

# Annual Report

July 2012 to June 2013

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# **Annual Report**

## **July 2012 to June 2013**

The Transition Authority Annual Report 2012/13

Annual Report 2012/13 ©The Transition Authority

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*Annual Report 2012/13 No. 1*

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# CHAIRMAN'S STATEMENT



It gives me great pleasure to present the first Transition Authority (TA) Annual Report. The Authority was established following a landmark report by The Taskforce on Devolution. Upon its establishment, the Transition Authority was charged with the responsibility of “facilitating the realization of a devolved system of government through effective coordination of the transition process”.

The period under review (July 2012 - June 2013) has been both challenging and productive for the Authority. This Annual Report summarizes the efforts made and results achieved by the Authority in carrying out its mandate; which was done against a backdrop of numerous new developments, and in the context of a rapidly evolving transition to a devolved system in Kenya.

On the whole, the transition to a devolved system of government has been well received and accepted by the general public in Kenya. Over the period under review, an eight-point road map was developed which had four thematic areas and three oversight committees. By the end of the period under review, Phase One was completed and Phase Two is fully underway.

While the process of decentralization and devolution can be a gradual incremental process, Kenya opted to do it all at once. This meant that in one go, the Authority had to ensure that Kenya's eight provinces, over 280 districts and 175 local authorities were replaced by 47 brand new counties without any disruption to service delivery. That the Authority managed to achieve this feat over a short span of one year is indeed remarkable. It is all the more remarkable because it occurred at a time when major events, including the expiry of the National Accord and the General Election, were taking place. Fortunately, the county governments are now in place and operational while at the same time, service delivery continues unabated.

In the ongoing Second Phase of transition, we at TA are committed to ensuring that the Authority continues to undertake its mandate. We therefore intend to be even more engaged with, and visible to the citizens of Kenya and other key stakeholders during the months to come.

A handwritten signature in black ink, appearing to read 'Kinuthia Wamwangi'. The signature is stylized and fluid.

**Kinuthia Wamwangi**  
**Chairman**

# MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



The past year has generally been a successful one for the Transition Authority. Our success has been achieved by focusing intensively on embracing and managing devolution as it rapidly evolves in Kenya. The Authority also continues to collaborate closely with the Commission for the Implementation of the Constitution (CIC), the Commission for Revenue Allocation (CRA), and other Government Ministries, Departments and Agencies (MDAs) to ensure a smooth transition to the devolved system.

This first report provides not only a short historical overview of the past year, but also sets out the Work Plan and key activities to be undertaken by the Authority in Phase Two of the transition to a devolved system of government. The progress reported here is therefore, a culmination of the efforts of many individuals and stakeholders who provided their knowledge, expertise and capacity to ensure that the Authority delivers on its mandate.

The ongoing Second Phase of the transition process is expected to be critically important but extremely demanding. However, we at the Transition Authority are now fully established, experienced and have the necessary skills and knowledge base to spearhead and midwife the remainder of this historic endeavour.

This report showcases how far we have come, beginning with the foundations we have laid down, to the significant milestones we have covered, going forward. I am proud of what the organization has achieved over the past one year and am extremely excited with that which lies ahead.

A handwritten signature in black ink, appearing to be 'S. Makori', written in a cursive style.

**Stephen Kerosi Makori**  
**Chief Executive Officer**



# EXECUTIVE SUMMARY

The Transition Authority (TA) is a statutory body mandated to facilitate and coordinate the transition to a devolved system of government in Kenya; as per the Transition to Devolved Government Act, 2012 and the provisions under Section 15 of the Sixth Schedule to the Constitution. The transition was envisaged to be covered in two phases; Phase 1 which commenced in June, 2012 and ended with the March 4, 2013 General Elections, and Phase 2 which began on March 5, 2013 and ends no later than March 2016.

Section 7 of the Transition to Devolved Government Act, 2012, provides the specific functions of the Authority. These functions have been implemented in consultation and partnerships with government Ministries, Departments and Agencies (MDAs), the Constitutional and independent offices, particularly the, Commission for the Implementation of the Constitution (CIC), Commission on Revenue Allocation (CRA), Office of the Auditor General and Office of the Controller of Budget; development partners and Non State Actors (NSA). Notably, the Transition Authority is now fully operational with its head office now located at Extelecoms House. The County Transition Coordinators and Interim Transition Teams are also in place. During the 2012/2013 Financial Year, TA was allocated Ksh. 758 million as per the approved Work Plan and Budget, and this was complimented by technical and financial assistance from development partners supported under the UNDP basket fund. An additional Kshs 3.2 billion was allocated by the government for refurbishment of county government offices and establishment of Hansard equipment for the county assemblies.

## FUNCTIONAL ANALYSIS AND COMPETENCY ASSIGNMENT

The Transition Authority has facilitated the analysis and phased transfer of the functions to the national and county governments as provided for under the Fourth Schedule to the Constitution. To date a functional analysis framework has been developed and is under implementation, including guidelines for unbundling functions and costing for functional analysis and transfer. Initial functions for transfer were also gazetted. Templates for preparation of Transition Implementation Plans (TIPS), were also developed and have been used by government Ministries, Departments and Agencies (MDA'S). A quick readiness assessment was also undertaken in all counties to establish county preparedness for functions transfer.

## REGULATIONS AND ADMINISTRATIVE GUIDELINES

The Transition Authority has been able to review, prepare and publicize a number of regulations and guidelines relevant to the transition process. Key input has been made on:

1. Various subsidiary legislations on devolution pursuant to the Constitution of Kenya 2010,
2. County Assembly Standing Orders,
3. Budget guidelines,
4. Procedure for election of county speakers,
5. Assumption of Office for the Governor regulations,
6. Regulations under the County Government Act.

## **PLANNING, BUDGETING AND FINANCE**

In collaboration with the Ministry of Devolution and Planning, county development profiles have been prepared for all the 47 counties. Meanwhile, county governments were issued with the draft county profiles in soft copies to enable them undertake the budgeting process as required by the Public Finance Management Act, 2012. Draft guidelines for the preparation of the Integrated County Development Plans have also been prepared through a consultative process involving the physical planners, economists, surveyors and urban planners.

## **CIVIC EDUCATION ON DEVOLUTION**

The Authority has coordinated and facilitated civic education on devolution through the development and dissemination of civic education materials. Operationalization of the civic education programme has featured stakeholder fora, informercials and participation in fora organised by other institutions.

## **ASSETS AND LIABILITIES AUDIT AND INVENTORY**

TA was required to prepare and validate an inventory of all existing assets and liabilities of government, other public entities and local authorities. Accordingly, a moratorium on the Transfer of Assets and Liabilities was gazetted last year. Additionally, the criteria for transfer of assets and liabilities has been developed and a technical committee comprising of CIC, CRA, Ministry of Lands, PPOA and Ethics and Anti-Corruption Commission (EACC) to handle issues on assets has been put in place. An Asset Management Information System software has also been procured and data entry is ongoing with a view of producing the first ever Integrated National and County Government Assets and Liability (INCAL) register .

## **HUMAN RESOURCE AUDIT AND RATIONALIZATION**

TA is working on a policy on the rationalization and deployment of human resources to the national and county governments. Once finalised, the policy will provide guidelines on the successful transition of staff.

## **CAPACITY BUILDING FOR THE DEVOLVED STRUCTURES**

The Authority has been coordinating and facilitating the provision of support services and assistance to the national and county governments in building their capacity to govern and provide services effectively. Accordingly, the Authority has developed a National Capacity Building Framework to provide guidance for capacity building actors. This framework included induction of elected and appointed officers, refurbishment and minor renovations of county offices, and preparation of guidelines. TA also provided the relevant tools required to operationalise the county assemblies such as maces, and the relevant statutes for the county assemblies and county executives.

## **STAKEHOLDER ENGAGEMENT AND RESOURCE MOBILIZATION**

The Authority has maintained a sustained effort to build strong partnerships with the government and Non State Actors, within and outside the country, that promote TA work through engagement and resource mobilization. Of particular significance was the partnership with UNDP to manage a basket fund on behalf of the Authority. The Authority also received indirect support from various other partnership engagements, especially in capacity and capability building. The capacity building activities were that was primarily executed through an interagency partnership between the Authority, Kenya School of Government, Centre for Parliamentary Studies and Training (CPST) and Kenya School of Monetary Studies (KSMS).

## **CHALLENGES**

Several challenges have been experienced during the period under review. These include difficulties in obtaining vital data from government Ministries Departments and Agencies (MDAs), inability to publish or publicise county profiles until a court appeal is heard and determined, insufficient public goodwill due to politicization of the process, delays in the release of exchequer issues, inadequate resources, weak institutional capacity in the first few months, time constraints, among others that have hampered the pace of achievement of TA's mandate.



**Stephen Kerosi Makori**  
**Chief Executive Officer**

## FULL-TIME MEMBERS



**Mr. Kinuthia Wamwangi**  
Chairman



**Mrs. Angeline Hongo**  
Vice Chairperson



**Mrs. Jacqueline Mogeni**  
Member



**Ms. Safia Abdi**  
Member



**Mr. Simeon Pkiyach**  
Member



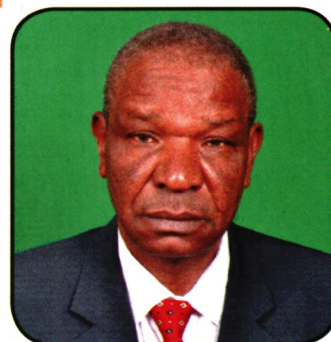
**Dr. Dabar Abdi Maalim**  
Member



**Mr. Bakari Omara**  
Member



**Mrs. Mary Ndeto, HSC**  
Member

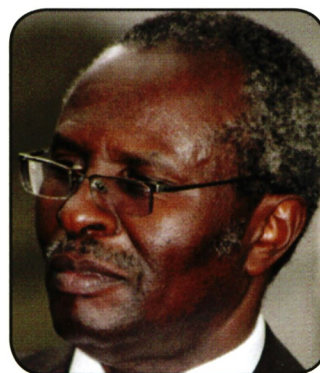


**Mr. Erastus Nyaga Rweria**  
Member

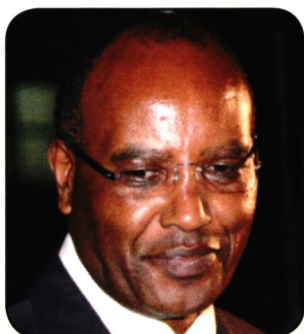
## MEMBERS



**Dr. Edward Sambili, CBS**  
PS Ministry of Planning



**Prof. Karega Mutahi, CBS**  
PS Ministry of Local Government



**Mr. Francis Kimemia, CBS**  
PS, Office of the President and Secretary to Cabinet



**Mr. Gichira Kibara, CBS**  
PS Ministry of Justice



**Mr. Titus Ndambuki, CBS, HSC**  
Commisioner, Public Service Commission



**Mr. Joseph Kinyua, CBS**  
PS Ministry of Finance



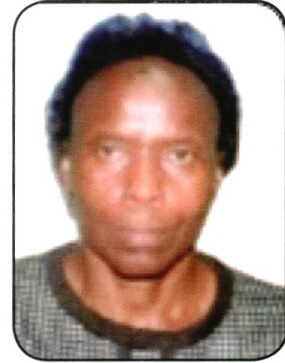
**Hon. Prof. Githu Muigai,**  
Attorney General

## ALTERNATE MEMBERS



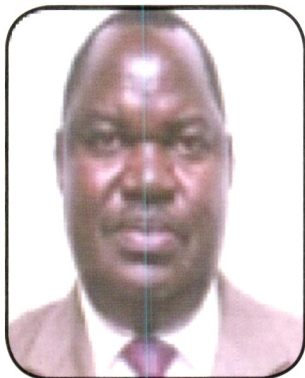
**Kennedy Kihara, EBS**

Alternate to PS, Secretary to the Cabinet  
and Head of Public Service



**Ms. Muthoni Kimani**

Alternate to the Attorney General



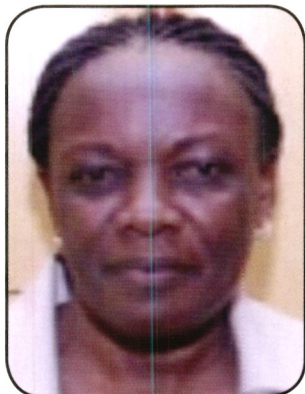
**Amb. P. R.O. Owade**

Alternate to PS, Ministry of Local  
Government



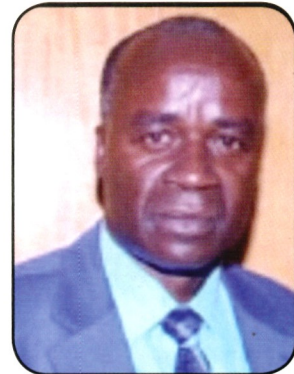
**Dr. Kamau Thugge**

Alternate to PS, Ministry of Finance



**Mrs. Jayne Cindy Songole**

Alternate to PS, Ministry of State  
for Public Service



**John Nandasaba, E.B.S.**

Alternate to PS, Ministry of Planning  
National Development and Vision  
2030



**Joash Dache, M.B.S.**

Alternate Member TA (Representing PS, Ministry of  
Justice, National Cohesion and Constitutional Affairs)

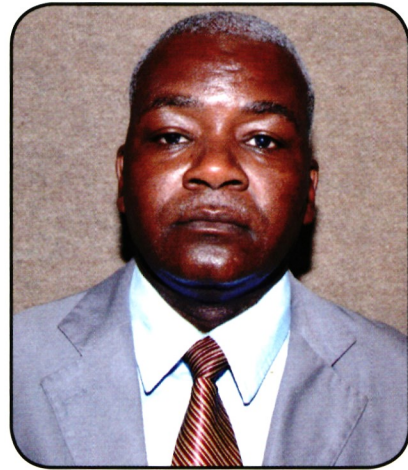
# MANAGEMENT TEAM



**Stephen K. Makori**  
Chief Executive Officer



**Cynthia Olotch**  
Director Legal and Intergovernmental  
Relations



**Gitonga Mbaka**  
Director Transition Coordination



**Peter Kimemia**  
Director Policy Analysis and Advocacy



**Jacqueline Mulwa**  
Director Corporate Support Services

# List of Abbreviations

CBA	Collective Bargaining Agreements
CBO	Community Based Organizations
CEC	County Executive Committee
CIC	Commission for the Implementation of the Constitution
CoK	Constitution of Kenya
CPC	Corruption Prevention Committee
CPST	Centre for Parliamentary Studies and Training
CRA	Commission on Revenue Allocation
EACC	Ethics and Anti-Corruption Commission
FACA	Functional Analysis and Competency Assignment Committee
FACTS	Functional Analysis and Competency Teams
FBO	Faith-Based Organizations
FAQs	Frequently Asked Questions
FAST	Functional Analysis Steering Team
FY	Financial Year
ICT	Information Communication Technology
IEC	Information Education Communication
IFMIS	Integrated Financial Management System
INCAL	Integrated National and County Governments Assets and Liability register
IPPD	Integrated Personnel Payroll Database
KNICE	Kenya National Integrated Civic Education Programme
KSG	Kenya School of Government
KSMS	Kenya School of Monetary Studies
LAIFOMS	Local Authorities Integrated Financial Operations Management System
MDAs	Ministries, Departments and Agencies
NESC	National Economic and Social Council
NSA	Non State Actors
PFM	Public Finance Management
PPOA	Public Procurement Oversight Authority
TA	Transition Authority
TDGA	Transition to Devolved Government Act
TIPS	Transition Implementation Plans
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund



*The Chairman of the Transition Authority, Mr. Kinuthia Wamwangi, together with the CEO Secretary of TA Mr. Stephen Makori look on as Senator Abdirahman Olow, from Wajir County signs the Visitors Book at the KICC Offices during a courtesy call.*



# CHAPTER 1

## INTRODUCTION

### Introduction to the Transition Authority

The Transition Authority (TA) is a statutory body with the mandate of facilitating and coordinating the transition to the devolved system of government. The Authority is established under the Transition to Devolved Government Act (TDGA), 2012, and is expected to execute its mandate within three years following the first General Elections that were held on March 4, 2013.

The transition to a devolved system of government was set in motion following the swearing in of a team to spearhead devolution on July 3, 2012. The team comprises of the chairman and eight other full-time members who were appointed by the President, in consultation with the Prime Minister, and following approval by the National Assembly as provided for in the First Schedule to the Transition to Devolved Government Act, 2012. Listed here below are the Transition Authority's full-time members.

#### Full-time members

1. Mr. Kinuthia Wamwangi - Chairman
2. Mrs. Angeline Awino Hongo - Vice Chairperson
3. Ms. Safia Abdi
4. Mrs. Mary Mwongeli Ndeto, HSC
5. Mrs. Jacqueline Akhalemesi Mogeni
6. Mr. Erastus B. I. Nyaga Rweria

7. Mr. Simeon Pkatey Pkiyach
8. Mr. Bakari Garise Omara
9. Dr. Dabar Abdi Maalim

## Members

1. The Principal Secretary, Office of the President and Secretary to Cabinet.
2. The Principal Secretary in the State department responsible for matters relating to devolution.
3. The Principal Secretary in the State department service; responsible for the public service.
4. The Principal Secretary in the State department responsible for finance.
5. The Principal Secretary in the State department responsible for planning.
6. The Principal Secretary in the State department responsible for justice.
7. The Attorney-General who shall be an ex-officio member with no right to vote.
8. The secretary appointed under Section 9 of the Transition to Devolved Government Act, 2012, who shall be an ex-officio member with no right to vote.

The members of the Authority listed above, apart from the secretary, may designate an officer from their respective State department to represent them.

## Mandate

*The Transition Authority's core mandate is to "facilitate the realization of a devolved system of government through effective and efficient coordination of the transition process".*

## Guiding principles

- (a) Perform its functions subject to the Constitution.
- (b) Be accountable to the people of Kenya and ensure their participation in the transition process.
- (c) Facilitate the transition to the devolved system of government in a transparent, objective and fair manner.
- (d) Promote and sustain fair procedures in its operations.
- (e) Ensure technical and administrative competence for the better carrying out of its functions.
- (f) Be non-partisan and non-political in its operations.
- (g) Apply and promote national values and principles provided under the Constitution.

## Functions of the Authority

The Authority shall facilitate and coordinate the transition to the devolved system of government as provided for under Section 15 of the Sixth Schedule to the Constitution. The Authority shall:

1. Facilitate the analysis and the phased transfer of the functions provided under the Fourth Schedule to the Constitution to the national and county governments.
2. Determine the resource requirements for each of the functions.
3. Develop a framework for the comprehensive and effective transfer of functions as provided for under Section 15 of the Sixth Schedule to the Constitution.
4. Coordinate with the relevant State organ or public entity in order to:
  - Facilitate the development of the budget for county governments during Phase One of the transition period.
  - Establish the status of ongoing reform processes, development programmes and projects and make recommendations on the management, reallocation or transfer to either level of government during the transition period.
  - Ensure the successful transition to the devolved system of government.
5. Prepare and validate an inventory of all the existing assets and liabilities of government, other public entities and local authorities.
6. Make recommendations for the effective management of assets of the national and county governments.
7. Provide mechanisms for the transfer of assets which may include vetting the transfer of assets during the transitional period.
8. Pursuant to Section 15 (2) (b) of the Sixth Schedule to the Constitution, develop the criteria as may be necessary to determine the transfer of functions from the national to county governments, including;
  - Such criteria as may be necessary to guide the transfer of functions to county governments.
  - The criteria to determine the transfer of previously shared assets, liabilities and staff of the government and local authorities.
9. Carry out an audit of the existing human resource of the government and local authorities.
10. Assess the capacity needs of national and county governments.
11. Recommend the necessary measures required to ensure that the national and county governments have adequate capacity during the transition period to enable them undertake their assigned functions.
12. Coordinate and facilitate the provision of support and assistance to national and county governments in building their capacity to govern and provide services effectively.
13. Advise on the effective and efficient rationalization and deployment of the human resource to either level of government.

14. Submit monthly reports to the Commission for the Implementation of the Constitution and the Commission on Revenue Allocation on the progress in the implementation of the transition to the devolved system of government.



*Mrs Angeline Hongo, TA's Vice Chairperson after taking her Oath of Office before the Chief Justice.*

## **Powers of the Authority**

The Authority shall have all powers necessary for the proper performance of its functions as laid out in the Transition to Devolved Government Act, 2012 to:

- (a) gather relevant information, including the requisition of reports, records, documents or any information from any source, including State departments or public entities.
- (b) compel the production of any information required for the performance of its functions as and when necessary.
- (c) interview any person, groups or members of organizations or institutions.
- (d) hold inquiries and investigations for the purposes of performing its functions under this Act.
- (e) make recommendations and facilitate the distribution of assets to the national and county governments.
- (f) undertake any activity necessary to effectively carry out its functions.

The Authority shall, while undertaking its functions as specified under subsection (2), carry out the activities specified in respect of Phase One and Phase Two in the Fourth Schedule to the Transition to Devolved Government Act, 2012.

## **Phase One**

During Phase One of the transition period, the Authority shall carry out the following activities:

- (a) audit assets and liabilities of the government, to establish the asset, debts and liabilities of the government.
- (b) audit assets and liabilities of local authorities, to establish the asset, debts and liabilities of each local authority.
- (c) audit local authority infrastructure in the counties, to establish the number and functionality of plant and equipment in local authorities.
- (d) audit the government infrastructure in the counties, to establish the number and functionality of plant and equipment for the purpose of vesting them to either level of government.
- (e) audit the government staff in counties, to establish the number of staff in each county by cadre, grades, gender, age and qualification.
- (f) audit the local authority staff in the counties, to establish the number of local authority staff in each county by cadre, grades, gender, age and qualification.
- (g) facilitate civic education, to ensure civic education on devolution is commenced and coordinated.
- (h) facilitate the initial preparation of county budgets, to ensure such budgets are agreed upon.
- (i) facilitate the preparation of county profiles, to ensure that the profiles of counties are produced, published and publicized; carry out an analysis of functions and competency assignment and ensure that the plan for distribution of functions and competency is published and necessary Acts amended.
- (j) provide a mechanism for closure and transfer of public records and information.
- (k) facilitate the development of a county public finance management system.
- (l) provide a mechanism for the transition of government and local authority employees.
- (m) provide for a mechanism for the transfer of government net assets and liabilities to national and county governments.
- (n) provide mechanisms for the transfer of assets and liabilities which may include vetting the transfer of assets during the transitional period.
- (o) provide for a mechanism that will secure assets and liabilities held by the local authorities.
- (p) any other activity that may be necessary to carry out its functions.



**Mrs. Jacqueline Mogeni taking the Oath of Office as a Transition Authority Member in July 2012.**

## **Phase Two**

During Phase Two of the transition period, the Authority shall carry out the following activities:

- (a) complete any activity that may be outstanding from Phase One.
- (b) oversee the transfer of functions from the national government to the county government.
- (c) facilitate the county governments in the performance of their functions.
- (d) any other activity that may be necessary to enable county governments carry out their functions.

## **The Transition Authority's Eight Point Road Map to a Devolved System of Government**

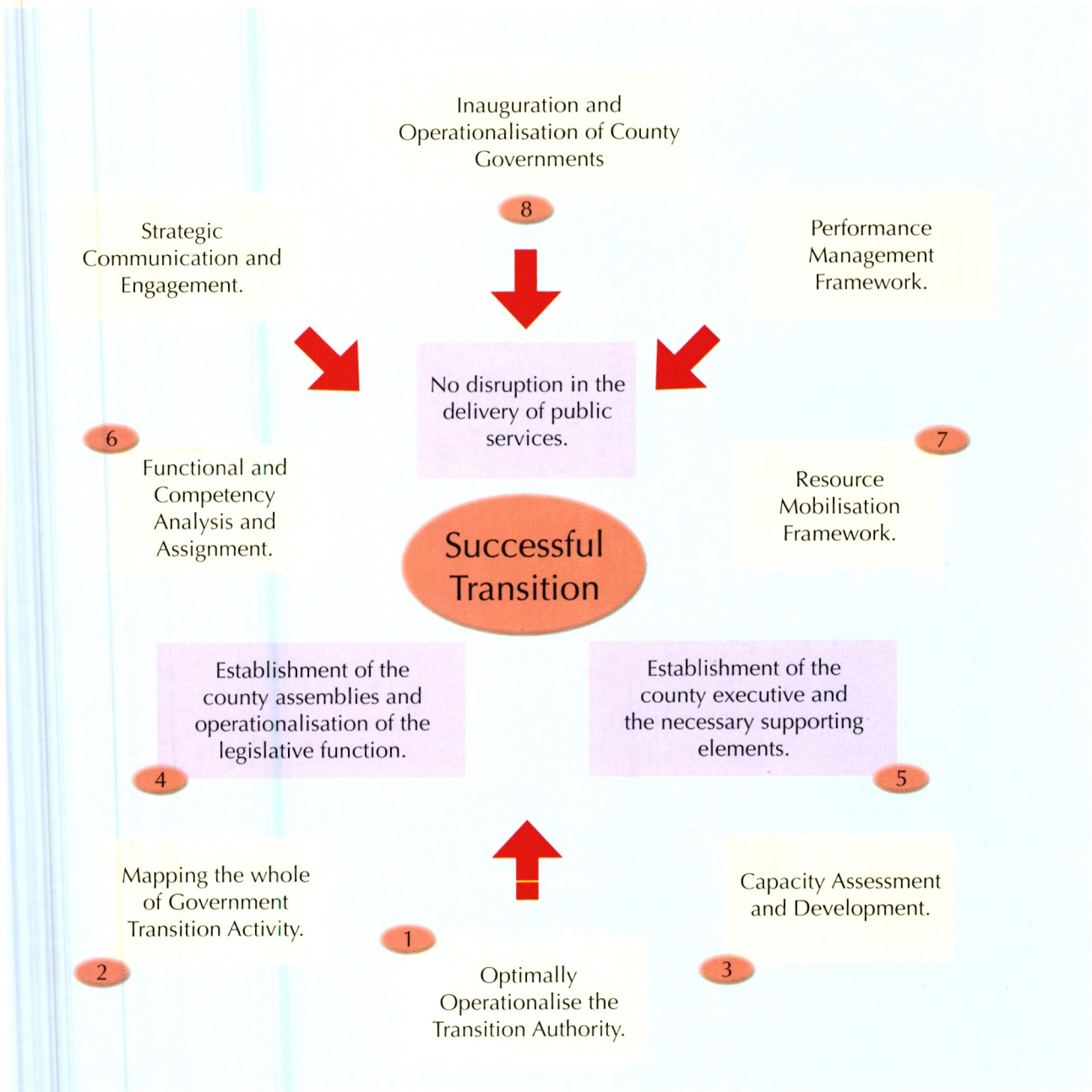
The Eight-point Road Map established the broad path that the Transition Authority must follow if it is to deliver its mandate and therefore ensure a successful transition process.

The eight point process is as follows:

1. Optimal Operationalisation of the Transition Authority.
2. Mapping the Whole of Government Transition Activities.

3. Capacity Assessment and Development.
4. Functional Analysis, Competency Assignment and Costing.
5. Resource Mobilization.
6. Strategic Communication and Engagement.
7. Performance Management Framework.
8. Inauguration and Operationalization of County Governments.

