GROUND ONE (1) INDEX

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Invoiced: on 13/03/2020, 1st Approval 31/3/2020

Pot in 18

F.O. 20 (Revised)

A/c No. 0114123239661

6193

21/04/20

Payee's Name and Address: NAIROBI COUNTY – BURSARY ACCOUNT 2019

ACC 02/2020/02

Particulars	LPO/LSO No.	Invoice No.	Amount Sh.	Amount cts.
Being Payment of Transfer of bursary funds			297,500,000	00
ANNEX 4				
		TOTAL	Sh. 297,500,000	00

Amount payable (in words): Shillings Two hundred and ninety seven million, five hundred thousands only. cts.

Authority Reference No.

EXAMINATION

Voucher Examined by

Date 31/3/2020

Internal Audit

VOC CERTIFICATE

I certify that the expenditure has been entered in the Vote Book, and that adequate funds to cover it are available against the chargeable Item as shown here below.

Approved Estimate

Item EXP. CODE 2640101 Sh 297,500,000

Less: Total Expenditure plus Commitments Kshs 0

Balance Kshs 297,500,000

Less: This Payment Vch. No. DATE 6193 Kshs 297,500,000

Balance — Kshs 0

Date 23/03/2020 Signature Accountant (AIE)

NAIROBI CITY COUNTY
EDUCATION YOUTH AFFAIRS SPORTS CULTURE & SOCIAL SERVICES
SUB CODE ALLOC
LESS: TOTAL EXP & COMMIT
ENTRY VCR NO.
BALANCE Vch.

AIE HOLDER CERTIFICATE

I certify that the expenditure detailed above has been incurred for the authorized purpose and should be charged to the Item shown here below.

Signature Ag CCO E,S&C

Designation of AIE Holder

Date 31/03/2020

AUTHORIZATION

I certify that the rate/price charged is/are according to regulation/contract, fair and reasonable, that the expenditure has been incurred on proper authority and should be charged as under. *Where appropriate a certificate overleaf has been completed.* I hereby AUTHORIZE payment of the amount shown above without any alteration.

Signature

Accounting Officer/District Accountant*

Date 1/4/2020

Vote	Head	Sub-Head	Item
5318	0001	01	2640101

A.I.E No.	Account No.	Dept. Vch. No.	Station	Cash Book Vch. No.	Cash Book Date	Amount Sh.	Amount cts.
5318000101	2640101	Education	City Hall Annex	6193	13/3/20	297,500,000	00

*Delete inapplicable title

1

NAIROBI CITY COUNTY

Telephone: +254 20 2221166
+25420 2224281
Website: www.nairobi.go.ke

City hall
P.O. Box 30298- 00100,
Nairobi,
KENYA.

EDUCATION, SOCIAL SERVICES & GENDER

M E M O

TO : CHIEF OFFICER-EDUCATION, SOCIAL SERVICES & GENDER

FROM : DEPUTY DIRECTOR EDUCATION

REF : GL/NC/71 VOL.V/122

DATE : 20TH MARCH, 2019

Approved Accountant urgently process

AgCEO ESSC 31/03/2

RE : AUTHORITY TO INCUR EXPENDITURE OF KES 297,500,000/= FOR BURSARY FUND

The sector is mandated to coordinate and ensure timely disbursement of bursary funds.

The sector was allocated Ksh 297,500,000/= (Two Hundred ninety seven Million and five hundred thousand Shillings only) in the financial year 2019/2020 to cater for ward bursary.

The purpose for this memo is to request for the money to be transferred to the Bursary Fund Account.

Kindly approve.

for PETER MIANO
DEPUTY DIRECTOR
FOR : DIRECTOR –EDUCATION

31/3/2020

Copy to: CECM –Education, Sports, Culture, Youth, Gender & Social Services

F.O.20 (Revised)

REPUBLIC OF KENYA

PAYMENT VOUCHER 16685

(VOTED PROVISION)

Payee's Name and Address: NAIROBI CITY COUNTY EDUCATION BURSARY ACCOUNT 2019

Particulars	LPO/LSO No.	Invoice No.	AMOUNT Sh.	AMOUNT Cts.
Being Payment of the form ie executive bursary 2019/2020			50,000,000	
Amount payable(in words) Shillings Fifty million only	TOTAL	Sh	50,000,000	=

cts.....

...city Reference No.

EXAMINED

Voucher Examined by .....

Date.....

VBC CERTIFICATE

I certify that the expenditure has been entered in the vote book and that adequate funds to cover it are available against the chargeable Item as shown here below.

Approved Estimate/Allocation

Item No.....

Less: Total Expenditure plus commitments Ksh.....

Balance

is ENTRY VOUCHER No.....

No.....

Balance Ksh. NIL

Date 16/6/2020 Signature.....

Accountant i/c VBC

NAIROBI CITY COUNTY GOVT
EDUCATION YOUTH AFFAIRS, SPORTS CULTURE & SOCIAL SERVICES
EXP. CODE
SUB CODE ALLOC. KSHS 50,000,000
LESS: TOTAL EXP. & COMMIT KSHS
ENTRY VOUCHER NO. KSHS
BALANCE KSHS
DATE SIGN Ksh 50,000,000

INTERNAL AUDIT

Date.....

Signature.....

AIE HOLDER CERTIFICATE

I certify that the expenditure detailed above has been incurred for the authorised purpose and should be charged to the item shown here below.

Signature AgCCO

Designation of AIE Holder

Date 17/06/2020

AUTHORIZATION

I certify that the rate/price charged is/are according to regulation/contract, fair and reasonable that the expenditure has been incurred on proper authority and should be charged as under. *Where appropriate a certificate overleaf has been complete.* I hereby AUTHORIZE payment of the amount shown above without any alteration.

Signature.....

*Accounting Officer/ District Accountant**

Date 24/06/2020

Vote	Head	Sub - Head	Item
5318	0001	01	2640101

A.I.E No.	Account No.	Dept. Vch. No.	Station	CASH BOOK Vch. No.	CASH BOOK Date	AMOUNT Sh.	AMOUNT cts.
5318	0508025310	Education	CITY HALL ANNEXE	2640101	16/6/20	50,000,000	=

*Delete inapplicable title

EFT-4701-2020/057

3

NAIROBI CITY COUNTY

Telegraphic Address
Email: info@nairobi.go.ke
Web: nairobicity.go.ke

CITY HALL ANNEX:
P. O. BOX 30298 GPO- 00100,
NAIROBI, KENYA

EDUCATION, SOCIAL SERVICES AND GENDER

TO : CHIEF OFFICER – EDUCATION, SOCIAL SERVICES & GENDER

FROM: DEPUTY DIRECTOR EDUCATION

Approved
12/06/2020

REF : GL/NC/71 VOL. V/157

DATE : 12TH JUNE, 2020

RE: AUTHORITY TO INCURE EXPENDITURE OF KSHS. 50,000,000 MILLION FOR BURSARY PAYMENT.

The sector is mandated to coordinate and ensure timely disbursement of both the Executive and Ward bursary funds.

The sector is processing bursary for the financial year 2019/2020.

This is therefore to request that you authorize expenditure of Kshs. Kshs 50,000,000 for payment of the form one executive bursary 2019/2020.

Kindly approve.

ACCOUNTS
EXAMINED
Date
Sign

PETER MIANO
DEPUTY DIRECTOR – EDUCATION DEPARTMENT

Copy to: CECM – Education, Sports, Culture, Youth, Gender & Social Services Sector

NAIROBI CITY COUNTY

Telegraphic Address
Email: info@nairobi.go.ke
Web: nairobicity.go.ke

CITY HALL ANNEXE:
P. O. BOX 30298 GPO- 00100,
NAIROBI, KENYA

EDUCATION, YOUTH AFFAIRS, SPORTS, CHILDREN, GENDER & SOCIAL SERVICES

NAIROBI CITY COUNTY ASSEMBLY
09 AUG 2018
P.O. BOX 45844 - 00100, NAIROBI

GL/NC/71/151

9th August, 2018

Jacob Ngwele
Clerk, Nairobi City County Assembly
P.O. Box 45844-00100
NAIROBI

RE: SUBMISSION OF INFORMATION ON THE OPERATIONS OF NAIROBI CITY COUNTY BURSARY FUND ACCOUNT

Reference is made to letter ref: NCCA/FB&AC/CORR/2018/81 dated 1st August, 2018 concerning the above subject matter.

Forwarded herewith please find the following documents as requested by the County Assembly.

1) A copy of the payment voucher amounting Three Fifty Seven Million only (Ksh. 357,000,000)
2) A report on the role of the Chief Officer Education and other related issues as highlighted in the same request.

Thanking you for the continued support.

Yours truly,

JANET M. OUKO
COUNTY EXECUTIVE COMMITTEE MEMBER -
EDUCATION, YOUTH AFFAIRS, SPORTS, CHILDREN, GENDER & SOCIAL SERVICES

T. Gatsalo
Ag. Clerk.

I. FA. FBAC
Table in the committee for their consideration
10/8/18

Copy to: Chief Officer – Education, Social Services & Gender

REPORT ON NAIROBI CITY COUNTY BURSARY FUND ACCOUNT

S/no.	Issues Raised	Response to the Issue
a)	Chief Officer – Education Sector role on utilization of the sector budget and accounting	Under the provisions of the Public Finance Management Act, cap 412C (2012) 'the accounting officer is accountable to the County Assembly for ensuring that the response of the entity for which the officer is designated are used in a way that is a) Lawful and authorized, and b) Effective, efficient, economical and transparent'.
b)	The extent to which the sector and Chief Officer matters related to Education has been involved in the operation of the Bursary Fund Account . In accordance with the Bursary regulations, 2016	The Chief Officer – Education is not a signatory to the Bursary Fund Account held by the County Government in this issue, Chief Officer – Education did not append her signature on the payment voucher in question.
c)	Irregular transfer of Bursary monies to Mary land account	The Sector was not aware nor informed of the irregular transfer of Ksh. 357 Million to Maryland Account.
d)	The payment vouchers raised by the sector with regard to the Bursaries amounting to Ksh. 357 Million.	A copy of the payment voucher serial no. 6468 raised and signed by Finance& Economic Planning Sector is hereby attached.
e)	A list of beneficiaries of the Bursary Fund Account	A report on the list of the beneficiaries is hereby attached.
f)	The proposal by the Sector on how to best manage the Bursaries monies to the beneficiaries without incurring major delays and errors in the process.	The Sector through the request of the Chair, Sector Committee on Children, Early Childhood Education and Vocational Training (Nairobi City County Assembly) vide letter ref: NCCA/SC-CECVT/2018/04 dated 2nd August, 2018 (copy attached) has organised for a retreat to review on the Bursary Fund Regulations, 2016.



THE REPUBLIC OF KENYA

LAWS OF KENYA

PUBLIC FINANCE MANAGEMENT ACT

CHAPTER 412C

Revised Edition 2014 [2013]

Published by the National Council for Law Reporting
with the Authority of the Attorney-General

www.kenyalaw.org

Particular 1

THE PUBLIC FINANCE MANAGEMENT ACT, 2012

ARRANGEMENT OF SECTIONS

Sections

PART I—PRELIMINARY

1—Short title and commencement.

2—Interpretation.

3—Object of this Act.

4—Declaration of entities as national government entities.

5—Declaration of entities as county government entities.

6—Act to prevail in certain matters.

PART II—PARLIAMENTARY OVERSIGHT OF NATIONAL FINANCES

Responsibilities of Committees of Parliament

7—Responsibilities of the National Assembly budget committee in public finance matters.

8—Responsibilities of the Senate budget committee in public finance matters.

Parliamentary Budget Office

9—Parliamentary Budget Office continued.

10—Responsibilities of the Parliamentary Budget Office.

PART III—NATIONAL GOVERNMENT RESPONSIBILITIES WITH RESPECT TO THE MANAGEMENT AND CONTROL OF PUBLIC FINANCE

Establishment of the National Treasury

11—Establishment of the National Treasury.

12—General responsibilities of the National Treasury.

13—Powers of the National Treasury.

liabilities of county government entity.

(a) is responsible for the management of the entity's assets and liabilities; and

(b) shall manage those assets in such a way as to ensure that the county government entity achieves value for money in acquiring, using or disposing of those assets.

(2) The accounting officer for a county government entity shall dispose of assets only in terms of an Act of Parliament pursuant to Article 227 of the Constitution and shall ensure that the proceeds from all asset disposals are credited into a bank account of the entity.

Limited power of accounting officer to reallocate appropriated funds.

154. (1) An accounting officer shall not authorise the transfer of an amount that is appropriated—

(a) for transfer to another county government entity or person;

(b) for capital expenditure except to defray other capital expenditure; or

(c) for wages to non-wage expenditures.

(2) An accounting officer for a county government entity may reallocate funds between programs, or between Sub-Votes, in the budget for a financial year, but only if—

(a) provisions made in the budget of a program or Sub-Vote are available and are unlikely to be used;

(b) a request for the reallocation has been made to the County Treasury explaining the reasons for the reallocation and the County Treasury has approved the request; and

(c) the total of all reallocations made to or from a program or Sub-Vote does not exceed ten percent of the total expenditure approved for that program or Sub-Vote for that year.

(3) Regulations approved by the county assembly may prescribe requirements for the reallocation of funds within Sub-votes or programs.

County government entity to maintain internal auditing arrangements.

155. (1) A county government entity shall ensure that it complies with this Act and—

(a) has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board; and

(b) if any regulations are in force under subsection (2),

NAIROBI CITY COUNTY ASSEMBLY

AP 001307

Telegraphic Address
Tel: +254 20 221 6151/0781 530846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.O. Box 45844-00100
Nairobi, Kenya

OFFICE OF THE CLERK

NCCA/BO/CORR/2020/31

01/12/2020

Dr. Margaret Nyakang'o
Controller of Budget
Office of the Controller of Budget
Bima House
NAIROBI

OFFICE OF THE CONTROLLER OF BUDGET
RECEIVED
P.O. Box 35516 - 00100, NAIROBI

RE: REQUEST FOR INFORMATION ON UTILIZATION OF BURSARIES FOR THE FY 2019-20

The County Assembly is in the process of reviewing the process of requisition and utilization of the budget for the FY 2019-20. In this regard the County Assembly has flagged out the absorption of the amounts set aside for bursaries for that FY as an issue for consideration.

In this regard, the County Assembly requests that your office facilitates it with information on the following:

1) Requisition forms from the County Treasury on the bursary fund allocations for the FY 2019-20: and
2) The authority for withdrawal of funds issued by the Office of the Controller of Budget on the bursary fund allocations for the FY 2019-20

Due to the urgency of the matter he County Assembly shall appreciate if the information can reach the Office of the undersigned not later than Wednesday 2nd December 2020 at 12noon.

EDWARD O. GICHANA
CLERK, NAIROBI CITY COUNTY ASSEMBLY

10

SPECIAL ISSUE

Kenya Gazette Supplement No. 8 (Nairobi City County Bills No. 7)

REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

NAIROBI CITY COUNTY BILLS, 2017

NAIROBI, 4th April, 2017

CONTENT

Bill for Introduction into the Nairobi City County Assembly—

PAGE

The Nairobi City County Appropriation BIL 2017 1

CLERK
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 45849-00100
NAIROBI

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2017

A Bill for

AN ACT of the County Assembly of Nairobi City to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2018 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes

ENACTED by the County Assembly of Nairobi City, as follows—

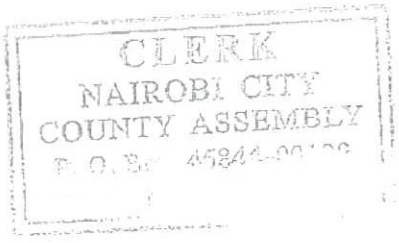
Short title

1. This Act may be cited as the Nairobi City County Appropriation Act, 2017.

Issue of KSh. 35,907,366,717out of the County Revenue Fund for public services and purposes of the year ending 30th June, 2018 and appropriation of the money granted

2. (1) The County Treasury may issue out of the County Revenue Fund and apply towards the supply granted for the service of the year ending on the 30th June, 2018, the sum of Kenya Shillings thirty five billion, nine hundred seven million, three hundred sixty six thousand, seven hundred and seventeen for the services and purposes specified in the Schedule annexed hereto.

(2) The sum granted out of the County Revenue Fund by subsection (1) as authorized by the Nairobi City County Assembly on the 5th April 2017, in accordance with Article 224 of the Constitution.



1	2	3
Vote No.	*Service or Purpose*	*Supply*
R5316	The amount required in the year ending 30th June, 2018 for the following programmes of Urban Planning and Lands	
	General Administration Planning and Support Services.....	239,599,220
	Urban Planning, compliance & enforcement	28,685,748
	Land management	110,735,665
	Total.....	**379,020,633**
R5317	The amount required in the year ending 30th June, 2018 for the following programmes of the Public works, transport and Infrastructure	
	General Administration Planning and Support Services.....	1,104,000,000
	Roads, Drainage & Bridges.....	43,000,000
	Road Safety Interventions	8,000,000
	Institutional Buildings & Maintenance	14,000,000
	Total.....	**1,169,000,000**
R5318	The amount required in the year ending 30th June, 2018 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services	
	General administration, planning and support services	846,050,000
	Education services.....	56,700,000
	Social Services	495,240,000
	Total.....	**1,397,990,000**
R5319	The amount required in the year ending 30th June, 2018 for the following programmes of Trade, Commerce, Tourisim and Cooperatives	
	General Administration Planning and Support Services.....	384,240,524
	Co-operative Development and Audit Services	36,000,000
	Tourism Promotion and Marketing	35,000,000
	Trade development and Market Services	48,500,000
	Licensing and Fair Trade Practices	114,259,476
	Total.....	**618,000,000**
R5320	The amount required in the year ending 30th June, 2018 for the following programmes of Public Service Management	
	General Administration Planning and Support Services.....	1,271,300,239
	Public Service Transformation.....	969,999,761
	Performance Management and Public Service Delivery.....	9,700,000
	Total.....	**2,251,000,000**

P. O. Box 45844-00100

1	2	3
Vote No.	*Service or Purpose*	*Supply*
R5316	The amount required in the year ending 30th June, 2018 for the following programmes of Urban Planning and Lands	
	General Administration Planning and Support Services	239,599,220
	Urban Planning, compliance & enforcement	28,685,748
	Land management	110,735,665
	Total	**379,020,633**
R5317	The amount required in the year ending 30th June, 2018 for the following programmes of the Public works, transport and Infrastructure	
	General Administration Planning and Support Services	1,104,000,000
	Roads, Drainage & Bridges	43,000,000
	Road Safety Interventions	8,000,000
	Institutional Buildings & Maintenance	14,000,000
	Total	**1,169,000,000**
R5318	The amount required in the year ending 30th June, 2018 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services	
	General administration, planning and support services	846,050,000
	Education services	56,700,000
	Social Services	495,240,000
	Total	**1,397,990,000**
R5319	The amount required in the year ending 30th June, 2018 for the following programmes of Trade, Commerce, Tourisim and Cooperatives	
	General Administration Planning and Support Services	384,240,524
	Co-operative Development and Audit Services	36,000,000
	Tourism Promotion and Marketing	35,000,000
	Trade development and Market Services	48,500,000
	Licensing and Fair Trade Practices	114,259,476
	Total	**618,000,000**
R5320	The amount required in the year ending 30th June, 2018 for the following programmes of Public Service Management	
	General Administration Planning and Support Services	1,271,300,239
	Public Service Transformation	969,999,761
	Performance Management and Public Service Delivery	9,700,000
	Total	2,251,000,000

1	2	3
Vote No.	*Service or Purpose*	*Supply*
	for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry	
	General Administration Planning and Support Services	9,000,000
	Crop Development and Management	35,000,000
	Fisheries Development and Management	24,000,000
	Livestock Resources Management and Development	40,000,000
	Animal Health, Safety and Quality Assurance	41,000,000
	Afforestation	5,000,000
	Total	**154,000,000**
D5322	The amount required in the year ending 30th June, 2018 for the following programmes of the County Assembly	
	Legislation, Oversight and Representation	320,759,000
	Total	**320,759,000**
D5323	The amount required in the year ending 30th June, 2018 for the following programmes of the Environment, Water, Energy and Natural Resources	
	General Administration & Support Services	10,000,000
	Environment Management and Protection	540,000,000
	Water Resources Management	350,000,000
	Total	**900,000,000**
D5324	The amount required in the year ending 30th June, 2018 for the following programmes of the Urban Renewal and Housing	
	Housing Development and Human Settlement	140,000,000
	Building Services	40,000,000
	Total	180,000,000
D5325	The amount required in the year ending 30th June 2018 for the following programme of Ward Development Projects	
	Ward Development	1,736,000,000
	Total	**1,736,000,000**
D5326	The amount required in the year ending 30th June 2018 for the following programme of Emergency Fund	
	General Administrative Services	90,000,000
	Total	**90,000,000**
	Sub-total Development Expenditure	**11,787,324,008**
	Grand total	**35,907,366,717**

1	2	
Vote No.	*Service or Purpose*	*Supply*
D5316	The amount required in the year ending 30th June, 2018 for the following programmes of Urban Planning and Lands	
	Urban Planning, compliance & enforcement	276,000,000
	Land management	168,000,000
	Total	**444,000,000**
D5317	The amount required in the year ending 30th June, 2018 for the following programmes of the Public works, transport and Infrastructure	
	Roads, Drainage & Bridges	3,682,396,505
	Road Safety Interventions	438,374,503
	Institutional Buildings & Maintenance	820,000,000
	Total	**4,940,771,008**
D5318	The amount required in the year ending 30th June, 2018 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services	
	Education services	200,000,000
	Social Services	145,000,000
	Total	**345,000,000**
D5319	The amount required in the year ending 30th June, 2018 for the following programmes of Trade, Commerce, Tourisim and Cooperatives	
	General Administration Planning and Support Services	10,000,000
	Tourism Promotion and Marketing	15,000,000
	Trade development and Market Services	450,000,000
	Licensing and Fair Trade Practices	85,000,000
	Total	**560,000,000**
D5320	The amount required in the year ending 30th June, 2018 for the following programmes of Public Service Management	
	General Administration Planning and Support Services	10,000,000
	Public Service Transformation	87,000,000
	Performance Management and Public Service Delivery	20,000,000
	Total	**117,000,000**
D5321	The amount required in the year ending 30th June, 2018	

1	2	3
Vote No.	*Service or Purpose*	*Supply*
	Development Expenditure	
D5311	The amount required in the year ending 30thJune, 2018 for the following programmes of the County Public Service Board.	
	General Administration Planning and Support Services	29,400,000
	Total	**29,400,000**
D5312	The amount required in the year ending 30th June, 2018 for the following programmes of the Office Of Governor and Deputy Governor	
	General Administrative Services	210,000,000
	Security and Safety Management	148,400,000
	Management of legal affairs	15,000,000
	Total	**373,400,000**
D5313	The amount required in the year ending 30th June, 2018 for the following programmes of the Information Communications Technology ,E-Government and Public Communications	
	General Administration Planning and Support Services	0
	Information And Communication Services	80,000,000
	ICT Infrastructure Development	93,000,000
	Total	**173,000,000**
D5314	The amount required in the year ending 30th June, 2018 for the following programmes of the Finance and Economic Planning	
	Public Financial Management	150,000,000
	General Administrative Services	15,000,000
	Economic and Financial Policy Formulation and Management	5,000,000
	Total	**170,000,000**
D5315	The amount required in the year ending 30thJune, 2018 for the following programmes of the Health	
	Curative care	1,103,994,000
	General administration, planning and support services	150,000,000
	Total	**1,253,994,000**

K
CITY
ASSEMBLY
45844-00100
NAIROBI

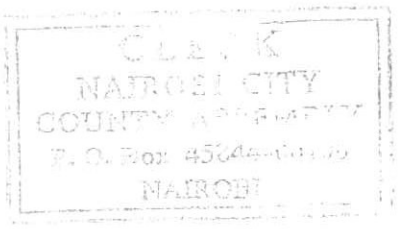
MEMORANDUM OF OBJECTS AND REASONS

Clause 2 of this Bill provides for the issue, out of the County Revenue Fund, of the sum of KSh. 35,907,366,717 required to meet public expenditure during the financial year ending on the 30th June, 2018. This sum includes the amount authorized by the County Assembly on the 5th April 2017, under section 224 of the Constitution.

Dated the 5th April, 2017.

MICHAEL OGADA,

Chairman, Finance, Budget and Appropriations Committee.



1	2	3
Vote No.	*Service or Purpose*	*Supply*
	for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry	
	General Administration Planning and Support Services	9,000,000
	Crop Development and Management	35,000,000
	Fisheries Development and Management	24,000,000
	Livestock Resources Management and Development	40,000,000
	Animal Health, Safety and Quality Assurance	41,000,000
	Afforestation	5,000,000
	Total	**154,000,000**
D5322	The amount required in the year ending 30th June, 2018 for the following programmes of the County Assembly	
	Legislation, Oversight and Representation	320,759,000
	Total	**320,759,000**
D5323	The amount required in the year ending 30th June, 2018 for the following programmes of the Environment, Water, Energy and Natural Resources	
	General Administration & Support Services	10,000,000
	Environment Management and Protection.	540,000,000
	Water Resources Management	350,000,000
	Total	**900,000,000**
D5324	The amount required in the year ending 30th June, 2018 for the following programmes of the Urban Renewal and Housing	
	Housing Development and Human Settlement	140,000,000
	Building Services	40,000,000
	Total	**180,000,000**
D5325	The amount required in the year ending 30th June 2018 for the following programme of Ward Development Projects	
	Ward Development	1,736,000,000
	Total	**1,736,000,000**
D5326	The amount required in the year ending 30th June 2018 for the following programme of Emergency Fund	
	General Administrative Services	90,000,000
	Total	**90,000,000**
	Sub-total Development Expenditure	**11,787,324,008**
	Grand total	**35,907,366,717**

Particular 10A

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY EXECUTIVE

FOR THE YEAR ENDED 30 JUNE 2018



COUNTY GOVERNMENT OF NAIROBI CITY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2018

Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The County is constituted as per the constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

b) Key Management

The *entity's* day-to-day management is under the following key organs:

- Governor;
- Deputy Governor;

c) County Executive Committee Members;

d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	County Secretary	Pauline Kahiga
2.	CECM –Finance	Allan Igambi
3.	Chief Officer Finance	Winfred Gathagu
4.	Head of County Treasury – Accounting	Johnson Akong'o Abwori
5.	Head of County Treasury – Revenue	Agnes Kisaka
6.	Head of Budget	James Ngunjiri

e) Fiduciary Oversight Arrangements

The Nairobi City County Assembly Budget and Appropriations Committee and Public Accounts Committee provide oversight on County Financial Management. The Budget and Appropriations committee oversees and monitors budget preparation and implementation while the Public Accounts Committee reviews all reports of the Auditor-general in matters related to the management of finances. The County has established the audit committee which will strengthen the independence and the processes around internal auditing.

f) Entity Headquarters

P.O. Box 30037
City Hall Building
City Hall way
Nairobi, KENYA

g) Entity Contacts

Telephone: Telephone: (254) 20 224281, (254) 20 2216151

E-mail: **info@nairobi.go.ke, clerk@nrbcountyassembly.go.ke**
Website: **www.nairobi.go.ke**

h) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

2. Kenya Commercial Bank
Moi Avenue Branch
P.O Box 30081-00100
Nairobi, Kenya

3. Equity Bank
Equity Centre Branch
P.O Box 75104-00200
Nairobi, Kenya

4. Co-operative Bank
City Hall Branch
P.O. Box 44805-00100
Nairobi.

5. National Bank
Kenyatta Avenue
Branch
P.O Box 3
Nairobi.

6. Chase Bank
City Centre Branch
P.O Box
Nairobi.

i) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

j) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

2. FORWARD BY THE CEC

The Reports and Financial Statements for the quarter have been prepared in accordance with IPSAS cash basis as recommended by the Public Sector Accounting Standards Board. These financial statements are for the 3 months period ended 30th June 2018.

These financial statements are for the County Executive for the period ending on 30th, June 2018.

The County did relatively well in revenue collection and its new revenue collection strategy paid off with a total of Kshs. 10.1B being realised in the period ending 30th June, 2018. However, the large debt portfolio inherited from the defunct City Council of Nairobi continues to be a big impediment in the full realisation of the budget objectives.

During this period, the County continued with the process of improving financial management through;

(I) Making all payments via National Treasury prescribed Integrated Financial Management Information System (IFMIS).
(II) Sweeping of all revenue to Central Bank of Kenya on a daily basis.
(III) Automation of revenue collection (where 85 new revenue streams were automated).
(IV) Payment of all employee emoluments to avoid accumulation of statutory debts.
(V) Seeking approval from the Controller of Budgets before making any payments.

The County intends to continue implementing systems at all levels and continuously improve on budget execution and monitoring.
It is also worth noting that H.E the Governor has established a Pending Bills Committee via gazette notice no.2101 of 2018 which is mandated inter-alia to advice County Government on how best to manage the perennial pending bills problem.



Mr. Allan Igambi
County Executive Committee Member- Finance and Economic Planning

3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2018, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on 28/09/2018 2018.

County Executive Committee Member – Finance

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke

P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NAIROBI CITY COUNTY EXECUTIVE FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Disclaimer of Opinion

I have audited the accompanying financial statements of Nairobi City County Executive set out on pages 1 to 64, which comprise the statement of assets and liabilities as at 30 June 2018 , and the statement receipts and payments, statement of cash flows and summary statements of appropriation - recurrent, development and combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Cash and Cash Equivalents

The statement of assets and liabilities as at 30 June 2018 reflects cash and cash equivalents balance of Kshs.1,848,976,871. However, the following anomalies have been noted:

1.1. Unaccounted for Cash Withdrawals - Kshs.209,385,752

Examination of the bank statements relating to Supreme Business and Current Accounts at Equity Bank revealed that the County Executive withdrew cash totalling Kshs.206,385,752 for unspecified payments which were not supported by appropriated authority, documentation and pre-numbered payment vouchers contrary to regulation 104(1) of Public Finance Management (County Governments), Regulations 2015.

Further, various withdrawals totalling Kshs.3,000,000 from Nairobi City County Trust Account at KCB Bank, Account No. 1149229667, during the month of July 2018 in respect of an officer has not been explained or supported with documents.

1.2. Irregular Payment of Suppliers Through Cash - Kshs.381,841,224

Examination of IFMIS payment schedules revealed that various suppliers were irregularly paid through cash a total of Kshs.381,841,224 contrary to Section 104(1) (i) of Public Finance Management Act, 2012, which requires the County Treasury to ensure proper management and control of, and accounting for the finances of the county government.

1.3. Overdrawn Accounts- Kshs.3,794,555

The County Executive KCB Bank Current Account No. 1159076065 was overdrawn by Kshs.3,794,555 on 30 June 2018. No documentary evidence has been produced for audit review to confirm a prior approval of the overdraft by the County Treasury or a Board of the County Government as required under Section119 (4) of Public Finance Management Act, 2012.

1.4. Un-disclosed Bank Account Balances - Kshs.3,045,914,596

A review of cash and cash equivalents balance revealed that a total of Kshs.3,045,914,596 which was held in some bank accounts as of 30 June 2018 indicated below was not included and disclosed in the financial statements:

Name of Account	Account Details	Amount Kshs
Pumwani Hospital Management Board	National Bank A/c No 01231000895400	2,644,789
Mama Lucy Hospital	KCB Account No. 1122416512 (Buru Buru)	18,898,100
KCB Loan Account No MG 1424500930	A/C 105991342.	3,024,371,706
Total		**3,045,914,596**

In view of the above, the accuracy and completeness of cash and cash equivalents balance of Kshs.1,848,976,871 as at 30 June 2018 cannot be confirmed.

2. Revenue

2.1. Irregular Withdrawals from Revenue Account - Kshs.6,022,896,123

A review of records relating to the Revenue Account maintained at the Co-operative Bank of Kenya, Account No. 01141232396600, revealed unexplained debits amounting to Kshs.6,022,896,123 during the year under review. The revenue was being withdrawn from the account contrary to the provisions of Article 207(3) of the Constitution, Section 109 (2) of Public Finance Management Act, 2012 and Regulation 63(4) of Public Finance Management (County Governments) Regulations, 2015 which requires the County Executive to bank all revenue collected or received into the County Revenue Fund, except as provided for in the law.

It was, therefore, not possible to confirm the completeness and accuracy of the total county own generated receipts of Kshs.10,157,594,130 reflected in the statement of receipts and payments for the year ended 30 June 2018.

2.2. Unexplained Cash Receipts – Kshs.5,353,171,175

Review of the bank statement for the Revenue Account Number 01141232396600 at Co-operative Bank of Kenya, revealed that receipt of Kshs.3,012,201,436 claimed by the County Executive as having been a direct banking was not captured in the statement.

Further, the County Executive has not provided bank statements for County Revenue Fund at the Central Bank of Kenya, supporting another amount of Kshs.2,340,969,739 claimed to have directly been deposited into the County Revenue Fund.

In the circumstances, it is not possible to confirm completeness and accuracy of Kshs.5,393,110,715.

2.3. KRB Road Maintenance Levy Fund Receipts

The statement of receipts and payments reflects Transfer to Other Government Entities of Kshs.481,080,657 for the year ended 30 June 2018 includes. Kshs.401,201,575 in respect of KRB Roads Maintenance Levy Fund Receipts. However, records available indicates that an amount of Kshs.553,745,528 was received and not Kshs.401,201,575 giving rise to variance of Kshs.152,543,953.

The receipts have, therefore, been understated by Kshs.152,543,953 and as a result, the KRB Road Maintenance Levy Fund Receipts are not fairly stated.

2.4. County Own Generated Receipts

Audit review of County own generated revenue revealed the following:

(i) The statement of receipts and payments for the year ended 30 June 2018 reflects an amount of Kshs.10,157,594,130 against County Own Generated Receipts while banking records in respect of Jambo Pay reflects receipts of Kshs.8,301,362,450, resulting in an unexplained difference of Kshs.1,856,231,679.

(ii) Records also show that during the year under review, the County Executive had twenty-six(26) M-Pesa pay bill numbers for receiving County Own Generated Receipts but these have not been disclosed in the financial statements contrary to regulation 82 (4) of Public Finance Management (County Governments) Regulations, 2015. The management also did not provide for audit review M-Pesa statements and evidence of banking of the monies collected through M-pesa.

(iii) Audit review of selected sample of five (5) Revenue Collection points revealed uncollected revenue totalling Kshs.141,023,084 as follows:

		Uncollected Revenue (Kshs.)
Embakasi North	Rental Arrears	2,291,995
Dandora Planning office	Site and Service	95,364,580
Roysambu Sub County	Single Business Permit	17,960,044
Dandora Sub County	Market Rental Stalls	5,758,965
Dandora Sub County	Single Business Permit	19,647,500
Total		**141,023,084**

(iv) Audit review revealed that four Social Halls at Kariobangi, Dandora Phases II,III and V were being hired out and therefore generated revenue in the year under review, but the same was never accounted for but illegally used at the source.

(v) Lease agreements for Parks and Open Spaces, Uhuru Park Boating Services, Jukwa Lounge (Uhuru Park Restaurant) and Safari Bowling Green Restaurant at City Park were explained to have expired. The implication is, therefore, that revenue from these facilities was either not generated or generated but used illegally as there was no evidence of deposit into the revenue account in the year under review.

(vi) Examination of records maintained at Dagoretti Sub County Hospital revealed that amounts of Kshs.3,436,950 and Kshs.3,127,216 were collected as revenue and banked, respectively. However, it was claimed that due to shortage of essential and basic requirements at the hospital, an amount of Kshs.309,734 was spent at source.

(vii) Records show that an amount of Kshs.80,000,000 was planned to be collected at Innoculation Center at City Hall in 2017/2018 financial year while the actual revenue collected was Kshs.56,000,000, resulting in an under-collection of Kshs.24,000,000. Further, the center did not maintain an inventory register to record quantities of vaccines and other medical supplies received, used and spoilt.

In view of the above observations, the completeness and accuracy of County Own Generated Receipts of Kshs.10,157,594,130 reflected in the financial statements cannot be confirmed.

2.5. Cancelled Receipts

Examination of LAIFOMS system show that Nairobi City County Government cancelled two hundred and ten receipts whose combined value was Kshs.45,364,475 without supporting documents and explanations. it was therefore not possible to establish how the receipts with a value of Kshs.45,364,475 were ultimately accounted for.

2.6. Stale Cheques

Although records show receipt of cheques totalling Kshs.1,436,184, 416 between 1 July 2016 and 31 August 2017, no explanation has been given for failure to deposit these cheques into the revenue account.

2.7. Property Rates Adjustments

During the year under review, property rates totalling Kshs.3,125,001,122 were adjusted to clear/reduce the outstanding property rates balances. Although there are circumstances under which property rates could be adjusted, documentary evidence specifying the adjusting the amount indicated has not been provided for audit review.

As a result, the validity of the adjustment cannot be confirmed.

2.8. Unsupported Payments to Revenue Account - Kshs.9,012,746

Examination of IFMIS payments details register revealed that cash payments totalling Kshs.9,012,746 were made to Nairobi City County Revenue Account. The purpose and nature of cash payments to own account have not been explained. The validity of the payment of Kshs.9,012,746 was, therefore, in doubt.

2.9. Irregular Payments to M/S Webtribe Ltd - Kshs.152,055,313

The County Executive paid a vendor an amount of Kshs.152,055,313 during the year under review for purportedly collecting revenue for the County Government. However, documentary evidence justifying and in support of the payment has not been provided for audit review contrary to the requirement under Section 9(1)(e)(i) of the Public Audit Act, 2015. Further, examination of a contract agreement signed on 8 April 2014 between Vendor and Nairobi City County Government revealed that a transaction payable to vendor by the Nairobi City County Government shall be equivalent to 4.5% of all funds collected through Jambopay. In the absence of any documents showing services delivered by vendor, it is not possible to confirm the actual revenue collected or the amount deducted at source by the firm.

It is apparent that the contract agreement signed on 8 April 2014 between vendor and Nairobi City County Government contravened the provisions of Article 207 of the Constitution, Section 109 (2) of Public Finance Management Act, 2012 and regulation 63 (4) of Public Finance Management (County Governments) Regulations, 2015.

In addition, the system for revenue collection in the Nairobi City County is that clients are advised of the exact amount they are supposed to pay and deposit in the county revenue account upon which, receipts are issued by the County revenue officers after presenting bank pay-in-slips.

According to a letter dated 19 February 2015, the tender committee was to meet and vary the contract for cash payments from 4.5% to 1.25%. However, a new contract prepared on this basis was not provided for audit review.

The management has denied the auditors access to Jambopay system and Trust Fund managed by PKF in the banks listed below despite severally being requested in accordance with Section 9(e) of Public Audit Act, 2015:

	Bank Name	Currency
1	Co-operative Bank Ltd	KES
2	I & M Bank Ltd	KES
3	I & M Bank Ltd	USD
4	Stanbic Bank Kenya Ltd	KES
5	National Bank Ltd	KES
6	Family Bank Ltd	KES
7	Equity Bank Ltd	KES
8	Commercial Bank of Africa	KES

	Bank Name	Currency
9	NIC Bank	KES
10	Bank of Africa	KES
11	Barclays Bank	KES

In the circumstances, the vendor has no role in revenue collection and therefore the payment of Kshs.152,055,313 was unlawful.

2.10 Nairobi City Liquor Licensing Board

The County has not prepared Financial Statements for two (2) consecutive years 2016/2017 and 2017/2018. Further, Bank Statement for Account No.01141230914900 for the two (2) financial years have not been availed for audit review.

In this circumstance, it is not possible to confirm accuracy of receipts and their legal use in accordance with Article 229(6).

3. Expenditure

3.1. Discrepancy between Financial Statements and Ledgers

The statement of receipts and payments for the year ended 30 June 2018 reflects expenditure of Kshs.12,982,011,406 in respect of compensation of employees , Kshs.6,447,658,180 in respect of use of goods and service and Kshs.1,435,678,846 in respect of acquisition of assets , all totalling Kshs.20,865,348,432. However, the ledger provided in support of the expenditure reflects a total of Kshs.17,212,814,158, resulting in unexplained and unreconciled variance of Kshs.3,652,534,274.

The expenditure of Kshs.6,447,658,180 on use of goods and services includes unsupported re-allocations totalling Kshs.489,645,787. Further, the expenditure of Kshs.1,435,678,846 on acquisition of assets includes an amount of Kshs.11,808,697 which was wrongly charged to that expenditure head.

In view of the foregoing, the accuracy of expenditure figures reflected against compensation of employees, use of goods and services and acquisition of assets cannot be confirmed.

3.2. Repayment of Principal on Domestic Lending and on-Lending

The statement of receipts and payments reflects an expenditure of Kshs.868,192,719 against repayment of principal on domestic lending and on-lending during the year under review. The expenditure relates to a bank overdraft which was repaid in 2017/2018 financial year. However, the amount differs with the bank statement figure of Kshs.1,032,600,061, resulting in unexplained variance of Kshs.164,407,342.

The repayments were effected between July 2017 and December 2017, and the County Government paid interest amounting to Kshs.50,061,431 during the financial year. Information available Indicates that the bank overdraft was acquired in October 2014. However, loan agreement and contract documents detailing terms and conditions of the overdraft have not been provided for audit review.

Consequently, the validity of the repayment of principal on domestic lending and on lending and interest payment thereon cannot be ascertained.

3.3. Other Payments

The statement of receipts and payments reflects an expenditure of Kshs.451,779,511 reflect bank charges amounting to Kshs.101,779,511 and unbudgeted debt repayment KRA agency notice of Kshs.350,000,000. These payments were made outside the IFMIS contrary to regulation 109 of Public Finance Management (County Governments) Regulations, 2015.

Further, bank statements for sixteen out of thirty-seven bank accounts provided for audit review reflected cumulative bank charges and loan interest of Kshs.292,135 and Kshs.50,061,431 respectively.

In the absence of bank statements for the remaining twenty-one bank accounts, it is not possible to confirm the validity and completeness of the bank charges amounting to Kshs.101,779,511.

3.4. Acquisition of Assets

3.4.1. Unsupported Expenditure

Although the statement of receipts and payments reflects an expenditure of Kshs.1,435,678,846 in respect of acquisition of assets in 2017/2018 financial year, only an amount of Kshs.873,837,452 has been verified as paid. No documentary evidence has been provided in support of the remaining amount totalling Kshs.561,841,394.

As a result, the accuracy and completeness of the expenditure of Kshs.1,435,678,846 on acquisition of assets cannot be confirmed.

3.4.2. Payments not Captured in IFMIS

Payments totalling Kshs.11,977,570 indicated below were excluded from IFMIS for un-explained reasons. In addition, supporting documents for the expenditure have not been provided for audit review.

Name	Details	Reference	Amount (Kshs)
Computonic Solutions Ltd	Supply and delivery of cleaning Materials NCC/RPW&T/Q117/2016-2017	AQ007/PI-046/2017-2020	2,119,112
Seanwills Investments	Supply and delivery of Galvanized Poles & Stainless Fastening Clips NCC/RPW&T/041/2017-2018	AQ007/PI-047/2017-2021	3,790,733
Span Dimension Company Ltd	Drainage Improvement on selected roads in Ziwani/ Kariokor ward NCC/RPW&T/323/2016-2017	AQ007/PI-049/2017-2023	4,130,789

Tripple AAA Construction Company	Public lighting installation at Airbase Ward NCC/RPWT/446/14-15	AQ007/PI-051/2017-2025	1,936,936
Total			**11,977,570**

In view of the above, the validity and propriety of the expenditure of Kshs.11,977,570 cannot be confirmed.

3.5 Unsupported Payment Vouchers

Payment vouchers for expenditure totalling Kshs.865,573,662 were not supported by relevant documentation and appropriate authority contrary to the requirements under regulation 104 of Public Finance Management (County Governments) Regulations, 2015. In the circumstances, the validity and propriety of the payments totalling Kshs.865,573,662 cannot be ascertained.

3.6 Missing Payment Vouchers

Payment vouchers for expenditure totalling Kshs.2,456,754,179 have not been produced for audit review. As a result, the validity and propriety of the payments totalling Kshs.2,456,754,179 cannot be ascertained.

3.7. Other Grants and Transfers

The statement of receipts and payments reflects an expenditure of Kshs.474,187,000 in respect of Other Grants and Transfers which includes Kshs.421,287,000 in respect of scholarships and other educational benefits. The supporting documents for the scholarships and other educational benefits expenditure were not availed for audit review.

As a result, it has not been possible to confirm whether the amount of Kshs.421,287,000 was actually paid in full to the intended beneficiaries.

4. Accounts Receivables

4.1. Accounts Receivables (Debtors)

In the report for 2016/2017 it was indicated that accounts receivables were amounting to Kshs.307,697,852,532 as at 30 June 2017. However, the management has for the year under review provided receivables list totalling Kshs.1,803,990,440 only as at 30 June 2018. No evidence has been provided to show how the difference of Kshs.305,893,862,092 of the debts was cleared in 2017/2018 financial year. Further, the aging analysis for the debtors has also not been provided for audit.

Also, the management has not provided documentary evidence in respect of sundry debtors, estates other than the Eastland, tenants purchase scheme, loading zones, Eastland Revenue Office, advertisements, single business permits and wayleave fees.

In addition, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the management did not disclose in the notes to the financial statements the

accounts receivables. The management has also not provided explanations on measures taken to collect the long outstanding accounts receivables.

Consequently, it was not possible to ascertain the accuracy and completeness of the accounts receivables.

4.2. Outstanding Imprests

The statement of assets and liabilities reflects outstanding imprests balance of Kshs.78,385,142 while the ledger reflects an amount of Kshs.96,439,550 as at 30 June 2018 resulting in unreconciled difference of Kshs.18,054,408. Further, the outstanding imprests balance is not supported by an updated imprests register.

Consequently, it has not been possible to confirm the completeness and accuracy of the imprests balance of Kshs.78,385,142 as of 30 June 2018.

5. Pending Accounts Payables

Included under Other Important Disclosures to the financial statements is a summary of pending accounts payables amounting to Kshs.66,576,014,141 as at 30 June 2018, an increase of Kshs.10,059,679,063 or 18% from the previous year`s balance of Kshs.56,516,365,078. Included in the accounts payables balance is an amount of Kshs.3,024,371,706 for an outstanding loan as at 30 June 2018. However, no records have been provided for audit review regarding the purpose, existence, terms and conditions and repayment period of the loan.

