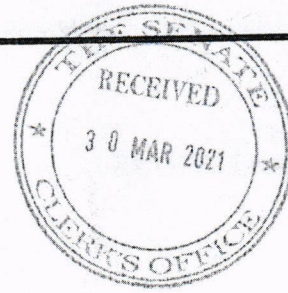
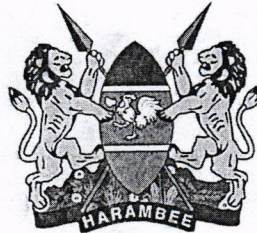


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**REPUBLIC OF KENYA**



**TWELFTH PARLIAMENT (FIFTH SESSION)**

**THE SENATE**

PAPERS LAID	
DATE	30th March 2021
TABLED BY	Sen. Fred Outo
COMMITTEE	Health
CLERK AT THE TABLE	M. Adjibodo

**STANDING COMMITTEE ON HEALTH**

**SECOND PROGRESS REPORT ON THE COVID-19 SITUATION IN KENYA**

**PRELIMINARY FINDINGS OF THE COMMITTEE ON THE SPECIAL AUDIT REPORT OF THE AUDITOR GENERAL ON THE utilization OF COVID-19 FUNDS BY COUNTY GOVERNMENTS**

*Clerk's Chambers,*

*First Floor,*

*Parliament Buildings,*

**NAIROBI.**

*DC-Ea  
Recommendation forwarded for  
processing for Approval & Tabling  
30/03/21*

**29th March, 2021**

## ABBREVIATIONS

ADB	-	African Development Bank
CBK	-	Central Bank of Kenya
CGA, 2012	-	County Government Act, 2012
COB	-	Controller of Budget
CRF	-	County Revenue Fund
DKK	-	Danish Kroner
EU	-	European Union
IMF	-	International Monetary Fund
KDSP	-	Kenya Devolution Support Program
KSHS	-	Kenya Shillings
MDA	-	Ministries, Departments and Agencies
NT&P	-	National Treasury and Planning
PPADA, 2015	-	Public Procurement and Asset Disposal act, 2015
USD	-	US Dollars
UHC	-	Universal Health Care
SPA	-	Special Purpose Account

## LIST OF ANNEXURES

1. *Annex 1:* Special Audit Report of the Auditor General on the utilization of COVID-19 Funds by County Governments.
2. *Annex 2:* Proposed schedule of hearings with the 47 County Governments

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## **PREFACE**

**Mr. Speaker Sir,**

The Senate Standing Committee on Health is established under standing order 218(3) of the Senate Standing Orders and is mandated to, “*consider all matters relating to medical services, public health and sanitation.*”

### **Committee Membership**

The Membership of the Committee is composed of the following:

1. Sen. (Dr.) Michael Mbiti, MP.
2. Sen. Mary Seneta, MP.
3. Sen. Beth Mugo, EGH, MP.
4. Sen. Beatrice Kwamboka, MP.
5. Sen. (Prof.) Samson Ongeru, EGH, MP.
6. Sen. (Dr.) Abdullahi Ali Ibrahim, MP.
7. Sen. Fred Outa, MP.
8. Sen. Millicent Omanga, MP.
9. Sen. Ledama Olekina, MP.

**Mr. Speaker,**

On Wednesday, 10th March, 2021, the Standing Committee on Health considered and adopted its First Progress Report on the COVID-19 Pandemic Situation. In the Report, the Committee canvassed a broad range of issues relating to the COVID-19 pandemic situation, including the:

- a) Status of the National COVID-19 pandemic preparedness and response;
- b) County performance and the level of pandemic preparedness and response in the counties;
- c) Cases of COVID-19 infections in correctional facilities in Kenya, particularly the Nairobi Remand Prison;
- d) Non-payment of COVID-19 related claims by the National Health Insurance Fund (NHIF) and private medical insurance companies;

- e) Issues and challenges facing human resources for health in relation to the COVID-19 pandemic;
- f) Availability, or lack thereof, of personal protective equipment (PPEs) in health facilities at the counties;
- g) Regulation of PPEs;
- h) Level of testing and diagnostic capacity in the country; and
- i) Role of telemedicine/telehealth in enhancing access and availability of care for COVID-19 and non-COVID 19 essential services.

**Mr. Speaker,**

Having thus established a baseline of the COVID-19 pandemic situation in the country, in the week commencing 15th March, 2020, the Committee undertook an in depth analysis of the Special Audit Report by the Auditor General on the utilization of COVID-19 Funds by the County Governments.

Of note, the Committee found that County Governments received COVID-19 related funds from the National Government totalling KShs. 7,705,900,000 which amount to approximately 3.6% of the total KShs. 214, 908, 853,825.00 COVID-19 funds that were mobilised by the National Government for the COVID-19 pandemic response. To note, according to the Special Audit Report, most of the aforementioned funds were received by counties towards the end of the FY 2019/2020.

Further, the Committee also found that Counties allocated Own Source Budgets amounting to KShs. 5,298,955,592 for the pandemic response. This translated to approximately 70% of the funds that County Governments received from the National Government specific to COVID-19 related activities.

Key irregularities that were associated with the utilization of COVID-19 funds amongst counties included: lack of approved work plans, procurement plans and training plans specific to COVID-19 related activities, absence of approved budgets for COVID-19 activities, delays in the utilization of GoK, DANIDA and KDSP conditional grants thus exposing public funds to value for money risks and increasing the vulnerability of counties to COVID-19 risks, under-funding

of Frontline Health Workers Allowances by the National Government, non-compliance with the guidelines for disbursement of DANIDA conditional grants, absence of approved procurement plans, various procurement irregularities (e.g. using non-prequalified suppliers and failure to conduct market surveys, lack of competitive bidding, procurement of goods without valid contracts etc), misappropriation of funds in some counties, inefficient Inventory Management Systems and failure to value non-cash donations in County budgets contrary to section 74(4) of the Public Finance Management (County Government) Regulations, 2015.

The Committee notes that the Special Audit established that County Governments had made significant contributions towards the prevention and mitigation of COVID-19 risks: For example, the Special Audit Report notes that at least ten County Governments had set up isolation centers and had met the 300-bed capacity requirement per county, including, Machakos, Kajiado, Nakuru, Laikipia, Narok, Kilifi, Makueni, Mombasa, Nyandarua and Kericho.

The Committee is pleased to table this report on its preliminary findings with regards to this important report.

**Mr. Speaker Sir,**

In the coming weeks, the Committee is scheduled to hold hearings with the 47 County Governments with a view towards getting clarification on the the Special Audit Report by the Auditor General on the utilization of COVID-19 Funds by the County Governments, and establishing the level of pandemic preparedness and response across the counties.

In addition to conducting hearings with the 47 County Governors, the Committee is also scheduled to hold meetings with the Ministry of Health, the Council of Governors, the Kenya Medical Practitioners and Dentists Council, relevant regulatory bodies, relevant private sector stakeholders and others with a view towards establishing the level of preparedness in counties, as well as for purposes of closely monitoring the nationwide COVID-19 vaccine roll-out.

**Mr. Speaker,**

As I conclude, I wish to thank the Offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in undertaking this important exercise. Further, I wish to thank the Office of the Auditor-General for preparing a thorough audit report.

It is now my pleasant duty and privilege to present this report of the Standing Committee on Health, for consideration and approval by the House pursuant to Standing Order No. 226(2) of the Senate Standing Orders.

Signed..........

Date.....10th March, 2021.....

**SEN. MBITO MICHAEL MALING'A, MP**

**CHAIRPERSON, STANDING COMMITTEE ON HEALTH**



**ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON HEALTH OF  
THE SENATE**

**We, the undersigned Members of the Standing Committee on Health of the Senate, do hereby append our signatures to adopt the Report-**

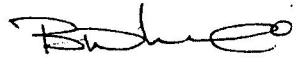
1. Sen. (Dr.) Michael Mbiti, MP

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2. Sen. Mary Seneta, MP

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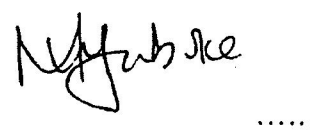
6. Sen. (Dr) Abdullahi Ali Ibrahim, MP

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7. Sen. Fred Outa, MP

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8. Sen. Millicent Omanga, MP

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9. Sen. Ledama Olekina, MP

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## CHAPTER ONE

### INTRODUCTION

#### A. Establishment, Mandate and Membership of the Committee

The Senate Standing Committee on Health is established under standing order 218(3) of the Senate Standing Orders and is mandated to, “*consider all matters relating to medical services, public health and sanitation.*”

The Membership of the Committee is composed of the following:

1. Sen. (Dr.) Michael Mbiti, MP.
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#### B. Background

##### 1. *About the Coronavirus Disease (COVID-19)*

Coronaviruses are a large family of viruses that can cause illness in animals or humans. In humans, several known coronaviruses can cause respiratory infections ranging from the common cold to more severe diseases such as Severe Acute Respiratory Syndrome (SARS) and the Middle East Respiratory Syndrome (MERS).

COVID-19 is a disease caused by a novel strain of coronavirus that was first described in Wuhan, China in December, 2019. It literally stands for, ‘CO’ - corona; ‘VI’ - virus; ‘D’ - disease. It was formerly referred to as the ‘2019 novel coronavirus’ or ‘2019-nCoV’.

The symptoms of COVID-19 may be similar to the flu or common cold and include: fever, cough and shortness of breath. Other symptoms may include: aches and pains, sore throat, diarrhoea, conjunctivitis, headache, loss of taste and/or smell, skin rashes and discolouration of fingers and toes. In severe cases, the disease causes shortness of breath, difficulty in breathing, chest pain of pressure, loss of speech and/or movement, and even death.

The virus is spread through direct contact with respiratory droplets of an infected person (mostly through sneezing and coughing), and touching your face, eyes, mouth or nose after contact with contaminated surfaces. The virus may survive on surfaces for several hours, but is easily killed by simple disinfectants. Older people, and persons with chronic medical conditions such as heart disease, diabetes and hypertension are most at risk of contracting the disease, and developing severe symptoms.

Covid-19 transmission from one person to the next can be slowed or stopped. As with the flu, preventive actions such as handwashing, frequent cleaning surfaces and objects, covering the mouth when coughing and sneezing, social distancing etc, are critical to slowing the spread of the disease.

In recent weeks, there has been a global emergence of new highly transmissible SARS-CoV-2 variants, and a surge of confirmed cases and deaths in the region, and in Kenya in particular. This has led to calls for more stringent containment measures and the scaling-up of COVID-19 vaccination efforts.

## *2. Declaration and Evolution of the COVID-19 Pandemic in Kenya*

The World Health Organisation (WHO) declared the COVID-19 outbreak a Public Health Emergency of International Concern on 30th January, 2020. On 13th March, 2020, the Ministry of Health (MoH) announced the first confirmed case of COVID-19 within Kenyan borders.

Globally, as of 27 March, 2021, there had been 125,781,957 confirmed cases of COVID-19 with 2,759,432 deaths reported by the World Health Organisation (WHO). Of these, Africa reported 3,054,808 confirmed cases. The total number of COVID-19 vaccine doses that had been administered globally as of 24th March, 2021 was 462,824,374 (WHO).

In Kenya, as of 27th March, 2021, there had been 128,178 confirmed cases of COVID-19 with 2,098 deaths in Kenya. Comparatively, during the same period, WHO reported 40,750 confirmed cases of COVID 19 with 335 deaths in Uganda; 21,309 confirmed cases with 300 deaths in Rwanda; 196,621 confirmed cases with 2,769 deaths in Ethiopia; 2,657 confirmed cases with 6 deaths in Burundi; and, 509 confirmed cases and 21 deaths in Tanzania.

At its current peak, Kenya reported 2008 new confirmed cases in a single day (27 March, 2021). With the reintroduction of stringent containment measures, including a lockdown by Presidential directive on 26 March, 2021, and the nationwide COVID-19 vaccine roll-out, the escalating COVID-19 pandemic situation is expected to begin steadily declining in the coming weeks.

### *3. Special Audit of the Auditor General on the utilization of COVID-19 Funds by County Governments*

On 4th August, 2020, the Senate *Ad Hoc* Committee on the COVID-19 Pandemic Situation wrote to the Auditor-General *vide* a letter, Ref. SEN./12/4/AC/COVID-19/2020 (57), requesting for a special audit on the utilization of COVID-19 funds by County Governments. On 22 December, 2020, the Auditor General submitted the report to the Senate (see *Annex I*).

#### **a) Objectives of the Special Audit on the utilization of COVID-19 Funds by County Governments**

The overall objective of the special audit was to confirm whether public funds utilized by County Governments for the procurement of medical supplies for the purpose of combating the COVID-19 pandemic were used in a manner that was lawful and effective.

#### **b) Terms of Reference of the Special Audit**

The terms of reference requested by the Senate *Ad Hoc* Committee on the COVID-19 pandemic situation included:

- i. To review and establish whether the County Governments had approved work plans, procurement plans and training plans in place specific to COVID-19 activities;
- ii. To establish the total amount of funds received by the County Governments, specific to COVID-19 activities;

- iii. To establish the bank accounts into which the funds from the National Government specific to COVID-19 activities were banked;
- iv. To establish whether the funds from the National Government specific to COVID-19 activities were spent in accordance with approved work plans, procurement plans and training plans;
- v. To establish whether the financial and non-financial reports on funds from the National Government specific to COVID-19 were produced every month;
- vi. To establish the reliability of the financial and non-financial reports on funds from the National Government specific to COVID-19 activities;
- vii. To detect irregularities involving the misuse of public funds and identify related weaknesses in management controls that may imperil the integrity of the organisation and the effective implementation of budgetary and other policy decisions;
- viii. To determine the reliability of reports on execution of funds;
- ix. To identify instances and patterns of waste and inefficiency that, if corrected, will permit for more economical use of budget resources; and
- x. To provide reliable data about COVID-19 programme results as a basis for future adjustments in laws, policies and funds allocation.

#### **c) Scope of Work**

The Special Audit Report covers planning, budgeting, financing and utilization of the COVID-19 funds and donations by the County Governments for the period 13 March, to 31 July, 2020.

#### **d) Analysis of the Special Audit Report by the Standing Committee on Health**

In the week commencing 15 March, 2020, the Standing Committee conducted an in-depth analysis of the Special Audit Report on the utilization of COVID-19 Funds by County Governments.

A summary of the Committee's Preliminary findings in relation to the Special Audit Report have been captured in subsequent sections of this report.

#### *4. County Visits*

In the next phase of its inquiry over the COVID-19 pandemic situation in Kenya, the Committee intends to embark on targeted visits to various counties with a view towards establishing the actual situation in the counties.

## CHAPTER TWO

### CONSTITUTIONAL, LEGAL AND POLICY PROVISIONS RELATING TO THE UTILIZATION OF COVID-19 FUNDS BY COUNTY GOVERNMENTS

In executing its mandate over issues arising from the Special Audit Report of the Auditor General on the utilization of COVID-19 Funds by County Governments, the Committee was guided by the following constitutional, legal and policy provisions relating to the transparent and prudent use of public resources by Government entities:

#### 1. Constitution of Kenya

*Article 227* which states that when a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

#### 2. County Government Act, 2012

*Section 107(2)* of the CGA, 2012 which states that County plans shall be the basis for all budgeting and spending in a county.

#### 3. Public Procurement and Asset Disposal Act, 2015

*Section 53(2)* of the PPADA, 2015 which states that an accounting officer shall prepare an annual procurement plan which is realistic in a format set out in the Regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

*Section 53(5)* of the PPADA, 2015 which states that procurement and asset disposal planning shall be based on indicative or approved budgets which shall be integrated with applicable budget processes and in the case of a State Department or County Department, such plans shall be approved by the Cabinet Secretary or the County Executive Committee member responsible for that entity.