### ***The Transition Authority's Eight Point Road Map.***



**Figure 1: TA's Eight Point Road Map**

# Structure of the Transition Authority

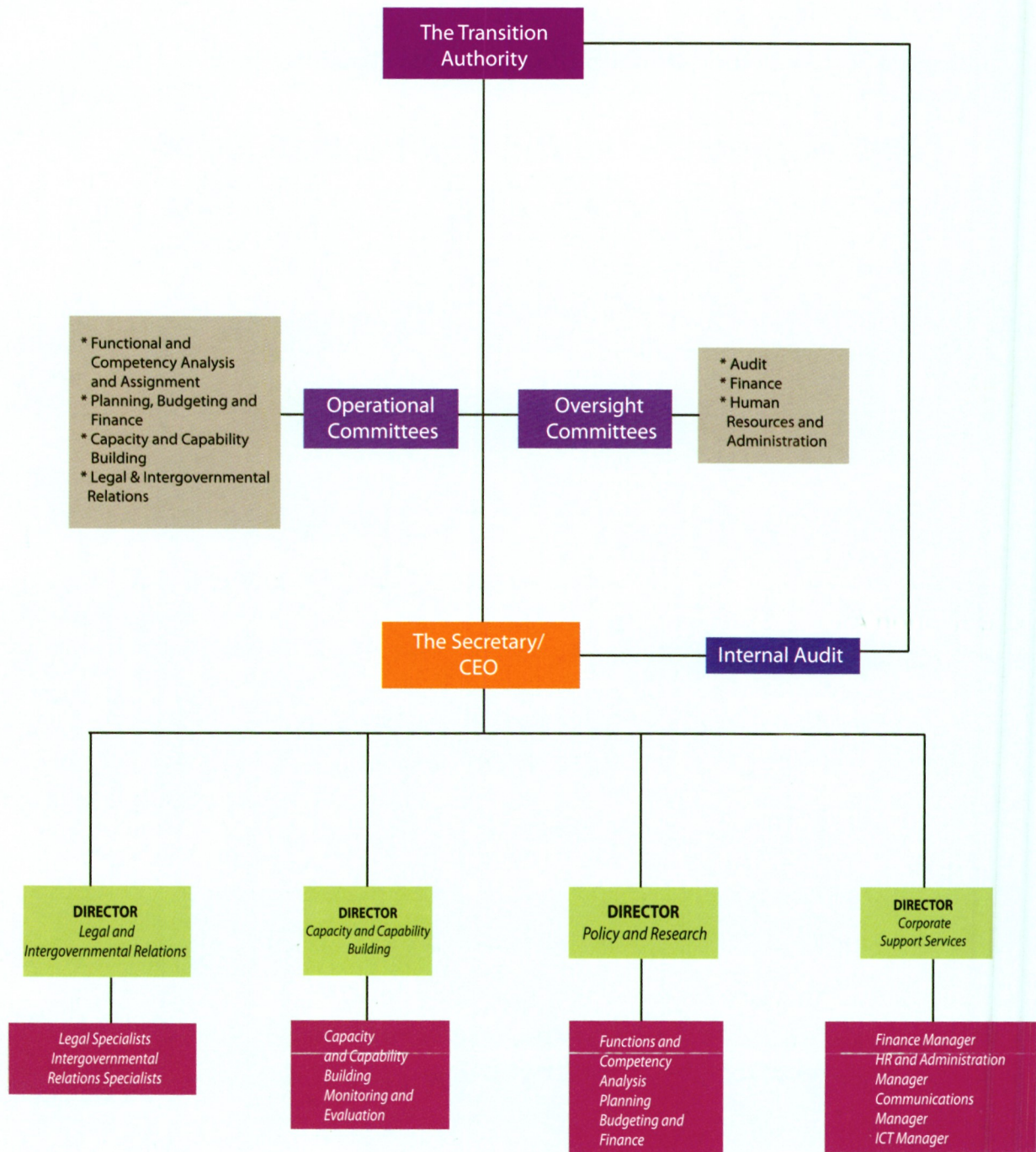


Figure 2: TA's Organizational Structure.



## CHAPTER 2

# THEMATIC AREAS

## 2.0 INTRODUCTION

The Transition Authority is organized into operational and oversight committees, each dealing with a particular thematic area. The operational committees give effect to Section 20 of the Transition to Devolved Government Act, 2012. As provided for under the same Act, these committees comprise of members of the Authority together with coopted members who allow the Transition Authority to achieve two things:

1. To enhance participation in the transition process and hence give effect to the provisions of the Constitution of Kenya, 2010, that relate to the participatory process by State organs.
2. To leverage on expertise and other resources not present in the TA.

The operational committees are on the following thematic areas:

- (i) Functional Analysis and Competency Assignment.
- (ii) Legal and Intergovernmental Relations.
- (iii) Capacity and Capability Development.
- (iv) Planning, Budgeting and Finance.

The oversight committees on the other hand are for the general good governance of the resources availed to TA and include the:

- (i) Human Resource Committee.
- (ii) Finance and Administration Committee.
- (iii) Audit Committee.

Below is a detailed discussion of the key milestones achieved by TA while undertaking its core functions.

## 2.1 FUNCTIONAL ANALYSIS AND COMPETENCY ASSIGNMENT COMMITTEE

### 2.1.0 Introduction

One of the specific functions of the Authority is to facilitate the analysis and the phased transfer of functions to national and county governments as provided for under the Fourth Schedule to the Constitution of Kenya (CoK) 2010. Additionally, TA is mandated to determine resource requirements for each function and develop a framework and criteria for a comprehensive and effective transfer of the functions. To this end, the Functional Analysis and Competency Assignment (FACA) Committee was established to spearhead activities around these core functions.

### 2.1.1 Objectives

The main objective of the Committee is to facilitate an effective transfer of functions to the county governments during the stipulated transition period of three years.

This thematic area specifically seeks to address the following issues:

1. Facilitate the analysis and phased transfer of functions as provided for under the Fourth Schedule to the Constitution, to the national and county governments.
2. To determine the resource requirements for each of the functions.
3. Coordinate the validation and publication of the county and national functions.
4. Establish criteria that must be met before particular functions are devolved to county governments to ensure that those governments are not given functions, which they cannot perform.
5. Oversee the transfer of functions from the national government to the county government.

### 2.1.2 Key Achievements

#### a) **Reviewing of reports from government Ministries, Departments and Agencies (MDAs).**

Initially, reports had been made to the effect that MDAs had already begun transferring functions without TA's involvement. This necessitated urgent engagements with the MDAs in an effort to establish whether a process of function analysis had indeed been undertaken. However, the discussions established that no actual transfer of functions had occurred as per the Fourth Schedule to the Constitution.

What had actually transpired is that some ministries had deployed staff to the counties in preparation for undertaking the devolved functions. Engagement on

this matter marked the beginning of intense and regular deliberations with MDAs on matters of function analysis and eventual transfer of functions as guided by the law.

**b) Development of a framework for functional analysis, competency assignment and costing of functions.**

A key deliverable of the FACA Committee was the development of a framework for functional analysis and competency assignment. The framework was meant to facilitate harmonized processes and outputs. To this end, TA engaged a consultant to develop the framework.

The framework draws from international experience and includes a criteria for functional analysis and competency assignment, the process of undertaking the tasks including the structures for gathering information and decision making, costing of functions, development of sectoral policies, development of norms and standards for each sector as well as guidelines for development of Transition Implementation Plans (TIPS). The template and guidelines for functional analysis and competency assignment are attached in Annex 1.

The Transition Authority engaged numerous stakeholders and institutions in an effort to enrich the process of functional analysis (see Annex 1 for a brief outline of some of the key engagements that happened during the period under review).

**c) Technical analysis, harmonization and review of the sectoral papers.**

For purposes of engaging stakeholders and ensuring that the Authority adhered to the principle of public consultations and inclusion, TA established Functional Analysis and Competency Teams (FACTs) and the Functional Analysis Steering Team (FAST).

FACT is a technical committee responsible for developing sectoral policy papers and TIPS. On the other hand, FAST is a multi-stakeholder, high-level group charged with the role of reviewing and validating the draft TIPS submitted to the TA by the MDAs. FACTs have been operational in all the sectors while FAST was launched on May 16, 2013 and is in the process of reviewing the TIPS that have already been received by the Authority.

**d) Costing of functions assigned to both national and county governments.**

The Authority has rigorously engaged the MDAs in the process of costing of functions assigned to both levels of government. For instance, from 4th to 8th December, 2012, all the line ministries were mobilized and involved in the identification of the functions that had been devolved and consequently assigned code 98 in the budgetary system by the National Treasury.

The main output from this exercise was the exchange of crucial information on costing for the devolved functions. This information was relayed to the Treasury and helped inform the subsequent budgeting process. However, the entire process of trying to obtain data from the MDAs has been confronted with a myriad of challenges including the scarcity of credible data on the actual cost of delivering the services. This undermines the accuracy of the resultant budgets.

#### e) **Development of Transition Implementation Plans (TIPs) for MDAs**

As pointed out above, the Committee developed guidelines that were issued to MDAs. To date, the Committee has been engaged in technical support sessions and workshops with various institutions to assist in the development of TIPs. Regular feedback and guidance to those experiencing difficulties in putting together the requisite information has been a key activity for the Committee.

Lastly, TA has been monitoring the development and submission of these plans in order to ensure that the issued guidelines are adhered to. To date, only 18 ministries (that existed before the March 4 elections) and 4 agencies have submitted the plans with varying degrees of compliance to the set procedures and guidelines. This is in spite of TA having provided them with simplified templates and pleading with them on numerous occasions to comply with the law.



*The Chairman of the Functional Analysis and Competency Assignment Committee, Dr. Dabar Maalim, posing for a group photo with the Chairman TA, Mr. Kinuthia Wamwangi, Country Director UNDP, Mr. Alfredo Texeira and His Excellency the Governor of Lamu, Hon. Issa Timamy.*

#### f) **Gazettement of the initial functions for transfer ahead of the March 2013 elections**

This was a statutory requirement according to Section 23 of the Transition to Devolved Government Act, 2012. The Authority was successful in identifying the functions for initial transfer to the County Governments. The functions were largely those that were being performed by the defunct local authorities. These functions did not require a lot of infrastructure, resources and mechanisms to

deliver. They included functions such as refuse collection and management of storm water drainages, which were being rendered by a majority of the former local authorities. (See Annex 2 for the list of functions that were gazetted)

**g) Publication of the remaining functions for transfer on 1st July 2013**

In compliance with the Constitutional requirements and the Transition to Devolved Government Act, 2012, the Authority compiled a list of functions that had remained after the initial transfer in March 2013. An advertisement in the dailies with national circulation was published on April 24, 2013 in order to allow for public participation and to inform the public and the county governments about the application process that would inform the eventual transfer of the said functions.

**h) The status of applications and processing of the phased transfer of functions**

According to Section 24 of the Transition to Devolved Government Act, 2012, counties are supposed to apply for functions. TA is obligated to communicate its decision on the application in 60 days. The Authority developed a form which was given to the governors with instruction to read through and confirm whether they had all the requisite systems and structures in place as required under law.

In the period under review, twenty-three (23) counties have since applied for the transfer of all the functions. TA has acknowledged receipt of the applications. Verification of the actual situation on the ground is ongoing in order to establish whether or not the said applications are compliant with the legal requirements for capacity and capability to perform the functions. The CoK, 2010 prohibits the transfer of functions to counties that do not have sufficient capacity to perform such functions. This is understandably so because it would otherwise cause disruptions in service delivery and could potentially incite sociopolitical instability among communities.

TA is actively engaging with the county governments in an effort to ensure that the transfer of functions remains on track and that such transfers are effected promptly upon confirmation that there is adequate capacity in the counties.

### **2.1.3 Projected Activities**

As we progress into Phase Two of the transition period, the following are the projected activities:

**a) Intensive revitalized programme on function analysis, assignment and costing.**

The passage of the Division of Revenue Bill and the subsequent start of the Financial Year, together with the new government structures with merged ministries, provide fertile ground for revitalizing the process of functional analysis. This will be done through a very comprehensive programme involving all the stakeholders and characterized by actual visits as well as consultative and technical workshops.

**b) Handling the applications for transfer of functions.**

The law provides for TA to give a response within a period not exceeding 60 days on application for transfer of functions. The counties have an opportunity to appeal to the Senate in case of a negative response to their application. TA intends to apply the law as it is for the transfer of functions.

**c) Development of a framework on concurrent functions.**

Concurrent functions are those functions that have been assigned to both levels of government. For effective service delivery and smooth transition, there is need to develop a framework that allows the two levels of government to cooperate and negotiate in the delivery of these functions. This framework should encompass governance, management and reporting systems for the functions. A good case in point is in the area of disaster management.

**d) Comparative research on the smooth transfer of functions.**

This is supposed to give new insights into the management of transfer of functions



*Members of TA pose for a group photo with a section of the over 400 Chief Officers during the transition process.*

and powers. This will be done by drawing lessons from jurisdictions that have devolved structures that are more or less similar to Kenya's and at more or less similar levels of social, economic and political organization.

**e) Facilitation of FAST.**

TA intends to actively engage the Functional Analysis Steering Team (FAST) in the review and harmonization of the sectoral policy papers. The membership of FAST comprises of Principal Secretaries from the line ministries and Non State Actors.

**f) Monitoring and technical backstopping to the development and implementation of transition plans by MDAs.**

This is key for the successful adoption and integration of devolved structures, further decentralization of services by the MDAs and the overall uptake of the functions by counties.



*Functional Analysis and Costing Workshop for Local Authorities.*

## 2.2 PLANNING, BUDGETING AND FINANCE

### 2.2.0 Introduction

The main role of this thematic area is to facilitate budgeting and planning of county governments.

### 2.2.1 Objectives

The key terms of reference include but are not limited to:

1. Coordination of the preparation of initial County Medium Development Plans through a public participatory process.
2. Facilitation in the preparation of initial (March- June 2013) and the FY 2013/2014 county budgets, to ensure such budgets are agreed upon.
3. Facilitation in the identification of current local authorities' revenues sources, including devolved funds and other local authority transfer funds.
4. Facilitation of the implementation of Public Finance Management Act by the Counties.
5. Coordinate the setting up of County Government Treasuries and their operationalization.
6. Coordination of the preparation of county profiles to ensure that the profiles of counties are produced, published and publicized.
7. In collaboration with other committees, establish the status of ongoing reform processes, develop programmes and projects and make recommendations on the management, reallocation or transfer to either level of government during the transition period.
8. Assessment and reclassification of urban areas and cities.
9. Assisting counties in establishing monitoring and evaluation systems.

### 2.2.2 Key Activities

During the period under review, the following activities were undertaken:

#### a) Development of County Profiles

In collaboration with the then Ministry of State for Planning, National Development and Vision 2030 county development profiles were prepared for all the 47 counties. The profiles are to aid in the preparation of the county integrated development plans, which is a requirement in the preparation county budgets.

Between February 10 and March 2, 2013 the then Ministry for Planning, organized workshops in Nyeri and Nakuru simultaneously for editing and development of the profiles, an exercise in which TA was involved. The Nyeri Workshop covered 23 counties in the former Central, Coast, Eastern, Nairobi and North Eastern provinces while the 24 counties in the former Nyanza, Rift Valley and Western provinces converged in Nakuru.

TA also facilitated publishing of the profiles.

**b) Integrated Development Plan guidelines**

In collaboration with the then Ministry of Planning, National Development and Kenya Vision 2030 and Ministry of Local Government, Draft County Integrated Development Plan guidelines were prepared and issued to county governments to enable them undertake the budgeting process as required by the Public Finance Management Act, 2012. These draft guidelines were prepared through a consultative process involving the physical planners, economists, surveyors and urban planners.

**c) Classification of Urban Areas and Cities**

Pursuant to Section 54(1) of the Urban Areas and Cities Act, 2011, the Authority commenced collection of data concerning fulfillment of the following two criteria:

- i) Capacity to effectively and efficiently deliver essential services to its residents as provided for in the First Schedule to the Urban Areas and Cities Act, 2011; and
- ii) That the county has demonstratable capacity to generate sufficient revenue to sustain its operations.

Data on (i) above was collected except for ten counties which did not respond. These are Baringo, Bomet, Homa Bay, Kakamega, Kericho, Kisii, Marsabit, Migori, Narok and Uasin Gishu.

On (ii) above, TA requested data on the last three years' revenue sources and expenditure by the defunct local authorities and the data analysis was done as the data was being provided. For further analysis, a technical team was constituted to complete the assignment.

From the 2009 Population and Housing Census, 251 centres were enumerated as urban areas. Based only on the resident population as per the census, the technical team categorized urban areas as shown in the table below.

Category	Previous Number	Future Number	Comment
Cities	1	3	Although Kisumu does not qualify Parliament declared it to be a city.
Municipalities	43	2	Nakuru and Eldoret
Townships	55	130	
Unclassified	116	80	

**Table 1: Categorization of Urban Areas.**

Based only on resident population, all municipalities except Nakuru and Eldoret will become townships. Karatina will be declassified from its original status of a municipality. Some former townships such as Makueni will also be declassified and some 38 previously unclassified urban areas qualify to be upgraded to townships.

Based on the data collected on the ability to provide services, many of the urban areas which are downgraded to townships based on the resident populations do not offer all the required services for them to qualify to become townships. In effect it means that there is a likelihood of very few classified urban areas in Kenya.

On further analysis of data on capacity to generate sufficient revenue to sustain its operations, it was found that none of the urban areas qualify for any level of classification.

#### **d) County Budgeting and Finance**

Pursuant to its mandate, the Authority together with the National Treasury, The Office of the Controller of Budget, Commission on the Implementation of the Constitution (CIC), Commission on Revenue Allocation (CRA), Auditor General's Office and other Stakeholders developed guidelines on planning, budget preparation and execution, public participation, borrowing, procurement, accounting and reporting for county governments in line with CoK 2010 and the Public Finance Management Act, 2012. (See Annex 3)

The objective is to link the policy, planning and budgeting systems. This will enable county governments to understand better the realities of what is affordable over the medium term and to address sectoral priorities strategically.

In line with the County Governments Public Finance Management Transition Act, 2013, TA also deployed interim County Principal Officers (Finance) and County Heads of Treasury (Accounting) to all the Counties. TA organized a capacity building workshop for the interim officers in collaboration with the then Ministry of Finance, CRA, CIC, Controller of Budget and the IFMIS Department.

During the workshop, the officers were taken through the budget preparation process. They were also provided with a template prepared by the Authority in collaboration with the National Treasury to guide in county budget preparation. Other documents provided to assist in the budget preparation process included the Transition County Allocation Act, 2012, all the relevant devolution laws and copies of respective reports on County Public Consultation on the Medium Term Expenditure Framework Budget Proposals for Financial Year 2013/14. As a result, the county governments capacities to undertake the budget preparation were enhanced.

#### **e) Opening, Operating and Closing of Bank Accounts.**

TA in partnership with the then Ministry of Finance, Controller of Budget, CRA, Office of the Auditor General and the Central Bank of Kenya participated in the

formulation and preparation of guidelines on the opening and operation of bank accounts for county governments. TA supported the individual counties to open a County Revenue Fund and a County Operations Account at the Central Bank of Kenya. These accounts enable counties to access funds to discharge their mandates. In addition, TA facilitated the preparation and filing of county exchequer requisitions, approval from Controller of Budget and exchequer issues to the County Bank Accounts in Central Bank of Kenya. In order to support the initial operationalization of the county governments, TA disbursed an amount of Ksh 3.2 billion to the 47 counties for infrastructure development.



*The technical committee on Planning, Budgeting and Finance.*

**f) Accounting and Reporting**

Among the transition teams appointed by TA were the County Transition Accounting Officers who are required to keep proper financial records at all times as required by the PFM Act, 2012. They are also expected to prepare and submit financial and non-financial statements to the Auditor General for audit with copies to the Controller of Budget, CRA and the National Treasury. This is to ensure that public funds are well managed and utilized for proper service delivery to the citizenry.

**g) Procurement**

The guidelines are to ensure that all county governments comply with the Public Procurement and Disposal Act, 2005 for prudent management of public resources.

## **h) Public Finance Management Reform (PFMR) Programme**

The Transition Authority is one of the implementing agencies under the decentralization support program that is funded by the African Development Bank. Specifically, TA was involved in the development and review of the PFMR Strategy 2013-2017, since it is a member of the fiscal decentralization thematic group, where issues of county finances are adequately articulated. TA was engaged in the development of a work plan that includes the carrying out of fiduciary mock reviews in selected Counties, benchmarking tours to jurisdictions with similar governance structures and training on county budget procedures. The work plan is being implemented and a planned fiduciary mock review to be undertaken will help to ascertain the current status of transition to devolved governments and further inform on the possible gaps and challenges that might require urgent intervention.

### **2.2.4 Projected Activities**

1. Facilitating the preparation of County Integrated Development Plans as stipulated by the County Governments Act, 2012.
2. Publishing and publicizing county profiles in the respective counties.
3. Amending of guidelines for urban areas and cities in consultation with cartographers to ensure conformity and thereafter publishing them.
4. Facilitating the development of County Spatial Plans as well as county plans and ensuring that they are in line with the County Integrated Development Plan.
5. Facilitating the establishment of County Planning Units
6. Conducting an audit of the ongoing development projects and programmes at the county level and providing guidance to the county governments on how donor funded projects will be treated in the budgets of the new dispensation.
7. Conducting sensitization and capacity building on the budget making process at the county level.
8. Conducting a diagnostic review of past and current legal and regulatory rules and procedures relevant for urban planning, development and management.
9. Conducting a diagnostic and comprehensive review of the Urban Areas and Cities Act, 2011, and suggesting amendments to and in particular the criteria for classification of urban areas and cities.
10. Finalizing of the Urban Development Policy.
11. Assessing the revenue collection potential of counties.
12. Assisting counties in establishing monitoring and evaluation systems.
13. Undertaking fiduciary mock reviews and benchmarking tours.

## 2.3 CAPACITY AND CAPABILITY DEVELOPMENT COMMITTEE

### 2.3.0 Introduction

The capacity and capability development thematic area is responsible for developing a rationalized and focused National Capacity and Capability Building Framework to support the realization of effective devolution.

### 2.3.1 Objectives

The capacity and capability development initiatives of the Authority aim at the following:

1. Facilitating and coordinating capacity building of national and county government through the following specific activities.
  - Assessing the capacity needs of the national and county governments and recommending necessary interventions.
  - In collaboration with other stakeholders, developing capacity building programmes for various teams involved in devolution activities.
2. Facilitating and coordinating audit of human resource of national government in counties and local authorities, and advising on effective and efficient rationalization and deployment of human resource to both levels of government.
3. Establishing and validating of existing assets, liabilities and debts of public agencies.
4. Facilitating civic education and ensuring civic education on devolution is commenced and coordinated.
5. Providing a mechanism for closure and transfer of public records and information.

### 2.3.2 Key Achievements

The Authority is required to assess capacity needs, facilitate and coordinate capacity building as well as provide support and assistance to ensure both the national and county governments have the necessary capacity to govern and deliver services effectively. Towards this end, the Authority has achieved the following:

#### i. **Identified county executive and county assembly offices.**

The Authority conducted countrywide infrastructure readiness assessment to ascertain the status of office facilities in readiness for the county governments. The assessment revealed glaring gaps and disparities in various counties. Consequently, the National Treasury allocated Ksh.3.2 billion for office refurbishment and acquisition of Hansard recording systems and other equipment for county assemblies. This greatly facilitated the county governments to settle down fast after they were established.

**ii. Transition coordination mechanism.**

In an effort to ensure a smooth transition and uninterrupted service delivery, the Authority put in place a transition coordination mechanism at the county level. This entailed identification, training and deployment of Interim County Transition Teams and Coordinators. The teams were instrumental in laying down necessary structures and systems including administrative, financial, human resource, Information Communication Technology, procurement, and other structures for a smooth take off of county governments. This resulted into the establishment of county treasuries, closing of former local authority accounts, establishment of Integrated Financial Management System (IFMIS) and Integrated Personnel and Payroll Database (IPPD) system. The teams also played a critical role in the assumption of office of the governors and swearing in of members of the county assemblies. These teams continue to provide the necessary technical and administrative support as the counties continue to develop their own capacities.

**iii. Pre-election induction for gubernatorial candidates.**

In conjunction with the National Economic and Social Council (NESC), the Authority conducted a pre-election induction for gubernatorial candidates to sensitize the candidates on the devolved governance structure and particularly the expected role of governors once elected.

**iv. County Quick Readiness Assessment.**

The Authority conducted a Quick Readiness Assessment to establish the preparedness of counties in assuming and supervising the provision of devolved functions as required by law, particularly Section 15 of the Sixth Schedule to the Constitution and sections 23 and 24 of the Transition to Devolved Government Act, 2012. The assessment revealed that the counties are all in formative stages and at different levels of preparedness. The exercise provided a forum for the counties and departments responsible for devolved functions to interact. It also provided the necessary impetus for putting in place the needed capacity. Further, the assessment facilitated the transfer of functions and guided in determining the capacity gaps and the necessary county capacity development priorities.

**v. Induction of governors and speakers of county assemblies.**

An induction for governors and their deputies, speakers and deputies, Interim Clerks of County Assemblies, Interim County Secretaries and County Transition Committees was conducted by the Authority with the support of various stakeholders including NESC, CPST, KSG, Treasury, Kenya School of Monetary Studies (KSMS) and LAPTRUST. The main theme of the induction was transformative leadership.

**vi. Induction for the Members of County Assemblies.**

With the support of the International Republican Institute (IRI), CPST, Westminster Foundation, Canadian Parliamentary Centre and UNICEF, the Authority conducted induction courses for the newly elected members of county assemblies with the main focus being the budget making process.

**vii. Induction of County Transition Teams.**

In partnership with the Kenya School of Government, the Centre for Parliamentary Studies and Training, Kenya School of Monetary Studies and the Treasury, the Transition Authority organized and conducted an induction for the County



*Mrs. Mary Ndeto, HSC, a Member of TA during a Q & A session with Public Officers in Wajir County.*

Transition Teams before deploying them to the counties, to help establish the necessary structures for the incoming county governments.

**viii. Bills of quantities for county infrastructure works.**

With the assistance of the former Ministry of Public Works, the Authority prepared bills of quantities to guide the implementation of identified infrastructure works in the counties. These bills of quantities are being used to execute the works in the counties.

**ix. National Capacity Building Framework.**

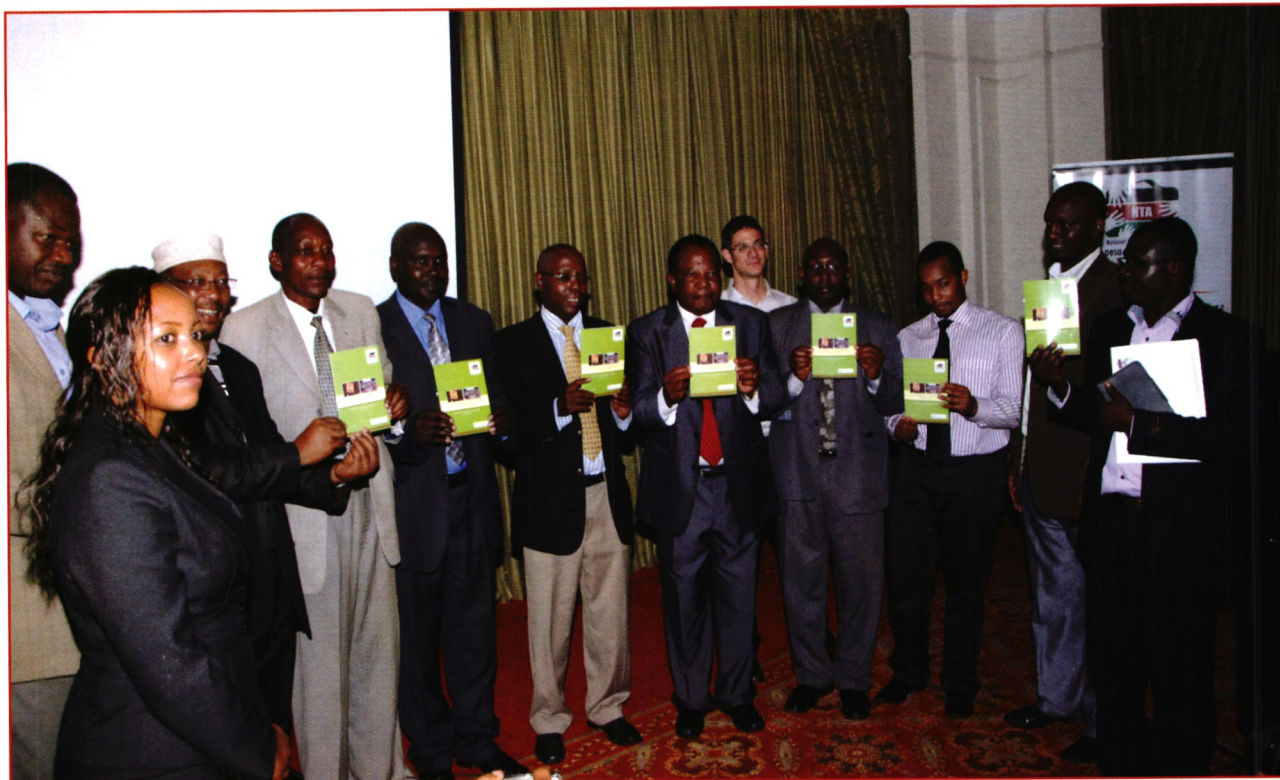
The Authority has prepared a draft National Capacity Building Framework that will guide in the management of capacity building initiatives for the devolved system of government. The framework has an inbuilt implementation framework and monitoring and evaluation mechanism for the capacity and capability building activities.