Further, tender documents; contract agreements; local purchase/service orders; invoices/certificates of works; and complete schedules detailing names of the contractors/suppliers, purchase/service order numbers, invoice/certificate numbers and description of goods supplied, services provided or works done have not been provided for audit review.

Had the pending accounts payables of Kshs.66,576,041,141 as at 30 June 2018 been paid and the expenditure charged to the accounts for the year under review, the statement of receipts and payments for the year ended 30 June 2018 would have reflected a deficit of Kshs.64,252,709,232 instead of the surplus of Kshs.2,323,331,909 now shown.

Accumulation of huge pending bills is an indication that the Nairobi City County Executive entered into financial commitments without adequate resources contrary to regulation 50 of the Public Finance Management (County Governments) Regulations, 2015.

As a result, the validity, completeness and accuracy of the pending accounts payables totalling Kshs.66,576,041,141 cannot be ascertained.

6. Non-Current Assets and Assets Register

Included under Other Important Disclosures to the financial statements is a summary of fixed assets register with assets balance of Kshs.19,804,558,953 as at 30 June 2018. During the year under review, the Nairobi City County Executive did not maintain an

accurate and up to date assets register contrary to Section 149(2) (o) of the Public Finance Management Act, 2012.

Consequently, the completeness and accuracy of the assets balance of Kshs.19,804,558,953 as at 30 June 2018 cannot be confirmed.

REPORT ON COMPLIANCE WITH LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer of Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

Basis for Conclusion

1. Budget Performance

1.1. County Own Generated Receipts

According to the summary statements of appropriation - recurrent, development and combined for the year ended 30 June 2018 the County Government had planned to collect County Own Generated Revenue totalling Kshs.17,229,464,760 in the year under review. However, the actual collection in 2017/2018 was Kshs.10,157,594,130, resulting in unexplained shortfall of Kshs.7,071,870,630 or 41%.

In 2016/2017, County Own Generated Revenue collected was Kshs.10,933,201,474. There was, therefore, a reduction in the amount collected by Kshs.775,607,344.

No reasons have been given for the reduction in revenue collected and failure to meet budget projections.

1.2. Overall Under-Expenditure

According to the summary statements of appropriation - recurrent, development and combined for the year ended 30 June 2018 the total expenditure budget was Kshs.33,614,180,418 out of which, an expenditure of Kshs.23,901,079,991 was incurred resulting in underutilization of budget by Kshs.9,713,100,427 or 29%.

The under-expenditure is an indication that budgetary resources were not used in an efficient and effective way.

The overall/net underutilization of budgetary provisions of Kshs.9,713,100,427 affected planned development programmes and thus impacting negatively on service delivery to the residents of Nairobi City County.

1.3. Failure to achieve 30% allocation on Development Budget

Regulation 25(1)(g) of Public Finance Management (County Governments) Regulations,2015 directs that at least 30% of the County Government total budget be spent on development. However, according to the summary statement of appropriation - development for the year ended 30 June 2018 the County Government spent an amount of Kshs.1,413,319,060 only or 6% on development out of the total combined actual expenditure of Kshs.23,901,079,991.

The City County Executive was therefore in breach of the law which has impacted negatively on service delivery to the residents of the City County of Nairobi.

2. Compensation of Employees

2.1. Unsustainable Wage Bill

The statement of receipts and payments reflects an expenditure of Kshs.12,982,011,406 on compensation of employees, which is 49.4% of the County Government`s total revenue of Kshs.26,276,416,586 for the year ended 30 June 2018. The expenditure on wages and benefits therefore exceeded the thirty-five percent limit prescribed under regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015.

The City County Executive was therefore in breach of the law which has impacted negatively on service delivery to the residents of the City County of Nairobi.

2.2. Increase in Temporary Workers' Wage Bill

Examination of human resources records revealed that the expenditure on temporary workers' wages increased from Kshs.8,465,010 in 2016/2017 to Kshs.21,427,780 in 2017/2018 by Kshs.12,962,770. However, payment vouchers, registers, master rolls and relevant schedules in support of the expenditure incurred on hire of casuals were not provided for audit review.

As a result, the validity and propriety of the expenditure of Kshs.21,427,780 incurred on casual employees cannot be confirmed.

2.3. Staff Establishment

Contrary to the provisions of regulation 119 of the Public Finance Management (County Governments) Regulations, 2015 the County Government operated during the year under review without an authorized staff establishment.

Consequently, it has not been possible to ascertain how the budgetary allocations for personnel costs during the year were determined in the absence of a detailed costing of human capital plan as approved by the County Public Service Board and County Treasury.

3. Procurement of Goods, Services and Works

3.1. Documents Not Provided for Audit

Information available indicate that thirteen contractors were irregularly awarded contracts at a combined contracts sum of Kshs.419,847,395. However, documents in support of these contracts were not provided for audit review. In the absence of these documents, it was not possible to confirm that the rates submitted were commensurate with quality and quantity of works awarded, and that the awards of these contracts were done using a system which is fair, equitable, transparent, competitive and cost effective as required under Article 227 (1) of the Constitution.

3.2. Construction of Maringo Market

Tender No. NCC/TRADE/RT/981/2014-2015 for the construction of a market at Hamza-Maringo ward was issued to a contractor on 28 October 2015 at a contract sum of Kshs.10,502,872. The works were completed by 6 September 2016. Further, the same contractor was awarded another tender No. NCC/WDF/TRADE/RT/100/2016-2017 to construct market sheds and modern kiosks at a contract sum of Kshs.17,017,118. The works for the second contract were completed on 17 October 2017. The contract documents did not include scope of works and priced Bills of Quantities.

The contractor was paid Kshs.10,236,414 through payment voucher number 3392 dated 21 March 2017 and Kshs.16,585,798 through payment voucher number 3333 dated 20 November 2017. Audit inspection undertaken on 20 November 2018 revealed that the market was not in use, and therefore, the value for money has not been obtained in respect of the total amount of Kshs.26,822,212 paid to the contractor.

It was therefore not possible to evaluate and confirm that works were indeed completed to the required standards.

3.3. Construction of Public Transport Facility at Mama Lucy Hospital

The City County issued tender No. NCC/RT/RPW & T/936/2014-2015 for the construction of public transport facility at Mama Lucy Hospital for the enhancement of user comfort, improved connectivity and enhanced public transport facilities capacity for patients attending the hospital at a contract price of Kshs.30,530,388 . The works commenced on 28 October 2015 and were due to be completed on 28 April 2016, a duration of six months. The status report dated 30 June 2018 show that the progress of works stood at 75 percent complete.

Audit Inspection undertaken on 14 November 2018 revealed various anomalies as follows:

(a) The contract period had expired while the project was not complete and liquidated damages had not been recovered.

(b) The contractor was not on site and there was no activity on site.

(c) Specifications were not clear on the material to be used as wearing course.

(d) There was no record of site instructions, material test results and site meeting minutes.

(e) In the absence of required documents, it was not possible to verify and establish what the contractor was supposed to achieve and what was actually achieved.

The contractor was paid Kshs.8,738,541 for Certificate No. 1. vide payment voucher No.13281 of 17 June 2016.

Value for money was not realized on the expenditure due to the delays noted in the completion of the project.

3.4. Grading and Gravelling of Selected Roads in Lower Savannah Ward

The City County issued tender number NCC/WDF/RPWT/198/2016-17 for grading and gravelling of 1.1 Kilometers of selected roads in Lower Savanna at a contract price of Kshs.16,939,662.50. The Scope of works involved general site clearance, earth works, culverts and drainage works, passage of traffic and quarry fill stone for sub base and quarry chips for the base of the 1.1 Kilometer in the area of Soweto in Kayole. The works started on 28 February 2017 and were due to be completed in May 2017. However, status report as at 30 June 2018 was not provided to support progress of works or to confirm that the works were completed on time.

Audit Inspection undertaken on 10 December 2018 revealed various anomalies as follows:

a) Gravel was not compacted and therefore was lose, unlevelled and wearing off.

b) The drainage was on one side of the road and was shallow, and therefore storm water over flows on the road surface.

c) There were no site instructions, material test results and site meeting minutes. The works therefore appear not to have been supervised by competent and technically qualified officer contrary to Section 150 (3) of Public Procurement and Asset Disposal Act, 2015.

d) Bids were not subjected to technical evaluation and therefore, it is not possible to ascertain that the rate of Kshs.16,939,662 charged was commensurate with grading and gravelling of 1.1 Kilometers.

The contractor was paid Kshs.11,372,623 for undisclosed certificate vide payment voucher number 5153 of 19 June 2018.

Consequently, it was not possible to determine whether the contractors awarded the contract were qualified to carry out the works in the absence of the technical evaluation. Further, value for money was not realized on the expenditure due to the delays noted in the completion of the project.

3.5. Grading, Gravelling and Improvement of Tassia Roads

Award of Contract

The City County awarded tender number NCC/RPW & T/T192/2016-2017 at a contract proce of Kshs.61,230,658 to grade and gravel selected roads in Tassia Estate, Embakasi Area at a unit rate of Kshs.10,500,000 per Km. Documents relating to the contract have however not been provided for audit review. In the absence of required documents, it is not possible to ascertain how the contractor was identified, evaluated and awarded the contract as required under Sections 85 and 86(1) of Public Procurement and Asset Disposal Act, 2015.

The works started on 10 March 2017 and were due for completion on 9 November 2017. However, a review of the status report dated June 2018 revealed that the project was 70% complete as of that date. There is no documentary evidence that liquidated damages has been recovered from the contractor as expected under Section 140(b) of the Public Procurement and Asset Disposal Act, 2015.

Audit inspection undertaken on 19 November 2018 revealed massive irregularities as follows:

(a) Deep potholes clogged with water had developed on the road despite the fact that the contractor was still on site.

(b) No evidence that grading was done on the road.

(c) The road was impassable due to use of mud instead of gravel.

In addition, the status report dated 30 June 2018 show that the contractor has been paid Kshs.49,356,480. The amount includes Kshs.10,212,516 that has been paid outside IFMIS and purports to refer to unexplained number AQ007/PI-050/2017-2024.

Consequently, value for money was not realized on the expenditure due to the delays noted in the completion of the project and poor workmanship.

3.6. Wastage of Bitumen KI-60 COLAS

Audit inspection of stores undertaken on 16 November 2018 revealed that a contractor delivered 500 drums of Bitumen K1-60 valued at Kshs.12,500,000 between 17 and 25 January 2018 at a time when 18 drums valued at Kshs.450,000 were available in stock and had not been used.

Although it has been explained that technically Bitumen K1-60 is not supposed to be stocked for a period exceeding six months, no reasons have been given for incurring an expenditure totalling Kshs.12,950,000 on Bitumen K1-60 which ended up being obsolete.

3.7. Purchase of Electrical Items

Information available indicate that the Nairobi County Government awarded tender No.NCC/FW/481/2017-2018 to a contractor for supply of 2,000 pieces of electrical items (Ignitors) at a contract sum of Kshs.9,200,000. However, the relevant tender documents were not provided for audit review. The supplier was paid Kshs.9,200,000 for the supply

of ignitors vide payment voucher number 5310 of 11 June 2018. Further, the audit revealed that receipts of the items were entered on a piece of paper and not in a serialized stores ledger and Stock Control Card S3, and thus defeating an audit trail to confirm whether the items were delivered, received and taken on charge.

In the absence of the documents, it is not possible to confirm that procurement of these items complied with Article 227 (1) of the Constitution and that the payment was regular.

3.8. Supply and Delivery Installation Testing and Commissioning of 50 Ton Electronic Weighbridge and Standby Generator.

The City County awrded tender No. NCC/TRADE/558/2014-2015 at a contract sum was Kshs.4,526,275 for supply, delivery, installation, testing and commissioning of 50-ton electronic weighbridge and a standby Generator at Dandora dump site. Included in the contract agreement was a provision that installation of the generator and weighbridge was subject to the County Government constructing a platform.

Inspection and Acceptance Committee confirmed on 21 March 2017 that the generator and fourteen parts of weighbridge were received and therefore recommended payments to the contractor as follow:

% of Payment	Amount (Kshs)	Recommendation
80% of Payment	3,621,020	Be paid immediately
15% of Payment	678,941	Be paid upon installation, testing and commissioning
5% of payment	226,314	Retention Money

Audit inspection undertaken during the Month of October 2018 at Dandora Weighbridge and on 13 November 2018 at Nanyuki Road stores revealed the following anomalies:

a) The old weighbridge which was still in use was unserviceable and solid waste management companies were using estimated and not actual weights.

b) A Physical inspection of the weigh bridge revealed that some parts were missing.

Consequently, value for money was not realized on the expenditure due to the delays noted in the completion of the project and poor workmanship.

3.9. Staff Medical Insurance Cover

Examination of records revealed that AAR Insurance Kenya Limited was paid Kshs.1,725,488,939 for staff medical insurance cover during the year under review. Audit has also revealed that this payment was made outside IFMIS contrary to regulation 109(1) of Public Finance Management (County Governments) Regulations, 2015.

Further, examination of Other Operating Expenses revealed that an undisclosed law firm was paid Kshs.15,000,000 through voucher number 15649 dated 29 June 2018 for the services purportedly rendered in respect of the staff medical insurance cover.

Although the total payment made so far to AAR Insurance Kenya Limited is Kshs.1,725,488,939, no explanation has been given for paying Kshs.652,786,602 in excess of the contract sum of Kshs.1,072,702,337.

In addition, a comparison of the annual contract sum shows unexplained growth in value of the insurance cover even though there was decrease in number of staff by 402 during the year under review.

Year	Number of Employees	Contract Value (Kshs)
2015/2016	13,348	346,269,305
2016/2017	13,097	346,269,305
2017/2018	12,695	1,072,702,337
2018/2019	12,499	

Consequently, it was not possible to ascertain that value for money has been realized in the insurance contract.

3.10. Construction of Korogocho Motorable Bridge and Access Road

The City County awarded a tender No. NCC/CE/T/235/2013-2014 for Construction of Korogocho Motorable Bridge and access road to a contractor at Kshs.58,048,972. The scope of works involved general, sub-structure, super structure, extra works, site clearance, earth works, culverts and drainage works, passage of traffic, walkways, quarry fill for sub base and quarry chips for base bituminous mix bases, binder courses and wearing courses, installing road furniture and day works.

The works started on 23 May 2014 and were due for completion on 22 November 2014. The status report dated 30 June 2018 shows that the contractor had been paid Kshs.45,361,835 or 77% of contract sum and the project was 80% complete as of that date.

Audit Inspection undertaken on 29 November 2018 revealed anomalies as follows:

(i) There was no activity on site due to delay in payment.

(ii) Although there were indications that guard rails might have been installed and cut, the bridge was dangerous and unsafe.

(iii) The access road had not been built.

(iv) Although bridge wing walls had been built, they were small and could not direct water into the channel.

(v) The technical team did not provide drawings, site instructions, material test results and site meeting minutes.

Consequently, it was not possible to ascertain that value for money has been realized expenditure.

4. Beautification of Nairobi

Examination of vote book for Environment, Water, Energy and Natural Resources Sector revealed expenditure totalling Kshs.18,750,000 on casual payments during the financial year 2017/18. However, details of the expenditure and supporting documents were not provided for audit review.

Examination of records further revealed that payment vouchers for expenditure totalling Kshs.640,000 were processed in respect of surrender of imprests for the beautification programme.

An audit inspection undertaken on 16 November 2018 revealed that beautification of the Nairobi City County roads was going on at Jogoo Road, Lusaka Road, Uhuru Highway and Likoni Road Roundabout. Indications are that no specialists/consultants in landscaping engaged to provide assurance on the success of the project.

It was observed that undetermined expenditure was incurred on purchase of materials such as cement, seedlings, PVC pipes, cedar poles, galvanized wire, barbed wire, red soil, manure, ballast, paints, flowers and grass for the purposes of beautification of the above roads. However, management did not provided any record to show the cost of these goods and services, and the method of procurement used.

Consequently, it was not possible to ascertain that value for money was realized in the beautification project.

5. Irregular Collection of Garbage in Non-Contracted Zones/Areas

Examination of records for Water, Energy, Environment, Forestry and Natural Resources Sectors revealed payments totalling Kshs.202,996,053 were made to eleven contracted firms for collection and disposal of solid waste at Dandora dumpsite.

Records further show that some firms opted to collect 84,317 tonnes of garbage from areas that they were not prequalified and contracted to collect garbage and were paid Kshs.162,092,407. Although it has been explained that the firms opted to collect garbage from some zones due to high rates of payment, the option taken contravened their individual contracts resulting in denial of service to other zones.

Consequently, the garbage collection contracts were irregular and the residents may not have received the services contracted for

6. Stalled Projects

Contracts for eight(8) projects whose combined contract sum is Kshs.592,852,611 as detailed below were awarded, some works undertaken, and some payments made, however, the projects were abandoned before they were completed:

Project	Firm Awarded	Contract Amount Kshs
Construction of perimeter wall at Mji wa Huruma	Cykka Works Ltd	16,884,600
Construction of seventeen ECDE-(various)	Desiral (K) Ltd	218,898,310
Rehabilitation of Gaturo road and access roads to courts in Buruburu estate	Semiliky Construction Ltd	6,629,980
Construction of access roads off Kayole spine road to department of defence	Gold Stream Kenya Ltd	63,662,864
Rehabilitation of St.Martin Catholic Church road in Mathare	Platinum Construction Co. Ltd	43,211,595
Rehabilitation of Ndwaru road in Dagorreti South	Gem CM Construction Ltd	98,811,395
Rehabilitation of Mother Teresa road in Ruaraka	Alsen Agencies	31,495,827
Construction of Karen bridge in Langa'ta	Ballot JA Contractors Ltd	113,258,040
Total		**592,852,611**

Consequently, it was not possible to ascertain that value for money has been realized in the contract

7. Health Facilities

7.1. Human Resource Management

Mama Lucy Kibaki Hospital staff establishment indicates that the authorized number is 752 while the actual number is 468 resulting in a deficit of 284 spread across various departments. Instead of filling the gaps, the County opted to engage 94 casuals whose expenditure during the year under review was Kshs.10,275,878.
Further, it was noted that Dandora Health Centre has forty-seven staff instead of one hundred and seven authorized in the establishment resulting in shortage of sixty staff.

This was contrary to Section 63(1) of County Government Act, 2012 authorizes County Public Service Board to make appointments including promotions in respect of officers in the county public offices.

7.2. Budgeting and Financing of Health Facilities in Financial Year 2017/2018

7.2.1. Undisbursed Funds

Health facilities are required to draw and submit Annual Work Plans (AWPs) to the County Headquarters for preparation of annual budget. The records indicate that the health facilities were expected to receive Kshs.107,252,922 during the financial year 2017/2018.

However, the audit has revealed that the money was not disbursed to the health facilities. In addition, no reasons have been given for failure to prepare Annual Work Plans (AWPs) by some health facilities.

7.2.2. Comparison of Budget and Actual Amounts

Records further show that an amount of Kshs.1,591,905,004 was budgeted for Tuberculosis (TB) control, malaria control, family planning, maternal and child health, environmental health, County referral hospitals, health centers and dispensaries, health policy, planning and financing, health commodities, research and coroner services. However, an amount of Kshs.347,150,717 only was utilized resulting in unexplained under expenditure of Kshs.1,244,754,287.

7.3. Failure to Supply Drugs and Non-Pharmaceutical Items to the Health Facilities

Sub County pharmacists and health facilities are required to place their orders for drugs and other non-pharmaceutical items, which are supplied by KEMSA online after receiving instructions from the County Headquarters on availability of funds. Analysis of various health facilities orders for pharm (drugs) and non-pharmaceticals items between the month of September and December 2017 revealed that no drugs and non-pharmaceutical items were received by the facilities.

7.4. Expired Drugs

Audit of health facilities in Nairobi City County revealed that the facilities did not receive funding or supplies from KEMSA during the year under review, resulting in stocking of expired drugs whose value has not been determined due to failure to carry out stock take.

Consequently, it was not possible to ascertain that value for money has been realized in the procurement of the drugs. The expired drugs are a hazards to the lives of residents if not disposed of properly.

7.5. Failure to Issue Medical Certificates to Food Handlers

The audit revealed that Medical Certificate Unit has not been issuing medical certificates to food handlers due to lack of funds for the purchase of laboratory commodities, certificate books, toners and stationery among others.

Audit has further revealed that medical certification services have been outsourced to five laboratories. However, no documentary evidence has been provided to show the laboratories were identified, evaluated and awarded certification services. In the absence of documentary evidence, it was not possible to confirm that rates charged by the laboratories were fair, equitable, transparent, competitive and cost effective as required under Article 227 (1) of the Constitution.

8. Confidential Expenditure

The Nairobi City County through the Office of the Governor and Deputy Governor incurred confidential expenditure of Kshs.14,405,900 during the year under review. Attached to every payment voucher in support of the confidential expenditure was a memo Ref. No.COSEC/2/3/VOL.III/19/17 stating that, the security sector faces challenges from

time to time and at times require urgent action in terms of information and intelligence hence, the confidential expenditure though no further explanation was provided.

However, the law allows only a National Government entity to incur confidential expenditure pursuant to regulation 101(5), (6) and (7) of the Public Finance Management (National Government) Regulations, 2015. The management was, therefore, in breach of the law.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7 (1) (a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the ability of City County Executive to sustain services, disclosing and as applicable matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations, or have no realistic alternative but to do so.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. I also consider internal control, risk management and governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and governance in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. However, because of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, and Internal Controls, Risk Management and Governance sections of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit conclusion.

I am independent of Nairobi City County Executive in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

18 February 2019

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

RECEIPTS			
Exchequer releases	1	15,402,000,000	14,023,506,891
Proceeds from Domestic and Foreign Grants	2	183,737,113	-
Transfers from Other Government Entities	3	481,080,657	827,531,670
Proceeds from Domestic Borrowings	4		-
Proceeds from Foreign Borrowings	5		-
Proceeds from Sale of Assets	6		-
Reimbursements and Refunds	7		
Returns of Equity Holdings	8		-
County Own Generated Receipts	9	10,157,594,130	10,933,201,474
Returned CRF issues	10		-
TOTAL RECEIPTS		**26,224,411,900**	**25,784,240,036**
PAYMENTS			
Compensation of Employees	11	12,982,011,406	12,729,646,976
Use of goods and services	12	6,447,658,180	6,462,971,486
Subsidies	13	-	-
Transfers to Other Government Units	14	1,237,058,777	1,446,004,403
Other grants and transfers	15	474,187,000	297,012,443
Social Security Benefits	16	4,513,552	9,284,644
Acquisition of Assets	17	1,435,678,846	1,762,711,478
Finance Costs, including Loan Interest	18		-
Repayment of principal on Domestic and Foreign borrowing	19	868,192,719	30,000,000
Other Payments	20	451,779,511	2,224,414,285
TOTAL PAYMENTS		**23,901,079,991**	**24,962,045,715**
SURPLUS/DEFICIT		**2,323,331,909**	**822,194,321**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28th Sept. 2018 and signed by:

Chief Officer
Name: Winfred Wanjau Githinji

Head of Treasury
Name: Johnson Akong'o Abwori
ICPAK Member Number: 7951

5.2. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017-2018 KShs	2016-2017 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	1,848,976,871	(499,972,132)
Cash Balances	21B	-	29,854,631
Total Cash and çash equivalent		1,848,976,871	(470,117,501)
Accounts receivables – Outstanding Imprests	22	78,385,142	74,147,605
TOTAL FINANCIAL ASSETS		**1,927,362,013**	**(395,969,896)**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	-	-
NET FINANCIAL ASSETS		**1,927,362,013**	**(395,969,896)**
REPRESENTED BY			
Fund balance b/fwd	24	(395,969,896)	(1,218,164,216)
Prior year adjustments	25	-	-
Surplus/Deficit for the year		2,323,331,909	822,194,321
NET FINANCIAL POSITION		**1,927,362,013**	**(395,969,896)**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28th Sept 2018 and signed by:

Chief Officer
Name: WINFRED WANGUI GATHAGU

Head of Treasury
Name: Johnson Akong'o Abuon
ICPAK Member Number: 7951

5.3. STATEMENT OF CASH FLOWS

	Notes	2017-2018 KShs	2016 - 2017 KShs
Receipts from operating income			
Exchequer Releases	1	15,402,000,000	14,023,506,891
Proceeds from Domestic and Foreign Grants	2	183,737,113	-
Transfers from Other Government Entities	3	481,080,657	827,531,670
Reimbursements and Refunds	7		-
Returns of Equity Holdings	8		-
County Own Generated Receipts	9	10,157,594,130	10,933,201,475
Returned CRF issues	10	-	-
Payments for operating expenses			
Compensation of Employees	11	(12,982,011,406)	(12,729,646,976)
Use of goods and services	12	(6,447,658,180)	(6,462,971,486)
Subsidies	13		-
Transfers to Other Government Units	14	(1,237,058,777)	(1,446,004,403)
Other grants and transfers	15	(474,187,000)	(297,012,443)
Social Security Benefits	16	(4,513,552)	(9,284,644)
Other Payments	18	(451,779,511)	(2,224,414,285)
Adjusted for:			
Adjustments during the year		(4,237,537)	(48,948,242)
Net cash flow from operating activities		**4,622,965,937**	**2,565,957,557**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	-	-
Acquisition of Assets	17	(1,435,678,846)	(1,762,711,478)
Net cash flows from Investing Activities		**(1,435,678,846)**	**(1,762,711,478)**
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	
Repayment of principal on Domestic and Foreign borrowing	19	(868,192,719)	(30,000,000)
Net cash flow from financing activities		**(868,192,719)**	**(30,000,000)**
NET INCREASE IN CASH AND CASH EQUIVALENT		2,319,094,372	773,246,079

Cash and cash equivalent at BEGINNING of the year	21	(470,117,501)	(1,243,363,579)
Cash and cash equivalent at END of the year	24	1,848,976,871	(470,117,501)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28th Sept. 2018 and signed by:

Chief Officer
Name: Winfred Wanjiru Gathagu

Head of Treasury
Name: Johnm Akong'o Abwao
ICPAK Member Number 7951

5.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
RECEIPTS						
Exchequer releases	14,967,000,000	435,000,000	15,402,000,000	15,402,000,000	-	100.00%
Proceeds from Domestic and Foreign Grants	770,000,000	56,305,890	826,305,890	183,737,113	(642,568,777)	22.24%
Transfers from Other Government Entities	-		-	481,080,657	481,080,657.00	
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Returns of Equity Holdings						
County Own Generated receipts	19,766,000,000	(2,536,535,240)	17,229,464,760	10,157,594,130	(7,071,870,630)	58.95%
Return issues to CRF						
TOTAL	**35,503,000,000**	**(2,045,229,350)**	**33,457,770,650**	**26,224,411,900**	**(7,233,358,750)**	**78.38%**

COUNTY GOVERNMENT OF NAIROBI CITY

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – SECOND SESSION

NINTH REPORT OF THE SELECT COMMITTEE ON FINANCE, BUDGET AND APPROPRIATIONS

ON

THE IRREGULAR TRANSFER OF FUNDS MEANT FOR EDUCATION BURSARY TO MARYLAND UNIVERSITY HEALTH SERVICES FUND ACCOUNT

NOVEMBER 2018

56

1.0. PREAMBLE

Hon. Speaker, on behalf of the Members of the Select Committee on Finance, Budget and Appropriations it is my pleasure to present to this Assembly this report on the investigations of the irregular transfer of funds meant for bursaries to Maryland Health Services Account.

Before delving into the matter at hand it is important to remind this Chamber that the Nairobi City County Assembly Finance, Budget & Appropriations Committee is established pursuant to the provisions of Standing Order 199 and mandated to:

a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;
b) Discuss and review the estimates and make recommendations to the County Assembl
c) Examine the County Fiscal Strategy Paper presented to the County Assembly;
d) Examine Bills related to the county budget, including Appropriations Bills; and
e) Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlay

Hon. Speaker, the County Assembly Finance, Budget & Appropriations Committee comprises of the following 19 Members:

1. **Hon. Robert Mbatia, MCA** — Chair
2. **Hon. Patrick Karani, MCA** — Vice- Chair
3. Hon. Michael Ogada, MCA
4. Hon. Osman Adow, MCA
5. Hon. Chege Mwaura, MCA
6. Hon. Anthony Ngaruiya, MCA
7. Hon. Kariuki Wanjiru, MCA
8. Hon. J.M Komu, MCA
9. Hon. Paul Ndungu, MCA
10. Hon. James Kariuki, MCA
11. Hon. Susan Mukungu, MCA
12. Hon. Catherine Okoth, MCA
13. Hon. Emily Oduor, MCA

14. Hon. Herman Azangu, MCA
15. Hon. Nancy Muthami, MCA
16. Hon. Elias Okumu, MCA
17. Hon. Peter Imwatok, MCA
18. Hon. Jane Muasya, MCA
19. Hon. Fredrick Okeyo, MCA

Examination on the irregular transfer of Bursary Funds for the FY 2017-18

The Committee held five sittings to review and discuss on the irregular transfer of bursary funds to the Maryland Health Services Fund account. In that meeting, the Committee heard submissions from the County Executive Committee Member for Education, the Branch Manager of Cooperative Bank, City Hall Branch and other key officers from the County Executive and the Cooperative Bank. The Committee also received written submissions from the interested parties on the operations of the Funds. The Committee hence wishes to confirm without a sheer of doubt that all stakeholders involved have been accorded right of reply before the finalization of this report.

Acknowledgment

Hon. Speaker, I would like to thank Members of the Committee; the Office of the Speaker and Office of the Clerk for their specific contribution and support towards the successful completion of the scrutiny of irregular transfer of bursary funds to Maryland Health Service Account.

Hon. Speaker, it is therefore my utmost privilege and distinct honor on behalf of the Committee to table this report and recommend it to the Assembly for adoption.

Signed..... Date..04/12/2018.....

Hon. Robert Mbatia, MCA

Chairman: Finance, Budget and Appropriations Committee

2.0. INVESTIGATION OF THE IRREGULAR TRANSFER OF BURSARY FUNDS TO MARYLAND HEALTH SERVICES ACCOUNT

2.1. BACKGROUND INFORMATION

1. **Hon. Speaker**, on Tuesday 5th June 2018, the Hon. Peter Imwatok rose on the floor of the Assembly pursuant to the provisions of Standing Order No. 34 and requested the Assembly to ventilate on the delay of issuance of bursaries as a matter of definite County importance. In his submissions he urged the Assembly to thoroughly discuss and find a way of addressing the delays in disbursement of bursaries as a way of guaranteeing the right to education for the majority of City residents who cannot afford to pay school fees for their kids. The Hon. Member noted that there were reports that the bursary funds had been disbursed from the Central Bank County Revenue Fund but directed to the wrong account in the name of Maryland Health Services Account.

2. The Hon. Member in his submissions paused the following questions to the Assembly:
   - When did the Controller of Budget release the money?
   - How did the money end up in Maryland Health Services Account?
   - When did the County realize that the bursary fund allocation had been transferred to the Maryland University account:
   - What had the County Government done about the irregular transfer?
   - How did the County Government transfer back the money to Nairobi City Bu[illegible] Fund Account?

3. **Hon. Speaker**, Members ventilated on the matter of the definite county importance and thereafter the Chair directed that the Chairperson of the Sectoral Committee on Early Childhood Education and Vocational Training investigates the matter further and tables a report in the Assembly on the irregular transfer of funds the following day.

4. **Hon. Speaker**, on Wednesday 6th June [illegible] Chairperson of the Sectoral Committee on Early Childhood Education and Vocational Training, Hon. Millicent Mugadi submitted a

; report on the irregular transfer of funds from the Maryland University Health Service Account. In summary the Chairperson informed the Assembly as follows:

a) That on 24th April 2018 and 28th March 2018 the County Treasury opened two accounts namely Nairobi City County Bursary Fund account (Account Number 011412323966112) and Nairobi City County /University of Maryland Health Services Account (Account Number 011412323966111) both at Cooperative bank of Kenya City Hall branch. She submitted that the bursary fund account was opened pursuant to the Public Finance Management (Nairobi City County Bursary and Scholarship Fund) Regulation of 2016 while the Nairobi City County/University of Maryland account was an account for donor funded projects managed by Nairobi City County Health Services Sector and University of Maryland.

b) That the funds were transferred from Nairobi City County recurrent account at Central Bank of Kenya on 21st May 2018 to Nairobi City County /University of Maryland Health services account.

c) That the payments were processed via the IFMIS in which the only the name of the payee appears;

d) That the accountant preparing the payment erroneously picked the health donor fund account instead of the bursary fund account;

e) That once payment has been invoiced in IFMIS neither the first approval nor the second approval can see the bank account number to which the funds are being transferred to it. She hence submitted that it was thus not possible to know at this time that the funds had been transferred to Nairobi City County/Maryland University account;

f) That on 29th May 2018 Cooperative Bank notified the County Government that bursary funds had been transferred to Nairobi City County/Maryland University Health Services Fund Account;

g) That on 29th May 2018 the County Government directed Cooperative Bank of Kenya to transfer the money to the bursary fund account and the instructions were effected the same day;

h) That no money had been lost and that money placed in the Maryland Health Services account were transferred back to the Nairobi City Bursary Fund Account as had been requisitioned from the Central Bank of Kenya.

5. **Hon. Speaker**, subsequently and as part of the deliberations on the statement tabled by the Chair of the Sectoral Committee on Education the Assembly noted a number of discrepancies on the information provided. Thus, the Speaker directed that the Finance, and Budget Appropriations Committee provides a detailed response on the following issues inter alia:-

   a) The exact date the money meant for bursaries was transferred to the Nairobi City County Government Account;
   b) The rationale for opening and operating the Maryland University Health Services Account;
   c) The origin of the error in transfer of funds meant for bursaries to the Maryland University Health Services Account;
   d) The public officer who bears the utmost responsibility for the error;
   e) The reason for time lapse between the time the money was transferred to the Maryland University Health Services Account and the time it was returned to the Bursary Fund Account;
   f) The existing relationship between Nairobi City County and Cooperative Bank of Kenya on management and reporting on public funds that pass through the bank; and
   g) The distinct role of the Education and the Finance Sectors on management of bursary fund.

6. **Hon. Speaker**, in this regard the Finance, Budget and Appropriations Committee invited officers from the County Education Department, the County Treasury and the Officials of Cooperative Bank of Kenya, City Hall Branch to its meeting held on Wednesday 1st August 2018 to respond to various matters related to the irregular transfer of bursary fund to the Maryland Health Services Account.

2.2. SUBMISSIONS FROM THE CO-OPERATIVE BANK OF KENYA, CITY HALL BRANCH

7. Hon. Speaker, on Wednesday 1st August 2018, the Branch Manager and Head of Corporate Banking of the Cooperative Bank appeared before the Finance, Budget and appropriation Committee to shed light into the irregular transfer of funds for bursaries to Maryland University Health Services Account. The following were the summary of their oral and written submissions;

   a) That on 28th March 2018 and 24th April 2018 the County Treasury opened two accounts namely Nairobi City County Bursary Fund account (Account Number 011412323966112) and Nairobi City County /University of Maryland Health Services Account (Account Number 011412323966111) both at Cooperative Bank of Kenya, City Hall Branch.

   b) That on the 24th day of April 2018 the County Government of Nairobi City entered an agreement with the Cooperative Bank of Kenya and the following were agreed;

      — Printing of bursary cheques to the County government of Nairobi. and

      — Any additional services as may be requested and agreed upon between the Bank and the Nairobi County.

   c) That the fee and cost payable the to the Bank was Kshs. 50 per cheques and the Bank charged a sum of Kshs. 3,008,775 for the services rendered in writing the cheques and as per the terms of the contract;

   d) That the amount was charged from the bursary fund Account No. 011412323966112;

   e) That on 21st May 2018 the Co-operative Bank of Kenya, City Hall Branch received amounts in two tranches of Kshs. 60,000,000 and Kshs. 297,000,000 from the Central Bank of Kenya;

   f) That the total amount of Kshs. 357,000,000 was wired to Account No. 01141232396611 in the name of Nairobi City County & University of Maryland;

   g) That having noticed that the amounts were sent to the wrong account the Bank officials immediately notified the County Treasury of the anormally through a telephone conversation;

h) That on 29th May 2018 the Bank received written instructions from the Acting Chief Officer for Finance and the Head of County Treasury (Accounting) to transfer Kshs. 357,000,000 from the Nairobi City County & University of Maryland Health Services Account No. 01141232396611 to the Nairobi City County Bursary Fund Account No. 01141232396612;

i) That the instructions as received on 29th May lacked the mandatory signature of the Chief Officer for Health Services;

j) That on 30th May 2018 that Bank received the mandatory signature and the amounts were transferred from the Maryland Health Services Account to Bursary Fund Account on the same day;

k) That on 18th June 2018 the bank informed the then Acting Chief Officer for Finance Mr. Ekaya Alumasi that they were able to print 17,262 cheques which were forwarded to the County;

l) That the remainder of the cheques were not printed due to the following issues;-

— Proper authorization of documents was required.

— The data for printing was required in both duly authorized hard and soft copies.

— There were instances where the data provided was either the hard copies only or soft copies only. This contributed to the delays.

m) That the closing balance for the Bursary Fund Account as at 6th August 2018 was Kshs. 87,581,190.00; and

n) That the total amount which had been credited to the NCC/University of Maryland Health Services Account from the University of Maryland since opening equaled K... 44,717,953.80

2.3. SUBMISSIONS FROM THE COUNTY EXECUTIVE COMMITTEE MEMBER FOR EDUCATION, CHILDERN, YOUTH AFFAIRS & SOCIAL SERVICES SECTOR

8. Hon. Speaker, on Wednesday 1st August 2018, the County Executive Committee Member for Education, Children, Youth Affairs and Social Services appeared before the Finance, Budget and appropriation Committee to shed light on the following issues inter alia:-

— How the money allocated for bursaries were disbursed;

— Total no. of the cheques issued per ward; and

— Amount held as balances from the bursary kitty allocation.

9. Hon. Speaker, the following were the summary of their oral and written submissions:

a) That the County Department of Education is a user department and that their role entailed processing the bursary forms and forwarding the names of beneficiaries and relevant information to the Finance and Economic Planning Sector;

b) That the role of Sector ended once the forms had been forwarded to the Finance Sector;

c) That the Education Sector Accountant initiated the disbursement and consequently manual payment vouchers were prepared and invoiced into the IFMIS system authorizing the Central Bank to release the funds to the Bursary fund account in Cooperative Bank;

d) That the error on the transfer of the bursary funds to the Maryland Health Services Account was committed on the IFMIS when the Chief Officer for Finance clicked on the wrong/Maryland account instead of the Bursary account;

e) That the IFMIS invoicing had seven step processes and the system does not show the account numbers rather it shows only the account names;

f) That the funds were wired in two disbursements because there was an allocation for the Executive Section bursaries of Kshs. 60,000,000 and Ward bursaries of Kshs. 297,000,000;

g) That the County Department for Education had no control over the bursary fund since out of the two signatories for the Bursary Fund Account neither of them came from the Education Department. The two signatories were;

— Ag. Chief Finance Officer

— Head of County Treasury (Accounting)

h) That the writing involved a huge number of cheques that might have been an overwhelming job hence errors were inevitable;

i) That no money was lost and that money placed in the Maryland Health Services Account were transferred back to the Nairobi City Bursary Fund Account as had been requisitioned from the Central Bank of Kenya

2.4. SUBMISSIONS FROM THE COUNTY EXECUTIVE COMMITTEE MEMBERS FOR PUBLIC HEALTH AND FINANCE & ECONOMIC PLANNING

10. **Hon. Speaker**, on 2nd August 2018 the Finance Committee wrote to the County Executive Committee Members for Public Health and Finance & Economic Planning requesting that they submit the following information on Maryland Health Services Account:
    a) The letter from the Health Sector to the County Treasury requesting for opening of the account detailing the rationale for the same;
    b) Letter from the County Treasury to Cooperative bank on opening of the account and related correspondences from the bank in that regard;
    c) Copy of the contract between Nairobi City County and Maryland University on donor support;
    d) The historical information on the donor engagements between Nairobi City County and Maryland University with specific focus on how much money was expected, the duration in which the engagement is expected to be in force and intended beneficiaries of the funds; and
    e) The information on how the donor funds were accommodated in the budgets for the FY2017-18 and FY2018-19.

11. **Hon. Speaker**, on 7th August, 2018 the Chief Officer for Public Health Mr. Mahat Mohamed replied to the Finance Committee (on behalf of the Finance and Health Sectors) and in his submissions the Committee reported as follows:
    a) That the bank notified the County Government of the erroneous entry on 29th May, 2018 and immediately the County Treasury directed the Cooperative Bank to reverse the error;
    b) That the cost of printing of cheques was arrived at through negotiations and the amounts debited directly from the bank accounts just like other bank charges;
    c) That the Chief Officer in Charge of Education was not a signatory to the accounts;
    d) That the County Treasury relied on Sectors to disclose any existing grants before the same are included in the budget;

e) That the Ag. Chief Officer for Health Services Dr. Thomas Ogaro wrote to the CECM Finance and Economic Planning on 20th February, 2018 requesting to open a Bank Account for the University of Maryland Baltimore;

f) That on 26th March, 2018 the then CECM Finance and Economic Planning Dr. Danvas Makori wrote to Cooperative Bank of Kenya City Hall Branch requesting that the Bank opens Maryland Health Services Account. In his letter he appointed Dr. Thomas Ogaro the Acting Chief Officer for Health Services as a mandatory signatory, Mr. Ekaya Alumasi the Acting Chief Officer for Finance as second signatory and Mr. Stephen Mutua the Acting Head of County Treasury (Accounting) as the third signatory;

g) That a Memorandum of Understanding on strengthening Health system in Nairobi City County dated 20th September, 2017 which came into force on 14th February 2018 was signed by Nairobi City County Public Service Board, Nairobi County Health Services and the University of Maryland, Baltimore, USA. The MOU was meant for the purpose of promoting collaboration in areas of infectious diseases including but not limited to HIV/AIDS and TB;

h) That Nairobi City County Health Services Sector and University of Maryland had been in collaboration since 2016; and

i) That the university funded several health related programs depending on availability of funds expected to run for a period not exceeding five years.

3.0. OBSERVATIONS OF THE FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE ON OPERATIONS OF THE BURSARY FUND AND MARYLAND UNIVERSITY HEALTH SERVICES ACCOUNT

12. Hon. Speaker, the Finance Committee reviewed the various submissions which were presented before it both in oral and printed form and noted that there were a number of discrepancies that it would wish to highlight to this house. The Committee wishes to assure the house that all persons who had a role in the transfer of the amounts meant for the bursaries to the Maryland health services account were given an opportunity to state their side of the story.

13. Hon. Speaker, the first issue that the Committee wishes to highlight to the house is that whereas the provisions of The Public Finance Management (Nairobi City County Bursary and Scholarship Fund) Regulations, 2016 dictate that the Bursary Fund shall be administered by the Chief Officer responsible for matters relating to education, the Committee found out that the County Department of Education had no control over the bursary fund since out of the two signatories for the Bursary Fund Account none of them came from the department. As has been stated in the earlier parts of this report the two signatories were; Ag. Chief Officer for Finance and Head of County Treasury (Accounting). The Committee observed that the assignment of account signatories none of whom originated from the Education Department was oblivious of the rationale for setting up the bursary fund in the first place which was to provide for an efficient way of disbursement the allocations to deserving students.

14. Hon. Speaker, on the contract printing of cheques the County agreed to pay Co-operative Bank Kshs. 50 per cheques and the bank charged a sum of Kshs. 3,008,775 for the services rendered in writing the cheques and as per the terms of the contract. Upto the time of terminating the contract, the bank had been able to print a total of 17,262 cheques which were forwarded to the County. The bank submitted to the Committee that the remainder of the cheques was not printed due to lack proper authorization of documents, failure to present date for printing in both duly authorized hard and soft copies and that there were instances where the data provided was either the hard copies only or soft copies only this contributed to delays. After the termination of the contract, the County went ahead hired interns who were able to write the remainder cheques within a short period of time and at a cheaper alternative. The Committee therefore wondered why the County did not engage the interns from the very beginning.

15. Additionally, the Committee observed that the County Government entered into a contract with the Bank to print cheques then invoice the amounts payable for the services from the Bursary Fund Account. It is noteworthy that the provisions of Regulation 4 of The Public Finance Management (Nairobi City County Bursary and Scholarship Fund) Regulations, 2016 indicate that the object and purpose of the Fund is only to provide for a

bursary scheme for the provisions of financial assistance to indigent students. The amount appropriated to the Fund are voted equally across the wards implying that any deduction from the Fund would reduce amounts due to a specific ward. The Committee therefore observed that the imposition of a charge on the Fund did not only go against the objects of the established regulations but also against rationale for the setting up of the bursary scheme itself.

16. The provision of Section 109 of the Public Finance Management Act 2012 has abhorred the expenditure of public resources at the point of collection unless there is an existing legislation permitting the same. In this case the Bank received the amounts due for disbursement as bursaries and deducted the same without reference to the County for invoicing and approval process. The Committee is alive to the fact that the Bank in doing this relied on the existing contract as a basis for the charge imposed and the payment method chosen. However, it is the considered view of the Finance Committee that the law should at all-time be our shield and defender in utilization of public funds.

17. Hon Speaker, the Committee heard during these investigations that the role of the Education Accountant in the process of the disbursement of the bursary funds started with the preparation of the manual vouchers which were consequently invoiced into the IFMIS system authorizing the Central Bank to release the funds to the bursary fund account in Cooperative Bank. The Committee was informed that the error on the transfer of the bursary funds to the Maryland Health Service Account was committed on IFMIS when the Acting Chief Officer for Finance clicked on the wrong/Maryland account instead of the Bursary account. The Committee did not buy into narrative that it was immediately not possible to establish the account numbers to which the amounts were being paid. The Committee observes that if it was possible to establish the account name at the point of invoicing then the Acting Chief Officer for Finance to needed to immediately notice that the account was Maryland Health Services Account and the Bursary Fund account.

18. Hon Speaker, the Cooperative Bank informed the Committee that the amounts meant for bursaries were deposited on the Maryland Health Services Account on the 21st May 2018.