*Section 71(4)(d)* of the PPADA, 2015 which provides that ‘...lists shall be applied on the alternative procurement methods as specified and appropriate and the list shall *be generated through market knowledge and survey.*

#### **4. Public Finance Management Act, 2013**

*Section 131 (1)* of the PFM Act, 2012 which states that *The county assembly shall consider the county government budget estimates with a view to approving them, with or without amendments, in time for the relevant appropriation law and any other laws required to implement the budget to be passed by the 30th June in each year.*

*Section 135(2)* of the PFM Act, 2012 which states that *before the county assembly considers the estimates of revenue and expenditure, the relevant committee of the county assembly shall discuss and review the estimates and make recommendations to the county assembly, and in finalising the recommendations to county assembly, the committee shall take into account the views of the County Executive Committee member for finance and the public on the proposed recommendations.*

#### **5. Public Finance Management (County Government) Regulations, 2015**

*Section 74(4)* of the PFM (County Government) Regulations, 2015 which provides that projects implemented through grants, donations and sponsorships shall be aligned to the national and county development policies and *where grants and donations are receivable in kind, the value of such donations shall be determined and included in the estimate and reflected as expenditure in the financial year.*



## CHAPTER THREE

### PRELIMINARY COMMITTEE FINDINGS

#### A. SUMMARY OF THE NATIONAL GOVERNMENT FINDINGS AS PER THE SPECIAL AUDIT REPORT

##### *a) Loans and Grants received by the Government of Kenya for the COVID-19*

###### *Response:*

1. Following the first reported case of COVID-19 in Kenya on 13 March, 2020, the GoK, through the Ministry of National Treasury and Planning, negotiated with various donors for financial support for both COVID-19 mitigation and economic stimulus programs. Consequently, financing agreements were signed between various development partners and the GoK represented by the Cabinet Secretary for the National Treasury and Planning.
2. Through the National Treasury and Planning, the GoK mobilised a total of KShs. 214.9 B which were held in Special Deposits Accounts held at the Central Bank of Kenya (CBK) as follows:

Date	Currency	Forex Amount	Amount (KShs)	Purpose
<b>a) World Bank (Loan)</b>				
14.2.2020	USD	10,000,000	10,063,000,000	Transforming Health Systems (THS) for Universal Care
3.4.2020	Euro	45,500,000	5,287,100,000	COVID-19 Emergency Response Project
20.5.2020	USD	750,000,000	80,250,000,000	2nd Inclusive Growth and Fiscal Management Development
20.5.2020	USD	250,000,000	26,574,996,811	

				Policy
<b>b) DANIDA (Grant)</b>				
13.5.2020	DKK	23,000,000	350,000,000	UHC - Devolved System - COVID 19
<b>c) African Development Bank (ADB) (Loan)</b>				
4.6.2020	Euro	188,000,000	22,412,835,480	Budget Support
<b>d) IMF (Loan)</b>				
30.6.2020	SDR	542,800,000	78,332,610,616	COVID-19 Emergency Response Support Program (ERSP)
<b>e) European Union (EU) (Loan)</b>				
28.4.2020	Euro	5,019,825	638,310,917	Public Accountability and Service Delivery
<b>GRAND TOTAL: KSHS. 214,908,853,825.00</b>				

3. Of the KShs. 214,908,853,825 that was mobilised nationally for the COVID-19 response, requests amounting to KShs. 162,685,604,780 were transferred to various Ministries, Departments and Agencies (MDAs) and the Counties as at 31 July, 2020.
4. The balance of KShs. 52,223,249,045 was held at various bank accounts as outlined below, and represents funds for which no requests had been made by the implementing entities as at 31 July, 2020.

Source	Purpose	Amount (KShs)	CBK Bank Account
World Bank	THS for Universal Care Project	86,584,500	1000003987 and 1000308637

World Bank	COVID-19 Emergency Response Project	3,559,977,380	1000003987 and 1000446366
World Bank	2nd Inclusive and Fiscal Management Development Policy	26,574,996,811	1000003987
IMF	COVID-19 Emergency Response Project	21,363,379,436	1000003987 and 1000448571
European Union	Public Accountability and Service Delivery	638,310,918	1000449772
<b>GRAND TOTAL: 52,223,249,045.00</b>			

5. Contrary to the provisions of the COVID-19 Emergency Response Fund Regulations which required COVID-19 funds to be managed centrally, a key issue identified by the Special Audit Report with regards to the management of the COVID-19 funds by the National Treasury and Planning was the uncoordinated operation of the COVID-19 Fund bank accounts with some accounts at CBK being managed by the NT&P, while an appointed Board without an Administrator managed separate funds at an ABSA funds.

***b) Funds received by County Governments as a Proportion of the total COVID-19 Funds that were mobilised***

6. County Governments received COVID-19 related funds amounting to KShs. 7,705,900,000 which amounts to approximately 3.6% of the total COVID-19 funds that were mobilised by the National Government for the COVID-19 pandemic response. To note, according to the Special Audit Report, most of the aforementioned funds were received by counties towards the end of the FY 2019/2020.

## **B. SUMMARY OF THE KEY ISSUES WITH REGARDS TO THE UTILIZATION OF THE COVID-19 FUNDS BY COUNTY GOVERNMENTS**

7. The Special Audit Report found that County Governments received COVID-19 related funding from the National Government amounting to KShs. 7,705,900,000 comprising:
  - a) GoK Conditional Grants: KShs. 5B
  - b) Allowances for Frontline Health Workers: KShs. 2,355,900,000.
  - c) DANIDA Grant: 350,000,000.
8. In addition to the above, Counties also allocated Own Source Budgets amounting to KShs. 5,298,955,592 for the pandemic response. This translates to approximately 70% of the funds that County Governments received from the National Government specific to COVID-19 related activities.
9. In addition, some counties received additional funding amounting to KShs. 849,000,000 from the Kenya Devolution Support Project financed by the World Bank.
10. The Special Audit found that 36 Counties lacked either work plans, training plans or procurement plans specific to COVID-19 related activities to facilitate the utilization of National Government funds in the FY 2019/2020 as follows: Baringo, Busia, Bungoma, Elgeyo Marakwet, Embu, Garissa, Homabay, Isiolo, Kakamega, Kericho, Kirinyaga, Kisumu, Kiambu, Kwale, Machakos, Mandera, Migori, Mombasa, Nairobi, nandi, Narok, Nyandarua, Nakuru, Murang'a, Tana River, Samburu, Siaya, Tharaka Nithi, Turkana, Uasin Gishu, Vihiga, Wajir, West Pokot, Laikipia, Trans Nzoia and Lamu.
11. With regards to the utilization of COVID-19 funds by County Governments, the Special Audit by the Auditor-General found that 23 Counties lacked approved budgets specific to COVID-19 related activities to facilitate the utilization of National Government funds in the FY 2019/2020 as follows: Baringo, Bomet, Bungoma, Elgeyo Marakwet, Embu, Garissa, Homabay, Isiolo, Kakamega, Kwale, Machakos, Makueni, Mandera, Marsabit, Mombasa, Nairobi, Narok, Nyandarua, Turkana, Tharaka Nithi, West Pokot and Lamu.
12. To note, most counties attributed the lack of approved budgets, work plans, training plans or procurement plans specific to COVID-19 related activities to the late disbursement of funds (funds were disbursed to Counties towards the end of the financial year). Consequently, according to the Special audit Report, most of the funds received were still being held in County Government Bank Accounts.

13. With regards to the utilization of COVID-19 funds, the Special Audit found that while COVID-19 related funds from the National Government were disbursed to Counties for purposes of urgent COVID-19 interventions, apart from Allowances for Frontline Health Workers and County Own Source funding, as of 31 July, 2020, most County Governments had not utilized National Government grants for COVID-19 related activities thereby exposing public funds to value for money risks, and implying a lack of proper planning and inadequate preparation on the part of County Governments to respond to the pandemic.
14. For instance, the Special Audit found that 30 Counties were delayed in the utilization of the GoK Conditional Grant as follows: Bomet, Bungoma, Elgeyo Marakwet, Kakamega, Kericho, Kilifi, Kirinyaga, Kisii, Kwale, Lamu, Makueni, Mandera, Marsabit, Meru, Mombasa, Nairobi, Nakuru, Nyamira, Nyandarua, Nyeri, Samburu, Siaya, Taita Taveta, Tana River, Trans Nzoia, Turkana, Uasin Gishu, Wajir and West Pokot.
15. Further, the Special Audit found that 44 Counties were delayed in the utilization of DANIDA funds as follows: Baringo, Bomet, Bungoma, Busia, Elgeyo Marakwet, Embu, Garissa, Homabay, Isiolo, Kajiado, Kakamega, Kiambu, Kilifi, Kirinyaga, Kisii, Kisumu, Kwale, Lamu, Machakos, Makueni, Mandera, Marsabit, Meru, Migori, Mombasa, Murang'a, Nairobi, Nakuru, Nandi, Narok, Nyamira, Nyandarua, Nyeri, Samburu, Siaya, Taita Taveta, Tana River, Tharaka Nithi, Trans Nzoia, Turkana, Uasin Gishu, Vihiga and West Pokot.
16. In addition, 23 Counties were found to have delayed in the utilization of KDSP funds as follows: Bungoma, Elgeyo Marakwet, Kakamega, Kericho, Kiambu, Kirinyaga, Kisii, Kwale, Meru, Muranga, Nandi, Nyamira, Nyeri, Samburu, Siaya, Trans Nzoia, Turkana, Uasin Gishu, Vihiga, Wajir, Garissa, Turkana, West Pokot and Nakuru.
17. To note, most counties attributed the delayed utilization of funds specific to COVID-19 related activities to the absence of work plans and approved budgets owing to the late disbursement of funds.
18. In addition, the Special Audit found that there was under-funding of the GoK Allowances for Health Workers to most counties: To note, the National Government disbursed KShs. 2,355,900,000 to the 47 County Governments towards the end of June, 2020. The amount

was however insufficient as not all County Health Workers had been factored into the allocation.

19. The Special Audit also found that most counties failed to comply with guidelines for the disbursement of DANIDA funds which require funds to be transferred from the CRF to Special Purpose Accounts (SPAs) within 15 days. However, only 8 counties complied with this requirement, including, Bomet, Bungoma, Kericho, Kwale, Laikipia, Lamu, Machakos and Taita Taveta.
20. The Special Audit Report further found that most Counties failed to adhere to the Public Procurement and Asset Disposal Act, 2015 (PPADA, 2015) in the procurement of goods and services as evidenced by: failure to conduct market surveys, absence of approved procurement and training plans in most counties, absence of systems and procedures to guide emergency procurements and the procurement of COVID-19 items from non-prequalified bidders without justification contrary to section 106(2) of the PPADA, 2015.
21. In addition, the Special Audit Report found that most Counties had inefficient Inventory Management Systems that led to the co-mingling of donated and procurement stock items thus rendering it impossible to make a distinction between procured and donated goods. The 13 most notorious Counties in this regard were identified as follows: Bomet, Bungoma, Elgeyo Marakwet, Homabay, Kilifi, Kirinyaga, Kitui, Laikipia, Migori, nandi, Samburu, Wajir and West Pokot.
22. The Special Audit further revealed that there were several discrepancies between dispatch records at KEMSA and receipt records in 8 Counties, including Bomet, Elgeyo Marakwet, Embu, Kakamega, Kericho, Nandi, Narok and Nyeri.
23. In addition, the Special Audit found that contrary to the provisions of section 74(4) of the PFM (County Government) Regulations, 2015, most counties failed to value the donations received from KEMSA and other donors in their budgets.
24. The Special Audit further found that most Counties procured face masks and PPEs from private companies rather than KEMSA contrary to the law.
25. The Special Audit further established that while the County Governments produced and submitted financial reports to the Controller of Budget (COB) there were instances of

variances in the amounts reported to the COB when compared against actual expenditure as established by the special audit exercise.

26. The report further indicated that 16 counties failed to provide non-financial reports for the utilization of COVID-19 funds, as follows: Busia, Embu, Garissa, Kakamega, Kilifi, Kwale, Lamu, Mandera, Mombasa, Nairobi, Nyamira, Nyeri, Samburu, Turkana, Vihiga and Wajir.
27. The Committee notes that the Special audit established that County Governments had made significant contributions towards the prevention and mitigation of COVID-19. For instance, at least 10 counties had set up isolation centers and achieved the 300-bed capacity requirement as follows: Machakos, Kajiado, Nakuru, Laikipia, Narok, Kilifi, Makueni, Mombasa, Nyandarua and Kericho.
28. Below, kindly find a detailed summary of the key audit findings by County as captured from the Special Audit Report:

**C. SUMMARY OF KEY AUDIT FINDINGS BY COUNTY**

Name	Total Amount of Funds Received	Total Expenditure	Summary of Key Audit Findings
<b>Baringo</b>	<p><b>KShs. 265,996,000</b>, as follows:</p> <ul style="list-style-type: none"> <li>- GoK Conditional Grant: KShs. 84.34M</li> <li>- DANIDA: KShs. 5.67M</li> <li>- GoK Health Workers Allowances: KShs. 44.98M</li> <li>- County Own initiative: KShs. 131M</li> </ul>	<p>a) Payment of KShs. 9,080,688.00 to Rob Arch Designs Ltd being partial payment for the construction of twin COVID-19 Isolation Wards at Mogotio Sub-County Hospital.</p> <p>b) Payment of KShs. 44.98M in Frontline Health Worker Allowances.</p> <p>c) Commitment of KShs. 17,890,290 (under the GoK Conditional Grant) to Rob Arch Designs Ltd for the construction of twin COVID-19 Isolation Wards at Mogotio Sub-County Hospital.</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan for COVID-19 related activities for the FY 2019/2020.</li> <li>- Expenditure of KShs. 6,879,600.00 for training and sensitisation on COVID-19 in the absence of a training plan contrary to section 107(2) of the CGA, 2012.</li> <li>- Absence of the GoK Conditional Grant, the Frontline Health Workers Allowances and DANIDA in the county's approved budget for the FYs 2019/2020 and 2020/2021 contrary to sections 131 and 135 (2) of the PFM Act, 2012.</li> <li>- Execution of a contract with Rob Arch Designs Ltd for the construction of twin COVID-19 isolation ward blocks at Mogotio sub-county at a contract sum of KShs. 17,890,290.00 (contract number BRGC/CHS dated 30 June, 2020) in the absence of an approved budget and workplan contrary to sections 135(2) &amp;(4) of the PFM Act, 2012.</li> <li>- utilization of KShs. 9,080,688.00 being partial payment for the construction of twin COVID-19 Isolation Wards at Mogotio Sub-County Hospital in the absence of an approved budget and workplan contrary to sections 135(2) &amp;(4) of the PFM Act, 2012.</li> <li>- Delay of 125 days in the opening of the Special Purpose Account for the utilization of the COVID-19 GoK Conditional Grant comprising KShs. 84.34M contrary to the requirements of the conditional grant framework which required funds to be disbursed within 15 days.</li> <li>- Delay in the disbursement of DANIDA funds comprising KShs. 5.67M to beneficiary health facilities.</li> <li>- Payment of KShs. 1,815,000 of Frontline Health Workers Allowances to support staff and drivers through a manual</li> </ul>



		<p>d) Commitment of KShs. 40,127,063 (under the County Own Initiative Funds)</p>	<ul style="list-style-type: none"> <li>- system without proper validation guidelines.</li> <li>- Incurment of a total expenditure of KShs. 176,193,812 against a total County budgetary allocation of KShs. 145M (including County Own Funds towards COVID-19 of KShs. 131M and an Emergency Fund of KShs. 14M), resulting in excess expenditure of KShs. 31,193,812 without an approved budget.</li> <li>- Inadequate competitive bidding for the supply of medical drugs and supplies worth KShs. 7,140,000.00.</li> <li>- Inadequate preparation and support of payment vouchers amounting to KShs. 136,066,749.00.</li> <li>- Initiation of procurement of water tanks worth KShs. 1,285,000 by the Department of Water and Irrigation in the absence of user requisition forms contrary to section 73 of the PPDA, 2015.</li> <li>- Failure to value donations received in kind from KEMSA and Safaricom contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</li> <li>- Erroneous financial report to the COB on the utilization of COVID-19 funds amounting to KShs. 212,466,552 against an actual expenditure of KShs. 228,084,500 as per the findings of the Special Audit.</li> <li>- Lack of achievement of the 300 bed-capacity requirement with the County recorded as having 3 isolation centers with only 18 beds.</li> </ul>
<p><b>Bomet</b></p>	<p><b>KShs. 153,282,000.00,</b> as follows: a) GoK Conditional Grant: KShs. 115,197,000. b) DANIDA: KShs. 6,615,000.</p>	<p>a) Payment of KShs. 28,431,822 to various suppliers under the GoK Conditional Grant. b) Commitment of KShs. 16,875,950 (under the GoK</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plans and budgets for DANIDA funds amounting to KShs. 6,615,000 and Frontline Healthcare Workers Allowances amounting to KShs. 31,470,000 for COVID-19 related activities.</li> <li>- Irregular splitting of a contract valued at KShs. 19,343,322 for the supply, delivery, installation and commissioning of 200-bed COVID-19 isolation tent wards at Koiwa Sub-County Hospital to four different firms.</li> <li>- Lack of value for money and lack of sustainability on</li> </ul>