**x. The Authority has received and compiled reports to establish the status including the number, cadres, gender, age and qualifications of employees in government Ministries, Departments and other Agencies.**

In conjunction with relevant agencies including the Ministry of State for Public Service, Treasury, Public Service Commission and the Ministry of Planning, National Development and Vision 2030, the Authority is in the process of developing draft policy on rationalization and deployment of staff to the two levels of government.

**xi. National Asset Register.**

The Authority compiled an asset and liabilities register for each county, and disseminated the register to the counties to guide in validation of the inventory of assets and liabilities in the counties.



*TA representatives and partners launching Civic Education Material.*

**xii Development of Civic Education Tools.**

The Transition Authority has developed a booklet on Frequently Asked Questions and a book on the Mandate and Procedures of County Governments.

**xiii. Acquisition of an Asset Management Information System.**

The Authority acquired an Asset Management Information System to facilitate the management of data for all assets, liabilities and human resource of the national and county government.

**xiv. Assets Management Committee.**

The Authority has constituted an Asset Management Committee to handle the transfer of public assets and liabilities.

**xv. Development of a Training Manual and curriculum for sensitizing public officers on devolution.**

In collaboration with the Ministry of State for Public Service, Ministry of Justice, National Cohesion and Constitutional Affairs, the Kenya National Integrated Civic Education Programme and support from the Japanese International Cooperation Agency (JICA), the Authority developed a training manual and curriculum for sensitizing public officers on devolution.

## 2.3.3 Projected Activities

### a) **Finalize the Development of the Monitoring and Evaluation Framework.**

The Authority intends to finalize the development of the monitoring and evaluation framework on the implementation of the capacity and capability-building programme.

### b) **Finalize the National Capacity Building Framework**

(i) The Authority will share the draft of the National Capacity Building Framework (NCBF) with a view to getting the stakeholder input to facilitate the finalization of the framework.

(ii) Facilitate and coordinate the implementation of the framework.

### c) **Civic Education**

(i) Review and develop Information, Education and Communication (IEC) materials.

The Authority will review and develop IEC materials for use in disseminating key messages on devolution and transition issues and other topical issues for public education.

(ii) Develop infomercials and documentaries.

This will also incorporate mechanisms of airing the messages to the public through various electronic and print media.

(iii) Develop information on the devolution process in print media.

(iv) Prepare branded materials like brochures, T-shirts and caps to enhance the corporate image of the Authority.

(v) Initiate the publication of a newsletter, preferably on a quarterly basis, to provide a forum for sharing devolution-related information.

(vi) Ensure effective coordination of civic education on devolution at county and national level.

(vii) Facilitate capacity building for public participation through strengthening public participation platforms at national and county level.

### d) **Human resource management during the transition period**

(i) Facilitate and coordinate a human resource audit.

(ii) Facilitate development of human resource deployment and rationalization framework.

(iii) Facilitate development of a mechanism for closure and transfer of public records and information.

### e) **Audit management for assets and liabilities**

(i) Continue with data collection from MDAs.

(ii) Facilitate audit verification of assets and liabilities.

(iii) Develop an inventory for national assets and liabilities.

(iv) Review requests for transfers and complaints on illegal assets and liabilities transfers.

## 2.4 LEGAL AND INTERGOVERNMENTAL RELATIONS

### 2.4.0 Introduction

The Transition to Devolved Government Act, 2012 provides for the goals, objectives, functions and powers of the Transition Authority, and is the basis for determining if any particular measures are specifically mandated by the legal framework, as read with the Constitution.

In this respect, TA undertakes a cross cutting function of legal and advisory services. These services are provided with respect to all key functions including resource mobilization, oversight, capacity building and coordination.

### 2.4.1 Objectives

1. Carry out substantive legal analysis of the Transition to Devolved Government Act (TDGA), 2012 and all related laws.
2. Contribute to the development of legal instruments that will enhance the capacity of both levels of government while discharging their functions.
3. Contribute to the development of the Transition Authority's policies and frameworks on transition to the devolved system of government.
4. Ensure oversight on legal issues especially as they relate to TA's mandate.

During the reporting period, the Authority made great strides towards ensuring that the legal and intergovernmental relations aspects of TA's mandate are accomplished. This created an enabling environment for a smooth transition to the devolved system of government, within a supportive legal framework.

### 2.4.2 Key Achievements

#### a) Support in the inauguration of county governments.

The Transition Authority contributed towards the preparatory work that went into ensuring that the inauguration of county governments was a success. In this regard, it developed and published Regulations on the Assumption of Office of the Governor. These regulations ensured that there were Assumption of Office Teams in all counties who were charged with ensuring that the assumption of office was well organized and coordinated.

TA is also responsible for developing a rationalized and focused National Capacity and Capability Building Framework to support the realization of effective devolved government.

**b) Review of draft regulations on devolution laws.**

TA reviewed draft regulations to various devolution laws that had been developed by the then Ministry of Local Government. The draft regulations were in relation to the County Governments Act, 2012, the Urban Areas and Cities Act, 2011 as well as the Intergovernmental Relations Act, 2012.

**c) Support to county assemblies.**

The Authority facilitated the following activities aimed at providing support to the county assemblies:

**i. First sitting of county assemblies.**

In order to ensure a successful first sitting of county assemblies as created under the Constitution of Kenya, 2010, the Authority ensured that the Interim Clerks were trained in what was required of them during the first sitting of County Assembly Members.

Further, it facilitated the election of the county assembly speakers in all the 47 counties. The Transition Authority collaborated with the Judiciary and the Interim Clerks so as to ensure that the swearing in of the County Assembly Members as well as the election of the speakers was a success.



*Participants at a Legal and Intergovernmental Relations Workshop in Naivasha. The Workshop was organized jointly by TA and the National Assembly.*

**ii. County Assembly Interim Standing Orders.**

In order to ensure that the county assemblies operate smoothly, the Authority, with the assistance of Parliament, drafted Interim Standing Orders. Standing Orders are rules that govern the conduct of business in the assemblies. Section 14 (7) of the County Governments Act, 2012, provides

that until a county assembly makes its Standing Orders, the Standing Orders of the National Assembly shall, with the necessary modifications, apply to that county assembly. In line with this provision, the Interim Standing Orders as prepared by the Transition Authority in collaboration with the National Assembly are a modification of the Standing Orders used by the National Assembly.

**iii. Preparation of a guide on rules and regulations for conduct in the precincts of a County Assembly.**

TA oversaw the preparation of a guidebook containing rules and regulations that govern conduct in the precincts of a county assembly. This guide contained pertinent information for the smooth running of business in the county assembly, such as rules on conduct of honourable members of the county assembly, regulations on conduct of the public as well as rules for general etiquette.

**iv. Induction of County Assembly Members.**

The Authority organized an induction programme for County Assembly Members. This exercise was conducted in April, 2013 when the budget cycle was on, and the assemblies were required by law to pass their county budgets within the stipulated statutory period. The induction therefore focused on training county assembly members on the legislative procedures as well as the budget process.

**d) Support towards the management of public assets during the transition period.**

Regulations on Transfer of Assets and Liabilities during the transition period were developed and published. These regulations seek to implement the provisions of Section 35 of the Transition to Devolved Government Act, 2012, which creates a moratorium on the transfer of assets during the transition period.

The regulations create an interagency technical committee that will be responsible for handling all requests as well as complaints regarding the transfer of assets and liabilities during the transition period, as well as advising the TA on the management of public assets during the transition period. This will include advising the Authority on developing an inventory of public assets, auditing and vetting transfer of assets, among other things.

The technical committee is already operational and has begun advising the Authority accordingly.

**e) Budget oversight training for Women Representatives.**

Together with the Society for International Development and the Canadian Parliamentary Centre, TA organized a training workshop for Women Representatives on the budget oversight role. Gender issues have been ingrained in our Constitution with the establishment of the two-thirds gender rule in public offices, as well as the creation of the position of Women Representatives in the National Assembly.

**f) Support to the Council of Governors.**

Due to the fact that the secretariat established under the Intergovernmental Relations Act, 2012, was not yet in place, TA offered secretariat support to the Council of Governors. This support included but was not limited to assisting with organizing the meetings of the Council of Governors, offering secretariat support at such meetings, as well as disseminating information that the Council needed disseminated.

**g) Legal representation of TA in court.**

TA has been involved in more than 10 lawsuits since its inception. During each proceeding, it has ensured that it is adequately represented.

### **2.4.3 Projected Activities**

In the coming year, the Authority plans to undertake the following activities relating to these thematic areas:

**a) Training of legal officers in drafting legislation.**

The Kenya Law Reform Commission is mandated under the County Governments Act, 2012, to assist the counties in developing legislation. Due to lack of sufficient capacity to handle legislation from all the counties, the Kenya Law Reform Commission requested the Transition Authority to assist it in identifying legal officers in the public sector who will then be seconded to the Kenya Law Reform Commission to assist in developing county legislation.

In this regard, TA embarked on the process of competitively sourcing for legal officers. These legal officers will then be trained in legislative drafting before being seconded to the Kenya Law Reform Commission.

**b) Support to the Intergovernmental Relations Structures.**

The Authority intends to provide intergovernmental relations support in the following ways:

- i. Procure services of legal and governance consultants to develop procedures and advisory services for supporting the intergovernmental structures as created under the Intergovernmental Relations Act, 2012.
- ii. Carry out research and comparative studies on legal and intergovernmental relations in countries with the devolved system of government as well as sensitizing county governments on legal and intergovernmental relations. As Kenya's devolved system of government is still in its infancy, it will be important to learn from the experiences of other jurisdictions as we chart our own devolution path.

**c) Support to the other thematic areas**

The Committee dealing with legal and intergovernmental issues will continue to support the work of the Transition Authority by providing legal and intergovernmental advice to the other thematic areas of the Authority.



*The Executive Director UN HABITAT, Dr. Joan Clos exchanging Memorandum of Understanding documents with the Chairman TA, Mr. Kinuthia Wamwangi.*



## CHAPTER 3

# OPERATIONALIZATION OF TA

## 3.1 HUMAN RESOURCE

### 3.1.0 Introduction

The Human Resource aspect of TA is spearheaded by an oversight committee that is charged with the responsibility of assisting the Authority in the effective discharge of its mandate. It is responsible of ensuring that TA has:

- (i) a human resource strategy aligned to the overall business strategy.
- (ii) an effective performance management system.
- (iii) salaries and remuneration policies and practices that are observed and that enable TA attract and retain qualified and experienced staff, and that reward them fairly and responsibly.

### 3.1.2 Objectives

1. Developing and reviewing the corporate staff structure of the authority and formulating and implementing succession plans.
2. Identifying staffing needs of the Authority.
3. Recruiting staff and reviewing terms of service of staff.
4. Handling staff welfare, medical, housing, loans, unions, and working conditions.
5. Handling discipline, industrial relations, collective bargaining and ratification of Collective Bargaining Agreements (CBAs).
6. Advising on terms and conditions of service of staff in the Authority in liaison with the Salaries and Remuneration Commission on staff remuneration matters.
7. Giving advice on any other matters referred to it by the Authority.

### 3.1.3 Key Achievements

#### 1. TA establishment and organogram.

To ensure that the Transition Authority is adequately staffed and an effective secretariat put in place to support its operations, the following were accomplished:

- Facilitated the deployment of staff from the civil service to assist in establishing and setting up the various administrative units required for the operationalization of the Authority. A total of 51(fifty one) staff has been deployed.
- Developed an organization structure, a Human Resource Manual and proposed minimum staffing level in which the Board approved a staff establishment of 121.
- Proposed a remuneration package which has since been submitted to the Salaries and Remuneration Commission for further guidance.
- Developed job specifications and job descriptions for all the cadres provided for in the establishment.

#### 2. Recruitment of the Secretariat.

In collaboration with the Public Service Commission, the Transition Authority prepared indents and competitively recruited the following:

- The Secretary/CEO.
- The Director, County Transition Coordination.
- The Director, Corporate Support Services.
- The Director, Policy Analysis and Advocacy.
- The Director, Legal and Intergovernmental Relations.

Further to these, the following posts were also advertised and recruitment carried out:

- County Transition Coordinators (47),
- Program Officers (9),
- Research Officers (9),
- Executive Secretary (1),
- Drivers (10) and
- Office Assistant (1).

All TA staff has been inducted on work related fields.

#### 3. Implementation of the Integrated Personnel Payroll Database (IPPD) System.

The IPPD system was implemented and the Authority is able to generate pay slips for staff salaries electronically.

#### 4. County government facilitation.

To assist in the establishment of the county governments, the following measures were put in place:

- a) County Transition Coordinators (who are TA staff) were recruited and posted to the counties to act as liaison persons between the TA and the counties in the establishment of the county structures.
- b) Interim County Teams have been recruited. The following cadres of staff were prioritized for placement to set up the initial structures in readiness for county governments; Interim County Secretaries, clerks, Principal Finance Officers, accountants, budget officers, auditors, ICT officers, Supply Chain Management Officers, Heads of Human Resource Units, Payroll Managers, Hansard editors and reporters and Sergeants at Arms. To facilitate the interim teams, Transfer Allowance payments were done. An agreed monthly extraneous allowance was also paid for the extra responsibilities bestowed upon them.
- c) To facilitate and establish the payroll system for Counties.

The Transition Authority, through the Interim County HR Payroll Managers, facilitated data capture of county human resource, which was inclusive of the employees of the defunct local authorities and the elected county officers. The data was customized and converted into IPPD. IPPD has been embraced so as to improve the credibility of human resource records and to enable the counties to have a similar and uniform payroll system.

Additional, 46 County Payroll Managers were trained on the use of the IPPD system. The IPPD managers are expected to run their county's payroll by July, 2013 and it is anticipated that they will be fully operational by August, 2013. The system will be connected to the Government Human Resource Information System by December, 2013.

#### 3.1.4 Projected Activities

1. Undertake the outstanding recruitment of staff as per the establishment.
2. Prepare and implement departmental and individual Work Plans for 2013/14 Financial Year.
3. Conduct training needs assessment to inform staff training on how to improve their skills and performance.
4. Induct new staff on the mandate of TA and activities expected of them.
5. Train staff on the Records Information Management System and operationalize the system.

## 3.2 FINANCE AND ADMINISTRATION

### 3.2.0 Introduction

Finance and Administration is one of the critical support sections of the Transition Authority.

### 3.2.1 Objectives

The Finance and Administration Committee is responsible for:

1. Planning and conducting performance and financial reviews of all programmes and activities to evaluate their reliability, effectiveness, and efficiency (value for money); making recommendations based on findings that identify cost savings through improved operations; and following up on recommendations to ensure implementation.
2. Formulating budget estimates in support of program objectives, presenting and justifying budget requests; development of plans for allocating resources; monitoring program execution; reviewing and analyzing funding documents; conducting comparative analyses to examine trend and reviewing budget policy and statutes to ensure compliance.
3. Reviewing and interpreting accounting and financial management policy, procedures, standards and statutes to ensure compliance; monitoring and examining accounts, specific appropriations or financial statements and reporting requirements; and verifying accounts documentation.

### 3.2.2 Key Achievements

During the period under review, the Finance and Administration Committee reported the following key achievements:

1. Prepared TA's road map for the period 2012/2013, which established the eight critical work streams to guide and operationalize the Transition Authority.

2. Prepared the 2013/2014 Programme Based Budget (PBB) in line with Treasury's guidelines on the Medium Term Expenditure Framework. The PBB was presented to TA members for approval, submission and allocation of resources to enable the TA discharge its mandate.
3. Prepared 2012/2013 supplementary estimates to reallocate resources to the priority expenditure areas to enable TA carry out its mandate.
4. Put in place financial management and accountability mechanisms for efficient and effective use of public resources.

### **3.2.4 Projected Activities**

1. Facilitate preparation of the Authority's Master Work Plan, Strategic Plan and Medium Term Plan to guide the operations of the Authority.
2. Prepare the Authority's Service Charter.
3. Finalize and operationalize the Monitoring and Evaluation Framework for the Authority.
4. Analyze all programs to be undertaken by the Authority in the Financial Year 2013/14 and make recommendations and pursue possible sources of funding.
5. Prepare a resource mobilization strategy to bridge the financial gap to enable the Authority pursue its mandate.
6. Finalize the communication strategy for TA to effectively pass messages to its various audiences.
7. Finalize the provision and refurbishment of office space for the Authority.
8. Ensure implementation of the Performance Appraisal System.
9. Review financial management policy, procedures, standards and statutes to ensure compliance.
10. Monitor and evaluate all programmes undertaken by the Authority to assess progress and outputs for purposes of improving the performance of TA.

## 3.3 AUDIT

### 3.3.0 Introduction

The duties and responsibilities of the Audit section are to assist, and where relevant, make recommendations to the Transition Authority on the discharge of its responsibilities as they relate to external financial reporting, external and operational controls and compliance and risk management.

### 3.3.2 Objectives

The Audit section is required to:

1. Discuss matters arising from external and internal audits and any other matters that the auditors may wish to discuss.
2. Review Management Letters and Management's response and any other communication from the external auditors addressed to TA.
3. Review and approve the Internal Audit Charter on an annual basis and review and approve the Internal Audit Plan on at least an annual basis.
4. Monitor and review the effectiveness of the internal audit programme, ensure coordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced.

5. Receive and discuss internal and external audit reports.
6. Consider the major findings of internal investigations and Management's response.
7. Review the effectiveness of the internal audit function on an annual basis.
8. Meet with the Internal Auditor without the presence of Management on a regular basis.
9. Review and consider the appropriateness and adequacy of internal processes for determining, monitoring and assessing key risk areas identified by TA's financial, operational and business risk management policies.
10. Be responsible for approving and monitoring the TA's Anti-Corruption and Anti-Fraud Policy. In this regard, the section will be reviewing progress reports of the TA's Corruption Prevention Committee (CPC).

### **3.3.3 Key Achievements**

1. During the period, internal audit reports were discussed and necessary recommendations made. The Management has been acting on the audit issues raised in the reports to ensure proper utilization of public resources.
2. The Internal Audit Annual Work Plan (2013/2014 Financial Year) and the Internal Audit Annual Budget (2013/2014 Financial Year) were discussed and approved.



*The Chairman TA, Mr. Kinuthia Wamwangi interacting with delegates after addressing a conference organized by NCKK at Limuru.*



## CHAPTER 4

# PUBLIC AWARENESS AND COMMUNICATIONS

### 4.0 Introduction

Pursuant to Section 7 of the Transition to Devolved Government Act, 2012, one of the key functions of the Transition Authority is to “facilitate civic education and ensure it is commenced and coordinated as provided for under Section 15 of the Sixth Schedule to the Constitution”.

Section 99 of the County Government Act, 2012, states that the purpose of civic education is to have an informed citizenry that actively participates in governance affairs of the society on the basis of enhanced knowledge, understanding and ownership of the Constitution. This is also in line with the provision of Article 33 (1) (a) of the Constitution on the right to freedom of expression including freedom to seek, receive or impart information or ideas. Participation is also a national value.

### 4.1 Objectives

The objectives of public awareness and communications are to:

1. Ensure that all Kenyans are enlightened on the transition to the devolved system of government.
2. Ensure that the general public understands TA’s core business and therefore promote buying-in-behaviour change during the transition period on issues dealing with audit, verification and transfer to the national and county governments; assets and liabilities; human resources; capacity and capability development; legal and intergovernmental relations, among others.

3. Ensure the understanding of the implications of the devolved system of government to public service delivery.
4. Ensure the understanding of the composition, structure and role of devolved governments.
5. Demonstrate ownership and collaboration with other stakeholders to fast track establishment of county governments.
6. Sensitize public servants and the general public on how to participate in the devolved structures.
7. The overall goal of the sensitization programme is to develop and sustain a competitive public and civil service to meet national priorities. One such priority today is the implementation of the Constitution of Kenya, 2010; and more importantly the devolved system of government.

## 4.2 Public Awareness Implementation Plan

TA engaged various stakeholders in the development of civic education materials in a collaborative initiative of different institutions, including Ministry of Justice, National Cohesion and Constitutional Affairs, Ministry of State for Public Service, Transition Authority and with support from JICA and UNDP in printing of the documents.

The Transition Authority acknowledged the importance of the media in achieving their goal as key stakeholders in this process. It was therefore, recommended as being the most effective for communication to the general public, targeting all stakeholders with the use of English, Kiswahili and vernacular languages so that the message could reach everyone.

Various messages were developed relating to various thematic areas, interviews to TA members were conducted by various media on their role and what TA has done in readiness for county governments.

The implementation of the media campaign was preceded by having various messages aired in all the electronic media to enable the media provide correct information on the transition to the devolved system of government.

## 4.3 Key Activities

To ensure that public awareness and communications was carried out in the period under review, the following activities were undertaken by the Transition Authority:

### a) Stakeholder mapping

TA identified and engaged various government institutions in civic education. These institutions included the Ministry of Justice, National Cohesion and Constitutional Affairs, which runs the Kenya National Integrated Civic Education (KNICE) Programme, Ministry of Local Government and Ministry of State for Public Service (MSPS).

TA and these institutions formed an ad hoc committee on civic education where civic education activities were planned and executed collectively.

Through civic education, Kenyans have become aware of their rights to an extent of questioning the acts of their elected leaders following a realization that they have a right to participate in issues relating to county governments. This sensitization has influenced Kenyans to write anonymous letters relating to the transfer of assets and liabilities.



*TA Vice-Chairperson, Mrs. Angeline Hongo and Director Legal and Intergovernmental Relations, Ms Cynthia Olotch together with some facilitators of the Gubernatorial Conference held in Naivasha.*

#### **b) County visits.**

The Authority undertook visits to 45 out of the 47 counties to, among other things, create awareness on its role, mandate, functions, and the activities to be undertaken in the First Phase and the Second Phase of the transition process. The two counties that were not visited due to logistical problems are Mandera and Wajir. Approximately 9000 persons were reached.

The participants of the forums included public officers, former local authorities personnel, Community Based organizations, Faith Based Organizations, Non State Actors, Private Organizations, Civil Society as well as the general public.

The visits accorded an opportunity to the public and civil servants to understand the operations of the devolved system of government and answer all questions and fears that civil servants had in relation to the incoming county governments.

In order to ensure the success of the visits, the Authority publicized the visits through its website, print media and also through the County Commissioners. The Authority held public forums with the participants and the visits enhanced the visibility of TA's role at both levels of government as the forums received coverage from the mainstream media.

**c) Development and dissemination of IEC materials.**

The Authority, in consultation with other stakeholders, developed and disseminated IEC materials to sensitize the public on its mandate and matters relating to the devolved system of government. For instance, a booklet on Frequently Asked Questions (FAQs) on devolution was developed and printed through the support of JICA and UNDP. The booklet is being disseminated to all stakeholders. The Authority also developed a guidebook for governors. Other IEC materials developed included roll-up banners.

**d) Media education and advocacy.**

During the period under review, the Authority implemented a number of media campaigns aimed at creating awareness on the transition to the devolved system of government. These included media appearance of TA members, senior government officials from Ministry of Justice and Kenya Law Reform Commission, among others, press statements, media coverage of TA events, press conferences and breakfast meetings. The press statements and conferences dwelt on key issues touching on the transition to devolved government.

**e) Website.**

Information on TA issues have been uploaded to the TA website.

**f) Media appearances.**

The Authority made appearances in both the mainstream and regional based media stations to create awareness on the transition to the devolved system of government in particular; keeping in mind that the fourth estate sets the agenda for public debate and opinion for the larger populace who rely on media for information.

The Authority through an agency produced five informercials, which were aired from 2nd to 15th March, 2013 in all electronic media.

In addition, the Chairman of the Transition Authority was effectively involved in live interviews in various media stations to report on key issues affecting the devolution process.

While acknowledging the importance of vernacular languages, the Authority ensured that most of the messages were translated into various vernacular languages to promote greater awareness of the messages on the transition process. The target audiences during this period were civil servants and the general public.

The messages were run in the form of informercials, documentaries and live interviews.

The Authority also used the print media during this period to engage with the public on topical issues relating to transition, which included regulations on transfer of assets and liabilities, gazettelement of initial functions to be transferred, publicized functions to be transferred by July 1, 2013, training for county representatives, interim county offices and physical locations, notice on locations for the swearing in of governors, among others.

**g) Press conferences.**

The Authority organized a number of press conferences to provide information on topical issues. The press conferences covered a number of activities such as the county forums, civic education, swearing in of the County Executives and County Assemblies and training of members of parliament, among others.

**h) Press Releases**

These related to a number of topical issues that arose from time to time, for example, the moratorium on transfer of assets, regulations on transfer of assets, functions to be transferred, activities to be covered in the first phase of the transition, criteria on the transfer of functions and infrastructure readiness for the counties and assumption of office of the county governments, among others.

**i) Strategic Training**

The Ministry of Planning, in conjunction with TA, coordinated the development of public officers' sensitization curriculum and content through the sponsorship of JICA. The programme aimed at sensitizing civil servants in Job Group N and below. About 1500 public servants were sensitized on devolution, basic rights, principles of public services, public finance management, leadership and integrity and change management, among others.

Training of trainers was conducted to assist in delivering the programme.

The Authority facilitated a number of training to various audiences on matters of the transition process, good governance and on the Constitution of Kenya. The audiences were drawn from the public, private and civil society sectors. Most of the training opportunities were requests from other organizations which sought the Authority's facilitation of some of the sessions during their workshops.

**j) Rules of Engagement signed with Non State Actors**

Civil Society Organizations as well as private sector organizations have held consultation individually with TA. For better coordination, Rules of Engagement were developed and signed between TA and Non State Actors.



Retired Former President of the Republic of Kenya, Hon. Mwai Kibaki ,during the indu

## 4.4 Projected Activities

In the coming year, the Authority intends to undertake the following activities to ensure that public awareness and communication is enhanced:

1. Disseminate information on topical devolution issues through various media.
2. Print branded materials such as brochures, T-shirts, caps and flyers.
3. Develop a TA Newsletter.
4. Ensure that the TA website is made more interactive.



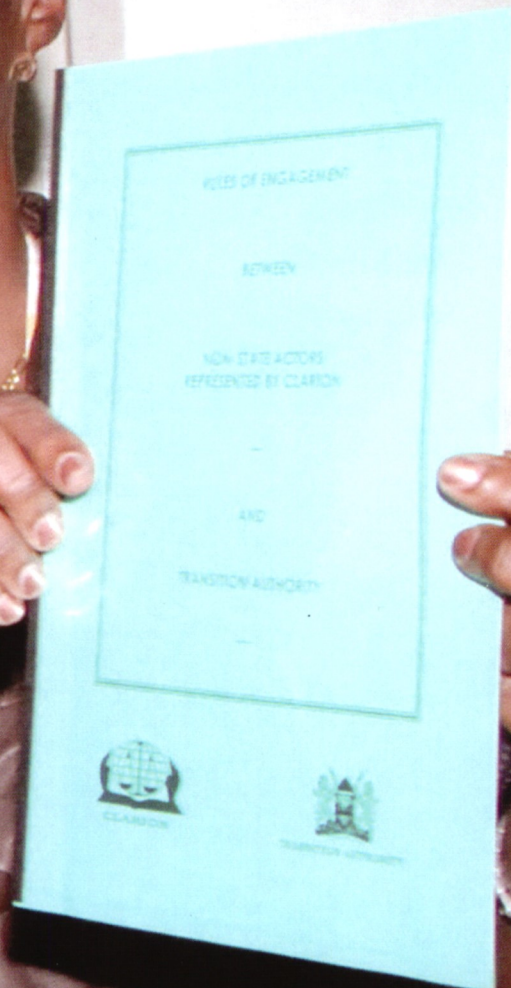
Workshop for County leaders held at the Great Rift Valley from 2-6 April, 2013.