The amounts were deposited in two tranches of Kshs. 60,000,000 and Kshs. 297,000,000 from the Central Bank of Kenya. The Cooperative officials informed the Committee that having noticed the amounts were sent to the wrong account, the bank officials immediately notified the County Treasury of the anomaly through a telephone conversation. The written instructions from the County Treasury to transfer back the money back to the bursary fund account were received on 29th May 2018. However, the instructions as received lacked the mandatory signature of the Chief Officer for Health Sector which was subsequently submitted on 30th May 2018 and the amounts wired back to the Bursary Fund Account on the same day. The submissions by the County Executive officials did not persuade the Committee on the rationale for the eight days delay in refunding the amounts to the right account. The bank also failed to provide proof to the Committee on when the error was determined and when it was communicated to the County Treasury. The Finance Committee is alive to the fact that banks engage in overnight lending which would have costed the County huge sums of money during the duration the money was left unattended to in the Maryland Health Services Account.

19. Hon Speaker, the provisions of Section 138 of the Public Finance Management Act, 2012 provide an objective criterion on the management of grants by County Government. The fulcrum of these provisions is the requirement that the County Government can only receive grants with the approval of the County Executive Committee Member for Finance who is then required to grant authorization before the commencement of grant projects. Further, the provisions of the Section 138 (7) of the Act require that the County Executive Committee Member informs the County Assembly of the above authorization. The Committee regrets to inform this Chamber that the management and utilization of the donor funds from the Maryland University have not been faithful to these provisions of the law. In fact, the Committee was only made aware of the existence of the donor funds during these investigations as opposed to during the budget making process as should be best practice. While examining the Nairobi City County Government Consolidated reports and financial statements for the FY2017/18 the Committee noted that both the County Bursary Account and the University of Maryland Health Services Account were missing from the list of bank accounts provided. In conclusion, the Committee also observed that

whereas the provisions of Section 139 of the PFM Act 2012 require the County Assembly to approve regulations on the administration, control and management of grants the same has not yet been done leaving a lot of room for guess work and ambiguity on donor engagements.

20. Hon. Speaker, the provisions of the Public Finance Management (County Government) Regulations, 2015 have set a high threshold for management and reporting on all grants and donations received on behalf of the County Government. Of specific focus is that the regulations require that the County Executive Committee Member for Finance (CECM-F) prepares regulations for approval by the County Assembly. It is further required that all proceeds from grants and donations are budgeted for, appropriated by the County Assembly, used in line with approved County plans and all receipts paid into the County Revenue Fund. The Committee observed that there has been lethargy in compliance with the provisions of the law.

4.0. RECOMMENDATIONS

21. Hon. Speaker, the Finance, Budget and Appropriations Committee having reviewed the information submitted to it on the circumstances that led to the transfer of the amounts meant for bursaries to the Maryland University Health Services Account wishes to make the following recommendations to the County Assembly for adoption: -

a) That, pursuant to the provisions of Section 148 of the Public Finance Management Act 2012 and Regulation 6 (1) of the Public Finance Management (Nairobi City County Bursary and Scholarship Fund) Regulations, 2016 the County Executive Committee Member for Finance immediately, and note later than 7 days after approval of this report, designates the Chief Officer for matters related to education as the administrator of the Bursary Fund;

b) That the County shall budget for all projected bank charges and no bank fees shall be paid contrary to the provisions of the Public Finance Management Act 2012;

c) That going forward the County shall NOT engage external entities in writing of cheques for issuance as bursaries;

d) That all monies appropriated as bursaries shall only be used to provide a bursary scheme for the provision of financial assistance to indigent students and shall be disbursed based on the criteria approved by the County Assembly;

e) That the County Treasury puts in place stringent measures to improve the invoicing, validation and examination processes of all payments to ensure that the acts of omission or commission that led to the erroneous payments of amounts meant for bursaries into the Maryland health services account do not reoccur;

f) That, pursuant to the provisions of Section 139 of the PFM Act 2012 and Regulation 70 of the PFM (County Government) Regulations 2015, the County Executive Committee Member for Finance immediately submits to the County Assembly draft regulations on the administration, control and management of grants for review and approval;

g) That, pursuant to the provisions of Section 138 of the PFM Act 2012 and Regulation 71 (2) PFM (County Government) Regulations 2015, the County Executive Committee Member for Finance shall ensure that all grants and donations received for and on behalf of the County Government shall be paid into the County Revenue Fund;

h) That, pursuant to the provisions of Regulation 72 (1) of the PFM (County Government) Regulations 2015, the County Executive Committee Member for Finance shall ensure that all grants and donations received for and on behalf of the County Government are aligned to the programmes and projects approved in the County Integrated Development Plan as operationalized by the Annual Development Plans;

i) That, pursuant to the provisions of Regulation 72 (5) of the PFM (County Government) Regulations 2015, the County Executive Committee Member for Finance shall ensure that all grants and donations received for and on behalf of the County Government are appropriated by the County Assembly before commencement of any disbursements;

j) That, pursuant to the provisions of Regulation 72 (7) of the PFM (County Government) Regulations 2015, the County Executive Committee Member for Finance shall ensure that all grants and donations received for and on behalf of the

We the undersigned Members of the Finance, Budget and Appropriations Committee affirm that this is the approved report of the Committee on the Irregular Transfer of Funds Meant for Education Bursary to the Maryland Health Services Fund Account as adopted by the Committee on the 4th day of December 2018

NAME	SIGNATURE
1. Hon. Robert Mbatia, MCA	
2. Hon. Patrick Karani, MCA	
3. Hon. Michael Ogada, MCA	
4. Hon. Osman Adow, MCA	
5. Hon. Daniel Ngengi, MCA	
6. Hon. Anthony Ngaruiya, MCA	
7. Hon. Kariuki Wanjiru, MCA	
8. Hon. J.M Komu, MCA	
9. Hon. Paul Ndungu, MCA	
10. Hon. James Kariuki, MCA	
11. Hon. Susan Makungu, MCA	
12. Hon. Catherine Okoth, MCA	
13. Hon. Emily Oduor, MCA	
14. Hon. Paul Shilaho, MCA	
15. Hon. Nancy Muthami, MCA	
16. Hon. Elias Okumu, MCA	
17. Hon. Nimo Hajji, MCA	
18. Hon. Jane Muasya, MCA	
19. Hon. Fredrick Okeyo, MCA	

STATEMENT OF ACCOUNT
CENTRAL BANK OF KENYA
BANKI KUU YA KENYA,
P.O.BOX 60000-0200,
NAIROBI.
STATEMENT PERIOD : From 01 JUL 2019 To 02 SEP 2019

Rundate : 02 SEP 2019
Runtime : 08:36:17
Customer number : 119531
Account number : 1000171502
Account name : NAIROBI COUNTY RECURRENT-KES
Opening Balance : 32,534,109.65

No.	Txn. Date	Value Date	Reference No.	Transaction Details	Dr. Amount	Cr. Amount	Balance
1	1-Jul-19	1-Jul-19	FT19182V0RLG	Outward RTGS Payment MT 102 11545 NAIROBI COUNTY:CBK Executive Car World Limited /REC/0000011545 23639	163,766.30	0	32,370,343.35
2	1-Jul-19	1-Jul-19	FT1918225XYV	Outward RTGS Payment MT 103 8343 NAIROBI COUNTY :999999 NAIROBI COUNTY 8343 21027	294,000.00	0	32,076,343.35
3	1-Jul-19	1-Jul-19	FT19182Q03HQ	Outward RTGS Payment MT 102 11546 NAIROBI COUNTY:CBK Executive Car World Limited /REC/0000011546 23664	378,345.00	0	31,697,998.35
4	1-Jul-19	1-Jul-19	FT19182S1NP7	Outward RTGS Payment MT 102 11547 NAIROBI COUNTY:CBK Executive Car World Limited /REC/0000011547 23608	1,769,236.20	0	29,928,762.15
5	1-Jul-19	1-Jul-19	FT19182B0XQ9	Outward RTGS Payment MT 102 11681 NAIROBI COUNTY:CBK NUCLEAR CITY ENTERPRISES /REC/0000011681 2417	9,702,660.00	0	20,226,102.15
6	1-Jul-19	1-Jul-19	FT1918299XYH	Outward RTGS Payment MT 102 11665 NAIROBI COUNTY:CBK NAZER COMPANY LIMITED /REC/0000011665 17195	9,994,827.60	0	10,231,274.55
7	2-Jul-19	2-Jul-19	FT19183LJJYJ	Outward RTGS Payment MT 102 10407 NAIROBI COUNTY:CBK SOLOMON ANUSU MAKAYA /REC/0000010407 413	100,000.00	0	10,131,274.55
8	2-Jul-19	2-Jul-19	FT19183X0XN8	Outward RTGS Payment MT 102 11771 NAIROBI COUNTY:CBK ANTONY KINGORI WACHIRA /REC/0000011771 22192	145,396.00	0	9,985,878.55
9	3-Jul-19	3-Jul-19	FT1918491B1B	Outward RTGS Payment MT 102 11589 NAIROBI COUNTY:CBK SUSAN MUTHONI /REC/0000011589 22285	48,000.00	0	9,937,878.55
10	3-Jul-19	3-Jul-19	FT19184JZ7Z5	Outward RTGS Payment MT 102 11717 NAIROBI COUNTY:CBK MOLLY AKINYI OLUOCH /REC/0000011717 22282	83,000.00	0	9,854,878.55
11	3-Jul-19	3-Jul-19	FT191848VGHK	Outward RTGS Payment MT 103 11787 NAIROBI COUNTY :999999 VIVO ENERGY KENYA LIMITED 11787 19848	5,864,776.00	0	3,990,102.55
12	4-Jul-19	4-Jul-19	FT19185YGXB1	Outward RTGS Payment MT 103 11718 NAIROBI COUNTY :999999 GILBERT MURIEKI ALEMBA 11718 22280	83,000.00	0	3,907,102.55
13	4-Jul-19	4-Jul-19	FT19185CS74F	TRFS Payments 11637 50	550,480.00	0	3,356,622.55
14	4-Jul-19	4-Jul-19	FT19185GDZB5	TRFS Payments 11636 49	176,472,804.55	0	-173,116,182.00
15	4-Jul-19	4-Jul-19	FT191855QGXN	Account Transfer TREASURY ORDER DD 03072019 REF-NRB/FIN/1/670/2019 COB/NBI/001/37 (8) DD 28062019		0 ########	858,718,410.00
16	5-Jul-19	5-Jul-19	FT191869M78K	Outward RTGS Payment MT 102 11650 NAIROBI COUNTY:CBK NATIONAL BANK /REC/0000011650 28	116,810.90	0	858,601,599.10
17	5-Jul-19	5-Jul-19	FT191869QKQD	Outward RTGS Payment MT 102 11258 NAIROBI COUNTY:CBK JOHN SARUNI MELELEK /REC/0000011258 349	150,000.00	0	858,451,599.10
18	5-Jul-19	5-Jul-19	FT191868CF8R	Outward RTGS Payment MT 102 11645 NAIROBI COUNTY:CBK NATIONAL SOCIAL SECURITY FUND /REC/0000011645 48	1,372,050.00	0	857,079,549.10

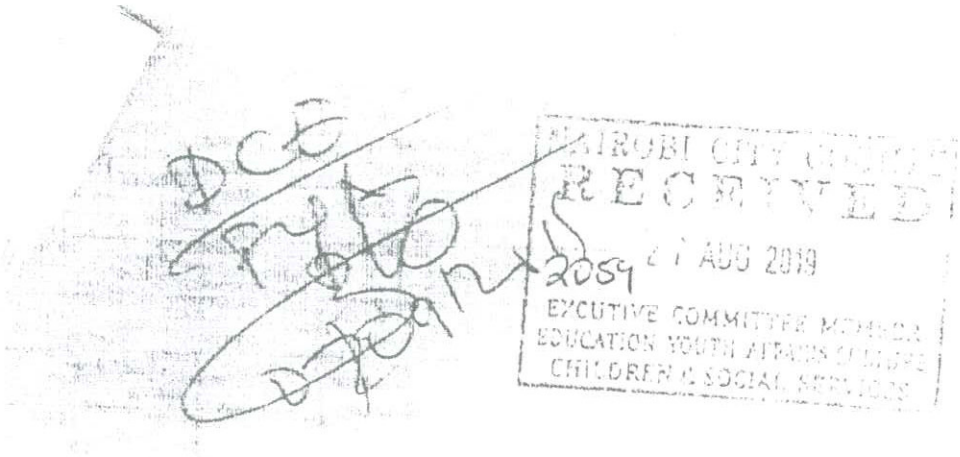
19	5-Jul-19	5-Jul-19	FT191865JXJR	Outward RTGS Payment MT 102 11657 NAIROBI COUNTY:CBK TECHNICAL WELFARE GROUP /REC/0000011657	52	1,861,765.00	0	855,217,784.10
20	5-Jul-19	5-Jul-19	FT19186PFJYZ	Outward RTGS Payment MT 102 11656 NAIROBI COUNTY:CBK DANDORA HOUSING SELF HELP GROUP /REC/0000011656	34	1,906,392.00	0	853,311,392.10
21	5-Jul-19	5-Jul-19	FT19186HT1FD	Outward RTGS Payment MT 102 11640 NAIROBI COUNTY:CBK ACCOUNTS WELFARE SELF HELP GROUP /REC/0000011640	29	2,014,422.00	0	851,296,970.10
22	5-Jul-19	5-Jul-19	FT191865F0F5	Outward RTGS Payment MT 102 11639 NAIROBI COUNTY:CBK KENYA COMMERCIAL BANK-CHECK OFF LOA /REC/0000011639	39	2,340,113.00	0	848,956,857.10
23	5-Jul-19	5-Jul-19	FT19186ZV6R0	Outward RTGS Payment MT 103 11652 NAIROBI COUNTY :999999 BANK OF AFRICA KENYA LIMITED -CHECK 11652	31	2,645,681.35	0	846,311,175.75
24	5-Jul-19	5-Jul-19	FT19186ZPZ1V	Outward RTGS Payment MT 102 11658 NAIROBI COUNTY:CBK HUMAN RESOURCES MANAGEMENT STAFF WE /REC/0000011658	38	2,687,494.00	0	843,623,681.75
25	5-Jul-19	5-Jul-19	FT19186NBB9Z	Outward RTGS Payment MT 102 11651 NAIROBI COUNTY:CBK KENYA LOCAL GOVERNMENT WORKERS UNIO /REC/0000011651	40	2,706,642.00	0	840,917,039.75
26	5-Jul-19	5-Jul-19	FT19186QPXB9	Outward RTGS Payment MT 102 11685 NAIROBI COUNTY:CBK LAPTRUST PENSION TRUST /REC/0000011685	43	2,854,136.00	0	838,062,903.75
27	5-Jul-19	5-Jul-19	FT19186MSXTZ	Outward RTGS Payment MT 102 11643 NAIROBI COUNTY:CBK NAIROBI CITY COUNTY REVENUE /REC/0000011643	46	3,065,024.35	0	834,997,879.40
28	5-Jul-19	5-Jul-19	FT19186XRV70	Outward RTGS Payment MT 102 11659 NAIROBI COUNTY:CBK UKULIMA SACCO SOCIETY LIMITED /REC/0000011659	53	4,124,906.65	0	830,872,972.75
29	5-Jul-19	5-Jul-19	FT191866LY9W	Outward RTGS Payment MT 102 11660 NAIROBI COUNTY:CBK SHIRIKA SACCO /REC/0000011660	51	5,327,254.20	0	825,545,718.55
30	5-Jul-19	5-Jul-19	FT19186Z7XCN	Outward RTGS Payment MT 102 11654 NAIROBI COUNTY:CBK BARCLAYS BANK KENYA LIMITED /REC/0000011654	32	7,620,578.55	0	817,925,140.00
31	5-Jul-19	5-Jul-19	FT19186ND8WR	Outward RTGS Payment MT 102 11351 NAIROBI COUNTY:CBK MUSYOKI MOGAKA AND COMPANY ADVOCATE /REC/0000011351	24121	16,105,948.75	0	801,819,191.25
32	5-Jul-19	5-Jul-19	FT191866T8CQ	Outward RTGS Payment MT 102 11647 NAIROBI COUNTY:CBK 109721 /REC/0000011647	47	19,409,750.00	0	735,409,941.25
33	5-Jul-19	5-Jul-19	FT19186RVN9W	Outward RTGS Payment MT 102 11655 NAIROBI COUNTY:CBK FAMILY BANK LIMITED /REC/0000011655	36	19,120,161.05	0	766,289,780.20
34	5-Jul-19	5-Jul-19	FT19186ML3Y3	Outward RTGS Payment MT 103 11641 NAIROBI COUNTY :999999 FAULU KENYA LIMITED 11641	37	20,103,638.90	0	746,186,141.30
35	5-Jul-19	5-Jul-19	FT19186SWFK1	Outward RTGS Payment MT 102 11642 NAIROBI COUNTY:CBK EQUITY BANK /REC/0000011642	35	23,645,156.95	0	722,540,984.35
36	5-Jul-19	5-Jul-19	FT19186YZN8S	Outward RTGS Payment MT 102 11638 NAIROBI COUNTY:CBK AFYA SACCO /REC/0000011638	33	24,588,552.80	0	697,952,431.55

162	11-Jul-19	11-Jul-19	FT19192N7117	Outward RTGS Payment MT 103 11577 NAIROBI COUNTY :999999 HOFFINA AGENCIES LIMITED 11577 22024	700,000.00	0	60,141,478.50
163	11-Jul-19	11-Jul-19	FT191928L712	Outward RTGS Payment MT 102 11594 NAIROBI COUNTY:CBK KHASANDI GENERAL SUPPLIERS /REC/0000011594 22023	1,364,568.95	0	58,776,909.55
164	11-Jul-19	11-Jul-19	FT19192CYV6G	Outward RTGS Payment MT 102 11551 NAIROBI COUNTY:CBK NYABERI AND COMPANY ADVOCATES /REC/0000011551 24406	6,287,931.05	0	52,488,978.50
165	11-Jul-19	11-Jul-19	FT19192WQ4P9	Outward RTGS Payment MT 102 11696 NAIROBI COUNTY:CBK THORNWOOD LIMITED /REC/0000011696 11974	8,000,000.00	0	44,488,978.50
166	11-Jul-19	11-Jul-19	FT19192CG890	Outward RTGS Payment MT 102 11907 NAIROBI COUNTY:CBK DANMART LIMITED /REC/0000011907 11943	18,000,000.00	0	26,488,978.50
167	11-Jul-19	11-Jul-19	FT19192WBJBY	Returned RTGS Payment COOPERATIVE BANK OF KENYA LTD., THE /ROC/AC TITLE DIFFERS ALEX CHEGE MACHARIA YOUR MT 102 DD190711 OF KES.971000 REF.RT191920P19V	0	71,000.00	26,559,978.50
168	11-Jul-19	11-Jul-19	FT19192GFSBH	Returned RTGS Payment COOPERATIVE BANK OF KENYA LTD., THE /ROC/INVALID AC NO JAMES MWANGI WAMBUI YOUR MT 102 DD190711 OF KES.971000 REF.RT191920P19V	0	90,000.00	26,649,978.50
169	11-Jul-19	11-Jul-19	FT19192RSJ5K	Account Transfer TREASURY ORDER DD 10072019 REF:NRB/FIN/1/681/2019 COB/NBI/001/37 (12) DD 28062019	0	########	126,806,572.50
170	11-Jul-19	11-Jul-19	FT19192FZ7DW	Account Transfer TREASURY ORDER DD 10072019 REF:NRB/FIN/1/680/2019 COB/NBI/001/37(11) 28062019	0	########	424,306,572.50
171	11-Jul-19	11-Jul-19	FT19192SKQQS	Account Transfer TREASURY ORDER DD 09072019 REF:NRB/FIN/1/671/2019 COB/NBI/001/37(10) DD 28072019	0	########	1,311,116,563.50
172	12-Jul-19	12-Jul-19	FT19193H5PDV	Outward RTGS Payment MT 102 10402 NAIROBI COUNTY:CBK KENYA NATIONAL SECRETARIES ASSOCIAT /REC/0000010402 6769	2,400.00	0	1,311,114,163.50
173	12-Jul-19	12-Jul-19	FT19193FTM4V	Outward RTGS Payment MT 102 11056 NAIROBI COUNTY:CBK KENYA NATIONAL SECRETARIES ASSOCIAT /REC/0000011056 4109	5,500.00	0	1,311,108,663.50
174	12-Jul-19	12-Jul-19	FT19193R5KNX	Outward RTGS Payment MT 102 11057 NAIROBI COUNTY:CBK KENYA NATIONAL SECRETARIES ASSOCIAT /REC/0000011057 4112	5,500.00	0	1,311,103,163.50
175	12-Jul-19	12-Jul-19	FT19193T88DR	Outward RTGS Payment MT 102 10397 NAIROBI COUNTY:CBK KENYA NATIONAL SECRETARIES ASSOCIAT /REC/0000010397 4783	5,500.00	0	1,311,097,663.50
176	12-Jul-19	12-Jul-19	FT19193TGFNM	Outward RTGS Payment MT 102 11127 NAIROBI COUNTY:CBK BENSON AKASI AMBANI /REC/0000011127 21546	10,947.00	0	1,311,086,716.50
177	12-Jul-19	12-Jul-19	FT1919343HGC	Outward RTGS Payment MT 102 7138 NAIROBI COUNTY:CBK TIMOTHY KALONZO MWINZI /REC/0000007138 4513	11,000.00	0	1,311,075,716.50
178	12-Jul-19	12-Jul-19	FT19193VP1HP	Outward RTGS Payment MT 102 11948 NAIROBI COUNTY:CBK JACOB NJERU NYAGA /REC/0000011948 22595	11,000.00	0	1,311,064,716.50
179	12-Jul-19	12-Jul-19	FT19193QT1QH	Outward RTGS Payment MT 102 11474 NAIROBI COUNTY:CBK SISILIA AKERO ABIERO /REC/0000011474 1328	11,000.00	0	1,311,053,716.50
180	12-Jul-19	12-Jul-19	FT1919345965	Outward RTGS Payment MT 102 11939 NAIROBI COUNTY:CBK JOYCE WARUGURU MUNIU /REC/0000011939	14,000.00	0	1,311,039,716.50

				5415				
			NAIROBI COUNTY:CBK LYDIA NYAKENYANYA /REC/0000005415					
				3440225				
253	12-Jul-19	12-Jul-19	FT191932KCZV	Outward RTGS Payment MT 102		483,000.00	0	1,303,340,948.50
				11512				
			NAIROBI COUNTY:CBK ESERIANI LIMITED /REC/0000011512					
				22169				
254	12-Jul-19	12-Jul-19	FT1919304DLN	Outward RTGS Payment MT 102		684,126.00	0	1,302,656,822.50
				8152				
			NAIROBI COUNTY:CBK CLARIS ACHIENG AROWO /REC/0000008152					
				2901				
255	12-Jul-19	12-Jul-19	FT191936M26Z	Outward RTGS Payment MT 102		1,000,000.00	0	1,301,656,822.50
				9894				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000009894					
				23086				
256	12-Jul-19	12-Jul-19	FT19193W4J8X	Outward RTGS Payment MT 102		1,143,000.00	0	1,300,513,822.50
				11513				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000011513					
				22171				
257	12-Jul-19	12-Jul-19	FT19193YFR1D	Outward RTGS Payment MT 102		1,900,000.00	0	1,298,613,822.50
				9897				
			NAIROBI COUNTY:CBK INSTITUTE OF CERTIFIED PUBLIC SECR /REC/0000009897					
				23114				
258	12-Jul-19	12-Jul-19	FT19193N8SQH	Outward RTGS Payment MT 102		2,368,000.00	0	1,296,245,822.50
				9893				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000009893					
				23085				
259	12-Jul-19	12-Jul-19	FT191938VF7D	Outward RTGS Payment MT 102		5,054,000.00	0	1,291,191,822.50
				10262				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000010262					
				216650				
260	12-Jul-19	12-Jul-19	FT191932MR8Z	Outward RTGS Payment MT 102		100,156,594.00	0	1,191,035,228.50
				10041				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000010041					
				19391				
261	12-Jul-19	12-Jul-19	FT19193S6VYQ	Outward RTGS Payment MT 102		297,500,000.00	0	893,535,228.50
				9613				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000009613					
				18366				
262	12-Jul-19	12-Jul-19	FT19193PZDK9	Returned RTGS Payment FAMILY BANK LIMITED /ROC/REASON ACCOUNT DORMANT YOUR MT 102 DATED 11/07/2019 REF RT19192P78H1 IFO FREDRICK NJOGU NJOROGE		0	90,000.00	893,625,228.50
263	12-Jul-19	12-Jul-19	FT19193FRR48	Returned RTGS Payment NATIONAL BANK OF KENYA LTD: /ROC/REASON UNAPPLIED NAICO MONTHLY SALARIES FOR MONTH OF JUNE 2019 IFO NATIONAL BANK OF KENYA REF FT19186YVN8D/REC /0000011649		0	########	893,912,712.20
264	15-Jul-19	15-Jul-19	FT191968MHD2	Outward RTGS Payment MT 102		56,000.00	0	893,856,712.20
				11412				
			NAIROBI COUNTY:CBK JAMES WASIKE OSODO /REC/0000011412					
				22600				
265	15-Jul-19	15-Jul-19	FT19196QC1FW	Outward RTGS Payment MT 102		62,000.00	0	893,794,712.20
				10564				
			NAIROBI COUNTY:CBK LEMURT OLE NTOLEI /REC/0000010564					
				20236				
266	15-Jul-19	15-Jul-19	FT19196FF95L	Outward RTGS Payment MT 102		109,500.00	0	893,685,212.20
				9734				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000009734					
				3682				
267	15-Jul-19	15-Jul-19	FT19196DX5HD	Outward RTGS Payment MT 102		200,000.00	0	893,485,212.20
				11536				
			NAIROBI COUNTY:CBK ANN MWIHAKI MUNYI /REC/0000011536					
				3440143				
268	15-Jul-19	15-Jul-19	FT191968KR55	Outward RTGS Payment MT 102		253,543.30	0	893,231,668.90
				9976				
			NAIROBI COUNTY:CBK PUKA INVESTMENTS /REC/0000009976					
				4574				
269	15-Jul-19	15-Jul-19	FT191968Y194	Outward RTGS Payment MT 102		304,000.00	0	892,927,668.90
				12396				
			NAIROBI COUNTY:CBK NAIROBI COUNTY /REC/0000012396					
				21818				

288	15-Jul-19	15-Jul-19	FT19196LTSDG	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK MANTRACK AGENCIES LTD /REC/0000007419	22916 7419	5,902,682.50	0	837,869,124.60
289	15-Jul-19	15-Jul-19	FT19196FRFSW	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK SCORECARD INTERNATIONAL LIMITED /REC/0000012455	17048 12455	6,772,633.60	0	831,096,491.00
290	15-Jul-19	15-Jul-19	FT191965CK3F	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK EDGE ENTERPRISES /REC/0000011800	18598 11800	7,609,913.80	0	823,486,577.20
291	15-Jul-19	15-Jul-19	FT19196CN74Y	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK JOWAS LimiTeD /REC/0000011530	12695 11530	8,951,724.15	0	814,534,853.05
292	15-Jul-19	15-Jul-19	FT19196P92C0	Outward RTGS Payment MT 103 NAIROBI COUNTY :999999 J.O.MAGOLO and COMPANY ADVOCATES	20205 11409 11409	8,982,758.60	0	805,552,094.45
293	15-Jul-19	15-Jul-19	FT19196J972X	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK BROADWAYS HARDWARE AND GENERAL SUPP /REC/0000012401	24431 12401	9,136,637.95	0	796,415,456.50
294	15-Jul-19	15-Jul-19	FT191967X55M	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK KEA PENDO ENTERPRISES /REC/0000011528	20998 11528	12,204,310.35	0	784,211,146.15
295	15-Jul-19	15-Jul-19	FT191961JRBC	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Aende Group Limited /REC/0000011952	18647 11952	13,031,495.20	0	771,179,650.95
296	15-Jul-19	15-Jul-19	FT19196IMV7J	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Aende Group Limited /REC/0000012005	19133 12005	13,137,510.15	0	758,042,140.80
297	15-Jul-19	15-Jul-19	FT19196VKJTN	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Aende Group Limited /REC/0000012011	19132 12011	13,907,355.90	0	744,134,784.90
298	15-Jul-19	15-Jul-19	FT19196N5XB2	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Tusma Trading Company Limited /REC/0000011956	19131 11956	18,612,503.15	0	725,522,281.75
299	15-Jul-19	15-Jul-19	FT19196758CX	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Hardi Enterprises Limited /REC/0000012362	19104 12362	28,506,443.45	0	697,015,838.30
300	15-Jul-19	15-Jul-19	FT19196C0Y9G	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Hardi Enterprises Limited /REC/0000012055	19145 12055	29,361,484.10	0	667,654,354.20
301	15-Jul-19	15-Jul-19	FT19196WPF5H	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Abdullahi Gitari and Odhiambo Advoc /REC/0000012502	19126 12502	30,546,230.00	0	637,108,124.20
302	15-Jul-19	15-Jul-19	FT19196TJMN8	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Flexilease Limited /REC/0000011916	22151 11916	30,804,068.85	0	606,304,055.35
303	15-Jul-19	15-Jul-19	FT19196QFWGZ	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK Hardi Enterprises Limited /REC/0000012217	19141 12217	42,334,058.10	0	563,969,997.25
304	15-Jul-19	15-Jul-19	FT19196117VT	Outward RTGS Payment MT 103 NAIROBI COUNTY :999999 MUSYOKI MOGAKA AND COMPANY ADVOCATE	19135 12456 12456	68,000,000.00	0	495,969,997.25
305	15-Jul-19	15-Jul-19	FT19196D00K	Outward RTGS Payment MT 102 NAIROBI COUNTY:CBK KWANGA MBOYA AND COMPANY ADVOCATES	24107 12505	80,000,000.00	0	415,969,997.25

				/REC/0000012505				
306	15-Jul-19	15-Jul-19	FT191967J101	Outward RTGS Payment MT 103	24451	83,360,000.00	0	332,609,997.25
				NAIROBI COUNTY :999999 MILLER AND COMPANY ADVOCATES	12468			
307	15-Jul-19	15-Jul-19	FT19196TW2W6	Outward RTGS Payment MT 102	12468 22147	250,000,000.00	0	82,609,997.25
				NAIROBI COUNTY:CBK MUNIKAH AND COMPANY ADVOCATES /REC/0000011812	11812			
308	15-Jul-19	15-Jul-19	FT19196LNJNN	Returned RTGS Payment KENYA COMMERCIAL BANK LIMITED /REC/RETURN RSN INVALID BNF ACC B/O KENYA SCHOOL OF GOVERNMENT NA YOUR MT102 DD 190712 FOR KES 3570540 REF RT19193ROSRJ	22142		0 ########	82,743,097.25
309	17-Jul-19	17-Jul-19	FT19198C16V8	Outward RTGS Payment MT 102		1,764.00	0	82,741,333.25
				NAIROBI COUNTY:CBK NAIROBI CITY COUNTY REVENUE /REC/0000005554	5554			
310	17-Jul-19	17-Jul-19	FT19198X9CKG	Outward RTGS Payment MT 102	3257	4,623.00	0	82,736,710.25
				NAIROBI COUNTY:CBK NAIROBI CITY COUNTY REVENUE /REC/0000005171	5171			
311	17-Jul-19	17-Jul-19	FT191987D2PX	Outward RTGS Payment MT 102	5298	5,400.00	0	82,731,310.25
				NAIROBI COUNTY:CBK cootow and associates advocates /REC/0000009328	9328			
312	17-Jul-19	17-Jul-19	FT19198KZYPG	Outward RTGS Payment MT 102	19598	5,500.00	0	82,725,810.25
				NAIROBI COUNTY:CBK STANLEY GITAU KAMAU /REC/0000008144	8144			
313	17-Jul-19	17-Jul-19	FT19198W4P9D	Outward RTGS Payment MT 102	18679	5,500.00	0	82,720,310.25
				NAIROBI COUNTY:CBK TIMOTHY KALONZO MWINZI /REC/0000007996	7996			
314	17-Jul-19	17-Jul-19	FT191988XZVV	Outward RTGS Payment MT 102	17245	6,300.00	0	82,714,010.25
				NAIROBI COUNTY:CBK JOHN NJERU MOTE /REC/0000012353	12353			
315	17-Jul-19	17-Jul-19	FT19198BYDX	Outward RTGS Payment MT 102	23769	6,300.00	0	82,707,710.25
				NAIROBI COUNTY:CBK ROSE TETE WAWERU /REC/0000012354	12354			
316	17-Jul-19	17-Jul-19	FT19198VKRYP	Outward RTGS Payment MT 102	23768	7,000.00	0	82,700,710.25
				NAIROBI COUNTY:CBK KIILU MUITHYA /REC/0000010363	10363			
317	17-Jul-19	17-Jul-19	FT19198X4PZP	Outward RTGS Payment MT 102	20170	7,000.00	0	82,693,710.25
				NAIROBI COUNTY:CBK GEORGE MORARA MOMANYI /REC/0000007338	7338			
318	17-Jul-19	17-Jul-19	FT19198Q1V2G	Outward RTGS Payment MT 102	19551	7,500.00	0	82,686,210.25
				NAIROBI COUNTY:CBK MARGARET MWAITA /REC/0000011273	11273			
319	17-Jul-19	17-Jul-19	FT19198Z54N	Outward RTGS Payment MT 102	22513	8,000.00	0	82,678,210.25
				NAIROBI COUNTY:CBK PETER KIRUI /REC/0000009876	9876			
320	17-Jul-19	17-Jul-19	FT191980MWBT	Outward RTGS Payment MT 102	23081	8,000.00	0	82,670,210.25
				NAIROBI COUNTY:CBK DICKSON WAINAINA KARANJA /REC/0000005186	5186			
321	17-Jul-19	17-Jul-19	FT19198MF7T8	Outward RTGS Payment MT 102	3325	8,640.00	0	82,661,570.25
				NAIROBI COUNTY:CBK LAPTRUST PENSION TRUST /REC/0000005876	5876			
322	17-Jul-19	17-Jul-19	FT19198TXK2	Outward RTGS Payment MT 102	4399	8,640.00	0	82,652,930.25
				NAIROBI COUNTY:CBK LAPTRUST PENSION TRUST /REC/0000006391	6391			
323	17-Jul-19	17-Jul-19	FT19198PT7QR	Outward RTGS Payment MT 102	4529	8,640.00	0	82,644,290.25
				NAIROBI COUNTY:CBK	5032			



JANET MBULA,
P.O BOX 41666,
NAIROBI

27TH AUGUST 2019

TO MINISTER,
EDUCATION, YOUTH, CULTURE, GENDER AND SOCIAL SERVICES
NAIROBI.

Dear sir / madam,

RE: APPLICATION OF BURSARY FOR MY DAUGHTER'S SCHOOL FEES

Hello, I greet you with much honour. I write this letter to you for your assistance to offer a bursary to my daughter Albuvie Jane Munanie. She is a form four student studying in high school. Secondary school. I really need your support in this time as my daughter has frequently been sent home by the school to look for school fees. I am a good hard working person but I have not been able to raise the school fees amount as yet.

I had earlier on applied in 2017 for the same school fees and received assistance from your office. However I am hoping that she will be offered the bursary under the current government though your assistance will be very much appreciated. I am looking forward to your positive reply.

Yours faithfully

JANET MBULA

Phone 0713581823

27th August 2019.

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HIGHRIDGE GIRLS SECONDARY SCHOOL

TO: PARENT/GUARDIAN OF
Mbuvi June Munanie
FIRST TERM FEE BALANCE 11500 ADM NO 960 FORM 3E

THE YEAR 2019 SCHOOL FEES STRUCTURE AND TERMLY PAYMENTS.

VOTE HEADS	TERMLY PAYMENTS			PARENTS	GOV. SUBSIDY	TOTAL
	1	2	3			
TEACHING AND LEARNING MATERIALS	NIL	NIL	NIL	NIL	4792	4792
BES	15000	10000	2385	27385	NIL	27385
RMI	1000	1000	400	2400	1886	4286
TT	400	150	100	650	1833	2483
ADMIN COST	1000	500	350	1850	1572	3422
EWC	2000	1000	900	4900	3151	8051
MEDICAL	0	0	0	0	1999	1999
ACTIVITY FEE	100	50		150	1406	1556
PE	2000	1600	600	3200	5755	8955
TOTAL	21500	14300	4735	40535	22394	62929

MODE OF PAYMENT

ALL FEES IS PAYABLE THROUGH ANY BRANCH OF DIAMOND TRUST BANK
ACCOUNT NO: 0060094001
ACCOUNT NAME: HIGHRIDGE SECONDARY SCHOOL
BRANCH: VILLAGE MARKET
M/B
O CASH PAYMENT IN SCHOOL

YOURS FAITHFULLY

MRS. OTOM
PRINCIPAL/BOM SECRETARY

89

CEIM – Education, youth, Social services and gender
Nairobi city county.

NAIROBI CITY COUNTY
RECEIVED
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICES

15th April, 2019

Ref: Request for bursary Support

My name is Joseph Otieno am a parent of three children and currently am jobless and Unable to support my children Education and have been Struggling for a long time. My Son (Anthony Mato) who is in Form 3, Adm No 15738 was admitted 2014 January in Upper hill and him fees was being paid by the county government in which Governor Evans Kidero promised to support him until he finishes his Secondary Studies. Since 2018 the fees was not paid to the school ~~with~~ since the new County government took over, and I have been Struggling since then and rest the boy to be in and out of School because of fees arears.

I will be highly greatfull if my case is considered for the Support of my child to complete his Education programme.

Thanks.
Joseph Onyango Otieno
ID No - 20494790
Phone No - 0725433950.

FORM ONE FEES STRUCTURE PER VOTEHEAD - 2017

VOTEHEAD	GOVNT SUBSIDY	TERM 1	TERM 2	TERM 3	TOTALS
TUITION	4,792.00				
E.W.C.	1,500.00	3,000.00	2,000.00	1,302.00	6,302.00
R.M.I.	300.00	1,000.00	800.00	592.00	2,392.00
L. T. & T.	800.00	800.00	500.00	321.00	1,621.00
ADMIN	800.00	1,000.00	1,000.00	516.00	2,516.00
P/E.	2,700.00	3,000.00	2,000.00	972.00	5,972.00
ACT.	600.00	300.00	300.00	198.00	798.00
INSURANCE	600.00	500.00	300.00	260.00	1,060.00
MED.	278.00	200.00	200.00	108.00	508.00
E.E.S.		12,900.00	11,355.00	8,130.00	32,385.00
SUB-TOTAL	12,870.00	22,700.00	18,455.50	12,399.00	56,554.50

NOTE

1.Caution money 500.00

2.All fee payment should be made directly to the school Accoum.Detailed as:

BANK : COOPERATIVE BANK

BRANCH : UPPER HILL

ACCOUNT NAME : UPPER HILL SCHOOL

ACCOUNT NUMBER : 01129163068300

All fees should using bankers cheque

Signed.....

Principal/secretary B.O.M/P.T.A.

NAIROBI CITY COUNTY
RECEIVED
0 8 JUL 2019
EDUCATION DEPARTMENT
DISPATCH UNIT
TIME:
P. O. Box 30298 - 00100 NAIROBI

NAIROBI CITY COUNTY

Telephone: 020 344194
web: www.nairobi.go.ke

City Hall,
P. O. Box 30075-00100,
Nairobi,
KENYA.

DEVOLUTION & SUB COUNTY ADMINISTRATION

MEMO

FROM : COUNTY CHIEF OFFICER

TO : CCO – EDUCATION, SOCIAL SERVICES & GENDER

REF : DSCA/DA/1/29/55/2019

DATE : 8TH JULY 2019

RE : SCHOOL FEES FOR CAROL NDANU MUNYAO

We are in receipt of a Memo Ref. ESSCA/ISM/VOL.15/2019 dated 4th July, 2019 from the Sub County Administrator – Embakasi South on above subject matter.

We forward the case to you for information and further necessary action.

CPA/CS MULI, J.N
For: COUNTY CHIEF OFFICER

Copy to : CECM - Education, Social Services, Gender, Sports & Youth
: County Secretary
: Deputy County Secretary
: Sub County Administrator-Embakasi South

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KIRIS-INI GIRLS HIGH SCHOOL

P.O BOX S - [illegible] KENYA

Date: [illegible] June 2019

Dear Parent / Guardian

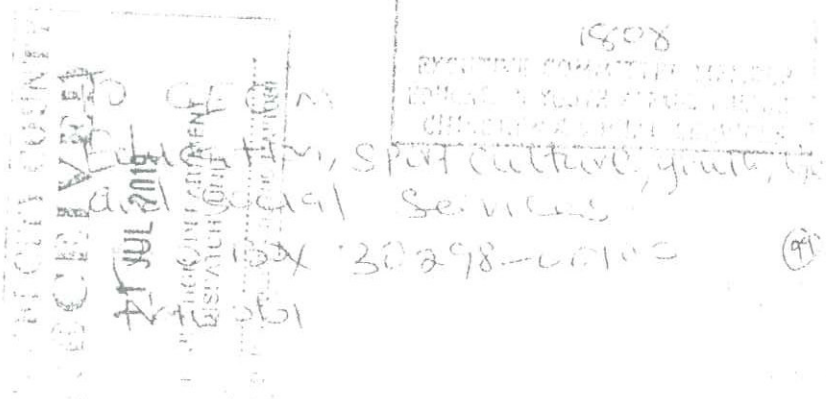
RE: It is with [illegible] that your Daughter CAROL MUANI MUNYAO Admission [illegible]

[illegible] has a Fees balance of Kshs 53,581.00/=

kindly pay the stated amount in full to avoid any inconvinience or loss of learning hours.

- Money Should be paid through Bankers cheques or Money Orders addressed to KIRIS-INI GIRLS HIGH SCHOOL Direct Deposits can be made to the school Equity Bank A/C No. 0650298853[illegible]
- Bank slip must include Student's name, Class and Admission Number for Equity Bank slip.
- Cash or personal cheques will be accepted in Fees

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Ali Hokeye Kere
[illegible]
07 [illegible]

9/7/2019

I

10/7/19

RE Request for scholarship / Grade 11

I am a parent to [illegible] who is a student at the Highway Secondary School located in South B. Son has been getting scholarship [illegible] since he was admitted in 2018 due to change in the Government System [illegible] by the Government conducted in 2017.

I am pleading with [illegible] continue with his schooling [illegible] for his school fees as I do not have a job and [illegible]

Never [illegible] I stopped working [illegible] fees of [illegible] discontinued [illegible]

[illegible] which is [illegible] child at home [illegible] with their classes [illegible]

If my Application is [illegible]

Attached are copies of [illegible] form, fee structure and 2019 [illegible] receipts.

Yours faithfully

[illegible] Kere

F Miano
Advocate
P.O
20/07/19

Outside the

HIGHWAY SECONDARY SCHOOL

P.O BOX 30385-00100 MOBILE 0711293104

2019 BOARDING SCHOOL FEES STRUCTURE AS PER MOE GUIDELINE

VOTEHEAD	TERM 1 (Kshs)				TERM 2 (Kshs)				TERM 3 (Kshs)			
	FORM 1	FORM 2	FORM 3	FORM 4	FORM 1	FORM 2	FORM 3	FORM 4	FORM 1	FORM 2	FORM 3	FORM 4
2017 GOVERNMENT SUBSIDY												
Teaching learning materials and equipment	2,595	2,316	2,316	2,316	1,437.60	1,437.60	1,437.60	1,437.60	958.40	958.40	958.40	958.40
Repairs, maintenance & improvement	943	943	943	943	565.80	565.80	565.80	565.80	377.20	377.20	377.20	377.20
Local travel and transport	916.50	916.50	916.50	916.50	549.90	549.90	549.90	549.90	366.60	366.60	366.60	366.60
Administration Costs	786	786	786	786	471.60	471.60	471.60	471.60	314.40	314.40	314.40	314.40
Electricity, water & conservancy(EWC)	1,576	1,576	1,576	1,576	945.30	945.30	945.30	945.30	630.20	630.20	630.20	630.20
Activity fee	628	628	628	628	376.80	376.80	376.80	376.80	251.20	251.20	251.20	251.20
Personal emoluments(PE	2,878	2,878	2,878	2,878	1,726.50	1,726.50	1,726.50	1,726.50	1,151.00	1,151.00	1,151.00	1,151.00
Medical and insurance	1,000	1,000	1,000	1,000	599.70	599.70	599.70	599.70	399.80	399.80	399.80	399.80
TOTAL	11,122	11,122	11,122	11,122	6,673	6,673	6,673	6,673	4,449	4,449	4,449	4,449
2019 PARENTAL OBLIGATION STRUCTURE GUIDED BY FSE GUIDELINES												
Repairs, maintenance & improvements	1,480.00	1,480.00	1,480.00	1,480.00	888.00	888.00	888.00	888.00	592.00	592.00	592.00	592.00
Local travel and transport	810.50	810.50	810.50	810.50	486.30	486.30	486.30	486.30	324.20	324.20	324.20	324.20
Administration Cost	1,758.00	1,758.00	1,758.00	1,758.00	1,054.80	1,054.80	1,054.80	1,054.80	703.20	703.20	703.20	703.20
Electricity, water & conservancy(EWC)	3,151.00	3,151.00	3,151.00	3,151.00	1,890.60	1,890.60	1,890.60	1,890.60	1260.40	1260.40	1260.40	1260.40
Activity fee	399.00	399.00	399.00	399.00	239.40	239.40	239.40	239.40	159.60	159.60	159.60	159.60
Personal emoluments	2,986.00	2,986.00	2,986.00	2,986.00	1,791.60	1,791.60	1,791.60	1,791.60	1194.40	1194.40	1194.40	1194.40
Boarding equipments and stores	16,192.50	16,192.50	16,192.50	16,192.50	9,715.50	9,715.50	9,715.50	9,715.50	6477.00	6477.00	6477.00	6477.00
	26,777	26,777	26,777	26,777	16,066	16,066	16,066	16,066	10,711	10,711	10,711	10,711

2018 BALANCE .....

TOTAL FOR TERM .....

Annual Boarding Fee 2019

Form 1 Form 2 Form 3 Form 4

57,954.00 53,554.00 53,554.00 53,554.00

1. Caution money for new students - Ksh 500.00
2. On going school Development projects to be paid as per duly approved by the Parents' Association with BOM and PA
3. Payments is by bankers cheque or direct deposit to the bank account no 117 150 893 at I&M Moi Avenue
4. Hand in Bank pay-in-slips indicating students name & Admission number to the accounts office. Upon payment
5. Cash or personal cheque will not be accepted

P.K. MARITIM

PRINCIPAL/SECRETARY BOM/PA

HIGHWAY SECONDARY SCHOOL PRINCIPAL P.O. BOX 30385 - 00504 NAIROBI

25 OCT 2018

Sign:.....