	<p>c) GoK Health Workers Allowances: KShs. 31.47M County Own Initiative: KShs. 155M</p> <p>d)</p>	<p>Conditional Grant) to various suppliers.</p>	<p>expenditures incurred in the construction of the tent wards at Koiwa Sub-County Hospital.</p> <ul style="list-style-type: none"> <li>- Lack of value for money in the procurement of 100 locally-made and low quality bedside lockers which were supplied at a unit price of KShs. 18,900 and a contract price of KShs. 1,890,000.</li> <li>- Co-mingling of COVID-19 funds with normal departmental operations making it impossible to separate COVID-19 from non-COVID-19 expenditure under County Own Funds.</li> <li>- Inadequate financial reporting to the Controller of Budget with Bomet County having submitted a COVID-19 funds utilization report for the GoK Conditional Grant only as at 31 July, 2020.</li> <li>- Incurrence of pending bills amounting to KShs. 16,875,950 and KShs. 9,794,030 under the GoK Conditional Grant and County Own Funds respectively.</li> <li>- Various inconsistencies between the quantities for donations dispatched from KEMSA and donations received by the County Government of Bomet.</li> <li>- Failure to value donations received in kind from KEMSA contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</li> </ul>
<p><b>Bungoma</b></p>	<p><b>KShs. 370,019,000.00</b> as follows:</p> <p>a) GoK Conditional Grant: KShs. 213,714,000</p> <p>b) DANIDA: KShs. 9,975,000</p> <p>c) GoK Health Workers</p>	<p>a. utilization of KShs. 46,558,140 under the GoK Conditional Grant.</p> <p>b. utilization of KShs. 27,900,000 for the renovation of 5 isolation centers (Bumula, Malakisi, Nalondo, Ngalasi</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plans, budgets, procurement plans and training plans for COVID-19 related expenditure amounting to KShs. 106,305,000.</li> <li>- Non-utilization of KShs. 167,155,860 and KShs. 4,784,519 of the GoK conditional grant and DANIDA funds respectively, as of 30 September, 2020.</li> <li>- Absence of an approved workplan and budget for the payment of GoK Health Workers Allowances.</li> <li>- Under-funding of the Frontline Health Worker Allowances by the National Government with an allocation of KShs. 66.33M against a total payment of KShs. 73,906,612</li> </ul>

	<p>Allowances: KSHs. 66.33M</p> <p>d) County Own Initiative: KSHs. 50M</p> <p>e) Kenya Devolution Support Program (KDSP): 30M</p>	<p>and Miendo) and the treatment center at Bungoma Referral Hospital.</p> <p>c. utilization of KSHs. 17,805,000 under the KDSP fund.</p>	<p>resulting in a variance of KSHs. 7,576,612 which was charged to the salaries vote of Bungoma County Government.</p> <ul style="list-style-type: none"> <li>- Double payment of allowances to a staff member (P/F No. 2007079389) amounting to KSHs. 30,000.</li> <li>- Double payment of KSHs. 147,038 to Mukwa Dispensary against an approved amount of KSHs. 73,519 under the DANIDA grant.</li> <li>- Irregular reallocation of funds received under the KDSP fund.</li> <li>- utilization of KSHs. 20,198,000 for training activities under the KDSP fund through imprest warrants, and without clear supporting evidence of the trainings conducted.</li> <li>- utilization of KSHs. 12.65M of KDSP funds for the payment of allowances contrary to the conditions of the grant which prohibit the appropriation of funds for allowances, per diem and airtime.</li> <li>- Failure to value donations received in kind from KEMSA and other donors contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</li> <li>- Inadequate accountability of donations with three ventilators received on 24 June, 2020 (delivery note 99379) being found to be C-PAP machines.</li> <li>- utilization of donations without recording in S3/bin cards contrary to section 162 of the PPDA and section 4.3 of the Procurement Records Management Procedures Manual, 2008.</li> <li>- Maintenance of two sets of registers for donations received in the county as follows: <ul style="list-style-type: none"> <li>a) Office of the Governor: Donations from private partners.</li> <li>b) County Nurse: Donations from KEMSA and other partners.</li> </ul> </li> <li>- Failure by the Office of the County Governor to avail a register of the donations received from private partners.</li> </ul>
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<p><i>Busia</i></p>	<p><b>KShs. 370,019,000.00</b> as follows:</p> <p>a) GoK Conditional Grant: KShs. 106,464,000.</p> <p>b) DANIDA: KShs. 6,650,000.</p> <p>c) GoK Health Workers Allowances: KShs. 45.27M</p> <p>d) County COVID-19 Own Fund: KShs. 103M</p> <p>e) County Emergency Fund: KShs. 1.5M</p>	<p>KShs. 102,637,631 as County Own Contribution for COVID-19 prevention and mitigation.</p>	<ul style="list-style-type: none"> <li>- Failure by the County Government to report the receipt of KDSP funds to the Controller of Budget.</li> <li>- Pending bills amounting to KShs. 94,523,181 relating to COVID-19 activities.</li> <li>- Inadequate training of medical personnel.</li> </ul>
			<ul style="list-style-type: none"> <li>- Lack of approved work plans for the utilization of the GoK Conditional Grant, GoK Health Workers Allowances, DANIDA funds, County Own Emergency Fund and County COVID-19 Emergency Fund.</li> <li>- Absence of approved procurement plans for GoK Conditional Grants and DANIDA funds.</li> <li>- Lack of approved training plans with decisions on training being done in an ad hoc manner by the Budget Technical Committee.</li> <li>- Failure to avail the receipt bank account details for the County Emergency Fund.</li> <li>- Non-utilization of GoK Conditional and DANIDA grant funds amounting to KShs. 113,114,000 as at 31 July, 2020 and 31 September, 2020, respectively.</li> <li>- Under-funding of the Frontline Health Workers Allowances by the National Government with an allocation of KShs. 45.27M against a total payment of KShs. 44,745,000 resulting in a variance of KShs. 695,000.</li> <li>- Procurement of 1,721 packs of 3-ply masks at KShs. 7500/pack and 1140 N95 masks at KShs. 2,500/piece resulting in expenditure of KShs. 12,907,500 and KShs. 2,850,000 respectively, without a market survey.</li> <li>- Award of tenders for the renovation of COVID-19 isolation centers and associated works amounting to KShs. 11,983,463 to four companies (Hanal Investment, Sowina Investment, Megalaser International and Shabsal Company Ltd), all of which belong to one Director, Mr. Hassanali Babu, without competitive bidding.</li> <li>- Failure to value donations received in kind from KEMSA MoH and other donors contrary to section 47(8) of the PFM</li> </ul>

			<p>Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</p> <ul style="list-style-type: none"> <li>- Discrepancies between the quantities for donations received from KEMSA and donations received by the County Government of Bomet.</li> <li>- Lack of non-financial reports on the utilization of COVID-19 funds.</li> <li>- Variance of KShS. 2,141,750 between expenditures disclosed in the Controller of Budget Report which amounted to KShS. 90,325,081 against actual expenditure as established by the Special Audit of KShS. 92,466,831.</li> </ul>
<p><b>Elgeyo Marakwet</b></p>	<p><b>KShS. 234,237,489.00</b> as follows:</p> <ul style="list-style-type: none"> <li>a) GoK Conditional Grant: KShS. 57,212,000.</li> <li>b) DANIDA: KShS. 4.2M</li> <li>c) GoK Health Workers Allowances: KShS. 32,685,000</li> <li>d) County Own Source Funds: KShS. 1110,140,489.</li> <li>e) KDSP: KShS. 28,504,348.</li> <li>f) KDSP: 1,495,652.</li> </ul>	<ul style="list-style-type: none"> <li>a) KShS. 33,315,000 under GoK Health Workers Allowances.</li> <li>b) KShS. 4.2M under the DANIDA grant.</li> <li>c) KShS. 105,954,989 under County Own Source Funds.</li> <li>d) Commitment of KShS. 19,649,600 under County Own Source Funds.</li> </ul>	<ul style="list-style-type: none"> <li>- County had approved work plans for all COVID 19 related funds except DANIDA.</li> <li>- The County did not budget for GoK Health Workers Allowances or DANIDA and KDSP funds.</li> <li>- Lack of procurement plans specific to COVID-19 related funds except for the GoK Conditional Grant.</li> <li>- Lack of training funds except for those under KDSP and County Own Source Funds.</li> <li>- Non-utilization of GoK Conditional Grant and KDSP funds comparison KShS. 57,212,000 and KShS. 30M respectively as of October, 2020.</li> <li>- Under-funding of the Frontline Health Workers Allowances by the National Government with an allocation of KShS. 32,685,000 against a total payment of KShS. 33,315,000 resulting in a variance of KShS. 630,000 which was charged to the salaries vote of the County Government for the FY 2020/2021.</li> <li>- Expenditure of Frontline Healthcare Workers Allowances before budget approval by the County Assembly.</li> <li>- Expenditure of DANIDA funds comprising KShS. 4.2M before budget approval by the County Assembly.</li> <li>- Failure to value donations received in kind from donors contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County</li> </ul>

			<p>Government Regulations) of 2015.</p> <ul style="list-style-type: none"> <li>- Lack of receipt of 81 KN95 FFP2 masks (S11 Serial No. 100049) from KEMSA.</li> <li>- Receipt of a Rapid Response Vehicle (Toyota Hilux Double Cabin, GKB 925V) from the COVID-19 Health Emergency Response Project.</li> <li>- Variance of KShS. 4,185,500 between expenditures disclosed in the Controller of Budget Report which amounted to KShS. 110,140,489 against actual expenditure as established by the Special Audit of KShS. 105,954,989.</li> </ul>
<p><b>Embu</b></p>	<p><b>KShS. 234,237,489.00</b> as follows:</p> <ul style="list-style-type: none"> <li>a) GoK Conditional Grant: KShS. 80,587,000.</li> <li>b) DANIDA: KShS. 4,970,000.</li> <li>c) GoK Health Workers Allowances: KShS. 48,465,000.</li> <li>d) County Own Source Funds (Emergency Fund): KShS. 19M.</li> </ul>	<ul style="list-style-type: none"> <li>a) KShS. 48,465,000 under GoK Health Workers Allowances.</li> <li>b) KShS. 9,280,253 under the County Emergency Fund.</li> <li>c) KShS. 38,019,132 for the construction of BADEA Block B at Embu Level 5 Hospital.</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of approved budgets, procurement plans and training plans for the utilization of the GoK Health Workers Allowances and DANIDA funds.</li> <li>- Non-utilization of KShS. 46,366,641 from the GoK Conditional Grant as at 31 July, 2020.</li> <li>- Non-utilization of KShS. 4,970,000 from DANIDA funds as at 31 July, 2020.</li> <li>- Non-utilization of KShS. 1,098,983.87 from GoK health Workers Allowances as at 31 July, 2020.</li> <li>- Non-utilization of KShS. 16,398,570 from County Own Source Revenue as at 31 July, 2020.</li> <li>- Misallocation of KShS. 38,019,132 of COVID-19 funds for the construction of BADEA Block B at Embu Level 5 Hospital.</li> <li>- Under-funding of the Frontline Health Workers Allowances by the National Government with an allocation of KShS. 48,465,000 against a total payment of KShS. 48,626,016.13 resulting in a variance of KShS. 161,016.13 which was charged to the salaries vote of the County Government for the FY 2020/2021.</li> <li>- Irregular utilization of the County Emergency Fund comprising KShS. 2,599,790 as at 31 July, 2020 and KShS. 6,680,463 as at August, 2020 as evidenced by the following: <ul style="list-style-type: none"> <li>a) Lack of evidence of the establishment of the Embu</li> </ul> </li> </ul>

			<p>County Emergency Committee.</p> <ul style="list-style-type: none"> <li>b) Lack of evidence of meetings of the Embu County Emergency Committee contrary to the PFM (Embu County Emergency) Fund Regulations, 2020.</li> <li>c) Lack of an approved budget by the County Assembly.</li> <li>d) Lack of evidence of the approval of the County Executive Committee prior to making payments.</li> <li>e) Failure to meet the threshold for unforeseen events as contemplated in the Regulations.</li> </ul> <p>- Procurement irregularities as evidenced by an approved procurement plan totalling KShs. 80M, against an approved budget of Kshs. 69,534,500 by the COVID-19 Budgeting and Planning Committee thus resulting in a variance of KShs. 10,465,500.</p> <p>- Failure to provide detailed or itemised approved procurement plans for COVID-19 contrary to section 21(1)(a) of the Public Procurement and Disposal Regulations (2006).</p> <p>- Other procurement irregularities:</p> <ul style="list-style-type: none"> <li>a) Possible single-sourcing.</li> <li>b) Failure to avail appointment of an Inspection and Acceptance Committee.</li> <li>c) Omission of Inspection and Acceptance reports.</li> <li>d) Filing of original Local Purchase Orders.</li> <li>e) Inconsistencies in procurement documentation including Minutes of the Quotation Evaluation Committee.</li> <li>f) Evidence of splitting of tenders for purposes of avoiding open tender methods for some quotations etc</li> </ul> <p>- Stores at the main stores at the County Health Department and Embu Level 5 were not well-maintained with COVID-19 related supplies being mixed up with other county supplies.</p> <p>- Poorly prepared Cashbook for the Embu County COVID-19 Fund Account with missing details relating to receipts and/or payment vouchers.</p>
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<p><b>Garissa</b></p>	<p><b>KShs. 118,519,000.00</b> as follows:</p> <p>a) GoK Conditional Grant: KShs.41,619,000.</p> <p>b) DANIDA: KShs. 7,735,000.</p> <p>c) GoK Health Workers Allowances: KShs. 39,165,000.</p> <p>d) KDSP: KShs. 30M</p>	<p>a) KShs. 39,180,000 under GoK Health Workers Allowances.</p> <p>b) KShs. 11M under the GoK Conditional Grant.</p>	<ul style="list-style-type: none"> <li>- Failure by the County to avail Bank Reconciliation Statements for the period up to 31 July, 2020.</li> <li>- Failure to account for donations received from KEMSA as follows: 100 pieces of PPE kits, 1,564 pieces of shoe covers, 66 boxes of KN95 face masks, 39 face shields, 4 boxes of 3-ply surgical face masks, 1000 boxes of face masks and 5 face shields.</li> <li>- Presence of work plan, procurement plan and approved budget for the GoK Conditional Grant.</li> <li>- Presence of approved budget for the GoK Health Workers Allowances.</li> <li>- Lack of work plans, approved budgets, procurement plans and training plans for the County Emergency Fund, the County COVID Emergency Fund, DANIDA funds, and KDSP funds.</li> <li>- Failure to establish a County Emergency Fund or County COVID-19 Emergency Fund.</li> <li>- Non-utilization of KDSP and DANIDA funds.</li> <li>- Under-funding of the Frontline Health Workers Allowances by the National Government with an allocation of KShs. 39,165,000 against a total payment of KShs. 39,180,000 resulting in a variance of KShs. 15,000 which was charged to the salaries vote of the County Government for the FY 2020/2021.</li> <li>- Non-compliance with the framework for the management of Conditional Grant for the COVID-19 emergency response owing to: (i) delayed disbursement of funds to a Special Purpose Account; (ii) procurement of only 125 beds against a requirement of 516 beds; and (iii) lack of reports for trainings conducted using National Government funds.</li> <li>- Under-utilization of the GoK Conditional Grant with only KShs. 11,000,000 having been utilized by 31 July, 2020.</li> <li>- Various procurement irregularities in relation to the following tenders: <ul style="list-style-type: none"> <li>a) Tender No. CCG/Health/T/001/2020-2021 for</li> </ul> </li> </ul>
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			<p>the supply of 75,000 face masks, and  b) Tender No. CGG/Health/T/002/2020-2021 for the supply of 125 beds</p> <ul style="list-style-type: none"> <li>- Non-compliance with the guidelines set out for the operationalisation and use of DANIDA funds comprising KShs. 7,735,000 owing to delays in the disbursement of the funds to a Special Purpose Account and delayed disbursements to health facilities.</li> <li>- Failure to value donations received in kind from donors contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</li> </ul>
<p><b>Homabay</b></p> <p><b>KShs. 118,519,000</b>  account as follows:</p> <p>a) GoK Conditional Grant: KShs.98,907,000.</p> <p>b) DANIDA: KShs. 7,455,000.</p> <p>c) GoK Health Workers Allowances: KShs. 66,930,000.</p> <p>d) County Own Source Revenue: KShs. 45,795,057</p>	<p>a) KShs. 97,515,745 under the GoK Conditional Grant.</p> <p>b) KShs. 42,661,581 under County Own Funds</p>	<ul style="list-style-type: none"> <li>- Presence of work plan, procurement plan, training plan and approved budget for County Own Source Revenue.</li> <li>- Lack of work plans, approved budgets, procurement plans and training plans for conditional grants, DANIDA funds of GoK Health Worker Allowances.</li> <li>- Incurrence of expenditures amounting to KShs. 165,855,744 without budget approvals by the County Assembly contrary to section 50(2) of the PFM (County Government) Regulations, 2015.</li> <li>- Non-utilization of DANIDA funds as of 31 July, 2020.</li> <li>- Under-funding of the Frontline Health Workers Allowances by the National Government with an allocation of KShs. 66,930,000 against a total payment of KShs. 68,340,000 resulting in a variance of KShs. 2,220,000 which was charged to the salaries vote of the County Government for the FY 2020/2021.</li> <li>- Excess payment of allowances to a mortuary attendant (P/No. 2016019560) amounting to KShs. 45,000.</li> <li>- Double payment of 31 officers who were earning salaries on both IPPD and manual platforms amounting to KShs. 1,246,245 and KShs. 1,069,687 respectively.</li> <li>- Overstatement of expenditure under the GoK Conditional Grant of KShs. 4,286,311 having utilized</li> </ul>	