H INTERNATIONAL

Organisation founded  
to enhance democratic  
governance and public  
participation and international

a society  
of justice

good governance  
democratic governance  
public participation



*Prof. Winnie Mitullah displaying the Rules of Engagement document signed between Non State Actors and the Transition Authority.*



## CHAPTER 5

# RESOURCE MOBILIZATION AND STAKEHOLDER ENGAGEMENT

### 5.1 Resource mobilization

The Authority developed and implemented a resource mobilization and advocacy strategy to support actualization of the roadmap. This included a sustained effort to build strong partnerships with the government and Non State Actors within and outside the country that promotes the work of the Authority. In view of this development, partners and other stakeholders were engaged and feedback given to them in a timely, transparent and accountable manner. Most notably was the partnership with UNDP to manage a basket fund on behalf of the Authority.

In the period under review, the Danish Government provided funding of US\$ 840,643; UNDP gave US \$ 100,000 while UNICEF donated \$ 50,000 to get a total of \$990,643.

We have sustained communication with potential donors and partners who appear keen to promote the Authority's resource mobilization and fundraising activities with a view to ensuring that devolution succeeds in Kenya.

Detailed resource mobilization activities can be seen in the Engagement Matrix that is given in Annex 4.



UNICEF and TA signing a Mem

## 4.2 STAKEHOLDER ENGAGEMENT

The Authority also received indirect support from various other partnership engagements, especially in capacity and capability building, that had been firmed up through joint Memoranda of Understanding (MoU's) and Rules of Engagement (RoE's) frameworks.



*Memorandum of Understanding.*

Development of the capacity and capability building programmes for elected and appointed officers was primarily done through an interagency partnership between the Authority, Kenya School of Government, Centre for Parliamentary Studies and Training and Kenya School of Monetary Studies.

Detailed partners and stakeholder engagement activities can be seen in the Engagement Matrix that is provided in the Annex 4.



*Dr. Dabar Maalim, the Chairman of the FACA committee, addressing participants of a Functional Analysis and Competency Assignment workshop.*



# CHAPTER 6

## FINANCIAL STATEMENT

### 6.0 Introduction

During the 2012/2013 Financial Year, TA's recurrent budget amounted to Kshs.758 million. During the same period, total expenditure was Ksh 755 million representing an absorption rate of 99.6%.

In addition, TA was allocated Ksh 3,216,340,000 under Development Vote to cater for county infrastructure development and preparations for the Assumption of Office of Governors and Members of the County Assemblies.

Total expenditure by close of the Financial Year was Ksh 3,213,235,330 and hence an absorption rate of 99.9%. In the same period, technical support from UNDP basket funding totaled Ksh 75 million.

Generally, TA was able to achieve its objectives and wishes that the same gesture on financial support is extended under the 2013/2014 Financial Year to ensure the timely implementation of the planned activities.

	Description	Budget (millions)	Expenditure (millions)	Variance/Balance (millions)
1.	Recurrent	758	755	3
2	Development	3216	3213	3
3	UNDP Support	75	75	--
4	<b>TOTAL</b>	<b>4049</b>	<b>4043</b>	<b>6</b>

**Table 2: Financial Statement as at 30th June 2013**

## **6.2 Detailed Transition Authority's Work Plan**

The Work Plan was prepared in August 2012 to guide the Transition Authority's Road Map activities for the financial period July, 2012 to June, 2013.

The Work Plan presents the detailed activities that the Authority has undertaken to enable it to successfully deliver on the fifteen (15) deliverables that are key to the achievements of its mandate and the success of the transition process as stated in its Road Map.

The detailed activities and the progress made during the reporting period are provided



*Mrs. Angeline Hongo, Vice Chairperson of TA, Mr. Bakari Omara, member TA and Mr. Leonard Kimani of NESC, a co host of the Naivasha Gubernatorial Conference, during the Conference.*

in Annex 5.



*Mr. Charles Nyachae, Chairman of CIC, addressing participants of the Gubernatorial Candidates Workshop held in Naivasha.*



# CHAPTER 7

## CHALLENGES, EMERGING ISSUES AND WAY FORWARD

### 7.1 CHALLENGES

While carrying out its responsibilities, the Transition Authority has experienced the following challenges that have adversely affected it in the discharge of its mandate.

**1. Difficulties in obtaining vital data from MDAs.**

Many MDAs were not able to provide adequate data on the critical aspects relating to the devolved functions and the required level of support for such functions. Further, some of them had earmarked some functions for transfer but retained the bulk of resources at the headquarters. This posed fundamental difficulties for TA's role of facilitating a smooth transition.

**2. Lack of public goodwill.**

There was a sense of lack of goodwill and understanding by leaders and the general public on the role of the Authority. This was especially evidenced by the treatment that the County Transition Teams were receiving from some county governments and also in honouring requests for submission of required data from government departments.

**3. Resource constraints.**

The financial allocation to the Authority was inadequate to undertake the audit of existing human resource, assets and liabilities and for effective civic education.



*Mr. Simeon Pkiyach, Member TA addressing participants of the Naivasha Gubernatorial Conference.*

**4. Delays in exchequer releases.**

Delays in release of exchequer issues disrupted the normal payment process.

**5. Inadequate personnel and office space.**

The approved establishment of the Authority is limiting for the mandate of the institution. Up to now, the secretariat support services deployed from the public service are insufficient. Moreover, it took long to operationalize the TA structure due to the long employment procedures in the public service.

Inadequate office space had hampered the implementation of IFMIS and Gpay in the Authority until the Authority moved to the current premises at the Extelcoms Building where there is sufficient office accommodation.

**6. Unresponsiveness by some public officers and institutions.**

There was general unresponsiveness by some public officers and public institutions on matters relating to the transition to the devolved system of governance. In some instances, officers including those from the public sector responded poorly in attendance to public forums. Hence, the officers took long to understand the operationalization of county governments.

The Authority holds the view that public servants and the public at large need to be sensitized and trained on individual attitude change towards devolution.

## **7. Poor attendance of youth in public meetings.**

The attendance of the youth in public meetings was very poor. It emerged that there was an unfortunate perception that issues affecting the youth were not given due significance and this affected their attendance in such forums. This is despite the fact that the youth form an important segment of stakeholders in the management of public affairs.

## **8. Classification of urban areas and cities.**

Data to facilitate the classification of urban areas and cities has been streaming in slowly thus delaying the process. Moreover, existence of Urban or City Integrated Development Plans, was supposed to be prerequisite for such classification. However, the counties have not yet prepared these plans.

# **7.2 EMERGING ISSUES**

## **1. The clamour for the unstaggered transfer of functions.**

In May 2013, county governments applied enormous political pressure on TA and the national government in an effort to secure an immediate transfer of all the devolved functions. This was despite the stark reality that county governments were still in their formative stages. Indeed, a recent capacity assessment exercise conducted across the counties pointed to a serious lack of capacity to perform the functions. The Transition Authority has identified this as one of the risks to the smooth facilitation of the process of the transfer of functions.

The Transition Authority recognizes that Section 15 of the Sixth Schedule to the Constitution of Kenya, 2010 provides for a phased and asymmetrical transfer of the functions. In addition, county governments are not allowed to take over a function for which they do not have the necessary capacity and the requisite infrastructure to perform. It is important that county governments appreciate that the law demands more than some of them can deliver in their current situations. Immediate transfer of all the functions, unless preceded by appropriate amendments to the existing laws and sufficient capacity development in the counties, may seriously undermine the success of Kenya's devolution endeavours.

## **2. Costing of functions.**

The functions were not realistically costed in order to allow for appropriate budgeting. During the next financial year, TA will be aiming at steering a process that will ensure that functions are fully costed. Realistic costing will inform future budgets at both levels of government.

## **3. Management of human resource in the counties**

There are emerging concerns over county staffing and especially the tendency of county government to explicitly prefer personnel that they regard as being indigenous to their respective counties.

## 7.3 WAY FORWARD

In view of the challenges and emerging issues experienced in the period under review, the Authority proposes to adopt the following approaches as it engages in accomplishing its mandate during in the Second Phase of the transition period:

1. Undertake comprehensive dialogue and consensus building on the transfer of functions to ensure uninterrupted service delivery. This will be done through consultative meetings with the MDAs and the county governments.
2. Engage line ministries to support county governments in terms of providing the required data on the devolved functions, for example, the service norms and standards and service delivery frameworks.
3. Initiate a process of undertaking a realistic costing of functions that will facilitate development of realistic unit costs for each function and specific to each county. This will complement the historical costing of functions that had been done which is perceived to have negated fair distribution of funds in the past.
4. Publish and publicize county profiles for respective counties.
5. Form a technical committee to undertake an assessment of the urban areas and cities based on the criteria in the Urban Areas and Cities Act, 2011 and propose amendments to the classification criteria.
6. Assist county governments to establish and build the capacity of County Planning Units as required by the County Government Act, 2012.

7. Strengthen the finance, accounts and internal audit units to enhance monitoring and audit of all TA funded expenditure returns from the counties.
8. Mobilize resources to facilitate an audit of the existing human resource, assets and liabilities and for effective civic education.
9. The Authority will more purposely engage MDAs and 15 former local authorities to submit required reports on human resource and assets and liabilities to enhance a successful audit process.
10. The Authority, together with other stakeholders, will finalize the development of IEC materials, especially by coming up with popular versions of the Devolution Acts, among other documents, to make them more user friendly for the general public.
11. Establish and nurture partnerships with the media for effective communication, dissemination and packaging of transition issues.
12. Enhance coordination of civic education at national and county level, including development of common curriculum and civic education messages and a coordinated delivery of the curriculum and various devolution related messages.
13. Recruitment of additional staff to bridge the gap, especially for the Supply Chain Department and middle level management.

# ANNEXES

## Annex 1.1 TEMPLATE ON TRANSITION IMPLEMENTATION PLANS (TIPs)

[FILL OUT NAME OF SECTOR HERE]

### 1. Introduction

- Provide an introduction into the sector.
- List of sector ministries/departments/agencies in this sector in table format.

No.	Name	Type (Ministry, Department, Agency/Parastatal etc.)	Description of activities

- Outline the sector policy goals
- Provide a brief review of assignment process the sector has done, to date

### PART I: FUNCTION UNBUNDLING AND ASSIGNMENT

#### 2. National and Devolved Functions

National functions	County functions	Concurrent functions	Residual functions

#### 3. Unbundling and Definition of Functions in the Sector [Template in Annex C]

- Fill out the function assignment template excel sheet

#### 4. Organization Chart

#### 5. Responsibility for Policy Decisions

#### 6. User Fees

#### 7. Accountability to service recipients

#### 8. Procurement

### PART II: TRANSITION IMPLEMENTATION PLANS (TIPS)

#### 9. Introduction

Include introduction to the implementation plans

#### 10. Service Norms

#### 11. Monitoring Systems

#### 12. Transfer of assets and liabilities

#### 13. Changes in laws and policies

#### 14. Capacity building

#### 15. Changes in administrative structure

#### 16. Fiscal Implications

#### 17. Donor funding

#### 18. Intergovernmental management arrangements

#### 19. Transition Phase

#### 20. Involvement of sector stakeholders

## **Annex 1.2 INITIAL LIST FOR GAZETTEMET ON SPECIAL ISSUE NO. 16**

1. Agriculture
  - (a) Livestock sale yards
  - (b) County Abattoirs/Slaughter house services
2. County Health Services
  - (a) County health facilities and pharmacies (Specific to Nairobi County, Kisumu County , Mombasa County, Nakuru County and Uasin Gishu County )
  - (b) Ambulance services ( specific to Nairobi, Kisumu, Mombasa, Nakuru, Uasin Gishu Counties)
  - (c) Cemeteries, Funeral Parlors/ Mortuary services and Crematoria Services
  - (d) Refuse removal, refuse dumps and solid waste disposal
3. Control of outdoor advertising
4. Cultural services, public entertainment and public amenities but limited to:
  - (a) Betting services,
  - (b) Liquor licensing,
  - (c) Video shows and hiring
  - (d) Sports and cultural activities and facilities
  - (e) County parks, beaches and recreation facilities
5. County Transport:
  - (a) Access roads
  - (b) Street lighting
  - (c) Traffic and parking
6. Animal control and welfare:
  - (a) Licensing of dogs
  - (b) Facilities for the accommodation, care and burial of animals
7. Trade development and regulations:
  - (a) Markets
  - (b) Trade licensing (excluding regulation of professionals)
  - (c) Local tourism
8. County planning and development:
  - (a) Land survey and mapping; and
  - (b) Housing
9. Pre -primary education, home-craft centres and childcare facilities
10. Implementation of specific National Government policies on natural resources and environment conservation:
  - (a) protection of water springs
  - (b) protection of wells and dams
11. County public works and services specific to storm water management systems in built-up areas
12. Fire fighting services and disaster management
13. Control of drugs and pornography

## **Annex 1.3 CONSTITUTIONAL AND LEGAL PROVISIONS FOR FUNCTIONS TRANSFER**

Section 15 of the Sixth Schedule to the Constitution provides that 'Parliament shall, by legislation, make provision for the phased transfer, over a period of not more than three years from the date of the first election of county assemblies, from the national government to county governments of the functions assigned to them'.

Pursuant to the provisions of Section 23(1) of the Transition to Devolved Government Act, 2012, the Transition Authority is required to identify functions listed in the Fourth Schedule of the Constitution that may be transferred to county governments immediately after the first elections under the Constitution. This was done through **Legal Notice No 16 of 2013**.

**Section 23 (2)** of the Transition to Devolved Government Act, 2012 provides that after the initial transfer of functions every county government shall make a request in the prescribed manner to the Authority for the transfer of other functions in accordance with section 15 of the Sixth Schedule to the Constitution.

**Section 24** of the Transition to Devolved Government Act, 2012 provides the following criteria that should be met for the transfer of functions:

- (a) whether there is in existence legislation relating to the function applied for;
- (b) whether a framework for service delivery has been put into place to implement the function;
- (c) whether, where applicable, the county government has identified or established administrative units related to the function;
- (d) whether the county government has undertaken a capacity assessment in relation to the function;
- (e) the arrangements for and the extent of further decentralization of the function and provision of related services by the county government;
- (f) whether there is the required infrastructure and systems to deliver the function;
- (g) whether the county government has the necessary financial management systems in place;
- (h) whether the county government has an approved plan in relation to the function;
- (I) and any other variable as may be prescribed after consultations between the Authority, county governments and the Commission for the Implementation of the Constitution and the Commission on Revenue Allocation.

Counties are therefore invited to confirm that they have the necessary capacity to undertake the functions as provided under the Fourth Schedule of the Constitution.

## Annex 1.4 LIST OF PUBLICIZED FUNCTIONS FOR UPTAKE COME JULY, 2013

Functions ready for transfer by 1st of July 2013		
<b>1</b>	<p><b>Agriculture</b></p> <p>a) crop and animal husbandry</p> <p>b) plant and animal disease control; and</p> <p>c) fisheries</p>	
<b>2</b>	<p><b>County Health Services</b></p> <p>a) All county health facilities (including provincial general hospitals) and pharmacies in counties not listed in Legal Notice No 16 of 2013.</p> <p>b) Ambulance services in counties not listed in Legal Notice No 16 of 2013.</p> <p>c) promotion of primary health care.</p> <p>(d) licensing and control of undertakings that sell food to the public.</p> <p>(e) veterinary services (excluding regulation of the profession);</p>	
<b>3</b>	<b>Control of air pollution, noise pollution, other public nuisances</b>	
<b>4</b>	<p><b>Cultural services, public entertainment and public amenities</b></p> <p>a) Racing</p> <p>b) Cinemas</p> <p>c) libraries;</p> <p>d) museums</p>	
<b>5</b>	<p><b>County Transport</b></p> <p>a) county roads</p> <p>b) public road transport</p> <p>c) ferries and harbours, excluding the regulation of international and national shipping and matters related thereto</p>	
<b>6</b>	Already transferred	
<b>7</b>	<p><b>Trade development and regulation:</b></p> <p>a) fair trading practices</p> <p>b) cooperative societies</p>	
<b>8</b>	<p><b>County planning</b></p> <p>(a) statistics;</p> <p>(b) boundaries and fencing;</p> <p>(c) electricity and gas reticulation and energy regulation</p>	

9	<b>Village polytechnics</b>	
10	<b>Soil and water conservation; and Forestry</b>	
11	<b>Water and sanitation services</b>	
12	<b>Already transferred via Legal Notice No 16 of 2013</b>	
13	<b>Already transferred via Legal Notice No 16 of 2013.</b>	
14	Ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level	

## Annex 1.5 ANALYSIS OF SUBMISSION OF TIPS

MDAs	TRANSITION IMPLEMENTATION PLANS ( TIPS)	SECTORIAL POLICY	REMARKS
Ministry of State for Special Programmes	Submitted February 8, 2013	National Disaster Management Policy of Kenya	<ul style="list-style-type: none"> <li>The Transition Implementation Plan is not as per the guideline therefore not sufficient.</li> <li>Submitted the national disaster management policy of Kenya instead of sectoral policy paper.</li> </ul>
Ministry of East Africa Community	<ul style="list-style-type: none"> <li>The preparation of a Miscellaneous Amendments Bill to facilitate the implementation of the East Africa Community Common Market</li> </ul>		<ul style="list-style-type: none"> <li>No sectoral policy submitted, protocol.</li> <li>The analysis of the Treaty for the establishments of the east Africa Community , protocols to the treaty and the acts of the East Africa legislative assembly to determine the consistency.</li> <li>The statute law ( Miscellaneous Amendment) Bill, 2011.</li> </ul>
Ministry of Water and Irrigation	<ul style="list-style-type: none"> <li>Water Sector Transition Implementation Plans, 2012 alignment to the COK 2010</li> <li>Water resource management</li> <li>Water supply and sanitation</li> <li>Irrigation and water storage</li> <li>Land reclamation (sub-sector)</li> </ul>		No Sectoral Policy.
National housing corporation	Submitted February 5, 2013	-	The information is not adequate.
Ministry of Nairobi metropolitan	Submitted February 5, 2013	-	Inadequate information.
National Authority for the campaign against Alcohol and Drug Abuse (NACADA)	Submitted January 21, 2012	<ul style="list-style-type: none"> <li>Activities and the mandate under the National Authority for the Campaign Against Alcohol and Drug Abuse Acts,2012</li> </ul>	<ul style="list-style-type: none"> <li>Activities and the mandate under the National Authority for the Campaign Against Alcohol and Drug Abuse Acts,2012</li> </ul>
Ministry of Fisheries Development	Submitted February 11, 2013 Resubmitted April 8, 2013	<ul style="list-style-type: none"> <li>Sector Function and Transfer Policy Paper Template</li> </ul>	

Ministry of Environment and Mineral Resources	Submitted February 8, 2013	-	Not sufficient as per the circular and guidelines.
Judiciary	<ul style="list-style-type: none"> <li>• Judiciary projections 2012/13-2014/201- narrative summary of capacity parameters</li> <li>• Projects funded by the Government of Kenya</li> <li>• Ongoing constructions</li> <li>• Constructions of courts under World Bank Judicial Performance Improvement Project.</li> <li>• PREFABS and court rehabilitation under World Bank funding.</li> </ul>		
Ministry of Tourism	Submitted February 7, 2013		<ul style="list-style-type: none"> <li>• Insufficient information.</li> <li>• Guideline not followed</li> </ul>
Ministry of State for Public Service	Submitted February 7, 2012		<ul style="list-style-type: none"> <li>• Guideline not followed.</li> <li>• Not adequate information provided</li> </ul>
Ministry of Public Health and Sanitation	TIPS submitted	Health Sector and Function Assignment and Transfer Policy Paper.	
LAPTRUST	TIPS on pension for staff, officers and member county government.		<ul style="list-style-type: none"> <li>• Not adequate information provided.</li> <li>• Guideline not followed.</li> </ul>
Ministry of Local Government	TIPS submitted.		<ul style="list-style-type: none"> <li>• The Ministry has a crucial role in policy issues for the implementation of devolution.</li> <li>• Need to include the anticipated administration structure in the new dispensation.</li> </ul>
Kenya Medical Training College	Submitted February 11, 2013		<ul style="list-style-type: none"> <li>• Not sufficient information about TIPS as per the circular ref. TA/CE/12(10).</li> <li>• Guideline not followed.</li> </ul>
Ministry of Transport	Submitted February 12., 2012		<ul style="list-style-type: none"> <li>• Guideline not followed properly</li> <li>• Inadequate information about TIPS</li> </ul>

## Annex 1.6 MAJOR STAKEHOLDER ENGAGEMENTS BY THE FACA COMMITTEE

DATE	ENGAGEMENT	OUTPUT /MAIN RECOMMENDATIONS
October 30, to November 3, 2012	The Karen Retreat	Template on functional analysis developed and validated.
November 5, 2013	The Intercontinental Meeting	Validated the Tools on functional analysis and TIPs
December 4 to 8, 2012	The Naivasha Retreat with all the major MDAs with devolved functions	This forum facilitated the generation of the provisional list of functions to be transferred after March, 2013 elections. The list was forwarded to Treasury on the 7th of December to aid the (Treasury's) budgeting process.
December 19 - 20, 2012	The Intercontinental Consultative Meeting with the Regional Authorities	<p>This engagement gave the MDAs and especially organizations under the Ministry of Regional Development (MORDA) to further discuss their current functions, update their lists of functions due for transfer and also where need be, present credible cases for phased transfer for careful consideration by the TA.</p> <p>It was recommended in principle that the functions these RDAs are performing cannot be transferred immediately after elections and also in the beginning of the next financial year. Modalities would be prepared to facilitate this transfer.</p>
December 21, 2012	Internal FACA Meeting	<p>The Committee identified the following as functions ready for uptake by the Counties after the March, 2013 elections:</p> <ol style="list-style-type: none"> <li>1. County legislative function</li> <li>2. County executive function</li> <li>3. Functions currently being performed by the defunct local authorities</li> </ol>
January 7 to 13, 2013	The Great Rift Valley Lodge, Naivasha meeting with local authorities	The main output of the Engagement was the Consolidation of all the budgets per each respective county. This formed a key component of the Budgets the County prepared.

May 7, 2013	<p>Consultative on Provincial General.</p> <p>Hospitals and high volume hospitals at the Inter Continental Hotel.</p>	<p>Development of a road map with all stakeholders was agreed upon consisting :</p> <ul style="list-style-type: none"> <li>i. Development of a conditional grant framework for all designated hospitals.</li> <li>ii. Development of service agreements with all designated hospitals.</li> <li>iii. Costing studies for the provision of agreed services at each hospital.</li> <li>iv. Guidelines on hospital governance and management.</li> </ul>
February 8, 2013	<p>Meeting on funding the initially Transferred Functions between the TA, LATF Board, MOLG and National Treasury.</p>	<p>Recommendation on sending of the last batch of the LATF Funds.</p> <p>A Legal Advisory was also issued arising from the meeting.</p>

### Annex 1.7 EXAMPLE OF UNBUNDLING A FUNCTION

National Agriculture Extension Program components	National (Policy)	County (Implementation)
Identify priorities for extension support	X	
Research and development of farming techniques	X	
Print resource materials	??	??
Employ extension officers		X
Train extension officers (run training colleges)	??	??
Purchase seed and tools for demonstration farms		X
Provide buildings for farmer training	X	X

**ANNEX 2**  
**PUBLIC NOTICES**

## Annex 2.1 VACANCY IN THE OFFICE OF THE COUNTY ASSEMBLY SPEAKER

### VACANCY IN THE OFFICE OF COUNTY ASSEMBLY SPEAKER

**IT IS NOTIFIED** for the information of the general public that pursuant to Article 178 of the Constitution and Section 5 of the Elections Act 2012, the Office of the Speaker of the County Assembly in all 47 counties in Kenya is vacant.

Article 178 of the Constitution provides that there shall be a Speaker for a County Assembly, who shall be elected by that County Assembly from among persons who are qualified to be elected as members of the County Assembly but are not such members. Paragraph 1 of the First Schedule to the Elections Act provides that the office of Speaker shall become vacant when a new County Assembly first meets after an election.

Pursuant to Section 136 of the County Governments Act, 2012, the Independent Electoral and Boundaries Commission shall determine the date and venue of the first sitting of the County Assemblies.

Interested persons who qualify to be elected as members of the County Assembly but are not such members are therefore invited to submit their nomination papers for election to the Office of the interim clerk of the County Assembly in the various counties.

Nomination papers can be collected from the specific county and respective offices of the Interim Clerk of the County Assembly at the following venues during working hours:

COUNTY	NAME OF THE INTERIM CLERK	LOCATION WHERE FORMS SHOULD BE COLLECTED	
1	Mombasa	Tubman Otieno	Town Hall Mombasa
2	Kwale	Mkare A. Jefwa	County Council of Kwale
3	Kilifi	Elipida Mwakamba	Malindi County Council
4	Tana River	Tom Opere Onyango	Tana River County Council
5	Lamu	Charles Rading	Lamu County Council
6	Taita Taveta	Verity Mganga	County Council
7	Garrisa	Yusuf A Hassan	Garrisa County Council
8	Wajir	Issak Mohammed Mohamud	Wajir County Council Offices
9	Mandera	Ahmed M. Surow	Mandera County Council
10	Marsabit	Mr. Mohmoud Kamaya	County Council
11	Isiolo	Mr. Molu Halake	Isiolo County Council
12	Meru	Justus Areithi	Meru County Council Hall
13	Tharaka Nithi	Stephen Kamau	Chuka County Hall
14	Embu	Margaret Lorna Kariuki	Embu County Council offices
15	Kitui	Elijah Mutambuki	Municipal Council of Kitui
16	Machakos	Felix G. Mbiuki	Machakos County Council
17	Makueni	Mbiuva Jinaani Nzioki	County Council of Makueni
18	Nyandarua	Joel Ngui Muli	Nyandarua County Hall
19	Nyeri	Jenard Mwigge	Nyeri Municipal Hall
20	Kirinyaga	Stephen Nzioka	County Council Chambers
21	Muranga	Peter Ndegwa Mbue	Muranga Municipal Council
22	Kiambu	John Mutega	County Council of Kiambu
23	Turkana	Alfred O. Adongo	County Hall Turkana
24	West Pokot	Julius Ariwamoi	County Council Building

COUNTY	NAME OF THE INTERIM CLERK	LOCATION WHERE FORMS SHOULD BE COLLECTED	
25	Samburu	Patrick K. Leshore	Samburu County Council
26	Trans Nzoia	Joshua Akute Kutekha	Kitale County Council
27	Uasin Gishu	Richard Toroitich Chepkonga	Wareng County Council
28	Elgeyo Marakwet	Judith Adero	Keiyo County Council
29	Nandi	Barnabas Koskey	Nandi County Council
30	Baringo	Joseph C. Koech	Municipal Council of Kabarnet
31	Laikipia	Jasper M. Mutuira	County Council of Laikipia
32	Nakuru	Joseph Malinda	Nakuru County Council
33	Narok	Shedd Simotwo	County Council of Narok Offices
34	Kajiado	Daniel Konyango	Old Olkejuado County Council Offices
35	Kericho	Martin Epus Patrick	Kipsigis County Council Offices
36	Bomet	Richard Nyaiyo Ondieki	Bomet County Council
37	Kakamega	Patrick W. Kamwessar	Kakamega Municipal Council
38	Vihiga	Josephat Musambayi	Vihiga County Council
39	Bungoma	John O. Mosongo	Bungoma County Council
40	Busia	Allan W. Mabuka	Busia County Council
41	Siaya	Dorothy A. A. Owiro	Siaya County Council
42	Kisumu	Julius Otiende Ogendo	Kisumu County Assembly
43	Homa Bay	Fred Nyamokeri	Homa Bay County Council
44	Migori	Patrick Wakine	Municipal Council Buildings
45	Kisii	James Omariba Nyaoga	Kisii Municipal Hall
46	Nyamira	Eileen Wabuti	Nyamira County Offices
47	Nairobi	Jacob Ngwele	City Hall

Completed nomination papers should be submitted to the Office of the Interim Clerk of the County Assembly **not later than 9.00 a.m on a date falling 48 hours before the first sitting of the assemblies, as shall be announced by IEBC.** The following documents should accompany the nomination forms:

- A letter from the Independent Electoral and Boundaries Commission evidencing the fact that the applicant is qualified to be elected as a Member of the County Assembly under Article 193 of the Constitution and is not such member;
- Curriculum vitae;
- Certificates and other supporting documents

*Publication sponsored by Transition Authority on behalf of all the Interim County Assembly Clerks.*

KICC Building, 5<sup>th</sup> Flr  
P.O.Box 10736-00100  
Harambee Avenue  
NAIROBI

Tel: +254-0710287080  
infotransauthority@gmail.com or  
info@transauthority.go.ke  
www.transauthority.go.ke

**NB.** Nomination forms must be collected and returned to Interim Clerks listed above and NOT the Transition Authority.

### PROCEDURE FOR ELECTION OF COUNTY ASSEMBLY SPEAKER

**Section 14 (7)** of County Governments Act provides that until a county assembly makes its own standing orders, the standing orders of the National Assembly shall, with the necessary modifications, apply to the county assembly.