RECEIVED
1625

Lavender Auma Ogot
P.O. Box
Nairobi, Kenya

The CEC Member
Education, Sports,
Culture, youth, gender and
General Services
P.O. Box
Nairobi, Kenya

11/07/19

Dear Sir/Madam

RECEIVED
15 JUL 2019
EDUCATION DEPARTMENT
RISK MGT UNIT

RE: REQUEST FOR ASSISTANCE IN SCHOOL FEES PAYMENT.

I Lavender hereby request to be helped in the payment of school fees for my Son FELIX OWUOR OGOGE. He was being paid for Lvl since 2017 haven't received any payment I would be grateful if you helped thank you.

Yours faithfully
Lavender

FINAL TOTAL	53554
Balance	Nil

Kshs 165792
Cash/Mod/Cheque
N-CC Rev. Acc.

Principal/Clerk

UKWALA HIGH SCHOOL

PRIVATE BAG,
UKWALA
ukwalahighschool@yahoo.com

TEL. : 020- 2031833

Our Ref: .....

Your Ref:.....

Date: 22/1/19

.....
.....
.....
.....

Dear Parent / Guardian / Sponsor,

RE FELIX OWUOR WANDAT FORM 2G ADM.NO. 230

Fees account for the above student reflects school fees and other dues owing as below.

Outstanding Fees TERM I 2019	kshs.	40535
	Kshs.	20218
	Kshs.	
Total	**Kshs.**	60753

The accounts office will remain open except on weekends and public holidays.
School fees to be paid either through money order payable at UKWALA POST OFFICE, OR KCB UGUNJA BRANCH ACCOUNT NO. 1108397565 or EQUITY BANK, SIAYA BRANCH ACCOUNT NO.09702983847445. Personal cheques and cash payment will not be accepted.

In all your correspondences with the school, always indicate the **name, class** and **admission number** of the student for easier and proper identification. Please present this form to the accounts when paying fees.

Thank you

PRINCIPAL.

UKWALA HIGH SCHOOL
PRIVATE BAG
UKWALA

NAIROBI CITY COUNTY
RECEIVED
11 JUL 2019
EDUCATION DEPARTMENT
DISPATCH UNIT

To

CECM - EDUCATION YOUTH
SOCIAL SERVICE AND GENDER
NAIROBI CITY COUNTY

15/7/19

REQUEST FOR SCHOLARSHIP CONSIDERATION

For Guto Abraham Jillo a student at Pumwani Secondary school. He is a student who was given full scholarship by the government before the 2017 elections which caused a change in the government system hence hindering his earlier granted scholarship. I am a parent who posseses an unstable job and not capable to raise the required fee for my son. is saddening to have my son sent away from school while others continue learning. Never have I stopped visiting this place in hopes of one day getting accepted and a scholarship is offered to my son. I will be very grateful if my application is concidered favorably.
Thank you.

Attached are copies of my sons report form, 2017 and 2018 fee structure

Yours faithfully

Ibrahim Lolo Buro
0716070313
P.O Box 64506-00620

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PUMWANI SECONDARY SCHO

P.O. BOX 16364 – 00610 Nairobi Kenya. Mobile: 073
General Waruinge Street. E-mail: pumwanisec@yahoo.com

PUMWANI SECONDARY SCHOOL
31 OCT 2017
P.O. Box 16364 - 00610, NAIROBI

2018 FORM 2 FEES STRUCTURE.

	PARTICULARS	TERM 1	TERM 11	111	
1.	PERSONAL EMOLUMENT	5,972			5,9
2	BOARDING FEE	9,608	12,067	10,710	32,3
3	REPAIRS, MAINTENAN CE AND IMPROVEMENT	1,392	1,000		2,3
4	LOCAL TRAVEL & TRANSPORT	1,621			1,6
5	ELECTRICITY, WATER & CONSERVANCY	4,302	2,000		6,3
6	ADMINISTRATION COSTS	1,516	1,000		2,5
7	MEDICAL	508			50
8	ACTIVITY	798			79
9	INSURANCE	1,060			1,0
	TOTAL	26,777	16,067	10,710	53,55

SCHOOL ACCOUNT

NATIONAL BANK OF KENYA,

HARAMBEE AVENUE BRANCH,

A/C NO. 01021002843401 *OR* A/C NO. 01021002843400

PUMWANI SECONDARY SCHOOL
31 OCT 2017
P.O. Box 16364 - 00610, NAIROBI

NAIROBI CITY COUNCIL
RECEIVED
1605
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS CULTURE
CHILDREN & SOCIAL SERVICES

CCCM –

...EORGE'S GIRLS' SECONDARY SCHOOL, NAIROBI
...S STRUCTURE FORM 2-4 YEAR 2012.

NAME TRIUMPH CHEPNGETICH MITO CLASS 2 W ADM NO. 6626

VOTE HEADS	1ST TERM	2ND TERM	3RD TERM	TOTAL
Tuition	1,949/=	1,169/=	779/=	[illegible]
Boarding	12,997/=	8,665/=	5,517/=	[illegible]
Personal Emoluments	6,860/=	2,516/=	2,144/=	[illegible]
Medical	52/=	30/=	30/=	[illegible]
Activity	1,813/=	[illegible]	[illegible]	[illegible]
Local Transport & Travel	1,265/=	[illegible]	[illegible]	[illegible]
Administration Costs	550/=	[illegible]	220/=	[illegible]
Electricity Water & Conservancy	2,301/=	[illegible]	350/=	[illegible]
SUB-TOTAL	[illegible]	[illegible]	[illegible]	[illegible]

Total Fees payable. Please refer to [illegible] attached [illegible]
and pay accordingly as [illegible]

1. Practical Subject Fees payable with 1st Term Fees:
   - Computer (KCSE) Kshs 3,000/= [illegible] Science Fees 1,000/= Music Kshs 1,000/= [illegible]
     Design Kshs 1,000 = French Kshs [illegible] Agriculture Kshs 1,000/= [illegible]
     1,000/= and Computer for others Kshs 2,000/=

2. Fees is payable by:-
(a) [illegible] Kenya Cooperative Bank through M-Pesa [illegible]
   Select Pay Bill option then asked to [illegible]
   Account number enter [illegible] followed by the Student's Admission Number
   through School Account No. [illegible] at KCB Bank Kenyatta [illegible]
   and give Student's Name, Class and Adm. Number to the Bank Cashier
(b) [illegible] payments [illegible] BANK through M-Pesa [illegible]
   [illegible] Pay Bill [illegible]
   [illegible] Adm no [illegible]
   [illegible] Code Password [illegible]

3. Fees should be paid on or before [illegible] The Account [illegible]
   will remain open during [illegible]

Total to pay is Kshs [illegible]

NAIROBI CITY COUNTY
RECEIVED
1604
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICES

18th 04 201

CECM - EDUCATION YOUTH AFFAIRS, CULTURE AND MEMBER
NAIROBI CITY COUNTY

RE: REQUEST FOR BURSARY SUPPORT

My name is Fredrick Kalinda I have a son in Form 3 in Secondary school in form three 2017 May he was assigned to form two and I have no money to cater for the school fees. So I applied for the Nairobi City County Scholarship and May for me assigned to get full bursary upto form four.

The Nairobi City County fund for the form one, form two in which really helped a lot but they did not reach the form two and now he is in form three and I have been done to form four.

Thus a pathetic person to request on full support to pay for the form three and four. I am so grateful expressing if you can by negative possible means help us get the fee please. Please from pleading from the bottom of my heart.

Thank you very much

Yours
Fredrick Kalinda

0728654598
21176+42C

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PUMWANI SECONDARY SCHOOL,
P.O. BOX 16364 - 00610,
NAIROBI.

Email: pumwanisec@yahoo.com CELL: 0720950926

DATE: 02/04/2019

FEES REMINDER - TERM 2 2019.

FORM 1	Kshs.12,160.00
FORM 2	Kshs.12,160.00
FORM 3	Kshs.12,160.00
FORM 4	Kshs.12,160.00

P.O. BOX 16364 * PUMWANI SECONDARY SCHOOL * 00610
02 APR 2019

Please pay the amount due plus ALL ARREARS by 30TH APRIL 2019.

NATIONAL BANK OF KENYA,
HARAMBEE AVENUE BRANCH,
ACCOUNT NO: 01021002843400
ACCOUNT NO: 01021002843401

MWANGI R.M.
PRINCIPAL.

NAIROBI CITY COUNTY
RECEIVED
1502
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICES

HURUMA GIRLS HIGH SCHOOL
P.O BOX 49063
NAIROBI

2nd May 2019

To: CEC - Education, Children, Youth and Culture,
Nairobi City County.

Dear Sir/Madam

REF: REQUEST FOR ASSISTANCE IN SCHOOL FEES

I Verah Ruth Kwenya, a form four student in Huruma Girls High School, was sponsored by your organization City Hall, in the year 2016. Your organization managed to pay my school fees from form one to form two first term, where things abruptly changed. Due to this my school fees has now piled up to a very large amount forcing me to stay at home while the others are in school learning.

My mum being a single parent cannot meet the financial needs required since she does not have a well paying job. Also am the last born in a family of three children. My sister who is in University relies on HELB while my brother has just finished high school and is also trying to join University. Due to this my school fees cannot be paid.

It is therefore my humble request that you assist in paying my schoolfees since I cannot afford to miss my studies as the syllabus is being completed. I sincerely hope that you may fulfill my humble request.

Yours sincerely,

HURUMA GIRLS' HIGH SCHOOL

TEL: 0740399283
NAIROBI

2019 FEES STRUCTURE

GOVERNMENT SUBSIDY

VOTEHEADS	TERM 1 50%	TERM 2 30%	TERM 3 20%	TOTAL
Teaching & Learning materials	2,396	1,438	958	4,792
BOS and Meals	--	--	--	--
Repairs Maintenance & Improvement	943	566	377	1,886
Local Travel and Transport	917	550	367	1,833
Administration Cost	786	472	314	1,572
Electricity, Water & Conservancy	1,576	945	630	3,151
Activity Fees	628	377	251	1,256
Personal Emolument	2,878	1,727	1,151	5,755
Insurance (Medical & Property)	1,000	600	399	1,999
TOTAL GOVERNMENT SUBSIDY	11,124	6,673	4,448	22,244

PARENTS' CONTRIBUTION

VOTEHEADS	TERM 1 50%	TERM 2 30%	TERM 3 20%	TOTAL
BOS and Meals	13,692	8,216	5,577	27,485
Repairs, Maintenance & Improvement	1,200	720	480	2,400
Local Travel and Transport	325	195	130	650
Administration Cost	925	555	370	1,850
Electricity, Water & Conservancy	2,450	1,470	980	4,900
Activity Fees	75	45	30	150
Personal Emolument	1,550	930	620	3,100
PARENTS TO PAY AS FOLLOWS	20,217	12,131	8,187	40,535

TERMS OF PAYMENTS:

- The School WILL NOT accept any Cash payments.
- Payments must be made before the school term begins
- Alternative arrangements MUST be endorsed by the Principal in writing.
- ALL banking slips should be brought to school for issuance of an official receipt.

HURUMA GIRLS' HIGH SCHOOL
PRINCIPAL
09 NOV 2018
P.O. Box 49068 - 00100 NAIROBI

Deposit your money in the following accounts;
Account name: HURUMA GIRLS' HIGH SCHOOL
Equity Bank, Donholm Branch : A/c 0820293168314
K.C.B. Jogoo Road Branch - A/c. No. 1102626414

MRS. M. M. OWENJE
PRINCIPAL

THE CHIEF OFFICER
EDUCATION, SOCIAL SERVICES AND GENDER
NAIROBI CITY COUNTY
P O BOX 30298 GPO-00100
NAIROBI
21st JANUARY 2019.

Dear Sir-

RE: LOST GOVERNORS SCHOLARSHIP BURSARY
FORM NO: 574

Sir last year 2018 I was issued with a form by the First Lady to fill for my child by the name Abigail Kanini Musyoki Form I ADM NO 424 [illegible] She is now in Form II in ITETANI Girls High Sch

Last year when I came to make the follow of her Payment (Cheque). I found that the origin copy was not submitted to the relevant offi and therefore could not be processed. Luckily I had photocopied the form (See attached copy. the original.)

Sir My request is if you can consider my application and include her in the system to enable my daughter to accomplish her dreams.

Sir any assistance accorded to her will highly appreciated.

God bless the Nairobi City County as you continue assisting the vulnerable and needy children.

Yours Faithfully,

BONIFACE MUNYAO - GUARDIAN
MT26/1121/16

67

UTETANI GIRLS' SECONDARY SCHOOL
P.O BOX 2220 – 90100
MACHAKOS.
CALL 0724629528

SCHOOL FEES STRUCTURE – 2018

OVERHEAD	TERM 1	TERM 2	TERM 3	TOTAL
B.E.S	13693	8216	5476	27385
E.M.I	1200	720	480	2400
P.T.T	325	195	230	750
A.D.M	925	555	370	1850
E.W.C	2450	1470	980	4900
ACTIVITY FEE	100	30	20	150
M.E	1550	930	620	3100
TOTAL	20,243	12,146	8,176	40,535

NB: All fees must be paid inform of money order payable at Machakos G.P.O Office to UTETANI GIRLS' SECONDARY SCHOOL

OR

Deposit in Kenya Commercial Bank in the school Account

ACCOUNT NAME: UTETANI GIRLS' SECONDARY SCHOOL

A/C 1124304460

KCB MACHAKOS BRANCH.

UTETANI GIRLS SEC. SCHOOL
Signature
Date
P. O. BOX 2220 - 90100 MACHAKOS

Tel No: 0725745992

CECM - Education, Sports, Culture, Youth
Gender & Social Services

Nairobi City County

NAIROBI CITY COUNTY
RECEIVED
EXECUTIVE COMMITTEE MEMBER
REGULATION YOUTH AFFAIRS CULTURE
CHILDREN & SOCIAL SERVICES

REF: REQUEST FOR EDUCATIONAL

Receive a warm greeting from me. My name Cosmas Muli Mutua. I come from Kitui Kisitu county Mutua ward. I study in Highrise Hill High School. I am in form three I was awarded in the Nairobi City County Scholarship in the year 2017 On joining form one the Nairobi City County Government fully paid my first year school fees but unpaid fees paid for my Sisters one thirds respectively

Last term I was sent back home because the school fees balance and the school Principal sent me back without full Payment I come from a humble background my father is a casual labourer in Kitui county we live with my grandmother who comes frequently here to fetch Since my mother is sick we are four children at home we live from hand to mouth

I went to my area CDF MCA Honorable Solomon D. Mazemba who awarded me with the 2018/2019 bursary voucher and also wrote me a letter to the Principal but he still refused to allow me to settle in school.

I have attached the required documents this letter and I hope me Form three will be back my fees are due to my school

ASPIRE & INSPIRE

HOSPITAL HILL HIGH SCHOOL

Red Hill Road, P. O. Box 56607 - 00200 NAIROBI, KENYA. TEL: (020) 3001702,
Mobile: 0728446039
E- mail: hospitalhill_high_school@yahoo.com
website: www.hospitalhillhighschoo.sc.ke

DATE: [illegible]

Dear Parent / Guardian

RE: FEE DEMAND NOTE

Name of Student: [illegible] Class: [illegible] Adm. No [illegible]

Your son has an outstanding fee balance of Kshs [illegible]

Kindly note that he will not be allowed [illegible]

Please pay through Equity Bank or Kcb [illegible]

Branch or Mpesa Pay [illegible]

Class/ Name)

Ensure when reporting back you bring along the pay-in-slip and this demand note

Thank you,

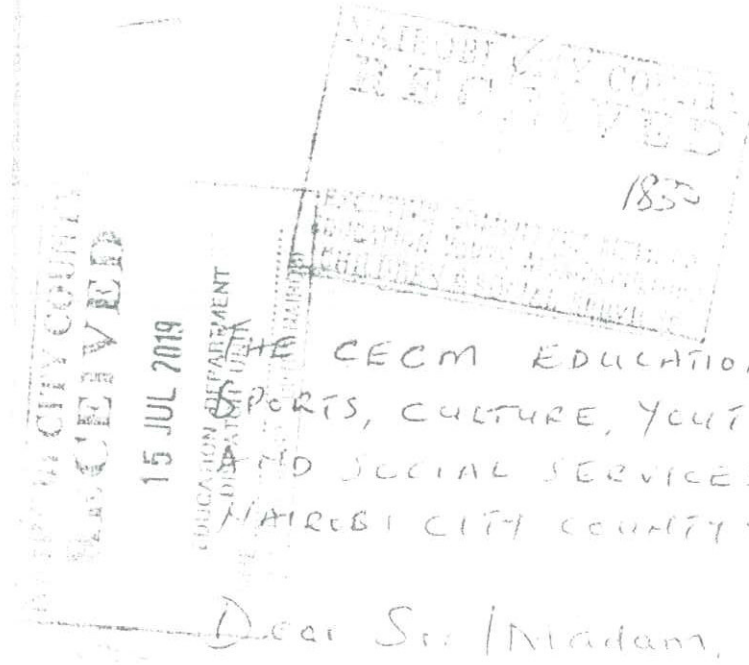
Yours faithfully,

K.S. BUNYASI

PRINCIPAL

100

00



DANIEL MAINUI
TEL: 0723 953582
NAIROBI.

THE CECM EDUCATION
SPORTS, CULTURE, YOUTH
AND SOCIAL SERVICES
NAIROBI CITY COUNTY.

10.07.2019

Dear Sir/Madam,

REF: APPLICATION FOR BURSARY ASSISTANCE

First I appreciate the Nairobi City County through your office for having granted Secondary School bursary in 2018 for my son Ann a Nairobi to reside from Embakasi South Constituency - Nyakuru Kwa Njenga Ward, I am casual Labourer and unable to pay school fees for my son who is in form three.

I hereby request for your assistance and consideration to bursary to help my son remain in school since he has been on and off due to fees payment and has not reported back to school after mid-term.

Hope You will give my request a favourable Consideration. Find attached copies.

Thank You in advance and God bless.

Yours faithfully

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MAKUENI BOYS' HIGH SCHOOL
P.O. BOX 20 – 90300
TEL: 020-2623820
MAKUENI

School Motto: Like A Tree Knowledge Grows *Email:makueniboys@gmail.com* *Website: www.makueniboyshighschool*

FEES STRUCTURE - 2019

Vote head	Parent contribution	Term 1	Term 2	Term 3
Boarding	32,385.00	16,194.00	9,716.00	6,475.00
RMI	2,960.00	1,480.00	888.00	592.00
EWC	6,302.00	3,150.00	1,890.00	1,262.00
LTT	1,621.00	810.00	486.00	325.00
ADM Cost	3,516.00	1,758.00	1,055.00	703.00
P. emolument	5,972.00	2,986.00	1,792.00	1,194.00
Activity	798.00	399.00	239.00	160.00
Total	53,554.00	26,777.00	16,066.00	10,711.00

NOTES:

1. All fees for term 1 must be paid on or before opening.
2. Fees must be paid in:- Bankers Cheque or Money order or Direct deposit of cash to the School Bank Account number 1105240959, Kenya Commercial Bank, Wote Branch.The original banking slip should be presented to accounts office for receipting without any delay.
3. School fees can also be paid through **M-PESA Pay Bill option**. Lipa na M-PESA, **Business number 853600** and students admission number and class as account number.

Please note that cash and personal cheques are NOT acceptable.

PRINCIPAL
MAKUENI BOYS' HIGH SCHOOL
P. O. Box 20-90300 MAKUENI
TEL: 020-2623820

RAPHAEL DIWANI
PRINCIPAL

MESHACK JUMA
BUTULA BOYS HIGH SCHOOL
14/7/2019

TO CECM - EDUC, YOUTH AFFAIRS, SPORTS, CHILDREN
CULTURE & SOCIAL SERVICES
NAIROBI CITY COUNTY
NAIROBI

Dear Madam,

RE: REQUEST FOR BURSARY

I humbly request for assistance in bursary as a student at Butula Boys High School form 1 in Busia county.

I have been in and out of school due to lack of fees. Am under the mercy of my grandmother and my father is not capable of helping us because he is unwell. My grandmother sold the only cow we used to milk in order for me to join form one and some well wishers cheped in.

I kindly request for assistance to continue my studies to better my future and that of grandmother and that of other needy cases like mine.

Your positive consideration and response will be appreciated. Thanks in advance.

MESHACK JUMA
[redacted]
0710 395666 (father)

BUTULA BOYS' HIGH SCHOOL

P.O. PRIVATE BAG - 50405, BUTULA
Email: butulahighs@gmail.com

MOBILE: 0706 521 355
Website: www.butulahigh.co.ke

FEES STRUCTURE FOR THE YEAR 2019

(FEES TO BE DEPOSITED DIRECTLY INTO SCHOOL BANK ACCOUNT NO. 01021054617801 NATIONAL BANK BUSIA BRANCH. (CASH & PERSONAL CHEQUES WILL NOT BE ACCEPTED)

VOTEHEAD	FSE SUBSIDY	TERM I KSH.	TERM II KSH.	TERM III KSH.	TOTAL KSH.
T&L Materials & Exams	4,644	-	-	-	-
B.E.S	-	15,192.50	9,115.50	6,077	30,385
R.M.I	6,000	2,000	-	-	2,000
Other vote heads L.T&T, Admin, EWC, P.E)	7,900	10,185.50	6,111.30	4,074.20	20,371
Medical & Insurance	2,000	-	-	-	-
Activity Fees	1,500	798	-	-	798
SMASSE	200	-	-	-	-
Approved PTA	-	2,000	-	-	2,000
Total	**22,244**	**30,176**	**15,226.80**	**10,151.20**	**55,554**

OTHER LEVIES (MUST BE PAID TOGETHER WITH FEES FOR TERM ONE)

1. SCHOOL UNIFORM (FORM 2 – 4) KSH.3,000/-

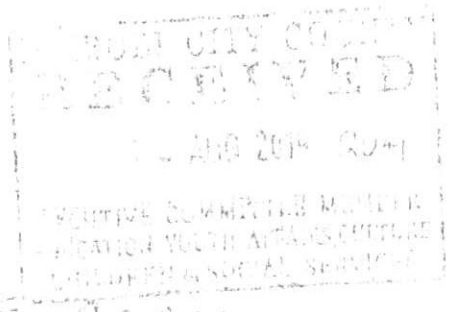
2. COMPUTER FEE (KSH.2000/- PER TERM) ONLY FOR STUDENTS TAKING COMPUTER SUBJECT

3. CAUTION MONEY (NEW STUDENTS) KSH.500/-

NB: INCASE OF ANY CHANGES IN FEES WE SHALL INFORM YOU ACCORDINGLY.

OUMA D. ONYANGO
(PRINCIPAL)

PRINCIPAL
BUTULA BOYS' HIGH SCHOOL
15 JAN 2019
P.O. BOX PRIVATE BAG BUTULA
Sign.





KATUKU [illegible]
P.O. BOX [illegible]
MAKUENI SOUTH [illegible]
MAKUENI COUNTY
TEL: [illegible]

TO CEDEC

EDUCATION, YOUTH CENTRE, GENDER & SOCIAL [illegible]
NAIROBI COUNTY
P.O. BOX 30124 NAIROBI.

RE [illegible]

I wish to [illegible] my [illegible]
[illegible] in your [illegible]
school,

I am a [illegible] Parent and my [illegible]
former scholarship beneficiary from [illegible]
regime and Cheated of Ksh 269 from Sweeping [illegible]
Shoes and Selling sweets in [illegible]
Confused my family the Paying [illegible]
Pathway Fund [illegible]

I am requesting for my School fees [illegible]
because I am not able to pay it. He was [illegible]
home for four months waiting to [illegible]
2nd Term and never returned to School and [illegible]
to do the 2nd term exams that forcing [illegible]
of the Unpaid fee balance accumulating [illegible]
problem may persist and he might [illegible]
close Position. [illegible]
this fee.

Thanks in [illegible]

Yours faithfully

KATUKU NAILAH

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KITANGA SECONDARY SCHOOL

P.O BOX 11-900100 MACHAKOS TEL: 0721318501 0704027568

SCHOOL FEES STRUCTURE 2021

TERM	FORM 2	FORM 3	FORM 4
1ST	13 500	15 500	17 500
2ND	12 500	15 000	15 000
3RD	12 500	13 500	13 500

2. All the school fees is payable at

Cooperative bank of Kenya

Account number 01129564015100.

Account Name: KITANGA SECONDARY SCHOOL.

4. Any bank slip as a proof thereof submitted at our office for [illegible] opening.

5. There is no Cash payment or M-pesa payments.

09/01/2019

C/O A.I.C PIPELINE (CHURCH)

TO: NAIROBI COUNTY

09 JAN 2019

THROUGH GOVERNOR'S OFFICE

HON.MIKE MBUVI SONKO

REF: A KIND REQUEST/RIMINDER FOR SCHOOL FEES (COLLINS KYUNGU)

I THEOPHILUS KYUNGU&WINFRES MULA. are the parents of the above named child (Collins Kyungu).Collins got a full sponsorship of Education with the help of **Mchungaji Bishop Mulwa of A.I.C Pipeline Church**. This was through Governor's Office of 2017. He missed form one class of 2016 due to lack School Fees until when luckily got the full Sponsorship (2017) **Madam Ruth the County Director of Education** tack him to **MUCHURI MUCHIRI HIGH** where he is Now in Form Three .Near Hereon the Wave of last year his fees was settled (2018) our fear is him being send home .The only thing which is keeping him there is a bursary fund of Kshs. 8000.which was given by **Hon.Mawathe MP for Embakasi South**.

Our request/prayers is to ask you, your EXCELLENCE the Honorable MIKE MBUVI SONKO through your high Office to kindly intervene and see how you can help in settling the school fees .

We apologize for any inconvenience that we may bring in our this request

Any gesture will be appreciated

Needy Parents: Theophilus Kyungu (0 [illegible]842382).....

: Winfred Mula (0727134045).....

RECEIVED
AUG 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION, YOUTH AFFAIRS, CULTURE
CULTURE & SOCIAL SERVICES

JANET MUNYI
MAKADARA CONSTITUENCY
NAIROBI COUNTY
TEL: 0715827007

TO: CECM
EDUCATION, YOUTH AFFAIRS, CULTURE, GENDER AND SOCIAL SERVICES
NAIROBI COUNTY

DEAR SIR/MADAM,

RE: REQUEST FOR BURSARY - CHRISTINE MUTUA - ST ANGELA SECONDARY SCHOOL

I wish to request for bursary of my daughter named above in form 3 at St angelas secondary school.

I am a single mother and my daughter is one of former Scholarship beneficiaries during Governor Evans Kidero regime and I cannot afford. I am surviving in a small business that is not enough for my living i.e. Feeding my child and rent Payment. Still a Resident of Nairobi County, I am humbly requesting for my daughter school fees assistance, she has been sent home from Boarding during the beginning of 2nd term never returned to school and missed to sit for CAT exams. I am fearing because of continuous form 1, 2 examination that the problem may persist and she might end up being disappointed hopeless and lose. This strain may lead to possible illness. Kindly assist and may the Almighty God bless you. Thanks in advance.

Yours faithfully
JANET MUNYI

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Hilton

ST.ANGELIC GIRLS' SECONDARY SCHOOL

P.O BOX 1343-60200 MERU.TEL:0722388727, 0733978803

SCHOOL FEES FOR FORM FOUR

NAME: KITUKU CHRISTINE MUTETE

TERM	AMOUNT(KSHS)
TERM ONE	15,600
TERM TWO	15,600
TERM THREE	14,000
TOTAL	44,600

N/B: Fee is payable: COOPERATIVE BANK

A/C ST.ANGELIC GIRLS SECONDARY SCHOOL

A/C .NO.011-20020-975-801 MERU BRANCH

NAIROBI CITY COUNTY
RECEIVED
22 AUG 2019
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS SPORTS
CHILDREN & SOCIAL SERVICES

SERAPHINE N WANALWA.
TEL: 0711846806.
DANDORA.
NAIROBI.

21st AUGUST, 2019.

THE OFFICE OF THE GOVERNOR,
TEL: 0722437989.
NAIROBI.

Dear Sir/Madam,

RE: APPLICATION FOR BURSARY FOR TRACY BIKA

I am writting to apply for the bursary for the above student She was one of the beneficiary of the bursary when she was in form one but now she is not able to complete her education due to lack of school fees.

I am her parent and I am [illegible] hence raising the school fees is [illegible] since I also have other five children. Your positive attitude will be highly appreciated and I thank you in advance.

Yours sincerely,

Seraphine .N Wanalwa

111

BUNYORE GIRLS' HIGH SCHOOL
FEES STRUCTURE FOR 2017

FEES STRUCTURE 2017

The maximum fees payable shall be as follows:

Term One	–	KES. 26,777.00
Term Two	–	KES. 16,066.20
Term Three	–	KES. 10,711.00
TOTAL	–	KES. 53,554.00

NB: The Government of Kenya under the Free Day Secondary Education pays KES. 12,870 per year for every student admitted to a public secondary school. Additionally, the Government shall pay national examination fees for every KCSE candidate.

NOTE:

1. Bankers Cheques, Co-operative Cheques and Money Orders (payable at Maseno Post Office) will be accepted. **Personal cheques** will **NOT** be accepted.

2. ALL FEES (CASH) **MUST BE** deposited into the School Bank Account NO: 0102055015700 (Standard Chartered Bank – Kisumu Branch).

   The Deposit Slip **MUST BE REMITTED** to the Accounts Office within the same month for posting and reconciliation. PAYMENT OF FEES IN CASH IS NOT ACCEPTABLE.

MRS. ROSE WASWA SHITSAMA
PRINCIPAL – BUNYORE GIRLS HIGH SCHOOL

112

CCCESA
The deal
CCCM
22/7/19

ESTATE IN KIRIANI
P.O BOX 2715-10100
NAIROBI
22/7/2019

THE CEC M
EDUCATION SPORTS, YOUTH
& SOCIAL SERVICES
NAIROBI, CITY COUNTY

Dear Sir,
RE: BURSARY REQUEST

I wish to thank the county Government of Nairobi, for bursary scholarship you gave to my son Nduugu Charles Kiranja of Nansenic School.

I have been having alot of financial constraints that I can almost unable to meet the financial obligation of my son. He is on and out of school due to school fees.

Kindly assist in paying his school fees for the year 2019 and I would be grateful.

113

yours faithfully

MASENO SCHOOL

P.O. Box 120 - 40105, MASENO - KENYA
Tel: 057-351005 (OFFICE) Fax: 057 - 351416
Mobile: 0738 - 934812 / 0713 - 715956
Email: info@masenoschool.sc.ke
maseno_school@yahoo.com
Website: www.masenoschool.sc.ke

OUR REF:

DATE:

YOUR REF: MOE APPROVED FEES STRUCTURE FOR THE YEAR 2019

NAME OF THE VOTEHEAD	1ST TERM FEES (KHS.)	2ND TERM FEES (KHS.)	3RD TERM VOTEHEADS (KHS.)	TOTAL FEES FOR THE YEAR (KHS.)
TUITION	0	0	0	
BOARDING (BDS)	16,143	6,715	6,720	
REPAIRS MAINTENANCE & IMPROVEMENT	1,156	717	726	
ELECTRICITY WATER & CONSERVANCY	3,157	1,890	1,890	
LOCAL TRAVEL & TRANSPORT.	811	486	324	
ADMINISTRATION COST	1,256	754	503	
PERSONAL EMOLUMENT	2,985	1,791	1,194	
ACTIVITY	399	239	420	
MEDICAL	254	152	302	
INSURANCE (MEDICAL & PROPERTY)	529	318	213	
TOTAL FEES PAYABLE PER STUDENT.	26,775.00	16,062.00	10,717.0	

NOTE

1) WE ARE KINDLY ADVISED TO PAY THE SCHOOL FEES THROUGH ...

a) EQUITY BANK ACCOUNT NUMBER 1260262295839 ANGAWA BRANCH KISUMU.

2) COOPERATIVE BANK ACCOUNT NUMBER 01129012485600 KISUMU BRANCH.

WE DO NOT ACCEPT CASH PAYMENT AT SCHOOL.

MR. BUOP A. O.
PRINCIPAL/SECRETARY BOM/PA



7/2/19

NAIROBI COUNTY GOVERNMENT,
DIRECTOR EDUCATION DEPARTMENT,
P.O. BOX
NAIROBI

REF: REAPPLICATION OF COUNTY BURSARY.

115

FRIENDS SCHOOL MBALE

FEES STRUCTURE FOR THE YEAR 2019 - PARENTS

VOTE HEAD	TERM 1	TERM 2	TERM 3	GRAND TOTAL
BOARDING EQUIPMENT & STORES	21,385	4,500	1,500	27,385
REPAIRS MAINT. & IMPROVEMENT	1,600	700	200	2,500
LOCAL TRANSPORT	500	150	0	650
ADMINISTRATION COST	1,500	200	150	1850
ELECTRICITY WATER & CONSERVANCY	4,000	600	300	4,900
MEDICAL	0	0	0	0
ACTIVITY FEES	150	0	0	150
PERSONAL EMOLUMENT	2,500	600	0	3,100
TOTAL	31,635	6,750	2,150	40,535

FEES TO BE PAID BY THE GOVERNMENT

VOTEHEAD	AMOUNT
TEACHING & LEARNING MATERIALS	4,792
REPAIRS, MAINT.& IMPROVEMENT	1,886
LOCAL TRAVEL & TRANSPORT	1,833
ADMINISTRATION COST	1,572
ELECTRICITY WATER & CONSERVANCY	3,151
ACTIVITY	1,256
PERSONAL EMOLUMENT	5,755
MEDICAL & INSURANCE	1,999
	22,244

N/B:

- All students taking Computer to pay Kshs.2,000/=
- Harambee Fees - Parents to pay Kshs.3,000/=
- School Magazine – Kshs.350/=

- All fees must be paid through the school account whose details are;-

A/C NAME	:	FRIENDS SCHOOL MBALE
A/C No.	:	1102352454
BANK	:	KENYA COMMERCIAL BANK
BRANCH	:	MBALE

Fees may also be paid by Post Office Money Orders in favour of Friends School Mbale payable at Maragoli Post Office or by Bankers Cheques.

Principal
MBALE HIGH SCHOOL

Mr.Okoth S. Kennedy
PRINCIPAL

NAIROBI CITY COUNTY
RECEIVED
2087

Christano. m. Ojuando.
P.O.Box 29705-252
NAIROBI.
0723533974
30-8-2019

TO CECM - Education
NAIROBI CITY [illegible]

Dear Sir,

Ref: School Fees problem.

I am known by the above name, a grandmother of one Regina Catherine Nkatha who is in her K.C.P.E in 2018 at Madaraka primary, Nairobi West & got 325 mks. She proceed from one in 2017 at Cavern-C high school. She lost her parents tragically when in class 7. Because of my situation of raising her siblings in addition to my own children, I am very [illegible] difficult even for just a meal a day. I [illegible] Nairobi.

Therefore madam Gathiniji of Madaraka recommended her to be given bursary from Nairobi City & we managed to get one cheque of Ksh 25,000, it will stopped when the new governor came to power since then I have been [illegible]

I therefore kindly request that you help us realise this orphan's dream.

Thank you very much Sir.

Yours faithfully
Rev. Christano. m. Ojuando.

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KAREN 'C' SECONDARY SCHOOL

Dear parent/guardian,

REF FEES BALANCE

Your Daughter [illegible] Form [illegible] ADM NO..... has

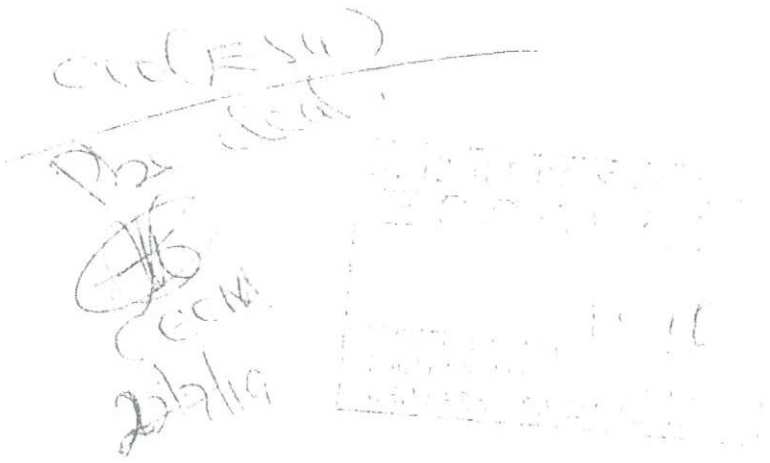
BAL outstanding 2019.....

2nd term 2019..... 10,000

3rd term 2019..... 5065

Total 15065

MRS MARY MAYWA
PRINCIPAL



MARTIN MUHUNGI NGUGI
P.O. BOX 57-00625
NAIROBI
0720482171

19TH JULY, 2019

CECM – EDUCATION, SPORTS, CULTURE, YOUTH. GENDER & SOCIAL SERVICES
NAIROBI CITY COUNTY

Dear Sir,

REF: BURSARY REQUEST

I wish to thank the County Government of Nairobi City for the scholarship you gave to my daughter **Nancy Njeri Muhungi of Gatanga Girls High School.**

She has been doing pretty well all the time the bursary was being given, but since it was discontinued, there has been a lot of disruptions in her studies.

I have been having a lot of financial constraints that I am almost unable to meet the financial obligation of my daughter. She is on and off in school due to school fees.

Kindly assist in paying her school fees for the year 2019 because she is in form four and will sit for her final exam.

I will be very grateful.

Yours faithfully

MARTIN M. Ngugu
PARENT

GATANGA GIRLS SECONDARY SCHOOL

FEES STRUCTURE 2019

VOTEHEADS	FORM TWO	FORM THREE	FORM FOUR
BOARDING	13,700.00	13,700.00	13,700.00
PERSONAL EMOLUMENTS	1,000.00	0	1,000.00
REPAIR MAINTENANCE FUND	1,200.00	1,200.00	1,200.00
ELECTRICITY WATER & CONSERVANCY	2,450.00	2,450.00	2,450.00
LOCAL TRANSPORT & TRAVELLING	350.00	350.00	350.00
ADMINISTRATION COSTS	930.00	930.00	930.00
ACTIVITY	50.00	50.00	50.00
UNIFORM	1,500.00	1,215.00	1,500.00
TOTAL	20,180.00	24,395.00	20,180.00

VOTEHEADS	FORM TWO	FORM THREE	FORM FOUR
BOARDING	8,215.00	8,215.00	8,215.00
PERSONAL EMOLUMENTS	600.00	600.00	600.00
REPAIR MAINTENANCE FUND	720.00	720.00	720.00
ELECTRICITY WATER & CONSERVANCY	1,450.00	1,450.00	1,450.00
LOCAL TRANSPORT & TRAVELLING	200.00	200.00	200.00
ADMINISTRATION COSTS	550.00	550.00	550.00
ACTIVITY	50.00	50.00	50.00
TOTAL	12,185.00	14,185.00	12,185.00

VOTEHEADS	FORM TWO	FORM THREE	FORM FOUR
BOARDING	5,470.00	5,470.00	5,470.00
PERSONAL EMOLUMENTS	600.00	600.00	600.00
REPAIR MAINTENANCE FUND	480.00	480.00	480.00
ELECTRICITY WATER & CONSERVANCY	1,000.00	1,000.00	1,000.00
LOCAL TRANSPORT & TRAVELLING	100.00	100.00	100.00
ADMINISTRATION COSTS	370.00	370.00	370.00
ACTIVITY	50.00	50.00	50.00
TOTAL	3,070.00	3,070.00	3,070.00
TOTAL FOR THE YEAR	10,435.00	11,845.00	10,435.00

Note you can pay fees by bankers cheque / Money order / or deposit to our bank A/C 0340190545045 or deposit to our Equity bank A/C 0113942935870

Yours faithfully

GATANGA GIRLS SEC SCHOOL
P.O. Box 76 - 01000
THIKA

Kuria A.W. (MRS).....

CHIEF PRINCIPAL

KIBAUNI SECONDARY SCHOOL

P.O BOX 476-90101 MASII, Telephone: +254716859176

E-Mail: kibaunisec@gmail.com

1728

27/6/2019

Dear Sir/Madam,

TO WHOM IT MAY CONCERN.

RE: CHRISTOPHER MUINDI ADM No.2368 FORM 1WEST

The above named person is a form one student at Kibauni Secondary school. He is average in academic ability. His father is a disabled person and mother has no source of income. His fee balance is Ksh 24,650 and therefore any assistance accorded to him is highly welcome.

Thank you.

Yours faithfully,

C.MATUKU

PRINCIPAL

KIBAUNI SECONDARY SCHOOL

P.O BOX 476-90101 [illegible] Tel: +25[illegible]

E-Mail: ki[illegible]@gmail.com

NAME CHRISTOPHER MWENDE ADM No. 2268 FORM IC

TRACK SUIT [illegible] FEES BALANCE -7525 = TOTAL BALANCE -7525 =

YEAR 2019: FEES STRUCTURE - BOARDING

VOTEHEAD	PARENTS TERM 1	PARENTS TERM 2	PARENTS TERM3	TOTAL PARENTS	GOK	GRANT TOTAL
BES	8,000.00	8,000.00	7,000.00	23,000.00	-	23,000.00
RMI	700.00	350.00	350.00	1,400.00	1,886.00	3,286.00
&T	325.00	162.50	162.50	650.00	1,833.00	2,483.00
[illegible]M COSTS	925.00	463.00	462.00	1,850.00	1,572.00	3,422.00
[illegible]C	1,700.00	850.00	850.00	3,400.00	3,151.00	6,551.00
ACT	75.00	38.00	37.00	150.00	1,256.00	1,406.00
PE	1,300.00	650.00	650.00	2,600.00	5,755.00	8,355.00
[illegible]ED & INSU	-				1,999.00	1,999.00
[illegible]UTION	-				4,792.00	4,792.00
PTA project (SCH. BUS)	1,000.00	1,000.00	1,000.00	3,000.00	-	3,000.00
BUS INSURANCE	1,000.00		-	1,000.00	-	1,000.00
WATER TANK	500.00		-	-	-	500.00
TOTAL	15,525.00	11,513.00	10,512.00	37,550.00	22,244.00	59,794.00

YEAR 2019: FEES STRUCTURE – DAYSCHOOL

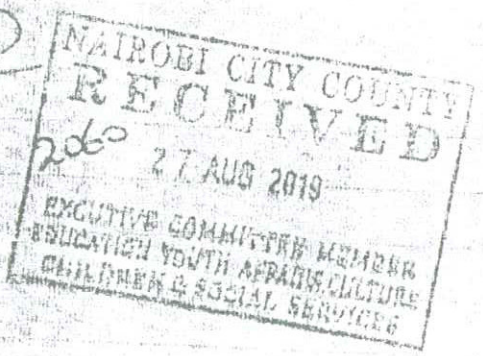
VOTE HEAD	PARENTS TERM 1	PARENTS TERM 2	PARENTS TERM 3	TOTAL PARENTS	GOK	GRANT TOTAL
LUNCH	3,500.00	3,500.00	3,500.00	10,500.00	-	10,500.00
E	-		-		1,886.00	1,886.00
[illegible]T	-		-		1,833.00	1,833.00
[illegible] COST	-		-		1,572.00	1,572.00
[illegible]C	-		-		3,151.00	3,151.00
CT	-		-		1,256.00	1,256.00
PE	-		-		5,755.00	5,755.00
MED & INSU	-		-		1,999.00	1,999.00
TUITION	-	-	-		4,792.00	4,792.00
PTA project (SCH. BUS.)	1,000.00	1,000.00	1,000.00	3,000.00	-	3,000.00
BUS INSURANCE	1,000.00	-	-	1,000.00	-	1,000.00
WATER TANK	500.00	-	-	-	-	500.00
TOTAL	6,000.00	4,500.00	4,500.00	15,000.00	22,244.00	37,244.00

Deposit fees to school account number 1106399048 at any KCB Branch.

C.MATUKU

PRINCIPAL

NAIROBI CITY COUNTY
RECEIVED
11 JUL 2019
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS,CULTURE
CHILDREN & SOCIAL SERVICES



FROM,
OMBEVA HERALD FEDHA,
THIM JUPE SECONDARY SCHOOL,
P.O BOX 210-40405,
SARE.

TO CECM,
EDUCATION, YOUTH, GENDER AND SOCIAL SERVICE, ADMIN BLOCK
NAIROBI.

Dear sir/madam,

RE: REQUEST FOR BURSARY THIM JUPE SECONDARY SCHOOL

Hello, I am Violet Abonyo Bedege a parent of Ombeva Herald Fedha. I am a parent to three children at Thim Jupe Secondary school. Ombeva Herald Fedha is currently in form one.

I hereby request for assistance for a bursary for my child Ombeva Herald Fedha due to the difficulties in raising his school fees. He has been frequently send home by the school due to lack of school fees. I had earlier on applied for a bursary for his school fees for the Form one and received. He received under the group of the Former Governors bursary. Your assistance will be of much help for my son which will facilitate smooth running of his studies.

I am looking forward for your positive reply as soon as possible.

Yours faithfully,

Violet Abonyo Bedege

26th August 2019

THIMJOPE MIXED SECONDARY SCHOOL

P.O. BOX 210-40405 SARE

FEES STUCTURE 2019

VOTE HEAD	TEREM ONE		TERM TWO		TERM THREE		TOTAL	
	BOARDING	DAY	BOARDING	DAY	BOARDING	DAY	BORDING	DA
B.E.S/LUNCH	14,000	6,500	10,500	6,500	9,000	6,500	33,500	19,5
R.M.I	1,400	1,086					1,400	1,08
L.T.T.	1,000	1000					1,000	1,00
ADM	2,500	1000					2,500	1,00
EW&C	1,500						1,500	
ACT	798	600					798	600
PEM	3,743	1,000					2,743	1,00
MEDICAL	500	500					500	500
B.O.M TEACHERS	1,000	1,000	1,000	1,000	1,000	1,000	3,000	3,00
TOTAL	25,441	12,686	11,500	7,500	10,000	7,500	46,941	27,1

N/B Ensure you pay fee through school bank account NO. 1106547179 at KCB – Migori Branch or any other KCB branch country wide. Payment by cash or M-pesa is NOT allowed.