	<p>KShs. 97,515,745 as established by the Special Audit, but reporting KShs. 101,802,057.</p> <ul style="list-style-type: none"> <li>- Overtatement of expenditure under County Own Funds of KShs. 25,656,289 having utilized KShs. 42,661,581 as established by the Special Audit, but reporting KShs. 68,317,870.</li> <li>- Over-payment of KShs. 99,999 for a contract for the Renovation and Alteration of the Children's Block at Rachuonyo Level 4 Sub-County Hospital that was awarded at KShs. 2,913,062 but for which the County paid KShs. 3,013,061.</li> <li>- Utilization of KShs. 9.5M from the Homabay District Facility Improvement Fund and KShs. 14,885,406 from the Homabay County Development Fund without requisite approvals.</li> <li>- Irregular transfer of KShs. 2,080,000 from the Homabay County Emergency Fund to the Homabay County Assembly Mortgage Loan Repayment Account following a request from the Homabay County Assembly for facilitation of food distribution vide a letter, Ref. HBCA/EXE/02/03/VOL.1/1010 dated 6 July, 2020.</li> <li>- Irregular payment of KShs. 4,425,000 under COVID-19 funds for LPOs that were raised in November, 2019 before the start of the pandemic.</li> <li>- Unaccounted for cash withdrawals amounting to KShs. 1,710,120 from the COVID-19 Response Account owing to lack of any supporting documentation.</li> <li>- Variance of KShs. 39,733,533 between the approved procurement plan for COVID-19 emergencies at KShs. 254,365,590 and the approved budget of KShs. 214,632,057 contrary to section 44(2) of the PPADA, 2015.</li> <li>- Lack of competitive bidding for the supply of food rations amounting to KShs. 24,075,000 contrary to section 2(b) of the PPDA, 2005.</li> </ul>
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<ul style="list-style-type: none"> <li>- Non-qualified competing bidders for requests for quotations amounting to KShs. 46,650,915 contrary to section 106(2) of the PPDA.</li> <li>- Irregular contract variations amounting to KShs. 811,005 for the renovation of Nyangi'ela Health Center which was awarded to Bikemo Agencies at a contract price of KShs. 5,215,244.</li> <li>- Use of requests for quotations for the procurement of goods exceeding KShs. 5M as opposed to using open procurement for the following contracts: <ul style="list-style-type: none"> <li>a) Renovation of Pala Koguta Health Centre – KShs. 5,436,867</li> <li>b) Medical gas piping of the ICU at Homa Bay County Referral Hospital – KShs 10,851,660.</li> <li>c) Renovation of Nyang'ieia Health Centre – KShs. 5,215,244</li> <li>d) Proposed renovation and upgrading of the ICU unit at Homabay County Referral Hospital at KShs. 11,841,316</li> </ul> </li> </ul>		
		<ul style="list-style-type: none"> <li>- Erroneous financial report to the COB on the utilization of COVID funds as follows: <ul style="list-style-type: none"> <li>a) Overstating of GoK Conditional Grant expenditure of KShs.158,719,022 against an actual expenditure of KShs. 98,907,000 as per the findings of the Special Audit, thus understating expenditures to the COB by KShs. 59,812,022.</li> <li>b) Understating of expenditure under County Own Source Revenue of KShs. 45,795,057 against an actual expenditure of KShs. 65,395,459 as per the findings of the Special Audit, thus understating expenditures to the COB by KShs. 19,600,401.</li> </ul> </li> <li>- Failure to value donations received in kind from KEMSA contrary to section 74(4) of the PFM (County Government) Regulations, 2015.</li> <li>- Inefficient Inventory management procedures.</li> </ul>

<p><b>Isiolo</b></p>	<p><b>KShs. 111,793,000</b> as follows:</p> <p>a) GoK Conditional Grant: KShs. 16,238,000.</p> <p>b) DANIDA: KShs. 4,375,000.</p> <p>c) GoK Health Workers Allowances: KShs.21,180,000.</p> <p>d) Kenya Devolution Support Programme KShs 30,000,000.</p> <p>e) County Own Source Revenue KShs 40,000,000.00</p>	<p>a) Utilization of KShs. 14,978,000 of the GoK Conditional Grant.</p> <p>b) utilization of KShs. 20,820,000 of the GoK Health Worker Allowances</p> <p>c) utilization of KShs. 40M of County Own Source Revenue</p> <p>d) utilization of KShs. 14.9M of KDSP funds,</p>	<p>- Presence of work plan, procurement plan, training plan and approved budget for the utilization of the County Emergency Fund financed from Own Source Revenue, and KDSP funds.</p> <p>- Absence of approved procurement and training plans for the utilization of the GoK Conditional Grants.</p> <p>- Absence of approved work plan and budget for the utilization of GoK Health Worker Allowances.</p> <p>- Non-utilization of DANIDA funds amounting to KShs. 4,375,000 as at 31 July, 2020.</p> <p>- Unexplained spread of the payment of GoK Health Worker Allowances to October, 2020 despite the grant having lapsed in September, 2020.</p> <p>- Irregular awarding of tenders to ineligible bidders, namely, Bertume Traders Ltd and Humain Contractors Ltd for the supply of maize and face masks respectively, at a contract price of KShs. 6.6M and KShs. 2.8M respectively. Ineligibility of the bidders was occasioned by lack of verifiable past experience in the supply on non-pharmaceutical products, and lack of evidence of a technical and financial evaluation of the bidders contrary to section 46(4)(a) of the PPADA, 2015.</p> <p>- Engaging of non-qualified suppliers for LPOs and quotations amounting to KShs. 24,589,360.</p> <p>- Failure to carry out market surveys for the procurement of goods and services amounting to KShs. 12,154,360 including: medical supplies, face masks, sanitisers, chlorine and accommodation.</p> <p>- Non-utilization of KShs. 15.1M of KDSP funds as at 31 July, 2020.</p> <p>- Erroneous financial report to the COB on the utilization of COVID-19 funds amounting to KShs. 58,512,463 against an actual expenditure of KShs. 70,078,463 as per the findings of the Special Audit, thus understating expenditures to the COB by KShs. 11.56M.</p> <p>- Failure to value donations received in kind from</p>
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				KEMSA and Safaricom contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.
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<b>Kajiado</b>			
<p><b>KShs. 265,175,500</b> account as follows:</p> <p>a) GoK Conditional Grant: KShs. 52,567,000.</p>	<p>b) DANIDA: KShs. 6,685,000.</p> <p>c) GoK Health Workers Allowances: KShs. 45,195,000.</p>	<p>a) Utilization of KShs. 32,151,360 of the GoK Conditional Grant.</p> <p>b) utilization of KShs. 54,474,041 of the GoK Health Worker Allowances</p>	<p>- Absence of approved work plans, procurement plans and training plans specific to COVID-19 related activities.</p> <p>- Payment of KShs. 2.5M to BOC Gases Kenya Ltd for the supply of oxygen in the absence of requisition forms or a contract contrary to the provisions of section 134(1) of the PPADA, 2015.</p> <p>- Double payment of KShs. 2.5M to BOC Gases Kenya for the supply of oxygen with similar payments being effected on 24th and 30th June, 2020 from two different accounts. 11,283,300.</p> <p>- Under-delivery of small and large theatre scrubs by 20 and 30 pieces respectively.</p> <p>- Non-utilization of DANIDA funds comprising KShs. 6,685,000.</p>
<p>d) Kenya Devolution Support Programme KShs 30,000,000.</p>	<p>e) County Own Source Revenue KShs 120,428,500.00,</p>	<p>c) utilization of KShs. 116,192,736 of County Own Source Revenue</p>	<p>- utilization of KShs. 45,195,000 of GoK Health Worker Allowances in the absence of an approved budget contrary to section 131 and 135(2) of the PFM Act, 2012.</p> <p>- Overpayment of GoK Health Worker Allowances by KShs. 9,279,041 with the County paying health workers a total of KShs. 54,474,041 in allowances against a disbursement of KShs. 45,195,000.</p>
<p>f) County Emergency Fund: KShs. 40M</p>	<p>g) Other Cash Donations: KShs. 300,000.</p>	<p>d) Khs. 300,000 under other cash donations.</p>	<p>- Irregular payment of 11 health workers salary arrears amounting to Khs. 3,380,021.</p> <p>- Discrepancies between the quantities for donations dispatched from KEMSA and donations received by the County Government of Bomet.</p> <p>- Failure to value donations received in kind from KEMSA contrary to section 47(8) of the PFM Act, 2012 and section section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</p>
			<p>- Absence of an approved framework and criteria by the County Assembly for the utilization of funds under the County Emergency Fund contrary to section 111(1) of the PFM Act.</p> <p>- Irregular assignment of signatory and fund administrator to the County Emergency Fund by the CECM for Finance.</p>

			<ul style="list-style-type: none"> <li>- Failure to deliver relief food to various beneficiaries.</li> <li>- Procurement for goods totalling KShs. 9,002,400 in the absence of signed agreements or proper documentation i.e. for the supply and delivery of emergency food relief and sanitization items.</li> <li>- utilization of KShs. 300,000 received as donations from well-wishers without an approved budget contrary to section 74(2) of the PFM (County Government) Regulations, 2015.</li> <li>- Pending bills amounting to KShs. 162,569,2020.80 as at 19 October, 2020.</li> <li>- Variances in financial reporting to the COB by the County and actual expenditure as established by the Special Audit amounting to KShs. 20,415,640 under the GoK conditional grant, KShs. 9,279,041 under GoK Health Worker Allowances and KShs. 3,241,736 under County Own Source Revenue.</li> </ul>
<p><b>Kakamega</b></p>	<p><b>KShs. 487,618,000</b> as follows:</p> <ul style="list-style-type: none"> <li>a) GoK Conditional Grant: KShs. 262,173,000.</li> <li>b) DANIDA: KShs. 11,515,000.</li> <li>c) GoK Health Workers Allowances: KShs. 78,930,000.</li> <li>d) Kenya Devolution Support Programme KShs 30,000,000.</li> </ul>		<ul style="list-style-type: none"> <li>- Absence of work plans, procurement plans and training plans for COVID-19 related expenditure.</li> <li>- utilization of KShs. 51,152,000 for three tenders for PPEs without evidence of procurement planning.</li> <li>- Presence of approved budgets for GoK conditional grants, Own Source Revenue and COVID Emergency Funds.</li> <li>- Absence of approved budgets for the utilization of GoK Health Worker Allowances, DANIDA funds and KDSP funds.</li> <li>- Non-utilization of KShs. 408,688,000 of the GoK conditional grant, DANIDA and KDSP fund, as of 31 July, 2020.</li> <li>- Under-funding of the GoK Health Worker Allowances by the National Government with the amount appropriated totalling KShs. 78,930,000 against an actual expenditure of KShs. 85,050,000 thus resulting in a variance of KShs. 6,165,000.</li> <li>- Procurement of goods and services comprising KShs.</li> </ul>

	<p>e) County Emergency Fund: KShs. 105M</p>		<ul style="list-style-type: none"> <li>- 103,821,000 under the County Emergency Fund without evidence of having conducted a market survey.</li> <li>- Irregular awarding of a tender to an ineligible bidder, namely, M/S Binoti Ltd which was awarded a tender for the supply of PPEs worth KShs. 24M. The ineligibility of the bidders was occasioned by lack of verifiable past experience with the company having been incorporated on 10 March, 2020, obtained a business permit on 17 June, 2020 and bid for the tender on 17 June, 2020.</li> <li>- Irregular opening of a tender (tender number CGKK/MOH/013/2019-2020 for the supply and delivery of medical equipment and cleaning material contrary to section 46(4)(b) of the PPADA, 2015.</li> <li>- Failure by the County to provide the COB with regular monthly financial reports.</li> <li>- Failure to value donations received in kind from KEMSA MoH and other donors contrary to section 47(8) of the PFM Act, 2012 and section 74(4) of the Public Finance Management (County Government Regulations) of 2015.</li> </ul>
<p><b>Kericho</b></p>	<p><b>Ksh.288,778,000</b> as follows:</p> <ul style="list-style-type: none"> <li>a) GOK Conditional Grant ( Ksh.116,228,000.</li> <li>b) DANIDA: Ksh. 6,370,000.</li> <li>c) GOK Frontline Health Workers Allowance- Ksh. 36,180,000.</li> </ul>	<ul style="list-style-type: none"> <li>a) Utilization of funds from the GoK Conditional Grant: Ksh. 116,228,000.</li> <li>b) Utilization of the County Emergency Fund: Ksh.115, 529,697.</li> <li>c) Construction of Ainamoi Hospital COVID-19 Isolation Centre: Ksh.20,478,053.</li> </ul>	<ul style="list-style-type: none"> <li>- Payment of Ksh. 4,695,376 for non-Covid related items.</li> <li>- Direct Procurement of items and services and works worth Ksh.23,044,537.</li> <li>- Construction of a 2- door pit latrine that was not included in the approved procurement plan at Ksh. 620,616.</li> <li>- Underfunding of the budget for GoK Health Workers Allowances amounting to Ksh. 24,465,000</li> <li>- Absence of approved work plan, procurement plan and training plans resulting in failure to utilize KDSP funds amounting to Ksh. 30,000,000</li> <li>- Value for money risks on water project worth Ksh 15,101,185.</li> </ul>



	<p>d) KDSP- Ksh.30,000,000.</p> <p>e) County Own Fund- Ksh.100,000,000</p>	<p>d) Kericho County Hospital COVID-19 ICU- Ksh.23,867,877.</p>	
<p><b>Kiambu</b></p>	<p><b>Ksh.538,297,600</b> as follows:</p> <p>a) GOK Conditional grant- Ksh. 185,492,000.</p> <p>b) DANIDA Funds- Ksh. 10,430,000.</p> <p>c) GoK Health Worker Allowances: Ksh. 106,635,000.</p> <p>d) County Own Resource Revenue: Ksh. 196,740,600.</p> <p>e) KDSP - Ksh. 39,000,000</p>	<p>Utilization of Ksh.220,428,589 broken down as follows:</p> <p>a) GOK conditional grant- Ksh.3,600,000.</p> <p>b) DANIDA funds- Ksh. 0</p> <p>c) GOK HW Allowances- Ksh.105,663,622.</p> <p>d) County Own Source Revenue- Ksh. 111,164,622</p> <p>e) KDSP- Ksh.0</p>	<ul style="list-style-type: none"> <li>- Un-utilized KDSP funds exposing public funds to value for money risks worth Ksh 39,000,000.</li> <li>- Delay to transfer DANIDA funds from the CRF account to the Kiambu Special Purpose Health Account thus exposing public funds to value for money risks- Ksh.10,430,000.</li> <li>- Over expenditure of the Frontline Health Workers Allowances -Ksh.2,304,193.</li> <li>- Variance between bank remittance and payroll amounting to Ksh. 530,841.</li> <li>- Sharing of bank account numbers by different officers with amounts adding up to Ksh. 3,102,198.</li> <li>- Overpayment of Medical Emergency Allowances worth Ksh.178,000.</li> <li>- Double payment of Medical Emergency Allowances amounting to Ksh.773,000.</li> <li>- Over expenditure allocation of KShs. 1,012,500 to the department of education.</li> <li>- Failure to issue notifications to successful and unsuccessful bidders for tenders worth Ksh. 24,500,382.</li> <li>- Absence of validity period for framework contract for supply of non-pharmaceuticals- Ksh.8,968,000.</li> <li>- Use of retrospective procurement for items worth KShs. 2,916,000 without existence of approved guidelines.</li> <li>- Absence of approved training plans specific to COVID-19 for conditional grants and County Own Source Funds- Ksh. 382,232,600</li> </ul>

<b>Kilifi</b>	<p><b>KShs. 438,333,000</b> as follows:</p> <p>a) GoK Conditional Grant Ksh. 146,052,000.</p> <p>b) DANIDA: Ksh. 12,075,000.</p> <p>c) GoK Health Worker Allowances: Kshs. 59,895,000</p> <p>d) County Emergency Fund (Donation): KShs. 311,000</p>	<p>Utilization of Ksh.221,560,720 by the County as follows:</p> <p>a) GOK conditional grant- Ksh.154,118,478</p> <p>b) DANIDA funds- Ksh 12, 075,000</p> <p>c) Payment of Frontline Health Workers Allowances - Ksh.61,912,050</p>	<ul style="list-style-type: none"> <li>- utilization of Ksh. 25,655,000 from the COVID-19 Grant, Health Workers Allowances and County Emergency Fund without an approved budget.</li> <li>- Failure to value and disclose donations in books of accounts contrary to section 74 of the PPADA, 2015.</li> <li>- Poor inventory management procedures.</li> </ul>
<b>Kirinyaga</b>	<p><b>Ksh.194,681,000</b> as follows:</p> <p>e) GoK Conditional Grant Ksh. 116,356,000.</p> <p>f) DANIDA: Ksh. 4,585,000.</p> <p>g) Frontline Health Workers Allowances: Ksh.43,740,000</p>	<p>utilization of GoK Health Workers Allowances: Ksh. 44,745,000</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plans and budget for COVID-19 related items- Ksh.194,681,000.</li> <li>- Failure to open the special purpose account COVID-19 within 15 days –Ksh. 116,356,000.</li> <li>- Over expenditure of Frontline Health Workers amounting to Ksh. 1,005,000.</li> <li>- Irregular payments of Office Assistants amounting to Ksh.2,370,000</li> <li>- Procurement of items worth KShs. 785,965 without a contract.</li> <li>- Procurement of goods worth KShs. 9,599,312 without an approved budget and procurement plan.</li> <li>- Failure to value the donations contrary to section 74 of the PPADA, 2015.</li> <li>- Irregularities in record keeping and failure to keep</li> </ul>

	h) KDSP: KShs. 30M		delivery acknowledgement not
<b>Kisii</b>	<p><b>KShs. 406,612,000</b> as follows:</p> <p>a) GOK conditional Grant: Ksh. 156,872,000.</p> <p>b) DANIDA: Ksh.8,575,000.</p> <p>c) GoK Health Workers Allowances: Ksh.84,165,000.</p> <p>d) County Emergency Funds: Ksh. 74,000,000.</p> <p>e) County Own Funds: Ksh.53,000,000</p> <p>f) KDSP- Ksh. 30,000,000</p> <p>g) Kisii School Quarantine Centre: Ksh.1,165,500</p>	<p>a) Payment of Frontline Health Workers Allowances: Ksh.84,030,000.</p> <p>b) Utilization of the GoK Conditional Grant: Ksh.77,184,241.85</p>	<p>Irregular procurement and award of contract and splitting of procurements.</p> <p>Use of wrong procurement methods.</p> <p>Contracts signed after delivery of goods and services.</p> <p>Professional opinion not signed.</p> <p>Suspicious bidding documents</p>
<b>Kisumu</b>	<b>Ksh.238,571,445</b> as follows:	Payment of Ksh.103,008,666 for the	Absence of approved COVID-19 training plans for GOK Conditional grants and County Emergency Fund.