With the relevant modifications to the Standing Orders of the National Assembly, the following will be the procedure for election of the first speaker of the county assemblies pursuant to the first elections under the Constitution of Kenya 2010: Subsequent elections of the speakers of the county assembly will be governed by standing orders as shall be developed by the respective county assemblies, if the said assemblies chose not to use the standing orders as used by the National Assembly.

#### Vacancy in the office of Speaker

1. A Speaker shall be elected when the County Assembly first meets after a General Election and before the County Assembly proceeds with the dispatch of any other business, except the administration of the Oath or Affirmation of Office to Members present.
2. According to **Article 136 (1)** of the **County Governments Act**, IEBC shall determine the place, date and time of the first sitting of the county assembly following the first elections under the Constitution of Kenya 2010, provided that the date shall not be later than fourteen days after the results of the elections have been gazetted.

#### Nomination of Speaker

3. The names of candidates for election to the office of Speaker shall be entered upon nomination papers obtained from the Clerk and handed back to the Clerk, at least forty-eight hours before the time appointed at which the County Assembly is to meet to elect a Speaker.
4. The nomination papers of a candidate shall be accompanied by the names and signatures of at least two Members who support the candidate.
5. The nomination papers shall be accompanied by a clearance letter from IEBC indicating that the candidate is qualified to be elected as a Member of County Assembly under Article 193 of the Constitution.
6. The Clerk shall maintain a register in which shall be shown the date and time when each candidate's nomination papers were received and shall ascertain that every such candidate for election to the office of Speaker is qualified to be elected as such under Article 193 of the Constitution.
7. Immediately upon the close of the nomination period provided the Clerk shall-
  - a. Publicize and make available to all Members, a list showing all qualified candidates; and
  - b. Make available to all Members, copies of the curriculum vitae of the qualified candidates.
  - c. The Clerk shall, at least two hours before the meeting of the County Assembly, prepare ballot papers upon which shall be shown the names of all candidates validly nominated.

#### Secret ballot

8. The election of the Speaker shall be by secret ballot.
9. The Clerk shall, at the commencement of each ballot, cause the ballot box, empty and unlocked, to be displayed to the County Assembly and shall, in the presence of the County Assembly, lock the box, which shall thereafter be kept in the full view of the County Assembly until the conclusion of the ballot.
10. The Clerk shall issue not more than one ballot paper to each Member who comes to the Table to obtain it and each Member who wishes to vote shall proceed to a booth or designated area provided by the Clerk for that purpose and located next to and within reasonable distance of the ballot box and shall, while there, mark the ballot paper by placing a mark in the space opposite the name of the candidate for whom the Member wishes to vote, fold the marked ballot paper before leaving the booth or area and place the folded ballot paper in the ballot box.
11. A Member who, before the conclusion of a ballot has marked a paper in error may, by returning it to the Clerk, obtain another in its place and the Clerk shall immediately cancel and destroy the paper so returned.
12. The Clerk shall make such arrangements as may be necessary to enable any Member with disability to vote.

13. When it appears to the Clerk that all Members who are present and who wish to vote have placed their ballot papers in the ballot box, the Clerk shall unlock the box, examine the ballot papers and, having rejected those unmarked or spoilt, report the result of the ballot; and no Member who has not already recorded his or her vote shall be entitled to do so after the Clerk has unlocked the ballot box.

14. A ballot paper is spoilt, if in the Clerk's opinion, it does not identify the candidate purported to be selected by the member voting.

#### Election threshold

15. A person shall not be elected as Speaker, unless supported in a ballot by the votes of two-thirds of all Members.
16. If no candidate is supported by the votes of two-thirds of all Members, the candidate or candidates who received the highest number of votes in the ballot referred to in paragraph (1) and the candidate or candidates who in that ballot received the next highest number of votes shall alone stand for election in a further ballot and the candidate who receives the highest number of votes in the further ballot shall be elected Speaker.

#### Withdrawal of candidate

17. A candidate may, by written notice to the Clerk, withdraw his or her name before a ballot is started, and in the event of such withdrawal, the Clerk shall cross-out the name of that candidate off any ballot papers issued for that or any subsequent ballot.

#### Equality of votes

18. If, in the further ballot referred to in **paragraph 16** above (*Election threshold*), more than one candidate receives the highest number of votes, the ballot shall again be taken, and if there is an equality of the highest number of votes a further ballot shall be taken until one candidate obtains more votes than the other or others.

#### Custody of ballot papers

19. Immediately the results are declared, all the ballot papers used in the election of a Speaker shall be packed and sealed in the presence of the County Assembly and kept in the custody of the Clerk for a period of six months.

#### Single duly nominated candidate

20. Despite the provisions above, if there is only one candidate who has been duly nominated for election as Speaker at the expiry of the nomination period, that candidate shall be declared forthwith to have been elected Speaker without any ballot or vote being required.

#### Swearing of the Speaker

21. Immediately following the election of the Speaker, the judicial officer appointed by the Chief Justice Pursuant to **Section 136 (2)** of the **County Governments Act**, shall administer the Oath or Affirmation of Office to the Speaker in the presence of the assembled County Assembly.

#### Notification of opening of County Assembly

22. Immediately after taking and subscribing to the Oath or Affirmation of Office (*Swearing in of the Speaker*), the Speaker shall notify the Members of the place, date and time of the opening of County Assembly.
23. Following the notification by the Speaker under **paragraph 22** above, the sitting of the County Assembly shall stand adjourned until the date and time of the opening of County Assembly.

## Annex 2.3 INTERIM COUNTY GOVERNMENT OFFICES

### REPUBLIC OF KENYA



## TRANSITION AUTHORITY

### INTERIM COUNTY GOVERNMENT OFFICES

The following facilities have been identified to serve as Interim County Government Offices. The respective departments are requested to ensure that the officers are vacated to facilitate renovation and refurbishments

NO	COUNTY	COUNTY ASSEMBLY	COUNTY EXECUTIVE	COUNTY TREASURIES
1	KAJIADO	COUNTY COUNCIL OF KAJIADO	MINISTRY OF STATE FOR PLANNING AND VISION 2030 DISTRICT OFFICES.	CURRENT DISTRICT TREASURIES OFFICES- KAJIADO
2	KIRINYAGA	COUNTY COUNCIL OF KIRINYAGA	KIRINYAGA DISTRICT HEADQUARTERS (2 <sup>ND</sup> FLOOR)	DISTRICT COMMISSIONERS HEADQUARTERS PREMISES (GROUND FLOOR)
3	LAIKIPIA	MUNICIPAL COUNCIL OF NANYUKI CHAMBERS AND OFFICES	LEASE AS PRIVATE BUILDING	MUNICIPAL COUNCIL OF NANYUKI (TREASURY)
4	NYANDARUA	NEW PREFABRICATED STRUCTURES	DISTRICT COMMISSIONERS OFFICES, OLKALAU	DISTRICT COMMISSIONERS OFFICES, OLKALAU
5	WAJIR	LEASE AS PRIVATE BUILDING	LEASE AS PRIVATE BUILDING COUNTY COUNCIL OF WAJIR	
6	NAIROBI	CITY COUNCIL CHAMBERS AND OFFICES	PRIME MINISTERS OFFICE	CITY HALL
7	TAITA TAVETA	COUNTY COUNCIL OFFICES AT WUNDANYI	COUNTY COUNCIL OFFICES AT WUNDANYI MINISTRY OF COMMUNICATIONS, WUNDANYI	COUNTY COUNCIL OF WUNDANYI OFFICES
8	GARISSA	COUNTY COUNCIL OF GARISSA HALL	MUNICIPAL COUNCIL OFFICES AT GARISSA + ONE WING OF PROVINCIAL HEADQUARTERS - GARISSA	DCS OFFICE - GARISSA
9	TANA RIVER	COUNTY COUNCIL OFFICES AT HOLA	STALLED NEW TANA RIVER COUNTY COUNCIL OFFICES AT HOLA	COUNTY COUNCIL
10	LAMU	COUNTY COUNCIL OF LAMU HALL	NEW ARDHI HOUSE (UNDER CONSTRUCTION ) AT WITU	NEW ARDHI HOUSE (UNDER CONSTRUCTION) AT WITU
11	KWALE	COUNTY COUNCIL OF KWALE HALL	MUNICIPAL COUNCIL OF KWALE OFFICES	MUNICIPAL COUNCIL OF KWALE OFFICES
12	KITUI	TOWN COUNCIL OF KITUI OFFICES	TANATHI OFFICES AT KITUI	DCS TREASURY KITUI
13	BOMET	COUNTY COUNCIL OF BOMET	MUNICIPAL COUNCIL OF BOMET OFFICES	MUNICIPAL COUNCIL OF BOMET OFFICES
14	VIHIGA	COUNTY COUNCIL OF VIHIGA	VIHIGA CDF OFFICE (MAJENGO AREA)	COUNTY COUNCIL OF VIHIGA
15	NYAMIRA	WEST MUNGIRANGO CDF OFFICE	NYAMIRA COUNTY COUNCIL BUILDING	COUNTY COUNCIL TREASURY
16	MIGORI	COUNTY COUNCIL OF MIGORI	MUNICIPAL COUNCIL OF MIGORI	MUNICIPAL COUNCIL OF MIGORI
17	WEST POKOT	COUNTY COUNCIL OF POKOT	1 <sup>ST</sup> FLOOR OFFICE SPACE AT NEW COUNTY HEADQUARTERS ADEQUATE FOR WEST POKOT COUNTY	NEW COUNTY COUNCIL HEADQUARTERS
18	ELGEYO MARAKWET	COUNTY COUNCIL OF KEIYO	SARDEP BUILDING	COUNTY COUNCIL OF KEIYO
19	MANDERA	COUNTY COUNCIL OF MANDERA	TOWN COUNCIL OF MANDERA	
20	THARAKA NITHI	MERU SOUTH COUNTY COUNCIL	MUNICIPAL COUNCIL OF CHUKA (PREFABRICATED OFFICES)	MUNICIPAL COUNCIL OF CHUKA
21	ISIOLO	NEW ISIOLO COUNTY COUNCIL OF OFFICE	DISTRICT HEADQUARTERS OFFICES	DISTRICT HEADQUARTERS OFFICES
22	MARSABIT	COUNTY COUNCIL OF MARSABIT	CONSTRUCTION OF ADDITIONAL FLOOR AT THE DISTRICT HEADQUARTERS	DISTRICT HEADQUARTERS

NO	COUNTY	COUNTY ASSEMBLY	COUNTY EXECUTIVE	COUNTY TREASURIES
23	SAMBURU	COUNTY COUNCIL OF SAMBURU	TOWN COUNCIL OF MARALAL	
24	TURKANA	COUNTY COUNCIL OF TURKANA	ARID LANDS OF LODWAR OFFICES AND MUNICIPAL COUNCIL OFFICES	DISTRICT TREASURY
25	TRANS-NZOIA	COUNTY COUNCIL OF TRANS-NZOIA	MUNICIPAL COUNCIL OF KITALE	MUNICIPAL COUNCIL OF KITALE
26	BUNGOMA	COUNTY COUNCIL OF BUNGOMA	MUNICIPAL COUNCIL OF BUNGOMA	MUNICIPAL COUNCIL OF BUNGOMA
27	KAKAMEGA	KAKAMEGA TOWN HALL	KAKAMEGA COUNTY COUNCIL	KAKAMEGA COUNTY COUNCIL
28	BUSIA	MUNICIPAL COUNCIL OF BUSIA	COUNTY COUNCIL OF BUSIA	COUNTY COUNCIL OF BUSIA
29	SIAYA	COUNTY COUNCIL OF SIAYA	ARTHI HOUSE (MINISTRY OF LANDS)	ARTHI HOUSE (MINISTRY OF LANDS)
30	HOMA BAY	COUNTY COUNCIL OF HOMA BAY	HOMA BAY MUNICIPAL COUNCIL	HOMA BAY MUNICIPAL COUNCIL
31	BARINGO	KABARNET TOWN COUNCIL	BARINGO COUNTY COUNCIL	BARINGO COUNTY COUNCIL
32	UASIN GISHU	COUNTY COUNCIL OF WARENG	ELDORET MUNICIPAL COUNCIL	ELDORET MUNICIPAL COUNCIL
33	NANDI	COUNTY COUNCIL OF NANDI	NANDI DISTRICT HEADQUARTERS 1 <sup>ST</sup> FLOOR	NANDI DISTRICT HEADQUARTERS (DISTRICT TREASURY)
34	KISUMU	COUNTY COUNCIL OF KISUMU	NEW NYANZA PROVINCIAL HEADQUARTERS	NEW NYANZA PROVINCIAL HEADQUARTERS
35	KISII	MUNICIPAL COUNCIL OF KISII	COUNTY COUNCIL OF GUSII	COUNTY COUNCIL OF GUSII
36	MOMBASA	MUNICIPAL COUNCIL OF MOMBASA	OFFICE OF THE VICE PRESIDENT AND MINISTRY OF HOME AFFAIRS (BETTING CONTROL OFFICES)	MUNICIPAL COUNCIL OF MOMBASA (TREASURY)
37	KILIFI	COUNTY COUNCIL OF KILIFI	MUNICIPAL COUNCIL OF KILIFI	MUNICIPAL COUNCIL OF KILIFI (NEWLY CONSTRUCTED)
38	MAKUENI	COUNTY COUNCIL OF MAKUENI	DISTRICT HEADQUARTERS	DISTRICT TREASURY
39	MACHAKOS	COUNTY COUNCIL OF MACHAKOS	MUNICIPAL COUNCIL OF MACHAKOS	MACHAKOS MUNICIPAL COUNCIL
40	KIAMBU	COUNTY COUNCIL OF KIAMBU	MUNICIPAL COUNCIL OF KIAMBU	MUNICIPAL COUNCIL OF KIAMBU
41	NAKURU	MUNICIPAL COUNCIL OF NAKURU	COUNTY COUNCIL OF NAKURU	COUNTY COUNCIL OF NAKURU
42	EMBU	COUNTY COUNCIL OFFICES AT EMBU	NEWLY CONSTRUCTED PROBATION OFFICES AT EMBU	MUNICIPAL COUNCIL OFFICES OF EMBU
43	MERU	COUNTY COUNCIL OFFICES MERU	MUNICIPAL COUNCIL OFFICES AT MERU	MUNICIPAL COUNCIL OFFICES MERU
44	NYERI	COUNTY COUNCIL OFFICES NYERI	MUNICIPAL COUNCIL OFFICES NYERI	MUNICIPAL COUNCIL OFFICES NYERI
45	MURANG'A	MUNICIPAL COUNCIL OFFICES MURANG'A	COUNTY COUNCIL OFFICES MURANG'A	COUNTY COUNCIL OFFICES MURANG'A
46	NAROK	COUNTY COUNCIL OFFICES NAROK	MUNICIPAL COUNCIL OFFICES NAROK	COUNTY COUNCIL OFFICES NAROK
47	KERICHO	KIPSIGIS COUNTY COUNCIL OFFICES	KERICHO TOWN HALL OFFICES	KERICHO TOWN HALL OFFICES

REPUBLIC OF KENYA



TRANSITION AUTHORITY

REPUBLIC OF KENYA



National Economic and Social Council

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## ANNOUNCEMENT

### NATIONAL CONFERENCE FOR 2013 GUBERNATORIAL (GOVERNORS) CANDIDATES AT GREAT RIFT VALLEY LODGE FROM 13<sup>TH</sup> – 15<sup>TH</sup> FEBRUARY, 2013.

The Transition Authority is a statutory body with a constitutional mandate of facilitating and coordinating the transition to devolved system of government in Kenya pursuant to the provisions of the Transition to Devolved Government Act 2012.

In an endeavor to pursue its mandate, the Authority will be holding an orientation conference for all gubernatorial candidates at the Great Rift Valley Lodge, Naivasha, from 13<sup>th</sup>-15<sup>th</sup> February 2013.

**Theme: "SEAMLESS TRANSITION THROUGH TRANSFORMATIVE LEADERSHIP"**

**Objective:** To give necessary orientation to the gubernatorial candidates on devolved government system so as to strengthen their personal leadership skills. This is essential as Kenya moves towards devolved system of Government come March 4<sup>th</sup>, 2013.

**Goals: To ensure that the candidates:**

- » Understand the form and function of the new Constitution and county government
- » Understand the workings of devolved government
- » Understand their role in public service as transformative servant leaders
- » Have basic knowledge of Public Financial Management
- » Appreciate the characteristics of transformative leadership:
  - to be accountable to the citizens of Kenya
  - to establish systems of accountability in county government and
  - to serve citizens by improving their standard of living
  - Understand their role in driving national development through implementation of Vision 2030.

**Focus:**

- Pressing challenges such as role of technology in accountability and transparency;
- Role and principles of county government and its functions;
- The county public service board; Intergovernmental and inter county relationship;
- Key devolution laws, regulations and policies to effect devolution system and
- Separation of power between the national and county government among other topics.

This conference, focusing on **"Transformative Leadership & Change Management"** is the first step to create a strong foundation for a result-oriented performance for the Governors. The long term objective is to assist county leaders in implementing capacity building, ICT solutions with leadership and integrity skills for good governance.

**Mr. Kinuthia Wamwangi**  
**Chairman**

**Transition Authority**

**KICC 5<sup>th</sup> Floor**

**P.O Box 10735 - 00100**

**Nairobi, Kenya**

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## PUBLIC NOTICE

The Transition Authority is established under **Section 4** of the Transition to Devolved Government Act with the broad mandate of facilitating and coordinating the transition to devolved system of government.

**Section 35** of the Act freezes the transfer of public assets during the transition period. It provides as follows:

- 1. A State organ, public office, public entity or local authority shall not transfer assets and liabilities during the transition period.**
- 2. Despite subsection (1), a State organ, public office, public entity or local authority shall-**
  - a. During Phase One, transfer assets or liabilities with the approval of the Authority, in consultation with the National Treasury, the Commission on Revenue Allocation, the Ministry of Local Government and the Ministry of Lands; or**
  - b. During Phase Two, transfer assets or liabilities with the approval of the Authority, in consultation with the National Treasury, the Commission on Revenue Allocation and the Cabinet Secretary responsible for matters relating to intergovernmental relations; and**
  - c. Transfer immovable property, with the approval of the Authority, in consultation with the National Treasury, the Commission on Revenue Allocation and the Cabinet Secretary responsible for matters relating to intergovernmental relations and lands.**
- 3. The Authority may, on its own motion or on a petition by any person, review or reverse any irregular transfer of assets or liabilities in contravention of subsection (1).**
- 4. Any transfer of assets or liabilities made in contravention of subsection (1) shall be invalid.**

The Transition Authority has noted that public entities have been advertising and publicizing transfer of various public assets without following the procedure laid out above.

This is therefore to caution the public against getting involved in transfer of public assets without ensuring that due process has been followed.

We would also like to reiterate to all public entities that any transfer of assets and liabilities made in contravention of the provisions of Section 35 of the Act shall be invalid.

The Chairman

Transition Authority

KICC, 5th Flr

[www.transauthority.go.ke](http://www.transauthority.go.ke)

## Annex 2.6 INDUCTION WORKSHOP FOR COUNTY ASSEMBLY REPRESENTATIVES



### TRANSITION AUTHORITY

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Telephone: +254-0710287080  
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### COUNTY ASSEMBLY REPRESENTATIVES INDUCTION WORKSHOP - APRIL 7<sup>TH</sup> TO 13<sup>TH</sup> 2013

The Transition Authority in collaboration with the Centre for Parliamentary Studies and Training (CPST) and with support from development partners has organized the first Induction workshop for All the Elected and Nominated County Assembly Representatives from all the 47 Counties in Kenya.

The Elected and Nominated County Assembly Representatives are invited for the induction workshops that will take place within venues in their counties on the following dates:

#### 7<sup>th</sup> to 9<sup>th</sup> April 2013

- Malindi, Lamu, Marsabit, Wajir, Mandera, Mombasa, Tana River, Garissa, Kilifi, Kwale, Isiolo, Meru, TharakaNithi, Embu, Kitui, Machakos, Makueni, Samburu, Nyandarua, Nyeri, Kirinyaga, Murang'a, Kiambu, Turkana, West Pokot,

#### 10<sup>th</sup> to 12<sup>th</sup> April 2013

- Trans Nzoia, UasinGishu, ElgeyoMarakwet, Nandi, Baringo, Laikipia, Nakuru, Narok, Kajiado, Kericho, Bomet, Kakamega, Vihiga, Bungoma, Busia, Siaya, Kisumu, Homa Bay, Migori, Kisii, Nyamira, Nairobi City.

#### Invited Participants

- All County Assembly Elected and Nominated Representatives
- All interim County Assembly Clerks

**Venue:** County Assembly Halls and or Other Venues Identified by County Assembly Clerks.

#### First Cluster

**Arrival:** 4.00 P.M, 7<sup>th</sup> April 2013.

**Departure:** 5.00 P.M, 9<sup>th</sup> April 2013.

#### Second Cluster

**Arrival:** 4:00 p.m , 10<sup>th</sup> April 2013

**Departure:** 5:00 PM, 12<sup>th</sup> April 2013

#### Theme:

**SUPPORTING DEVOLUTION: TOWARDS ACCOUNTABLE GOVERNANCE AND ENHANCED SERVICE DELIVERY.**

**Objective:** To establish a common understanding on the modalities of implementing the devolved system of government.

#### **Goals:**

1. To establish a common understanding on the operations of the county assembly, its structure, processes and procedures
2. To enhance understanding of the role of the county assembly in planning, budgeting and county appointments.
3. To enhance knowledge of key institutions that county assemblies will interact with.
4. To understand the role and operations of both county executive committees as well as county assemblies.

This notice complements the official invitation that will be sent to all the invited leaders.

For further clarification, kindly contact the following officers :

**Mr.Jeremiah Espira, OGW**  
Tel:0720467442  
email:[jespira@gmail.com](mailto:jespira@gmail.com)

**Ms.Josephine Ajiambo**  
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Supported by:



EMBASSY OF DENMARK  
**DANIDA** | INTERNATIONAL  
DEVELOPMENT COOPERATION



## Annex 2.7 COUNTY GOVERNMENTS' LEADERS INDUCTION WORKSHOP



Telephone: +254-0710287080

KICC Building 5th Floor  
P.O. Box 10736-00100  
NAIROBI

Email: [info@transauthority.go.ke](mailto:info@transauthority.go.ke)

[www.transauthority.go.ke](http://www.transauthority.go.ke)

### **COUNTY GOVERNMENTS' LEADERS INDUCTION WORKSHOP - APRIL 1<sup>ST</sup> TO 6<sup>TH</sup> 2013**

The Transition Authority in collaboration with the Centre for Parliamentary Studies and Training (CPST) and Kenya School of Government (KSG) has organized the first Induction workshop for All the Elected and Appointed Leaders in charge of the County Governments.

The Leaders invited for this induction workshops are:

1. All Governors and deputy Governors
2. All County Assembly Speakers and deputy Speakers
3. All the Interim County Secretaries
4. All the Interim County Assembly Clerks
5. All the County Transition Coordinators.

**Venue:** Great Rift Valley Lodge, Naivasha

**Arrival** 4.00 P.M **1<sup>st</sup> April 2013.**

**Departure:** 10.00AM **6th April 2013.**

**Theme:** **SUPPORTING DEVOLUTION: TOWARDS ACCOUNTABLE GOVERNANCE AND ENHANCED SERVICE DELIVERY.**

**Objective:** To establish a common understanding on the modalities of implementing the devolved system of government.

#### **Goals:**

1. To establish a common understanding on devolved government structure, processes and procedures
2. To enhance understanding of the enabling legislation for the operationalization of the devolved system of Government.
3. To enhance knowledge of key institutions that counties will interact with.
4. To establish a framework for interface and consultation between the county institutions and national government institutions.
5. To understand the role and operations of both county executive committees as well as county assemblies.

This notice complements the official invitation that has already been sent to all the invited leaders.

**THE SWEARING IN FOR GOVERNORS FOR THE FOLLOWING COUNTIES IS AS FOLLOWS.**

<b>County</b>	<b>Venue for Swearing in</b>
<b>Mombasa</b>	ASK Show Ground
<b>Vihiga</b>	County Executive Offices at Municipal Council Building in Mbale

## Annex 2.8 PROGRESS MADE TOWARDS TRANSITION TO THE DEVOLVED SYSTEM OF GOVERNMENT



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Nairobi

### PROGRESS MADE TOWARDS TRANSITION TO THE DEVOLVED SYSTEM OF GOVERNMENT

The Transition Authority (TA) was established pursuant to the Transition to Devolved Government Act (TDGA) 2012, with the mandate of facilitating and co-ordinating the transition to the devolved system of government. Section 7 of the Act provides the specific functions of the Authority. The Authority is expected to undertake its functions in two phases; Phase One was the period between the commencement of the act on 9<sup>th</sup> March 2012 to the date of the first General Elections held on 4<sup>th</sup> March 2013 under the new Constitution of Kenya 2010 (CoK 2010). Phase Two is to be carried out for a maximum of three years following the first General Election under CoK 2010.

Since its inception in July 2012, the Authority has continued to build on past gains and processes by establishing and strengthening its internal institutional capacity. This has enabled it to optimally perform its functions and ensure that there is a seamless transition process with uninterrupted services to the people of Kenya. The tasks undertaken by the Authority were implemented in consultation, collaboration and partnership with all Government Ministries, Departments and Agencies (MDA), Constitutional and Independent offices, including the Commission for the Implementation of the Constitution (CIC), Commission on Revenue Allocation (CRA), Office of the Auditor General, Office of the Controller of Budget; development partners and Non- State Actors *inter alia*.

#### KEY MILESTONES FOR THE PERIOD JULY 2012 - JUNE 2013

Specific Functions of TA	Progress to date	Specific Functions of TA	Progress to date
1. Facilitate the analysis and the phased transfer of the functions provided under the Fourth Schedule to the constitution to the national and county governments.	<ul style="list-style-type: none"> <li>A framework for functional analysis was developed and shared with all Ministries, Departments and Local Authorities. Functional analysis entails breaking down broad functions into detailed activities e.g. defining what health services entail.</li> <li>Conducted Functional Analysis and Competency Assignment consultative fora with MDAs and other stakeholders.</li> <li>Functional Analysis policy papers and reports received from 26 MDAs and are being reviewed.</li> </ul> <p><b>Remarks/Next steps</b></p> <ul style="list-style-type: none"> <li>Analysis of functions will continue.</li> </ul>	7. Classification of urban areas and cities as per the criteria provided in for the Urban Areas and Cities Act 2011.	<ul style="list-style-type: none"> <li>In collaboration with the Ministry of Planning, National Development and Vision 2030, former Ministry of Local Government and now Ministry of Devolution and Planning with the support of UN-Habitat, the process of classification has begun.</li> <li>Preliminary findings indicate that apart from Cities which have been saved by the law, a majority of the Urban Areas are only able to meet the population criteria and not the rest.</li> <li>Kisumu County has been provided with guidance on the process of establishing a city management board.</li> </ul> <p><b>Remarks/Next steps</b></p> <ul style="list-style-type: none"> <li>Stakeholder consultations planned to build consensus on the next steps.</li> </ul>
2. Determine the resource requirements for each of the functions.	<ul style="list-style-type: none"> <li>In consultation with the National Treasury and Ministries, costing of devolved functions using historical costs was done.</li> <li>Mapping of assets and liabilities is on-going.</li> <li>Human resources data collected by TA and is awaiting validation/audit.</li> </ul> <p><b>Remarks/Next steps:</b></p> <ul style="list-style-type: none"> <li>Independent consultants have been engaged to undertake costing of functions.</li> </ul>	8. Prepare and validate an inventory of all the existing assets and liabilities of government, other public entities and local authorities.	<ul style="list-style-type: none"> <li>Data collection on assets and liabilities from MDAs and local authorities is on-going but the response has been slow.</li> <li>An Assets Management Information System has been acquired and data entry on-going with support from the office of the Auditor General.</li> <li>An Interim unaudited inventory of assets and liabilities has been prepared and shared with County Governments. This is mainly data from defunct local authorities.</li> </ul> <p><b>Remarks / next steps</b></p> <ul style="list-style-type: none"> <li>Collection of data to continue,</li> <li>Mechanism for transfer of net assets and liabilities to be put in place.</li> </ul>
3. Develop a framework for the comprehensive and effective transfer of functions as provided for under section 15 of the Sixth Schedule to the constitution.	<ul style="list-style-type: none"> <li>As provided under TDGA, Section 23, initial functions that may be transferred to counties were gazetted (Legal Notice No. 16 of 2013).</li> <li>Functions to be transferred from 1<sup>st</sup> July 2013 to the counties were advertised in the national Newspapers and communicated to county governments. The county governments are expected to apply for the functions as guided by Section 24 of Transition to Devolved Government Act 2012.</li> <li>Quick Readiness Assessment was undertaken in all the counties, pursuant to Section 24 (d) of the TGDA to establish county preparedness for functions transfer, identify capacity gaps and develop capacity building plans. The overall finding of the report is that all counties do not fully meet the set criteria. A capacity development plan has been prepared for each county to address identified gaps.</li> </ul> <p><b>Remarks/Next steps</b></p> <p>Facilitation of transfer of the next batches of functions to the County Governments.</p>	9. Make recommendations for the effective management of assets of the national and county governments and provide mechanisms for the transfer of assets which may include vetting the transfer of assets during the transition period.	<ul style="list-style-type: none"> <li>TA is coordinating preparation of asset and liabilities policy which is being done under a World Bank funded programme implemented by the Ministry of Devolution and Planning.</li> <li>A technical committee on assets and liabilities comprising of TA, CIC, CRA, Attorney General's Office, Ministry of Lands, Housing and Urban Development, National Land Commission, Ethics and Anti-Corruption Commission, National Treasury, Ministry of Devolution and Planning, Public Procurement Oversight Authority and two Non-State Actors has been put in place. It's mandate is to advise the Authority on the management of public assets and liabilities during the transition period.</li> </ul>
4. Facilitate the development of budgets for county governments during phase one of the transition period.	<ul style="list-style-type: none"> <li>In collaboration with the National Treasury, budgets for March-June 2013 for County Governments were prepared and approved by Parliament. As a result, the counties have received and utilized the funds provided for by the budgets.</li> </ul>	10. Carry out an audit of the existing human resource of the Government and local authorities.	<ul style="list-style-type: none"> <li>Human resource data received from MDA's.</li> <li>The HR information shared with all the county governments.</li> </ul> <p><b>Remarks/Next steps</b></p> <p>Audit to be done in the 2013/2014 financial year if funds are available.</p>
5. Establish the status of ongoing reform process, development programmes and projects and make recommendations on the coordinated management, reallocation or transfer to either level of government during the transition period.	<ul style="list-style-type: none"> <li>On-going projects identified during the preparation of county Medium Term Plans and Profiles.</li> <li>The information forms part of the County Profiles which have been shared with the County Governments.</li> </ul>	11. Assess the capacity needs of national and county governments.	<ul style="list-style-type: none"> <li>A Quick Readiness Assessment was done for county governments and a report has been prepared.</li> </ul> <p><b>Remarks/Next steps</b></p> <ul style="list-style-type: none"> <li>Address the capacity gaps identified in the counties</li> <li>Support counties to conduct detailed capacity assessment.</li> </ul>
6. Facilitate the preparation of county profiles, to ensure that the profiles of counties are produced, published and publicized.	<ul style="list-style-type: none"> <li>In collaboration with former Ministry of Planning, National Development and Vision 2030 and presently the Ministry of Devolution and Planning, county profiles have been developed through a consultative process.</li> <li>The Profiles have been shared with all the counties in soft copies and printing is on-going at the Government Printers.</li> <li>The counties will use the Profiles as a basis for preparing County Integrated Development Plans.</li> </ul>	12. Recommend the necessary measures required to ensure that the national and county governments have adequate capacity during the transition period to enable them undertake their assigned functions.	<ul style="list-style-type: none"> <li>A national capacity building framework has been developed to provide general guidance for capacity building of national and county government.</li> </ul> <p><b>Remarks/Next steps</b></p> <ul style="list-style-type: none"> <li>Subject the framework to stakeholder consultation</li> <li>Mobilize resources and implement the framework.</li> </ul>

<p>13. Co-ordinate and facilitate the provision of support and assistance to national and county governments in building their capacity to govern and provide services effectively.</p>	<p>In coordination and partnership with relevant Ministries and Institutions, TA has been able to undertake the following activities to enhance County Governments the capacities of:</p> <p><b>(a) Support to county assemblies</b> In collaboration with Parliament and Centre for Parliamentary Studies and other partners.</p> <ul style="list-style-type: none"> <li>Prepared Interim standing orders.</li> <li>Procured relevant statutes and assembly paraphernalia e.g. maces and gowns.</li> <li>Prepared and disseminated Speaker's rules and guidelines for election of speakers.</li> <li>Facilitated the swearing in of the members and election of speakers.</li> <li>Inducted members, speakers, deputy speakers and interim clerks on their roles and responsibilities.</li> </ul> <p><b>(b) County executive</b></p> <ul style="list-style-type: none"> <li>Prepared Assumption of Office Guidelines and a committee was put in place to facilitate the inauguration and induction of governors at the county level.</li> <li>Governors and their deputies were successfully sworn in.</li> <li>Developed guide books for governors.</li> <li>Inducted governors, deputy governors and interim county secretaries in collaboration with the Kenya School of Government, Vision 2030 secretariat and other stakeholders. The induction provided insights on their role and responsibilities and that of Ministries, Commissions and Independent Offices.</li> </ul> <p><b>(c) Human resource</b></p> <ul style="list-style-type: none"> <li>Approximately 600 senior officers were competitively identified, inducted and deployed to the county governments.</li> <li>Human resource managers and payroll managers were deployed to support the establishment of county human resource management portfolio and payroll.</li> <li>The Integrated Personnel and Payroll Database (IPPD) system has been installed in all counties in collaboration with former Ministry of State for Public Service and now Ministry of Devolution and Planning. Staff have been trained and continuous backstopping support is being provided. The system is currently working in all the counties, and data entry and cleansing is ongoing.</li> </ul> <p><b>(d) Public Finance Management(PFM)</b> In collaboration with the National Treasury;</p> <ul style="list-style-type: none"> <li>Four Interim staff per county have been identified and posted to each of the counties. They comprise of a Chief Finance Officer, Head of Treasury, Budget Officers, and Supply Chain Managers.</li> <li>Officers were trained on Public Finance Management (PFM) as per the Public Finance Management Act and relevant regulations, the Integrated Finance Management Information System (IFMIS) and the budgeting process.</li> <li>IFMIS was installed in all the counties. However, unstable connectivity, inadequate staff and limited staff capacity has posed a challenge.</li> <li>Guidelines on account opening and budget preparation were provided.</li> <li>The National Treasury provided additional backstopping to all counties during the budget preparation for FY 2013/2014.</li> </ul> <p><b>(e) County Planning</b></p> <ul style="list-style-type: none"> <li>The various devolution laws provide that planning be utilized as the basis for budgeting and expenditure. The counties are expected to develop County Integrated Development Plans, Spatial Plans and Sectoral plans.</li> <li>TA in collaboration Ministry of Planning and National Development and Vision 2030, now Ministry of Devolution and Planning, prepared guidelines on development of County Integrated Development Plans and shared with these county governments.</li> </ul> <p><b>(f) Infrastructure</b></p> <ul style="list-style-type: none"> <li>Identified interim offices for county governments.</li> <li>Mobilized and disbursed funds to all counties for refurbishment and construction of offices.</li> </ul> <p><b>(g) Laws and regulations</b></p> <ul style="list-style-type: none"> <li>Ensured that necessary laws and regulations were in place to facilitate devolution. These include regulations on assets and liabilities and the County Public Finance Management Transition Act 2013.</li> <li>Reviewed existing devolution laws and draft regulations and recommended areas for amendment to relevant ministries.</li> </ul> <p><b>(h) Co-ordination of transition within the counties</b></p> <ul style="list-style-type: none"> <li>47 TA transition coordinators were recruited and posted to the counties. The coordinators are located in the counties and provide a link between TA and stakeholders within the counties.</li> </ul> <p><b>Remarks and next steps</b> Capacity building is a process. TA will continue to facilitate and coordinate capacity building of the national and county governments. It is instructive to note that National Government has a constitutional mandate to build the capacities of the counties and TA's function is to facilitate and coordinate these activities during the transition period.</p>
<p>14. Advise on the effective and efficient rationalization and deployment of the human resource to either level of government.</p>	<p>TA is coordinating the development of a framework for human resource rationalization and deployment and it is currently in draft form.</p> <p><b>Remarks/Next steps</b> The framework to be subjected to public participation and critical stakeholder review.</p>
<p>15. Facilitate civic education and ensure civic education on devolution is commenced and coordinated.</p>	<ul style="list-style-type: none"> <li>Civic education materials were developed and disseminated.</li> <li>A curriculum for the public officer's sensitization programme on devolution was developed. A sensitization workshop spearheaded by the former Ministry of State for Public Service, now Ministry of Devolution and Planning, was held in 14 counties.</li> <li>Public fora were held in all counties to sensitize them on transition and devolution issues.</li> <li>Infomercials run for two weeks in radio and television stations to sensitize the public on devolution and the role of TA.</li> <li>Rules of engagement were signed with some Civil Society Organizations. This has provided improved channel of communication.</li> <li>Through participation in fora organized by private sector organizations, faith-based organizations, Government Institutions and professional bodies, the Authority was able to reach out to many Kenyans thereby educating them on transitional and devolution issues.</li> </ul> <p><b>Remarks/Next steps</b></p> <ul style="list-style-type: none"> <li>More materials to be developed on topical devolution issues.</li> <li>Civic education for public officers and the general public to continue using various media</li> <li>Support counties to establish and strength public participation platforms as provided by various devolution legislations.</li> </ul>
<p>16. The Authority shall issue guidelines on Transition Implementation Plans (TIPS) to state organs.</p>	<ul style="list-style-type: none"> <li>In collaboration with CIC, the guidelines were developed and shared with MDAs.</li> <li>Some MDAs submitted their plans which are being reviewed.</li> </ul> <p><b>Remarks and Next Steps</b></p> <ul style="list-style-type: none"> <li>Continue to receive and review the TIPS from the MDAs and Counties.</li> <li>Monitor the implementation of the TIPS.</li> </ul>

**Key challenges and emerging issues**

- Time constraints:** The Authority had an extremely short time-frame within which it was expected to deliver on its numerous functions, especially during Phase One of the transition period which took about 8 months.
- Resource constraints:** The Authority does not have adequate resources to undertake some of the activities programmed especially the audit of the assets, liabilities and human resources that requires contracting of key professionals such as surveyors, auditors, engineers and lawyers. For the financial period 2013/2014 TA's proposed budget was approximately Kshs. 12 Billion. The TA was however only allocated Kshs. 555 million. This is hardly enough for personnel emoluments and other administrative costs given that TA has about 600 interim staff in the counties before the county governments recruit their own. It leaves the Authority with no budgetary allocation for the implementation of our statutory mandate. If the situation is not reviewed during supplementary budget, it will seriously undermine the transition process.
- High expectations:** The perceived benefits of the devolved governments have resulted in exceedingly high and in some instances, unrealistic expectations from politicians, technocrats, County Governments and the general public on what can be quickly delivered during the early stages of the transition period. Managing these expectations has been a big challenge.
- Political pressure for non-staggered transfer of functions to the counties:** In response to the clamor for immediate transfer of the functions, the National and County Governments Coordinating Summit decided to transfer all the functions. This is despite the constitutional and legal provisions that functions should be transferred to county governments in a phased and asymmetrical manner that ensures that there is the necessary capacity to perform a function once transferred. With limited capacities in the counties, it is expected that this will be an extremely huge and challenging undertaking. Therefore, of paramount importance is an urgent and concerted capacity building endeavour by stakeholders to support County Governments, especially the National government. TA on its part will continue facilitating and coordinating these efforts.
- Threats to the independence of the Authority:** Further to the inadequate budgetary allocation referred to above, the TA budget vote has been put under the Ministry of Devolution and Planning. TA is therefore, not an independent accounting unit according to the current budget. This goes against the provisions of the TDGA 2012 which establishes TA as an independent statutory body. This erroneous categorization of TA as a department under the Ministry gives a negative impression regarding the entity's objectivity and neutrality. The contemplation of the law is that TA independently serves the two levels of government and does so in an impartial manner. This cannot be possible if it is domiciled as a unit within one level of government.
- Inadequate and slow flow of information from MDAs:** The difficulty in getting crucial data from MDAs has frustrated the Authority's work as it endeavors to utilize the information for the intended purposes in a timely manner. This has been the case with regard to information on functions, assets, liabilities and human resource.

**Conclusion**

The outlined accomplishments for the Phase One of transition are by no means exhaustive. Of particular significance however is the fact that TA has ensured the successful inauguration of County Governments and established basic capacities for them to undertake their functions. Furthermore, the foundation for the Phase Two transition activities have also been laid. TA, within the confines of its mandate will continue to implement its functions and advocate for accountable governance and uninterrupted service provision by the National and County Governments to the people of Kenya.

Detailed TA reports and documents can be obtained from our offices in Nairobi at Extelcoms House, 8<sup>th</sup>, 2<sup>nd</sup> and 5<sup>th</sup> floors, Haile Selassie Avenue as well as from our website: [www.transauthority.go.ke](http://www.transauthority.go.ke).

**KINUTHIA WAMWANGI**  
Chairman, Transition Authority.

## **Annex 2.9 JOINT STATEMENT BY CRA,CIC PSC AND TA**

### **THE STATUS OF TRANSITION TO DEVOLVED GOVERNMENT IN ACCORDANCE WITH THE CONSTITUTION AND THE TRANSITION TO DEVOLVED GOVERNMENT ACT 2012**

This press statement is issued jointly by:

- (a) The Commission for the Implementation of the Constitution (CIC);
- (b) Commission on Revenue Allocation (CRA);
- (c) Public Service Commission (PSC); and
- (d) The Transition Authority (TA).

Section 15 (2) (d) of the Constitution of Kenya 2010 mandates CIC to monitor the implementation of the devolved system of government efficiently. The effective implementation of an effective system of government requires collaboration and consultation between CIC, CRA, PSC and the Transition Authority.

Article 216 (1) of the Constitution requires CRA to make recommendations to Parliament concerning the basis for the equitable sharing of revenue raised by the national government between the national and county governments and among the county governments. In addition, CRA will also make recommendations on other matters concerning the financing of, and financial management by, county governments, as required by the Constitution and national legislation.

The management of human resources is a critical requisite for effective implementation of a devolved system of government. The Public Service Commission plays a critical role in the identification and secondment of interim staff on recommendation by the TA to facilitate effective and un-interrupted service delivery by county governments in the transition period.

In addition to the foregoing, the Transition Authority has the following mandate in accordance with Section 7 of the Transition to Devolved Government Act 2012; Facilitate, co-ordinate and make recommendations on various activities relating to transition to devolved system of government.

These activities include:-

- a. Analysis and phased transfer of functions in accordance with section 7 (a) of the Transition to Devolved Government Act 2012;
- b. Coordinate and facilitate the development of county budgets during the first phase of transition to devolved government;
- c. Rationalization, deployment and audit of the necessary human resource to county governments;
- d. Preparation and validation of inventory of all existing assets and liabilities of central government and local governments and make recommendations for their effective management during the transition period;
- e. Assess the capacity needs of national and county governments;
- f. Recommend measures to ensure that county governments have adequate capacity during the transition period.

The following functions are not exhaustive of the activities contemplated to facilitate effective devolution.

#### **Objective of the Statement**

This statement is jointly made in recognition of: (a). the fundamental right to information in accordance with Article 35 of the Constitution Kenya ; and (b) the national values and principles set out in Article 10 of the Constitution including good governance, openness, transparency, democracy and participation of the people of Kenya.

CIC, CRA, PSC and TA wish to inform the people of Kenya on the status of preparedness of the transition to devolved government in relation to specific transition activities.

To date, the following activities have been undertaken in accordance with the Transition to Devolved Government Act, 2012 to facilitate the transition to devolved government:

### **1. Legislative Framework**

- a. All necessary legislation required to implement the devolved system of government have been enacted. These include the County Government Act 2012, Transition to Devolved Government Act, 2012, Urban Areas and Cities Act, 2011, Intergovernmental Relations Act, 2012, Public Finance Management Act, 2012, Transition County Allocation of Revenue Act, 2012, Transition County Appropriation Act, 2013 and County Government Public Finance Management Transition Act, 2013.
- b. The Transition to County Allocation Revenue Act, 2012 which provides for the horizontal sharing of revenue between the respective governments is already in place. The Transition County Appropriations Act, 2013 to authorize the issuance of a sum of money out of the relevant County Revenue Fund and its application towards the service of the year ending on the 30th June, 2013 is also in place.

### **2. Administrative Procedures**

- a. The guidelines for the recruitment of the members of the County Service Boards and the election of the Speaker of the National Assembly and the Senate have been developed;
- b. Interim standing orders for use by the County assemblies are in the process of publication;
- c. Publication of guidelines and principles of the exercise of the Executive Authority has been finalized.

### **3. Financial Capacity of County Governments**

- a. A sum of KShs. 9.8 Billion will be disbursed to County governments with immediate effect to cover expenses relating to personnel emoluments and administrative costs of both executive and county assemblies.
- b. The Local Authority Transfer Fund (LATF) appropriated for the financial year 2012/13 shall be directed to county revenue accounts through an advisory and shall be applied to meet the cost of service delivery by County governments, pending budgetary estimates and allocations for the financial year next following;
- c. County Governments will be expected to raise revenue from among other sources, property rates, entertainment taxes and any other tax in accordance with Article 209 (3) of the Constitution to fund county activities. Revenue currently raised by local authorities will be directed to county revenue accounts and be managed by the County governments.
- d. The interim county treasurers that are scheduled to take office in the course of this week, will among other roles, facilitate the opening of county revenue accounts and county operational account by 4th March 2013;
- e. The County treasurers in consultation with treasurers of the local authorities in respective counties will also (a) close existing local authority accounts and (b) transfer any monies in those accounts to the newly opened county treasuries.

### **4. Infrastructure**

We wish to confirm that offices and assembly halls for both the County Executive and the County Assemblies have been identified and are ready for occupation in each of the 47 counties;

### **5. Assets**

- a. Recommendations have been made on the criteria to determine the transfer of previously shared assets and liabilities of government and local authorities; An asset register is in the process of

being developed by the Auditor General in consultation with the TA. An interim register will be ready by 20th March for sharing with governors and other interested parties.

- b. As part of the process, an indepth and comprehensive audit of central and local government assets will also be carried out. The register will be used to track and verify all assets owned and liabilities incurred by each state organ and public entity before the general elections, for purposes of accountability.

## **6. Assumption of Office by Governors**

- a. Guidelines on the assumption of office by governors have been finalized and published.
- b. Arrangements for the assumption of office by each Governor have been finalized.
- c. Arrangements for the administration of oaths of office for state officers at county level have been completed.

## **7. Human Resource Capacity**

The requisite human resource has been identified and seconded to the Counties albeit on an interim basis in accordance with section 138 of the County Governments Act, 2012, section 57 of the Urban Areas and Cities Act, 2011 and section of 138 (1) of the Co-ordination of the National Government Act, 2013. In addition, the TA also confirms that Interim Transition Teams have been identified and seconded to the counties. These teams will assist the county governments carry out their functions as the counties prepare in the interim period.

The interim officials have been inducted and will be issued with letters of release by PSC.

## **8. Transfer of Functions**

- a. The functions that may be immediately transferred to the County governments after the elections have already been gazette.
- b. Other functions to be devolved will be gazetted for effective rollout from 1st July 2013.

## **WORK IN PROGRESS**

### **9. Policy Framework**

The national policies on the basis of which the performance of devolved functions shall be guided are yet to be finalized and adopted. Similarly, the formulation of regulations and administrative procedures to supplement the respective statutes is underway and is expected to be finalized for approval by the next Parliament.

## **Conclusion**

We recognize that the activities mentioned above are by no means exhaustive. They are singled out because they are fundamental to the realization of effective devolution. A lot has been done, in the run up to the establishment of county governments soon after the general election scheduled for 4th March 2013.

CIC, CRA and TA undertake to regularly inform the people of Kenya on the progress and additional activities hereafter undertaken towards full devolution of power, functions/ services and their pertinent resources.

The transition process involves all state and non-state actors and indeed the people of Kenya, whose public participation is imperative as contemplated in article 10 of the Constitution. Your unwavering support and meaningful engagement will go a long way in ensuring successful implementation of the devolved system of government in particular and the Constitution in general. Finally, we wish to remind the people of Kenya that the successful and effective realization of devolution will depend largely on the quality of leaders we elect as governors, senators, county representatives, women representatives, members of the national assembly and the president.

**ANNEX 3**  
**GUIDELINES**

## **Annex 3.1: GUIDELINES FOR OPENING AND MANAGEMENT OF COUNTY BANK ACCOUNTS**

The following guidelines are meant to guide the Transition Accounting Officers to open and operate the County Government bank accounts.

### **COUNTY BANK ACCOUNTS**

In accordance with Section 9 (a) and (b) of the County Government Public Finance Management Transition Act 2013, the Transition County Treasuries shall authorize the opening and operating of the following county government bank accounts:

- A. County Revenue Fund (County Exchequer Bank Account at the Central Bank of Kenya),
- B. County Government Recurrent and Development Bank Account at the CBK,
- C. County Revenue Collection Account - Clearance Account at a commercial bank to be identified by the Accounting Officer of the Transition County Treasury,
- D. County Government Standing Imprest Account at a commercial bank to be identified by the Accounting Officer of the Transition County Treasury.

#### **a) COUNTY REVENUE FUND (..... County Government Exchequer Account)**

In accordance with Section 9 (a) of the County Government Public Finance Management Transition Act 2013, the Transition Accounting Officer of the Transition County Treasury shall authorize the opening and operating of the County Revenue Fund (..... County Government Exchequer Account at the CBK) and will be the authorized officer.

#### **NOTE 1:**

The Central Bank of Kenya shall provide bank statements daily to all Transition Accounting Officers in an official county government email address (website) on daily basis for the purpose of cash management and bank reconciliation.

### **GUIDELINES FOR THE COUNTY REVENUE FUND**

1. The County Revenue Fund (..... County Government Exchequer Account) shall receive county own revenue, shareable national government revenue, national government grants and transfer exchequer issues ( Collection and transfer account).
2. The County Government Exchequer Account shall never be overdrawn at any time
3. The County Treasury shall initiate the requisition for grant of credit (authorization) by the Controller of Budget to withdraw funds from the County Revenue Fund. This requisition shall be signed by an authorized Transition County Accounting Officer. The requisition shall be in a standard form(FORM A-Sample).
4. Any withdrawal from this account shall require the authority of the Controller of Budget. The withdrawal shall be communicated to the Transition County Treasury in a standard form(FORM B-Sample)
5. Upon grant of credit by the Controller of Budget , the Transition County Treasury shall issue written instruction (Treasury Order) to the Central Bank of Kenya in a standard form (Form C-Sample) requesting the Central Bank to Release the funds as authorized by the Controller of Budget to the designated account.
6. The approval by the Controller of Budget, together with the Transition County Treasury written instructions (County Treasury Order) shall be sufficient authority for the Central Bank of Kenya to release the funds as approved to the ..... County Government Operational Account.
7. The Transition County Treasury written instructions (Transition County Treasury Order) shall bear at least two (2) authorized signatories. The two (2) authorized signatories shall be:
  - a) The Transition Accounting Officer or an authorized officer designated by him / her; and
  - b) The Transition County Treasury Head of Accounting function.

## **WITHDRAWAL INSTRUCTIONS**

**Form A** – Requisition form by the Transition Accounting Officer with a list of beneficiary departments at the back

**Form B** – Approval by the Controller of Budget with a list of beneficiary departments at the back

**Form C** – County Treasury Order for Issue of Exchequer to Central Bank

**Form D** – Transition County Treasury written instructions (Transition County Treasury Order) detailing exchequer issues to the spending units.

### **NOTE 2:**

1. Any person designated by the Controller of Budget shall be introduced by her to the Central Bank of Kenya.
2. The Central Bank of Kenya requires an exhibit of the physical signed authorization form (Form B) and Transition County Written Instructions (Form C) to effect any withdrawal from the County Government Exchequer Account and transfer the same to the .....County Government Operational Account at the Central Bank of Kenya.
3. The Central Bank of Kenya shall accept the approval of Controller of Budget or a person designated and authorized by her, accompanied by the Transition County Treasury written instruction (Transition County Treasury Order) in a scanned form subject to certification by Controller of Budget or a person designated by her in any branch of the Central Bank of Kenya.
4. The Transition County Treasury Accounting Officer shall deliver original approval documents (Form B and C) through the Controller of Budget for onward transmission to the nearest Central Bank of Kenya branch.
5. When the original approvals are delivered to any Central Bank of Kenya branch, the approval documents shall be deemed to have been properly delivered to the Central Bank of Kenya.
6. The Transition Treasury Accounting Officer shall issue an exchequer notification to the spending unit. The notification shall be released after confirmation by the Transition Treasury Accounting Officer that crediting of the respective CBK operational Bank Account has occurred.
7. County Government Operational Account at the Central Bank of Kenya shall require G-Pay system to be installed in all the Transition County Treasuries by the CBK.

### **b) COUNTY GOVERNMENT CBK OPERATIONAL BANK ACCOUNT**

In accordance with Section 9 (b) of the County Government Public Finance Management Transition Act 2013, the Transition Accounting Officer shall authorize the opening and operation of the .....County Government Operations Bank Account at the Central Bank of Kenya.

#### **Procedure for operation of the (.....) County Government Operation Bank Accounts**

1. The accounting officer shall designate authorized officers to operate this account.
2. The accounting officer of the treasury may authorize approval limits to the County Transition Officers on all the spending units.
3. At least two (2) officers shall be the authorized signatories for purposes of operating this account
4. The accounting officer may withdraw the signatory of any officer authorized so long as there is good reason for that decision.
5. The operational county account shall never be overdrawn at any time.

### **C) County Government Operations Bank Account - Standing Imprest**

1. This account shall be expected to cater for small value transaction office running expenses.
2. In accordance with Section 9 (b) of the County Government Public Finance Management Transition Act, 2013, the Transition Accounting Officer shall authorize the opening and operation of the ..... County Government Operations Bank Account at a Commercial Bank which is credible, with wide network and government has interest in.
3. All Transition County Treasuries which are served by Central Bank of Kenya shall operate their Petty Bank/ Imprest Bank Account at the Central Bank of Kenya.
4. Any amount withdrawn from the commercial bank shall be debited (received into) in the spending unit main cash book.
5. The Head of Accounting Function shall authorize in the IFMIS system or a designate officer to account for the entire cash withdrawn from the Petty Cash / Imprest Bank Account - IFMIS cash module
6. The commercial bank account shall not be withdrawn.
7. Any cash withdrawal from this account shall be in the name of the County Accounting Officer and will be accounted for in the normal manner.
8. The Transition County Treasury shall set limits of office cash float. Any withdrawal beyond the set limit shall be approved by the Transition County Treasury in writing.

### **d) COUNTY GOVERNMENT REVENUE COLLECTION ACCOUNT**

1. In accordance with Section 9 (b) of the County Government Public Finance Management Transition Act, 2013, the Transition Accounting Officer shall authorize the opening and operation of the ..... County Government Operations Bank Account at a Commercial Bank which is credible, with wide network and government has interest in. This account shall be a sweeping (Clearance) account and transfer from this account shall be to the designated CBK .....County Revenue Fund (County Exchequer Account).
2. This account shall be operated by a minimum of two signatories of which shall be:-
  - a. The county accounting officer
  - b. The head of the accounting unit
3. Each county treasury shall give standing instructions for transfer of revenue at least once a week on the first working day of the week.