Signed PRINCIPAL THIMJOPE SECONDARY SCHOOL P. O. Box 210-40405, SARE

GEORGE ATONYA

PRINCIPAL

Contact: 0726 685 625

CECM - Education, Sports, Culture
Gender & Social Services

Nairobi City County

NAIROBI CITY COUNTY
RECEIVED
1565
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICE

REF: REQUEST FOR EDUCATIONAL SCHOOL FEES SUPPORT

Receive I am writing from me. My name
Cosmas Mutie I come from Kilifa Constituency
Mwaro here I study at Hospital Hill High School and
I am in form three I was enrolled in the Nai-
City County scholarship in the year 2017 Jan
joining form one the Nairobi City County provi
fully I've my first years school fees but have
paid for my Seconds and thirds respectively
Last term I was sent back home because
the school fees balance and the School Principal
allow me back without full payment I come
a humble family we in my father is
casual labourer in Kilifa where we live in
the grandmother who lives endlessly have to fee
since my father is who we are four
at home we live from hand to mouth.
I kindly to my area like MCA Nairo
Hon Solomon Mogendi has assisted me with
2k/=
a letter to the Principal but he still refused
allow me to write a
I
this letter I hope and pray that by
her my



[illegible]
Box
NAIROBI
22nd Aug. 2019
TEL. 0722848390

NAIROBI CITY COUNTY
RECEIVED
- 2 AUG 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION, YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICES

To
The CECM Education, Youth Affairs, Culture
Gender and Social Services.

Dear Sir/Madam,

Re: REQUEST FOR HIGH SCHOOL FEES PAYMENT

I am writing this letter to request you to pay School f
for Maurice Otieno of admission no 7908 of Eastern Boys h
He sat for KCPE at Farasi lane Primary School - Lower
Nairobi and scored grades as indicated in the attached Cop
his KCPE Certificate.

Being a poor parent with [illegible] I have both and
other children whom I fully provide with basic needs,
in my secondary school and from Primary School,
I could not afford to raise [illegible] for Maurice
and indeed applied in a letter to the Nairobi
County govt which was then granted.

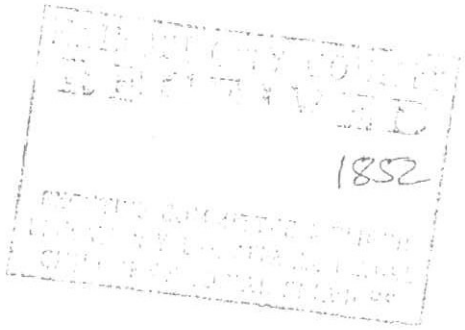
The first payment was made through a Cheque
he joined form I in the year 2017 and since then
Payment has been made for 2018 and 2019.

The School authority has sent him home several
times demanding for the balance not paid, a mat
-ter has seriously affected my efforts and ab
to perform as I used to.

Please find the attached copies for your favourable follo

Thank You
With Kind regards

129



Bruno Mutava.
P.O Box 2926
Kangemi, Nairo
15/7/2019.

The CECM.
Education, Sport, Culture, Youth Gender and Social Servi

Dear Sir/Madam,

REF: APPLICATION FOR BURSARY ASSISTANCE.

I write to kindly request for bursary assist I am one of the 2017 beneficiaries but t date I have not received the funds.

It has been a struggle since most of time I have been sent away from school and not able to sit from my exams (2018).

I will greatly appreciate it if you kir consider my request Thank you.

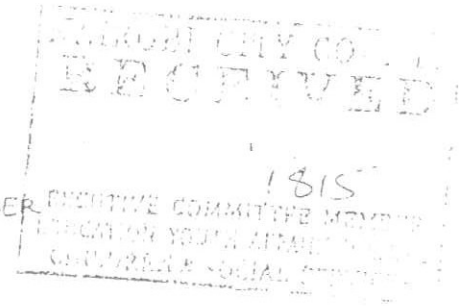
Yours faithfully,

Bruno Mutava, Kangemi High School.

CECM
Please clear
130 CECM

To

CECM - EDUCATION YOUTH
SOCIAL SERVICE AND GENDER
NAIROBI CITY COUNTY



REF : REQUEST FOR SCHOLARSHIP CONSIDERATION

for Guto Abraham Jillo a student at Punwani Seconday school. He is a student who was granted full scholarship by the government before the 2017 elections which caused a change in the government system hence hindering his earlier granted scholarship, I am a parent who posseses an unstable job and not capable to raise the required fee for my son. It is saddening to have my son sent away from school while others continue learning. Never have I stopped visiting this place in hopes of one day getting accepted and a scholarship is offered to my son I will be very grateful if my application is concidered favorably.

Thank you.

Attached are copies of my sons report form, 2017 and 2018 fee structure

Yours faithfully

Ibrahim Lolu Buru
0718072312
P.O Box 64506-00620

131

NAIROBI CITY COUNTY
RECEIVED
1595
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
WOMEN & SOCIAL SERVICES

CEEM

Manager
For the Governor
to Direct
Committee

182

SUSAN NDUNGA
P.O BOX 70143
MAKONGENI.
25TH OCT 2016

CEM
Education, Sport, Culture
Youth, Gender and Social
Services.
P.O BOX 30075

Dear Sir/Madam

REF: APPLICATION FOR ASSISTANCE
FOR BURSARY

I hereby write this letter requesting for an assistance for a bursary due to financial crisis I am Jobless Person who hardly afford amer meal.

The reason Iam requesting this bursary is because of my child who is undergoing studies at secondary level. I survive on daily work which hardly feeds my children because I strain alot I survive on the miracles of God. I will so glad if you help me this assistance towards my child's education. If you find it in you heart to give me this bursary I will greatful. Thank you.

Yours faithfully,
Susan Nduna

133

PHONE: 0722644342

CC(EM)

The CEC - Education
Nairobi City County
Nairobi

1/11/2019

2233

Dear Sir / Madam

Re: Request for Bursary - 2020
ASOWA Franklin Mugeshi - Form 4 2021

I am the Mother of the above Mentioned Student who is Currently Schooling at Nairobi Milimani Secondary School.

I am Single Mother and Jobless who depends Entirely on domestic work to Venes business wants to put food on the table.

My Son has accumulated a huge fee balance which May result to him being discontinued from School next year Dec. My Son is Supposed to go to form 4 but if I dont pay any fees there School May not be able to allow him continue with his education. The School has been very Patient with me on the understanding that I look for bursary and clear the fees

Once in a while I get bursary of KSh 5,000 from the MCA which is not Enough to Settle.

I have attached the documents to prove that I am a really need Parent. My Son is hard working and likes being in School.

I will be very grateful if I am Considered for bursary in 2020

134

Yours faithfully.

Josephine Atieno Asowa
0713 417324

BONFACE MUSYOKA MUKWATE,
JOANNA CHASE SECONDARY,
P.O BOX 21,
MTITO-ANDEI.
14/07/2019

NAIROBI CITY COUNTY
RECEIVED
1856
EXCUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS,CULTURE
CHILDREN & SOCIAL SERVICES

TO: THE CECM,
EDUCATION, SPORTS, YOUTH AND SOCIAL SERVICES,
NAIROBI CITY COUNTY.

Dear Sir/Madam,
RE: REQUEST FOR BURSARY SUPPORT

I am a form one student at Joanna Chase Sec. School. Am a total orphan and my two elder b are students and hence not able to pay for my Scl fees.

For the above reason, I humbly request for bursar so as to take my academics successfully. I promise excel academically if you consider my request.

I look forward for a positive consideration. Thanl In advance.

Yours faithfully

Bonface Musyoka.

CCO(ESG)
Please deal
CECM
16/7/19
136

2165

[illegible]
P.O Box 913-00175,
NAIROBI.

20th-4-2019

Phone no 0722455424

CECE - EDUCATION,
NAIROBI
Box 30075-00100,
NAIROBI.

cc (Esa)
The deal.
CEOM
24/9/19

Re: MADAM

Request assistance for Bursary fee for FRANCIS INDECHE

Am hambly request for assistance of school
s for my son Francis, who studies in machakos
c sec school. The reason I cannot help my
d is that I got hit by a car which was hit
d run and am not in a condition for being
ole to work so as to pay the school fees.

Indeed madam, with your kind hearted
rt, please help my son because non-can help
n. My husband passed away and no one I can
ok up to for help.

I hope you have had my humble request for
ding this letter may God bless you mercidully.

Yours faithfully

137

NAIROBI CITY COUNTY
RECEIVED
1855
EDUCATION YOUTH AFFAIRS SPORTS
CHILDREN & SOCIAL SERVICES

Nelius Mwangi Mwangi
P.O Box .
TEL 0707090943
c/o 0722497257

To the CECM
Education Sports youth and Social Sector
Nairobi City County.

Dear Sir/Madam

RE: APPLICATION FOR BURSARY

I Mother Of Edwin Mwangi Adm. r 21144 Kindly request for bursary for My ... who is studying at Aquinas boys High Sch I have been trying to pay his school f but I have reached to a point of bein unable to pay and intending to withd him from school. I am a Single Moth hawking and struggling to pay my house rent and food for the other in class 4.

I would really appreciate if you could dearly accept my request in or for my son to remain in Aquinas and continue studying.

Sincerely

Nelius Mwangi.

138

0713775045

LOISE N-YAGUTHII
P.O.BOX 423
TEL: 0713775045

CC (ESQ)

24/9/19

RECEIVED
24 SEP 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS CULTURE
CHILDREN & SOCIAL SERVICES

THE CECM
education sports, youth and social sector
nairobi city county

Sir/madam

RE: APPLICATION FOR BURSARY

I am a mother of Lavenda Nyakwara and I kindly request for aweary for my daughter who is studying at Embakasi Girls Secondary school. I have led to a point of being unable to pay the school fees. I am a single ier hawking and struggling to pay my rent and food for the other ing and this is making me not to cover all the expenses in the house.

I would really appreciate if you could clearly accept my request In order for my daughter to remain in Embakasi Girls and continue studying.

Thankyou in advance.

Yours Faithfully

LOISE N-YAGUTHII

NAIROBI CITY COUNTY
RECEIVED
21 SEP 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH SPORTS CULTURE
CHILDREN & SOCIAL SERVICES

FELISTA SAGARA
KITETA GIRLS SECONDARY.
P.O BOX 90
TAWA

25th SEPTEMBER 2019

TO CECM
EDUCATION, SPORTS, CULTURE
YOUTH GENDER AND SOCIAL
SERVICES

RE: ASSISTANCE REQUEST

Am the mother of Felista Sagara who is in form 2 at Kiteta Girls Secondary school. My humble request from your office to assist me with funds to pay school fees. Because am jobless and single mother. I have other two children in form one and another in form two.

Last year's fees is still pending, this year fees is not yet paid. I have a fees arrears amounting to Ksh 43,000 which is so huge for me to raise.

I humbly request for your good office to assist me in paying the fees. I want my daughter to pursue her education and achieve something in life. I hope your able office will consider my request.

Thanking you in advance.

Yours faithfully,

Ebby Makungu.
0727066350

149

NAIROBI CITY COUNTY
RECEIVED
2137 SEP 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION, YOUTH AFFAIRS
CULTURE AND SPORTS

ERICK MADEGWA.
P.O Box. 47990-00100.
NAIROBI.

16th September 2019.

To:
CECM - Education.
NAIROBI CITY ~~COUNCIL~~ COUNTY.

Dear Madam:

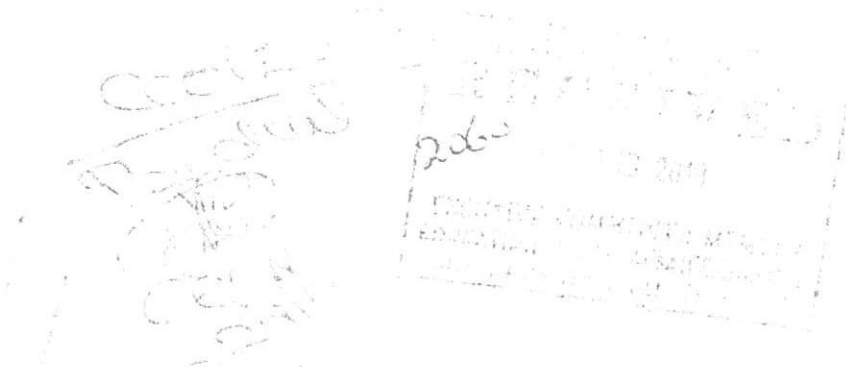
I am taking this opportunity to thank the Nairobi County Government for catering for my education since form One and paying the fees. School fees and for form two I wanted to say that my school fees has not been payed since the last county government had been replaced with a new one. I kindly ask to be re-registered to the new List of Students who are being helped educationally by the new government. I would also like to thank Teachers & Counselling Staffs for their efforts in my wellbeing in school because really am now back at home after the my single mother pays a little money but is still struggling

I pray to God that my ~~efforts~~ Grades would be accepted and I pray to God that my ~~efforts~~ Grades would be the best because I study hard in school and I promise to Continue a great grade in the KCSE Exams.

Yours Sincerely,

Erick Madegwa

141



NAIROBI CITY COUNTY
RECEIVED
06 AUG 2019
EXECUTIVE COMMITTEE MEMBER
EDUCATION, CULTURE, ARTS & CULTURE
CHILDREN & SOCIAL SERVICES

BROWN SASI KIVATI,
BALE HIGH SCHOOL,
P.O. Box 198,
MARAGOLI.
TEL: 072-1757787.

6TH AUGUST 2019.

NAIROBI COUNTY GOVERNMENT,
DIRECTOR EDUCATION DEPARTMENT,
P.O. BOX
NAIROBI.

REF: REAPPLICATION OF COUNTY BUSARY.

The above named student being Brown Sasi Kivati ... given a full scholarship year 2017. He managed to ... full payments of school fees that year. Since ... year 2018 and 2019 he has not received any ... from the county government of Nairobi. He has ... off and ... to school due to balance of school fees ... being the mother of Brown Sasi Kivati am a single ... winner of the family. I don't have a job besides ... have other children whom I cater for. i.e I have ... children, one ... Moi University and the ... is yet to join technical University of Nairobi, and the ... last still in primary school.

Therefore am requesting for your assistance to ... my son to finish his studies. So far for the year 2018 and 2019 I have managed to pay twenty five thousand only. Finally please assist.

143

Yours sincerely,
... Sasi ...

NAIROBI CITY COUNTY
RECEIVED
... PM
... COMMITTEE MEMBER
EDUCATION, YOUTH AFFAIRS, GENDER
CULTURE & SOCIAL SERVICES

JANET MUNINI
MAKADARA CONSTITUENCY
NAIROBI COUNTY
TEL: 0715827009

TO: CECM
EDUCATION, YOUTH CENTER, GENDER AND SOCIAL SERVICES
NAIROBI COUNTY

DEAR SIR/MADAM,

RE: REQUEST FOR NURSERY - CHRISTINE MUTETI 1ST ANGLE SECONDARY ~~SCHOOL~~ SCHOOL

I wish to request for bursary of my daughter named above in form 1 at St angelas secondary school. I am a single Mother and my daughter of former scholarship beneficiaries during Cooperative Bank Kicker's regime and worked with NHIF. I am surviving in a small eatery shop in our residence that only earns for My Living i.e. Feeding My Children and rent Payment still a Problem. AS a resident of Nairobi County, I am humble requesting for my school fees assistance, she was sent home for fees balance during the beginning of 2nd term. She was supposed to report and Pay her fees balance. I was fearing because of unpaid fees accumulation that the Problem may persist and might end up being disappointed, helpless and This Stress may lead to terrible illness. Kindly and may the Almighty God bless your Thanks in advance.

Yours faithfully.
JANET MUNINI

144

Hilton

NAIROBI CITY COUNTY
RECEIVED
3 AUG 2019 2041
EXECUTIVE COMMITTEE MEMBER
EDUCATION YOUTH AFFAIRS, CULTURE
CHILDREN & SOCIAL SERVICES

COCESU
President

KATUKU MALILA
EMBAKASI SOUTH CON
NAIROBI COUNTY
TEL: 0727-219400

TO CECM
EDUCATION, YOUTH CENTRE, GENDER & SOCIAL SE
NAIROBI County
DEAR SIR/MADAM

RE REQUEST FOR BURSARY - DENNIS MAL
[illegible] SECONDARY SCHO

I wish to request for bursary of My named above in form 3 at Kilungu secondary school,

I am a widow by Profession/my son is former school best performing student [illegible] regime and Graduated on 2017. I am surviving in small shops and Selling sweets in our estate so that can feed my family and Paying my rent Problems from relatives of Deceased husband,

I am requesting for My School fees waiver because am not able to Pay. He was sent home for fees balance during the beginning 2nd term and never returned to school and is to do the end term exams. I am facing bec of the Unpaid fee balance accumulating. The Problem may persist and the Night end of be disappointed by fees and May the Almight bless you.

Thanks in advance.

Yours faithfully

KATUKU MALILA

RECEIVED
22971 11 OCT 2019

Josephine Auma Asowa
Contact 0713417324

16/10/2019

THE CEC -
NAIROBI CITY COUNTY

ATTENTION MRS LUCIA MULWA

Dear Madam,

Re: Bursary assistance for
Franklin Mugeshi Asowa - Form 3 - Adm
5769 Nairobi Muslim Sec. School

I Josephine Auma Asowa kindly requ
for bursary assistance for the above mention
student.

I am a Single Mother, and Jobless. My
Son was a beneficiary of the Kidero
bursaries which were suspended. Since then
I have not been able to raise School fees for
My Son. I depend on well wishers and Mama
work in domestic work to put food on the table.
My Son has accumulated a huge fee bala
amounting to Kshs 81,355/=. I am worried
that if my Son [illegible] he might
not be cleared from the School due to
fees in Form 4.

My Son is hard working in School an
very disciplined. If he is denied a chance
to complete his education, might [illegible]
future entirely.

It is my humble plea that you Consider

146

him for bursary in 2020.

I enclose his ~~balance~~ fee balance, the 2019 fees structure and his report returns for your perusal and consideration. Your kind consideration will be highly appreciated.

Thank you,
Yours faithfully,

Jesephine Akinyi Aseyo
Teacher TSC 417521
ID No 5791902

NAIROBI CITY COUNCIL
RECEIVED
28 SEP 20[illegible]
2084
EXECUTIVE COMMITTEE - MEMBER
EDUCATION YOUTH, ARTS & SPORTS
EMPLOYMENT & SOCIAL SERVICES

To: CE Cttee
Education, Youth, Sports,
Social Services And Housing,
[illegible]
Nairobi

Dear Sir/Madam,

re: Application for a bursary for a [illegible]

I am [illegible] I am writing [illegible] that you [illegible]
[illegible] this letter to [illegible]
[illegible] what [illegible]
[illegible] scholarship scheme.

I am [illegible] I need [illegible]
[illegible] by the [illegible]
[illegible] I am [illegible]
[illegible] the Degree [illegible]
looking after [illegible]

[illegible] I am grateful [illegible]
[illegible]

Yours faithfully,

[illegible]

[illegible]

148

SPECIAL ISSUE

Kenya Gazette Supplement No. 33 *20th March, 2015*

(Legislative Supplement No. 18)

LEGAL NOTICE NO. 35

THE PUBLIC FINANCE MANAGEMENT ACT

(*No.* 18 *of* 2012)

ARRANGEMENT OF REGULATIONS

Regulation

PART I—PRELIMINARY

1—Citation

2—Interpretation.

3—Application of the Regulations.

4—Object and purpose of the Regulations.

5—Officers to be conversant with Regulations.

6—Openness and accountability.

7—County Executive Committee Member to publish process and procedures for public participation.

8—Monetary unit, accounting and reporting currency.

9—Financial management forms and manuals.

10—Accounting responsibility not demised by audit.

11—Responsibility for handover by financial officers.

12—Application of secure signatures.

13—Signing blank or blind accountability documents.

14—Restricted use of green ink.

15—Restricted use of brown ink.

16—Use of indelible ink.

PART II—CORPORATE MANAGEMENT

17—Corporate governance.

18—Establishment of Public Finance Management Standing Committees.

19—Roles and responsibilities of Standing Committees.

20—Governor's Warrants.

21—County Treasury Warrant.

22—Responsibilities of Accounting Officers.

23—Delegation by the Accounting Officer.

24—Designation of Authority to Incur Expenditure by the Accounting Officer.

PART III— COUNTY FISCAL STRATEGY

25—Fiscal responsibility principles.

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THE PUBLIC FINANCE MANAGEMENT ACT

(*No.* 18 *of* 2012)

IN EXERCISE of the powers conferred by section 205 of the Public Finance Management Act, 2012, the Cabinet Secretary for finance makes the following Regulations:—

THE PUBLIC FINANCE MANAGEMENT (COUNTY GOVERNMENTS) REGULATIONS, 2015

PART I—PRELIMINARY

Citation.

1. These Regulations may be cited as the Public Finance Management (County Governments) Regulations, 2015.

Interpretation.

2. In these Regulations, unless the context otherwise requires—

No. 18 of 2012.

"Act" means the Public Finance Management Act, 2012;

"Accountant-General" means the officer of the National Treasury designated as the Accountant-General;

"Accounting Standards Board" has the meaning assigned to it under section 2 of the Act;

"Accounting Unit" means organizational division in a government entity responsible for accounting and financial services;

"Appropriation-in-Aid" means any revenue which a county government entity receives and is approved by Parliament for application by that entity to finance its activities;

"Appropriation Act" has the meaning as assigned to it under section 2 of the Act;

"budget ceilings" means the maximum amount that the county government allocates in a given year to target sector or expenditure category;

"Budget Circular" means a written instruction issued by the Cabinet Secretary providing broad guidelines on the budget process of the national government or means a written instruction issued by the County Executive Committee Member for Finance providing broad guidelines on the budget process of the county government;

"benefit deduction" means a deduction on a payroll system against an official's salary for a debt arising from employment benefits;

"basic salary" means an officer's salary excluding allowances;

"Cabinet Secretary" means the Cabinet Secretary for the time being responsible for matters relating to the National Treasury;

"Cash flow" means a financial statement that shows planned inflow and outflow of resources over a period covering the financial year in line with the activity level;

"chief officer" has the same meaning assigned to it under section 2 of the Act;

"collector of revenue" has the meaning assigned to it under section 2 of the Act;

"collective agreement deduction" means a deduction on a government payroll system against an official's salary arising from a collective agreement between the government and a union and is registered in accordance with applicable law;

"Contingencies Fund" has the meaning assigned to it under section 2 of the Act;

"Corporate governance" is the process and structure used to direct and manage business affairs of the county government entities towards enhancing prosperity and good governance with the ultimate objective of realizing national long-term value while taking into account the interest of all stakeholders;

"County Allocation of Revenue Bill" means the Bill annually introduced into Parliament and enacted under Article 218(b) of the Constitution;

"county corporation" has the same meaning assigned to it under section 2 of the Act;

"County Emergencies Fund" has the same meaning assigned to it under section 2 of the Act;

"County Executive Committee" has the same meaning assigned to it in the County Government Act;

"County Executive Committee Member" has the same meaning assigned to it under section 2 of the Act;

"county government entity" has the same meaning assigned to it under section 2 of the Act;

"County Public Debt" has the same meaning as assigned to it under section 2 of the Act;

"County Revenue Fund Services" means a service the expense of which is charged directly against and payable from the County Revenue Fund under or by virtue of an Act of Parliament or any Act of County Assembly, other than an Appropriation Act;

"debt" means an amount of money owed and already payable by an official to any person and for the purposes of these Regulations, includes insurance premiums deducted in terms of policies with long and short-term insurers;

"deduction code" means a code issued by the Accountant-General to enable a person to deduct money from an individual paid via the government payroll system;

"discretionary deduction" means a deduction on the government payroll system against an official's salary, other than benefit, collective agreement, state or statutory deductions;

"disposal" in relation to a capital asset, includes—

(a) the demolition, dismantling or destruction of the capital asset; or

(b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership;

"Division of Revenue Bill" means the Bill annually introduced into Parliament and enacted under Article 218(a) of the Constitution;

"donation" has the meaning assigned to it under section 138 of the Act;

"economy" means minimising the cost of resources used or required to achieve priority objectives;

"effectiveness" means the extent to which a programme intervention has attained, or is expected to attain, its objectives efficiently in a sustainable manner;

"efficiency" means a measure of how economically resources or inputs (including fund, expertise and time) are converted to results;

"estimates of expenditure" means—

(a) estimates of expenditure based on programmes and sub-programmes prepared on a three-fiscal year rolling basis, specifying the resources to be allocated and the outcomes to be achieved and outputs to be delivered, the estimates for the first year of every such period of three fiscal years requiring appropriation by the County Assembly; or

(b) supplementary estimates of expenditure appropriated by the County Assembly;

"fair market value", in relation to a capital asset, means the value at which a knowledgeable willing buyer would buy and a knowledgeable willing seller would sell the capital asset in an arm's length transaction;

"financial statements" has the meaning assigned to it under section 2 of the Act;

"financial year" means the period of twelve months ending on the 30th June in each year;

"governing body" means a body of persons managing a public entity and includes a commission, a board of trustees, a board of directors and a management board;

"grant" has the meaning assigned to it under sections 47 and 138 of the Act;

"grant recipient" has the meaning assigned to it under sections 47 and 138 of the Act;

"intended beneficiaries" has the meaning assigned to it under section 47 and 138 of the Act;

"internal control" means a set of systems to ensure that financial and other records are accurate, reliable, complete and ensure adherence to the management policies of the Ministry, department or other agency of Government, for the orderly and efficient conduct of

the Ministry, department or agency, and the proper recording and safeguarding of its assets and resources;

"irregular expenditure" means expenditure, other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any relevant legislation, including—

(a) the Act;

(b) these Regulations;

(c) the Public Procurement Act, 2005, or any Regulations made in accordance with that Act; or

(d) any county legislation providing for procurement procedures in that county government; and

(e) any other Act of Parliament.

"medium term" has the meaning assigned to it under section 2 of the Act.

"national government entity" has the meaning assigned to it under section 2 of the Act;

"Principal Secretary" has the meaning assigned to under section 2 of the Act;

"public debt" has the meaning assigned to it under Article 214(2) of the Constitution;

"public money" has the meaning assigned to it under section 2 of the Act;

"public officer" has the meaning assigned to it in under Article 260 of the Constitution;

"programme" means a group of independent, but closely-related, activities designed to achieve a common outcome;

"receiver of revenue" has the meaning assigned to it under section 2 of the Act;

"regulatory agency" means a national government entity established by an Act of Parliament to ensure compliance with the provisions of the Act that established it;

"revenue" has the meaning assigned to it under the Commission on Revenue Allocation Act, 2011; No. 16 of 2011.

"revised estimates" refers to the supplementary budget estimates and approved budget reallocations prepared and submitted under section 43 of the Act;

"spending unit "refers to a government component for which appropriation is allocated within the budget and which is authorized to spend;

"sinking fund" means an account or pot of money or securities set aside to pay for a bond, repurchase or early redemption of Treasury Bonds;

"standing committee" means the Public Finance Management Standing Committee established under regulation 18 of these Regulations;

"statutory appropriation" means the authority to spend money allocated to the executive in accordance with the purposes specified in the Constitution or an Act of Parliament;

"statutory deduction" means a deduction on government payroll system against a public officer's salary, which is required or permitted by a law, court order or arbitration award;

"subscription statement" is a statement showing the investor's holdings as registered on the Central Depository Securities (CDS) Register at the Central Bank of Kenya;

"supplementary budget estimates" means additional request of funds by the county government to County Assembly;

"third party" has the meaning assigned to it under section 47 and 138 of the Act;

"unutilized balances" means any amounts withdrawn from the Consolidated Fund and Appropriation-in-Aid collections for purposes of provision of basic services under an Appropriations Act and not expended at the end of the financial year;

"unathourised expenditure" means—

(a) overspending of a vote or programme within a vote; or

(b) expenditure not in accordance with the purpose of a vote or, in the case of a programme, not in accordance with the purpose of the programme;

"value for money" means the economic, efficient and effective utilization of resources;

"vote" has the meaning assigned to it under section 2 of the Act;

"vote-on-account" means a special provision by which the county government obtains the authority of the County Assembly for a sum sufficient to incur expenditure on various items for a part of the year, pending the consideration and approval of budget estimates for that year; and

"wasteful expenditure" has the meaning assigned to under section 2 of the Act.

Application of the Regulations.

3. (1) These Regulations shall apply to—

(a) county governments;

(b) county government entities;

(c) County Public funds established under section 116 of the Act; and

(d) any other person performing any act or doing such thing that is provided for under the Act.

Object and Purpose of the Regulations

4. The object and purpose of these Regulations is—

(a) to provide means of administering of the powers vested in Cabinet Secretary under the Constitution, the Act and any other related legislation;

(b) to provide means of administering the powers vested in the County Executive Committee Member under the Act, and any other related legislation;

(c) to harmonize and standardize their application throughout the county governments with a view controlling and managing the finances;

(d) to set out a standardized financial management system for use in county government which is capable of producing accurate and reliable accounts free from errors, fraud and which will be useful in management decisions and statutory reporting;

(e) to provide for the conduct of fiscal relations between the national and county governments; and

(f) to ensure accountability, transparency and the effective, economic and efficient collection and utilization of public resources.

Officers to be conversant with Regulations.

5. The Accounting Officers shall ensure that all public officers under their control have access to copies of these Regulations and the public officers shall ensure they are fully conversant with the contents of the Regulations.

Openness and accountability.

6. (1) Subject to national security considerations, the public shall be provided with full access to financial information in a timely manner for purposes of seeking public input, by—

(a) establishing a focal point to facilitate access to financial information; or

(b) making information available in the media or ;

(c) presenting information in the national language in summarised and user-friendly forms; or

(d) making financial information available on websites that allow for information to be downloaded.

(2) The County Treasuries shall arrange for effective public participation during the development of their annual budget estimates including the publication of citizens' budgets which shall explain and summarize the budget proposals.

(3) The dates for the sectoral forums and the venues shall be publicly announced one week in advance, and an annual calendar of events released at the start of the financial year.

County Executive Committee Member to publish process and procedures for public participation.

7. (1) For purposes of public participation in the planning and budgeting process, there shall be participatory structures and processes that shall encompass a broad range of strategies including—

(a) open forums , written submissions, online platform and media;

(b) specification of venues of public participation; and

(c) dates of public participation.

(2) The County Executive Committee Member shall notify the general public through a notice in the gazette or at least two newspapers of county wide circulation on the venue or manner of submitting written submissions.

(3) The documents submitted to County Assembly and any other published documents shall be published and publicized within 7 days of presentation.

(4) The County Executive Committee Member shall give a responsibility statement confirming the extent to which general public was consulted particularly on the County Strategy Paper and Sector Working Groups.

Monetary unit, accounting and reporting currency.

8. (1) The Kenyan shilling shall be the unit of account for drawing up and implementing the county budgets, presenting and reporting accounts.

(2) Despite the provisions of paragraph (1), certain operations may be carried out in international currencies subject to conditions laid down in these Regulations or other financial instruments.

Financial management forms and manuals.

9. (1) County Treasury shall publish financial manuals and forms which may be used by county government entities to support implementation of these Regulations.

(2) The financial manuals and forms, issued in accordance with these Regulations shall facilitate adoption of international standards and emerging best practices.

(3) The publications under paragraph (1) shall be made with the approval of the County Executive Committee Member.

(4) The financial manuals shall contain relevant procedures for the budget preparation, budget execution, keeping of books of accounts, formats of financial statements and Government standard chart of accounts issued by the National Treasury.

Accounting Officer's responsibility not diminished by audit

10. The responsibilities of internal and external auditors exercised in accordance with the Constitution, the Act and other legislation shall not diminish the Accounting Officers' responsibility to maintain financial discipline as required by the Act and these Regulations.

Responsibility for handover by financial officers.

11. The accountability of a public officer vacating an office shall not be completed until the financial and accounting records kept by him or her have been properly handed over in writing to an officer taking over his duties and attested by their supervisor:

Provided that this does not preclude the public officer from handing over any other documents required under any other law or government policy.

Application of secure signatures.

12. (1) Any county public officer signing any document or record pertaining to a financial transaction shall ensure that the signature is given in such a manner so as to preclude subsequent

alteration or addition to the information contained in such document or record.

(2) The signature of any county public officer shall not be binding on an Accounting Officer or a public officer performing a financial function unless a specimen of the signature is duly communicated in advance to the relevant county public officer or any other person performing a financial function.

(3) If a county public officer no longer occupies a public office, the Accounting Officer shall nullify that officer's specimen signature and communicate the same to all relevant county public officers or any other person performing a financial function within a reasonable time.

Signing blank or blind accountability documents.

13. (1) In no circumstances shall a county public officer sign a blank or incomplete cheque, record or other document, pertaining to a financial transaction.

(2) It is the duty of any county public officer signing any document or record pertaining to a financial transaction to read and satisfy himself or herself that it is proper to give his or her signature and his or her signature shall be evidence of acceptance of responsibility for the document, whether the public officer read it or not.

(3) The signing of a document contrary to paragraphs (1) and (2) shall constitute an offence under the Act.

Restricted use of green Ink.

14. No county public officer except the Governor shall use green ink or green pencil in recording or transacting any official financial transaction.

Restricted use of brown ink.

15. No county public officer other than the County Executive Committee Member, the Chief Officer, the County Head of Internal Audit Services or Head of Internal Audit, shall use brown ink or brown pencil in recording or transacting any official financial transaction.

Use of indelible ink.

16. (1) Financial records and documents shall be written in indelible ink.

(2) An entry in a financial record or document shall not be obliterated, erased or altered by being written over.

(3) Payment in connection with any document bearing an alteration, obliteration or erasure shall be refused by the relevant public officer or any other person unless countersigned, but this shall not apply to a cheque and official receipt.

(4) A person who contravenes paragraphs (1), (2) or (3) commits an offence under the Act.

PART II—CORPORATE MANAGEMENT

Corporate governance.

17. (1) Every county government entity to which the Act and these Regulations apply shall include in their annual financial report as provided in section 164 of the Act, a statement by each entity's Accounting Officer on compliance of the entity with these Regulations under this part.

(2) Where the entity is not fully compliant with these Regulations, the Accounting Officer of that entity shall identify the reasons for non-compliance and indicate the steps being taken to become compliant.

(3) The statements made in the report under this regulation shall be submitted to the County Executive Committee Member.

Establishment of Public Finance Management Standing Committees.

18. (1) There is established in every county government entity a public finance management standing committee to provide strategic guidance to the entity on public finance management matters.

(2) Each standing committee shall comprise of the following—

(a) the Accounting Officer as chairperson of the committee;

(b) an officer designated by the accounting officer as secretary of the committee and who shall be either the head of the finance or accounts units or head of both finance and accounts units of the entity; and

(c) heads of departments or administrative units dealing with public finance management matters.

(3) The Standing Committee shall meet as often as is necessary, but at least once every quarter so as to coordinate management of public finance for entities and shall be accountable to the County Executive Committee Member responsible for the entity or in case of County Assembly, to the Speaker ,

(4) The Standing Committee may establish sub-committees for the better carrying out of its roles and responsibilities under this regulation.

Roles and responsibilities of the standing committee.

19. (1) The Standing Committee shall generally be responsible for the following—

(a) ensuring that there is prioritization on resources allocated to a county government entity for the smooth implementation of the entities mission, strategy, goals, risk policy plans and objectives;

(b) regularly review, monitor budget implementation and advice on the entities accounts, major capital expenditures and review performance and strategies at least on a quarterly basis;

(c) identifying risks and implementation of appropriate measures to manage such risks or anticipated changes impacting on the entity;

(d) review on a regular basis the adequacy and integrity of the entity's internal control, acquisition and divestitures and management information systems including compliance with applicable laws, Regulations, Rules and guidelines;

(e) establish and implement a system that provides necessary information to the stakeholders including stakeholder

communication policy for the entity in line with Article 35 of the Constitution;

(f) monitor the effectiveness of the corporate governance practices under which the entity operates and propose revisions as may be required from time to time;

(g) monitoring timely resolution of audit issues; and

(h) any other matter referred to it from time to time by the responsible County Executive Committee Member or in the case of County Assembly , the Speaker.

(2) The Standing Committee shall submit a quarterly report of its work including any recommendations to the responsible County Executive Committee Member or in case of County Assembly, to the Speaker.

Governor's warrants

20. (1) Once the Annual County Appropriation Bill or County Supplementary Bill(s) have been assented to, the County Executive Committee Member shall obtain Governor's warrants authorizing issues from the County Revenue Fund in accordance with the respective County Appropriation legislation.

(2) The Governor's warrants in paragraph (1) shall then be transmitted to the Controller of Budget by the County Executive Committee Member to authorize withdrawals in accordance with Article 228 of the Constitution.

County Treasury warrant.

21. On receipt of the Governor's warrants, the County Executive Committee Member shall issue a County Treasury warrant granting authority to Accounting Officers to incur expenditure for the year in respect of their votes.

Responsibilities of Accounting Officers.

22. (1) Accounting Officers shall, in accordance with Article 226(2) of the Constitution and section 149 (1) of the Act, be accountable to the County Assembly—

(a) for ensuring the most effective means of achieving desired program outcomes are used;

(b) for maintaining effective systems of internal control and the measures taken to ensure that they are effective; and

(c) for measures taken to prepare the financial reports that reflect a true and fair financial position of the entity.

(2) In addition to the responsibilities of Accounting Officers provided in the Act, an Accounting Officer designated under the Act or any other Act, shall —

(a) comply with any tax, levy, duty, pension, commitments and audit commitments as may be provided for by legislation;

(b) if he or she reasonably believes that an unauthorized, or irregular expenditure has occurred, he or she shall immediately report, in writing, particulars of the expenditure to the relevant authority with a copy to the County Treasury; or

(c) before transferring any funds to an entity within or outside the county government, ensure that there is a written assurance from the entity that that entity implements effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems;

(d) enforce compliance with any prescribed conditions if the county government entity gives financial assistance to any other county government entity or person in accordance with the law;

(e) take into account all relevant financial considerations, including issues of propriety, regularity and value for money, when policy proposals affecting the Accounting Officer's responsibilities are considered, and when necessary, bring those considerations to the attention of the relevant authority;

(f) promptly consult and seek the prior views of the County Treasury on economic viability and financial implications on any new county government entity which a county department intends to establish or in the establishment of which it took the initiative;

(g) not commit county government entity to any liability for which money has not been appropriated provided that expenditure for projects or programs implemented beyond one financial year is provided for in the subsequent financial years; and

(h) comply, and ensure compliance by county government entities with the provisions of the Act and these Regulations

Delegation by the Accounting Officer.

23. (1) The Accounting Officer of a county government entity may delegate to a public officer, in writing, any of the Accounting Officer's powers or functions under the Act or these Regulations.

(2) In exercising powers and functions under a delegation, the public officer shall comply with any lawful directions of the Accounting Officer.

(3) The delegation in this regulation may include the authority to incur expenditure in accordance with any limits prescribed by the Accounting Officer.

(4) Delegation of power does not take away the responsibility of the accountability from the Accounting Officer.

Designation of Authority to Incur Expenditure by the Accounting Officer.

24. (1) An accounting officer may authorize a public officer under their county government entity to be an Authority to Incur Expenses (AIE) Holder.

OFFICE OF THE CONTROLLER OF BUDGET

Tel: 020 2211068, 0738466721, 0709910000
Email: cob@cob.go.ke/Info@cob.go.ke
Website: www.cob.go.ke

Bima House, 12th Floor
Harambee Avenue
P.o Box 35616-00100
Nairobi Kenya

Ref. COB/NBI/002/2/3(33)

26th November, 2020

Mr. Johnson Akongo Abwori
Ag. Chief Finance Officer & Economic Planning
Nairobi City County
NAIROBI

Dear Mr. Abwori,

RE: EXCHEQUER REQUISITION

The above captioned matter and your request for grant of credit Ref. No. **NRB/FIN/1137/2020** dated 12th November, 2020 refers.

In accordance with Articles 228(4) and 228(5) of the Constitution, we have reviewed the Exchequer Requisition and we respond as follows;

The Nairobi City County Government has been operating under a Vote on Account in accordance with Section 134 of the Public Finance Management Act, 2012. Subsequently, vide a letter REF NCCA/FB&AC/CORR/2020/044 dated 12th November, 2020 the office of CoB was notified of the approval and publication of the Nairobi City County Appropriation Bill, 2020 and submission of the Nairobi City County Appropriation Act, 2020

Section 134 of the Public Finance Management Act (PFMA) provides that a Vote on Account only applies where an Appropriation Act has not been assented to or is unlikely to be assented to by the beginning of the financial year. Clearly, the validity of a requisition anchored on the Vote on Account is pegged on the non-existence of an Appropriations Act. Therefore, with the enactment of the Appropriations Act, the Vote on Account immediately ceases to be available for utilization and cannot, therefore, be the basis upon which to make a requisition for the withdrawal of funds.

SPECIAL ISSUE

Kenya Gazette Supplement No. 11 (Nairobi City County Acts No. 4)

REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

NAIROBI CITY COUNTY ACTS, 2020

NAIROBI, 12th November, 2020

CONTENT

Act—

PAGE

The Nairobi City County Appropriation Act, 2020 1

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

SCHEDULE

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
R5311	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Public Service Board**		
	0701000: General Administration Planning and Support Services.....	91,503,677	
	Total.....	**91,503,677**	
R5312	**The amount required in the year ending 30th June, 2021 for the following programmes of the Office of Governor and Deputy Governor**		
	0718005310: General Administrative Services.....	2,740,820,073	
	0724005310: Security and Safety Management.....	853,196,296	
	0726005310: Disaster Management Coordination	59,160,863	
	0725005310: Management of Legal Affairs...	717,248,233	
	Total.....	**4,370,425,465**	
R5313	**The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications**		
	0207000: General Administration Planning and Support Services.....	105,745,897	
	0208000: Information And Communication Services.....	97,582,700	
	0210005310: ICT Infrastructure Development	10,895,200	
	Total.....	214,223,797	
R5314	**The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning** 0701005310: Public Financial Management..	1,127,230,930	
	0718005310: General Administrative Services.....	342,053,220	
	0719000 P3: Economic and Financial Policy Formulation and Management.....	114,763,900	
	Total.....	**1,584,048,050**	
R5318	The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services		

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
	0508005310: General Administration, Planning and Support Services	1,555,779,846	
	0509005310: Education services	83,856,300	
	0902005310: Social Services	286,430,057	
	Total	**1,926,066,203**	
R5319	**The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives**		
	0301000: General Administration Planning and Support Services	415,969,749	
	0310005310: Co-operative Development and Audit Services	15,993,200	
	0311005310: Tourism Promotion and Marketing	13,427,500	
	0312005310: Trade Development and Market Services	30,666,800	
	0313005310: Licensing and Fair Trade Practices	24,470,300	
	Total	**500,527,549**	
R5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services	282,409,522	
	0710000: Public Service Transformation	977,097,500	
	0723005310: Performance Management and Public Service Delivery	9,282,700	
	Total	1,268,789,722	
R5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services	229,298,081	
	0119005310: Urban Agriculture Promotion and Regulation	9,131,333	
	0116005310: Animal Health, Safety and Quality Assurance	9,753,200	
	0117005310: Afforestation	4,343,900	
	0118015310: Food Systems and Surveillance	7,339,740	
	Total	259,866,254	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
R5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation.....	1,409,977,879	
	Total.....	**1,409,977,879**	
R5326	**The amount required in the year ending 30th June, 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services.....	130,000,000	
	Total.....	**130,000,000**	
R5327	**The amount required in the year ending 30th June, 2021 for the following programme of Liqour Licencing Board**		
	0313015310: Liquor Licensing and Regulation.....		200,000,000
	Total.....		**200,000,000**
Vote	*Service or Purpose* *Recurrent Expenditure ...*	*Supply*	*A-in-A*
R5328	**The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services**		
	Inspectorate Services	1,633,552,202	
	Public Finance Management.....	629,183,600	
	Health	7,228,940,646	
	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure ...	940,987,135	
	Environment, Water and Natural Resources ...	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	14,907,081,689	
	RECURRENT TOTAL... KSh.....	26,662,510,285	200,000,000

SCHEDULE

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose* *Development Expenditure*	*Supply* *KSh.*	*Appropriation in Aid* *KSh.*
D5311	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Public Service Board**		
	0701000: General Administration Planning and Support Services.....	35,000,000	
	Total.....	**35,000,000**	
D5312	**The amount required in the year ending 30th June, 2021 for the following programmes of the Office of Governor and Deputy Governor**		
	0718005310: General Administrative Services.....	91,750,000	
	0724005310: Security and Safety Management.....	20,000,000	
	0726005310: Disaster Management Coordination	131,800,000	
	0725005310: Management of Legal Affairs.....	0	
	Total	**243,550,000**	
D5313	**The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications**		
	0207000 P1: General Administration Planning and Support Services.....	5,000,000	
	0208000 P2: Information And Communication Services.....	236,000,000	
	0210005310 ICT Infrastructure Development.....	38,000,000	
	Total.....	**279,000,000**	
D5314	**The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning**		
	0701005310: Public Financial Management.....	0	
	0718005310: General Administrative Services.....	0	
	0719000 P3: Economic and Financial Policy Formulation and Management...	0	
	Total.....	-	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose* *Development Expenditure*	*Supply* *KSh.*	*Appropriation in Aid* *KSh.*
D5318	**The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth Affairs, Sports, Culture and Social Services**		
	0508005310: General administration, planning and support services.....	0	
	0509005310: Education services.....	294,508,186	
	0902005310: Social Services.....	278,007,809	
	Total.....	**572,515,995**	
D5319	**The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives**		
	0301000: General Administration Planning and Support Services.....	0	
	0310005310: Co-operative Development and Audit Services.....	0	
	0311005310: Tourism Promotion and Marketing.....	0	
	0312005310: Trade Development and Market Services.....	375,000,000	
	0313005310: Licensing and Fair Trade Practices.....	17,000,000	
	Total.....	**392,000,000**	
D5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services.....	0	
	0710000: Public Service Transformation.....	11,400,000	
	0723005310: Performance Management and Public Service Delivery.....	25,000,000	
	Total.....	**36,400,000**	
D5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services.....	0	
	0119005310: Urban Agriculture Promotion and Regulation.....	45,000,000	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose* *Development Expenditure*	*Supply* *KSh.*	*Appropriation in Aid* *KSh.*
	0116005310: Animal Health, Safety and Quality Assurance.....	63,000,000	
	0117005310: Afforestation.....	3,000,000	
	0118015310: Food Systems and Surveillance.....	0	
	Total.....	**111,000,000**	
D5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation.....	600,000,000	
	Total.....	**600,000,000**	
D5326	**The amount required in the year ending 30th June, 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services.....	0	
	Total.....	-	
D5327	**The amount required in the year ending 30th June, 2021 for the following programme of Liqour Licensing Board**		
	0313015310: Liquor Licensing and Regulation.....		50,000,000
	Total.....		**50,000,000**
Vote	*Service or Purpose* *Development Expenditure*	*Supply*	*A-in-Aid*
D5328	**The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services**		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services....	2,315,000,000	
	TOTAL	9,023,000,000	
	DEVELOPMENT TOTAL.....	10,792,465,995	50,000,000
	GRAND TOTAL.....	37,454,976,280	250,000,000

THE NAIROBI CITY COUNTY APPROPRIATION ACT, 2020

No. 4 of 2020

Date of Assent: 11th November, 2020

Date of Commencement: 12th November, 2020

AN ACT of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes

ENACTED by the Nairobi City County Assembly, as follows—

Short title

1. This Act may be cited as the Nairobi City County Appropriation Act, 2020.

Issue of KSh. 37,454,976,280 out of the County Revenue Fund for public services and purposes of the year ending 30th June, 2021 and appropriation of the money granted

2. (1) The County Treasury may issue out of the County Revenue Fund and apply towards the supply granted for the service of the year ending on the 30th June, 2021, the sum of **Kenya Shillings 37,454,976,280 (Thirty-Seven Billion, Four Hundred Fifty-Four Million, Nine Hundred Seventy-Six Thousand, Two Hundred and Eighty) only** and that sum shall be deemed to have been appropriated as from 1st July, 2020, for the services and purposes specified in the Schedule annexed hereto.