	<p>a) GoK Conditional Grant: Ksh.159,820,000</p> <p>b) DANIDA: Ksh.7,700,000</p> <p>c) GoK Health Workers Allowances: Ksh.68,400,000</p> <p>d) County Own Revenue: Ksh.50,000,000</p> <p>e) Non conditional donations-Ksh. 1,581,445</p>	<p>purchase of disposable 3-ply surgical face masks.</p>	<ul style="list-style-type: none"> <li>- Commingling of conditional grant from the National Government with other sources of funds in the COVID-19 response Kisumu County.</li> <li>- Un-utilized Frontline Healthcare Workers' Allowances amounting to Ksh. 930,000.</li> <li>- Delayed transfer of DANIDA funds to beneficiary health facilities exposing public funds to value for money risks.</li> </ul>
<p><b>Kitui</b></p>	<p><b>Ksh.527,484,655</b></p> <p>a) GOK Conditional Grant-Ksh. 120,358,000.</p> <p>b) DANIDA- Ksh. 9,730,000.</p> <p>c) GOK Health Workers Allowances- Ksh.68,430,000.</p>	<p>a) Utilization of GOK Conditional Grant- Ksh.35,336,110</p> <p>b) County Own Contribution- Ksh. 1,638,400</p>	<ul style="list-style-type: none"> <li>- Violation of Ministry of Health Frame Work for Management of Conditional Grant Budgeting for the Conditional Grant Ksh. 120,358,000.</li> <li>- Lack of approved budgets for Frontline Healthcare Workers Allowances- Ksh. 68,430,000.</li> <li>- Failure to transfer grant to the COVID-19 Special Purpose Account – Ksh. 120,358,000.</li> <li>- Irregular receipt of Kenya COVID-19 Emergency Response Funds from Kitui Hospital- Ksh.298,966,655.</li> <li>- Absence of approved COVI-19 training plan for GOK Conditional Grant and County Own Initiative- Ksh. 209,820,000.</li> <li>- Delay in delivery of items and failure to take items on charge in the Bin Cards-Ksh. 21,376,500.</li> </ul>

	<p>d) Kenya COVID-19 Emergency Response Fund-Ksh.298,966,655 KDSP- Ksh. 30,000,000</p>		<ul style="list-style-type: none"> <li>- Lack of evidence of appointment of Inspection and acceptance Committee for 30 tents and 120 Infrared Thermometers.</li> <li>- Failure to transfer DANIDA Funds to Health Facilities – Ksh. 9,730,000.</li> <li>- Un-utilized Frontline Healthcare Workers Allowances- Ksh. 1,290,000.</li> <li>- Irregular payment of Allowances to Healthcare Workers at Kauwi Hospital- Ksh. 2,530,000.</li> <li>- Payment of pending bills that are unrelated to COVID-19 expenditure-Ksh. 4,032,716.85.</li> <li>- Failure to value donations in kind</li> </ul>
<p><b>Kwale</b></p>	<p>1. GOK Conditional Grant-Ksh.137,082,000 0 2. DANIDA-Ksh.8,400,000 3. GOK Health Worker Allowances-Ksh.42,660,000 4. County Own Source Revenue-Ksh.30,530,489 5. KDSP-Ksh.30,000,000 <b>TOTAL-</b></p>	<p>-Expenditure under Own Source Funding-Ksh. 46,894,239 Payment of Healthcare Workers-Ksh.51,150,000</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plans, budgets, procurements plans and training plans specific to COVID-19 for County Own Source Funds.</li> <li>- Underfunding of Frontline Healthcare Workers Allowances-Ksh. 8,490,000.</li> <li>- Payment of Medical Allowances to Non-Medical Staff-Ksh. 4,665,000.</li> <li>- Procurement under Own Source Fund- Ksh. 46,894,239.</li> <li>- In adequate coordination between the County Government and the National Government resulting in under-funding of Health Workers Allowances- Ksh. 8,490,000.</li> </ul>
<p><b>Laikipia</b></p>	<p><b>Ksh.248,672,489</b> as follows: a) GOK Conditional Grant:</p>	<p>Utilization of funds: a) GOK Conditional grant: Ksh.54,654,000</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plans specific to COVID-19 Funds received from National Government.</li> <li>- Absence of approved procurement plan for conditional grants received from National Government.</li> <li>- Irregular expenditures contrary to the guidelines issued</li> </ul>

	<p>Ksh.54,654,000.</p> <p>b) DANIDA- Ksh.4,585,000.</p> <p>c) GoK Health Worker Allowances: Ksh.36,690,000.</p> <p>d) County Own Source-Ksh.11,489,859.</p>	<p>b) DANIDA -Ksh.4,585,000</p> <p>c) GOK Healthcare Workers Allowances-Ksh.36,868,892</p> <p>d) County Own Source Revenue-Ksh. 120,623,343</p> <p>e) Donations-Ksh. 10,609,410</p>	<p>by the Ministry of Health.</p> <p>Over –expenditure of Ksh.178,892.</p> <p>Manually paid Officers with no personal files nor contract.</p> <p>Non-COVID related expenditures incurred under the Fund- Ksh. 1,050,000.</p> <p>Un-surrendered imprest- Ksh.1,437,600.</p> <p>Procurement irregularities-Ksh. 3,853,245.</p> <p>Delayed delivery of COVID-19 related items exposing public funds to value for money risks- Ksh. 90,600.</p> <p>Absence of a contract and failure to indicate the time period within which the service was to be provided exposing public funds to value for money risks.</p> <p>Un-reliable Store Ledger Records- Ksh.2,298,600.</p> <p>Irregular expenditure incurred on COVID-19 spraying boot- Ksh 4,549,200</p>
<p><i>Lamu</i></p>	<p>KShs. 51,174,200, as follows:</p> <p>a) GoK Conditional Grant: Ksh: 13,682M</p> <p>b) DANIDA: Ksh: 3,955M</p> <p>c) GoK Health Workers Allowances: Ksh: 20,325M</p> <p>d) County Own Source Revenue: Ksh.</p>	<p>a) Payment of Ksh 3,354,700M From the Health Department Recurrent Vote Account, for Training Allowances and Refund for Transport Allowances, Paid to Trainees &amp; Facilitators, renovations, sensitizations and contact tracing</p>	<p>- Lack of revised work plans and departmental budgets for the COVID-19 related expenditures for the FY 2019/2020.</p> <p>- Failure to utilize Funds in a timely manner exposed public funds to value for money risks.</p> <p>- Funds Disbursed to the County Government without adequate needs assessment and planning for its utilization.</p> <p>- Exceeded allocation by Ksh 1.375M which was financed from Own Source Revenue Account.</p> <p>- Nine (9) workers who were paid allowances were outside the IPPD System.</p> <p>- Eight (8) of the workers were employed on Contract Basis between April and June 2020</p> <p>- One (1) was employed on Permanent &amp; Pensionable terms since 2016 with no Personal Number.</p> <p>- The allowances paid to contract staff were in contravention of SRC Circular Ref. No. SRC/TS/COG/3/61/48 dated 28 April 2020.</p> <p>- Irregular payment of Ksh 385,000 should be recovered</p>

	<p>3,354,700M</p> <p>e) County Emergency Fund: Ksh: 9,857,500M</p>	<p>b) Ksh 13.682M Received From GoK Conditional Grant but not spent as at 31st July, 2020</p> <p>c) Payment of Ksh 3,955M from DANIDA Grants to 31 Health Facilities within Lamu County for utilization.</p> <p>d) Payment of Ksh 21.7M from National Government Grant to the Frontline workers.</p> <p>e) Payment of Ksh 9,857,500 From County Emergency Fund for Covid 19 related Activities.</p>	<p>from the officers.</p> <ul style="list-style-type: none"> <li>- Direct Procurement for tenders without express approval of the accounting officer in accordance with section 69 (4) of the Public Procurement and Asset Disposal Act.</li> <li>- Procurement was done outside the budget contrary to section 53 of the Public Procurement and Asset Disposal Act, 2015 as follows: <ol style="list-style-type: none"> <li>1. Supply of 10,000 Bottles of 500ml of Hand Sanitizers by KEMRI at a Cost of Ksh 3.5M</li> <li>2. Supply of Surgical face Masks by Kitui Textile Centre at a cost of Ksh 1.4M</li> <li>3. Supply and Delivery of face masks material by Mulinge Textile Graphics at a cost of 1.071M</li> <li>4. Supply and Delivery of Corona response PPE items and consumable by Damunyu General Supplies at a cost of Ksh 842,500.</li> <li>5. Supply and Delivery of emergency electrical equipment for COVID 19 Preparedness by Fuheyd Enterprise at a cost of Ksh 994,000.</li> <li>6. Making of face masks by WITU Youth Polytechnic at a cost of Ksh 500,000.</li> </ol> </li> <li>- No Contract Documents with the TVET availed.</li> <li>- No Formal Communication request to the TVET to produce masks with only Payment Vouchers attached.</li> <li>- Lamu County Submitted an inaccurate financial report on utilization of COVID 19 to the C.o.B.</li> <li>- Lamu County also generated non financial reports for internal management usage.</li> </ul>
<p><i>Machakos</i></p>	<p><b>KShs. 425,356,000M,</b> as follows:</p>	<p>a) Expenditure of Ksh 54,506,960 from</p>	<ul style="list-style-type: none"> <li>- Failure to update stores records-Ksh 12.140M. County Procured 200 Hospital Semi-fowlers beds with mattress at a</li> </ul>

<p>a) GoK Conditional Grant: Ksh: 188.521M</p>	<p>GoK Conditional Grant.</p>	<p>cost of Ksh 12.140M, However, the stores records were not maintained and updated, Thus the beds and balances could not be confirmed.</p>
<p>b) DANIDA: Ksh: 9.275M</p>	<p>b) Expenditure of Ksh 120,000 as Frontline Health Workers Allowance.</p>	<p>Double payment of Ksh 120,000: Four employees paid twice for this allowance resulting in an over expenditure of Ksh 120,000. Payment of medical allowances to non-medical staff-Ksh 75,000.</p>
<p>c) GoK Health Workers Allowances: Ksh: 97.560M</p>	<p>c) Own Source Revenue Expenditure of Ksh 19,100,000 in the Procurement of Supply of non-pharmaceutical products awarded to Byench enterprises Ltd.</p>	<p>Failure to notify bidders of the outcome of the bidding process contrary to section 87(1) of the Public Procurement and Asset Disposal Act 2015. Payment of undelivered items, fifteen dressing tables valued at Ksh 825,000.</p>
<p>d) County Own Source Revenue: Ksh. Nil.</p>	<p>d) Own Source Revenue Expenditure of Ksh 62,728,300 for the Supply of Critical care equipment to Jambo Star Properties Ltd.</p>	<p>Failure to notify bidders of the outcome of the bidding process contrary to section 87(1) of the Public Procurement and Asset Disposal Act 2015.</p>
<p>e) County Emergency Fund:Ksh. 100M</p>	<p>e) Own Source Revenue Expenditure of Ksh 12,090,500 in the Procurement of Supply and delivery of medical equipment awarded</p>	<p>Failure to issue a professional opinion. The Special Audit sampled Kimutwa health center and confirmed that it had received Ksh 197,628 as DANIDA funds.</p>
<p>f) Kenya Devolution Support Program: Ksh. 30M</p>		<p>Variance of Ksh 4,545,000 on the appropriated amount charged on County own funds for Covid 19 through the county salary account No budgetary provision and approval for this over expenditure. No documentations on the approved rates of payment. Duplicate payments of two (2) ward administrators using the same mobile phone line. Duplicate payments for the Covid 19 national team allowance to Six (6) members using three (3) mobile numbers indicating duplicate payments. Approved by Covid 19 Committee but rates payable to various cadres of staff not indicated. 74 health care workers received a total of Ksh 525, 500 yet they are not present in the Machakos County Human Resource master data.</p>



		<p>to Evermda Investment ltd at Ksh 11,390,500 and Supply of Laboratory reagents awarded to Flalyn Investment ltd at Ksh 700,000</p> <p>f) Own source expenditure Ksh 5,800,000 for hire of two dome tents awarded to Hamu Ventures.</p> <p>g) Payment of Ksh 9.275M DANIDA Grants disbursed to beneficiary health centres.</p> <p>h) Payment of Ksh 102,105,000 GoK Frontline Health Workers Allowances.</p> <p>i) Payment of Ksh 9,300,000 for Administration and Community outreaches under Covid Grants.</p> <p>j) Expenditure of Ksh 525,500 Health Staff Lunch</p>	<ul style="list-style-type: none"> <li>- Non-utilization of Kenya Devolution Support Program funds: Ksh. 30M as at 31 July 2020.</li> <li>- Lack of adequate needs assessment and planning.</li> <li>- Failure to utilize the Funds in a timely manner exposed KDSP funds to value for money risks.</li> <li>- Machakos County Submitted an inaccurate financial report on utilization of COVID 19 to the C.o.B.</li> <li>- Machakos County also generated non-financial reports for internal management usage.</li> <li>- Multiple receipt points for donations.</li> <li>- Failure to maintain proper store records.</li> <li>- Pending bills amounting to Ksh 130,097,600.</li> <li>- Inconsistencies in payment records.</li> <li>- Payment not done from Suspense account.</li> <li>- Payment on Suspense account with no payment Schedules.</li> <li>- Irregularities and weaknesses in management control</li> </ul>
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<p><b>Makueni</b></p>	<p><b>KShs. 246,477,356M,</b> as follows:</p> <p>a) GoK Conditional Grant: Ksh: 119.715M</p> <p>b) DANIDA-UHC Health Program Support Additional: Ksh 7.945M</p> <p>c) GoK Health Workers Allowances: Ksh.58.830M</p> <p>d) County Own Source Revenue (Covid 19 Management: Ksh. 46,534,800</p> <p>e) County Own Source Revenue (Emergency Fund):Ksh: 7.5M</p> <p>f) County Own Source Revenue (Facility Improvement</p>	<p>Allowance budgeted for under own source funds for Covid 19.</p> <p>a.) As at 31 July 2020: G.o.K Conditional Grants, DANIDA funds and Frontline Health Workers Allowances had not been utilized.</p> <p><b>October 2020:</b> Expenditure of Ksh 4,609,949 GoK Conditional Grants Through Covid 19 Funds (SPA) Account.</p> <p>b.) 21 August 2020: Expenditure of Ksh 7.945M DANIDA Funds through Makueni (SPA) Account.</p> <p>c.) Expenditure of Ksh 60,020,000 Health Workers Allowances through IPPD system.</p> <p>d.) Expenditure of Ksh 53, 667,236M from County Own Source Funds.</p>	<ul style="list-style-type: none"> <li>- Absence of approved budgets.</li> <li>- Delayed transfer of DANIDA funds to health facilities thus violating the terms and conditions for donor funding and Exposing public funds to value for money risks.</li> <li>- Overpayment of Ksh 2.190M which was not approved paid from Counties Salaries Vote due to difference in health workers numbers.</li> <li>- Irregular Procurement Procedures of Covid 19 Management line Item under department of Finance-Ksh 17,050,000.</li> <li>- Failure to value donations in Kind. Contrary to section 74(4) of the PFM (County Government Regulations) 2015.</li> <li>- Financial and Non-Financial reporting on Covid 19 Funds. <ul style="list-style-type: none"> <li>a) Amount budgeted for covid 19 Pandemic-Ksh 10M</li> <li>b) Amount allocated for covid 19 Pandemic-Ksh 7.5M</li> </ul> </li> <li>- No explanation given for the variance.</li> <li>- Irregularities and weaknesses in inventory management control.</li> </ul>
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	<p>Fee-FIF):Ksh: 4,155,056M</p> <p>g) Slovak Embassy: Ksh. 787,500</p> <p>h) KCB Foundation: Ksh 1M.</p> <p>i) Direct Deposit: Ksh 10,000</p>	<p>e.) 31 July 2020: Expenditure of Ksh 700,000, being payment of 10 critical care beds at a cost of Ksh 70,000 per Bed.</p> <p>f.) Funding from KCB Foundation and Direct Deposits from well-wishers remained un utilized</p>	
<p><i>Mandera</i></p>	<p><i>KShs. 614, 473M, as follows:</i></p>	<p>a.) As at 31 July 2020: G.o.K Conditional Grants,</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan and budgets.</li> <li>- Non Compliance with the frame work for management of additional conditional Grant for Covid 19 emergency response.</li> </ul>