**NOTE:** In all of the above accounts proper records shall be maintained and regularly reconciled to the bank balances.

**KINUTHIA WAMWANGI**

**CHAIRMAN TRANSITION AUTHORITY**

**Annex 3.2 Form A (Sample)**

**REPUBLIC OF KENYA**

..... COUNTY



County .....

Address .....

..... **Date**

The Controller of Budget  
Office of The Controller of Budget,  
P. O. Box 35616- 00100,  
NAIROBI.

**TREASURY REQUISITION FOR THE GRANT  
OF CREDIT ON THE EXCHEQUER ACCOUNT**

---

In accordance with Section .... of The Appropriation Act of ....., the Treasury authorizes and requires you to grant a credit on the Exchequer Account in the Sum of **Ksh..... (Say Kenya Shillings ..... Only)** to meet the cost of services for the year ending 30th June, 2013.

.....

TRANSITION PRINCIPAL OFFICER/ACCOUNTING OFFICER

*( To be filled in triplicate)*

**Annex 3.3 : FORM B (Sample)**

OFFICE OF THE CONTROLLER OF BUDGET  
P.O BOX 35616-00100  
**NAIROBI**

**EXCHEQUER ACCOUNT**  
**YEAR .....**

**CREDIT FOR SUPPLY OF SERVICE**

No .....Date .....

By virtue of article ..... of the Constitution of Kenya and Section 17(5) of the Public Finance Management Act 2012 and Requisition No ..... dated ..... authorizing the same, I hereby grant credit to the County Treasury Account of the Dev/Rec ( as applicable) ..... Exchequer Account Ksh ..... (words) ..... on account of the ways and means granted for the services of the year ending 30th June .....

**CONTROLLER OF BUDGET**

CC: The Central Bank of Kenya (where applicable)

**Annex 3.4 : FORM C (Sample)**

**REPUBLIC OF KENYA**  
..... **COUNTY**

County Address .....  
.....

..... **Date**

**The Director**

Banking Dep  
Central Bank Of Kenya  
P.O Box 60000 -00100  
Nairobi

**TREASURY ORDER FOR ISSUE FROM ..... COUNTY**  
**EXCHEQUER ACCOUNT**

In terms of Para 109 (7) of The Public Financial Management Act 2012 and in accordance with the grant of Credit No.RE..... ON THE EXCHEQUER ACCOUNT by The Controller of Budget, which has been exhibited to you, the Treasury hereby directs and orders the issue of Kshs..... (Say Kenya Shillings..... Only) out of THE EXCHEQUER for the Credit of the respective Departments for the Public Service and requests that when the sum shall have been transferred accordingly you will forward this order to The Controller of Budget.

.....

**AUTHORISED SIGNATORY**

.....

**AUTHORISED SIGNATORY**

**Annex 3.5 : FORM D**

County Name .....

COUNTY TREASURY.

..... Date

Head of Accounting unit

.....

.....

**DEV/REC ( WHICHEVER IS APPL) EXCHEQUER ISSUE NOTIFICATION**

1. Please note the following amount was issued from the Exchequer Account on .....  
(date) and placed to the credit of your Account with the ..... Bank

VOTE RE. NO .....	KSHS .....
-------------------	------------

2. You shall forthwith record the above issue in your Vote Account by debiting your Ministry/Dept Cash account and Crediting "Recurrent or development Exchequer account" with the amount shown above
3. The total issue from your Recurrent or Development Exchequer during the current Financial Year including the above amount is now Kshs .....

.....

FOR TRANSITION PRINCIPAL OFFICER

CC: CONTROLLER OF BUDGET

**Annex 3.6: LETTER OF DESIGNATION  
RECEIVER OF REVENUE**

**Ref:**

**Date:**

**(Name of the Transition County Principal Officer) to be indicated**

**Transition Principal Officer**

County Of .....

P.O. BOX .....

**LETTER OF DESIGNATION  
RECEIVER OF REVENUE**

In accordance with the powers conferred on The Transition Authority by section 21 of The County Government Public Finance Management Transition Act, 2013, you are hereby designated Receiver of Revenue in respect of all revenue of (Name of County) County Government in year 2012/2013.

As Receiver you are henceforth responsible for all aspects of the collection of the above revenue and for rendering a proper account of the sums received. In order that there may be no misunderstanding, it is emphasized that under the heading of collection your responsibility covers all the following stages:-

- (i) Ascertaining the existence of liabilities and ensuring that correcting figures are levied;
- (ii) Establishing written records of sums due;
- (iii) Taking proper steps to secure payment.

Should you at any time consider that your appointment needs to be terminated, you should give notice to the County Treasury of the circumstances. If the Treasury concurs, your appointed will be formally terminated.

To help you to discharge your responsibility where the necessary work cannot be done within the County of which you are the Accounting Officer, you may appoint as Collector the Accounting Officer of the Department in which the work is to be done. If you make such an appointment you will be responsible for ensuring that whatever work is entrusted to the Collector is covered by proper instructions laying down the procedures to be followed. The Accounting Officer appointed Collector will be responsible for observance of the instructions. You should at all times keep the adequacy of these instructions under review.

As Receiver, you must be fully informed of arrears of revenue outstanding from time to time in order that you may ensure that proper action for recovery, or abandonment, is taken. You should accordingly obtain at intervals of not more than six months adequate details of arrears. You are reminded that details of arrears of revenue, and of revenue abandoned, must be included in the revenue account to be submitted annually to the Auditor General under the Public Audit Act, 2003.

All revenue shall be paid to the credit of the County Exchequer Account at such times in such manner as the County Government may direct.

Please acknowledge receipt of this letter.

**KINUTHIA WAMWANGI  
CHAIRMAN TRANSITION AUTHORITY**

**Annex 3.7: LETTER OF DESIGNATION  
ACCOUNTING OFFICER**

**Ref:**

**Date:**

**(Name of the Transition Principal Officer) to be inserted**

The Transition Principal Officer  
..... County Government  
P.O. BOX 49720

**LETTER OF DESIGNATION  
ACCOUNTING OFFICER**

1. In accordance with the powers conferred on Transition Authority by Section 18 of The County Governments Public Finance Management Transition Act, 2013, you are hereby designated Accounting Officer for ..... County Government year 2012/2013 whose services are indicated below:-  
  
Recurrent: Salaries and expenses of the ..... (name of county) County Government, including general administration and planning,.  
  
Development: Capital expenditure, including general administration and planning, The ..... County Government.
- 2 (1) As an Accounting Officer you will be responsible to the Treasury to ensure that the resources of your County Government are used in a way that is:
  - (a) lawful and authorized; and
  - (b) effective, efficient, economical and transparent.
- (2) In carrying out your responsibilities under subsection (1), you shall do the following in relation to your County Government:-
  - (a) Ensure that no expenditure is made unless it is lawful, authorized, effective, efficient and economical;
  - (b) Ensure proper financial and accounting records are kept;
  - (c) Ensure that any financial or accounting records kept in electronic format are adequately protected which shall include ensuring that such records are adequately backed-up and adequately protected against computer viruses;
  - (d) Prepare and submit accounts for each financial year under the Constitution of Kenya 2010 for audit by Auditor-General;
  - (e) Ensure that adequate arrangements are made for the management of liabilities;
  - (f) Ensure that all applicable procedures are followed in the acquisition or disposal of property and that adequate arrangements are made for the custody, safeguarding and maintenance of property;
  - (g) Bring any concerns you have that a proposed decision or policy originating from your County may result in resources being used in a way that is unlawful, unauthorized, ineffective, inefficient, uneconomical or not transparent to the attention of the County Executive Committee responsible for the County Treasury.

(h) Perform such other duties as may be directed by the County Treasury.

Further, in your responsibilities as the Accounting Officer, you should take into account the following:-

1. As the Accounting Officer you will sign the Appropriation Accounts, and thereby making yourself responsible for its correctness. As the Accounting Officer, both County Assembly and The County Treasury will regard you as primarily responsible for the balance in the custody of your County Treasury or Accounting Unit, although you yourself may hold no part of it. It should be emphasized that the responsibility for the proper conduct of financial business cannot be delegated to a subordinate officer.
2. It will be seen that this letter stresses your personal responsibility as the Accounting Officer for the conduct of financial business. Your most obvious duty is to ensure that the public funds entrusted to your care are properly safeguarded. As an Accounting Officer you must comply with the financial provisions contained in various laws, regulations, financial instructions, accounting instructions and circulars issued by the County Executive Committee from time to time. In these as in other matters of a technical nature, you will naturally have the advice of appropriate officers. The precise arrangements to be made will depend upon the circumstances of Department, but they should invariably include, without regard to personal considerations, independent and effective checks of cash balances in the hands of any officer, and effective management of revenues and expenditures including proper administration of the monthly payroll applicable to your County.
3. It is your duty as the Accounting Officer to ensure that the funds entrusted to you are applied only to the purposes intended by Parliament. You must satisfy yourself, for instance, that any payment made by your County government are both within the ambit of the Vote and also covered by specific statutory authority where necessary; and that Parliamentary approval has been sought, by way of Supplementary Estimate or e.g. in connection with a service not contemplated when the original estimate was taken. It will be your responsibility to maintain an effective, efficient and transparent system of financial management and internal control. That this has been done is implicit in your signature on the Appropriation Accounts. As the Accounting Officer you must ensure proper management and control of commitments and expenditure within the quarterly limits and cash available as advised by the County Treasury in its instructions on the commitment and cash releases. It should be emphasized that goods and services are ordered/procured, or LPOs are issued only when there are sufficient balances in your quarterly expenditure within the commercially accepted time and as much as possible payments should be made immediately after delivery. It must be emphasized that there should be no build up of arrears (pending bills).
4. You will be responsible for stores and other Government assets acquired by your County Government for any losses arising. The control of stores is an aspect of management which is a matter for the County Government. You are therefore responsible for implementing all measures established to secure adequate stock control and accounting procedures covering the receipt, custody, issue and disposal of stores, etc., the verification of balances and the investigation of discrepancies. You should also ensure proper maintenance of all your assets including vehicles and other equipment. In deciding on the extent of verification and maintenance of stores, you will weigh the likely cost of detailed investigation of discrepancies against the benefits to be expected from it, e.g. in avoidance of future losses. It is desirable that the procedures should include safeguards against the suppression of receipt vouchers, and unauthorized alteration of quantities shown on vouchers.
5. Expenditure must not be incurred in excess of the total sum authorized by Parliament to be spent on any one Vote and neither should you, without the prior sanction of the County Assembly, incur expenditure on any sub-head or item, except those items in respect of which approval of reallocation has been given to you, of a Vote in excess of the amount specified in the Estimates, even though savings may be available elsewhere. You are also required to submit the necessary financial returns as called for by the Treasury in various circulars on timely basis. These will include monthly expenditure and

revenue returns, outstanding commitments including imprest and any other periodical statements asked for.

6. You should ensure that imprests are issued only for official purposes and the amount issued should not be excessive and must be used for the intended purpose. In case of temporary imprest, it must be surrendered within 48 hours after the job is done and standing imprest must be surrendered at the end of each financial year. Imprest returns should be given to you monthly and any officer who fails to account for imprest in full the surrendered amount shall become a debt owed to the government by the officer and the debt shall attract interest at the prescribed rate of the regulations. The debt and interest shall be recovered from any salary or other amounts owed to the government officer in total. No new imprest should be issued until the previous imprest taken has been accounted for in full. In any case officers should be discouraged from taking imprest except only when it is necessary to do so.
7. Regulations, management and accounting of donor funds are clearly elaborated in chapter 9 of the current Government Financial Regulations and Procedures. As an Accounting Officer you must ensure that donor funds both as revenue and Appropriation-in-Aid (A.I.A) are captured in your records and properly accounted for and that direct payments and Statements of Expenditures/Financial Management Reports (SOEs/FMRs) to replenish Offshore/County Exchequer Special Accounts are properly verified and submitted on a timely basis to the Executive Committee for onward transmission to the donors. Expenditure under A. I.A items must be followed up with the donors and captured in your accounts within the financial year in which they relate. Before transferring any funds to any organization or authority within or outside the government you must obtain a written assurance from the organization/authority that an effective, efficient and transparent management and internal control systems are in place.
8. You are answerable to the County Assembly Public Accounts Committee for the formal regularity and propriety, in the sense described above, of all the expenditure out of the Vote for which you responsible. Similarly you are expected to ensure that adequate machinery exists for the due collection and bringing to account, whether as Appropriations in Aid or as Extra Exchequer Receipts, of all receipts of any kind connected with the Vote under your control.
9. If any questions are raised concerning the propriety of a particular payment, the County Assembly Public Accounts Committee may seek the view of the County Treasury; and they will normally wish to know whether the Treasury has been consulted. On all technical matters affecting the accounts, and on any matters touching the propriety and regularity of the transactions, Treasury Officers are available to be consulted. As Accounting officer you should, therefore, regard it as part of your responsibility to ensure that before your County Government enters into any transactions, the regularity of which may be called in question, the advice of the County Treasury, however, will not absolve you from your formal responsibility as Accounting Officer, and you should therefore also make sure that any issue of sufficient importance to call in question that responsibility should be brought to your personal attention, even though the advice of the Treasury may already have been obtained.
10. The above paragraphs set your duties as an Accounting Officer in regard to Accounting for the regularity for expenditure from your Vote and the avoidance of misappropriation, losses and wasteful expenditure in the strict sense, matters which are capable for formal definition. It should be emphasized that any dereliction of duty in this respect may lead to a recommendation by the Public Accounts Committee that expenditure already incurred should be disallowed. Should this happen, the doctrine of personal accountability means that you are liable to have to defray the expenditure from your own purse unless Parliament is agreeable at the request of Treasury to allow the expenditure.

As the Accounting Officer, if you commit an act of financial misconduct willfully or negligently and fail to discharge your responsibility described above you will be liable for surcharge for losses caused to the government including other disciplinary action being preferred against you which will include recommendation for demotion, retirement or dismissal from the Public Service. It is for this reason

that , as will be seen in paragraph 15 of this letter, a recognized procedure has been developed to protect you, should you be overruled by your County Executive Committee Member Responsible For Finance or any other authority in a matter which may lay you open to a financial penalty.

11. As explained in paragraph 2 above, on technical matters you will naturally have the advice of appropriate officers. You should however note that it will be your responsibility to take effective and appropriate disciplinary steps against any official in the service of your County Government that contravenes or fails to comply with the financial regulations and Treasury instructions. These should include any other officer who commits an act which undermines the financial management and internal control systems of the County Government and/or permits an unauthorized, irregular, fruitless and wasteful expenditure.
12. The Auditor-General will not doubt bring to the notice of the County Assembly Public Accounts Committee any cases of apparent waste and extravagant administration; and the committee will expect you to satisfy them that the policy approved by the Parliament has been carried out with due regard to economy, and to furnish them with explanations of any examples to the contrary to which their attention has been drawn. In this regard when the affairs of your Vote are under discussion by the Public Accounts Committee you will be required to appear in person to answer their questions. County Assembly through its committee may raise matters of policy and draw your attention to the existence of wasteful expenditure whenever they occur and you as the Accounting Officer must be prepared to answer any queries raised by the Committee.
13. It may sometimes happen that you disagree with your County Executive Committee Member or any other authority upon a matter of importance affecting the financial administration of your County. In the first place, the County may seek to insist upon implementing policy in a manner which you regard as wasteful and extravagant. While it is, of course our duty as an Accounting Officer in the last resort to obey any instruction given to you by your Minister, it is none the less your duty to do everything in your power to see that the administration of the Department is carried on with efficiency and economy. You should, therefore not hesitate to represent your objection to any course of action which you regard as inconsistent with that duty, and to place on record disagreement with an decision which you may find difficulty in defending, as a measure of prudent administration before the County Assembly Public Accounts Committee.
14. Alternatively, the matter which is the subject of your protest may be one which involves your personal liability on a question of formal regularity or propriety. In that case you should set out your objection to the proposed expenditure, and your ground for it, in writing, and only make the payment upon written instruction from your County overruling the objection. Finally, after making such a payment you, should inform the Treasury of the circumstances and should communicate the papers to the Auditor-General. Provided that this procedure has been faithfully followed – but only on this condition – the County Assembly Public Accounts Committee will no doubt acquit you of any personal responsibility for the expenditure.
15. A further matter concerns the relationship between you and the County Treasury. Attention has been drawn to the role of the Treasury in advising upon technical matters of accounting, and on more general questions of regularity and propriety. It only remains to add, without prejudice to your personal responsibility as a Chief Officer to a Department for the efficient conduct of your own administration, that the County Treasury may often be able, by reason of its central coordinating position, to give helpful advice in the exercise of that responsibility in its widest aspects. It is indeed, an essential part of the present-day conception of Government organization that there should be the

close contact and co-operation at all levels. As the Accounting Officer, you are therefore encouraged, and should encourage your own subordinates, to make the fullest use of this right consultation.

Please acknowledge receipt of this letter, by sending to me formal acceptance in writing of your appointment as Accounting Officer with the responsibilities described herewith.

**KINUTHIA WAMWANGI**  
**CHAIRMAN TRANSITION AUTHORITY**

**CC: Mrs. Agnes N. Odhiambo**

Controller of Budget

Bima House

**NAIROBI**

Mr. Edward R. O. Ouko

Auditor General

Kenya National Audit Office

P.O. BOX 30084

**NAIROBI.**

**Mr Joseph Kinyua**

Permanent Secretary Finance/Treasury

P.O BOX 30007

**NAIROBI**

## ANNEX 3.8: GUIDELINES FOR OPERATIONALIZATION OF COUNTY FINANCIAL MANAGEMENT SYSTEM

The Transition Authority (TA) is a statutory body with a constitutional mandate of facilitating and coordinating the transition to the devolved system of government in Kenya pursuant to the provisions of the Transition to Devolved Government Act, 2012, and Section 15(2) (d) of the Sixth Schedule to the Constitution of Kenya, 2012.

Pursuant to its mandate, Transition Authority together with the National Treasury, The Office of the Controller of Budget, Commission on Implementation of Constitution (CIC), Commission on Revenue Allocation (CRA), Auditor General's Office and other Stakeholders have developed the following Guidelines to Guide on budget preparation and Execution for the County Government in line with Article 190 of CoK 2010 and Public Finance Management Act 2012

### Planning

Generally, a policy and planning system should enable the county governments to understand better the realities of what is affordable over the medium term and to address sectoral priorities strategically.

Planning at the county level should take into account the need for the development of an Integrated Development Plan plus the determination of any financial and economic priorities for the county over both the medium and long-term and should generally conform with the provisions of sections 125 and 126 of the Public Finance Management Act

Further, under the County Government Act, planning is a mandatory duty assigned to the County and such planning shall integrate economic, physical, social, environmental and spatial planning. It is also important to note that section 104 of the same Act makes it clear that no public money shall be spent outside of the planning framework as developed by the county.

Reference must also be made to section 108 of the County Government Act that espouses the ideals relating to the County Integrated Development Plans. This does not exclude the fact that **Part XI of the Act** is generally instructive on matters touching on all spheres of planning, within the county.

### Budget Execution

In order to execute the County Budget, the County Executive and the County Assembly should rationalize their budgets to recognize the roles of each arm of the Government, the finances released to the counties should fund key services of the County government and should follow the general rule of;

- I. At least 30% for Development and at most 70% Recurrent Expenditure ceilings need to be put in place for both the County Assembly and the Executive. The County Fiscal Strategy Paper should be prepared to provide direction for the expenditure limits and as a general guide, operational expenditure should not exceed 30% of the Personnel Emoluments but while respecting section 107 and 117 of Public Finance Management Act 2012.
- II. Ordinarily County Assemblies should not have development expenditure purse unless in special circumstances
- III. There shall only be one County Treasury responsible for all county Funds and shall be headed by the County Executive Committee for Finance (PFM act 2012 sec 103).
- IV. In order to effect the principle of separation of powers the County assembly, shall be a Vote. With the County Assembly Clerk as the Accounting officer
- V. County Budgets shall form the basis for withdrawing Funds from the County Revenue Funds. In this respect, you are advised resources should be allocated based on functions to be performed by each arm of governments based on justifications for provision of basic services. For example the Parliament in the fiscal year 2013 /2014 has been allocated 19 Billion out of a budget of 1.6 Trillion. This is based on justifications for expenditure to enhance oversight of public funds and not equity between Parliament and National Executive.

- VI. All requests for grant of credit should be signed by the ( during interim Period by Transition County Accounting Officer) County Executive Committee member for Finance or his/her delegatee and addressed to the Controller of Budget
- VII. Parliament or County Assembly approval must be obtained before any expenditure is occurred. This is through an Act of Parliament or a county legislation.
- VIII. All County Accounting Officers are required by law to keep proper books of accounts
- IX. All revenue collected should be deposited to the County Revenue Fund (.....Exchequer Account) at The Central Bank of Kenya and any withdrawals from the County Revenue Fund shall be authorized by the Controller of Budget in accordance with Act of Parliament or county legislation or county appropriation Act..
- X. The Controller of Budget will only authorize withdrawal of funds from the County Revenue Fund based on Appropriation Act, or Vote on Account or County legislation or an Act of Parliament
- XI. The County Assembly Should maintain its oversight role

It is important to note that public resources should only be applied for **service delivery. Counties are therefore encouraged to** constantly improve services, while outlining their specific short, medium and long-term goals for service provision on priority basis.

### **Public Participation**

Good governance dictates that government operations and decisions should be made openly and with the active participation of those people influenced by them. The budget is the primary economic policy document of the government and for this reason transparency and participation in the budget are particularly important, on the part of the citizenry.

Under the PFM Act, public participation in the context of the budget process is to be achieved by way of counties constituting the County Budget and Economic Forum, a reality and not routine exercise. Section 87 (b) of the County Government Act is equally instructive on the subject.

Counties are not stopped from exploring other avenues that enhance public oversight over budget implementation.

### **2013/2014 Budgeting**

The Interim Principal Officer Finance should guide the County in terms of providing budget guideline that contains the ceilings to each spending unit of the County that includes the County Assembly. All other spending units should present their budget to the County Executive Committee Member for Finance for consolidation and submission to the County Assembly. Similarly the Clerk to the County Assembly will prepare County Assembly estimates of budget for approval by a County Assembly Service Boards in line with the ceilings provided by the Transition County Treasury and submit the approved estimates to the County Assembly for review and approval.

The County Transition Accounting Officer or County Executive Committee Member for Finance are required to prepare their estimates of budget in full compliance with Constitutional and the Public Finance Management Act ,2012 provisions.

### **Borrowing**

County Governments are required to comply with Article 212 of the Constitution as well as Sections 138 and 139 of PFMA for receipt of grants and donations from development partners. Any borrowing should be strictly for financing development as provided for under Section 58 of PFM Act 2012

### **Procurement**

Public Procurement and disposal act shall apply in all Public Procurements

### **Opening, Operating and Closing of Bank Accounts.**

In accordance with Sections 9 (b) of the County Government Public Finance Management Transition Act

2013, the Transition Accounting Officer shall authorize the opening and operation of the County Revenue Fund (.....Exchequer Account) and County Recurrent Bank Account and County Development Bank Account.

Pursuant to its mandate, the TA's hereby requires that the following accounts be operated in respect of each County

County Revenue Fund (.....County Exchequer Bank Account) at the Central bank of Kenya

A Recurrent Bank Account and a Development Bank Account at the Central Bank of Kenya . An Imprest Bank Account or Petty Cash Bank Account may be opened in Central Bank of Kenya or a Bank Approved by the County Executive Committee Member for Finance and such Commercial Bank should be credible, and with a wide network of branches and Government of Kenya has interest in.

Each County must note the requirement under Section 119 (2) of the PFM Act to open and operationalise a Treasury Single Account as soon as possible so as to ensure prudent management of public funds

### **Accounting and Reporting**

County Treasury Transition Accounting Officer is required to keep proper financial records at all times as required by the PFM Act, 2012. Further, he /she shall be required to prepare and submit financial and non financial statements to the Auditor General for audit with copies to CoB, CRA and the National Treasury.

The County Transition Accounting Officer (Receiver of Revenue) is required by the PFM Act, 2012 to remit all money raised, received by or on behalf of the County Government to the County Revenue Fund intact pursuant to Article 207 of the Constitution. Any withdrawal from the County Revenue Fund shall require authorization by the Controller of Budget in line with an Act of Parliament or County appropriation Act or County legislation. The Receiver of Revenue is required to prepare and submit financial statements to Auditor General for Audit within three months after the end of each financial year.

### **Human Resource – Payroll Management**

Pursuant to Section 138 of the County Governments Act, 2012, the Transition Authority in consultation with the relevant line Ministry / department shall rationalize staff. Further, the Transition may also seek the indulgence of the Governors during this exercise pending the official transfer of staff performing devolved functions within the county government.

County Governments are advised to request for the last Pay Change Advice(PCA) certificates for each officers who is performing a devolved function to facilitate smooth transfer of officers wages and the attendant obligations thereof. This should be done through the Transitional Authority with copies to the Commission for the Implementation of the Constitution and the Commission on Revenue Allocation.

The County Public Service Boards and County Assembly Service Boards are required to undertake a job evaluation exercise and determine the appropriate structure for each function for optimum service delivery while taking into account their development needs vis a vis the wage bill.

County Governments are further required to fully factor in the wages of staff for all devolved functions as well the defunct local authorities in line with the principles resources shall follows functions as espoused in the Constitution. This is important since human resource is the most important asset of any organization.

### **Support to County Governments by the National Government.**

County Governments are encouraged to seek support through the Transitional Authority from the line Ministry / department. This is a Constitutional requirements for the National Government to support county governments during the transition period. This will assist county governments to develop their capacities within a very short period and consequently enhance service delivery.