(2) The sum granted out of the County Revenue Fund by subsection (1) as authorized by the Nairobi City County Assembly on the 30th June, 2020, in accordance with Article 224 of the Constitution.

3. In addition to the sum granted by section 2, there may be applied, for the services and purposes specified in the Schedule, the sums specified out of any money directed to be applied as Appropriations in Aid under Article 206(1)(b) of the Constitution.

NAIROBI CITY COUNTY ASSEMBLY

№ 000224

Telegraphic Address
Tel: +254 20 221 6151/0700330846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.O. Box 45844–00100
Nairobi, Kenya

OFFICE OF THE SPEAKER

NCCA/FB&AC/CORR/2020/044

12th November, 2020

The Cabinet Secretary
National Treasury
Nairobi

Controller of Budget
Bima House
Nairobi

12 NOV 2020
TIME: 2:30
P. O. Box 35619 - 00100, NAIROBI

RE: NAIROBI CITY COUNTY APPROPRIATION ACT, 2020

Following the approval of Nairobi City County Appropriation Bill, 2020 on 8th October 2020 and the subsequent determination of his Excellency the Governor's Memorandum on the bill on 3rd November 2020 by the County Assembly, the Nairobi City County Appropriation Act, 2020 has today 12th November 2020 been published.

This is therefore to forward the said Nairobi City County Appropriation Act, 2020 for your noting and action.

HON. BENSON MUTURA
SPEAKER, NAIROBI CITY COUNTY ASSEMBLY

Copy to:
The Director General
Nairobi Metropolitan Services
Nairobi

County Executive Committee Member
Finance & Economic Planning
Nairobi City County
Nairobi

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NAIROBI CITY COUNTY ASSEMBLY

№ 000224

Telegraphic Address
Tel: +254 20 221 6151/0700330846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.0. Box 45844–00100
Nairobi, Kenya

OFFICE OF THE SPEAKER

NCCA/FB&AC/CORR/2020/044

12th November, 2020

THE NATIONAL TREASURY
RECEIVED
12 NOV 2020
P. O. BOX 30007-00100 NAIROBI
MAIN REGISTRY

The Cabinet Secretary
National Treasury
Nairobi

Controller of Budget
Bima House
Nairobi

RE: NAIROBI CITY COUNTY APPROPRIATION ACT, 2020

Following the approval of Nairobi City County Appropriation Bill, 2020 on 8th October 2020 and the subsequent determination of his Excellency the Governor's Memorandum on the bill on 3rd November 2020 by the County Assembly, the Nairobi City County Appropriation Act, 2020 has today 12th November 2020 been published.

This is therefore to forward the said Nairobi City County Appropriation Act, 2020 for your noting and action.

HON. BENSON MUTURA
SPEAKER, NAIROBI CITY COUNTY ASSEMBLY

Copy to:
The Director General
Nairobi Metropolitan Services
Nairobi

County Executive Committee Member
Finance & Economic Planning
Nairobi City County
Nairobi

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NAIROBI CITY COUNTY ASSEMBLY

№ 000224

Telegraphic Address
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County Assembly
City Hall Buildings
P.O. Box 45844-00100
Nairobi, Kenya

OFFICE OF THE SPEAKER

NCCA/FB&AC/CORR/2020/044

12th November, 2020

The Cabinet Secretary
National Treasury
Nairobi

12 NOV 2020

Controller of Budget
Bima House
Nairobi

RE: NAIROBI CITY COUNTY APPROPRIATION ACT, 2020

Following the approval of Nairobi City County Appropriation Bill, 2020 on 8th October 2020 and the subsequent determination of his Excellency the Governor's Memorandum on the bill on 3rd November 2020 by the County Assembly, the Nairobi City County Appropriation Act, 2020 has today 12th November 2020 been published.

This is therefore to forward the said Nairobi City County Appropriation Act, 2020 for your noting and action.

HON. BENSON MUTURA
SPEAKER, NAIROBI CITY COUNTY ASSEMBLY

Copy to:
The Director General
Nairobi Metropolitan Services
Nairobi

County Executive Committee Member
Finance & Economic Planning
Nairobi City County
Nairobi

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NAIROBI CITY COUNTY ASSEMBLY

Nº 001952

Telegraphic Address
Tel: +254 20 221 6151/0700330846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.0. Box 45844–00100
Nairobi, Kenya

OFFICE OF THE CLERK

Our Ref: SCA/BILLS/2020/007

11th November, 2020

The Government Printer
P.O. Box 30128-00100
NAIROBI

RE: NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020

The above subject refers.

Please find enclosed herein the following Bill passed by the County Assembly of Nairobi City together with the **Certificate of Authority to publish the Bill by the County Assembly Speaker**:-

- **The Nairobi City County Appropriations Bill, 2020.**

I forward the same for publication.

Please accept the assurance of my highest consideration.

PAULINE AKUKU
Ag. CLERK, NAIROBI CITY COUNTY ASSEMBLY

Encls:-

1. *Forwarding letter to H.E. the Governor (8th October & 3rd November, 2020)*
2. *Vellum copy of the Bill as passed by the Assembly*
3. *Votes and proceedings (8th October & 3rd November, 2020)*
4. *Hansard Reports (8th October & 3rd November, 2020)*
5. *Order Papers (8th October & 3rd November, 2020)*

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IN THE MATTER OF ARTICLE 185 OF THE CONSTITUTION OF KENYA (2010)
(LEGISLATIVE AUTHORITY OF COUNTY ASSEMBLIES)
AND
IN THE MATTER OF SECTION 24 OF THE COUNTY GOVERNMENTS ACT NO.17 OF 2012 OF LAWS OF KENYA (ASSENTING TO A BILL)
AND
IN THE MATTER OF APPROVAL OF THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020
AND
IN THE MATTER OF ASSENT OF THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020

CERTIFICATE OF AUTHORITY TO PUBLISH THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020

WHEREAS, the County Assembly of Nairobi City passed the Nairobi City County Appropriations Bill, 2020 on **8th October, 2020**; and

FURTHER WHEREAS, the Speaker of the County Assembly submitted the vellum copy of the said Bill to H.E. the Governor, Nairobi City County for assent on **8th October, 2020** in accordance with section 24(1) of the County Governments Act, 2012;

FURTHER WHEREAS, H.E. the Governor returned the Bill to the County Assembly with a memorandum which was received on **15th October, 2020** in accordance with section 24 (2) (b) of the County Governments Act, 2012;

FURTHER WHEREAS, the County Assembly considered the memorandum on **3rd November, 2020** without taking into account the issues raised by the Governor with a vote supported by two thirds of Members of the County Assembly in accordance with Section 24 (5) of the County Governments Act, 2012 and referred a vellum copy of the Bill to the Governor a second time for assent on **4th November, 2020**;

FURTHER WHEREAS, at the expiry of seven days, the County Governor is yet to assent to the said Bill;

NOW THEREFORE, pursuant to and in accordance with section 24 (6) of the County Governments Act, 2012, I **Benson Mutura,** Speaker of the County Assembly of Nairobi City, grant authority for the publishing of the Nairobi City County Appropriations Bill, 2020 to be an Act of the County Assembly of Nairobi City.

DATED AT NAIROBI **THIS** 11TH **DAY OF** NOVEMBER **2020**

SPEAKER OF THE COUNTY ASSEMBLY

NAIROBI CITY COUNTY ASSEMBLY

№ 000158

Telegraphic Address
Tel: +254 20 221 6151/0700330846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.O. Box 45844–00100
Nairobi, Kenya

OFFICE OF THE SPEAKER

SCA/BILLS/2020/006

November 4th, 2020

H.E. Gideon Mike Mbuvi Sonko
Governor,
Nairobi City County,
City Hall Building.
NAIROBI.

04 NOV 2020
4.30 pm

Dear Sir,

RE: **THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020**

Reference is made to my Letter ref. SCA/BILLS/2020/005 dated 8th October, 2020 on the Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020) and your letter ref. NCC/GOV/VOL.1/OCT.20/004 dated 15th October, 2020. The Assembly at its Sitting held on 3rd November, 2020 considered your reservations on the Bill. Accordingly, and in accordance with the provisions of Article 185 of the Constitution of Kenya, 2010, Section 24 of the County Governments Act, 2012 and Standing Order 146 of the Nairobi City County Assembly Standing Orders, I do hereby resubmit for your Assent, **The Nairobi City County Appropriation Bill, 2020** as passed by the Nairobi City County Assembly on 8th October, 2020.

The Hon. Benson Mutura, MCA
Speaker of the Nairobi City County Assembly

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No. 2020

THE NAIROBI CITY COUNTY GOVERNMENT

HIS EXCELLENCY THE GOVERNOR

HON. GIDEON MIKE MBUVI SONKO

I assent

Governor

An Act of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes.

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APPROPRIATION ACT, 2020

An Act of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes

ENACTED by the Nairobi City County Assembly, as follows—

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2. (1) The County Treasury may issue out of the County Revenue Fund and apply towards the supply granted for the service of the year ending on the 30th June, 2021, the sum of Kenya Shillings 37,454,976,280 (thirty seven billion, four hundred fifty four million, nine hundred seventy six thousand, two hundred and eighty) and that sum shall be deemed to have been appropriated as from 1st July, 2020, for the services and purposes specified in the Schedule annexed hereto.

(2) The sum granted out of the County Revenue Fund by subsection (1) as authorized by the Nairobi City County Assembly on the 30th June 2020, in accordance with Article 224 of the Constitution.

3. In addition to the sum granted by section 2, there may be applied, for the services and purposes specified in the Schedule, the sums specified out of any money directed to be applied as Appropriations in Aid under Article 206(1)(b) of the Constitution.

SCHEDULE

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
R5311	The amount required in the year ending 30thJune, 2021 for the following programmes of the County Public Service Board.		
	0701000: General Administration Planning and Support Services	91,503,677	
	Total	91,503,677	
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	0718005310: General Administrative Services	2,740,820,073	
	0724005310: Security and Safety Management	853,196,296	
	0726005310: Disaster Management Coordination	59,160,863	
	0725005310: Management of Legal Affairs	717,248,233	
	Total	4,370,425,465	
R5313	The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications		
	0207000: General Administration Planning and Support Services	105,745,897	
	0208000: Information And Communication Services	97,582,700	
	0210005310: ICT Infrastructure Development	10,895,200	
	Total	214,223,797	
R5314	The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning		
	0701005310: Public Financial Management	1,127,230,930	
	0718005310: General Administrative Services	342,053,220	
	0719000 P3: Economic and Financial Policy Formulation and Management	114,763,900	
	Total	1,584,048,050	
R5318	The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services		
	0508005310: General administration, planning and support services	1,555,779,846	
	0509005310: Education services	83,856,300	
	0902005310: Social Services	286,430,057	
	Total	1,926,066,203	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
R5319	**The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives**		
	0301000: General Administration Planning and Support Services	415,969,749	
	0310005310: Co-operative Development and Audit Services	15,993,200	
	0311005310: Tourism Promotion and Marketing	13,427,500	
	0312005310: Trade development and Market Services	30,666,800	
	0313005310: Licensing and Fair Trade Practices	24,470,300	
	Total	**500,527,549**	
R5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services	282,409,522	
	0710000: Public Service Transformation	977,097,500	
	0723005310: Performance Management and Public Service Delivery	9,282,700	
	Total	**1,268,789,722**	
R5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services	229,298,081	
	0119005310: Urban Agriculture Promotion & Regulation	9,131,333	
	0116005310: Animal Health, Safety and Quality Assurance	9,753,200	
	0117005310: Aforestation	4,343,900	
	0118015310: Food Systems and Surveillance	7,339,740	
	Total	**259,866,254**	
R5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation	1,409,977,879	
	Total	**1,409,977,879**	
R5326	**The amount required in the year ending 30th June 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services	130,000,000	
	Total	**130,000,000**	
R5327	The amount required in the year ending 30th June 2021 for the following programme of Liqour Licencing Board		

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
	0313015310: Liquor Licensing & Regulation		200,000,000
	Total		200,000,000
Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
R5328	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Inspectorate Services	1,633,552,202	
	Public Finance Management	629,183,600	
	Health	7,228,940,646	
	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	14,907,081,689	
	RECURRENT TOTAL.... KShs.	26,662,510,285	200,000,000

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
D5311	The amount required in the year ending 30thJune, 2021 for the following programmes of the County Public Service Board.		
	0701000: General Administration Planning and Support Services	35,000,000	
	Total	35,000,000	
D5312	The amount required in the year ending 30th June, 2021 for the following programmes of the Office Of Governor and Deputy Governor		
	0718005310: General Administrative Services	91,750,000	
	0724005310: Security and Safety Management	20,000,000	
	0726005310: Disaster Management Coordination	131,800,000	
	0725005310: Management of Legal Affairs	0	
	Total	243,550,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
D5313	The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications		
	0207000 P1: General Administration Planning and Support Services	5,000,000	
	0208000 P2: Information And Communication Services	236,000,000	
	0210005310 ICT Infrastructure Development	38,000,000	
	Total	279,000,000	
D5314	The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning		
	0701005310: Public Financial Management	0	
	0718005310: General Administrative Services	0	
	0719000 P3: Economic and Financial Policy Formulation and Management	0	
	Total	-	
D5318	The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services		
	0508005310: General administration, planning and support services	0	
	0509005310: Education services	294,508,186	
	0902005310: Social Services	278,007,809	
	Total	572,515,995	
D5319	The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives		
	0301000: General Administration Planning and Support Services	0	
	0310005310: Co-operative Development and Audit Services	0	
	0311005310: Tourism Promotion and Marketing	0	
	0312005310: Trade development and Market Services	375,000,000	
	0313005310: Licensing and Fair Trade Practices	17,000,000	
	Total	392,000,000	
D5320	The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management		
	0701000: General Administration Planning and Support Services	0	
	0710000: Public Service Transformation	11,400,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
	0723005310: Performance Management and Public Service Delivery	25,000,000	
	Total	36,400,000	
D5321	The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry		
	0106000: General Administration Planning and Support Services	0	
	0119005310: Urban Agriculture Promotion & Regulation	45,000,000	
	0116005310: Animal Health, Safety and Quality Assurance	63,000,000	
	0117005310: Aforestation	3,000,000	
	0118015310: Food Systems and Surveillance	0	
	Total	111,000,000	
D5322	The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly		
	07220001: Legislation, Oversight and Representation	600,000,000	
	Total	600,000,000	
D5326	The amount required in the year ending 30th June 2021 for the following programme of Emergency Fund		
	0718005310: General Administrative Services	0	
	Total	-	
D5327	The amount required in the year ending 30th June 2021 for the following programme of Liqour Licensing Board		
	0313015310: Liquor Licensing & Regulation		50,000,000
	Total		50,000,000
Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
D5328	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	9,023,000,000	
	DEVELOPMENT TOTAL.... KShs.	10,792,465,995	50,000,000
	GRAND TOTAL	37,454,976,280	250,000,000

REPUBLIC OF KENYA

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – (FOURTH SESSION)

ORDERS OF THE DAY

THURSDAY, OCTOBER 8, 2020 AT 2.30 P.M.

ORDER OF BUSINESS

PRAYERS

1. Administration of Oath
2. Communication from the Chair
3. Messages
4. Petitions
5. Papers
6. Notices of Motion
7. Statement
8. *BILL – THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)*

Subject: Second Reading

The Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

(Second Reading)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

9. *COMMITTEE OF THE WHOLE ASSEMBLY

Subject: Consideration of the Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

The Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

(Committee of the Whole Assembly)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

NOTICES

I. THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)

NOTICE is given that the Hon. Robert Mbatia, the Chairperson of the County Assembly Select Committee on Finance, Budget and Appropriations, intends to move the following amendments to the Nairobi City County Appropriation Bill, 2020, (Assembly Bill No. 6 of 2020) at the COMMITTEE STAGE-

1) The First Schedule of the Bill be amended as follows -
   a) In Vote No. R5312 under the Service on Security and Safety Management by deleting the supply of 2,024,373,136 and substituting thereof with the supply of 853,196,296.
   b) In Vote No. R5312 under the Service on Management of Legal Affairs by deleting the supply of 515,422,578 and substituting thereof with the supply of 717,248,233.
   c) In Vote No. R5312 under the Service on Disaster Management Coordination by deleting the supply of 259,160,863 and substituting thereof with the supply of 59,160,863.
   d) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 2,127,230,930 and substituting thereof with the supply of 1,127,230,930
   e) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 971,236,820 and substituting thereof with the supply of 342,053,220
   f) In Vote R5318 under Service on General Administrative Services by deleting the supply of 1,255,779,864 and substituting thereof with the supply of 1,605,779,846
   g) In Vote R5318 by deleting the Total Supply of 1,626,066,203 and substituting thereof with the supply of 1,926,066,203.
   h) In Vote R5321 by deleting the Service on Urban Agriculture Promotion and Regulation of 79,131,133 and replacing thereof with the supply of 9,131,133
   i) In Vote R5321 by deleting the Service on Afforestation of 54,343,900 and replacing thereof with the supply of 4,343,900
   j) By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes R5315, R5316, R5317, R5323, R5324 and R5325.

k) By inserting thereof, a new Vote immediately after Vote R5327 as follows

Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Inspectorate Services	1,633,552,202	
	Public Finance Management	629,183,600	
	Health	7,228,940,646	
	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	14,907,081,689	

.../Notices

2) The Second Schedule of the Bill be amended as follows -

i. In Vote No. D5318 by deleting the Total Supply of 572,515,995 and substituting thereof with the supply of 72,515,995

ii. By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes D5315, D5316, D5317, D5323, D5324 and D5325.

iii. By inserting thereof, a new Vote immediately after Vote D5327 as follows: -

Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	9,023,000,000	

II. The Assembly resolved on Wednesday, 19th February, 2020 as follows: -

a) THAT, notwithstanding the provisions of Standing Order 103(4), this Assembly orders that, each speech in a debate on **Bills** sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Sectoral Committee, in that Order.

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* Denotes Orders of the Day *

NOTICE PAPER I

Tentative business for
Tuesday, 13th October, 2020 at 9.30 a.m.

(Published pursuant to Standing Order 39(1))

IT IS NOTIFIED that the Select Committee on Assembly Business, at its last meeting, approved the following *tentative* business to appear in the Order Paper for Tuesday 13th October, 2020 at 9.30 a.m.: -

A MOTION – HON. JAYENDRA MALDE MCA

Subject: Perennial Land Grabbing in the County

THAT, aware that the County has always been experiencing increased cases of land grabbing over the past years, noting the many allegations of Officers at the Planning and Housing Department who work in cahoots with these people in order to acquire land fraudulently or get favoritism to blatantly contravene standard building plans and/ or regulations; **Cognizant** of the fact that corruption continues to mar the transfer process of lands and properties in the County without the knowledge of the residents living on such lands; **further noting** the relevant department of the County Government has continued to remain adamant or complacent to rectify the many anomalies dating back to 2017, giving example of Highridge Clinic that is under construction by a private developer, North Highridge School situated in 6th Parkland Avenue that is allegedly grabbed and Parkland/Highridge Ward whose approval for Ten storey was extended to more than twelve storey building; **deeply concerned** that many residents of Nairobi have abruptly been displaced from their lands and /or properties as a result of politicians and business elites allegedly giving bribes and engaging in corruption activities; **fully aware** of the laid down building guidelines and the implication of Chapter Six of the Constitution of Kenya, 2010 on Leadership and Integrity and the President's pronouncement in the fight against graft by Public Officers, this Assembly urges the County Executive in liaison with the Nairobi Metropolitan Services to urgently investigate the processes followed in the issuance of building approvals and fraudulent acquisition of lands in the County since 2017 that led to the many contraventions of requisite building and land transfer regulations and issues on residents consultation before transfer of such lands and property.

COUNTY GOVERNMENT OF NAIROBI CITY

SECOND ASSEMBLY – (FOURTH SESSION)

NAIROBI CITY COUNTY ASSEMBLY

VOTES AND PROCEEDINGS

THURSDAY, OCTOBER 8, 2020 AT 2.30 P.M.

1. The Assembly assembled at thirty minutes past Two O'clock.

2. The Proceedings were opened with Prayer

3. PAPERS LAID: -

The following paper was laid on the Table of the Assembly;

a) **THE REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE, BUDGET AND APPROPRIATIONS ON CONSIDERATION OF THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020**

(Chairperson, Select Committee on County Finance, Budget and Appropriations)

4. STATEMENTS PURSUANT TO STANDING ORDER 45(2)(C)

The following Statement was requested:

a) The Hon. Peter Imwatok, MCA requested for a Statement from the Chairperson of the Sectoral Committee on Justice and Legal Affairs regarding the contract between the County Government and the Hatari Security Services Company.

5. THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

(Second Reading)

Order for the Second Reading read;

Motion made and Question proposed –

THAT, the Nairobi City County Appropriation Bill, 2020(Assembly Bill no. 6 of 2020) be now read a Second Time.

(Chairperson Select Committee on County Finance, Budget and Appropriations Committee)

Debate arising;

Mover replied;

Question put and agreed to;

Bill read a Second Time and committed to the Committee of the Whole Assembly **today.**

6. **COMMITTEE OF THE WHOLE ASSEMBLY**

Order for Committee of the Whole Assembly read;

IN THE COMMITTEE

(Hon. John Kamangu, MCA - in the chair)

The Nairobi City County Appropriations Bill, 2020 (Assembly Bill no. 6 of 2020)

Clause 2 be part of the Bill –

Question that Clause 2 be part of the Bill proposed, put and agreed to;

Clause

Question that Clause 3 be part of the Bill proposed, put and agreed to;

First Schedule amendments proposed –

THAT, First Schedule be amended as follows -

a) In Vote No. R5312 under the Service on Security and Safety Management by deleting the supply of 2,024,373,136 and substituting thereof with the supply of 853,196,296.

b) In Vote No. R5312 under the Service on Management of Legal Affairs by deleting the supply of 515,422,578 and substituting thereof with the supply of 717,248,233.

c) In Vote No. R5312 under the Service on Disaster Management Coordination by deleting the supply of 259,160,863 and substituting thereof with the supply of 59,160,863.

d) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 2,127,230,930 and substituting thereof with the supply of 1,127,230,930

e) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 971,236,820 and substituting thereof with the supply of 342,053,220

f) In Vote R5318 under Service on General Administrative Services by deleting the supply of 1,255,779,864 and substituting thereof with the supply of 1,605,779,846

g) In Vote R5318 by deleting the Total Supply of 1,626,066,203 and substituting thereof with the supply of 1,926,066,203.

h) In Vote R5321 by deleting the Service on Urban Agriculture Promotion and Regulation of 79,131,133 and replacing thereof with the supply of 9,131,133

i) In Vote R5321 by deleting the Service on Afforestation of 54,343,900 and replacing thereof with the supply of 4,343,900

j) By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes R5315, R5316, R5317, R5323, R5324 and R5325.

k) By inserting thereof, a new Vote immediately after Vote R5327 as follows

Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
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	Public Finance Management	629,183,600	
	Health	7,228,940,646	

	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	**14,907,081,689**	

(Chairperson of the Select Committee on County Finance, Budget and Appropriations)

Question of the amendment proposed;

Question put and agreed to;

Question that First Schedule as amended be part of the Bill proposed, put and agreed to;

Second Schedule amendments proposed –

THAT, Second Schedule be amended as follows-

i. In Vote No. D5318 by deleting the Total Supply of 572,515,995 and substituting thereof with the supply of 72,515,995

ii. By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes D5315, D5316, D5317, D5323, D5324 and D5325.

iii. By inserting thereof, a new Vote immediately after Vote D5327 as follows: -

Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	**9,023,000,000**	

(Chairperson of the Select Committee on County Finance, Budget and Appropriations)

Question of the amendment proposed:

Question put and agreed to:

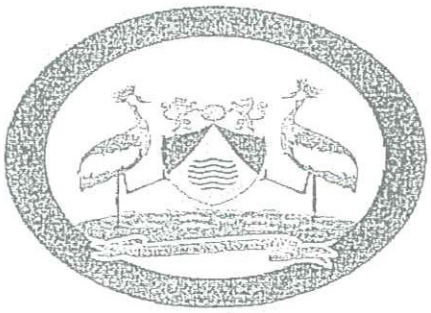
Question that Second Schedule as amended be part of the Bill proposed, put and agreed to:

Title be part of the Bill –

202

Question that the Title be part of the Bill proposed, put and agreed to:

NAIROBI CITY COUNTY



Paper Laid by
Dep. Speaker
Kamangu on
Thursday 1/3/18

Medium Term Debt Management Strategy

2018/2019

Enquiries covering this Debt Strategy Paper may be addressed to;

Veska Kangogo,
County Executive Member-Finance & Economic Planning,
P.O. Box 30075,
Nairobi.

Telephone: +254 2022221349
Website: www.nairobi.go.ke

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FOREWORD

The importance of counties to pay serious attention to management of debts is of great emphasis particularly in respect of the huge stock of debts inherited from the former councils. Nairobi City County inherited substantial debts from the former City Council of Nairobi that has continued to pose serious liquidity problems.

The constitution and the Public Finance Management Act, 2012 provides the requisite framework to ensure the country continue with prudent debt management. The PFMA has laid strict procedures, accountability and reporting requirements for counties.

The Medium Term Debt Management Strategy (MTDS) is one of the important deliverables of the County Treasury as provided for under the PFMA. It provides the guidance to the Counties on the amount, type of borrowing to undertake over the medium term. It evaluates the costs and risks of various scenarios and recommends an optimal strategy for implementation. The 2018 /2019, MTDS is in line with the broad strategic priorities and policy goals set out in the County Fiscal Strategy Paper 2018, which shall be tabled in the County Assembly on or before February 2017.

The intergovernmental Relations Technical Committee (IGRTC) took over the residual functions of the Transition Authority (now defunct) pursuant to Section 12 (b) of the Intergovernmental Relations Act, 2012. IGRTC vide a legal notice no. 858 published in the Kenya Gazette of 27th January, 2017 in consultation with the relevant stakeholders is to develop guidelines and liquidation options for settlement of the liabilities of the defunct local authorities. Due to the huge amount of debt inherited from the now defunct Council the County needs to exercise caution before considering borrowing to finance development expenditure.

The National Treasury has developed guidelines for country domestic and external borrowing to guide engagement between the GOK and development partners, counties and National Government to ensure proper coordination not only in the area of loans but also grants and on other forms of aid. The DMOs has undertaken to train Counties on preparation of debt strategies.

Veska Kangogo
CEC MEMBER FOR FINANCE

ACKNOWLEDGEMENT

This is the fifth MTDS to be tabled in the County Assembly since the onset of devolution under the PFM Act 2012.

The MTDS sets out the debt management strategy of the County over the medium term with respect to actual and potential debts liabilities for both loans and other payables.

As required by the PFMA the MTDS will be formally tabled to the County Assembly, submitted to the Intergovernmental Relations office and will be published and publicized.

To ensure circulation of the MTDS, it is available in the County website. www.nairobi.go.ke.

Let me take this opportunity to acknowledge the staff of the County Treasury who were involved in the preparation of the 2018/2019 MTDS. Specifically, I wish to thank Alice Mundia and Kefa Omanga.



Ekaya G. Alumasi
Chief Officer Finance and Economic planning

LEGAL BASIS FOR THE PUBLICATION OF THE MEDIUM TERM DEBT MANAGEMENT STRATEGY

The Medium Term Debt Management Strategy Paper is published in accordance with Section 123 of the Public Finance Management Act, 2012. The law states that:

- The County treasury shall submit to the county assembly on or before 28th February in each year ,a statement setting out the debt management strategy of the county government over the medium term with regard to its actual liability and potential liability in respect of loans and its plans for dealing with those loans.
- The information to be included in the MTDS includes:

  a) The total stock of debt as at the statement date
  b) Sources of the loans made to the county government
  c) Principal risks associated with those loans.
  d) The assumptions underlying the debt management strategy
  e) An analysis of the sustainability of the amount of debt, both actual and potential

- As soon as practicable after the debt management strategy has been submitted to the assembly the County Executive Member for Finance shall publish the statement and submit a copy to commission for revenue allocation and the Intergovernmental Budget and Economic Council.

List of Abbreviations

B.	Billion
CBA	Collective Bargaining Agreement
CBK	Central Bank of Kenya
CBR	Central Bank Rate
DMD	Debt Management Department
DMO	Debt Management Office
FY	Financial Year
GOK	Government of Kenya
MTDS	Medium Term Debt Strategy
MTEF	Medium Term Expenditure Framework
PFMA/PFM	Public Finance Management Act, 2012

EXECUTIVE SUMMARY

The accumulation of government expenditure arrears is one of the most common problems in public financial management (PFM). Government debts are financial obligations incurred by any level of the public sector for which remain unpaid when due. Payments may be overdue based on a particular legal obligation (such as payment of social security benefits, or salaries), a specific contractual commitment (such as payment for construction of a road), or a continuing service arrangement (such as payment for electricity supply).

Debt remains one of the major economic policy issues facing County Governments. Nairobi County Government (and its predecessor the defunct City Council) has been heavily in debt for more than a decade.

The County Government debt portfolio comprises of both short and long-term debts. These include historical on-lent water loans taken to finance water infrastructure in the 1970's and a guaranty (government guaranteed loans) taken in the 1980's to finance construction of Umoja II housing project, owing's to various contractors and suppliers of goods and services, utility companies, statutory bodies, loans to commercial banks and unpaid personnel emoluments.

Further, the County's debt portfolio worsened over the years due to a growing wage bill and high-compounded interest/ penalties charged by the statutory creditors. This has made servicing of the debts quite a challenge and the result is an ever-growing debt portfolio.

CHAPTER ONE

OVERVIEW AND STRATEGIES OF DEBT MANAGEMENT

1.1 Background information

The legal framework for Public Finance Management requires County Governments to disclose specific fiscal risks with potentially significant impact on the county economic environment, and to prudently manage such risks.

The County has continued to face the challenge of a growing wage bill and growth in its debt portfolio, which affects service delivery to the people of Nairobi hence the need for a robust debt management strategy in conformity with the PFMA.

1.2 Objective of Debt Management in Nairobi City County

The County government is required to maintain its debt and obligations at a sustainable level; borrowing level is set in the Medium Term Debt Strategy approved by the County Assembly. The strategy aims at ensuring public debt sustainability and minimizing the level of contingent liabilities. Our debt ratios compared with internationally recognized threshold continues to show that our debt level remains sustainable in the medium term so long as we implement strategies outlined in this strategy paper. However, robust strategies need to be adopted to mitigate against further growth of the debt.

The principal objective of the County Government debt management is to meet the County Governments financing requirements at the least cost possible with a prudent degree of risk. The secondary objective is to service and retire the existing debt portfolio in order to release resources to service delivery.

The 2018, MTDS will guide the County Government operations in 2018/2019. The strategy seeks to balance cost and risk of public debt while taking into account the financing needs of the county and to develop initiatives for new funding sources.

1.3 Recent Developments

1.3.1 Developments in the Domestic Debt Market

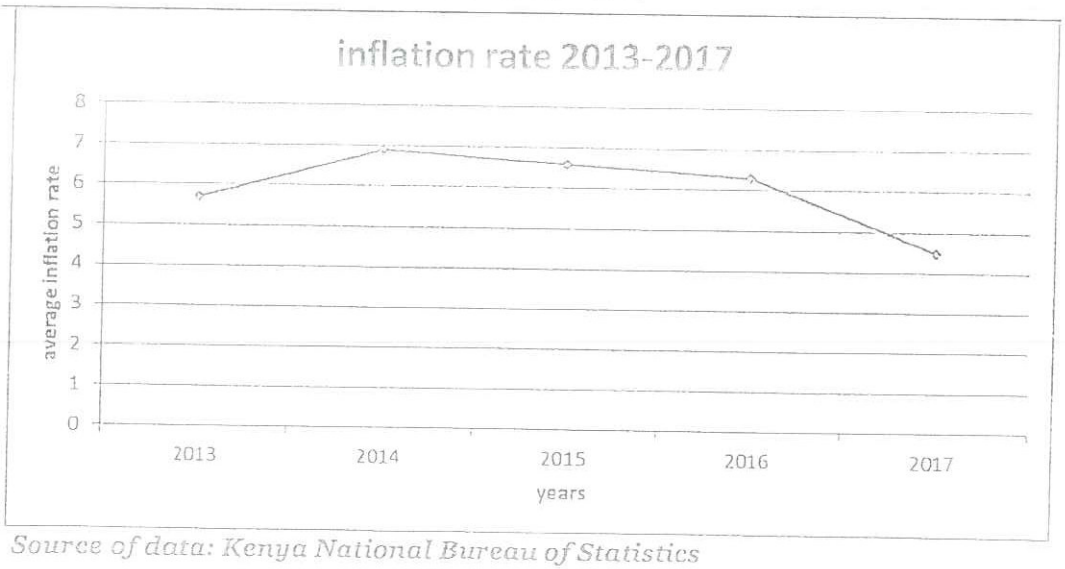
a) Interest rates

Interest rates remained stable and low in the period 2013-2017 except June to December 2015 when world currencies were under pressure. The Central Bank Rate (CBR) was revised downwards to 10.0 percent to cater for market expectation and the same rate has maintained up to now. The interest rate spread narrowed to 6.0 percent in September 2017 with commercial banks, average lending interest stabilizing at 13.7 percent over the same period.

b) Inflation

Key macroeconomic indicators remained fairly stable in 2017. Inflation rate has been low, stable and within government target range of 5+/-2.5 percent in the period of 2013 to 2017 as a result of prudent monetary and fiscal policies. Annual average inflation eased to 6.3 percent in 2016 compared to an average of 6.6 percent in 2015. This was mainly due to decline in prices of transportation, housing and utilities and communication (Economic survey, 2017). However, inflation increased to above target in the first half of 2017 due to drought that affected food prices. Inflationary pressures started to ease in the second half of 2017 as the weather situation improved and measures taken by the government to address the food shortages took effect. For instance; allowing duty free imports of major food items and introducing a temporary subsidy on maize flour prices. As a result, overall month on month inflation was 4.5 percent in December 2017.

Chart 2: Kenya's Inflation Rate 2013-2017



Source of data: Kenya National Bureau of Statistics

1.3.2 External Domestic Debt Market

The Kenya shilling Exchange Rate

The Kenya shilling exchange rate remained broadly stable against major international currencies. As at December 2017, the shilling exchange rate against the Dollar was at Kshs.103.1 from Kshs. 102.1 in December 2016. Against the Euro and the sterling Pound, the shilling weakened to Kshs. 122.0 and 138.2 in December 2017 from Kshs. 107.7 and Kshs. 127.7 in December 2016 respectively (Central Bank of Kenya).The Kenya Shilling exchange rate as compared to most sub-Saharan African currencies has continued to display relatively less volatility. This stability is attributed to resilient receipts from tea and horticulture despite lower export volumes due to adverse weather conditions in the first quarter of 2017. More so, receipts from tourism, coffee exports and Diaspora remittances remained strong.

1.4 Nature of the County Debt

1.4.1 Key Highlights on the debt

The overall debt consists of statutory creditors, owing to merchants, legal creditors, personnel emoluments, loans and contingent liabilities.

The total debt portfolio stood at Kshs.56.5B as at 30th June, 2017 from Kshs.48.2B as at 30th June, 2016. The stock of debts is mainly composed of unpaid statutory deductions Kshs.23.02B. unpaid supplies, contractors and litigations of Kshs.6.13B, Utilities Kshs.0.487B. owed to Kenya power, owing's to retirees and bank loans and overdrafts Kshs.4.97B.

In addition, the County inherited debts a large debt portfolio from the defunct City Council of Nairobi, part of this debt are long-term loans amounting to Kshs.19.14B.from taken from development partners for the expansion of water infrastructure in the 70's by the defunct Council and a housing guaranty guaranteed by the National Treasury. The debts remained in the books of the former City Council of Nairobi until the 2013 when the County Government took over. Further, the County also inherited debts owed to various statutory creditors and merchants. The County also inherited Kshs.5 B. loan from Equity bank, which the defunct City Council of Nairobi had taken to finance payment of statutory creditors. The County occasionally obtained short-term loans from commercial banks to address cash flow shortfalls, which has since been repaid in full.

1.4.2 Stock of Debts

Table I: Summary of Outstanding Debts as at 30th, June 2017 in billions (B.)

	SUMMARY NAIROBI CITY COUNTY LIABILITIES		
		30.06.2016	30.06.2017
1	Statutory creditors	17,654,546,481	23,018,436,066
2	Suppliers/Contractors	2,842,692,524	3,787,610,031
3	Legal Creditors	2,088,543,410	2,339,264,112
4	Utilities	401,480,120	487,276,629
5	Loans	3,434,509,885	4,973,231,829
6	Contingent Liabilities	21,768,297,573	21,768,297,573
7	Employee benefits-Retirees/ Deceased	107,548,846	142,249,068
	TOTAL	48,297,618,839	56,516,365,308

Source: Financial Statements

The debt has risen to Kshs.60.17B in the unaudited draft figures as at 31st December, 2017 *(Source: Quarterly Financial Statements).*

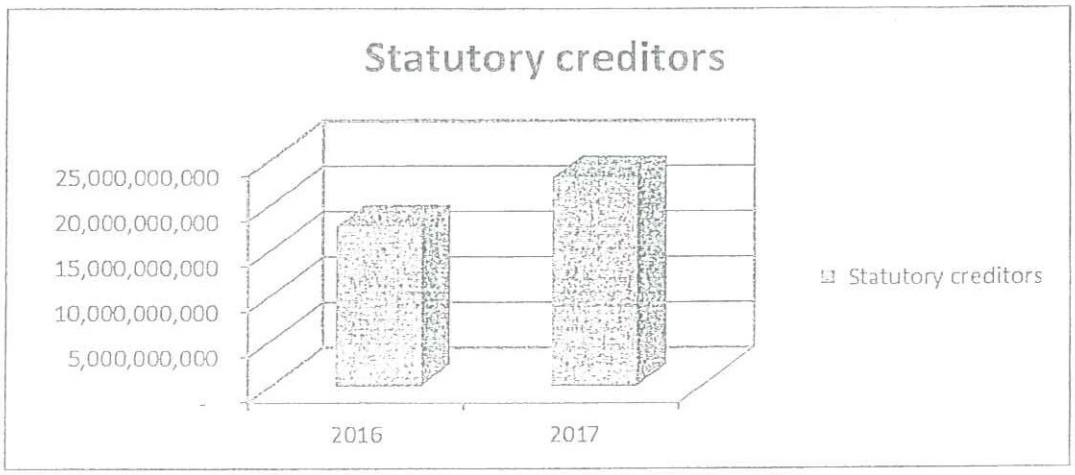
The intergovernmental Relations Technical Committee (IGRTC) took over the residual functions of the Transition Authority (now defunct) pursuant to Section 12 (b) of the Intergovernmental Relations Act, 2012. IGRTC vide a legal notice no. 858 published in the Kenya Gazette on 27th January, 2017 is mandated in consultation with the relevant stakeholders to develop guidelines and liquidation options for settlement of the liabilities of the defunct local authorities. Negotiations are ongoing to obtain more information on those debts for ease of settlement.

1.5 Breakdown and Strategy for each Debt Component

a) Statutory Creditors

Statutory creditors consist of unpaid remittances to KRA, Lap-trust, Lap-fund and NSSF. Part of this debt is historical in nature and dates back to the era of the defunct council.

Statutory creditors charge high interest and penalties in accordance with the Section 53 of the RBA Act Cap 197 with Lap-trust charging interest @ 1.25% per month (15% per annum) compounded and Lap-fund charging 3% per month (36%per annum) compounded. Since the debt is historical in nature, the debt has continued to grow even when the County remits statutory payments as at when the salary is paid. However, there have been gaps in settlement of the same in the past leading to increase in the debt.



Growth in the statutory debt

Strategy to deal with the Debt

Strategy 1: Debts /Asset Swops;

Where the County owes various statutory creditors/utility firms who also owes us various debts in terms of rate, the County will enter into negotiations with various creditors with a view to effect debts/assets swops.

To settle the outstanding amounts on the KRA Account the County will approach the National Government and negotiate a debt swap against the amounts owed by the National Government in outstanding rates. At the meantime, the County shall continue to pay monthly deductions of PAYE as and when the salary is paid.

To settle this amount owed to Lap-trust the County in the past has negotiated with the statutory creditor for a property swop to transfer to the scheme one of our prime asset/Estate in respect to accrued debts. Parties did not reach an agreement and there is intention to pursue the same during the period. If agreeable then the estate(s) or Land shall be valued by

three professional valuer's including the government as an independent entity in order to establish the correct value.

Currently a debt swap negotiated with NSSF is still in force against property rates.

The County is in the process of negotiating with Lap-Fund with a view to regularize the earlier transfer of Mariakani Estate (LR/209/6612 IR No.20935/1). Further, any outstanding balance will be addressed by collaborating with Lap-fund in the Urban Renewal project and cede part of our interest to the extent of the balance.

Strategy 2 : Debt rescheduling/renegotiation;

The County will seek to renegotiate with various statutory creditors on the debt owed with a view of interest freeze and interest waivers on older amounts owed.

Strategy 3: Payment of Current Statutory deductions as at when they fall due;

The County treasury intends to pay all statutory deductions as at when salary is paid every month to mitigate against growth of the debt.

b) Suppliers of goods and services/ Legal Creditors

The County initiated projects whose payments have over-time been rolled over to consecutive financial years. Sectors procure late in the year leading to rollovers and growth in pending bills. This is mainly due to fluctuating revenues, that affect the cash flow projected leading to growth in unpaid merchants at each year-end. The volatility of the economy and government policy affects revenue collection.

Growth in litigations by and against the County has led to an increase in amounts owed to legal creditors.

Strategy 1: Verification of arrears

Data on outstanding claims is available but the same needs verification to boost validity and reduce fraudulent claims. The internal audit department of the County, private audit firms or an appointed committee will undertake verification.

Strategy 2: Increase budgetary allocation on the pending vote and decentralise the same to sectors.

Strategy 3: Enhance compliance to the legal framework and upscale capacity of the County legal services

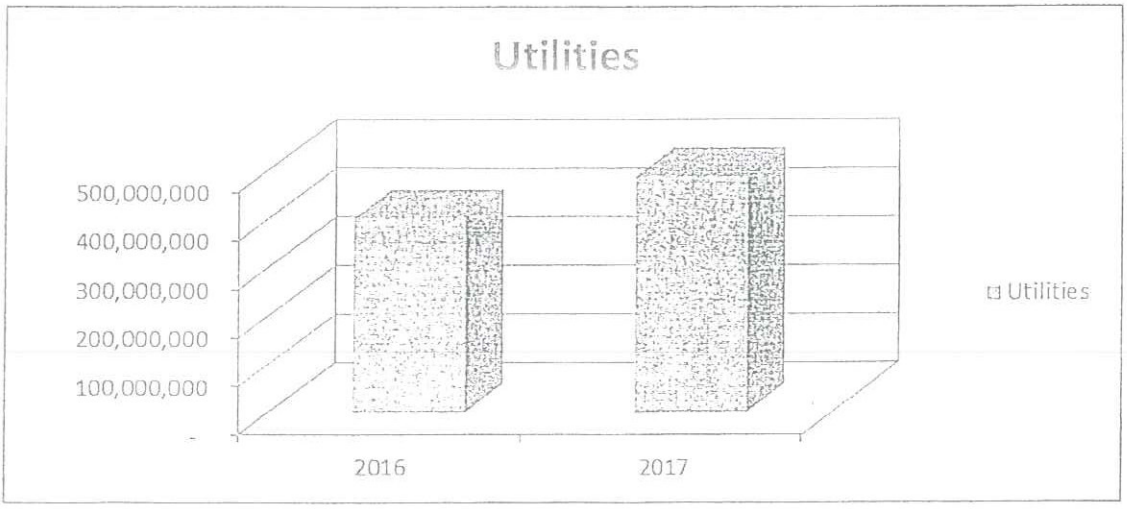
No new commitments for supply of goods and services shall be done after 31st May of each year in accordance with the provisions of Section 50(1) of the Public Finance Management (County Governments) Regulations, 2015 except with express authority of the Accounting officer in writing.

Enhance compliance to the law inorder to reduce litigations against the County while reducing legal cases against other government entities.

c) Utilities

The debt has accumulated, as KPLC has been unwilling to remit its way leave debt of approximately Kshs.694.7M as at the close of the FY 2016/17. While the County on the other hand has accumulated debt on the monthly electricity bills over time, this led to litigation.

On the other hand, the County owes Nairobi Water & Sewerage Company for water consumption to its various entities. The debt accumulated as a result of withdrawal of the lease rentals by the company.



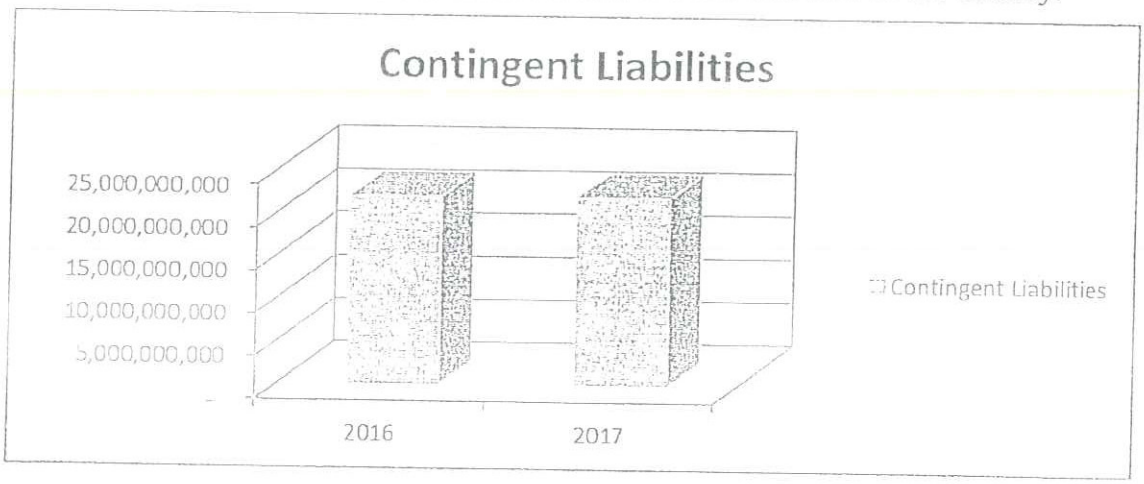
Strategy 1: Debt swap/ Debt Renegotiation

Since the Court ruled in favour of the County, a debt swap on the wayleave debt visa vis electricity bills shall be pursued once reconcilitiation of the debt is complete.

After the swap the existing debt will be cleared completely from our books of Accounts.

d) Contingent Liabilities

This consists of on lent water loans and government guarantees that date back to the defunct council for construction of water infrastructure, Umoja II housing and historical actuarial deficit, interest and penalties owed to Laptrust. The loans were obtained years back by the defunct City Council of Nairobi for the development of water infrastructure and construction of Umoja II housing scheme. The loans were obtained from the World Bank, USAID, and Local Government Loans Authority (LGLA).The loans were guaranteed by the National Government and in view of lack of documentation for the loans the County has approached the National Debt Management Office with a view to write off these loans from our books. The guaranty and on-lent water loans have remained un-serviced and static in the books since the era of the defunct council and now in the County.



Strategies to deal with the debt

Strategy 1: Debt Renegotiation and write offs

In order to clean our balance sheet and improve our credit-worthiness, the County shall enter into negotiations with the GOK with a view to write off debts that were guaranteed by the National Government to the former City Council of Nairobi.

On the acturial deficit and interest dating back the County intends to renegotiate with the statutory creditors.

e) Bank Loans

At the close of the financial year 2016/2017 the County had a long-term loan owed to KCB which was inherited from the defunct Council. The Loan is repayable at the rate of 13% per annum for 9years. The loan is repayable on a quarterly basis at Kshs. 141 Million per quarter and budgeted from our revenue hence the need for re-negotiation of the loan. An overdraft oustanding during the same period has since been repaid in full.

Strategies to deal with the debt

Strategy 1: Debt Rescheduling

There's need to renegotiate with the banks to reschedule the current bank loans with a view to obtaining favorable terms and for a longer period.

Strategy 2: Repayment plan

The County Treasury intends to come up with a detailed, realistic repayment plan, which can be adopted in servicing the loan.

1.6 Other Strategies to deal with the debt

a) Public Private Partnerships

The County will seek to identify commercial or residential estates to collaborate especially with the pension schemes to develop these areas. Part of the proceeds can be shared on an agreed formula, which will go towards settling the debt.

The County is considering engaging private partners to develop high investment return projects like multi-storey parking, increasing the parking slots and modernizing stadiums under the Urban-Renewal projects.

b) Enhancing credibility and realism of the budget

One of the first steps in addressing a persistent arrears problem is to strengthen the realism of the annual budget. This will depend on robust assumptions and forecasts in the fiscal framework, which determines the budget. Internal revenues should be realistic and should be in tandem with the expenditure. The County should enhance revenue collection while setting up realistic revenue targets.

In the past, one of the causes of increased pending bills have been unrealistic revenue projections that encourage procurement of goods and services beyond the County's ability to finance payments.

c) Strengthening commitment controls

Commitment controls are part of the internal control system, which should prevent the County from initiating expenditure without available budget and cash. IFMIS as an efficient tool of financial management shall enforce commitment control to ensure that expenditure incurred in a financial year is in tandem with the budget.

d) Improving cash and debt management

Reliable cash forecasting should ensure that liquidity is available to meet payment obligations as they arise. For effective cash management, the county treasury seeks to develop accurate and timely short-term estimates of cash inflows and outflows.

Regulation 86 (1) of the PFM Act, 2012 advices the County Executive Committee Member for finance to establish a Cash Management Advisory Committee which is key in improving cash flow management.

The County Treasury shall increase budgetary allocation on debt servicing every year to reduce the debt burden.

e) Strengthening legal and regulatory framework

The legal framework or related regulations should define payment terms (and when a payment is in arrears); reporting requirements; controls at the budget authorization, commitment, and payment stages; and the sanctions associated with any breach of those provisions.

In this regard, the County Treasury intends to draft a payments policy that will prioritize payment based on urgency, availability of funds and the age of the payment.

f) Enhancing revenue collection

Further the County shall also explore ways of enhancing revenue collection in order to liquidate these debts to improve liquidity.

CHAPTER TWO

KEY ASSUMPTIONS AND POTENTIAL FINANCING SOURCES

2.1 Key Assumptions - MTDS 2018/2019

2.1.1 Objectives and scope

In the 2018 MTDS , Nairobi County shall continue pursuing broad objectives of funding the County Government Budget while maintaining a prudent level of risk taking into account costs. This will be achieved through diversifications of sources of financing and lengthening the average time to maturity of the domestic debt.

The scope of the analysis of the 2018 MTDS relies on data on the combined county government debts including contingent liabilities. The debt has risen to Kshs.60.17B in the unaudited figures as at 31st December, 2017 (Source: Quarterly Financial Statements).

2.1.2 Macroeconomic Environment and Risks

The Macroeconomic framework underpinning the MTDS is consistent with the projections included in the 2018 County Fiscal Strategy (CFSP). It is hoped that fiscal policy will continue to support economic activity within the context of a sustainable public financing. In the FY 2018 /2019, the County has reoriented expenditure towards priority programs such as health, education, infrastructure under the Medium Term Expenditure Framework (MTEF).This process has been strengthened by a revamped legislative framework to enable accommodation of critical programs that will accelerate socio-economic development.

The medium outlook for 2018-2019 assumes a balanced budget with no deficits. In order to realize the budget objectives, the County needs to realize all the potential revenues both from the GOK and internally generated revenues to finance all our budget activities. Overall growth of the economy will depend on the pace of global economic growth, weather patterns and fuel prices which will impact negatively or positively on revenues of both the National and County Governments .

Increased investment in infrastructure may necessitate the County Government to take in more debt to finance these additional expenditures. The crystallization of contingent liabilities would represent a significant increase in risk to the current debt burden. The harmonization of staff

benefits and implementation of staff rationalization will have an impact on the pension schemes of the officers transferred to the counties and those who may exit service on a voluntary basis.

2.2 Potential Financing Sources

In line with the Constitution and the Public Finance Management (PFM) Act of 2012, the principle of sharing the burdens and benefits of the use of resources and public borrowing between the present and future generation implies that we have to make prudent policy decisions today so that we do not impose an unwarranted debt burden on future generations. Adherence to the ratio of development to recurrent expenditures of at least 30:70 over the medium term, as set out in the PFM Act is also crucial and statutory leaving little resources to debt servicing.

The preferred source of financing remains our own revenues in view of the cost and risk of other sources of financing. However to raise additional finance for development the county the other alternative sources of financing are:

a) Borrowing from Central Bank of Kenya/ National Government

The County shall pursue borrowing from central bank through the national treasury as commercial banks charge high interest on borrowing. Borrowing from the CBK attracts low interest rate but requires the National Treasury to formulate guidelines. Further borrowing from the commercial banks leaves the county exposed to interest rate fluctuations.

Borrowing from national government or pursuing a grant with national government for the purpose of debt servicing is cheap and the best option in the medium term.

b) External Borrowing

The County may float international bonds or borrow from foreign banks. This is subject to volatility of the international money market and specifically fluctuation of the exchange rate since the bonds is denominated in dollars.

The County may borrow from the money market and Capital Market through issuance of County bonds. Borrowing from the capital and money market is subject to very strict conditions by the capital market authority.

c) **Borrowing from the Money and Capital Markets**

The County will pursue to engage in public- private partnerships to finance projects. The process is very lengthy and rigorous and requires approval from the National Treasury.

d) **Engineering Procurement and Construction**

This is where the contractor finances the projects and the County contributes in kind for things like land.

2.3 Outcomes of analysis of potential Financing Strategies

From the analysis of the potential financing strategies, it is important that among other measures, the County;

i) Implements robust strategies of managing the debt portfolio
ii) Adopts robust strategies to enhance own-source revenues
iii) Accurately forecast own-source revenue to avoid negative impacts on the budget. Which has been a source of cyclical pending bills

In the medium-term enhancing revenue is the best financing option while negotiating with various statutory creditors and adhering to fiscal responsibility principles as stipulated in the PFMA.

NB: Any borrowing from national government or CBK should be capped at 15% of total revenues realized in the previous year subject to approval by the county assembly in accordance with section 141(2) of the PFMA.

2.3 Strategies of Revenue enhancement

A. Draft National Policy to Support Enhancement of County Governments' Own-Source Revenue;

Most County Governments are yet to enact or operationalize required legislation to underpin revenue-raising measures. Many Counties maintain fees and charges by the defunct Local authorities, which were regulated through by-laws that are no longer relevant. Others are mobilizing revenue using outdated policies and guidelines developed by the Local authorities this clearly indicates that Nairobi County just like most Counties lack principle legal frameworks to support revenue collection and management.

The National Treasury in this regard has prepared a draft policy framework to support County Governments' own-source revenue (OSR) efforts. The

draft Policy proposes measures to broaden County Governments' tax bases, while strengthening their revenue administrative capacity.

The Policy proposes a standardized institutional, policy and legal framework own source revenue raising measures and enforcement that would be applicable to all County Governments and proposes measures to broaden the Counties' revenue bases and enhance revenue administrative capacity.

The draft Policy focuses on four distinct but interrelated themes as follows:

g) Legal and institutional framework for own source revenues

This aims to provide direction towards a more unified and coherent legal framework underpinning County Governments' taxation efforts.

ii) Revenue potential

This aims to guide assessment of the counties' revenue potential, by examining efficiency improvements. In this context, the National Treasury will undertake a County revenue potential study. The study will establish the current base for each county's local revenue, and articulate each county's tax potential and tax effort. It is expected that the Study's findings will help the counties improve their revenue forecasting.

iii) Revenue assignments

This aims to clearly delineate revenue mandates both between the two levels of Government and among the counties to eliminate disputes.

iv) Capacity for revenue administration

This aims to assess counties' existing capacity to manage revenue - related responsibilities, including collection and administration of taxes, fees and service charges and make recommendations on how to strengthen counties' institutional capacity for better tax administration.

B) Internal Revenue enhancement Strategies

i) Strengthening the legal and institutional framework;

The County has drafted several laws in respect to the various revenue streams that includes but is not limited to the NCC Rating Bill, 2018, NCC trade licensing bill, 2018, and the Nairobi City County Revenue Administration Bill, 2018 which should be enacted by year-end in order to streamline revenue collection.

ii) Enforcement of existing law;

The County shall endeavor to pursue defaulters aggressively while adhering to the laid down laws.

iii) Negotiations with National government for payment of contribution in lieu of rates and reserved parking;

The national government owes the County Kshs. 65.3B in contribution in lieu of rates which if paid can be used in retiring existing debts.

iv)Identification of new revenue streams and enhancing collection within the existing revenue streams;

The County shall seek to identify new revenue streams and enhance revenue collection in the existing streams through capacity building of existing staff, adoption of better and efficient technology and sensitization of taxpayers.

2.4 Debt Sustainability

The County Government recognizes the importance of managing debt prudently to avoid unwarranted debt burden to the future generation and reduce risk of macroeconomic instability. Significant efforts have been made to improve the institutional debt management as well as capacity to assess risks.

The growing wage bill has put a lot of weight on debt servicing and has been cyclical in nature. Since Salary is a non-discretionary item of the budget, it gets preference to other budgetary expenditure hence; the County intends to undertake a rationalization programme (voluntary retirement) taking into consideration staff exit through retirement and natural attrition.

From Table 1, the total debt excluding contingent liabilities stands at Kshs.34.8B as at June 30, 2017.The total budgeted revenues for 2017/2018 are projected to be Kshs.35.9B. Out of which internal revenues of Kshs.19.8B will be generated. The debt shall remain sustainable in the medium term as long as the strategies outlined in the MTDS are implemented. Considering that apart from the bank loan to Kenya Commercial Bank inherited from the defunct council all the other debts are current debts payable to utility firm KPLC, Pension schemes and PAYE ,this leaves the County exposed to these creditors.

The total debt including contingencies stood at Kshs.56.52B. as at June 30, 2017. However, most of the contingent liabilities are owed to the national government because of guaranteed loans to former local authorities.

As the county embraces strong fiscal responsibility measures such as paying current and part arrears of statutory deductions, the debts are expected to significantly reduce by 30th June 2018 to about Kshs.21B since most statutory creditors are being paid as at when salary is paid.

The projected borrowing is set at a maximum of 15% of total revenues. The projected revenue for 2017/2018 is Kshs.35.79B. In case the County borrows a maximum of Kshs 8 billion from the national government deductible from the monthly exchequer releases in the long-term this will push the total debts to about Kshs 43.9B excluding contingent liabilities. From the analysis above the results is that the County debts remains sustainable over the medium term since the loans are long term with fixed interest terms.

2.5 Implementation of the 2018 MTDS

The Government has enacted legislation governing both external and internal borrowing under the PFMA provisions that are in line with the requirements of the Constitution of Kenya, 2010 and best international practices. However, the County intends to borrow from the Central Bank or request for a grant from the National government to finance debt serving within the medium term. The total debt including contingencies stood at Kshs 56.52 billion as at 30th June 2017. However most of the contigent liabilities are owed to the national government on account guaranteed loans to former local authorities.

Negotiations are ongoing with the National government to pay dues owed to the County running into millions of shillings which if received can help the County retire part of its outstanding debts.

The County has established a debt management office/ credit control office to strengthen the institutional arrangement for management of debts. Comprehensive, accurate and timely information on public debt is critical in managing of debts. Public debt information published more regularly to enhance transparency on debt management in accordance with best practice.

The County will also continuously engage the Debt Management Office (DMO) at the National Treasury in order to manage to improve on debt management and especially concerning the debts guaranteed by the National Treasury.

NAIROBI CITY COUNTY ASSEMBLY

Telegraphic Address
Telephone: 020 221 0391/2, 020 2216151
Mobile: 0700 330 846/7, 0731 808 078
Email: clerk@nrbcountyassembly.go.ke
Web: www.nrbcountyassembly.go.ke

Clerk's Chambers
County Assembly
City Hall Buildings
P O Box 45844-00100
Nairobi, Kenya

OFFICE OF THE CLERK

NCCA/FB&AC/CORR/2019/155

28th March, 2019

County Executive Committee Member
Finance & Economic Planning
Nairobi City County
NAIROBI

RE: REQUEST FOR INFORMATION RELEVANT TO THE COUNTY FISCAL STRATEGY PAPER FOR THE FY 2019-20

As you are aware the County Fiscal Strategy Paper and the Debt Management Strategy Paper for the FY 2019-20 is under consideration by the Select Committee on County Finance, Budget and Appropriations as well as other Sectoral Committees of the County Assembly.

At its sitting held on Thursday 28th March 2019 to consider the Papers, the County Finance, Budget and Appropriations Committee noted that as submitted the document had not met the provisions of Section 117, 123 of the PFM Act, Regulations 25-30, 176-196 of the PFM (County Government) Regulations, 2015 and Standing Order 221 in terms of completeness and comprehensiveness. In this regard therefore the Committee resolved that the County Treasury furnishes it with the following additional information to enable it properly appreciate the contents of the Papers: -

1) A copy of confirmed minutes of the County Executive Committee indicating the date the CFSP was considered and approved;
2) Reports of the Sector Working Groups on their consideration of the Sector priorities, programmes and ceilings contained in the CFSP;
3) A copy of confirmed minutes of the Sector Working Groups for the dates the Sector reports were adopted before submission to the County Treasury;
4) Report detailing the implementation of the policy and revenue raising measures contained in the Nairobi City County Finance Act 2018;

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5) Report on the steps undertaken by the County Treasury to ensure Sectors adhere to approve budgets, compliance to accounting standards and prudent use of public resources;
6) Copies of letters designating various Chief Officers as Accounting officers for the various Sectors;
7) Report on the status of the asset register including the exact work that has been, the cost thus far incurred, the timeframe for completion and the overall cost implications for the same;
8) Information on how the amounts owed to suppliers and contractors has been disaggregated to Sectors including the allocations for the same;
9) Report on the exact measures to be pursued to enhance the capacity of the legal department thereby reducing amounts paid for litigation;
10) Details of the repayment plan of the loan owed to Kenya Commercial Bank;
11) Details of the unaudited amounts due to the County in terms of Account Receivables as at the date of this letter;
12) Information on the fiscal impact of the deficit contained in the submitted CFSP including any measures that may be put in place to fill the financing gap;
13) Report indicating amounts received as appropriations- in- aid from sale of tender of documents since the inception of the County Government and how the same have been accounted for;
14) Report of waivers that have been granted by the County Executive Committee Member for Finance since the FY 2017-18, the gazette notice on the waivers, letters from the Governor concurring to the issuance of the waivers and details of public input on the same as required by the provisions of The Nairobi City County Tax Waivers Administration Act, 2013;
15) Reworked Sector ceilings in a programme based manner indicating the programmes, key activities key performance indicators, outputs, timeframe and costs;
16) Report arising from the public hearings held on the CFSP and the DMSP including analysis on how the stakeholder views were taken into account;
17) The list projects to be undertaken by all the Sectors totaling the proposed development ceilings including an analysis on whether all the projects to be undertaken have been aligned to the Annual Development Plan for the FY 2019-20;
18) Draft policy on voluntary early retirement;
19) Copy of the plan submitted to the National Treasury detailing the steps the County intends to take to achieve a sustainable wage bill;
20) Report on how the County manages Emergency Fund allocations; and
21) Report on the implementation of the resolutions adopted by the County Assembly during the consideration of the CFSP and DMSP 2018.

This is therefore to forward the above resolutions of the Finance, Budget and Appropriations Committee for your urgent attention.

The Committee has hence resolved that responses to the statement requests be submitted to the office of the undersigned not later than **Wednesday 3rd April 2019.**

JACOB NGWELE
CLERK, NAIROBI CITY COUNTY ASSEMBLY

Copy to:

1) County Secretary
2) Chief Officer, Economic Planning
3) Chief Officer, Finance

COUNTY GOVERNMENT OF NAIROBI CITY

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY–SECOND SESSION

FIFTH REPORT OF THE SELECT COMMITTEE ON FINANCE, BUDGET AND APPROPRIATIONS

ON

THE VETTING OF THE NOMINEES FOR THE POSITION OF COUNTY CHIEF OFFICER FOR FINANCE AND COUNTY CHIEF OFFICER FOR ECONOMIC PLANNING.

MAY, 2018

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2) Higher Education Loans Board
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(iii) Annexure (3) – Curricula Vitae
Ms. Mary Nyambura Maina
Ms. Winfred Wangui Gathagu

1.1. Membership of the Finance, Budget and Appropriations Committee

1. Hon. Speaker, the County Assembly has been given powers by the Constitution and the enabling legislation, the County Government Act, 2012 to consider and approve respective Chief Officers of the County Government. The vetting and consideration of the appointees to the Offices of Chief Officers for the County Treasury (Finance and Economic Planning Sector) is done in the County Assembly through the Finance, Budget and Appropriations Committee which is mandated pursuant to Standing Order 199 to among others:
   a) *Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;*
   b) *Discuss and review the estimates and make recommendations to the County Assembly;*
   c) *Examine the County Fiscal Strategy Paper presented to the County Assembly;*
   d) *Examine Bills related to the county budget, including Appropriations Bills; and*
   e) *Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlay*

2. Madam Speaker, the County Assembly Finance, Budget & Appropriations Committee which was constituted at the beginning of the Second County Assembly comprises of the following 19 Members:
   1. Hon. Robert Mbatia, MCA — Chairperson
   2. Hon. Patrick Karani, MCA — Vice Chair
   3. Hon. James Kariuki, MCA
   4. Hon. Herman Azangu, MCA
   5. Hon. Susan Makungu, MCA
   6. Hon. J.M Komu, MCA
   7. Hon. Paul Ndungu, MCA
   8. Hon. Emily Oduor, MCA
   9. Hon. Wanjiru Kariuki, MCA
   10. Hon. Nancy Muthami, MCA
   11. Hon. Catherine Okoth, MCA
   12. Hon. Michael Ogada, MCA
   13. Hon. Elias Okumu, MCA
   14. Hon. Anthony Ngaruiya, MCA
   15. Hon. Jane Muasya, MCA
   16. Hon. Osman Adow, MCA
   17. Hon. Peter Imwatok, MCA
   18. Hon. Fredrick Okeyo, MCA
   19. Hon. Chege Mwaura, MCA

1.2. Message from His Excellency the Governor

3. Madam Speaker, the provisions of Section 45(1) of the County Governments Act 2012 state that The Governor shall "(a) nominate qualified and experienced county chief officers from among persons competitively sourced and recommended by the County Public Service Board; and (b) with the approval of the county assembly, appoint county chief officers." In compliance with the quoted provisions of the law, H.E. the Governor, Hon. Mbuvi Gideon Kioko Mike Sonko forwarded to the Speaker of the Nairobi City County Assembly, the names of Ms. Mary Nyambura Maina and Ms. Winfred Wangui Gathagu for consideration and approval by the County Assembly for appointment to the positions of the County Chief Officer for Finance and County Chief Officer for Economic Planning respectively.

1.3. Committal to Committee on Finance, Budget and Appropriations

4. Hon. Speaker, pursuant to the provisions of Standing Order 43(1), on Tuesday 10th April 2018 the Honorable Speaker informed the Assembly that she had received the notification of the nomination. The notification of nomination therefore stood Committed to the Finance, Budget and Appropriations Committee for vetting and reporting to the Assembly within 21 sitting days in accordance with the provisions of Section 9(1) of the Public Appointments (County Assemblies Approval) Act, 2017.

5. Subsequently, the Clerk of the County Assembly placed an advertisement in the in the local dailies, specifically the Nation and the Standard Newspapers of Wednesday 11th April 2018 inviting the applicants to pick questionnaires which were to be filled and returned by Monday 16th April 2018, public to submit memoranda by way of written statements on oath (sworn affidavits) on the suitability or otherwise of the nominees in conformity with Section 7(10) of the Public Appointments (County Assemblies Approval) Act, 2017 and for the nominees to attend interviews before the Finance, Budget and Appropriations Committee on Wednesday 18th April 2018.

1.4. Committee Meetings

6. Hon. Speaker, the nominees appeared before the Committee on Wednesday 18th April, 2018 and were vetted in accordance with the provisions of the Constitution, Public Appointments (County Assemblies Approval) Act, 2017, and the County Assembly Standing Orders on their suitability for appointment to the position of Chief Officer for Finance and Chief Officer for Economic Planning. In total, the Committee held three Sittings to consider this matter.

1.5. Acknowledgement

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7. Hon. Speaker, may I take this opportunity to thank Members of the Committee for their input and valuable contributions during the deliberations and vetting exercise.

The Committee also takes this opportunity to thank the Offices of the Speaker and of the Clerk of the County Assembly for the logistical support accorded to it during the vetting exercise. The Committee is grateful to the staff of the County Assembly attached to the Committee for their services rendered to the Committee. Their efforts and input made the work of the Committee and the production of this Report possible. The Committee is also grateful to the media for their coverage of the proceedings of the Committee, thus enhancing accountability and transparency of the vetting exercise.

8. Finally, **Madam Speaker**, on behalf of the Select Committee on Finance, Budget and Appropriations, it is my distinct honor and utmost privilege to present to the Assembly the Committee's Report on the vetting of the following nominees for adoption;
   1. Ms. Mary Nyambura Maina nominee for appointment to the position of County Chief Officer for Finance; and
   2. Ms. Winfred Wangui Gathagu nominee for appointment to the position of County Chief Officer for Economic Planning

SIGN..... DATE..02-05-2018.....

HON. ROBERT MBATIA, MCA

CHAIRMAN: FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE

2.0BACKGROUND INFORMATION

2.1. Mandate of the Select Committee on Finance, Budget and Appropriations

9. Madam Speaker, the Finance Budget and Appropriations Committee being a Sectoral Committee that oversights the Finance and Economic Planning Sector is mandated to vet the officers for appointment to the County Offices under the Sector except those under Standing Order 196. Pursuant to the provisions of Section 45(1) (a) and (b) of the County Governments Act, 2012, H.E. the Governor, Hon. Mbuvi Gideon Kioko Mike Sonko nominated two persons for consideration by the County Assembly for appointment to the position of Chief Officer for Finance and Chief Officer for Economic Planning.

10. Additionally, Section 10(1) of the Public Appointments (County Assemblies Approval) Act, 2017 (No. 5 of 2017) provides thus:-

"Where the nomination of a candidate is rejected by a County Assembly, the appointing authority may submit to the relevant County Assembly the name of another candidate, and the procedure for approval specified in this Act shall apply accordingly."

2.2 Appointment process of the County Chief Officer Nominees

11. Madam Speaker, the provisions of Section 45 of the County Governments Act, 2012, empowers the Governor to appoint a Chief Officer with the approval of the Assembly. The law dicatates that the person so appointed should be competitively sourced and recommended by the County Public Service Board. In this regard, a letter from the Office of the Governor dated 5th April , 2018, addressed to the Speaker of the County Assembly indicated that pursuant to Section 45 (1) (a) and (b) of the County Governments Act, 2012, H.E. the Governor, Hon. Mbuvi Gideon Kioko Mike Sonko had nominated Ms. Mary Nyambura Maina and Ms. Winfred Wangui Gathagu for consideration and approval by the County Assembly for appointment to the positions of the County Chief Officer for Finance and County Chief Officer for Economic Planning respectively.

2.3 Notification to the Public

Hon. Speaker

12. The provisions of Section 7 (5) and (10) of the Public Appointments (County Assemblies Approval) Act, 2017 respectively, provides that-, *"'the committee shall, by notice in at least one newspaper of national circulation, notify the public of the time and place for holding an approval hearing at least seven days prior to the hearing" and "any person may, prior to the approval hearing and by a written statement on oath, provide the Clerk with evidence contesting the suitability of a*

candidate to hold the office to which the candidate has been nominated"

13. Pursuant to the above provisions of the law, the Clerk of the County Assembly placed an advertisement in the in the local dailies, specifically the Daily Nation and the Standard Newspapers on Wednesday 11th April, 2018 inviting the public to submit memoranda by way of written statements on oath (sworn affidavits) on the suitability or otherwise of the nominee by the close of business on Monday 16th April, 2018. At the close of the period no memoranda contesting the suitability of the nominees had been received from the public.

14. In accordance with the provisions of Article 118 of the Constitution and Section 7(4) of the Public Appointments (County Assemblies Approval) Act, the general public was also notified in the local dailies by the Clerk of the County Assembly of the intention of the Committee on Finance, Budget and Appropriations to conduct the vetting and approval hearing of the nominees on Wednesday, 18th April, 2018.

2.4 Clearance Requirements

15. To ensure compliance with the provisions of Chapter 6 of the Constitution, the nominees were required to submit their clearance status with the following institutions for the vetting exercise:- –
    a) Kenya Revenue Authority (KRA)
    b) Criminal Investigation Department (CID)
    c) Higher Education Loans Board (HELB)
    d) Credit Reference Bureau (CRB) and
    e) The Ethics and Anti-Corruption Commission (EACC)
16. The clearance by the foregoing institutions was primarily meant to provide information about the nominees on: -
    a) Matters touching on their integrity;
    b) Tax compliance;
    c) Loan repayments; and
    d) Presence or absence of criminal records.

3.0 VETTING OF COUNTY CHIEF OFFICER FOR FINANCE

17. In conducting the vetting process, the Committee examined the nominee against the following criteria, amongst others, as set out in the Public Appointments (County Assemblies Approval) Act No. 5 of 2017–
    a) Education (relevant to the position)
    b) Work Experience (as it relates to the position)
    c) Interest in and knowledge relating to the specific position
    d) Decision making skills
    e) Communication Skills (written and oral)
    f) Presentation (promptness, neatness of resume, application appearance)
18. During its Sittings held on Wednesday, 18th April, 2018 at Charter Hall, Assembly Precincts, City Hall Buildings from 10:00am, the Committee interviewed the nominee. The minutes of the vetting proceedings are attached to this report.

3.1 Appearance before the Committee by Ms. Mary Nyambura Maina

19. The nominee for position of Chief Officer for Finance, Ms. Mary Nyambura Maina, appeared before the Committee on Wednesday, 18th April, 2018 at 10.00 am and was informed by the Chairperson on the procedure for the vetting in line with the provisions of the Public Appointments (County Assemblies Approval) Act No. 5 of 2017.
20. While under oath, she proceeded to inform the Committee as follows:-

a) With respect to self-introduction, knowledge, experience and qualification the nominee informed the Committee that she was born in the 4th day of October 1986 and that:-
   — She holds a Bachelor's Degree in Commerce (Finance) from Jomo Kenyatta University of Agriculture and Technology and a Master's Degree in Commerce (Finance and Accounting) from KCA University.
   — She had worked as an Executive Teller with Cooperative Bank for four years before joining KPLC in May 2017 as a Treasury Accountant.
   — She is currently pursuing CPA Section 5.

b) In response to the questions put to her by the Members of the Committee, Ms. Mary Nyambura stated as follows:-
   i. With respect to the suitability for the Position nominated the nominee stated as follows:
      — She is a trained an accountant with considerable experience in financial Sector having previously worked as Executive Teller at the Cooperative Bank of Kenya and currently as a Treasury Accountant at Kenya Power;
      — She had experience in the preparation of financial statements and the same was comparable to the roles of the position to which she had been nominated;

— She was not very appraised on the County budget process but was willing to learn;
— She had never been directly involved in budgeting or allocation of resources in her previous assignments;
— She was not conversant with government budgeting terms like Standard Chart of Accounts, Medium Term Expenditure Framework, the MTP currently implementing the Vision 2030, International Accounting Standards among others;
— She was a resident of Nairobi City County and therefore understood the various challenges that continued to slow down the City's progress;

ii. With respect to a strategic financial decision she had made which was directly related to the position applied for the nominee informed the committee that she undertaken market intelligence surveys and provided actionable advice to management.

iii. With respect to the legislation that she would like the County Assembly to prioritize she advised that the County needed to fast-track laws on revenue mobilization.

iv. With respect to challenges facing the County revenue, expenditure , debt repayment and public wage bill the nominee informed the Committee as follows:-
— That she would lead the department in developing modern methods of enhancing revenue collection in addition to ensuring that revenue officers are motivated to perform;
— That she would work with colleagues in the Sector to ensure expenditure prioritization and prudent management of County resources;
— That she would consult with the County officers on how best to address issues related to the wage bill and debt repayment;
— Overally, she undertook to learn the County challenges and address them in a consultative manner.

v. With respect to the maximum budget she had ever handled and whether she understood the magnitude of the County budget the nominee submitted that:
— The maximum budget she had ever been assigned and fully accounted for was Kshs. 1million;
— That although she lacked the necessary experience she would work well with her seniors and other County Treasury officials to ensure that the County budget is properly executed.

vi. With respect to her rank in the public service and any supervisory skills acquired in the process the nominee submitted that:-
— She was employed on a contract basis at Kenya Power and was at the level of Accountant IV (being 8 positions under the General Manager);
— She supervised three Clerical Officers; and
— She was not involved in making management decisions.

vii. With respect to her net worth and the amounts she declared in the year ending December 2017 the nominee informed the Committee that she was worth Kshs. 10million. This she submitted included Kshs. 8million inheritance.

viii. With respect to her marital status, commitment to Chapter Six of the Constitution and her Community service she informed the Committee as follows:-

— She was single;
— She had never been dismissed from any of her previous employments and was committed to upholding high levels of leadership and integrity in the public service;
— She had never been involved in any community service.

3.2. Committee's Observations on the Suitability of Ms. Mary Nyambura Maina for Appointment as the Chief Officer for Finance

21. The Committee having considered the nominee's filled Questionnaire pursuant to the Public Appointments (County Assemblies Approval) Act, 2017, her Curriculum Vitae and having heard her oral submissions during the vetting exercise made the following observations:

THAT: -

1. The nominee satisfy the requirements of Chapter Six of the Constitution of Kenya on leadership and integrity in that:-
    a) The nominee has been cleared by the Ethics and Anti-Corruption Commission (EACC), Directorate of Criminal Investigations (DCI), Kenya Revenue Authority (KRA), Higher Education Loans Board (HELB) and the Credit Reference Bureau (CRB).
    b) The nominee has not been charged in a Court of Law.
    c) The nominee does not exhibit a potential conflict of interest.
2. The nominee meets the requirements of Section 45(1) (a) of the County Governments Act, 2012 since:-
    a) She was competitively sourced from among persons interviewed by the County Public Service Board.

22. A summary of the Committee's specific observations on the nominee are highlighted below:-

i. She holds a Master's of Science, Commerce Finance and Accounting from KCA University
ii. She holds Bachelor Of Commerce Degree from Jomo Kenyatta University of Agriculture and Technology
iii. She is certified in Quickbooks

iv. She has CPA IV
v. She has no supervisory and leadership skills.
vi. She has never been in charge of an institution with near equivalence of Nairobi City County.
vii. She supervises three clerical officers in her current position.
viii. She was not a Certified Public Accountant.
ix. She has no knowledge of the Government's budgeting procedures, practices, terms and legal requirements.
x. She worked as an intern at Gichohi Irungu and Co, CPA (K)
xi. She has worked as Executive Banking Teller at the Cooperative Bank of Kenya(December 2012-April 2017)
xii. She has worked as Accountant IV at Kenya Power from 2017 to date.
xiii. She has never been charged in a Court of Law, has no potential conflict of interest, and has fully complied with her tax obligation and other relevant clearances from state agencies as required.
xiv. She has never been dismissed from office for contravention of the provisions of Article 75 of the Constitution which deals with conduct of state officers that are adversely mentioned in any investigatory report of Parliament or any Commission of Inquiry.

The Committee therefore found the nominee unsuitable for appointment to the position of the Chief Officer for Finance.

4.0. VETTING OF COUNTY CHIEF OFFICER FOR ECONOMIC PLANNING

23. In conducting the vetting process, the Committee examined the nominee against the following criteria, amongst others, as set out in the Public Appointments (County Assemblies Approval) Act No. 5 of 2017–
a) Education (relevant to the position)
b) Work Experience (as it relates to the position)
c) Interest in and knowledge relating to the specific position
d) Decision making skills
e) Communication Skills (written and oral)
f) Presentation (promptness, neatness of resume, application appearance)

24. During its Sittings held on Wednesday, 18th April, 2018 at Charter Hall, Assembly Precincts, City Hall Buildings from 11:30am, the Committee interviewed the nominee. The minutes of the vetting proceedings are attached to this report.

4.1. Appearance before the Committee by Ms. Winfred Wangui Gathagu

25. The nominee for the position of Chief Officer for Economic Planning, Ms. Winfred Wangui, appeared before the Committee on Wednesday, 18th April, 2018 at 11.00

am and was informed by the Chairperson the procedure for the vetting in line with the provisions of the Public Appointments (County Assemblies Approval) Act No. 5 of 2017.

26. While under oath, she proceeded to inform the Committee as follows:-

a) With respect to self-introduction, knowledge, experience and qualification the nominee informed the Committee that she was born in the 16th day of January 1978 and that:-

— She holds a Bachelor of Arts Degree from the University of Nairobi and was pursuing a Master's Degree in Business Administration at the Nazarene University.

— She had worked with Cooperative Bank from the year 2004 rising from being a Graduate Clerk to her current position of Product Relationship Manager.

— In the year 2008 she won an award as the Best Executive Banking Officer.

— She was a Member of the Mukurwe-ini Youth Development Group and Young Mothers Social Group – Langata.

c) In response to the questions put to her by the Members of the Committee, Ms. Winfred Gathagu stated as follows:-

i. With respect to the suitability for the Position nominated the nominee stated as follows:

— She is a trained Economist and Sociologist and had considerable experience in planning matters.

— She had been involved in planning, implementation and execution of budgets.

— She had experience in the preparation of financial statements and the same was comparable to the roles of the position to which she had been nominated;

— She was conversant with government budgeting/planning terms procedures and practices except Program Based Budgeting.

— Her work would involve Research and Development and coordination of the economic planning functions for the various sectors.

— She supervised 180 staff at the Bank.

— She would be in charge of the Economic Planning Department.

— She was a resident of Nairobi City County and therefore understood the various economic planning that needed to be addressed.

ii. With respect to a strategic planning decision she had made which was directly related to the position applied for, the nominee informed the committee that she was involved in various projects execution with Co-operative Bank.

iii. With respect to the legislation that she would like the County Assembly to prioritize she advised that the County needed to fast-track laws streamlining economic planning on all County activities.

iv. With respect to the ideal relationship between County plans, policies and budgets the nominee informed the Committee as follows:-

— That County Plans needed to be developed in a way that takes into account the views of the majority of the County residents.
— That such plan needed to inform policy which would in turn translate into budgets.

v. With respect to her rank and any supervisory skills acquired in the process the nominee submitted that:-
— She was the Product Relationship Manager at the Bank(being 3 positions under the CEO);
— She supervised 180 Staff; and
— She was involved in making management decisions.

vi. With respect to her net worth and the amounts she declared in the year ending December 2017 the nominee informed the Committee that she was worth Kshs. 60million. This she submitted was a result of various investments she had undertaken throughout her career.

vii. With respect to her willingness to accept lower salary compared to her position at the Bank the nominee said that:-
— She had passion for the public service.
— She was aware the employment opportunity she was seeking was contractual

viii. With respect to her marital status, commitment to Chapter Six of the Constitution and her Community service she informed the Committee as follows:-
— She was single;
— She had never been dismissed from any of her previous employments and was committed to upholding high levels of leadership and integrity in the public service;
— She had never been involved in any community service.

4.2. Committee's Observations on the suitability of Ms. Winfred Wangui Gathagu for appointment as the Chief Officer for Economic Planning

27. The Committee having considered the nominee's filled Questionnaire pursuant to the Public Appointments (County Assemblies Approval) Act, 2017, her Curriculum Vitae and having heard her oral submissions during the vetting exercise made the following observations:

THAT: -

1. The nominee satisfy the requirements of Chapter Six of the Constitution of Kenya on leadership and integrity in that:-
   d) The nominee has been cleared by the Ethics and Anti-Corruption Commission (EACC), Directorate of Criminal Investigations (DCI), Kenya Revenue Authority (KRA), Higher Education Loans Board (HELB) and the Credit Reference Bureau (CRB).
   e) The nominee has not been charged in a Court of Law.
   f) The nominee does not exhibit a potential conflict of interest.

3. The nominee meets the requirements of Section 45(1) (a) of the County Governments Act, 2012 since:-
    b) She was competitively sourced from among persons interviewed by the County Public Service Board.

28. A summary of the Committee's specific observations on the nominee are highlighted below:-
    a) She holds a Master's in Business Administration from the Nazarene University
    b) She holds a Bachelors of Arts(Economics and Sociology) from Nairobi University
    c) She has attended various seminars and trainings.
    d) She has been working in the Cooperative Bank of Kenya where she has held various positions such as Graduate Clerk, Executive banking officer, Business development Officer, and Relationship Officer.
    e) She is adequately grounded on County planning procedures and practices.
    f) She has never been charged in a Court of Law, has no potential conflict of interest, and has fully complied with her tax obligation and other relevant clearances from state agencies as required.
    g) She has never been dismissed from office for contravention of the provisions of Article 75 of the Constitution which deals with conduct of state officers that are adversely mentioned in any investigatory report of Parliament or any Commission of Inquiry.

The Committee therefore found the nominee suitable for appointment to the position of the Chief Officer for Economic Planning.

5.0. RECOMMENDATION

29. Pursuant to Section 45(1) (b) of the County Governments Act, 2012 and Section 9 of the Public Appointments (County Assemblies Approval) Act, 2017, the Finance, Budget and Appropriations Committee recommends:-

    a) THAT, this Assembly disapproves the nomination of Ms. Mary Nyambura Maina for appointment by H.E the Governor to the position of the County Chief Officer for Finance

    b) THAT, this Assembly approves Ms. Winfred Wangui Gathagu for appointment by H.E the Governor to the position of the County Chief Officer for Economic Planning

GOVERNMENT OF NAIROBI CITY COUNTY

Laid on
2/07/2020

THE NAIROBI CITY COUNTY ASSEMBLY

Approved
2/7/2020

OFFICE OF THE CLERK

SECOND ASSEMBLY-FOURTH SESSION

NBI CA. PLC. 2020 / (35)

2nd July, 2020

PAPER LAID

Pursuant to Standing Order 191, I beg to lay the following Paper on the Table of the Assembly, today Thursday, 2nd July, 2020.

THE REPORT OF THE SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE ON VETTING OF NOMINEE TO THE POSITION OF SECRETATARY TO THE NAIROBI CITY COUNTY PUBLIC SERVICE BOARD.

(Chairperson, Sectoral Committee on Labour and Social Welfare)

Copies to:
The Speaker
The Clerk
Hansard Editor
Hansard Reporters
The Press

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Clause 1 be part of the Bill –

Question that Clause 1 be part of the Bill proposed, put and agreed to:

Motion that the Bill be reported proposed, put and agreed to:

Bill to be reported *with amendments*

ASSEMBLY RESUMED: -

The Nairobi City County Appropriations Bill,2020 (Assembly Bill no. 6 of 2020)

Bill reported *with amendments*

Motion made and Question proposed: -

THAT, the Assembly do agree with the Committee of the Whole Assembly in the said report.

(Chairperson, Select Committee on County Finance, Budget and Appropriations)

Question put and ***agreed to***

Motion made and question proposed;

THAT, The Nairobi City County Appropriations Bill, 2020 (Assembly Bill no. 6 of 2020) be now read a Third Time.

(Chairperson, Select Committee on County Finance, Budget and Appropriations)

Question put and ***agreed to***

Bill read a Third Time and **passed;**

And the time being twenty-five minutes Past Five O'clock, the Speaker adjourned the Assembly without Question put pursuant to the Standing Orders.

7. ASSEMBLY ROSE - at twenty-five Minutes Past Five O'clock.

MEMORANDUM 245

The Speaker will take the Chair on
Tuesday, October 13th, 2020 at 9.30 a.m.

--x--

REPUBLIC OF KENYA

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – (FOURTH SESSION)

ORDERS OF THE DAY

TUESDAY, NOVEMBER 3, 2020 AT 2.30 P.M.

ORDER OF BUSINESS

PRAYERS

1. Administration of Oath
2. Communication from the Chair
3. Messages
4. Petitions
5. Papers
6. Notices of Motion
7. Statement
8. *COMMITTEE OF THE WHOLE ASSEMBLY

Subject: Consideration of the Governor's Memorandum on the Appropriation Bill, 2020

The Nairobi City County Appropriation Bill, 2020 (Governor's Memorandum).

(Committee of the Whole Assembly)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

NOTICES

I. GOVERNOR'S RESERVATIONS TO THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)

Notice is given that the Leader of Majority Party intends to move the following amendments in respect of the reservations contained in the Governor's Memorandum to the Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 Of 2020) at the Committee Stage -

GENERAL

THAT, the budget be rationalized to ensure that the budget is balanced to our projected revenues of Kshs 31,631,632,618.

SCHEDULE

THAT, vote 5328: Nairobi Metropolitan Services be deleted in its entirety.

THAT, votes 5315 – Health, 5316 – Urban Planning and Lands, 5317 – Public Works, Transport & Infrastructure, 5323 – Environment, Water, Energy & Natural Resources, 5324 – Urban Renewal & Housing be each with two Programmes namely:

a. Programme 1: General Administration & Support Services.
b. Program 2: Transferred Services

THAT, the Inspectorate budget allocated to Nairobi Metropolitan Services be deleted and the funds be allocated under vote R5312: Programme 0724005310: Security and safety Management and the amount determined for transfer to appropriate under sub-item 2640499 Other Current Transfers and 2640599 Other Capital Grants and Recurrent and Capital expenditure respectively.

THAT, in rationalizing the budget, the Items Referred in Item No 7 be restored as earlier proposed.

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I. The Assembly resolved on Wednesday, 19th February, 2020 as follows: -

a) **THAT**, notwithstanding the provisions of Standing Order 103(4), this Assembly orders that, each speech in a debate on **Bills** sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Sectoral Committee, in that Order.

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* Denotes Orders of the Day *

NOTICE PAPER 1

Tentative business for
Thursday, 5th November, 2020 at 2.30 p.m.

(Published pursuant to Standing Order 39(1))

IT IS NOTIFIED that the Select Committee on Assembly Business, at its last meeting, approved the following *tentative* business to appear in the Order Paper for Thursday, 5th November, 2020 at 2.30 p.m.: -

A MOTION – CHAIRPERSON, SECTORAL COMMITTEE ON CHILDREN, EARLY CHILDHOOD EDUCATION & VOCATIONAL TRAINING

Subject: Adoption of Committee Report

THAT, this Assembly adopts the REPORT OF THE SECTORAL COMMITTEE ON CHILDREN, EARLY CHILDHOOD EDUCATION & VOCATIONAL TRAINING ON THE INQUIRY INTO THE ALLEGED TRANSFER OF THE NAIROBI EARLY CHILDHOOD EDUCATION TRAINING CENTRE TO NAIROBI MILIMANI SECONDARY SCHOOL, laid on the Table of the Assembly on Tuesday, 6th October, 2020.

COUNTY GOVERNMENT OF NAIROBI CITY

SECOND ASSEMBLY – (FOURTH SESSION)

NAIROBI CITY COUNTY ASSEMBLY

VOTES AND PROCEEDINGS

TUESDAY, NOVEMBER 3, 2020 AT 2.30 P.M.