<p>a.) GoK Conditional Grant: Ksh 91.323M</p> <p>b.) DANIDA: Ksh: 11.305M</p> <p>c.) GoK Health Workers Allowances: Ksh 31.845M</p> <p>d.) County Own Source Revenue: Ksh.180M.</p> <p>e.) Mandera County Referral Hospital: Ksh 300M</p>	<p>DANIDA funds had not been utilized.</p> <p>b.) Expenditure of Ksh 31.560M Health Workers Allowances, Charged on Salaries Vote.</p> <p>c.) Expenditure of Ksh 153,226,368</p> <p>d.) Expenditure of Ksh 7,874, 800</p> <p>e.) Expenditure of Ksh 3,300,000</p> <p>f.) Expenditure of Ksh 3,795, 868 and Ksh 3,177,150</p> <p>g.) Expenditure of Ksh 228, 910, 610</p> <p>h.) Expenditure of Ksh 272,531,900</p> <p>i.) Expenditure of Ksh 39,857,300</p> <p>j.) Expenditure of Ksh 14,012,632</p> <p>a.) As at 31 July 2020:</p>	<ul style="list-style-type: none"> <li>- Non utilization of the Government Conditional Grants.</li> <li>- Delay to transfer DANIDA funds to health facilities violating terms and conditions for Donor Funding and Exposing public funds to value for money risks.</li> <li>- Under expenditure of Ksh 285,000 without explanation.</li> <li>- Lack of Professional Opinion contrary to section 84(1) of the Public Procurement and Asset Disposal Act.</li> <li>- Procurement irregularities under hospital budgetary support by the National Government-Ksh 300M.</li> <li>- Lack of Professional Opinion contrary to section 84(1) of the Public Procurement and Asset Disposal Act..</li> <li>- Inappropriate Procurement Method contrary to section 59(1) of the Public Procurement Regulations, 2006..</li> <li>- Irregularities in the procurement processes.</li> <li>- Items received from KEMSA and MOH had not all been distributed to various health facilities.</li> <li>- Irregularities and weaknesses in management controls</li> </ul>
<p><i>Marsabit</i></p>	<p><i>KShs. 127, 044M, as follows:</i></p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan and budgets</li> </ul>

	<p>a.) GoK Conditional Grant: Ksh 28.819M</p> <p>b.) DANIDA: Ksh: 7.805M</p> <p>c.) GoK Health Workers Allowance: Ksh 30.420M</p> <p>d.) County Own Source Revenue: Ksh. 60M.</p>	<p>G.o.K Conditional Grants, DANIDA funds had not been utilized.</p> <p>b.) Expenditure of Ksh 36.480M Health Workers Allowances, Charged on Salaries Vote.</p> <p>c.) Expenditure of Ksh 59,999,139 of County Own Source Revenue</p> <p>d.) Expenditure of Ksh 57,909,072</p> <p>e.) Expenditure of Ksh 45,002,572</p>	<ul style="list-style-type: none"> <li>- Underfunding of Frontline Health workers allowance by a variance of Ksh 6,060,000.</li> <li>- Failure to conduct Market Survey and Segregation of duties.</li> <li>- Two companies had not delivered goods worth Ksh 15,498,344 as on 28 October 2020.</li> <li>- Failure to value donations contrary to section 74(4) of the PFM County regulations 2015.</li> <li>- Irregularities and weaknesses in management controls</li> </ul>
<p><i>Meru</i></p>	<p><i>KShs. 253,953,466</i>, as follows:</p> <p>a.) GoK Conditional Grant: Ksh 152.886M</p> <p>b.) DANIDA: Ksh: 8.925M</p> <p>c.) GoK Health Workers Allowance: Ksh 76.935M</p>	<p>a.) As at 31 July 2020: G.o.K Conditional Grants, DANIDA funds had not been utilized.</p> <p>b.) Expenditure of Ksh 76.950M Health Workers Allowances, Charged on Salaries Vote.</p> <p>As July 31 2020: b.) Expenditure of Ksh 15,206,466 Health</p>	<ul style="list-style-type: none"> <li>- Non utilization of the Government Conditional Grants exposing public funds to value for money risks-Ksh 191.811M</li> <li>- Underfunding of Frontline Health workers allowance by a variance of Ksh 15,000.</li> <li>- Awarding tenders to ineligible bidders-Ksh 7,225,495.</li> <li>- Awarding of tenders to newly registered companies with doubtful experience-Ksh 5,022,430.</li> <li>- Failure to rotate members of the Procurement Committees-Ksh 41,393,771.</li> <li>- Procurement of goods and services without evidence of conducting market survey Ksh 10,765,500.</li> </ul>

	<p>d.) Kenya Devolution Support Program: Ksh 30M</p> <p>e.) County Own Source Revenue: Ksh. 15,206,466</p>	Workers Allowances, Charged on Salaries Vote.	<ul style="list-style-type: none"> <li>- Splitting of tenders between firms contrary to section 54(1) of the Public Procurement and Disposal Act, 2015-Ksh 20,924,330.</li> <li>- Pending Bills-Ksh 15,207,466</li> <li>- Irregularities and weaknesses in inventory management controls</li> </ul>
<b>Migori</b>	<p><b>KShs. 303.926M</b>, as follows:</p> <p>a.) GoK Conditional Grant: Ksh 143.371M</p> <p>b.) DANIDA: Ksh: 7.490M</p> <p>c.) GoK Health Workers Allowance: Ksh 44.835M</p> <p>e.) County Own Source Revenue: Ksh. 108.230M</p>	<p>a.) As at 31 July 2020: Expenditure of Ksh 35,379,205 G.o.K Conditional Grants.</p> <p>Expenditure of Ksh 1,416,000</p> <p>-Expenditure of Ksh 7.490M DANIDA Funds</p> <p>-Expenditure of Ksh 44.1M Health Workers Allowances, Charged on Salaries Vote.</p> <p>-Plus Additional KSh 1.260M</p>	<ul style="list-style-type: none"> <li>- Un-supported per diem expenditure-Ksh 9,546, 150</li> <li>- Failure to award tenders to the lowest responsive bidders-Ksh 11.4M.</li> <li>- Lack of approved budgets.</li> <li>- Underfunding of Frontline Health workers allowance by a variance of Ksh 525,000.</li> <li>- Variance between net pay and bank remittance-Ksh 264,012.50.</li> <li>- Donations dispatched from KEMSA but could not be traced from county records.</li> <li>- Failure to value donations received.</li> <li>- Unexplained disparities in physical stock and stores records.</li> <li>- Pending Bills-Ksh 191,940,961.</li> <li>- Irregularities and weaknesses in inventory management controls</li> </ul>
<b>Mombasa</b>	<p><b>KShs. 633.011M</b>, as follows:</p> <p>a.) GoK Conditional Grant: Ksh 100.168M</p> <p>Additional GoK Funding for Covid-19 Emergency Response:</p>	<p>a.) As at 31 July 2020: G.o.K Conditional Grants, comprising 100.168M Plus Additional GoK Funding for Covid 19 Emergency Response of Ksh 250M and KDSP</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan and budgets</li> <li>- Non utilization of the Government Conditional Grants, Additional GoK Funding for Covid 19 Emergency Response, DANIDA and KDSP funds exposing public funds to value for money risks</li> <li>- Underfunding of Frontline Health workers allowance by a variance of Ksh 2.055M</li> <li>- Duplicate payments of Ksh 60,000</li> </ul>

	<p>Ksh 250M</p> <p>b.) DANIDA: Ksh: 9.170M</p> <p>c.) GoK Health Workers Allowance: Ksh 68.505M</p> <p>d.) County Own Source Revenue: Nil</p> <p>e.) County Covid 19 Emergency Fund: Ksh 175.168M</p> <p>f.) Kenya Devolution Support Program: Ksh 30M</p>	<p>funds of Ksh 30M had not been utilized</p> <p>-Expenditure of Ksh 70.560M Health Workers Allowances, Charged on Salaries Vote.</p> <p>-Expenditure of Ksh 60,000 Health Workers Allowances</p> <p>-Expenditure of Ksh 3.195M Health Workers Allowances</p> <p>-Expenditure of Ksh 135,000 Health Workers Allowances</p> <p>-Expenditure of Ksh 177,666,531.28 County Covid 19 Emergency Fund</p>	<ul style="list-style-type: none"> <li>- Payment of medical allowance to non-medical staff.</li> <li>- Double payment to frontline health workers.</li> <li>- Awarding tenders to ineligible bidders.</li> <li>- Failure to notify bidders of the outcome of the bidding process.</li> <li>- Failure to appoint tender opening and evaluation committee.</li> <li>- Failure to withhold VAT.</li> <li>- Failure to inspect purchase goods-Ksh 450,000</li> <li>- Payment for undelivered goods-Ksh 49,020</li> <li>- Failure to issue a professional Opinion</li> <li>- Failure to record goods received-Ksh 244,400</li> <li>- Pending Bills-Ksh 48,804,919.35</li> </ul>
<p><i>Murang'a</i></p>	<p><i>KShs. 213.416M</i>, as follows:</p> <p>b.) DANIDA: Ksh: 6.965M</p> <p>c.) GoK Health Workers Allowance: Ksh 63.510M</p>	<p>-Expenditure of Ksh 82,283,732 Conditional Grants</p> <p>-Expenditure of Ksh 172,000 Conditional Grants</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan and Budgets for Covid 19 Activities-Ksh 213.416M</li> <li>- Double payment for supply of Hydrogen-Peroxide-Ksh 172,000.</li> <li>- Wrong computation of withholding Tax-Ksh 635,482</li> <li>- Procurement without requisition-Ksh 5,576,600.</li> <li>- Awarding tenders to non-qualified bidders.</li> <li>- Absence of approved work plan and Budgets.</li> </ul>

	<p>e.) Kenya Devolution Support Program: Ksh 30M</p>	<p>-Expenditure of Ksh 172,000 Conditional Grants -Expenditure of Ksh 5,576,600 Conditional Grants -Expenditure of Ksh 3M Conditional Grants -Un-utilized DANIDA funds, Frontline Health Workers Allowances and KDSP Funds: Ksh 100.475M</p>	<p>- Failure to keep Delivery and Acknowledgement Note on donations. - Receipts of goods without Acknowledgement - Failure to value donations. - Irregular establishment of Murang'a County Covid 19 fun</p>
<p><i>Nairobi</i></p>	<ol style="list-style-type: none"> <li>1. GoK Conditional Grant: KShs. 294,385,000</li> <li>2. DANIDA: Documents not availed and therefore recipient not identified.</li> <li>3. GoK Health Workers Allowances: KShs. 100,2000,000</li> <li>4. County Own initiative:</li> </ol>	<p>(a) Payment of Kshs. 33,165,484 to University Nairobi Enterprise Services (UNES) being part payment of consultancy for architectural, conceptualization design, innovation and maintenance of COVID- 19 makeshift isolation centre partial payment for the construction of twin COVID-19 Isolation Wards at Mogotio</p>	<p>- Funds for Covid-19 were utilized by both Nairobi Metropolitan Service (NMS) and County Government of Nairobi. - NMS had in place approved budget and work plans for the conditional grants received from the National Government. However, it lacked the procurement plans and the training plans for the conditional grant. - The Controller of Budget's (COB) Special report on utilization of COVID-19 funds by county governments indicate that the County government of Nairobi city reported Kshs 164,475,000 as county own source contribution funds. Neither the county government nor the NMS provided the approved budget, work plan, and procurement plan and training plan for Emergency Fund financed from the county's own sources. - NMS also lacked approved budget and work plans for the Government of Kenya health workers allowances - The Controller of Budget's (COB) Special report on utilization of COVID-19 funds by county governments</p>



	<p>Recipient not identified.</p>	<p>Sub-County Hospital.</p> <p>(b) Payment of KShs. 44.98M in Frontline Health Worker Allowances.</p> <p>(c) Commitment of KShs. 17,890,290 (under the GoK Conditional Grant) to Rob Arch Designs Ltd for the construction of twin COVID-19 Isolation Wards at Mogotio sub county hospital.</p> <p>(d) Commitment of KShs. 40,127,063 (under the County Own Initiative Funds)</p>	<p>indicate that the County government of Nairobi city reported Kshs. 17,605,000 as DANIDA Funds. However, the special audit could not establish whether DANIDA fund were received and utilized at respective health centres since neither the NMS or the County Government of Nairobi availed the relevant documents.</p> <ul style="list-style-type: none"> <li>- The makeshift isolation centre has been set up. At the time of the audit the isolation centre had not been used as an isolation centre.</li> <li>- There is no evidence that the accounting officer issued a tender document to UNES in accordance to the PPDA 2015.</li> <li>- The DDG did not appoint an evaluation committee in accordance with the PPDA 2015.</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 6,272,000 for payment of facilitation of health workers on COVID-19 Rapid Response Activities. NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure.</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 14,656,000 for payment of facilitation of health workers in quarantine centres on COVID-19 Rapid Response Activities. NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure.</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 1,280,000 for payment of facilitation of health workers in quarantine centres on COVID-19 Rapid Response Activities.(fumigation team). NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 2,368,000 payment of facilitation of health workers on COVID-19 Rapid Response Activities (Sample collection team). NMS failed to explain the basis of the</li> </ul>
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			<p>facilitation and could not support the authority to pay facilitation and expenditure</p> <ul style="list-style-type: none"> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 640,000 payment of facilitation of health workers on COVID-19 Rapid Response Activities (Call centre). NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 896,000 payment of facilitation of health workers on COVID-19 Rapid Response Activities (Managing Ambulance) NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure</li> <li>- On 30<sup>th</sup> June, 2020 NMS irregularly withdrew Kshs. 6,272,000 payment of facilitation of health workers on COVID-19 Rapid Response Activities. NMS failed to explain the basis of the facilitation and could not support the authority to pay facilitation and expenditure</li> <li>- NMS did not have an integrated personnel payroll database (IPPD) system and therefore could not pay the allowances of Kshs, 100, 200,000.</li> <li>- On the other hand, the county government of Nairobi in July 2020 and August 2020 paid a payroll of 120,375,000 which represented an over expenditure of Kshs. 20,175,000. The auditor could not establish the budget utilized by the county government of Nairobi in payment of these allowances payroll.</li> </ul>
<p><i>Nakuru</i></p>	<p><i>Kshs.</i> <b>602,113,000</b> account as follows: 1. GoK Conditional Grant: KShs.</p>	<p>(a) Payment of Kshs. 83,418,833 as frontline health workers allowances</p>	<ul style="list-style-type: none"> <li>- Nakuru has a general COVID-19 preparedness plan.</li> <li>- Although Nakuru had a budget of Kshs. 201,073,000 in respect to conditional grants received from the National Government it lacked procurement plans and training plans for the conditional grant. A work plan for the utilization of Kshs. 201,073,000 was developed in</li> </ul>