**KINUTHIA WAMWANGI**

**CHAIRMAN, TRANSITION AUTHORITY.**

# **ANNEX 4**

# **ENGAGEMENTS AND DEVELOPMENT PARTNER ACTIVITIES**

**2013/2014**

ORGANIZATION	KEY HIGHLIGHTS	ACTIVITY	RECOMMENDATION	ACTION AND WAY FORWARD
1. AFD - French Development Agency	Consultative Meeting on ongoing projects	Discussion on the effect of devolution on on-going roads projects and in their Kisumu City based projects	Prepare information on the effect of devolution on projects that are ongoing	Guidelines on how the new national government and the new counties handle projects carried over from the previous dispensation
2. Canadian Parliamentary Centre	Engagement in Capacity Building of devolved structures	Training/induction of County Assembly members in April 2013 Payment of facilitators for 24 counties.	Encourage similar joint initiatives carried out by organizations with the appropriate competencies	Expand the Interagency framework to include more organizations in order to accelerate the devolution process
3. CIC and CRA	Pre - election Joint Statement	Press Briefing on Threats to Devolution Between CIC, CRA and TA	This initiative should be institutionalized and made a regular occurrence	Meeting at CIC offices recommended more joint press releases from the three bodies
4. Danida	Meeting on Mid-term Review	Briefing Presentation by Dr. Kagiri on Transition Activities and Areas requiring further support	Follow up on their areas of interest especially capacity building, support to the Health Sector	Further consultative meetings and keep them regularly appraised and briefed on TA progress and activities.
5. Federation of Kenyan Employers (FKE)	Engaged them and delivered Chairman remarks [written] for the AGM - Chair engaged in Kisumu	Annual General Meeting	This is a key umbrella organization that could be a useful partner in sensitizing employers on the Challenges and Opportunities provided under the devolved system.	Follow up for a future engagement
6. International Monetary Fund	Held a consultative meeting in the Chairman's Office	Suggested development of a technical support framework on Decentralization of Fiscal Policy	<ul style="list-style-type: none"> <li>Their technical input could be useful for the county governments and the areas they intend to provide expertise should therefore be assessed.</li> </ul>	Agreed to hold a conference call to deliberate on technical assistance in respect of Decentralization of Fiscal Policy
7. International Republican Institute	Engagement in Capacity Building of devolved structures	<ul style="list-style-type: none"> <li>Training/induction of County Assembly members - April 2013</li> <li>Facilitated venues for 12 counties.</li> </ul>	<ul style="list-style-type: none"> <li>More joint initiatives to capacitate the county governments</li> </ul>	Implementation of the activities proposed in the Joint MoU. A conference has been earmarked for July, 2013
8. Institute of Certified Public Accountants of Kenya (ICPAK)	Gave Keynote address at Safari Park	<ul style="list-style-type: none"> <li>Functions Committee has already invited them to join FACT/FAST teams</li> </ul>	<ul style="list-style-type: none"> <li>This organization can be very useful to TA since it has a nation-wide presence, respectability and is a quasi-government organization.</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate in FACT and FAST Teams</li> <li>Participate in induction and training programmes</li> </ul>
		<ul style="list-style-type: none"> <li>Have already engaged with them</li> </ul>	More county joint programmes should be developed	<ul style="list-style-type: none"> <li>Collaborate on Accountability and Transparency projects</li> </ul>

ORGANIZATION	KEY HIGHLIGHTS	ACTIVITY	RECOMMENDATION	ACTION AND WAY FORWARD
9. Institute of Certified Public Secretaries of Kenya	Gave keynote address in February (Monthly Forum) and April 12th 2013(Annual Dinner 7-10 pm)	<ul style="list-style-type: none"> <li>Have already engaged with them</li> </ul>	<ul style="list-style-type: none"> <li>Our very close and cordial relationship with this organization should be further exploited to initiate more joint activities.</li> <li>Toward this end, a comprehensive joint work programme and MoU could be developed.</li> <li>Fastrack their incorporation into FACT/FAST teams</li> </ul>	
10. Society for International Development.	Engagement in Capacity Building	Induction Training for women representatives - May 2013	Further engagement training women leaders Facilitated venue, facilitators and the training materials.	Have a structured partnership agreement outlining potential collaborative activities
11. Joint Commissions	Meeting 1 - Nairobi Club Meeting 2 - Serena Hotel (April 30th - 7.30 a.m)	Meeting with Commission for Administration of Justice	Regularity in the Joint Commissions Meetings	Continued collaborative meetings
12. Kenya Property Developers Association	Gave a keynote address to KPDA	KPDA is finalizing concept paper on engagement with TA together with a consortium leading up to a National Housing Conference in the first quarter of 2014.	Identify and incorporate other key state and non-state actors to be included including HFCK, National Housing Corporation, UNHabitat and FDI	To collaborate on a National Housing Conference to be held in 2014
13. National Christian Council of Kenya (NCCK)	Keynote Address on Devolutuion	Committed to further engagement	Could be useful to extending civic education	Follow up on Jumuia Conference Centre Meeting of (9 -11 am)
14. Held a Consultative Meeting at Intercontinental Hotel	Further agreed to additionally collaborate on developing Citizen's forums under the	<ul style="list-style-type: none"> <li>Further agreed to additionally collaborate on developing Citizen's forums under the devolved system</li> </ul>	<ul style="list-style-type: none"> <li>Full day retreat to prepare concept paper, budget and roadmap for proposed projects</li> <li>Explore other areas of possible collaboration with TA in the counties</li> </ul>	Agreed to work on developing political parties under the devolved system of government.
15. National Taxpayers Association	Keynote Address during Book Launch - Hilton Hotel April 30th, 2013	The NTA had a forum to launch a book the National Taxpayers Association (NTA) to sensitize citizens, elected representatives, government officials and civil society organizations on the management of the Constituency Development Fund (CDF).	There was a lot of interest in TA and the Devolution process and the NTA could be a useful body in increasing citizen participation.	Have another larger and Devolution focused forum with NTA.
16. Pan Africa Insurance	Address on Challenges and Opportunities for Insurance in Kenya	Discussion Devolution issues affecting the Insurance Industry	Have a presentation to the umbrella Insurance body	Establish contact with IRA and Insurance industry body

ORGANIZATION	KEY HIGHLIGHTS	ACTIVITY	RECOMMENDATION	ACTION AND WAY FORWARD
17. Royal Norwegian Embassy	Consultative Meeting with the Deputy Minister Arvinn Gadgil on April 16 with Kenya's Transitional Authority Chairman and the Commission on Revenue Allocation Chairman Micah Cheserem.	Discussion the decentralization process in Kenya after the general elections on March 4, 2013	There is a need to coordinate donor contributions to the decentralization and local development in Kenya.  Mr. Gadgil was particularly interested in the sharing of resources between counties, and how to avoid misuse of funds by new local governments.	Ambassador Brattskar mentioned that the Oil for Development-programme has limited capacity to enter into new partnerships, but that Kenya possibly could be invited to joint seminars/workshops.
18. State University of New York - Centre for International Development SUNY/CID	Consultative Meetings <ul style="list-style-type: none"> <li>• Fairview</li> <li>• Crown Plaza</li> </ul>	US e-Governance Training for TA, KSG, CPST, and PSC at Albany New York	Expand Experiential Learning to reach Governors and the counties	Increased collaboration with SUNY/CID on expanding the Experiential Learning Programme to the counties
19. Tanzania, Government	Tanzania Union Day April 26th, 2013	Attended by the Chairman	Engage more regional countries in understanding devolution in Kenya and how it affects them.	Initiate contact with regional countries and EAC Secretariate
20. UNDP	Consultative meetings with TA Chairman and UNDP heads.	Functions and competency assignment.	Map out and outline key areas of engagement that UNDP can sponsor	Liaise with UNDP to convene development partners with a view of

# **ANNEX 5**

## **DETAILED WORK PLAN**

## DETAILED WORK PLAN

TRANSITION AUTHORITY ROAD MAP Aug. 2012 to June 2013 -IMPLEMENTATION MATRIX PROGRESS REPORT AS JULY 2013							DIRECTORATE RESPONSIBLE		
S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I				
1	Operationalization of the Transition Authority (office systems organograms, staff, equipment)	1.1	Appointment of members	1.1.1	Appointment letters issued	Gazette notices issued	Complete By MOLG	Corporate Support Services	
		1.2	Secondments of key staff to the TA	1.2.1	Deploy key staff	Secondments letters	45 Officers deployed to the various TA Directorates		
		1.3	Setting up of the terms of service for TA Chairperson and members	1.3.1	Proposals and consultations with Commission on Salaries and Remuneration	Terms and Conditions of Service for chairperson and members of TA set.	Done according to SRC communication of April 2013		
		1.4	Gratuity and compensation for chair and members of TA	1.4.1	Proposals and consultations with Commission on Salaries and Remuneration	Terms and Conditions of Service for chairperson and members of TA set.	In Progress		
		1.5	Develop a Learning Organization	1.5.1	Continuous Education Program Peer Learning (Best to Great)	Bench marking tours	To be done in Phase II		
				1.5.2	Undertake training in TA	Consultant procured to develop a training manual.	To be done in Phase II		
				1.5.3	Undertake a team building activity for all staff	Retreat	To be done in Phase II		
			1.6	Identification of office space at-					
			a. National level	1.6.1	Procurement and acquisition of offices	Signed lease agreement and letter of offer	Only One floor secured for the Members Identification of additional space at Extelecoms Building in progress		

1.6	County level (County Transition Coordinators)	1.6.2	b. Identify suitable staff on a temporary basis	Temporary County Public Service staff in place	Deployed to the 47 Counties on interim basis	County Transition Coordination Directorate
		1.6.3	Prepare indent and advertise	47 county coordinators in place	Recruited and deployed to the 47 Counties	
				Hold interviews and appoint the county coordinators	Done	
		1.6.4	Induction carried out	Curriculum and induction reports in place, no. of officers inducted and placed in counties	Done in collaboration with Kenya School Of Government ,Parliament Service Commission ,Kenya School of Monetary Studies, Centre for Parliamentary Studies and Training and Vision 2030	
		1.6.5	All staff mobilized to effect assumption of office by the Governor and the County Assembly will be seconded by the Public Service including Ministry of Local Government through a selection process managed by a committee . This staff will be directly answerable to TA during the period preceding the general election and there after they will answer either to the Governor or the Speaker of County Assembly	Mobilized staff	In Progress	Corporate Support Services
		1.6.6	Procurement of equipment and stationery			Basic Equipment partially done
1.7	Operational plans and budgets developed and launched	1.7.1	Develop budgets and operational plans and have them approved			2012/13 itemized budget prepared. Awaiting Board Approval -Operational plans and Organization policy Guidelines not done.
1.8	Hiring of critical consultants	1.8.1	Carry out a prequalification and develop a database for the consultants	Consultants prequalified	To be done in Phase II	

1.9	Key personnel recruited,staff determined,staff recruited and inducted	1.9.1	Develop job descriptions,structures and based on this recruit priority positions(directors for the 3 directorates, Program officers, Research assistants, Economic planners, social and public communication experts)	Effective and efficient organizational structure developed	Organization structure in place Approved by the Board.	Corporate Support Services
		1.9.2	Determine the establishments /staffing norms using the approved operational plan and final approved organizational structure	Staffing norms in place		
		1.9.3	Preparation of terms of service for staff and compensation	Terms of Service and Conditions in place	Done	
		1.9.4	Carry out additional recruitment and induction	Staff recruited	On going	
		1.9.5	Develop and manage the data base for staff and the consultants	Consultants database	To be done in Phase II	
		1.9.6	County level(county transition coordinators)		Recruited and deployed to the 47 Counties	
		1.9.7	Insurance for members and staff		Insurance procurement process ongoing	
		1.9.8	Purchase of Vehicles	Vehicles	Procurement process ongoing	
		1.9.9	Leasing of vehicles for the members	Leased cars	Not implemented	
	1.10	1.10.1.	Hire a consultant to develop the administrative policy and the procedures manual including the service charter,code of conduct	Policies, procedures and systems developed and implemented	In the process of being developed	
		1.10.2	Hold a 4 day workshop for the TA members and the staff to discuss the manuals			
	1.11	1.11.1	Procure the necessary software and hardware	Effective ICT Systems in place		

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE
2	Development of a resource mobilization strategy	2.1 Stakeholder assessment	1.11.2 Develop the Authority website		Website up and running	Corporate Support Services
			1.11.3 Upload initial vital information into the website		Ongoing	
			1.11.4 Procure internet services from an ISP		Done	
		2.1.1 Develop TOR for hiring of Consultants	Stakeholder database developed	Not completed		
3	Monitoring and evaluation	2.2 Implementation of the resource mobilization strategy	2.2.1 Undertake mapping of transition initiatives	Stakeholder participation strategy in place	Not completed	Corporate Support Services (Public Communications)
			2.2.2 County transition forums developed	Transition initiatives mapped	Done and included in the Road map	
			2.2.3 Hold breakfast meeting with potential development partners	Forums developed	In place	
		2.2.4 Establishment of a budget and resource Mobilization Committee	Committee in place	Done		
		3.1.1 Develop TOR for consultants and procure one	Committee in place	Finance and Administration Committee		
		3.1.1 Develop a comprehensive Monitoring and Evaluation framework	M & E framework developed	Consultant in place -Draft M and E Framework in place		
		3.2 Reporting to all relevant statutory bodies	Preparation of monthly, quarterly and annual reports	Continuous on quarterly basis to CIC and CRA		
3.2.2 Publishing of the TA progress reports	Publishing of the TA progress reports	July -September, Oct-December Quarterly reports published by Government Printer				

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE		
4	<b>Mapping Of Transition To Devolved Government Activities Across All Government</b>	4.1 Collection and Collation of Information on ongoing transition and devolution activities from MDAs and local authorities	4.1.1	Write circulars to all MDAs and Local authorities asking to provide reports and supporting documents on transition to devolution	Circular sent	Done -Circular sent to MDAs on August 2012 -Reports received from the Ministries received	Policy and Advocacy Directorate	
			4.1.2	Hold meetings with relevant public entities	Reports prepared and disseminated			
			4.1.3	Validation workshop with Ministries		Intercontinental meeting of 5th November, Meeting Regional authorities at Hotel Intercontinental.		
			4.1.4	Validation workshop with Members of Parliament		Held at Enashipai Resort and Spa In Oct.		
		4.2	Establish the status of Committees of PS, Technical working groups and Functional Assignment and competency teams	4.2.1	Write circulars requesting for information on the decision making groups and make follow-up visits/meetings	Circulars		Circular dated 6 November to the Ministries
				4.2.2	Write circulars requesting for sector policy papers on functional and competency assignment. And follow-up visits/meetings	Reports		Circular dated 6 November to the Ministries -Guidelines on the development of Policy Papers issued
		4.3	Mapping Reforms, projects and programmes	4.3.1	Request for Information from MDAs on ongoing reform programmes and projects	Circulars		Ongoing -circular issued to Ministries - A number of Reports received
				4.3.2	Compile report	Report		
		4.4	Gender Assessment Strategy	Adopt a gender lensed transition for all process	Gender Lensed Tool developed Dissemination tool to MDAs	Not Done Not done		
		5	<b>Functional And Competence Analysis And Assignment</b>	5.1 Development of Understanding of functions	5.1.1	Develop the Guidelines on the functional and competence assignment (unbundling)		1. Guidelines
							Policy and Advocacy Directorate	

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE	
5	Functional And Competence Analysis And Assignment	5.1.2	Hold a 4 day workshop for the TA members and the staff to discuss the draft guidelines		Done (Finalized at the retreat held at KCB centre in Karen )	Policy and Advocacy Directorate	
			5.1.3	Organise forums to engage Sector Working groups in the validation process of the guidelines for functional and competence assignment			
				5.2.1	Develop guidelines for development of sectoral policy papers		Published guidelines
			5.2.2	Support the Sector working groups to undertake FCA	Policy papers finalized.		Ongoing- KEMRI, MEMR, ROADS, MOH,
			5.2.3	Monitor the progress made.			Ongoing
		5.2.4	Stakeholder engagement for dissemination of finalized policies		Not done/be carried out in the phase II		
			i. Workshop with senior Government officials, PSS		Not done/be carried out in the phase II		
				ii. Workshop with Members of Parliament, other dependent commissions -CIC, CRA, CIOC		Not done/be carried out in the phase II	
		5.2.5	Gazettement of functions that are supposed to be initially transferred to the counties during the first phase	Functions gazetted	The functions were gazetted on 4th Feb. 2013		
		6	LEGAL AND INTERGOVERNMENTAL RELATIONS	6.1.1	Conduct a gap analysis in the existing legal framework	Reports on gap analysis	Done at Enashipai /Lodge
6.1.2	Propose legislative amendments to existing laws			Legislative and regulation amendments	Presented to Parliament.		

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE	
6.2		Published regulations, administrative guidelines, standing orders and budget guidelines	6.2.1	Draft regulations, administrative guidelines		Regulations on office of the Governor Assumption Guideline guidelines issued	Legal and Intergovernmental Relation Secretariat
			6.2.2	Initial retreat to come up with regulations for the better carrying out of the TA Mandate		Draft regulations drafted by consultants	
			6.2.3	Carry out validation workshop with Ministries, departments and agencies		Planned for next phase	
			6.2.4	Publishing and printing of the regulations and guidelines		Planned for next phase	
6.3		Costing of Function	6.3.1	Request Relevant MDAs for updated information on the cost of providing services based upon the approved budget	Report Published and disseminated	Planned for phase II	
			6.3.2	Costing guidelines issued		Done	
				Hold public forums and engage expert groups in validating the costing		Planned for phase II	
				i. Validation workshop with senior Government officials, PSs		Planned for phase II	
				ii. Validation workshop with Members of Parliament, other independent commissions -CIC,CRA,CIOC		Planned for phase II	
			6.3.3	Prepare a report on the costing of function			
6.4		6.4.1	Development of initial county budgets	Guidelines on preparation of initial County budgets prepared			

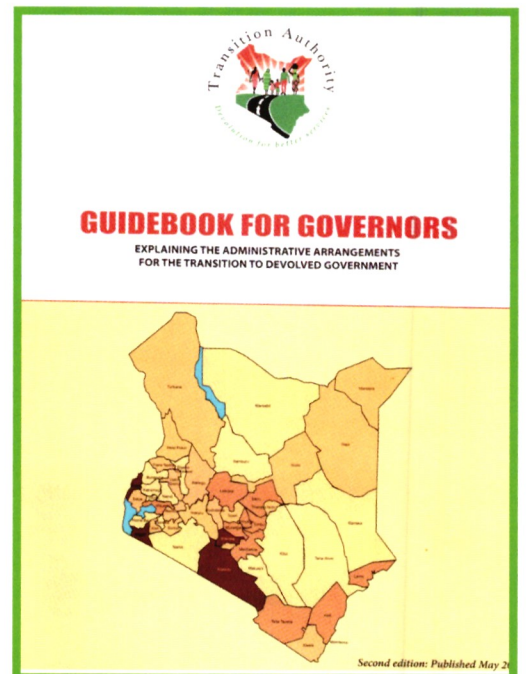
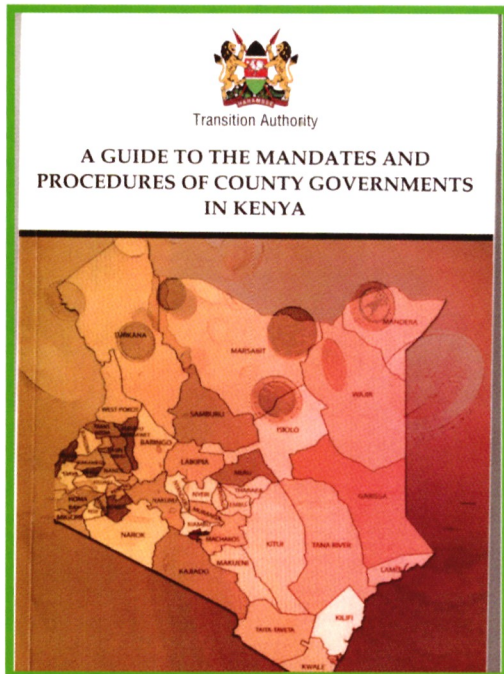
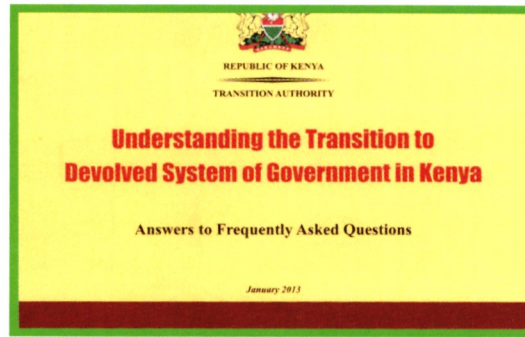
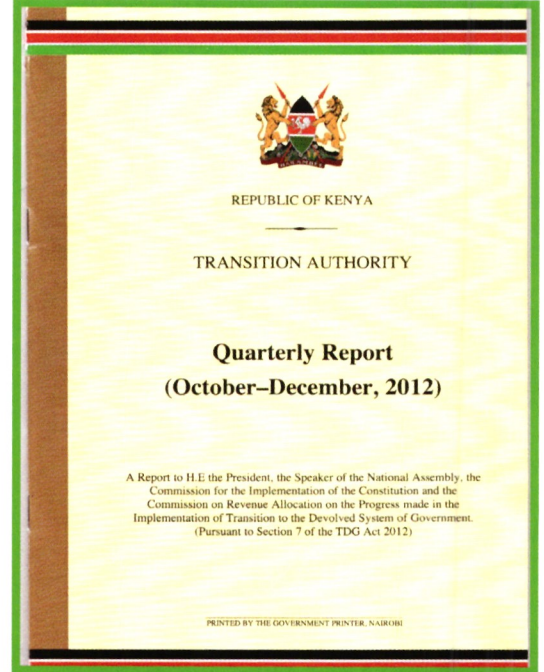
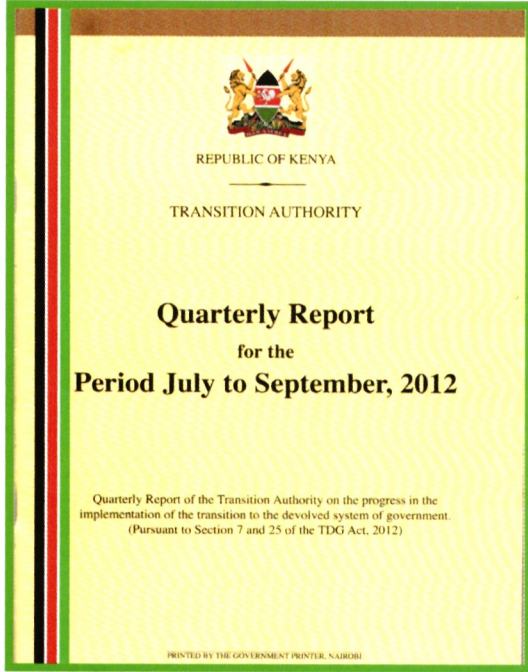
S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE
			Commission a consultant to develop and lead in the development of the criteria for the initial transfer of functions	Criteria for transfer of functions developed	Done	Legal and Intergovernmental Relation Secretariat
			Hold a retreat for the TA to review the draft criteria		Done(Finalized at KCB Karen retreat)	
			Commission a consultant to develop the county profiles	47 County profiles developed	Done	
			Hold 8 county validation workshops on the profiles		Done	
			Print and publish the profiles for wide distribution		To be done in phase II	
			Develop guidelines for developing Transition Implementation Plan by MDAs:			
		6.5.1	Hire a consultant to guide the process	Guidelines prepared	DONE	
		6.5.2	Hold a 4 day workshop for the TA members and the staff to discuss the guidelines		Done-Karen	
		6.5.3	Publish Transition Implementation Plan		To be done in phase II	
		6.5.4	Issues a circular distributing the guidelines to MDAs		Done	
		6.5.5	Select sectors for piloting.	Sectors identified	To be done in phase II	
		6.6.1	Procure technical assistance to lead this process.	Technical assignment procured	To be done in phase II	
		6.6	Pilot functional transfers for selected sectors			

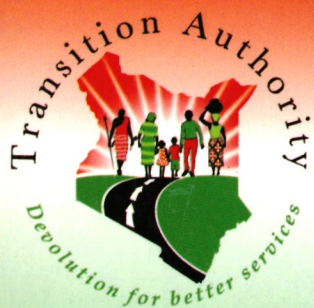
S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE			
7	Civic education on transition And stakeholder engagement	7.1	Validate and civic education materials and curriculum	7.1.1	Development of a civic education curriculum and manuals for the public and county leaders and staff	Civic education materials on transition	Done -Training manuals and curriculum developed -FAQs Developed		
				7.1.2	Validation of the curriculum and civic education materials		Done at KICC		
		7.2	Enable County government leaders and staff able to effectively undertake their functions	7.2.1	Carry out sensitization workshops for the key Officers in the MDAs	Ministry Officers sensitized	Done in January in collaboration with MSPS	Corporate Support Services	
				7.2.2	Carry out sensitization workshops for the senior Officers in the local authorities on the transitional issues to Devolved Government.(This will be carried out in 8 centres including Nairobi,Mombasa,Nyeri,Embu,Garissa,Nakuru,Kisumu,Kakamega		Done in January in collaboration with MSPS		
		7.3	Sensitize County residents on their role in transition	7.3.1	Hold public forums on civic education on devolution	County Fora held	Done in all 47 counties between 12 Feb. 2013 - 19th Feb. 2013		
		7.4	Communication strategy in place	7.4.1	Procurement of a short term consultant to develop a TA Logo and brand identity	IEC Strategy on Transition developed and implemented	Logo passed by the Board and in use		Review of the draft to be done in phase II
				7.4.2	Procurement of a short term consultant to develop a TA communication strategy		Continuous		
				7.4.3	Monthly media clinics		Continuous		
				7.4.4	Develop informercials for broadcasting in media stations		To be done in phase II		
				7.4.5	Prepare documentaries on transition to county Governments		Continuous		
				7.4.6	Hold publicity events in the counties		Continuous		

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE		
8	Capacity Assessment And Development	8.1 Audit Of Assets And Liabilities of local authorities	8.1.1	Review Existing Records and Data	Record of assets and liabilities	189 records received for both local authorities and ministries	Corporate Support Services	
			8.1.2	Issue circular to all provincial administrators on the above.		Circular issued to all county commissioners		
			8.1.3	Develop An Audit Tool	Audit tool	Template issued to guide the MDAs in reporting		
			8.1.4	Carry Out An Audit	Audit report	To be done in phase II		
			8.1.5	Verify Audit Reports	Verified audit reports(to be carried out by an independent person from the one who carried out the audit	To be done in phase II		
		8.2 Audit Of Assets And Liabilities National Government in the Counties	8.2.1	Review Existing Records and Data	Record of assets and liabilities	Received raw reports on assets returns from various Government department in the Counties		-The info is being fed into the Asset Management information system
			8.2.2	Issue circular to all provincial administrators on the above.				
			8.2.3	Develop An Audit Tool	Audit tool	To be done in phase II		
			8.2.4	Carry Out An Audit	Audit report	To be done in phase II		
			8.2.5	Verify Audit Reports	Verified audit reports(to be carried out by an independent person from the one who carried out the audit	To be done in phase II		
9	The Audit Of Human Resources In Both National Government,Local Authorities And State Corporations	9.1 Audit of human resources	Development of a tool for carrying out the audit.	Audit tool	Tool developed			

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE	
10	Assessment of facilities in the counties	10.1	10.1.1	Identify existing facilities and gaps in the counties	Comprehensive report on facilities and gaps	Two visits made by teams to assess the facilities in various counties	
		10.2	10.2.1	<ul style="list-style-type: none"> <li>Bridging the gaps where they exist</li> <li>Provision of initial basic equipment like maces / Hansard equipment to the county Governments</li> </ul>	Adequate facilities for county Governments	2 million disbursed to each county for refurbishment of the interim officers	
		10.3		Facilitation of the swearing of the county assembly members	Adequate facilities for county Governments	2 million disbursed to each county facilitation of the swearing in of the Governor	
11	Systems	11.1	11.1.1	Identify existing gaps in the counties i.e. financial, administrative systems	Gap analysis report	To be done in Phase II	
			11.1.2	Bridging the gaps where they exist	Comprehensive report on systems and gaps an provision of adequate facilities	To be done in Phase II	
12	Capacity building programmes	12.1	12.1.1	Develop the curricula for use in training	Curricula	Done	
			12.1.2	Roll out the program	Adequate operational skills in counties	To be done in phase II	
			12.1.3	Develop the curricula for use in training		Done	
13	Transition Arrangements To County Governments	12.2	12.2.1	Roll out the program	Adequate operational skills in counties	Ongoing	
			13.1	13.1.1	Identifying the chief officers for county	Identified officers	Officers identified and deployed
			13.1	13.1.2	Preparation of a transition manual	Manual	
			13.1.3	Training the officers on the management of transition.		To be done in phase II	

S/ NO	WORK STREAM	TASK	ACTIONS	OUTPUTS	PROGRESS MADE DURING PHASE I	DIRECTORATE RESPONSIBLE
			13.1.4 Issue guidelines on the management of transition developed as regulations under the County Government act	Legal notice	Guidelines on assumption of the Governor office prepared and circulated, the Execution of the executive Governor function and setting up of the County Public Service Boards facilitated.	
		13.2 Setting up of the County Public Service Boards .	13.2.1 Preparation for guidelines on appointment of the board			
		13.3 Setting up of the County Assembly Service Boards	13.3.1 Preparation for guidelines on appointment of the board	Guidelines		
			Sensitize the Governors ,executive committee members and the speakers of the county assemblies		Gubernatorial candidates sensitized on the 13-16th February 2013 at the GRVL -Induction for the Governors,their deputies ,interim secretaries slated for next Phase. - County Speakers, their Alternate speakers induction slated for next phase.	
14	Knowledge Management	14.1 Research and document on transition topical issues	14.1.1 Identify areas to be researched on	List of topical issues to be researched on	To be done in Phase II	Policy , Research and Advocacy
		14.2 Develop, share and disseminate reports	14.1.2 Hire research assistants	Research assistants	To be done in Phase II	
			14.2.1 Publish researched materials	Materials Published	To be done in Phase II	
		14.3 Establish a resource centre	14.2.2 Apply for ISBN number from Kenya National Library Service	ISBN	To be done in Phase II	
			14.3.1 Procure the necessary documentation to operate the resource centre		To be done in Phase II	
			14.3.2 Hire a librarian to man the resource centre		To be done in next Phase II	





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