in accordance with wards. It was debated in this House for two years. It was not debated when people had taken leave for campaigns. That is my point of information.

The Temporary Speaker (Hon. Farah Maalim): Member for Ainabkoi you may proceed.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Thank you, Hon. Temporary Speaker. As I was saying, the NG-CDF is not an equalization fund where people say we have so many schools. This is a constituency development fund. That means we must allocate these resources in accordance with the existing constituencies. The amendment that we carried in 2017 that stated that the fund will be allocated on the basis of the existing 290 constituencies is the correct amendment. If the allocation of the fund this year is Ksh44 billion, then it should be divided by the 290 constituencies. Secondly, if someone thinks that their constituency is disadvantaged then they must apply to the Equalization Fund or use other criteria through the ministries.

This Bill is totally faulty because once you use the criterion of counties, you will have involved the Senate. This Bill was never sent to the Senate. I am informed that there was no concurrence between the Speakers of the National Assembly and the Senate. If I was to challenge this Bill in a court of law, it would fail on the same basis. Once you mention wards, it falls under the jurisdiction of counties. The Constitution is very clear that the National Assembly has no powers to independently pass a law that touches on counties. It has to refer that law to the Senate. Some of the faulty provisions that are passed in this House are not on the basis of numbers.

For instance, 100 people cannot agree to pass an unconstitutional Bill and expect us to comply. We must avoid the business of being isolationists in prosecuting matters but instead be inclusive. It does not matter whether a constituency in Mandera has two or three wards or has 21,000 voters. There was a criterion that was used in the Constitution to create that constituency. In the passing of an Act, if there is a problem, the solution is to amend the Constitution and not numbers. Passing an unconstitutional Act is unacceptable. I, therefore, support this Report.

I thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Farah Maalim): Next is Hon. Njeri Maina.

Hon. Njeri Maina (Kirinyaga County, UDA): Thank you, Hon. Temporary Speaker. I think we are all in agreement that the NG-CDF has transformed this nation. I recall that when I was younger, Hon. Robinson Njeru Githae was the first Member of Parliament for Ndia Constituency, where I come from, to be re-elected to Parliament. I remember the mushrooming of schools and healthcare centres within Ndia Constituency during his term. I laud the Committee for this Report.

The NG-CDF has its shortcomings, as we have witnessed and as we have read in the Report of the Committee. My colleague has mentioned the issue of the number of students. We have had this conversation from time to time. I do not think that Members who are asking for separation of bursaries from the NG-CDF are selfish. He gave an example, and I will also give one from Kirinyaga County. The NG-CDF allocation is given per ward. There is a ward that has 27,000 voters, and another one that has 15,000 voters. With all due respect, the ward that has a higher population has more students. There is nothing that is cast in stone. This is something that Members can discuss to see how we can ensure that every child is catered for when it comes to bursaries. Every child in this nation has a right to basic education, whether that child is in Mandera, Kirinyaga or Kisumu. If we ensure that, we will be emulating the vision of our very good former President, Hon. Mwai Kibaki, who envisioned a nation that supported its children to attain basic minimum education. Going forward with the NG-CDF,

we should have discussions to see how we can ensure that we cater for every child in every constituency in this nation.

Perhaps another thing that this House needs to look at is the harmonisation of the bursary kitty. Governors, County Women Representatives to the National Assembly, and Members of Parliament of single-member constituencies have bursary kitties. You find that some needy and deserving students have not been given bursaries while others have been allocated bursaries by their area Member of County Assembly (MCA), the County Woman Representative to the National Assembly, and the Member of Parliament. These are discussions that we need to have in future, so that we see how we can ensure that we strengthen the NG-CDF and that we have maximum and optimum output.

I have seen issues raised by auditors of funds that have been misappropriated. We have laws in this nation, so whether the fund manager quit or has transitioned, it is not an issue or a matter that we should discuss. People who have abused and misused public offices must be held accountable. People who have misused the resources of this nation that should go to needy and deserving children should be held culpable. I call on Members and this Committee to ensure that we do not only say that funds have been lost by people who, apparently, were from the previous regime; someone must be held accountable. That fund manager is a member of that constituency. He or she can be found and held culpable.

I would also like to request that we see how we can have continuity of projects. This is because you find that once a Member of Parliament leaves, his or her successor does not want to continue with the projects that were previously initiated. We have instances where there are buildings that were supposed to be youth hub centres and information and technology (IT) centres, but you find that the Member of Parliament who succeeds the previous Member does not want to equip them because he or she feels that that is a project that was initiated by their predecessor. Government is about continuity; so we need to have a wholesome objective outlook to ensure that we have continuity.

Despite that, I laud Members of Parliament for their exemplary work. We have seen Hon. Ndindi Nyoro put up very nice classrooms. He has ensured that the classrooms are tiled. I call upon all Members to realise that our work is about goodwill. Our work is to ensure that we deliver services to the common *mwanaanchi*.

With those few remarks, I support this Report. I request that the Committee takes action against the people who have misused funds in this nation. Thank you.

The Temporary Speaker (Hon. Farah Maalim): Hon. Makali Mulu, followed by Hon. Joshua Mwalyo.

Hon. (Dr.) Makali Mulu (Kitui Central, WDM): Thank you very much, Hon. Temporary Speaker. I join my colleagues in appreciating the good work of Hon. Gideon Mulyungi in tabling this Report in the House. When you read the introductory part of this Report, it is clear that it was tabled in the 12th Parliament. The Committee went out of its way to make sure that it does not become just another report on the shelves, but that it is presented here for debate. The fact that we are discussing a 10-year-old-report does not mean that the issues raised in it are not important today. There are some issues that have been captured in the Report, which are applicable today. The only thing that I would request Hon. Mulyungi and Members of that Committee to do is to make sure that they work faster to catch up with the current years, so that we do not do a post-mortem of financial years that have already passed.

I just want to comment on a few issues. First, is the issue of standardisation of designs and activities. The NG-CDF Act clearly states that after every two years, the fund manager and Board of the NG-CDF Committee are supposed to conduct public participation, so that members of the public who live within that particular constituency are able to state their priorities. On that basis, it means that there will be uniqueness in terms of projects being funded from one constituency to another.

You have heard some Members say that other Members are constructing multi-storey classrooms. You have just heard the Member who has spoken before me talking about floor tiles in classrooms. You cannot talk about floor tiles in some constituencies because children are studying under trees. That means that there is no way that you can compare one Member with another. You need to look at the local situation to analyse the performance of that Member. That is also applicable to the NG-CDF Board in Nairobi. When it comes to approval of projects, we should have flexibility in terms of building structures because, while I might propose an unusual project, that project might be very important to my constituency. Unless somebody is funding a county government project as per the schedule, if it is a national Government project, it is important that we support it. I call upon the NG-CDF Board in Nairobi, together with the Chief Executive Officer, to include that flexibility in the approval process, so that we do not lock out projects which are very critical to specific constituencies, just because of applying a general rule.

The other matter is the issue of the project accountant, which has been discussed a lot in this House today. I agree with some Members who say that we might not be generating enough transactions to have a stand-alone accountant for our constituencies. It is critical that we build the capacity of district accountants who are serving the rest of the Government, so that they appreciate that the NG-CDF is a programme that needs to be given priority when it comes to processing financial requests. In that case, we will have no problems.

It is also important to note that there are also personality issues. Individuals are individuals, but it is also important to note that there are personality issues. Each individual is different. Some accountants would want to complete the process so that they get an opportunity for rent seeking. Such accountants should be reported to the National Treasury which is in charge of all accountants. That way, we can fast-track implementation.

The other important thing in this Report is that there is a clear indication of lack of capacity either at the NG-CDF managers level or at the Board level. The NG-CDF Board is supposed to approve projects and oversee day-to-day implementation. As we plan, we should include a regular capacity building programme for both staff, more so, the fund managers and the board members. At the end of the day, we will have qualified people to implement these projects and these small issues raised by the Auditor-General will die a natural death.

Despite the issues raised by the Auditor-General, the NG-CDF programme remains the best in terms of minimal misappropriation of resources. If you tabulate the amount that is reported here to have been misappropriated, the percentage is very low compared to mismanagement at the national Government at 30 per cent and the county governments. This means that this programme is being implemented very well and we only need to address these small gaps raised by the Auditor-General for NG-CDF to continue helping Kenyans.

Hon. Temporary Speaker, the other issue is that of the Auditor-General. When auditors come to your office, they come up with management letters. These letters are written to the managers indicating areas where they think they have not received the right information or where there are gaps. They then give one or two weeks to respond to their letters. Looking at this Report, most of the issues raised here concern record keeping where information is not provided on time. In this Report, they indicated that some managers provided the information later on.

At the end of the day, there is need for the fund managers to continuously keep updating their records so that when the auditors go to their stations, they can provide the information on time. As a result, we will minimise some of these small issues. Some of the reported figures are Ksh30,000 or Ksh70,000 not accounted for. With proper record keeping, we can easily do away with this.

Lastly, on the issue of marginalisation, I listened to a Member who said that the ward is a factor in distribution of resources. Irrespective of what formula is used to share resources—

whether it is equal distribution, ward distribution or by population—at the end of the day, some constituencies will be disadvantaged. As a House, as we legislate on this matter, we should minimise the unfairness. For example, Members of Parliament from Nairobi could be having 10 primary schools and one or two secondary schools; in totality, about 15 schools in a constituency. In my constituency, I have 132 primary schools and 57 secondary schools. The implication of this is that in terms of the number of students and of infrastructural resources, then I have to put more resources to educational infrastructure, but in terms of enrolment, they have ten times the number of students in my constituency.

Therefore, while I need more money for infrastructural development, they need more money for bursary. The bursary allocation is 5 per cent in all constituencies. The Members of Parliament from Nairobi are disadvantaged when it comes to bursary allocation but then they have an advantage in terms of infrastructural development. We need to have an input flexibility so that those who have more students would request the NG-CDF Board to approve more resources for bursaries other than the maximum of 5 per cent. Those of us who have fewer students can apply to have more money channelled to infrastructural development. In that case, we will have balanced development which will benefit of all of us. At the end of the day, we will develop our constituencies through the NG-CDF programme to an extent that Kenyans get value for money and we will better their lives. This is the objective of the NG-CDF.

With those many remarks, I support this Report and wish the Committee well as it continues serving the rest of the country.

The Temporary Speaker (Hon. Farah Maalim): Hon. Mwalyo.

Hon. Joshua Mwalyo (Masinga, Independent): Thank you very much, Hon. Temporary Speaker, for the opportunity to speak on this Report.

Although this Report is late—it is for the Financial Years 2013/2014, 2014/2015 and 2015/2016—it is important that we handle it now that it has been brought by the Auditor-General. The NG-CDF is a model way of implementing projects. Many of the Government's institutions can learn from the NG-CDF on how projects are implemented. The implementation of these projects is well calculated and modelled. From public participation, we pick the projects that the community wants implemented. These are then put on paper and send to the NG-CDF Board for record of public participation. After that, through a letter, we are then required to write the proposals through the NG-CDF committees in the constituencies. Here, the Member of Parliament inputs what he promised his constituents when campaigning. All the declarations made when campaigning are put on paper by the help of the fund manager and the NG-CDF Committee. The proposals are then directed to the Board.

As a Member of the NG-CDF Committee—this is my second term in this Committee—we have noticed that few Members of Parliament are not involved when the proposals are being prepared. When this is left to the NG-CDF Committee members, they make mistakes. They include items like water, hospitals and roads. As a Member of Parliament, you understand the Act better. The Act provides for implementation of two major government projects: education and security. As the custodian of the knowledge on the operation of the NG-CDF Act, you should work together with the NG-CDF committee in your constituency to come up with a proposal that is acceptable by the Board. This will ensure that it is not rejected. You will then have a to-and-fro exercise and your funds will be delayed.

There is also another important thing that we should know and I wish the Auditor-General captured it. The money that is disbursed to Government institutions like universities, secondary schools, and so on, should be recorded. That is why the Auditor-General insisted that every office should have an assistant accountant, a clerk of works, and an Information and Communications Technology (ICT) person. If those three people are missing in the constituency, you will find that documentation is not done in the right way. The clerk of works supervises projects on a day-to-day basis. He informs the fund manager how far the project has

gone and which percentage of the project has been done. He reports any issue that arises during the course of the project, for example, if there is sub-standard workmanship.

In almost all the audit reports, the Auditor-General cites lack of supporting documents. If, say, you paid bursary for 50 students at Kenyatta University, did they acknowledge, with a receipt, the total amount of money that the NG-CDF sent as a cheque back to the constituency? The fund manager ought to file such documents for auditors to come and examine them. That is what the Auditor-General has cited as lack of documentation and filing.

In terms of opening tenders for projects, were minutes prepared during the opening session and a report by the procurement officer who is attached to the constituency done? It really does not matter whether or not one procurement officer is attached to two constituencies. Was there a report of the opening of the tenders? If so, how were the tenders awarded? It is that kind of report the Auditor-General is citing in this Report.

There is also the four-member oversight committee where the Member of Parliament is the chairman. Periodically, four times a year, that committee is supposed to go round the country to inspect projects that have been done by the contractors, supervised by the clerk of works and the engineer who is attached to the constituencies. The committee is supposed to do a report on its inspection tours. It checks the workmanship and determines whether there was value for money even before the Auditor-General arrives to inspect the same projects.

We have also noticed that the NG-CDF allowances are paid in meetings. The Auditor-General cited that there were no minutes found yet payments were made to the NG-CDF committees. Where were the vouchers? They are supposed to be signed by every individual who attended the meeting and then filed. Where were the minutes of the meeting and every document that was required for payment of money?

I can see my time is over. Members of Parliament should be involved in the processes in order to know what is going on.

The Temporary Speaker (Hon. Farah Maalim): Hon. Johana Ng'eno, followed by Hon. John Waluke.

Hon. Johana Kipyegon (Emurua Dikirr, UDA): Thank you, Hon. Temporary Speaker for giving me this opportunity to also weigh in on this Report, which I concur with and support 100 per cent.

There are a few issues which many Members have raised concerning the daily running of the NG-CDF at the constituency level. Our role, as Members of Parliament, is to oversee the money allocated to the NG-CDF. As an oversight team, there are issues that we need to look into. We hope that the committee that is concerned with the management of this particular kitty will look into those issues.

Many Members have mentioned the issue of the district accountant who is a Government representative in that particular Fund in every constituency. He represents all sectors, whether it is the Ministry of Education, Ministry of Roads, Transport and Public Works, and all the State Departments. He has a role to play in the NG-CDF. Just like what most Members have said, for easier management of these funds and fast distribution of bursary or money for projects, it is time the committee considered employing the district accountant the same way a Fund Manager is employed by the NG-CDF Board. The same goes for anything to do with public works. Most of the Government employees are answerable to their bosses. Sometimes when you tell them that they are answerable to the NG-CDF fund manager, they declare that he is not their boss. That their boss is in the Ministry of Roads, Transport and Public Works. This is the same case with county commissioners. We need to amend the Act to allow the NG-CDF Board to appoint all those officers who are supposed to deal with the management of the NG-CDF right from accounting, public works, and procurement. Sometimes, it is a procurement person from another State Department who is relied upon by the NG-CDF. They get very busy at times and disappear. Some do not care because, obviously,

it is the work of the NG-CDF. They delay works. The committee should look into the matter so that we have good management of the kitty.

Most of the Members have talked about re-allocation of funds. At times, it becomes necessary to re-allocate funds. For example, if you allocate money for water to a school and then the county government also allocates money for the same to a nearby hospital, obviously, that water will be shared. So, there is need for a fund manager to re-allocate that money to something else. It should not be a hard process. It should be done easily and in a transparent way. The fund manager cannot do that alone. He has to get authority from the board.

Like most Members have said, this Report is stale because it dates back to 2013 or around that time. We are in 2023 and this is not a very huge sector in the Government. We want the Auditor-General to look into this matter quickly so that we can deal with current matters. We should not wait for five, six or ten years to look into a report. For that reason, this Report is stale and cannot help anybody. Even if we were to benchmark, it does not have vital information that can help anybody. The work of the Auditor-General is to ensure that we get reports as early as possible so that we can debate and implement the recommendations therein.

I agree that the Act needs to be amended. I believe this kitty is important and it comes in handy just like the Equalisation Fund. Remember, development in the constituencies, wards, and counties is done either through allocation of money from county governments or ministries. We must all accept the fact that whatever the Government has in place, there is a certain way in which it behaves. So, even in ministries like the Ministry of Water and Sanitation or the Ministry of Roads, Transport and Infrastructure, usually there is marginalisation in terms of allocation of funds countrywide. You will find some areas not getting money for roads, water, education and so on. With the NG-CDF, it does not matter whether you are in the Government or opposition. It does not matter whether your constituency has someone in the Cabinet. Money from the NG-CDF will still reach all the areas irrespective of all that. So, whether or not the President comes from your constituency or county, you will still get the money. It is like the Equalisation Fund that is meant for areas that were marginalised for many years.

I come from Narok and the pastoralists there feel they have been marginalised by successive Governments. Sometimes we wonder when we hear some people who held leadership for many years since 1963 wanting to bring down the NG-CDF by talking about population. Constituencies were created and protected because of certain issues. There are constituencies with a population of around 20,000 people, but still qualify to be constituencies based on many other parameters. When debating as Members, we must remember that creation of constituencies is not based on population alone, but very many other parameters. So, when we are allocating money, please, let us remember that.

The Equalisation Fund has been mismanaged and does not work anymore. It was meant for areas that had been marginalised for many years like Narok, Turkana, Wajir, and Lamu. Those are areas without any substantive leadership or development. The Equalisation Fund has so far died. I do not know whether it is the county governments which interfered with it or the Government which never wanted to implement it. The only time we got money from the Equalisation Fund was in 2015 and that was all. There is allocation of money to the Fund every year. The only money that goes to constituencies and down to the grassroot is money from the NG-CDF. Whenever Members discuss how to share money from the NG-CDF, they must do so with a lot of care. So, do not say you have a bigger population of people and so you must get more than Ksh500 million *vis-a-vis* a smaller population like that of Emurua Dikirr. It could as well be that Emurua Dikirr has very many challenges that make it qualify for the same allocation as the bigger constituencies. Let us discuss these issues very soberly.

I wish to support.

The Temporary Speaker (Hon. Farah Maalim): Hon. Waluke followed by Hon. Wanjiku Muhia.

Hon. John Koyi (Sirisia, JP): Thank you, Hon. Temporary Speaker. From the outset, I rise to support the Report of the Committee on the consideration of the reports of the Auditor-General on financial statements for the NG-CDF. This is a very good Report because it has considered most constituencies in the country. This time round, the Auditor-General sent six auditors to constituencies unlike before when only two or three auditors were sent. According to me, it is good to be audited. The work of the Auditor-General is to ensure the Government and the people of Kenya get value for their money.

The NG-CDF has done a lot of work in this country. Even after devolution, you cannot compare it with county governments. Hon. Temporary Speaker, you were a Deputy Speaker and a Member of Parliament for long together with Hon. ole Kaparo. All the dispensaries, health centres, offices of administrators, and water projects in this country are by the NG-CDF. It really has played a big role in development. It is well managed because every Kenyan can see and there is no comparison with what the counties are doing. Some constituencies get Ksh100 million or less while counties get between Ksh5 billion and Ksh12 billion, but you cannot compare what the NG-CDF has done with what the counties have done.

Sometimes, the management of the NG-CDF is slow in terms of allocation. They should improve their speed so that we can use the money to build this country even though the money is little. The people who have let this country down are in the National Treasury. They think the money is theirs and not for the public. They are the ones who delay to...

Hon. Joshua Mwalyo (Masinga, Independent): Point of information, Hon. Temporary Speaker.

Hon. John Koyi (Sirisia, JP): You had your time.

[The Temporary Speaker (Hon. Farah Maalim) left the Chair]

[The Temporary Speaker (Hon. Peter Kaluma) took the Chair]

Hon. Joshua Mwalyo (Masinga, Independent): On a point of information.

Hon. John Koyi (Sirisia, JP): They think that the money in the National Treasury is theirs, and they delay disbursing money not only to the NG-CDF Board, but also to all ministries. With the current Government, movements should be quick.

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Waluke. Hon. Mwalyo, you cannot inform a colleague by force.

(Loud consultations)

The Standing Orders allow you to inform a Member who is willing to be informed. Hon. Waluke is clearly unwilling to be informed. Allow him to continue.

Hon. John Koyi (Sirisia, JP): Thank you, Hon. Temporary Speaker, for allowing me to proceed. He has been standing on a point of information for every Member who contributes. It has happened about three to four times. He just wants to interfere with some Members so as to consume their time.

(Loud consultations)

Hon. Temporary Speaker, you are a ranking Member of this House and you have also served in the NG-CDF Committee, I think in the last Parliament. I do not know whether you are a Member this time.

(A Member interjected)

I am talking about the Speaker. You are not the Speaker. Hon. Kaluma is. He is the one I am referring to.

This House needs to be firm on some issues especially the NG-CDF. We have had Members of Parliament from different countries coming to this country to benchmark, wanting to know how we use our NG-CDF. This is a good thing. As a nation, we feel proud that other countries are coming to visit with the intention of knowing how we use the NG-CDF.

Generally, as Members of Parliament, we need to support the NG-CDF. We need to do our projects well for the public to see. Our work is oversight and if we do that properly, problems related to the NG-CDF will reduce.

Nairobi is a city, yet it gets the same amount of money as rural constituencies like yours, namely, Homa Bay. This is the Capital City of Kenya. It was built long time ago and has been there from the era of Mzee Jomo Kenyatta, President Moi, President Kibaki, President Uhuru Kenyatta, to the present regime of President William Ruto. Nairobi County gets Ksh60 billion, while others get between Ksh4 billion and Ksh6 billion. All the money is sunk in Nairobi to build the City. We, therefore, need to look into this matter.

Last time, only 22 Members passed a Bill here. We had started campaigns and many Members were not present. They had gone to start campaigns. They took advantage of that and passed that Bill, not considering the constituencies. They did not follow what the Constitution stipulates. Twenty-two Members of Parliament cannot amend the Constitution! We need to bring that law back to this House, and if not, we go to court. For some of us whose constituencies have three or four wards, we need...

The Temporary Speaker (Hon. Peter Kaluma): The Member for Kipipiri, Hon. Wanjiku Muhia.

Hon. Wanjiku Muhia (Kipipiri, UDA): Thank you, Hon. Temporary Speaker. I am glad to get an opportunity to speak on this Motion. On record, let me mark myself as present, as the Chairlady of Regional Integration Committee because earlier in this session, the Leader of the Majority Party was speaking strongly on how committee chairpersons do not attend sessions. I am sure that, Hon. Temporary Speaker, you know that I am one of the Members who do not miss any session.

I come from Nyandarua and it is very important that I speak on this Motion and bring to the attention of Members that the idea of the CDF hails from Nyandarua through the then Member for Ol Kalou Constituency, our first Senator, Hon. (Eng) Muriuki Karue. He is the father of the CDF. He was also very instrumental in the establishment of National Government Affirmative Action Fund (NGAAF). It is important that the Woman Representatives in this 13th Parliament know that I was also very instrumental in the establishment of the same, together with Hon. Kajuju, Hon. Priscilla Nyokabi, Hon. Gladys Wanga, among many other Woman Representatives. That clearly puts the records straight that Nyandarua's leaders are very progressive.

I associate myself with all points that have been made by the Members who have spoken before me, but I will not associate myself with the views of two Members, namely, Hon. Ng'eno and Hon. Chepkonga, that this Report is stale. From the Oxford Dictionary's description of the word "stale", a report can never be stale. The contents of this Report highlight a number of issues that can be implemented today and in future. For instance, the Report speaks of late disbursement of funds. It was an issue then, and it still is today. Late disbursement of funds delays implementation. When we all go to ask for votes, we inform our electorate that "This is my manifesto and by the end of my term, I intend to have my secondary school look

like this and that. I will also have water projects.” When we do not get the funds in time, then we are late to implement our manifestos. I can, therefore, say that this Report is not stale.

This Report speaks very strongly about district accountants. I am a perfect example to speak on the issue of district accountants. I think that district accountants and many other national Government officials who are seconded to the constituencies through the National Treasury are stumbling blocks to the process of the NG-CDF. I recently launched the bursary in Kipipiri Constituency, where every child in the constituency now pays only Ksh2,000 as school fees. Two days before we went to launch with many Hon. Members of this House, the bursary cheques were not yet written nor signed by the district accountant. These are Government officers who will go to work on Monday, then disappear for the rest of the week. They live in other counties and come back on Friday only to issue demands for them to write cheques. They demand to be briefed and they think that the fund managers are under them. There is so much disconnect between these officers. I support what Hon. Chepkonga and many other Members have spoken about that it is time we changed the NG-CDF Act. We should mandate the board to employ all officers who deal directly with the NG-CDF like procurement officers and the accountants. The fund managers are already employed by them, but the designers come from the public works. This will make work easier. We have a number of funds and we can attest without fear of contradiction that the most tangible projects on the ground are as a result of the NG-CDF. I 100 per cent, second and support this Report on district accountants.

Hon. Temporary Speaker, there is the issue of harmonisation of funds. A child may be given bursary by a governor, Member of the County Assembly (MCA), area Member of Parliament, Woman Representative, and religious well-wishers, other than Shakahola churches, but another child may not get even one shilling from the bursary. It is time leaders, and I throw this challenge to the Chairperson of the Decentralised Funds Accounts Committee, sat down to burn the midnight oil in order to come up with a way of allocating funds with regard to education. If today my governor decided to support university education, he will remove from me close to 2,000 students. If an MCA supports students in boarding schools, he will remove from me close to 2,000 students. I will remain with 8,000 students who are all day scholars. As such, I will fund a minimum of Ksh5,000 per child and this will reduce the burden on parents. It will ensure continuity and no child will ever be sent home for lack of school fees. Clearly, we must not end this 13th Parliament before we harmonise funds, particularly those meant to support education.

I am also amazed by this issue of audit. The board has employed a number of auditors. They send them to our constituencies knowing well about our calendar. They know elections were done in August and our term will expire in August. Why do they not pick a time frame, and I hope Mr. Bruno and his team are watching these proceedings, and send the audit team to the constituencies in a timely manner? Why do I say this? Recently, a team was sent to Kipipiri. Hon. Kimunya, the fund manager, and the district managers had already left. They argue that the papers had not left. Yes, the papers had not, but who is answerable for the classrooms in Kipipiri which were constructed during the last Parliament and are now condemned because they have cracks? Is this value for money? Are we, as overseers of funds in our country, standing for value for money? It is high time the Decentralised Funds Accounts Committee called the CEO and his team and let them send auditors in a timely manner before the end of the 13th Parliament. That way, I will be squarely responsible to my people.

As I conclude, there is this issue of allocation of funds to wards. I was not in the 12th Parliament, and I do not know what informed this method. Say, there is one ward which has more than 34 schools and I have four wards. When I am allocated the NG-CDF money considering the four wards, I am obviously disadvantaged because one ward may have two

times the number of schools in a ward in another constituency! A neighbouring constituency like Kinangop could be having less number of schools in a ward compared to my constituency.

I can see that my time is lapsing and I would not like to leave the Floor without speaking on the issue of re-allocation of funds. In the recent times, we have seen governors doing projects. In my view, when a project is intended to happen and it fails to pick up, we should not re-allocate funds. I know that getting this done is a very tall order.

I do not know if I will conclude in a minute, but I want to say that some contractors are rogue. They do not follow the specifications given and they do poor work.

The Temporary Speaker (Hon. Peter Kaluma): The Member for Soy.

Hon. Members, I have 10 requests against 25 minutes. Therefore, it will be very good if we could compress whatever we are saying to accommodate more Members.

Proceed!

Hon. David Kiplagat (Soy, UDA): Okay. Thank you very much, Hon. Temporary Speaker.

I would like to support the Report by the Chairperson for the Decentralised Funds Accounts Committee. First, the NG-CDF is the cornerstone of development within the constituencies. Its support by the Executive, and also in terms of the regulations by this House, will go a long way in ensuring that Members deliver what they promised the electorate.

There are a number of challenges that need to be addressed. First is the issue of the bodies that are involved within the NG-CDF Committee, the district accountant, the fund manager and the NG-CDF Committee led by the Chairperson. In some situations, you will find that they are not in tandem with each other and everyone is trying to do their own things.

On the fund managers, it is very important that Hon. Musa Sirma's NG-CDF led Committee, re-trains them to ensure that they are all talking in the same frequency. You will find that some Members have very good fund managers while others have very bad ones yet they are all under the Board. In Soy, we have been forced to use acting fund managers because the other ones were very slow in terms of implementation. They seemed to interpret things in their own way that was not in tandem with the committee's. It is very important that all the fund managers are brought together and given enough training so that they can deliver equally.

Hon. Temporary Speaker, when it comes to the district accountant, I think it is important to create a NG-CDF that works in harmony. Instead of being scattered all over, I propose that all these officers are brought under the NG-CDF with the authority of the Chairperson. This will ensure that the NG-CDF employs the accountant, the procurement officer and the fund manager just becomes a secretary to the committee. This will help things flow because by listening to most of the Members here, there are a number of issues that need to be addressed.

On the issue of projects, you will find that the fund manager will be very quick in paying allowances for the committee's sittings and other things, but very slow when it comes to paying for the projects. When they have an interest in a project, especially by the Ministry of Public Works, they tend to inflate prices yet works are sometimes not well done. However, when you do an oversight to find out what happened, everybody just decides to disappear into space. It is sometimes very hard to get officers to supervise a project conclusively. You are even told that you cannot proceed with a new project until you assign money to ongoing projects. The public can see that money was not used well in the ongoing projects and yet they want you to add more money so that you can proceed with new projects. The Board should let the constituency committees work. It should not dictate to them from Nairobi. Not all minute issues should be brought to the attention of the CEO. It clogs the work flow. Even to change an account number, you have to go to the National Treasury. It is very important for the Board to work as per the NG-CDF law. Sometimes there are circulars that do not conform to regulations or the law.

We want to tell the Board that it is not the legislative authority. Let it read the NG-CDF Act, the Public Financial Management Act and all regulations. Whenever it releases a circular, it should be in tandem with the law and regulations. When it comes to employment of the NG-CDF staff, the law is very clear. The constituency committee is the one that creates offices as per need, but you will get a circular from the Board listing all the offices that constituency committees are supposed to create. Constituencies might have different requirements. For example, in Soy we have electricity challenges. We have even allocated a match-up fund of Ksh5 million to support the Government. We have issues of social welfare and education. We might require liaison officers within those critical areas to be updating us on what is going on in terms of utilisation of funds and the programmes we need to execute, but we are constrained by the Board. It gives itself powers that it does not have and purport to advise constituency committees on the offices they are supposed to create. When you think it is an advice, the fund manager tells you it is a law.

We know that 6 per cent of the funds is meant for administration. Monitoring and evaluation, environment, and sports take a certain percentage. There are constraints when it comes to sports. When it comes to environmental programmes, you are told you can only take them to schools. You cannot support youth groups involved in growing tree seedlings. Sometimes you want to reduce administration cost. For example, if the total allocation increases, the administration cost should remain constant. The fund manager will insist that administration cost should also increase, but the money is not meant to finance any project. The Board should be less involved in the day-to-day management of the NG-CDF constituency committees. It should deal with policy. Whenever it develops policy, the policy should be in tandem with the law and all regulations that have been passed by the House. Let the Board not try to be the legislative arm.

With those few remarks, Hon. Temporary Speaker, I support.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Beatrice Elachi, Member for Dagoretti North.

Hon. Beatrice Elachi (Dagoretti North, ODM): Thank you, Hon. Temporary Speaker. I rise to support the Report. Being on this Committee, I had the privilege to go around the country, mostly in the Coast region and a few constituencies in Nyanza, and saw some of the projects we are talking about. It is very sad that a report on financial years 2013/2014, 2014/2015 and 2015/2016 comes to the House in 2023 and we expect to have results. Those people moved on. They have gone to other positions. They have also left another mess there. One really wonders what is happening. The Auditor-General should help us. If we really want to put in measures, the Auditor-General should help the country by bringing these reports a bit earlier, so that we can have some critical answers when there are issues affecting public financial resources.

I found very sad recommendations when I read the whole Report. If there is a Fund that is very easy to audit, it is the NG-CDF. It is simple because it has a much-itemised budget. You find it clear on amounts put in, maybe, 35 per cent or 2 per cent, and you cannot go beyond that. We are talking about financial years 2013/2014 to 2015/2016 and 2016/2017 when we had changed the law. As much as they have spent public resources, it becomes difficult. You know anyone who runs to court will use very many words to run around and avoid accounting for what they have done.

For us to move forward, one of the things we have to do, and the Board must appreciate, is to have the Committee in Parliament retreating with them. I also know there are those who have issues with Members of Parliament. We can even have a sub-committee within our Committee to first look at the issues, and then we will go for a retreat so that all these things are checked. We need to have clear recommendations on how to move forward. We should not have Members getting disgruntled because of the behaviour of fund managers. I want to tell

fund managers that they are civil servants and the law is very clear on that one. They cannot run away from their duties even for seven days. If that happens, then somebody has a right to say they are not there and they have a right to remove them. You know you can be sacked by the time you are finishing 14 days. I do not understand this thing of not being on duty when you are required there.

The other thing we must look at are the few good district accounting officers. I know they are few. Sometimes you find you are very many in a constituency, like in Nairobi. My colleague, Mwafrika, will agree that the numbers are too huge. If you have a district accountant running four or five constituencies, I will tell you it is not easy. It is not easy signing cheques. We have to agree that the National Treasury has to re-think and see how to help district accountants in their work where the numbers are huge. I know they have never complained. I congratulate them, wherever they are. They have done their best, sometimes under pressure. It is very difficult for them.

There is another thing that I have asked myself and I need to ask today so that it goes on record. We have been adding the percentages and saying it is 2 per cent now. You know we add the funds, but we never talk about how they will be spent. The brackets remain the same. Ask yourself what happens in all that. Nobody questions what happens with the resources that remain with the Board yet we have added them and the percentage remains the same. It is something we have to question. It is something we have to sit down and ask ourselves how to deal with. It is important for this House to have amendments on the Act, especially on the issue of social security. We need to start having education days and academic days in our constituencies. It is important to have competitions in our schools, maybe, five in each constituency. They could compete in science, mathematics, spelling, and so on. That should include ensuring past papers from Mtihani House reach children in schools. Hon. Temporary Speaker, Members need to be close to what is happening in their constituencies.

With those remarks, I beg to support, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): Member of Parliament for Kangema, Hon. Peter Kihungi.

Hon. Peter Kihungi (Kangema, UDA): Thank you, Hon. Temporary Speaker. Mine is to support the committee's Report and the input of other Members. There are areas in the NG-CDF that we need to fill up. It has grown from where the District Commissioner used to be the acting fund manager. It was found that the fund manager's office should have a substantive person who would be working for the NG-CDF. Now, we have the fund manager, but the only challenge is that of the district accountant. My suggestion is that the issue of district accountants can also be cured by accounts assistant. We can employ somebody who can fit the position of a district accountant. I know the National Treasury could only trust a person who is registered with professional bodies such as the Institute of Certified Public Accountants of Kenya (ICPAK) whereby the person is allowed to work or carry out the duties of a district accountant.

We also have challenges with engineers. We could have clerks of works who are registered under the engineers' body to be allowed to work with the NG-CDF. Therefore, the only challenge the Board should have is payment. No professional account assistants will work for a salary of Ksh30,000. I think that amount needs to be reviewed so that we can get professionals to be entrusted with doing the work of district accountants.

The issue that Members are not talking about is release of funds. We are currently left with one month to the end of the financial year yet the NG-CDF funds have not been released. We cannot do procurement because we do not have funds. By the end of July, it will be said that money should be returned to the National Treasury yet "Wanjiku" in Kangema will not understand that the problem was caused by the Government. They will say that once the

Member was elected, during his first year in office, a certain amount of the NG-CDF money was taken back to the National Treasury.

The Government should take this seriously by releasing the balance of the NG-CDF so that we can start procurement. The time is very short. I know the Government is getting money. Therefore, it should consider releasing the NG-CDF money. It is the only fund that every Kenyan is enjoying. Otherwise, considering this short period, when will we be in a position to procure? Come July, you will find a lot of funds going back to the National Treasury and the blame will be on us. Therefore, I call on the Government to look at this issue and release funds without waiting any longer. The leadership of the National Assembly should not remain silent on this issue. We, together with our people are suffering and we need to demand that the money be released as early as now so that we can procure for this financial year.

The Temporary Speaker (Hon. Peter Kaluma): Let us have the Member of Parliament for Chesumei, Hon. Paul Biego.

Hon. Paul Biego (Chesumei, UDA): Thank you, Hon. Temporary Speaker for giving me this opportunity which I have waited for. As I stand, I congratulate Hon. Mutemi for bringing back the debate on NG-CDF in a different form and for staying this long. I think the structure of the NG-CDF should be relooked at because it has taken very long for an amendment of the same. There are too many things that I would like the Board to look into so that it can run smoothly. One of the things that I feel should be looked at is the issuance of bursaries. On the allocations that are given in Section 48(a), the Board should be in a position to also allow primary school students to be given NG-CDF bursaries. These bursaries, currently, are only for secondary schools, tertiary institutions and universities. The Free Primary School Education Programme, which is purported to be free, is not free. It is now very expensive to educate children under the Competency Based Curriculum (CBC). The Board should not be stuck because if they are only waiting to fund students in secondary schools or universities, what about the foundation at the primary school level? The Board should also look into it because they have powers and the mandate to, at least, allocate some funds to primary schools.

With regard to the Board sending auditors, I will echo the sentiments made by other Members and my colleagues that it makes no sense to send auditors whereas the people who messed up are long gone. It will be very difficult for new Members to know what happened within that period of time. I also want an alignment of new Members with funds managers. There is total confusion. As much as we are mandated to oversee the NG-CDF, sometimes I wonder how we are supposed to do it whereas some things have been overtaken by events. Sometimes, even committee members, who are supposed to be independent, tend to follow what the fund managers tell them because they do not know who they are serving. They should be serving the great people of their constituencies, but because their offices are next to those of the fund managers, so much happens and they do not know who they should be answerable to.

As Members of Parliament, during campaigns, we make promises to our constituents and they tell us what they want us to do. As much as we still go for public participation, we are the ones who know what our constituents need. At some point, the Board should also consider our input. Our work is to oversee the Fund, but we should also be in the loop, so that activities that are being funded in the constituency are in tandem with what we promised our constituents. To achieve that, there should be some form of training for Members and district accountants. I do not have a problem with district accountants. The only problem in Chesumei Constituency is understaffing. District accountants are sometimes understaffed. However, that problem is beyond us. Sometimes, we may not get work done in the proper manner and at the right time because of understaffing. I suggest that we also train our own accountants in our constituencies to have some kind of mandate, or to be assistants to district accountants with equal mandate.

I also support the Committee's recommendation that the Board also gets its own district accountant, who we can reach as and when we need their services.

Thank you very much.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Gideon Mulyungi, had you spoken?

Hon. Gideon Mulyungi (Mwingi Central, WDM): Yes.

The Temporary Speaker (Hon. Peter Kaluma): Had you contributed to the Motion?

(Hon. Gideon Mulyungi spoke off-record)

Pardon? Oh, you are the Mover? You would have been the next. Hon. Naomi Waqo, Member for Marsabit.

Hon. Naomi Waqo (Marsabit County, UDA): Thank you, Hon. Temporary Speaker. I support this Report that has revealed many things. I also congratulate the Committee together with the Chairperson, Hon. Gideon. They have done some great work because the Report covers the period from 2013 to 2016. That is commendable. Those are many years. That also shows that many of the challenges that people went through during that time may not have been covered properly. The observation that has been made clearly shows that the funds do not have supporting documents in terms of how money was spent. It clearly shows that proper stewardship did not take place and there is lack of accountability.

Hon. Temporary Speaker, many Members have spoken about the fund managers. There is need for them to practise in the same manner. They also need to be qualified for the positions. On terms of reference, their job descriptions should be the same. The Government should take them for capacity building, so that there will be efficiency in their work.

We know very well that the NG-CDF has supported and educated many poor people. When giving bursaries, you see the same families benefiting in some areas. I am for the idea that the same student should benefit for four years, so that his or her good results can be seen. You can find five children from the same family listed as beneficiaries of the NG-CDF when there are other many poor people who can also benefit from the Fund. Many things need to be done in the right way, so that the poor people can receive services and benefit from this Fund that has a lot of impact on the ground. Schools have been built and children have been educated. Many people have also benefited in different ways. It has also provided employment to those who work in NG-CDF offices.

I support the Report and suggest that we should have uniformity in job descriptions. We should visit each other in different constituencies to learn from one another because there are constituencies that are doing very well. They have benefited and transformed their constituencies. The oversight role must be put in place properly. Many Members have mentioned something about the district accountants who are really a problem because most of them do not recognise the Members of Parliament. This also affects Woman Representatives in the implementation of work. Procurement officers must liaise and work well with the Members of Parliament. Effectiveness in all this will benefit our communities. If we do not work together, then this large amount of money will not have any positive impact on people.

I support the Report and congratulate the Committee Members. I also urge them to go further and see how this Motion can be implemented. That way, the benefits will be felt in every corner.

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Naomi Waqo. You will have five minutes to conclude your debate next time the Motion will be listed by the House Business Committee for consideration. I regret that Hon. Augustine Mwafrika, Member for Roysambu, did not get a chance to contribute. Hon. Kivai Ogesi, Member for Vihiga, has been waiting for a very long time. I know Hon. (Dr.) Oyula also came all the way from Embu

Diocese to contribute to this Motion. It will continue tomorrow or as soon as the HBC schedules it and you will have a chance to contribute and give your thoughts.

ADJOURNMENT

The Temporary Speaker (Hon. Peter Kaluma): Hon. Members, the time being 7.05 p.m., this House stands adjourned until Wednesday, 3rd May 2023 at 9.30 a.m.

The House rose at 7.05 p.m.

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