	<p>201,073,000</p> <p>2. DANIDA: Kshs. 10,535,000.</p> <p>3. GoK Health Workers Allowances: KSHs. 80,505,000</p> <p>4. County Own initiative: 280,000,000</p> <p>5. Reallocations from other departments in Nakuru county: Kshs. 150,000,000</p> <p>6. KDSP: Kshs. 30,000,000</p>	<p>(b) Expenditure of County own initiative-</p> <p>(i) Payment of Kshs. 243,583,240 as payment of food stuff</p> <p>(ii) Payment of Kshs. 23,121,000 as payment of PPEs</p> <p>(iii) Payment of Kshs, 26,741,020 as payment of Allowances and Awareness</p> <p>(iv) Payment of Kshs. 1,257,955 as payment of water project and others</p> <p>(v) Payment of Kshs. 14,984,000 as payment of blankets, bags, umbrella reflectors</p> <p>(vi) Payment of Kshs. 2,500,000 as payment of fuel</p>	<p>October 2020 but at the time of the audit the same had not been approved.</p> <ul style="list-style-type: none"> <li>- Nakuru took 38 days to disburse the national government conditional grants received in the CRF to the special purpose account contrary to the requirements of the conditional grant framework, which provides that funds be disbursed within 15 days.</li> <li>- Nakuru lacked approved work plans and a budget for Government of Kenya Health Workers allowances</li> <li>- Nakuru lacked approved work plans, budget, procurement plans and training plans for DANIDA funds</li> <li>- Although Nakuru had a budget of Kshs. 30,000,000 for KSDP funds it lacked the approved work plans, procurement plans and training plans.</li> <li>- Although Nakuru had a budget of Kshs, 150,000,000 in respect to the department of health it only provided an approved work plan of Kshs. 64,871,630. It also had a procurement and training plan.</li> <li>- Although Nakuru had a budget of Kshs. 280,000,000 in respect to emergency funds supported by the county own source revenue, it lacked approved work plans and training plans. It however had in place a procurement plan.</li> <li>- Although Nakuru County reallocated Kshs. 150,000,000 to the health department, the department spent an addition Kshs, 19,861,351 to purchase drugs which were used for both day to day use as well as COVID-19 treatment</li> <li>- The accounting officer authorised over payment of Kshs, 292,500 to the Lake Naivasha Resort for services not utilized by the staff and MCAs during the training that was held there between 20<sup>th</sup> and 23<sup>rd</sup> May, 2020 in contravention of the PFM Act 2012. Further, Kshs. 6, 048,700 in respect to payment of allowances of MCAs and other staff members attending the training of</li> </ul>
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		<p>(vii) Payment of Kshs. 1,198,020 as payment of iron sheets.</p> <p>(c) Expenditure of reallocated funds: Kshs. 169,861,351</p>	<p>COVID-19 pandemic was not supported by the original attendance sheets signed by the individuals.</p> <p>The Health department recorded an over expenditure of Kshs. 19,861,351 as a result of procuring drugs for the treatment of COVID-19</p> <p>As at 30<sup>th</sup> October, 2020, KDPS funds were yet to be utilized</p> <p>As at 30<sup>th</sup> October, 2020, DANIDA funds amounting to KShs, 10,535,000 were yet to be utilized.</p> <p>Nakuru county over paid a total of Kshs. 2,913,833 in respect too frontline health workers allowances. SRC guidelines for payment of front line healthcare workers had only approved Kshs. 80,505,000.</p> <p>As at 30<sup>th</sup> October 2020, Nakuru county was yet to pay contracted health workers Kshs. 13,680,000 yet the Kshs. 80,505,000 that had been approved by SRC guidelines for payment of front line healthcare workers had already been depleted.</p> <p>Nakuru county failed to provide supporting documents ( e.g requisition forms, extract of tender reports/ minutes, contracts, distribution reports) in respect to payment vouchers amounting to Kshs, 312,385,235.</p> <p>In addition, Nakuru county paid Kshs, 787,500 as allowances to staff during the preparation of reports for county government of Nakuru Emergency Fund Kitty but failed to provide original attendance sheets of staff.</p> <p>Despite the lack of a contract varying the price of for supply of sodium hypochlorite, Nakuru county paid a contractor Kshs. 30,000 more than the original contract price on the strength of a letter from the supplier.</p> <p>Nakuru county failed to disclose in the Nakuru County Emergency Funds Report and Financial Statement for FY 2019/20 the receipt of a donation from KEMSA of hand sanitisers, KN95 Masks, ventilators, face shields, gowns and other material and equipment relating to COVID-19 in contravention of the PFM Act, 2012.</p>
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			<p>- The Controller of Budget (COB) reported that as at 31<sup>st</sup> July, 2020 Nakuru county had spent Kshs. 311,973,715 in actual expenditure and Kshs. 29,333,090 as commitments which varies from the finding under the special audit which found that the county had spent Kshs. 482,246,586 on COVID-related activities.</p>
<p><b>Nandi</b></p> <p><b>Kshs. 244,781,000</b> account as follows:</p> <ol style="list-style-type: none"> <li>1. GoK Conditional Grant: KShs. 118,326,000</li> <li>2. DANIDA: Kshs. 5,985,000</li> <li>3. GoK Health Workers Allowances: Kshs. 58,470,000</li> <li>4. County Own initiative: 32,000,000</li> <li>5. KDSP: Kshs. 30,000,000</li> </ol>	<p>(a) Payment of Kshs. 99,418,463 for various items and allowances</p> <p>(b) Payment of Kshs. 41, 895,650 on Covid-19 activities</p> <p>(c) Payment of Kshs. 57,690,000 to 1424 frontline healthcare workers</p> <p>(d) Payment of Kshs. 33,667,600 in respect to pending bills related to conditional grants</p> <p>(e) Payment of Kshs. 62,378,062 in respect to pending bills related to County Emergency Funds.</p>	<p>- Nandi county had an approved workplan and procurement for the National Government conditional grant. It however lacked a budget and training plan. According to the auditor, the county explained that was unable to incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21.</p> <p>- On 8<sup>th</sup> July, 2020 Nandi county moved Kshs. 3,000,000 from the conditional grant received for the National government to the Nandi County Nutrition project account run by the county in partnership with Nutrition International. The money was refunded on 8<sup>th</sup> September, 2020.</p> <p>- Nandi county spent Kshs. 6,476,000 more than was budgeted for while purchasing full PPEs and surgical masks contrary to the Public Finance Management (County Governments) Regulations 2015.</p> <p>- Nandi county procured items worth Kshs. 1, 393,000 which were not included in the procurement plan contrary to Public Finance Management (County Governments) Regulations 2015.</p> <p>- Nandi county commingled funds meant for Covid-19 with other funds meant for normal Nandi Health Department Operations which made it impossible to separate Covid-19 and non Covid-19 expenditure.</p> <p>- Nandi county lacked a budget for government of Kenya healthcare workers allowances. According to the auditor, the county explained that was unable to</p>	

			<p>incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21.</p> <ul style="list-style-type: none"> <li>- Nandi county did not provide evidence that the county assembly had appropriated Kshs. 58, 470,000 received by the county from the Ministry of health in respect to payment of frontline workers allowances in contravention of the PFM Act 2012.</li> <li>- As at 9<sup>th</sup> October, 2020, nandi county had not support staff deployed in various Nandi County Health Facilities the Covid -19 emergency allowances amounting to Kshs. 4, 140,000,</li> <li>- Nandi county lacked a budget and approved work plan for DANIDA funds. According to the auditor, the county explained that was unable to incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21</li> <li>- Nandi county disbursed Kshs. 5,985,000 to Level II and III health facilities</li> <li>- Nandi county had approved workplans, budgets and a procurement plan for the emergency funds set aside from the county's own revenue</li> <li>- Nandi county had a budget for KDSP Funds but lacked the approved work plan, procurement plan and training plan. As a result of lack of these documents, as at 9<sup>th</sup> October, 2020, Nandi county had not utilized the KDSP Funds.</li> <li>- Nandi county received financial and no-financial donations from various entities. The county government of Nandi failed to value the donations received in contravention of the Public Finance Management Act (County Government) Regulations, 2015.</li> <li>- The quantities of donations received from KEMSA recorded by the county did not tally with the quantities recorded by KEMSA.</li> </ul>
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<p><b>Narok</b></p>	<p><b>Kshs. 188,248,000</b> account as follows:</p> <ol style="list-style-type: none"> <li>GoK Conditional Grant: KShs. 50,268,000</li> <li>DANIDA: Kshs. 7,105,000</li> <li>GoK Health Workers Allowances: Kshs. 34,875,000</li> <li>County Own initiative: 66,000,000</li> <li>KDSP: Kshs. 30,000,000</li> <li>Kshs. 139,000,000 appropriated in Narok County Supplementary Budget estimates II for FY 2019/20</li> </ol>	<p>(a) Payment of Kshs. 49,750,000 to various firms including:</p> <ol style="list-style-type: none"> <li>Jojesi Building Contractors Ltd- Kshs. 2,400,000 as part payment for the supply of hospital beds;</li> <li>Jesta East Africa- Kshs. 8,850,000</li> <li>Cuma Refrigeration Ltd- Kshs 93,100,678 as part payment of construction of Ololulunga Covid -19 Isolation wards</li> </ol> <p>(b) Payment of Kshs. 54,710,492 to covid-19 activities</p> <p>(c) Payment of Kshs, 34,500,000 to 874 Frontline Healthcare workers in the county</p>	<ul style="list-style-type: none"> <li>- Narok county had a budget and procurement plan for the National Government conditional grant. It however lacked an approved workplan and training plan.</li> <li>- Nandi county used restricted tendering to award tender to the firms for supply of goods and works.</li> <li>- Further, Nandi county exceeded the available budget of spent Kshs. 50 268,000 by spending Kshs. 108,267,258.</li> <li>- The tender evaluation committee failed to carry out due diligence on M/S. Jojesi Building Contractors Ltd that won a tender for the supply and delivery of hospital beds to the county of Narok contrary to the provisions of the PPADA, 2015.</li> <li>- The beds supplied by Jojesi Building contractors limited were of low quality and were rusting only three months after delivery.</li> <li>- Narok county procured an excess of 200 mattresses with mackintosh and linens valued at Kshs. 3,540,000 for Ololulunga Covid-19 Isolation Wards which were lying idle in a store.</li> <li>- The use of restricted tendering to procure the construction of pre-fabricated Ololulunga Covid-19 Isolation wards and associated works could not be justified as complex and specialised as required under the PPADA, 2015.</li> <li>- The construction of pre-fabricated Ololulunga Covid-19 Isolation wards and associated works by Cuma Refrigeration EA Ltd at a cost of Kshs. 95, 817,258 was funded by funds from the Kshs, 30,000,000 KDSP Funds, Kshs. 50,268,000 conditional grants to the county of Narok by the National government, and a “loan” of Kshs 15,000,000 from the KDSP account.</li> <li>- The county failed to give an explanation n how the “loan” was to be refunded.</li> <li>- Narok county failed to provide the auditor with the Bill of Quantities and the bid documents for the project thereby making it impossible for the auditor to verify</li> </ul>
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			<p>whether the firms were evaluated fairly or not. In addition, the auditor was unable to verify whether the works were carried out in accordance to the Bill of quantities prepared by the County government.</p> <p>In addition, the County awarded Cuma Refrigeration EA Ltd the tender for phase of the above works but did not provide the source of funds for the project</p> <ul style="list-style-type: none"> <li>- Narok county did not have a budget and approved work plan for GOK health workers allowances. According to the auditor, the county explained that was unable to incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21.</li> <li>- There is no evidence that Narok County assembly had appropriated the Kshs. 34, 875,00 received from Ministry of Health for payment of frontline healthcare workers allowances in contravention of the requirements of the PFM Act, 2012</li> <li>- Seven (7) front line healthcare workers who were in active service in April, May and June 2020 but has since retired were yet to be pay allowances amounting to Kshs, 300,000</li> <li>- Narok county did not have a budget and approved work plan for DANIDA funds. According to the auditor, the county explained that it was unable to incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21.</li> <li>- Narok county had a budget and procurement plan for the emergency fund from county own sources. It however lacked an approved workplan and training plan.</li> <li>- Narok county commingled funds meant for COVID-19 with normal Narok Health department operations funds making it impossible to separate expenditure related to COVID-19 from non-covid-19 related expenditure.</li> </ul>
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<ul style="list-style-type: none"> <li>- Narok County issued imprest totalling Kshs. 14, 258,568 to different officers for purchase of items and supplies instead of procuring under the PPADA, 2015</li> <li>- Narok county did not have a budget, approved work plan, procurement plan or training plans in respect to KDSP Funds. According to the auditor, the county explained that was unable to incorporate the funds in to the budget because it had already prepare the budget for FY 2020/21</li> <li>- As at October 2020, Narok county: <ul style="list-style-type: none"> <li>(a) had ICU and COVID-19 Isolation facilities that were functional;</li> <li>(b) had trained 858 health staff on infection prevention and control and the case management of COVID-19,</li> <li>(c) had conducted 3250 laboratory test under the Department of Health Sanitation and recorded a COVID-19 positivity rate of 10% of these 32 were health workers who recovered</li> </ul> </li> <li>- Narok county had also established— <ul style="list-style-type: none"> <li>(a) The Narok Referral Quarantine centre ( 2 tents) at a total cost of 2,424,260</li> <li>(b) Nairegia-Engare Quarantine centre (2 tents) at a total cost of 2,603, 440</li> <li>(c) Kilgoris Quarantine centre(1tent) at a total cost of 1,228,270</li> <li>(d) Renovation of Referral Amenity and ICU at a total cost of 817,000</li> <li>(e) Suswa Quarantine Centre Renovation at the cost of 1,599,950</li> <li>(f) Emurua Dikirr Quarantine Centre at the cost of 143,060</li> <li>(g) Lolgorian Quarantine Centre at the cost of 143,060</li> </ul> </li> <li>- The quantities of donations received from KEMSA recorded by the county did not tally with the quantities recorded by KEMSA. In addition, there is no evidence</li> </ul>		
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			<p>that the County government of Narok valued the donations received from KEMSA.</p>
<p><i>Nyamira</i></p>	<p><b>Kshs. 251,822,000</b> account as follows:</p> <ol style="list-style-type: none"> <li>1. GoK Conditional Grant: KShs. 59,702,00</li> <li>2. DANIDA: Kshs. 5,320,000</li> <li>3. GoK Health Workers Allowances: Kshs. 46,800,000</li> <li>4. County Own initiative: 110,000,000</li> <li>5. KDSP: Kshs. 30,000,000</li> </ol>	<p>Payment of Kshs. 45,030,000 as allowances of frontline health workers.</p> <p>Disbursement of Kshs, 5,320,000 to various health facilities in Nyamira County.</p> <p>Payment of Kshs. 46,605,000 being allowances for frontline healthcare workers</p>	<ul style="list-style-type: none"> <li>- Nyamira had a budget and procurement plan for National Government conditional grants. However, it lacked approved workplans and training plans. According to the auditor, the county explained that it was unable to prepare work plans and training plans since it received the funds from the National Government towards the end of the FY 2019/20 after counties had concluded preparation of FY 2020/21 budget estimates.</li> <li>- The National government conditional grant was earmarked for construction of an isolation unit in the procurement plan for FY 2020/21.</li> <li>- Nyamira county had a budget for GOK health workers allowances, however it lacked approved work plans.</li> <li>- Three (3) officers earned a salary in both the IPPD data and manual payroll for the months of March to September 2020. The amounts earned by the three officers under the manual payroll totalled Kshs. 315,519. The amounts earned by the three officers under the IPPD totalled Kshs. 237,958.15.</li> <li>- Some officers bank remittances were higher than the IPPD net pay by Kshs. 1,321,788.</li> <li>- Three (3) officers had not surrendered imprest totalling Kshs. 1,700,000 at the time of the audit in contravention of the PFM (County Government) Regulations 2015 which requires</li> </ul>

	<p>imprest be surrendered within 7 working days of returning to duty station.</p> <ul style="list-style-type: none"> <li>- Nyamira county failed to report the expenditure of Kshs. 45,030,000 in respect to frontline health workers to the controller of budget.</li> <li>- Nyamira county also failed to report Kshs. 21,620,657 in respect to contracts for : the renovation of ICU, replacement of asbestos roofing, repair of walkway to ICU and renovation of amenity ward of Nyamira County referral hospital; completion and Bobangi health facility for COVID-19 response; supply and delivery of hospital linen.</li> <li>- Nyamira county government overstated its commitment to the controller of budget by Kshs. 98,093,410. The actual commitments as at 31<sup>st</sup> July, 2020 was Kshs. 51,427,247.</li> <li>- As at 26<sup>th</sup> October, 2020 Nyamira county had pending bills amounting to Kshs. 27,627,247 and yet only had Kshs, 25,519,530 thereby occasioning a deficit of Kshs. 2,107,717.</li> <li>- Nyamira County had a budget for DANIDA funds. However, it lacked approved work plans, procurement plans and training plans.</li> <li>- Disbursement from DANIDA funds of Kshs 35,653 and Kshs. 51,839 to Nyakegogi and Nyabweri dispensaries respectively were not received. The management explained that the sums bounced back due to technical issues with the respective bank accounts of the dispensaries.</li> <li>- Nyamira County had a budget for KDSP however it lacked approved work plans, procurement plans and training plans. The</li> </ul>
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<p>e) Rivatex East Africa Ltd - KShs. 1,000,000  f) Trans Mattresses Ltd – KShs .674,650  g) Joshman Enterprises – KShs. 1,674,000  h) Nobility General Company – KShs .245,605  i) Rivatex East Africa Ltd – KShs. 250,000  j) Skyla Chemist – KShs. 1,224,000  k) Tusker Mattresses – KShs. 1,231,432  l) Khetia Draers Ltd – KShs. 199,997  m) Skyla Chemist – KShs. 2,674,000</p> <ul style="list-style-type: none"> <li>- Failure to value donations received by the County contrary to section 74 of the PFM (County Government) Regulations, 2015.</li> <li>- Poor inventory and store management systems as demonstrated by poor record keeping and failure to capture various donated items in the stock bin cards.</li> <li>- Understatement of expenditure in the financial report to the COB with the County having utilized KShs. 360,290,462 in the FY 2019/2020 as established by the Special aAudit, but reporting KShs. 151,507,573.</li> </ul>			
<ul style="list-style-type: none"> <li>- Absence of approved work plan, procurement plans and training plans specific to COVID-19 related activities for GoK Conditional grants and KDSP funds totalling KShs 90,804,000.00</li> <li>- Budget deficit discrepancy of KShs 13,500,000.00 in the budget for County Own Source revenue approved by the County Assembly and funded.</li> <li>- Absence of approved COVID-19 specific work plans, and training plans for GOK Conditional grants and KDSP Funds totalling KShs 90,804,000.00 contrary to section 107 (2) of County Government Act 2012.</li> <li>- Non-utilization of KShs. 30,000,000.00 of the KDSP funds</li> <li>- Delay in disbursement of KShs 4,970,000.00 DANIDA funds to health facilities</li> <li>- Variances in the reported utilization of funds confirmed by special audit of KShs 13,984,245.00 from GoK Conditional</li> </ul>	<p>a) GOK Conditional Grant: KShs 19,649,471.00</p> <p>b) County Own Source grants KShs 10,954,085.00</p>	<p><b>KShs. 135,379,000</b>  account as follows:</p> <p>f) GoK Conditional Grant: KShs. 60,804,000.</p> <p>g) DANIDA: KShs. 4,970,000.</p> <p>h) GoK Health Workers Allowances: KShs.28,605,000.</p> <p>i) Kenya Devolution Support</p>	<p><b>Vihiga</b></p>

	<p>Programme KSHs 30,000,000.</p> <p>j) County Own Source Revenue KSHs 11,000,000.00</p>		<p>grant and KSHs 485,090.00 from County Own Source Revenue</p> <ul style="list-style-type: none"> <li>- Non disclosure of KSHs 30,000,000.00 funding from KDSP</li> <li>- Over expenditure of staff allowances to frontline workers amounting by KSHs 270,000.00 contrary to Salaries and Remuneration Commission circular (SRC/TS/COG/3/61/48)</li> <li>- Overpayment of allowances amounting to KSHs 10,954,085.00 from own source allocations</li> <li>- Pending bills amounting to KSHs 21,600,000 as at 31 July 2020</li> <li>- Failure to value donations received from KEMSA and MoH, contrary to Section 74 (4) of the PFM County Government regulations in 2015</li> </ul>
<p><i>Wajir</i></p>	<p><b>KSHs. 112,788,000</b> account as follows:</p> <p>a) GoK Conditional Grant: KSHs. 38,268,000.00</p> <p>b) DANIDA: KSHs. 9,450,000.</p> <p>c) GoK Health Workers Allowances: KSHs. 35,070,000.</p> <p>d) Kenya Devolution Support Programme</p>	<p>County Own Source Revenue: KSHs. 194,820,000</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan, budgets, procurement plans, training plans specific to COVID-19 related activities for the FY 2019/2020.</li> <li>- Absence of approved work plans and budgets specific to COVID-19 for KSHs 112,788,000.00, contrary to section 107 (2) of the County Government Act of 2012</li> <li>- Discrepancy of KSHs 14,351,858.00 in the supplementary budget for County Own Source revenue approved by the County Assembly and funded.</li> <li>- Absence of approved COVID-19 specific work plans, budgets, training and procurement plan for Conditional grants KSHs 38,268,000.00, DANIDA KSHs 9,450,000.00 and KDSP Funds of KSHs 30,000,000.00 contrary to section 44 of the Public Procurement and Disposal Act of 2015.</li> <li>- Non-utilization of KSHs. 38,268,000.00 National Government conditional grant, KSHs 9,450,000 from DANIDA funds and KSHs. 30,000,000.00 of the KDSP funds, totalling KSHs 112,788,000.00 as of 31st July, 2020</li> <li>- Variances in the utilization of funds confirmed by special audit of KSHs 73,338,000.00 from GoK Conditional grant,</li> </ul>

	<p>KSHs 30,000,000</p>	<p>KSHs 9,450,000.00 from DANIDA funds, KSHs 67,594,330.00 from County Own Source Revenue and KSHs 16,916,200.00 for Frontline Health Workers Allowances.</p> <ul style="list-style-type: none"> <li>- Expenditure of KSHs 36,570,000.00 for Frontline Workers Allowances without an approved budget, contrary to SRC Circular (SRC/TS/COG/3/61/48) and Section 135 (1) of the PFM Act of 2012.</li> <li>- Over expenditure of staff allowances to frontline workers amounting to KSHs 1,500,000.00 contrary to Salaries and Remuneration Commission circular</li> <li>- (SRC/TS/COG/3/61/48) and PFM Act of 2012.</li> <li>- Payment of allowances amounting to KSHs 1,260,000.00 to medical staff who were on study leave</li> <li>- Irregular payment of Health Workers Allowances to 29 office assistants amounting to KSHs 435,000 and 38 drivers amounting to KSHs 1,140,000 contrary to the Salaries and Remuneration Commission circular</li> <li>- (SRC/TS/COG/3/61/48)</li> <li>- Failure to provide a breakdown of items to be procured in the procurement plans, amounting to KES 128,000,000.00 which is in violation of Public Procurement Laws</li> <li>- Failure to value donations received from Equity Foundation, Kenya Red Cross Society, World Vision, Medecins San Frontiers, US Embassy and Save the Children Kenya, contrary to Section 74 (4) of the PFM County Government regulations in 2015</li> <li>- Failure to demonstrate receipt of donations of 2500 items of PPE from KEMSA</li> <li>- Entering into Irregular Framework Agreements for tender WCG/SP/OT/02/2019-20 for supply and delivery of relief food with only 4 instead of the recommended minimum 7 vendors, amounting to KSHs 23,585,700, award to Leyli General Contractors LTD, in violation of the public procurement laws</li> <li>- Use of direct procurement method for supply and delivery</li> </ul>
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			<p>of emergency ICU equipment for Wajir County Referral Hospital from Menorah Medical Institute (WCG/H/DT/001/2019-2020 ) and supply of infection prevention commodities from Blue Valley investments (WCG/H/DT/002/2019 -200), contrary to Section 62(3) of the Public Procurement and Disposal Regulations of 2006.</p>
<p>West Pokot</p>	<p>KShs. 118,519,000 account as follows:</p> <p>a) GoK Conditional Grant: KShs. 75,290,00.00</p> <p>b) DANIDA: KShs. 5,495,000.</p> <p>c) GoK Health Workers Allowances: KShs. 33,615,000.</p> <p>d) County Own Source Revenue: KShs. 25,958,737</p> <p>e) Kenya Devolution Support Programme KShs 30,000,000</p>	<p>a) Commitment of GoK Conditional Grant: KShs. 75,290,000.</p> <p>b) Commitment of County Own Source Revenue: KShs. 25,958,737.</p> <p>c) Commitment of Kenya Devolution Support Programme KShs 30,000,000.</p>	<ul style="list-style-type: none"> <li>- Absence of approved work plan, budgets, procurement plans, training plans specific to COVID-19 related activities for the FY 2019/2020.</li> <li>- Absence of approved work plans for KShs 5,495,000.00 DANIDA funds, contrary to section 107 (2) of the County Government Act of 2012</li> <li>- Absence of approved COVID-19 specific procurement plan for DANIDA, County Own Source and KDSP Funds of KShs 61,453, 737.00 contrary to section 44 of the Public Procurement and Disposal Act of 2015.</li> <li>- Non-utilization of KShs. 75,290,000.00 National Government conditional grant and KShs. 30,000,000.00 of the KDSP funds, as of 19 October, 2020</li> <li>- Expenditure of KShs.36,015,000.00 for Frontline Workers Allowances for a KShs 33,615,000.00 expense which was a KShs 2,400,000.00 variance above appropriated amount.</li> <li>- Payment of allowances amounting to KShs 1,245,000.00 to non medical staff contrary to the SRC circular SRC/TS/COG/3/61/48</li> <li>- Failure to value donations contrary to Section 74 (4) of the PFEM County Government regulations in 2015 and improper stock management records.</li> </ul>

#### NEXT STEPS

Having undertaken an in depth analysis of the Special Audit Report by the Auditor-General on the utilization of COVID-19 funds, by the County Governments, the Committee is scheduled to hold hearings with the 47 County Governments in the coming weeks as per the attached schedule (*please see Annex 2*). The hearings will be held for purposes of seeking clarifications from the Counties on the findings of the Special Audit Report, and establishing the level of pandemic preparedness and response across the counties.

The Committee intends to hold hearings with two counties per day, on Mondays, Wednesdays and Thursdays. At an average rate of six counties per week, the Committee expects to finalise conducting its hearings in approximately two months. Thereafter, the Committee will embark on targeted visits to various counties with a view towards establishing the actual situation on the ground. Following this, the Committee will retreat to compile a comprehensive report for tabling before the Senate.

In addition to conducting hearings with the 47 County Governors, the Committee is also scheduled to hold meetings with the Ministry of Health, the Council of Governors, the Kenya Medical Practitioners and Dentists Council, relevant regulatory bodies, relevant private sector stakeholders and others with a view towards establishing the level of preparedness in counties as well as for purposes of closely monitoring the nationwide COVID-19 vaccine roll-out.



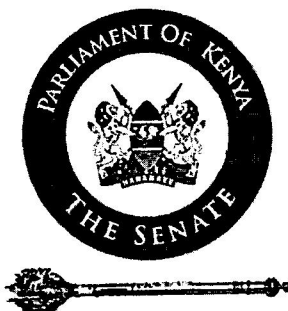
**ANNEX 2: PROPOSED SCHEDULE OF COMMITTEE HEARINGS WITH THE 47 COUNTY GOVERNMENTS**

No.	County	Date	Time	Venue/Platform
1.	Narok	<b>Wed, 7th April, 2021</b>	9.00 am	Zoom online meeting platform
2.	Wajir		2.00 pm	Zoom online meeting platform
3.	Kisumu	<b>Thur, 8th April, 2021</b>	9.00 am	Zoom online meeting platform
4.	Kisii		2.00 pm	Zoom online meeting platform
5.	Kajiado	<b>Mon, 12th Apr, 2021</b>	9.00 am	Zoom online meeting platform
6.	Embu		2.00 pm	Zoom online meeting platform
7.	Garissa	<b>Wed, 14th Apr, 2021</b>	9.00 am	Zoom online meeting platform
8.	Homabay		2.00 pm	Zoom online meeting platform
9.	Isiolo	<b>Thur, 15th Apr, 2021</b>	9.00 am	Zoom online meeting platform
10.	Elgeyo Marakwet		2.00 pm	Zoom online meeting platform
11.	Kakamega	<b>Mon, 19th Apr, 2021</b>	9.00 am	Zoom online meeting platform
12.	Kericho		2.00 pm	Zoom online meeting platform
13.	Kiambu	<b>Wed, 21st Apr, 2021</b>	9.00 am	Zoom online meeting platform
14.	Kilifi		2.00 pm	Zoom online meeting platform
15.	Kirinyaga	<b>Thur, 22nd April, 2021</b>	9.00 am	Zoom online meeting platform
16.	Busia		2.00 pm	Zoom online meeting platform
17.	Bungoma	<b>Mon, 26th</b>	9.00 am	Zoom online meeting platform

18.	Kitui	<b>Apr, 2021</b>	2.00 pm	Zoom online meeting platform
19.	Kwale	<b>Wed, 28th Apr, 2021</b>	9.00 am	Zoom online meeting platform
20.	Laikipia		2.00 pm	Zoom online meeting platform
21.	Lamu	<b>Thur, 29th Apr, 2021</b>	9.00 am	Zoom online meeting platform
22.	Machakos		2.00 pm	Zoom online meeting platform
23.	Makueni	<b>Mon, 3rd May, 2021</b>	9.00 am	Zoom online meeting platform
24.	Mandera		2.00 pm	Zoom online meeting platform
25.	Marsabit	<b>Wed, 5th May, 2021</b>	9.00 am	Zoom online meeting platform
26.	Meru		2.00 pm	Zoom online meeting platform
27.	Migori	<b>Thur, 6th May, 2021</b>	9.00 am	Zoom online meeting platform
28.	Mombasa		2.00 pm	Zoom online meeting platform
29.	Murang'a	<b>Mon, 10th May, 2021</b>	9.00 am	Zoom online meeting platform
30.	Nairobi		2.00 pm	Zoom online meeting platform
31.	Nakuru	<b>Thur, 13th May, 2021</b>	9.00 am	Zoom online meeting platform
32.	Nandi		2.00 pm	Zoom online meeting platform
33.	Baringo	<b>Mon, 17th May, 2021</b>	9.00 am	Zoom online meeting platform
34.	Nyamira		2.00 pm	Zoom online meeting platform
35.	Nyandarua	<b>Wed, 19th May, 2021</b>	9.00 am	Zoom online meeting platform
36.	Nyeri		2.00 pm	Zoom online meeting platform
37.	Siaya	<b>Thur, 20th</b>	9.00 am	Zoom online meeting platform

38.	Taita Taveta	May, 2021	2.00 pm	Zoom online meeting platform
39.	Tana River	Mon, 24th May, 2021	9.00 am	Zoom online meeting platform
40.	Tharaka Nithi		2.00 pm	Zoom online meeting platform
41.	Trans Nzoia	Wed, 26th May, 2021	9.00 am	Zoom online meeting platform
42.	Turkana		2.00 pm	Zoom online meeting platform
43.	Uasin Gishu	Thur, 27th May, 2021	9.00 am	Zoom online meeting platform
44.	Vihiga		2.00 pm	Zoom online meeting platform
45.	Bomet	Mon, 31st May, 2021	9.00 am	Zoom online meeting platform
46.	West Pokot		2.00 pm	Zoom online meeting platform
47.	Samburu	Wed, 2nd June, 2021	9.00 am	Zoom online meeting platform
	Report- Writing	Wed, 9th June, 2021 to Mon, 14th June, 2021		To be confirmed
	Tabling of Report	Tue, 15th June, 2021		

TWELFTH PARLIAMENT | FOURTH SESSION



MINUTES OF THE SITTING OF THE SENATE STANDING COMMITTEE ON HEALTH, HELD ON MONDAY, 29TH MARCH, 2021, AT 11:00 A.M. ON THE ZOOM ONLINE PLATFORM.

**PRESENT**

- 1) Sen. (Prof) Samson Ongeru, EGH, MP
- 2) Sen. Beth Mugo, EGH, MP
- 3) Sen. (Dr) Abdullahi Ali Ibrahim, CBS, MP
- 4) Sen. Fred Outa, MP
- 5) Sen. Ledama Olekina, MP - Chairing
- 6) Sen. Mary Seneta, MP
- 7) Sen. Beatrice Kwamboka, MP
- 8) Sen. Millicent Omanga, MP

**APOLOGIES**

- 1) Sen. (Dr.) Michael Mbiti, MP-Chairperson

**SECRETARIAT**

- 1) Ms. Christine Sagini - Research Officer/Clerk Asst
- 2) Ms. Sombe Toona - Legal Counsel
- 3) Mr. Robert Rop - Audio Officer
- 4) Ms. Fahriya Ibrahim - SAA

**MIN. NO. SCH2/050/2020**

**PRELIMINARIES**

The Chairperson called the meeting to order at 11:20 a.m and the meeting commenced with a word of prayer.

**MIN. NO. SCH2/051/2020**

**ADOPTION OF THE AGENDA**

The committee adopted the agenda of the sitting, as set out below, having been proposed by Sen. (Prof.) Sam Ongeru, and seconded by Sen. Abdullahi Ali, MP: -

1. Preliminaries
  - a) *Prayer*
  - b) *Adoption of the Agenda*
2. *Consideration and adoption of the Second Progress Report on the COVID-19 Pandemic Situation by the Standing Committee on Health.*
3. Any other business.
4. Date of the Next Meeting.
5. Adjournment.

**MIN. NO. SCH2/052/2020**

**CONSIDERATION AND ADOPTION OF THE SECOND  
PROGRESS REPORT OF THE STANDING COMMITTEE ON HEALTH  
ON THE COVID 19 PANDEMIC SITUATION**

The Committee considered the draft Second Progress Report of the Standing Committee on Health of the Senate adopted it with amendments to the proposed schedule of hearings.

**MIN. NO. SCH2/055/2020**

**ADJOURNMENT**

There being no other business, the committee adjourned at 12.05 p.m.



SIGNED:.....

(CHAIRPERSON)

29th March, 2021

DATE:.....