1. The Assembly assembled at thirty minutes past Two O'clock.

2. The Proceedings were opened with Prayer

QUORUM OF THE ASSEMBLY

The Speaker having confirmed that there was quorum at the commencement of the Assembly called the Assembly to order.

3. **COMMUNICATION FORM THE CHAIR**

The Speaker conveyed the following communication: -

Consideration of H.E the Governor's memorandum on the Nairobi City County Appropriations Bill, 2020

"Honourable Members, I have the following communication to make.

Hon. Members, as you may recall, during the morning sitting I conveyed to the House the Message on the memorandum of H.E the Governor on the Nairobi City County Appropriations Bill, 2020. This was further to the circulation of the electronic version of the same to all Members of the Assembly having been on Short Recess.

Hon. Members, while I recognize the import of the Bill to the life of this County, and more specifically to the service delivery to the citizens, this House is bound and guided by the provisions of the relevant statutes and Standing Orders in processing of specific business that comes before this House.

Hon. Members, our own case is the Nairobi City County Appropriations Bill, 2020 upon which the Assembly Select Committee on County Finance, Budget and Appropriations has deliberated, compiled and Tabled a report. This is in anticipation for the Committee of the Whole Assembly for consideration of the same pursuant to Standing Order this afternoon.

Hon. Members, it is therefore my responsibility to remind and guide the House on the provisions of the relevant statutes and Standing Orders to enable Members make decisions from a more informed position, especially on such a matter that relates to numerical thresholds with relevant consequential provision. Particularly, Standing Order 145 that relates to Assenting to Bills provides as the follows and I quote:

"(1) The Speaker shall, within fourteen days, forward a Bill passed by the County Assembly to the Governor.

(2) The Governor shall within fourteen days after receipt of a Bill –

(a) assent to the Bill; or

(b) refer the bill back to the County Assembly with a memorandum outlining reasons for the referral.

(3) If the Governor refers a Bill back to the County Assembly, the County Assembly may, following the appropriate procedures under this section –

(a) amend the Bill taking into account the issues raised by the governor; or

(b) pass the Bill without amendment."

Additionally, Hon. Members, the Assembly Standing Orders provides for the following actions to be taken whenever either of the situations in Standing Order 145(3) above are presented to the Assembly:

— Standing Order 145(4) provides that *"If the County Assembly amends the Bill taking into consideration the issues raised by the Governor, the Speaker shall within fourteen days submit the Bill to the Governor for assent"*

— Standing Order 145 (5) provides that *"If the County Assembly passes the Bill a second time, without amendment, or with amendments which do not accommodate the Governor's concerns by a vote supported by two-thirds of members of the County Assembly, the Speaker shall within seven days re-submit the Bill to the Governor and the Governor shall within seven days assent to the Bill"*

Therefore, Hon. Members, I urge you put the foregoing into consideration as the House proceeds with the consideration of the H.E the Governor's Memorandum on the Nairobi City County Appropriations Bill, 2020.

It is so guided and I thank you Hon. Members".

4. STATEMENTS PURSUANT TO STANDING ORDER 45(2)(C)

The following Statement was requested:

a) **Hon. Geoffrey Majiwa, MCA** will request for a statement from the Chairperson of the Sectoral Committee on Labour and Social Welfare regarding the finical statements disbursement and management of Lap Trust for the County employees.

5. COMMITTEE OF THE WHOLE ASSEMBLY

Order for Committee of the Whole Assembly read;

IN THE COMMITTEE

(Hon. John Kamangu, MCA - in the chair)

Governor's reservations on The Nairobi City County Appropriations Bill, 2020 (Assembly Bill no. 6 of 2020)

Governor's General Reservation

THAT, the budget be amended as follows -

THAT, the budget be rationalized to ensure that the budget is balanced to our projected revenues of Kshs 31,631,632,618.

(The Leader of Majority Party)

Question of the amendment proposed;

Question put and defeated.

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Results of electronic voting:
Total Votes Cast: 105
Affirmative: 17
Negation : 88

Vote 5328 **Governor's recommendation**

THAT, Vote 5328 be amended as follows -

THAT, *vote 5328: Nairobi Metropolitan Services be deleted in its entirety.*

(The Leader of Majority Party)

Question of the amendment proposed;

Question put and defeated.

Results of electronic voting:
Total votes cast: 104
Affirmative: 12
Negation : 92

Vote 5315; 5317;5323 and 5324 **Governor's recommendation**

THAT, Vote 5315;5317;5323 and 5324 be amended as follows -

THAT, votes 5315 – Health, 5316 – Urban Planning and Lands, 5317 – Public Works, Transport & Infrastructure, 5323 – Environment, Water, Energy & Natural Resources, 5324 – Urban Renewal & Housing be each with two Programmes namely:

a. Programme 1: General Administration & Support Services.

b. Program 2: Transferred Services.

(The Leader of Majority Party)

Question of the amendment proposed;

Question put and defeated.

Results of electronic voting:
Total votes cast: 105
Affirmative: 17
Negation : 88

Vote R5312 Governor's recommendation

THAT, Vote R5312 be amended as follows

THAT, *the Inspectorate budget allocated to Nairobi Metropolitan Services be deleted and the funds be allocated under vote R5312: Programme 0724005310: Security and safety Management and the amount determined for transfer to appropriate under sub-item 2640499 Other Current Transfers and 2640599 Other Capital Grants and Recurrent and Capital expenditure respectively.*

(The Leader of Majority Party)

Question of the amendment proposed;

Question put and defeated.

Results of electronic voting:

Total votes cast: 104
Affirmative: 12
Negation : 92

Items referred in Item NO. 7 **Governor's recommendation**

THAT, the items referred to in item NO.7 be amended as follows

THAT, *in rationalizing the budget, the Items Referred in Item No 7 be restored as earlier proposed.*

(The Leader of Majority Party)

Question of the amendment proposed;

Question put and defeated.

Results of electronic voting:

Total votes cast1: 105
Affirmative: 17
Negation : 88

ASSEMBLY RESUMED

Governor's reservations on The Nairobi City County Appropriations Bill, 2020

The consideration of the Governor's reservations on the Nairobi City County Appropriations Bill, 2020 and the rejection of the same without amendments reported.

Motion made and Question proposed: -

THAT, the Assembly do agree with the Committee of the Whole Assembly in the said report.

(The Chairperson, Select Committee on County Finance, Budget and Appropriations)

Debate ensued;
Question put; and ***agreed to***

And the time being Fifty-Five Minutes Past Four O'clock, the Speaker adjourned the Assembly without Question put pursuant to the Standing Orders.

6. **ASSEMBLY ROSE** - at Fifty-Five Minutes Past Four O'clock.

MEMORANDUM

The Speaker will take the Chair on
Thursday, November 5th, 2020
at 2.30 p.m.

--x--

NAIROBI CITY COUNTY ASSEMBLY

OFFICIAL REPORT

Second County Assembly – Fourth Session

Tuesday 3rd November 2020

The House met at 2.30 p.m.

[Hon. Speaker (Mr Benson Mutura) in the Chair]

PRAYERS

Hon. Speaker: I understand we have quorum. Clerk, proceed.

COMMUNICATION FROM THE CHAIR

GUIDANCE ON CONSIDERATION OF THE GOVERNOR'S MEMORANDUM ON THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020

Hon. Members, I have the following communication to make:

Hon. Members, as you may recall, during the morning sitting I conveyed to the House the Message on the memorandum of H.E the Governor on the Nairobi City County Appropriations Bill, 2020. This was further to the circulation of the electronic version of the same to all Members of the Assembly having been on short recess.

Hon. Members, while I recognize the import of the Bill to the life of this County, and more specifically to the service delivery to the citizens, this House is bound and guided by the provisions of the relevant statutes and Standing Orders in processing of specific business that comes before this House.

Hon Members, our own case is the Nairobi City County Appropriations Bill, 2020 upon which the Assembly Select Committee on County Finance, Budget and Appropriations has deliberated, compiled and Tabled a report. This is in anticipation for the Committee of the Whole Assembly for consideration of the same pursuant to Standing Order this afternoon.

Hon Members, it is therefore my responsibility to remind and guide the House on the provisions of the relevant statutes and Standing Orders to enable Members make decisions from a more informed position, especially on such a matter that relates to numerical thresholds with relevant consequential provision Particularly, Standing Order 145 that relates to Assenting to Bills provides as the follows and I quote:

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"(1) The Speaker shall, within fourteen days, forward a Bill passed by the County Assembly to the Governor.

(2) The Governor shall within fourteen days after receipt of a Bill -

(a) asset to the Bill: or

(b) refer the bill back to the County Assembly with a memorandum outlining reasons for the referral

3) If the Governor refers a Bill back to the County Assembly, the County Assembly may, following the appropriate procedures under this section -

(a) amend the Bill taking into account the issues raised by the Governor, or

(b) pass the Bill without amendment."

Additionally, Hon. Members, the Assembly Standing Orders provides for the following actions to be taken whenever either of the situations in Standing Order 145(3) above are presented to the Assembly:

Standing Order 145(4) provides that *"If the County Assembly amends the Bill taking into consideration the issues raised by the Governor, the Speaker shall within fourteen days submit the Bill to the Governor for assent"*

Standing Order 145 (5) provides that *"If the County Assembly passes the Bill a second time, without amendment, or with amendments which do not accommodate the Governor's concerns by a vote supported by two-thirds of members of the County Assembly, the Speaker shall within seven days re- submit the Bill to the Governor and the Governor shall within seven days' assent to the Bill"*

Therefore, Hon. Members, I urge you put the foregoing into consideration as the House proceeds with the consideration of the H.E the Governor's Memorandum on the Nairobi City County Appropriations Bill, 2020.

It is so guided. I thank you Hon. Members.

STATEMENTS

REQUEST FOR A STATEMENT REGARDING THE FINANCIAL STATEMENT, DISBURSEMENT AND MANAGEMENT OF LAPTRUST FOR THE COUNTY EMPLOYEES

Hon. Geophrey Majiwa: Thank you, Mr. Speaker. Pursuant to Standing Order No.45 (2) (c), I wish to request for a statement from the Chairperson of the Sectoral Committee on Labour and Social Welfare regarding the financial statement, disbursement and management of Laptrust for the County employees.

Hon. Speaker, persistent concerns have been raised on the delays in payment of benefits by Laptrust contrary to the terms and conditions between the organization and the County.

Hon. Speaker, allegation that Laptrust is deliberately delaying disbursement of funds to beneficiaries by engaging in risk investments which end up hurting beneficiaries after several years of toil, hard work, savings, and sacrifices

Hon. Speaker, in the statement, the Chairperson should inquire into and report on:

1. Reasons for delays in processing and disbursing benefits to County workers;

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2. The terms and conditions given in the agreement contract between the County and Laptrust, and if there is adherence to the same;
3. Whether the investments by Laptrust are viable or put pension funds at risk;
4. The financial statements of Lapfund trust paid for the last two years;
5. Challenges being faced by Laptrust in implementing its policies in Nairobi County;
6. Clarifications in transition from gratuity to pension scheme and its benefits to the Members;
7. Status of remittances by the staff and the Hon. Members; and
8. Brief on policy regarding non remittance.

Thank you.

Hon. Speaker: Do we have the Chairperson of Labour? In the absence, the Leader of Majority.

Hon. Abdi Hassan: Thank you, Mr. Speaker Sir. I want to undertake that the Committee will give the response in the next two weeks. Hope the Deputy Speaker is okay with it.

Hon. Speaker: The Deputy Speaker, are you in agreement?

Hon. Geophrey Majiwa: Yes.

Hon. Speaker: Thank you. Hon. Members, as we move to the next session, I was trying to confirm with the secretariat and the ICT people that we have 115 Members. So, it will be in order for Members to continue with the next program. Thank you.

COMMITTEE OF THE WHOLE ASSEMBLY

(Mr. Speaker left Chair)

IN THE COMMITTEE

[Hon. Chairperson (Mr. John Kamangu) took the Chair]

CONSIDERATION OF THE GOVERNOR'S MEMORANDUM ON THE APPROPRIATION BILL, 2020

Hon. Chairperson: Hon. Members, now we are in the Committee of the Whole Assembly to consider the Governor's Memorandum on the Nairobi City County Appropriations Bill, 2020.

You should be within the following restrictions:

One, I will only give one minute thirty seconds for Members to vote on each reservation.

Governor's Recommendation to align the Budget in the Bill: [THAT, the budget be rationalized to ensure that the budget is balanced to our projected revenues of Kshs 31,631,632,618.]

Hon. Abdi Hassan: Thank you, Chairperson. I beg to move that the general recommendation be adopted as recommended by His Excellency the Governor.

(Question proposed)

Hon. Chairperson: Any debate? Hon. Mbatia.

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Hon. Robert Mbatia: Thank you, Chair. On behalf of the Committee as the Chair, I request that the County Assembly rejects the Governor's recommendation that the budget be rationalized to ensure that the budget is balanced to our projected revenue of Kshs.31.6 billion. I propose a rejection.

Hon. Peter Imwatok: I rise also to support the Chair of Budget and Appropriations. Looking at the recommendation by the Governor, it is not carrying the aspirations of the people of Nairobi. I therefore support that we reject in totality the proposals by the Governor.

Hon. Chairperson: Thank you. Anybody else? We will now go to voting, you have one minute thirty seconds.

Hon. Robert Mbatia: For purpose of clarity, those that are rejecting the Governor's proposal should vote 'No'. There is confusion in that. So, we should vote 'No'

(Question put and the Committee divided)

Hon. Chairperson: We are waiting for results from the ICT. I think there was a problem from the ICT and we want a repeat of the voting system. Now, proceed with the voting. I will give you another one minute. Those who are supporting the Governor's reservations to vote 'Yes' and those who are rejecting to vote 'No' I think you have understood.

Please Honorable Members have order, order, please. Now the voting is over, ICT give me the results.

Hon. Robert Mbatia: Inaoneshana 'no' has 85%. Speaker this is not correct. On the wall it is very clear 85%.

Hon. Chairperson: Do not check what is on the wall, we have the results coming. Just wait for the ICT to give me the results.

ICT, the time is over. Please hand over to the Chair the final voting. Hon. Members, do not forget that we are in the Assembly. I would urge the Members standing to sit down, please.

(Question negatived by 88 votes or 85%)

Hon. Members let me give the ICT report, and those of the contrary opinion have taken over, because they have voted 85% for which is 88 votes out of 123.

Clerk proceed.

THAT, vote 5328: Nairobi Metropolitan Services be deleted in its entirety.

Hon. Chairperson: I propose the question that vote 5328 Nairobi Metropolitan Services be deleted in its entirety. Majority Leader please proceed.

Hon. Abdi Hassan: Thank you Chair, I beg to move that vote 5328 be adapted as recommended by H.E the Governor. Thank you Chair.

Hon. Chairperson. Thank you, Mover. I propose the question that vote 5328 be adapted as recommended by H.E the Governor. Members debate.

Hon. Robert Mbatia: Actually, it is a bit confusing. Bwana chair believes that whatever the Majority Leader says is gospel truth. It is just procedural for him to move what is in paper but this Assembly through the Committee of Budget has also its reservations. So let people not believe what they hear, the Majority

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Leader is only doing what is procedural, reading what the Governor had raised in the memorandum but the determination of the Budget Committee is that we reject in totality the Governor's recommendation that vote No. 5328, that is Nairobi Metropolitan be deleted. So I request the Members to vote 'No' for us to retain the vote 5328, the Nairobi Metropolitan Services.

And Mr. Chair, as I support this, I want to say that everyone knows and is supporting Nairobi Metropolitan Services for what they are doing currently and by us deleting this vote will mean that we are not giving them any money, Mr. Chair. So kindly let us support NMS through rejecting the Governor's proposal by voting 'No', thank you Mr. Chair.

Hon. Chairperson: Thank you Hon. Mbatia. I put the question that vote 5328 be adapted as recommended by H.E the Governor. I give one minute 9 seconds for voting. Please start now.

(Question put and the Committee divided)

(Question negatived by 92 votes or 88%)

THAT, votes 5315 – Health, 5316 – Urban Planning and Lands, 5317 – Public Works, Transport & Infrastructure, 5323 – Environment, Water, Energy & Natural Resources, 5324 – Urban Renewal & Housing be each with two Programmes namely: a. Programme 1: General Administration & Support Services. b. Program 2: Transferred Services.

Hon. Chairperson: I propose the question that votes 5315 that is Health, 5316 Urban Planning and Lands, 5317 Public Works and Transport, 5323 Environment, Water, Energy and Natural Resources, vote 5324 Urban Renewal and Housing be each with two programmes, namely:

a) Programme 1 – General Administration and Support Services
b) Programme 2 – Transferred Services.

Majority Leader please proceed.

Hon. Abdi Hassan: Thank you Mr. Speaker Sir. I beg to move that votes 5315, 5316, 5317,5323 and 5324 be adopted as recommended by H.E the Governor, thank you.

Hon. Chairperson: I propose the question that votes 5315, 5316, 5317,5323 and 5324 be adopted as recommended by H.E the Governor. Debate.

Hon. Robert Mbatia: Chair I want to request this Hon. Assembly to reject in totality the Governor's recommendation of the five votes being put into two. We reject it by voting No. Thank you.

Hon. Chairperson: I put the question that votes 5315, 5316, 5317,5323 and 5324 be adopted as recommended by H.E the Governor. Now Members, vote. I give one minute for voting, 9 seconds for voting. Proceed.

(Question put and the Committee divided)

Hon. Members I think we are done; ICT please produce the voting results to the Chair.

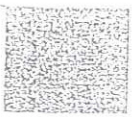
Hon. Chairperson: We are waiting for the results.

(Point of order)

Hon. Chairperson: Under which Standing Order, my brother!

Hon. Peter Imwatok: Hon. Speaker, up to date we have never opened the server.

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Hon. Chairperson: Please do not interfere with the voting. You are breaching the Standing orders and I am warning you and giving you the last warning.

(Question negatived by 88 votes or 85%)

The Inspectorate budget

Hon. Chairperson: I propose that the Inspectorate budget allocation to Nairobi Metropolitan Services be deleted and funds be allocated under votes are R5312 programme 0724005310, security and safety management and the amount determined for transfer to appropriate under sub item 2640499. Other current transfers under 2640599 other capital grants and recurrent and capital expenditure respectfully. Majority Leader!

Hon. Abdi Hassan: Thank you Mr. Chair, I beg to move that the Inspectorate budget be adopted as recommended by H. E the Governor. Thank you.

Chairperson: I propose that the Inspectorate budget be adopted as recommended by H. E. the Governor. Mover!

Hon. Robert Mbatia: Thank you Chair, and once again, I want to thank the Hon. Members for leading to the good work done by the committee of Budget and Appropriation and I want to propose that this County Assembly rejects the Governor's recommendation as he has recommended not to allocate money for Inspectorate Services under NMS. Therefore, we reject by voting 'no'.

(Question put and the Committee divided)

Hon. Chairperson: Please, Members, vote one minutes 90 seconds. Hon. Otieno, we are now voting; no point of order and no interference Hon. Members. The Voting time is over; the ICT please produce the results. The Members are eagerly waiting to see how they have voted.

(Question negatived by 92 votes or 88%)

Therefore, the NAYS have it. Thank you Clerk proceed!

Items Referred in Item No 7

Hon. Chairperson: I propose the Question that, in rationalizing the budget, the Items referred in Item No 7 be restored as earlier proposed.

Hon. Abid Hassan: I beg to move that the item referred in Item No. 7 be adopted as recommended by H. E. the governor. Thank you.

(Question proposed)

Hon. Robert Mbatia: Thank you Chair, I propose that this County Assembly rejects in totality the Governor's recommendation to rationalize the budget under item No. 7. Therefore, I request this hon House to vote as it has continued to vote in the past previous four occasions to vote a 'no'.

Hon. Chairperson: Thank you Chair. I put the item referred in the item No. 7 be adopted as recommended by H. E. the Governor. Members I ask you to vote. One minute 90 seconds please proceed.

(Question put and the Committee divided)

ICT please produce the voting; the Members are eagerly waiting for the results.

(Question negatived by 88 votes or 85%)

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Thank you very much, Hon. Members for voting in this regard. The nays have it having voted 88 Members that represent 85%. I, therefore, declare the nays have it. Proceed, Mover! Can you please give him the mic?

Hon. Robert Mbatia: Thank you Mr. Chair and I want to thank also the Hon. Members for a wonderful work done in believing in the Finance Budget and Appropriation Committee and I want to thank the office of the Speaker, Clerk and mostly the honorable Members of the budget committee.

Mr. Chair I also want to thank the honorable Members of the entire House and apart from that, I want to humbly thank our budget office, the fiscal analyst who did very good work. Having said that Mr. Chair I beg to move that the Committee do report to the Assembly its reconsiderations of the Governors reservation on the Nairobi City County Appropriation Bill No. 6 of 2020 and its rejection therefore off without amendments. Thank you Mr. Chair.

Hon. Chairperson: Thank you Chair. I put the question that the Committee do report to the Assembly its considerations of the Nairobi City County Appropriation Bill No. 6 of 2020 and its rejection therefore off without amendments.

(Question put and agreed to)

(The House resumed)

[Hon. Speaker in the Chair]

REPORT

Hon Speaker: Order Members! Chair you can report.

Hon. John Kamangu: Thank you very much, Mr. Speaker, I beg to report that the Committee of the Whole Assembly has considered the Governor's reservations on the Nairobi City County Appropriation Bill 2020 and rejected the same without amendment. Thank you, Mr. Speaker Sir.

Hon. Speaker: Mover!

Hon. Robert Mbatia: Thank you, Mr. Speaker, I beg to move that this Assembly do agree with the Committee recommendation in rejecting the Governor's recommendations. Thank you, Mr. Speaker.

(Question proposed)

Hon. Peter Imwatok: Hon. Speaker, protect me from the Minority Whip Ogeto because I do not know which news he is speaking about. All said and done Speaker, I want to thank you so much for a sober afternoon and more so thank you so much for the leadership of the political side both the Majority side and Minority side.

Hon. Speaker, when we passed the Appropriation Bill it is on the record that I said we expect a memorandum to come before this House. But I am very much delighted that across the political divide the Majority side knows what we want to achieve and the Minority side also knows what we wanted to achieve in that Appropriation Bill.

That whoever in this Country may want to disobey what the people of Nairobi wants I believe now they have seen the hands of time. For some of us it has being a long journey from September when we were

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asked, I said and I quote "the plane must land" some took us as a joke. Now it is time that Nairobians see that 123 honorable Members logged in and the entire ODM fraternity and the entire Jubilee fraternity have logged in, to pronounce themselves on the interest of Nairobians.

Secondly, Speaker, it is time that we give a thumbs up to the entire Members but also a warning shot, that this is only the beginning to redeem Nairobians from the claws of gimmicks and games that are undefined in life. I understand that today we have given NMS them funds but let it also be on their ears that we are on a lookout that our wards need development and it will not compromise especially on our wards.

We are asking NMS to put its house in order. This morning when the Leader of Minority called me to a meeting, there was a question which was raised, that NMS does not respect honorable Members especially the elected ones who want to know the programmes and projects that are in their wards. Some of us will not be scared to speak the way it is and we will face the monster as it is. We want respect to our leaders and we get what we want.

Secondly Mr. Speaker, this is a time that you know your friends. In friendship you don't go with a friend who you know very well you will float. And a horrible Governor must learn from this; that leadership is God given and you receive according to how you give to others. Some of us have not experienced any good development for three good years. Simply because we do not know the route to Upper Hill, we do not know how to fly with the Executive and we do not know how to beg the Executive.

There was a time me and the Majority leader were put on three daily newspapers full page because we questioned the rationale upon which the funds were spent with no development. We will question the NMS with the same vigour because we are giving them money to develop our Wards.

Hon. Speaker, the County Government of the day has failed to absorb itself to the reality of the times. But we won't force them because the level of understanding differs. May be some from where they come from – Chair Mbatia can understand *kwa lugha ya mtaa tunawaita weri ama gumba*. That you come and get lucky, and swim on the luck without understanding how this city was and where you want to take it. We pose the same understanding to the NMS if they do not do what Nairobians want. For the last eight months or so NMS has done a fantastic job.

I watched the Director General on Citizen TV, he was very calm explaining how *chokoras* can be employed to work for Nairobians. That was a plus. I think in the history of this county there are two people who have made an impact since devolution; one is the General and the other one is you Mr. Speaker. In this county apart from the City Stadium, you are the one who came with the project of Camp Toyoyo, the first ever stadium with a tough, I have seen another one up to date. The other stadium that we have is Dandora, the dust is still rolled on the sides because it became a conduit of corruption. But yours you rolled it up until now it needs to be replaced again.

Basically when you are given a position in leadership, do something that can impact the generations to come. The Major General will impact us because today as I was driving to Hurlingham, I could see the cabros. This is a city we need those things. Today if you go to Makadara, people still remember Hon. Benson Kangara because he played his role well. He made an impact then.

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Therefore, I respect the Majority and the Minority Leaders and all the leaders here you are making an impact today. No one should say that members are called and given Kshs. 20,000/= or Kshs. 30,000/= or a trip, that is not the way to go. We believe as a leadership under your guidance Mr. Speaker, we will hold our hands together. We are asking the other outside forces to please give the President ample time to serve the people of Nairobi, give the Prime Minister a chance to support the President. All the 51 members of the ODM have voted 'No' to reject this unorthodox way of dictating to people to do the wrong thing.

As the Minority Whip, my leader will speak but I believe what we have done is politically right for our people because we are politicians. Politicians will always define what they get when, how and where. Chair Mbatia if I go to your Ward and see the same field that you built during Governor Kidero's time is the same, nothing new has happened - happily, I saw that next to Kariobangi you are making a road - that is a plus through the NMS and we appreciate.

I walked to the Minority Leader's Ward last week and he told me much is being done in his Ward. I talk much but I am a very happy man, September last year has been a journey and we are almost there. I can guarantee them that we are almost there, the plane must land. Thank you.

Hon. Robert Mbatia: Thank you Mr. Speaker. As I rise to thank the entire assembly and to propose that we adopt this report of this House, I am a bit worried by Hon. Imwatok's knowledge of my area. He knows what I am doing at every point. I am worried if he wants to vie for the MCA of that area. If he wants the Governor's seat, I will give him my support.

Mr. Speaker I want to thank your office because I might not get another chance to stand here again on the Governor's memorandum, to thank your office because of the support you have given us. You have facilitated us to this point. I want to thank your office through the Clerk because of facilitating us and also our able Fiscal Analyst whom you have assigned to our committee. I want thank them all for the wonderful work they have done and also the 25 members of the committee. Some were unwell and out of Nairobi but they came in order for us to make recommendations and determine the Governor's memorandum.

I also want to thank the entire assembly, the honorable Members, for the way they have voted. This shows a lot of willingness to support the truth against half-truths, Mr. Speaker. I want to thank the minority side which should be opposing has supported us in totality.

(Applause)

Mr. Speaker, on the government side there were some doubts but the members have shown that they are willing to support the truth against half-truths. I want to request on behalf of our committee that let this not be construed as a contest between the Governor and the assembly or the Governor versus the NMS o the Governor and the President. In this contest Nairobians have won. I call this a contest of truths and half-truths.

Mr. Speaker, I know there is something that is very close to the member's hearts; that is the WDF/WDP projects. These projects were illegally placed under the Governor's Office and at this point when we place them under Nairobi Metropolitan Services, we do so because, one, they were projects and two, the Public Works is a transferred function.

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Having said that, Mr. Speaker, of all the projects that were lined in this appropriation, 88 are under WDF. And 83 of them which is 94% are under those transferred functions. Only five are for the remaining functions with the County Executive. By us transferring them there, which sin did we do? We are only facilitating and easing project implementation, Mr. Speaker.

Mr. Speaker, as I wind up, I want to request the current leadership under your leadership Mr. Speaker that there has been a promise for a Liaison Office between the Nairobi Metropolitan Services and the County Assembly. His is a high time that this is put in place because I know that this Bill will be published and gazetted as all the laid down procedures have been followed. I have no doubt that this Bill will be in place, the budget will be uploaded into the IFMIS system and from there we need the implementation. As representatives, we need that liaison office. It is upon you and the leadership to make sure that this Liaison Office is established. Thank you Mr. Speaker.

Hon. Deputy Speaker: Thank you Mr. Speaker. I also want to take this earliest opportunity to support the members for this bold step to ensure that we have things working. Mr. Speaker many may not be aware that the assembly has been operating on a vote of account for the past few weeks which is completely exhausted and It is just a matter of time and everything will grind to a halt. The decision we have taken in this assembly I think it is a win-win situation for all of us even for our friend the Governor who might feel that he wanted more and has not gotten enough. He still has a room to come to us with a supplementary budget and we will look at it objectively and give him what he deserves.

I want to urge the participants in the budget process to ensure that things are fast-tracked so that we do not glide to a halt. Thank you Mr. Speaker.

Hon. Speaker: Hon. Members, I don't see any other requests. Therefore, I put the question.

(Question put and agreed to)

ADJOURNMENT

Hon. Speaker: Hon. Members, there being no other business, the House stands adjourned to Thursday 5th of November 2020 at 2.30 p.m.

The House rose at 4.50 p.m.

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COUNTY GOVERNMENT OF NAIROBI CITY





NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – FOURTH SESSION

Paper laid by
Hon. Robert Mbatia
Chairperson, FBAC
PLAC Cc
3/11/20

28TH REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE, BUDGET AND APPROPRIATIONS

ON

THE CONSIDERATION OF HIS EXCELLENCY THE GOVERNOR'S MEMORANDUM ON REFUSAL TO ASSENT TO THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

NOVEMBER, 2020

1. PREAMBLE

Mr. Speaker Sir, the provisions of Articles 201 and 224 of the Constitution of Kenya 2010 provide the fundamental principles and considerations that are imperative to the County Assembly at any time of reviewing the Appropriation Bill as in the present case. Further and generally, the provisions of the Public Finance Management (PFM) Act, 2012 has in elaborate detail outlined the chronology of events that should culminate in the enactment of the Annual Appropriation Bill. In this regard the underpinning law is emphatic that each year the County Executive shall prepare an Annual Development Plan which shall outline the key human, social and capital development projects that shall be focal point of the upcoming budget process. Consequently, the County Government is required to consider and approve the County Fiscal Strategy Paper which documents the broad strategic priorities and budget ceilings that lead up to the programme based budget submitted by the end of April each financial year. The provisions of Section 129 (7) of the PFM Act decree that the County Executive Committee Member for Finance (CECM-F) shall prepare and submit to the County Assembly an Appropriation Bill that is consistent with the resolution of the County Assembly on the budget estimates. Upon such submission the County Assembly is required to enact the Appropriation Bill before transition to the subsequent financial year failure to which a Vote of Account becomes a statutory escape route.

Mr. Speaker Sir, the Nairobi City County Assembly has provided necessary impetus and tools for this noble and expansive task to be stewarded by the Select Committee on County Finance, Budget & Appropriations established pursuant to the provisions of Standing Order 199 with a specific mandate among which is to:

a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;
b) Discuss and review the estimates and make recommendations to the County Assembly;
c) Examine the County Fiscal Strategy Paper presented to the County Assembly;
d) Examine Bills related to the county budget, including Appropriations Bills; and
e) Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlay

Mr. Speaker Sir, the consideration of the budget documents in the FY 2020-21 was guided by the County Assembly Finance, Budget & Appropriations Committee comprising of the following Members:

1. **Hon. Robert Mbatia, MCA** — **Chair**
2. **Hon. Michael Ogada, MCA** — **Vice- Chair**
3. Hon. Patrick Karani, MCA
4. Hon. Nimo Omar, MCA
5. Hon. Kariuki Wanjiru, MCA
6. Hon. Anthony Ngaruiya, MCA
7. Hon. Jacinta Wanjiru, MCA
8. Hon. Joseph Mwangi Komu, MCA
9. Hon. James Kiriba, MCA
10. Hon. Daniel Ngengi Muturi, MCA
11. Hon. Susan Makungu, MCA
12. Hon. Catherine Okoth, MCA
13. Hon. Emily Oduor, MCA
14. Hon. Paul Ndungu, MCA
15. Hon. Nancy Muthami, MCA
16. Hon. Cecilia Ayot, MCA
17. Hon. Herman Azangu, MCA
18. Hon. Emapet Kemunto, MCA
19. Hon. Mellab Atemah, MCA
20. Hon. David Okelo, MCA
21. Hon. Osman Adow,MCA
22. Hon Fredrick Onyango Okeyo, MCA
23. Hon. David Mberia, MCA
24. Hon. Elizabeth Nyambura, MCA
25. Hon. Kennedy Oyugi, MCA

Consideration of His Excellency the Governor's Memorandum on Refusal to assent to the Nairobi City County Appropriations Bill 2020

Mr. Speaker Sir, the consideration of this Memorandum was a debut moment for the Finance, Budget and Appropriations Committee as it marked the first time that the County Assembly has been faced with a decision on Governor's Memorandum on an Appropriation Bill. Therefore, the Committee employed utmost due diligence to ensure that the issues raised were properly addressed within the confines of the guiding legal provisions. During the consideration of this Memorandum the Finance, Budget and Appropriations Committee held a number of sittings to review and discuss the Memorandum as read together with other approved budget documents.

Acknowledgment

Mr. Speaker Sir, the Committee is sincerely grateful to: -

a) Offices of the Clerk and the Speaker for the support received throughout this process;
b) Officers from the County Executive, led by the County Treasury, who appeared before the Finance Committee for the purposes of making submissions on the Memorandum;
c) The team from the Nairobi Metropolitan Services who were continuously available to engage with the Committee on the Memorandum;
d) Members of the Finance, Budget and Appropriations Committee who dedicated their time to ensure that the task of reviewing the Memorandum is done diligently and within the limited statutory timelines;
e) The County Assembly Legal Department for the critical legal input they provided during the entire process of considering this Memorandum; and
f) The County Assembly Budget Office who continually provide guidance to the Committee on the budget process.

Mr. Speaker Sir, it is therefore my utmost privilege and distinct honor on behalf of the Committee to table this report on the consideration of His Excellency the Governor's Memorandum on Refusal to assent to the Nairobi City County Appropriations Bill, 2020 and recommend it to the Assembly for adoption.

Signed..... Date..... 2nd November 2020

Hon. Robert Mbatia, MCA

Chairman: Finance, Budget and Appropriations

Committee

II. SCRUTINY OF THE MEMORANDUM ON REFUSAL TO ASSENT TO THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

2.0. Background Information on the approved budget for the FY 2020-21, Vote on Account and Appropriations Bill 2020

Mr. Speaker Sir,

1. In the Financial Year 2020-21, the County Treasury submitted to the County Assembly a total budget of Kshs. 31.43billion consisting of Kshs. 25billion for recurrent and Kshs. 6.4billion for development.
2. The County Assembly on 30th June 2020 approved the submitted budget estimates with amendments aimed at ensuring that the budget is aligned to the provisions of the Public Finance Management Act, 2012 with specific focus on increasing the development vote to the 30% mark required by statute. In summary the County resolved as follows on the submitted estimates: -
   a) That the budget for the County Government be adjusted to ensure that the budget for the County Assembly is accommodated at Kshs. 1.409billion for recurrent and Kshs. 600.7million for development activities;
   b) That in line with the Nairobi City County Persons Living with Disabilities Act 2015, the budget for the County Government be adjusted to provide an amount not less than 1% of the total budget for programmes and activities for persons living with disabilities;
   c) That the County Government budget be adjusted to provide resources for rehabilitation of street children and street families;
   d) That the County Government holds a consultative meeting with the Kenya Revenue Authority to develop a joint framework for enhancement of revenue collection and the same be captured in the Finance Bill 2020;
   e) That in line with the provisions of Section 148 of the Public Finance Management Act, 2012 the County Treasury assigns full accounting functions to respective Sector Chief Officers;
   f) That to provide resources for development, the allocations for Operations and Maintenance across all Sectors excluding the County Assembly be reduced by 20%; and

g) That the above changes be captured in the Appropriations Bill 2020 to be submitted to the County Assembly.

3. Cognizant of the fact that the County was at the tail end of the financial with limited likelihood of the Appropriation Bill being law by 1st July 2020 the County Assembly passed Vote on Account authorizing Kshs. 12.5billion in line with the provisions of Section 134 of the PFM Act, 2012. This was meant to grant latitude for the Senate and National Assembly to finalize deliberations on the Revenue Sharing Formulae and the County Allocation of Revenue Bill 2020 which are critical documents in the County budget process. The CARA having been enacted the County Executive Committee Member for Finance submitted to the County Assembly the Appropriation Bill, 2020 for review and subsequent enactment.

4. **Mr. Speaker Sir**, during the review of the submitted Appropriation Bill the Committee noted that there were differences between the Bill and the budget as approved. The total budget had been enhanced by Kshs. 197million with increases undertaken for legal, payment of commissions, insurance among others. The resolutions of the County Assembly on the budget had also not been fully implemented.

5. The Finance, Budget and Appropriations Committee reviewed the Bill and made recommendations that were aimed at providing resources for funding the transferred functions while being alive to the need of ensuring that the functions that were not transferred are not starved of resources. In the approval the Committee underscored the need for the National Government to be steadfast in funding the Nairobi City County and by extension ensuring that there are adequate resources for the Nairobi Metropolitan Services. This was through the allocations for Nairobi City County which remained unremitted at the end of the financial year 2019-20 and the Kenya Revenue Authority hitting accelerator pedal to ensure that internal revenue targets are met and surpassed.

6. The Governor having reviewed the Appropriation Bill submitted for assent noted some reservations that he felt needed to be corrected before the same becomes law.

2.1. Consideration of His Excellency the Governor's Memorandum on the Nairobi City County Appropriation Bill, 2020

7. At its meetings held on Friday 30th October 2020 and Monday 2nd November 2020 the Committee deliberated on the Governor's reservations to the Nairobi City County Appropriation Bill, 2020 and resolved as follows: -

2.1. Reservation 1 – Deficit Budget - As proposed by the Governor.

Thus, *I have reviewed the Bill as presented to me for assent and the total budget and the total projected revenues for the financial year 2020/2021 Kshs 31,631,632,618 against the total expenditure of Kshs 37,454,976,280, leaving shortfall of Kshs 5,823,343,662, which is against the Public Finance Management regulations no 31(c') which provides that the total budgeted revenue and budgeted expenditure must be balanced.*

2.1.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to deficit budget and the concerns therewith

2.1.2. Justification

This rejection is premised on the following:

The County budget making process is domiciled under the Public Finance Management Act, 2012 with the chronology of events in that regard provided for under Section 125 of the said Act

However, it is noteworthy that the budget process for the FY 2020-21 was undertaken under very unique circumstances, as follows: -

1. Whereas the County Fiscal Strategy Paper (CFSP) 2020, which provides the overall strategic objectives of the County, was submitted to the County Assembly in February 2020, the County transferred functions to the National Government in March 2020. Unsurprisingly, the current scenario was not anticipated at the time of adopting the CFSP;
2. The CFSP for the FY 2020 with an approved total budget of Kshs. 31.4 billion did not take into account the contemporary realities related to the transfer of functions. The same figure was adopted in the submitted budget estimates for the FY 2020-21;

3. Given that the budget estimates as approved were premised on the CFSP submitted before transfer of functions, the allocations for individual programmes and votes did not take into account some of the basic requirements of the Deed of Transfer of Functions. Specifically, the total allocation for the transferred functions was lower than the allocations for the FY 2019-20 thereby contravening the provisions of the Deed of Transfer and Section 7 (2) of the County Allocation of Revenue Act, 2020;
4. Whereas the provisions of the Deed of Transfer and Section 7 (1) of the County Allocation of Revenue Act require consultation between the County Executive and the National Government in determining the cost of the transferred functions, the same had not been undertaken at the time of considering the Appropriation Bill, 2020. This, therefore, meant that the hands of the County Assembly were tied in ensuring that the level of funding for both the County Government and NMS were determined before enactment of the Bill. The meetings between the County Treasury and the NMS to come up with these figures failed to bear fruit;
5. At the time of passing a Vote on Account for 2020-21, the County Assembly noted that it could not make a determination on the Appropriations Bill, 2020 before passage of the County Allocation of Revenue Bill, for to do so would be to engage in guesswork with regard to the funding of the transferred functions;
6. The Appropriation Bill, 2020 therefore was adjusted to take care of the changing circumstances on the County budget process while also being alive to the requirements of the PFM Act, CARA and the Deed of Transfer of Functions;
7. Through the report of the Budget Committee on the Bill, the Committee urged for cooperation of the National Treasury in releasing the Kshs. 3.5 billion unremitted amounts for the FY 2019-20 while also calling for utilization of Kshs. 1 billion unspent amounts for the Roads Maintenance Levy Fund. The Committee was also alive to the enhanced revenue collection mechanisms put in place by KRA post passage of the CFSP and tabling of the budget which are expected to be fully operational in the FY 2020-21. With this, the budget would be balanced in line with the provisions of Regulation 31 of the PFM Regulations 2015; and

8. Therefore, whereas compared to the tabled budget for the FY 2020-21, the budget had a financing gap of Kshs. 5.8 billion, this position is cured through the above mechanisms. It is noteworthy that an Appropriation Bill is a document for expenditure and some of the above proposals may not find their way to the amendment matrix.

2.2. Reservation 2 – Advisory by the Controller of Budget – as proposed by the Governor.

Thus, *it is therefore against the basic principles of public finance management for the Nairobi City County Assembly to abrogate unto itself the responsibility of the County Executive in budget preparation, without providing explanations or justifications for the mutilation they subjected the budget proposals to, or how the deficit of Kshs 5,823,343,662 will be financed, while ignoring the advisory of the Controller of Budget.*

2.2.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to advisory by the Controller of Budget and the concerns therewith.

2.2.2. Justification

This rejection is premised on the following: -

1) The advisory from the Controller of Budget addressed to the County Executive pointed to the fact that the County's proposed internal revenue projection of Kshs. 14.65 billion was unrealistic based on past trends, the budget had not allocated 30% of total budget to development and the expenditure on personnel emoluments exceeded the 35% mark allowed by regulations. The Office hence called upon County Governments to correct the same;
2) Despite this advisory the budget submitted to the County Assembly and which was the subject of the Appropriation Bill, 2020 had total projected internal revenue at Kshs 14.65billion, the development budget was below 30% and expenditure on PE remained unaltered;

3) The Memorandum asserts that the County Executive headed the advice of the Controller of Budget and revised the budget downwards from Kshs. 36.98 billion in the FY 2019-20 to Kshs. 31.63 billion in the FY 2020-21. On the contrary, the advisory by the Controller of Budget was not related to the budget for the FY 2019-20 and addressed itself to the Kshs. 31.43 billion budget for the FY 2020-21. In any case the total budget for the County has stagnated at Kshs. 31.43 billion since February 2020 when the CFSP was submitted to the County Assembly; and

4) Based on the previous explanations it is imperative to note that the. County Assembly had taken steps to ensure that the budget is responsive to prevailing realities. On the issue of whether the County Assembly would have been bound by any advisory from the Controller of Budget on the budget approval, reference is made to Petition 368 of 2014. In the ruling, the learned Judge determined that County Assemblies are not subject to the Controller of Budget in budget approval and any questions on illegalities of any Appropriation Acts enacted should only be settled in Courts of competent jurisdiction.

2.3. Reservation 3 – Illegal Amendments to the Budgets – as proposed by the Governor

Thus, *with respect to illegal amendments to the Budgets in terms of Section 128, 129, 131(3), 131(2), 136 (1) of the Public Finance Management Act, 2012; Regulation 37 (1) of the Public Finance Management Regulations 2015; Articles 5.2. and 5.3. of the Deed of Transfer of functions.*

2.3.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to illegal amendments to the Budgets and the concerns therewith.

2.3.2. Justification

This rejection is premised on the following: -

1) The issue of the role of the CFSP in the budget process for the FY 2020-21 and the level of compliance by the County Assembly on balanced budgets has also

been addressed in point one. However, on provisions of Section 131 (2) of the PFM Act, 2012 on the requirement for the County Assembly to consult the County Executive Committee Member for Finance, the Committee held a number of meetings on the Appropriation Bill in which the CECM for Finance was consulted on various matters related to the Bill. Fundamentally the resource requirements for the NMS were discussed in Mombasa and at the occasion in the County Assembly Chambers. However, after several attempts the hardened positions between various stakeholders in the County budget process made it impossible for compromise. Indeed, the Courts in Petition 16 of 2011, when considering the issue of nomination of the then Chief Justice, determined the issue of 'consultation' and arrived at the conclusion that consultation does not amount to 'consensus';

2) On the extent of amendments, the Public Finance Management Act, 2012 grants the County Assembly powers to approve budget estimates with amendments. The PFM regulations refer to the budget estimates and provide for ordinary scenarios where estimates relate to only the county government without any major activity like transfer of functions taking place within the financial year during budget consideration and approval. The increase of 19% was therefore necessary to take care of realities that the County Assembly was not seized of at the time of approving the budget ceilings in the County Fiscal Strategy Paper. Further, whereas the provisions of law indicate that amounts not spent lapse at the end of the financial year, the same can be re-appropriated as bank balances brought forward from respective financial years;

3) The accommodation of budget estimates for the Nairobi Metropolitan Services arose from the fact there was no adequate consultation at the time of consolidating the budget estimates for the County Government. Determination of the cost of transferred functions is based on consultation and not consensus hence the need for the County Assembly to be the umpire between the differing factions in settling on a compromise figure; and

4) The reasons for refusal to assent have misinterpreted the provisions of the Deed of Transfer by asserting that in allocating money for transferred functions the

Deed requires that even the allocation for non-transferred functions should not be less than preceding financial year. Interest of the transfer of functions is to ensure that delivery of services related to transferred functions should not be affected by the County Assembly appropriation.

2.4. Reservation 4 – Allocation of Funds to Vote No. 5328 – Nairobi Metropolitan Services in Relation to Transferred Functions – as proposed by the Governor

Thus, *regarding the Allocation of Funds to Vote No. 5328 – Nairobi Metropolitan Services in Relation to Transferred Functions and concerns therewith.*

2.4.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to Allocation of Funds to Vote No. 5328 – Nairobi Metropolitan Services in Relation to Transferred Functions and the concerns therewith.

2.4.2. Justification

This rejection is premised on the following: -

1) Deletion of the Votes for the transferred functions is aimed at ensuring efficient service delivery for the functions. The function for coordination of transferred functions to be undertaken by CECMs can be properly managed with the General Administration programme under the Office of the Governor. