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REPUBLIC OF KENYA

THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – THIRD SESSION – 2024

THE REPORT OF THE PUBLIC INVESTMENTS COMMITTEE ON SOCIAL SERVICES, ADMINISTRATION AND AGRICULTURE ON CONSIDERATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT REPORT ON THE PROVISION OF SERVICES TO PERSONS WITH DISABILITIES BY THE NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

DIRECTORATE OF AUDIT, APPROPRIATIONS & GENERAL PURPOSE COMMITTEES
CLERK'S CHAMBERS
PARLIAMENT BUILDINGS
NAIROBI

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LIST OF ABBREVIATIONS/ACRONYMS

NCPWD - National Council for Persons with Disabilities

CAP - Chapter (of the Laws of Kenya)

DPO - Disabled Persons Organization

KEMSA - Kenya Medical Supplies Authority

MOH - Ministry of Health

PIC-SSAA - Public Investments Committee on Social Services, Administration and Agriculture

PWAs - Persons With Albinism

CHAIRPERSON'S FOREWORD

The Public Investments Committee on Social Services, Administration and Agriculture is one of the six Watchdog Committees in the thirteenth Parliament that examines reports of the Auditor-General laid before the National Assembly to ensure efficiency and effectiveness in the use of public resources. The Committee is established pursuant to National Assembly Standing Order 206 B.

The Committee examined the performance Audit report on Provision of Services to Persons with Disabilities by the National Council for Persons with Disabilities. The audit covered the financial years 2013/2014// to 2019/2020. This is pursuant to the National Assembly standing order 206B (2c) which indicates that the Public Investments Committee on Social Services, Administration and Agriculture shall, with regard to the agriculture, public administration, health, and social protection sectors, examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices.

Further, Section 36 of the Public Audit Act CAP 412B provides that:

- 1) The Auditor-General shall conduct performance audit to examine the economy, efficiency and effectiveness with which public money has been expended pursuant to Article 229 of the Constitution.
- 2) The Auditor-General may undertake a comprehensive performance audit within six months after the completion of any National or County project to evaluate, whether the citizen has gotten value for money in the project and submit the report to Parliament or County Assembly for tabling and debate.

This ensures implementation of *Article 229(8)* of the Constitution on reports laid before the House by the Auditor- General. In examining the report of the Auditor-General, the Committee invited the Executive director as the accounting officer of the National Council for Persons with Disability (NCPWD) to adduce evidence before it.

There are more than four hundred (400) State Corporations undertaking different mandates in their respective sectors. Due to this large number, the previous Public Investments Committees had been unable to conclude examination of the accounts of the Auditor General of these State Corporations.

Considering the workload and the backlog, the National Assembly resolved to amend the standing orders by splitting the Public Investment Committee into three committees, Public Investments Committee on Social Services, Administration and Agriculture (PIC-SSAA) being one of them.

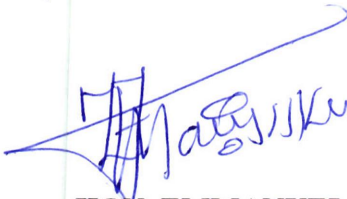
This report contains summary of the findings made by the Auditor-General on one part and the Committee observations and recommendations arising from examination of the performance Audit report by the Auditor-General for NCPWD.

The report is structured as follows:

- i) Committee General Observations/ findings
- ii) Summary of the findings made by the Auditor-General
- iii) management responses to each of the findings;
- iv) Committee observations/ findings for each of the findings; and
- v) Committee recommendations.

In this report, the Committee makes policy recommendations and at the same time recommends specific actions against specific observations. The Committee appreciates the Offices of the Speaker and the Clerk of the National Assembly for the support accorded to it to fulfil its Constitutional mandate. The Committee further extends its appreciation to the Office of the Auditor- General for the services they offered to the Committee during the entire period. I also extend my appreciation to my fellow Members of the Committee whose contributions and dedication to duty has enabled the Committee to examine the performance audit report and produce this report.

On behalf of the Public Investments Committee on Social Services, Administration and Agriculture and pursuant to National Assembly Standing Order 199(6), it is my pleasant duty and honour to present the 4th Report of the Public Investments Committee on Social Services Administration and Agriculture on the examination of the Performance Audit Report of the Auditor-General on Provision of Services to Persons with Disabilities by the National Council for Persons with Disabilities.

 - 25/07/2024

HON. EMMANUEL WANGWE CBS, MP

CHAIRPERSON – PUBLIC INVESTMENTS COMMITTEE ON SOCIAL SERVICES,

ADMINISTRATION AND AGRICULTURE

EXECUTIVE SUMMARY

The 4th Report of the Public Investments Committee on Social Services, Administration and Agriculture contains the Committee's examination of the performance Audit report on Provision of Services to Persons with Disabilities by the National Council for Persons with Disabilities.

In its examination and scrutiny of the report, the Committee's primary approach was to elicit background information as to whether, the approximately Kshs. 8 billion invested by NCPWD in the financial years 2013/2014 to 2019/2020 in providing services and support to persons with disabilities by implementing various programmes has addressed and improved the welfare of persons with disabilities with regard to economy, efficiency and effectiveness with which public money has been expended pursuant to Article 229 of the Constitution of Kenya, 2010.

This was done with the relevant laws in mind including, the Constitution, Persons with Disabilities Act, CAP 133, the Public Finance Management Act, CAP 412A and the attendant Regulations, the Public Audit Act, CAP 412B, the State Corporations Act, CAP 446 and the Public Procurement & Asset Disposal Act, CAP 412C.

The preface of the report contains preliminaries on the establishment of the Committee, its Membership and Secretariat, mandate and the guiding principles governing the Committee while undertaking its mandate.

Part two of the report contains the Committee's general observations / findings and its recommendations.

Part three of the report contains the summary of the findings made by the Auditor-General.

Part four of the report contains Committee observations arising from examination of the performance Audit report by the Auditor-General and finally, Committee recommendations.

1.0 PREFACE

1.1 Establishment and Mandate of the Committee

1. The Public Investments Committee is established under the National Assembly Standing Order (S.O.) 206B and is responsible for the examination of the working of public investments based on their audited reports and accounts. It is mandated to –
 - a. examine the reports and accounts of public investments;
 - b. examine the reports, if any, of the Auditor General on public investments; and
 - c. examine, in the context of the autonomy and efficiency of public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.
2. The Committee, in considering the audited accounts of State Corporations, was guided by the Constitution of Kenya and the following statutes and regulations in carrying out its mandate;
The Public Finance Management Act, CAP 412A;
Persons with Disabilities Act, CAP 133
The Public Audit Act, CAP 412B
The State Corporations Act, CAP 446
The Public Procurement and Assets Disposal Act, CAP 412C
The National Assembly Standing Orders; and
The Parliamentary (Powers and Privileges) Act, CAP 6.

1.2 Committee Membership

3. The Committee membership comprises -

S/No	Member's Name	Constituency	Party
1.	Hon. Emmanuel Wangwe, MP CBS- Chairperson	Navakholo	ODM
2.	Hon. Caleb Amisi Luyai, MP- Vice Chairperson	Saboti	ODM
3.	Hon. Ferdinand Kevin Wanyonyi, MP	Kwanza	FORD-K
4.	Hon. Martin Peters Owino, MP	Ndhiwa	ODM
5.	Hon. Mary Wamaua Njoroge, MP	Maragua	UDA
6.	Hon. Nixon Nicholas Ngikor Ngikolong, MP	Turkana East	Jubilee
7.	Hon. (Dr.) Peter Francis Masara, MP	Suna West	ODM
8.	Hon. Abdi Jehow Fatuma,MP	Wajir	ODM
9.	Hon. Bernard Kibor Kitur, MP	Nandi Hills	UDA
10.	Hon Elijah Njore Njoroge Kururia, MP	Gatundu North	Independent
11.	Hon. Geoffrey Wandeto Mwangi, MP	Tetu	UDA
12.	Hon. Bishop Emeritus (Dr.) Jackson Kipkemoi Kosgei, MP	Nominated	UDA
13.	Hon. Joshua Kivinda Kimilu, MP	Kaiti	WDM
14.	Hon. Michael Wambugu Wainaina, MP	Othaya	UDA
15.	Hon. Paul Nabuin Ekwom, MP	Turkana North	ODM

1.3 Committee Secretariat

4. The following members of the Secretariat facilitated the Committee:

Mr. Aden Abdullahi

Principal Clerk Assistant II-Head of Secretariat

Mr. Enock Manwa
Clerk Assistant III

Ms. Mercy Kinyua
Legal Counsel II

Ms. Christine Kemunto Mariita
Clerk Assistant III

Mr. Thomas Ogwel
Fiscal Analyst II

Ms. Esther Kariuki
Hansard Officer III

Mr. Wesley Abugah
Research Officer III

Mr. Moses Esamai
Audio Officer

Ms. Maryan Gabow
Communication Officer

Mr. Stanley Langat
Sergeant-At-Arms

Mr. Yakub Ahmed
Media Relations Officer

Committee Proceedings

5. In its inquiry into whether the affairs of public investments are managed in accordance with sound business principles and prudent commercial practices, the Committee received both oral and written evidence from the Executive Director-National Council for Persons With Disabilities.
6. To produce this report, the Committee examined the evidence adduced by the accounting officer National Council for Persons With Disabilities.
7. The recommendations are found under various sections of the report on each of the findings.
8. The recommendations on the findings made by the Auditor General are found under appropriate sections of the report for each of the findings covered.
9. These observations and recommendations, if considered and implemented, will enhance accountability, effectiveness, transparency, efficiency, prudent management, commercial viability and value for money in the Council and the public investments sector as a whole.

General Committee Observations and Recommendations

- i. The National Council for Persons with Disabilities has improved the welfare of Persons with Disabilities (PWDs) over the years. The Council has ensured that the stigma and negative cultural beliefs associated with PWDs have reduced with the society accepting that disability is not inability. Their integration, welfare and other matters affecting them have over the years been addressed. However, not all persons with disability have been registered with the Council. There have been challenges arising from the proximity to the assessment centres and the requirement that one has to be assessed every five years even if the disability is permanent. Majority of these persons come from poor background and cannot afford the high travel costs in addition to other cost related to the special needs inform of assistive devices and care they need.
- ii. The government, through legislations, regulations and practice, has introduced affirmative action of PWDs in procurement, employment and representation. However, the affirmative action has not been fully implemented by the various public and private entities. There are very few PWDs in employment with an insignificant number of those employed holding managerial positions irrespective of their merit or

professional/academic qualifications. More specifically, Section 157(10) of the Public Procurement and Asset Disposal Act, CAP 412C states that despite subsection (2) or any other provisions of the Act, every procuring entity shall ensure that at least thirty percent of its procurement value in every financial year is allocated to the youth, women and persons with disabilities. The preferences that were to be prescribed by the Cabinet Secretary to facilitate the attainment of the quota specified in subsection (10) in order for the State to achieve the objectives of Articles 55 and 227(2) of the Constitution have not been fully complied with.

- iii. Article 54 of the Constitution provide for creation of enabling environment where persons with disability would operate freely without overburdening the care givers. However, the committee observed that disabled children/ Persons With Disability have continued to suffer immeasurable challenges where some children born with disabilities have continued to be abandoned by their parents and end up in children homes where they do not enjoy the benefits that go with association or belonging to a family. This goes contrary to Article 45 (1) of the constitution that states that the family is the natural and fundamental unit of society and the necessary basis of social order, and shall enjoy the recognition and protection of the State.
- iv. The NCPWD despite having invested over Kshs. 8 billion in the financial years 2013/2014 to 2019/2020, to improve the welfare of persons with disabilities, the intended impact has not been felt due to challenges experienced in the implementation of their planned programmes. Majority of the eligible Persons With Disability are yet to be registered even though registration is a pre-requisite to receive services from the Council. This indicates that the unregistered PWDs cannot access or benefit from any of the services offered by NCPWD.
- v. There is no legislation stipulating the role of Director of Medical Services (DMS) in assessing and recommending PWDs for registration. As a result, the DMS is not able to plan and allocate sufficient resources to the process. As at the time of the audit DMS had allocated only 6 medical officers to verify and recommend assessment forms from all the 47 counties. In this respect, registration of PWDs is delayed as a result at the Director of Medical Services office. The process may also be biased since there was no standard guidelines spelling out criteria for one to meet disability threshold.

- vi. The Cash Transfer Programme has not improved the livelihoods of persons with severe disabilities as the stipend granted of Kshs. 2,000 has not taken into consideration the inflationary effects in the economy over 10 years. The programme does not also consider the form of disabilities and the particular economic or psychosocial factors affecting the caregivers, which has direct and multiple effects on how the programme can mitigate the effect of disabilities in the households.
- vii. The Economic Empowerment Programme has not helped persons with disabilities to gain self-sufficiency due to the limited number of groups that accessed the grant, and the unsustainable economic activities they engaged in.
- viii. The Persons With Albinism (PWAs) Support Programme has not adequately addressed the skin care requirement for PWA as most of them failed to collect skin care products and get skin cancer screening services due to lack of awareness and proximity to the designated hospitals where they can collect skin care items.
- ix. The infrastructure and equipment support program has not aided in the welfare of learners with disabilities since only a few institutions were funded, some of the funded institutions completed but had not equipped the facilities while others had not completed the projects. The committee observed that there are no clear legislative provisions on the distinct roles/responsibilities of the Council and those of the ministry for education in respect to infrastructure and equipment support program.
- x. The Council has not ensured equity in distribution of the assistive devices and that the devices issued were inappropriate to the needs of the beneficiaries. This is because issuance of assistive devices is not accompanied by medical assessment reports from specialist recommendation the type of device that is appropriate for the beneficiary.
- xi. Majority of the learners with special needs come from poor background and the Education Assistance Programme mainly the bursary is granted on a one-off basis to the learners as opposed to full scholarship thus leading to early drop outs before completion of the school programme.

Committee General Recommendations

The committee recommends the following;

- i. The Board of the National Council for Persons with Disabilities, the Ministry of Labour and Social Protection and the Attorney General should amend the persons with Disability Act CAP 133 to provide that the Persons born with disabilities are registered with the Council at birth or when the disability occurs and a follow up programme established to monitor the growth and development of such persons.
- ii. The amendment to Disability Act CAP 133 should provide for the government to create an enabling environment for such persons with disability to the extent that the care givers are not overburdened with the costs associated with taking care of the Persons with disability. The amended Act should ensure compliance with Article 54 of the constitution and enjoyment of the benefits expressed in Article 45 of the constitution.
- iii. Within three months upon adoption of this report all public entities and MDAs to submit a report on the persons with disability employed and their positions in the establishment.
- iv. Within three months upon adoption of this report, the Director-General Public Procurement Oversight Authority (PPOA) should provide a comprehensive report on how procuring entities have complied with Public Procurement and Asset Disposal Act, CAP 412C with regard to granting procurement opportunities to persons with disabilities. This should include a report on entities registered under Access to Government Procurement Opportunities (AGPOs).
- v. Within three months upon adoption of this report, the Accounting officer, National Council for Persons with Disabilities should provide an actionable strategy on how the Council is streamlining all the bottlenecks that cause delays in the registration process and delivery of services to Persons with Disability.
- vi. The National Assembly, the National Treasury and the Social Assistance Unit in collaboration with NCPWD should review the initial stipend provided and allocate adequate funds as guided by the prevailing economic and psychosocial factors of the persons with severe disabilities and their caregivers. the Ministries of Labour and Social Protection should grant the NCPWD the autonomy envisaged in the

Act and ensure that funds are disbursed in good time to avoid delays in payments to beneficiaries.

THE EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT REPORT ON THE PROVISION OF SERVICES TO PERSONS WITH DISABILITIES BY THE NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

Summary of Audit Findings

1. Delay in the Registration of Persons with Disabilities

10. The Committee heard that, the Persons with Disabilities (PWDs) must first be registered with NCPWD to benefit from the programmes offered by the Council. According to the Strategic Plan, 2013 to 2017, NCPWD was expected to have registered 1.4 million PWDs by the financial year 2017/2018. However, as at 30 June, 2020 NCPWD had only managed to register 526,648 PWDs. This means that over 850,000 persons with disabilities had not been registered and therefore could not benefit from the services offered by NCPWD.
11. The delay in registration of PWDs is mainly attributed to delays at the Director of Medical Services (DMS) office in giving the final recommendation for registration of PWDs, rejection of assessment reports at DMS office, delay in submission of assessment forms to DMS and failure to follow the right procedure while submitting the assessment forms to the Director of Medical Services.
12. Delays in the registration process denied many deserving PWDs from accessing benefits of the services offered by NCPWD as they could not benefit from any of the services until they were registered.

Management Submissions

13. The Committee heard that the low numbers of registered persons are due to;
 - i. The multi-agency nature of the process. The registration process involves various agencies including the Council, various gazetted hospitals across the Country and the Office of the Director of Medical Services at Afya House, Nairobi. This causes inordinate delay for persons with disabilities.
 - ii. High fees charged by hospitals for disability assessment. While a number of Counties have made disability assessment free of charge, others continue to charge between Kshs. 200 to Kshs 1 ,500. These levies are in many cases unaffordable to

poor and vulnerable persons with disabilities seeking Council services.

- iii. Vast distances to hospitals conducting disability assessments. Challenges of mobility experienced by persons with disabilities coupled with poverty make distant disability assessment centres inaccessible.
- iv. The backlog of assessment reports at the DMS office is due to discrepancies in the numbers of persons with disabilities targeted by the Council and the MOH. Usually, MOH set lower targets than the Council thus undermining the goal of registering all persons with disabilities.
- v. Note that the recommendations are signed at the Office of the Director of Medical Services and not office of Medical Services (OMS)

Way forward

To mitigate these challenges, the Council has taken the following measures;

- i. Review of the Persons with Disabilities (Registration) Regulations 2019 to achieve the following; make disability assessments in all public hospitals free of charge, decentralize the role of Office of the Director of Medical Services from Nairobi to the Counties. This will improve financial accessibility and speed up processing of assessment reports through decongestion at the Office of the Director of medical Services at Afya House. The regulations are awaiting gazettelement and implementation.
- ii. Development of registration guidelines for standardization of disability assessment across all gazetted hospitals. The guidelines will ensure that the persons recommended for registration as persons with disability on the same criteria thus weeding out those who do not qualify at the early stages of the process. The draft guidelines are awaiting validation.

The Council will liaise with MOH to mobilize additional specialist staff from within the County to clear the backlog.

Committee Observations

The Committee observed that;

- i. The process of assessment and signing of disability assessment forms have been devolved to the counties. The disability forms are then signed by the County Director of

Medical Services. However, this has not made the process any better because of the vast distances to hospitals conducting disability assessments at the county level. The persons with disabilities experience mobility and financial challenges due to poverty which hampers their access to assessment centres.

- ii. Backlog of unsigned disability assessment forms continue to be experienced at the county levels.
- iii. A number of Counties have made disability assessment free of charge, while others continue to charge between Kshs. 200 to Kshs 1 ,500. These levies are in many cases unaffordable to poor and vulnerable persons with disabilities seeking Council services.
- iv. The problem is compounded where the assessed person is seeking tax exemption by Kenya Revenue Authority(KRA) because he/she has to travel to far away centres where KRA assessments are periodically conducted in regions.

Committee Recommendations

- i. Within three Months upon adoption of this report, the Executive Director-National Council for Persons with Disabilities in collaboration with the Cabinet secretaries Ministries of Labour and Social Protection, Principal Secretary, state department for Social protection and senior citizen affairs fastrack the review of the Persons with Disabilities Regulations 2019 and amendment of the persons with Disability Act CAP 133 to make disability assessments available in all public hospitals free of charge, decentralize the role of the Office of the Director of Medical Services from Nairobi to the Counties and tax exemption reviews by Kenya Revenue Authority(KRA) to be decentralised at KRA regional centres and be a regular exercise as and when need be rather than periodically.

The Cash Transfer Programme has not Substantially Improved the Livelihoods of Persons with Severe Disabilities

14. The Committee heard that, the Cash Transfer Programme aims at enhancing the capacities of caregivers through cash transfer, thereby improving the livelihoods of persons with severe disabilities and mitigating the effects of disabilities in the households.

15. The initial findings of the Cash Transfer Programme indicated cases of beneficiaries' not collecting payments. The non-collection of payments was attributed to the proximity of the caregivers to the designated payment points and lack of awareness on payment dates. This was mainly because the service level agreement required beneficiaries to collect payments at the designated payment points within a specified period of time, failure to which the money could only be accessed in the next payment cycle.
16. Another challenge that contributed to non-collection of payments was that the payment method was card based; where once a beneficiary had been enrolled in the programme, caregivers were to be issued with a payment card to enable them collect payments. The service provider was also required to make replacement of cards as and when need arose. The set timelines for card issuance and card replacement were 30 and 60 days, respectively. However, there were delays in card issuance and card replacement, which delayed the beneficiaries from collecting their payments.
17. The Cash Transfer Programme experienced delays in disbursement of funds due to delay in release of the exchequer from the National Treasury. This led to unpredictable payment cycles, making it difficult for caregivers to provide essential support to beneficiaries.
18. In addition, the Cash Transfer Programme has not mitigated the effects of disabilities in households as majority of the caregivers interviewed stated that the cash transfer stipend of Kshs. 2,000 per month was their only source of income to meet basic needs such as feeding, toiletry, and other needs for the beneficiary. Considering that the stipend is meant for those households that are categorized as extremely poor and vulnerable and had a member with severe disability, the amount was not sufficient to provide basic needs. Further, it was more challenging in situations where the nature of disability required frequent medical care.

Management submissions

To mitigate this, the following measures have been taken:

- i) Review of the transfer value will be done by the State Department for Social Protection in consultation with the National Treasury to make recommendations on whether or not there is a need to adjust the transfer value in line with inflation. These recommendations, to be based on the

analysis of the economic data, and implications on the national budget.

- ii) The Council is implementing a pilot Therapy services programme targeting persons with severe disabilities to improve access to rehabilitation services. Section 20 of the PWD Act 2003 provides for free rehabilitation and medical services to PWDs in public and privately-owned healthcare institutions. The Council is exploring implementation of this Section to improve access to health and rehabilitation services to lessen the financial burden on these households.

To mitigate these challenges, the following measures have been taken:

- i) Cash Transfer Payment delivery mechanism has gone through significant improvements since inception of the programme. The mode of paying has over time moved from manual to card-based to the current electronic platform which is individual and account-based. The new payment model addresses challenges previously experienced by the beneficiaries including:
 - a) Reducing distance covered by the beneficiaries to pay points;
 - b) Allowing beneficiaries to operate a bank account where they can easily withdraw from wherever they are;
 - c) Providing beneficiaries with a store of value by not subjecting beneficiaries to withdraw all their funds at once;
 - d) Allowing beneficiaries to make their own savings into the bank account;
- ii) The Ministry is reviewing the current payment delivery contract which has taken into consideration enhanced communication to beneficiaries on payments through mobile alerts.
- iii) The establishment of local structures such as the Beneficiary Welfare Committees (BWCs) to assist in informing beneficiaries on the payments and mobilizing for programme awareness activities.

Committee observations

The Committee observed that;

- i. The mode of paying has improved over time and moved from manual to card-based

then to the current electronic platform which is individual and account-based which addresses challenges previously experienced by the beneficiaries.

- ii. The Cash Transfer Programme has been experiencing delays in disbursement of funds due to delay in release of the exchequer from the National Treasury.
- iii. The Social Assistance Unit over time has not reviewed the amount of cash transfer periodically as documented in the Consolidated Cash Transfer Programme Manual. The stipend of Kshs.2,000 could have had impact on the beneficiary at the inception of the programme but with the passage of time, inflation has eroded the value of this benefit.
- iv. Further, the severity of disability and the economic status of the beneficiary has not been taken into consideration when giving the stipend. Some beneficiaries may have multiple disabilities that demand different medications and services coupled with the poverty level of the beneficiary.

Committee Recommendations

- i. Within three months upon adoption of this report, the Executive Director-NCPWD and the head of the Social Assistance Unit should review the effects of inflation on the purchasing power of the amount of cash transfer and make appropriate recommendations to the National Treasury to put into account the inflationary effects on stipend and increase the stipend accordingly. Subsequently, the review should be done periodically to cater for the effects of inflation on the purchasing power.
- ii. Within three months upon adoption of this report, the Executive Director-NCPWD and the head of the Social Assistance Unit should review, document and come up with a policy document for cabinet approval that will take into consideration the severity of disability and the economic status of the beneficiary when giving the stipend. This should take cognizance of multiple disabilities that demand different medications and services coupled with the poverty level of the beneficiary.
- iii. Within Three Months upon adoption of this report, the Executive Director-National Council for Persons with Disabilities in collaboration with the Principal Secretary, state department for Social protection and senior citizen affairs fastrack the review of the Persons with Disabilities Regulations 2019 and amendment of the persons with

Disability Act, CAP 133 to make disbursements of exchequer from the National Treasury at quarterly intervals rather than periodic.

- iv. The NCPWD should facilitate voluntary groups such as the Beneficiary Welfare Committees (BWCs) and team up with the Community Health Promoters to sensitize.

The Economic Empowerment Programme has not Improved the Economic Status of Persons with Disabilities

19. The Committee heard that the Economic Empowerment Programme aims at helping persons with disabilities to gain self-sufficiency in generating income and gaining skills and experience to access loans to grow their businesses. Groups are empowered by awarding them grants to either start income generating activities or engage in table banking. Analysis of applications for funding indicated that out of 2,098 groups that applied for the grant during the financial years 2017/2018 to 2019/2020, NCPWD only awarded grants to 578 groups, representing 28% of the groups that had applied for the grant.
20. NCPWD is required to consider the viability of a project before approving for funding. The viability of a project is determined by its ability to sustainably generate income. However, analysis of implemented projects indicated that most of the groups engaged in economic activities that were not generating income. Therefore, the projects were not sustainable.
21. The non-sustainability was attributed to the fact that the amount granted to each of the group was not adequate to start viable projects, marketing was also a challenge, in other circumstances the risk was unforeseeable for example in poultry farming where animals could die due to disease outbreak while in other instances the group would disintegrate due to disagreement among the members. Training did not also help because despite the groups being trained prior to receiving the funds success and sustainability of the projects was still a challenge.

Committee Observations

- i. The NCPWD did not carry out feasibility studies of the project proposals made by the disability groups and training of the groups. In this regard, most of the groups engaged in economic activities that were not generating income hence not sustainable.

- ii. The amount granted to each of the group was not adequate to start viable projects, marketing was a challenge and the group would disintegrate due to disagreement among the members. This points to lack of technical guidance and proper training.

Committee recommendations

- i. Within three months upon adoption of this report, the Executive Director-NCPWD and the head of the Social Assistance Unit should review, document and come up with a policy document for cabinet approval that will take into consideration the amount granted to a group and training the group members on viability of the projects, marketing and harmony of the group members for the success of the group project.
- ii. Within three months upon adoption of this report, the Executive Director-NCPWD, the National Treasury and the PPOA should provide a comprehensive report on how procuring entities have complied with PPAD Act, CAP 412 C. This should include a report on AGPOs registered.

The Albinism Support Programme has not Adequately Addressed Skin Care Requirements of Persons with Albinism

22. The Committee heard that, the Albinism Support Programme aimed at cushioning persons with albinism from the effects of harmful sunrays. This is by providing skin care items, cancer screening services and comprehensive eye care.

Under the Programme Persons with Albinism are entitled to one of each skin care items every month. However, out of 575 PWAs registered in 10 out of the 15 sampled hospitals, only half were actively collecting the skin care items.. In addition, some hospitals continued to receive skin care items despite the low collection, leading to overstocking and eventual expiry of the skin care items. Therefore, indicating lack of value for money on the expenditure incurred to procure the skin care items. Non-collection of skin care items is attributed to lack of awareness of the Albinism Support Programme and proximate to designated hospital.

The National Council for Persons with Disabilities is also required to offer skin cancer screening to PWAs to help in detecting early signs of cancer. However, interviews with

PWAs indicated that not all beneficiaries were receiving these services. Lack of skin cancer screening was attributed to; non-functionality of the cryotherapy machines, lack of necessary training on the use of the machines and lack of awareness on the need for skin cancer screening by PWAs. Lack of training and sensitization of hospital staff resulted in some of the cryotherapy machines lying idle since hospital staff could not operate them, denying beneficiaries access to cancer screening services. Failure to have early detection of skin cancer may result to poor outcomes on treatment of PWAs due to late diagnosis of cancer, which in some instances may lead to death.

Management Submissions

Failure to collect skin care items as expected.

23. The management informed the Committee that, the failure is mainly attributed to the proximity to the collection centers for some PWAs. To mitigate this, the Council is planning to decentralize skin care collection centers to the lowest possible level of healthcare system. This will include introduction of level 2, (dispensaries and clinics) and level 3 (health centers and maternity and nursing homes) as collection centers.
24. The Council will encourage the managements of collection centers to utilize their grassroots community health workers to distribute skin care products to registered PWAs within their areas of jurisdiction.

Lack of Awareness on Albinism Support Programme.

25. The Committee heard that the Council has changed albinism awareness creation approach from national to regional focus. This will ensure closer collaboration with DPOs working with PWAs to improve access to information on Albinism by PWAs.

Skin care items sometime expire at the hospitals.

This is attributed to non-collection of the lotions by PWAs. To mitigate this, the Council is collaborating with Kenya Medical Supplies Authority (KEMSA) and the Ministry of Health (MOH) to establish a demand-based requisition and procurement system to curb overstocking of skin care products.

Lack of Cancer Screening services at hospitals.

The Council is organizing a retraining of all medical personnel within its skin care collection points on use and maintenance of issued cancer screening equipment as well as a detailed mapping of issued equipment to establish any required repair

and/or replacement needs.

Committee observations

Committee observed that;

- i) Screening for skin cancer for the Persons With Albinism has not been done as expected. This was attributed to non-functional cryotherapy machines in some instances, lack of necessary training on the use of the machines and lack of awareness on the need for skin cancer screening by PWAs. Further, lack of training and sensitization of hospital staff resulted in some of the cryotherapy machines lying idle thus denying beneficiaries access to cancer screening services.
- ii) The Persons With Albinism have been unable to collect the skin care items due to the challenge of proximity to the collection centres .
- iii) The Council has not enlightened the Persons With Albinism about the provision of the skin care items.
- iv) The Skin care items sometime expire at the hospitals due to non-collection of the lotions by Persons With Albinism.

Committee Recommendations

- i) Within three months upon adoption of this report, the Executive director-NCPWD should provide a report to the National Assembly and the Auditor-General on the status of all the cryotherapy machines, personnel trained, a report on how many Persons With Albinism have been screened in each screening centre and the basis upon which the machines were set up in such location (feasibility Report). The Auditor-General should then review and submit a comprehensive status report on the matters stated.
- ii) Within three months upon adoption of this report, the Executive director-NCPWD should provide comprehensive status report to the National Assembly and Auditor-General on the skin care items delivered to the hospitals, detailing which hospitals, the associated costs of the items, the uptake report details, the expired items and the period of their delivery in all the

collection centres .

- iii) Within three months upon adoption of this report, the Executive Director-NCPWD should provide the collaboration Memorandum of Understanding (MOU) signed between the Council, the Kenya Medical Supplies Authority (KEMSA) and the Ministry of Health (MOH) to establish a demand-based requisition and procurement system to curb overstocking of skin care products
- iv) Within three months upon adoption of this report, the Executive director-NCPWD should provide comprehensive report to the National Assembly and the Auditor-General on how the Council has enlightened the Persons With Albinism about the provision of the skin care items.

The Infrastructure and Equipment Support Programme has not Adequately Improved the Status of Institutions Supporting Learners with Disabilities

26. The Committee heard that, in this programme, NCPWD aims at enabling the maintenance and growth of organizations that provide education or social services to persons with disabilities. This is through supporting the establishment, expansion and equipping of special learning institutions.
27. The audit established that NCPWD provides infrastructural grants of Ksh.2 million beneficiary per institution. However, the audit found that the programme had only benefitted a small proportion of institutions out of the many deserving cases. Review of the 2017/2018 to 2019/2020 application data indicated that out of 428 institutions that applied for the grant, NCPWD only managed to give grants to 112 institutions.
28. The National Council for Persons with Disabilities is required to approve projects whose budget does not exceed Kshs. 2 million. However, documentary review revealed that NCPWD had approved projects whose Bill of Quantities exceeded Kshs. 2 million. Therefore, the projects could not be completed. Due to failure to complete the infrastructure projects, funds were tied up in stalled projects thus no benefits were accruing to the beneficiaries of the programme. There was also inadequate monitoring of Projects.

Management submissions

29. The Management informed the Committee that, the Ministry of Education has the primary mandate for providing education and training to all learners. The development of infrastructure in special schools is the responsibility of the MOE and the Council only complements the Ministry's efforts. Where the council has supported schools for infrastructure and equipment, schools have reported increased enrolment and better learning environment.

NCPWD is not able to assist most of the deserving institutions

This is due to limited funds. For example, the Council will no longer support institutions for infrastructure development due to reduction of its budget. Further, application for funding is on an annual basis and there is no guarantee for funding for all applicants. All applications are subjected to vetting at the County level and recommendations submitted to the Board of Trustees for consideration of funding.

Funded Institutions are not able to complete their projects

This was mainly attributed to the discrepancies in Council ceiling amount and the BQ amounts submitted by the school. To mitigate this, all schools submitting proposals are required to align their BQs with the budget limit in consultation with the Public Works Officers. Approval of projects is based on recommendations by the Public Works Officers. The Council will ensure completion of incomplete projects previously funded.

Inadequate monitoring and technical support

This is attributed to lack of adequate staff to undertake monitoring and provide technical assistance to the schools during project implementation. To mitigate this, the Council has ensured involvement of Public Works officers in the County Vetting Committees across the Counties to vet, recommend for approval viable projects and provide technical support during project implementation. In addition, the Ministry of Education officers at the Counties are members of the vetting committee and are also involved in monitoring of funded projects within their jurisdiction.

Committee observations

The Committee observed that;

- i) The NCPWD infrastructural grants of Ksh.2 million per institution has only benefitted a small proportion of institutions out of the many deserving cases.
- ii) The National Council for Persons with Disabilities despite having a budgetary ceiling to only approve projects whose budget does not exceed Kshs. 2 million went ahead and approved projects whose Bill of Quantities exceeded Kshs. 2 million. The projects could not be completed and funds were tied up in stalled projects thus not benefiting the intended beneficiaries of the programme.
- iii) The Council has experienced shortage of funds due to reduction of its budget greatly affecting the support to institutions for infrastructure development.

Committee Recommendations

- i) Within three months upon adoption of this report, the Executive director-NCPWD should provide a status report to the National Assembly on the stalled projects.
- ii) Within three months upon adoption of this report, the Executive director-NCPWD, the principal Secretary Ministry of education, the principal secretary state department for Labour and Social protection, principal secretary National Treasury should fast-track the process of completing the stalled projects.
- iii) The National Assembly, NCPWD and the cabinet Secretary National Treasury should ensure that in every Financial year, funds are set aside for the infrastructure and Equipment Support Programme for Supporting Learners with Disabilities.

The Assistive Devices Programme has not Adequately Addressed the Needs of Persons with Disabilities

30. The Committee heard that, the Council through the National Development Fund for Persons with Disabilities (NDFPWD) supports the provision of assistive devices and services to PWDs in Kenya to enable these individuals to function in the society. Review of data provided on the number of applicants compared with beneficiaries issued with assistive devices indicated that in the financial years 2017/2018 to 2019/2020, NCPWD had on average issued assistive devices to 80% of applicants.

Although NCPWD had issued devices to 80% of applicants, interviews with sampled beneficiaries indicated that most of PWDs did not get the devices during the period they had applied in.

31. The audit found inequity in distribution of assistive devices to counties where some received devices below their target while others received above their target.
32. Interviews conducted with 24 beneficiaries who had applied for assistive devices revealed that only two had attached a professional medical assessment report prior to being issued with an assistive device. Further, documentary review of applications for assistive devices, issuance lists and delivery notes indicated instances where devices were issued without following the required process. For example, 965 assorted devices were issued in the financial year 2016/2017. However, there were no application forms and medical assessment reports attached to the requests.
33. Failure to follow the due process may result in giving devices that are not appropriate or do not meet the needs of the beneficiaries which may prevent NCPWD from achieving its objective of creating independence and enabling PWDs to function in the society.

Management submissions

Appropriateness of devices not guaranteed

34. The management informed the Committee, the Council has established a management information system that manages requests, applications, procurement and issuance of assistive devices to ensure clients receive what they requested. Further the Council is implementing the Buy Kenya and Build Kenya initiative by procuring and issuing locally calibrated assistive devices that ensure better suitability and longevity as well as appropriateness to the local terrains as opposed to the imported devices.

Committee Observations

- i. The statement that NCPWD is implementing the Buy Kenya and Build Kenya initiative by procuring and issuing locally calibrated assistive devices that ensure better suitability and longevity as well as appropriateness to the local terrains as opposed to the imported devices may not work for some disability cases which require specialized equipment's not locally manufactured. The restriction

therefore may work against the intended beneficiaries.

- ii. The NCPWD did not issue most of PWDs with the devices during the period they had applied in.
- iii. The NCPWD did not collaborate the issuance of the applied for assistive devices to the professional medical assessment report prior to issuing the assistive device to the beneficiaries. Further, assistive devices, were issued without following the required process where in some instances, there were no application forms and medical assessment reports attached to the requests. This may lead to misapplication of public funds where devices that are not appropriate or do not meet the needs are issued to the beneficiaries.

Committee Recommendations

- i) Within three Months upon adoption of this report, the Executive Director-National Council for Persons with Disabilities should issue a comprehensive report for the years of audit in this report, on the assistive devices they have issued on a case by case basis and the guiding principles applied.
- ii) Within three months of adoption of this report provide a comprehensive report on how the Council is planning to address the process of issuance of assistive devices and skin cancer screening services.
- iii) Within Three Months upon adoption of this report, the Executive Director-National Council for Persons with Disabilities in collaboration with the Principal Secretary, state department for Labour and Social protection to fastrack the review of the Persons with Disabilities Regulations 2019 and amendment of the persons with Disability Act CAP 133 to streamline issuance of assistive devices to the intended beneficiaries.

The Education Assistance Programme did not Enhance the Retention and Continuity of Education for Persons with Disabilities

35. The Committee heard that, Education Assistance Programme aims to improve the enrolment, retention and completion of the education cycle for persons with disabilities, with the intention of an eventual engagement in decent and gainful employment. As at March 2018, NCPWD had issued education bursaries to more than 700 learners with disabilities.
36. Analysis of funding documents obtained from NCPWD revealed that out of the 21,289 students that applied for education assistance in the financial years 2017/2018 to 2019/2020, only 7,816 (37%) were granted education assistance. This implies that a significant proportion of students who applied for the funds were not funded. Further, audit findings indicate that NCPWD supported 244 beneficiaries through the programme. However, the bursary amount allocated was not sufficient for learners' fee requirements as evidenced by 222 learners who were awarded 50% and below of their fee requirement. Therefore, the programme has not guaranteed retention of learners in institutions of learning.
37. Interviews with the Head of Disabilities Services Department and Disability Services Officers revealed that education assistance is in form of bursary and not full scholarship, hence there was no guarantee of funding in subsequent years.

Management submissions

Education assistance programme not enhancing retention and continuity

38. The management informed the Committee that, the education assistance programme was established to provide financial support to learners with disabilities. Currently this is being done through a combination of scholarships and bursaries. However, the programme is being redesigned to exclusively provide scholarships for learners with disabilities to improve retention and completion.


Committee Observations

The Committee observed that;

The bursary amount allocated was not sufficient for learners' fee requirements. The programme has not guaranteed retention of learners in institutions of learning. Further, Education assistance is in form of bursary and not full scholarship, hence funding in subsequent years is not guaranteed.

Committee Recommendations

The National Assembly, NCPWD and the cabinet Secretary National Treasury should ensure that in every financial year adequate funds are set aside for the Education assistance Support Programme for Supporting Learners with Disabilities.

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 JUL 2024	DAY: TUESDAY
TABLED BY:	HON. EMMANUEL WANINGI (CHAIRPERSON)
CLERK AT THE TABLE:	IMZOBU MWALE



REPUBLIC OF KENYA
THIRTEENTH PARLIAMENT – (THIRD SESSION 2024)
THE NATIONAL ASSEMBLY

DIRECTORATE OF AUDIT, APPROPRIATIONS AND GENERAL PURPOSE COMMITTEES
THE FOURTH REPORT OF THE PUBLIC INVESTMENTS COMMITTEE ON SOCIAL SERVICES,
ADMINISTRATION AND AGRICULTURE ON CONSIDERATION OF THE AUDITOR GENERAL'S
PERFORMANCE AUDIT REPORT ON THE PROVISION OF SERVICES TO PERSONS WITH
DISABILITIES BY THE NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES.

ADOPTION LIST

23/05/2024

No.	NAME	SIGN
1.	Hon. Emmanuel Wangwe, MP, CBS – Chairperson	
2.	Hon. Caleb Amisi Luyai, MP – Vice - Chairperson	
3.	Hon. Ferdinand Kevin Wanyonyi, MP	
4.	Hon. Martin Peters Owino, MP	
5.	Hon. Mary Wamaua Njoroge, MP	
6.	Hon. Nicholas Ngikor Ngikolong, MP	
7.	Hon. (Dr.) Peter Francis Masara, MP	
8.	Hon. Abdi Jehow Fatuma, MP	
9.	Hon. Bernard Kibor Kitur, MP	
10.	Hon. CPA Geoffrey Wandeto MP	
11.	Hon. (Dr.) Jackson Kipkemoi Kosgei, MP	
12.	Hon. Joshua Kivinda Kimilu, MP	
13.	Hon. Michael Wambugu Wainaina, MP	
14.	Hon. Elijah Njore Kururia, MP	
15.	Hon. Paul Nabuin Ekwom, MP	



MINUTES OF THE 22ND SITTING OF THE PUBLIC INVESTMENTS COMMITTEE ON SOCIAL SERVICES, ADMINISTRATION, AND AGRICULTURE HELD AT SERENA HOTEL, MOMBASA COUNTY ON THURSDAY 23RD MAY, 2024 AT 9.30AM.

PRESENT:

- | | |
|--|------------------------------------|
| 1. Hon. Caleb Amisi Luyai, MP | Vice-Chairperson (Chairing) |
| 2. Hon. Martin Peters Owino, MP | |
| 3. Hon. Mary Wamaua Njoroge, MP | |
| 4. Hon. (Dr.) Peter Francis Masara, MP | |
| 5. Hon. Michael Wambugu Wainaina, MP | |
| 6. Hon. Bernard Kibor Kitur, MP | |
| 7. Hon. Joshua Kivinda Kimilu, MP | |
| 8. Hon. CPA Geoffrey Wandeto, MP | |
| 9. Hon. Bishop (Dr.) Jackson Kipkemoi Kosgei, MP | |
| 10. Hon. Paul Nabuin Ekwom, MP | |

APOLOGIES:

- | | |
|--------------------------------------|--------------------|
| 1. Hon. Emmanuel Wangwe, CBS, MP | Chairperson |
| 2. Hon. Ferdinand Kevin Wanyonyi, MP | |
| 3. Hon. Nixon Nicholas Ngikolong, MP | |
| 4. Hon. Abdi Jehow Fatuma, MP | |
| 5. Hon. Elijah Njore Kururia, MP | |

IN ATTENDANCE:

SECRETARIAT

- | | |
|--------------------------|-----------------------------|
| 1. Mr. Abdulahi Aden | Principal Clerk Assistant I |
| 2. Mr. Enock Manwa | Clerk Assistant III |
| 3. Ms. Christine Mariita | Clerk Assistant III |
| 4. Mr. Thomas Ogwel | Fiscal Analyst |
| 5. Mr. Yakub Ahmed | Media Relations Officer |
| 6. Ms. Mercy Kinyua | Legal Counsel |
| 7. Ms. Maryan Gabow | Protocol Officer |
| 8. Mr. Stanley Langat | Sergeant – At – Arms |
| 9. Ms. Esther Kariuki | Hansard Officer |
| 10. Mr. Moses Esamai | Audio Officer |

OFFICE OF THE AUDITOR GENERAL

- | | |
|-----------------------|-------------|
| 1. Ms. Halima Dida | D. Director |
| 2. Mr. David Githinji | PA -LRO |

MIN/PIC SSAA/2024/ 001

PRELIMINARIES

The Chairperson called the meeting to order at Thirty Minutes past nine o'clock followed by a word of prayer.

MIN/PIC SSAA/2024/ 002

CONSIDERATION OF THE AUDITOR GENERAL'S
PERFORMANCE AUDIT REPORT ON THE PROVISION
OF SERVICES TO PERSONS WITH DISABILITIES BY
THE NATIONAL COUNCIL FOR PERSONS WITH
DISABILITIES

The Committee secretariat took the members through the draft report of the Auditor-General's performance Audit report on the Provision of Services to Persons with Disabilities by the National Council for Persons with Disabilities.

The Committee observed the following;

- i. The National Council for Persons with Disabilities has improved the welfare of Persons with Disabilities (PWDs) over the years. The Council has ensured that the stigma and negative cultural beliefs associated with PWDs have reduced with the society accepting that disability is not inability. Their integration, welfare and other matters affecting them have over the years been addressed. However, not all persons with disability have been registered with the Council. There have been challenges arising from the proximity to the assessment centres and the requirement that one has to be assessed every five years even if the disability is permanent. Majority of these persons come from poor background and cannot afford the high travel costs in addition to other cost related to the special needs inform of assistive devices and care they need.
- ii. The NCPWD despite having invested over Kshs. 8 billion in the financial years 2013/2014 to 2019/2020, to improve the welfare of persons with disabilities, the intended impact has not been felt due to challenges experienced in the implementation of their planned programmes. Majority of the eligible Persons With Disability are yet to be registered even though registration is a pre-requisite to receive services from the Council.

This indicates that the unregistered PWDs cannot access or benefit from any of the services offered by NCPWD.

- iii. The Cash Transfer Programme has not improved the livelihoods of persons with severe disabilities as the stipend granted of Kshs. 2,000 has not taken into consideration the inflationary effects in the economy over 10 years. The programme does not also consider the form of disabilities and the particular economic or psychosocial factors affecting the caregivers, which has direct and multiple effects on how the programme can mitigate the effect of disabilities in the households.
- iv. The Economic Empowerment Programme has not helped persons with disabilities to gain self-sufficiency due to the limited number of groups that accessed the grant, and the unsustainable economic activities they engaged in.
- v. The Persons With Albinism (PWAs) Support Programme has not adequately addressed the skin care requirement for PWA as most of them failed to collect skin care products and get skin cancer screening services due to lack of awareness and proximity to the designated hospitals where they can collect skin care items.
- vi. The infrastructure and equipment support program has not aided in the welfare of learners with disabilities since only a few institutions were funded, some of the funded institutions completed but had not equipped the facilities while others had not completed the projects. The committee observed that there are no clear legislative provisions on the distinct roles/responsibilities of the Council and those of the ministry for education in respect to infrastructure and equipment support program.

MIN/PIC SSAA/2024/ 003

ADOPTION OF THE AUDITOR GENERAL'S
PERFORMANCE AUDIT REPORT ON THE PROVISION
OF SERVICES TO PERSONS WITH DISABILITIES BY
THE NATIONAL COUNCIL FOR PERSONS WITH
DISABILITIES

The Committee unanimously adopted the report as proposed by Hon. Martin Peters Owino, MP and seconded by Hon. Joshua Kivinda Kimilu, MP

The Committee secretariat took the members through the draft report of the following State Corporations;

- (i) Kenyatta National Hospital Financial Year 2018/2019 and 2018/2019
- (ii) Kenya Medical Supplies Authority 2017/2018 and 2018/2019

The Committee noted that the following audit queries for Kenyatta National Hospital were recurring for the financial years 2018/2019 and 2018/2019.

- a) Unconfirmed borrowing balance
- b) Property plant and equipment
- c) Receivables from National Hospital Insurance Fund (NHIF)
- d) Prepayment – Supply contract
- e) Ministry of Health Staff long outstanding debts
- f) Budgetary control and performance
- g) Unresolved prior year issues
- h) Receivables from non-exchange transactions
- i) Medical services Contract Loss
- j) Free Maternity program
- k) Trade and Other Payables from Exchange transactions
- l) Defined Benefit pension Scheme Deficit
- m) Long Outstanding Debt

The Committee was informed that it had invited Maestro Architects Limited and Meditec systems limited to apprise the Committee on the KEMSA audit queries relating to Work in progress and Trade and other payables for the financial year 2017/2018.

The Committee observed that there was a significant discrepancy between the contract sum agreed upon for consultancy services and the amount actually paid to Maestro Architects Limited. Despite the contract being valued at Kshs. 126,279,953, documents revealed that the company received a total payment of Kshs. 321,360,535, resulting in an overpayment of Kshs. 195,080,582.

The following general observations were noted;

1. Lack of ownership documents on land and buildings.

The Committee observed that Kenyatta National Hospital(KNH), Kenya Medical Kenya Medical Supplies Authority(KEMSA) did not possess title documents for land and buildings in their occupation. Kenyatta National Hospital does not possess title deed for various parcels of land, some were illegally and unprocedurally curved out and registered in the name of private developers who were compensated by the government after compulsory acquisition. Further, KEMSA did not possess title deeds for seven (7) parcels of land spread across the country and valued at Kshs.158,000,000.

2. Delay in appointments of Board of Directors

The Committee observed that some State Corporations were operating without properly constituted Board of Directors for too long. The anomaly was attributed to delays by the appointing authority to fill up vacancies once they arise. For example KEMSA did not have a substantive board chair since 9th October, 2015, following the expiry of the second term of the then Chairman and did not have a substantive Chief Executive Officer from 1st January 2017 to 30th June, 2018.

3. Delay in availing documents to the Auditor-General

The Committee observed that some accounting officers did not avail complete and reconciled financial and accounting records/documentation in time for audit review and verification during the audit exercise leading to unnecessary queries. This is contrary to the provisions of Article 226 of the Constitution and Section 68(2) of the PFM Act 2012 which requires that the financial and accounting records are presented within three (3) months after the close of the financial year. Section 62 of the public Audit Act of 2015 obligates accounting officers to provide required documents for audit failure to which they be sanctioned.

MIN/PIC SSAA/2024/005

ADJOURNMENT

There being no other business, the Chairperson adjourned the sitting at thirty minutes past One O'clock.

Signed..... *Emmanuel Wangwe* 30/07/2024

Hon. Emmanuel Wangwe CBS, MP – Chairperson

Date.....

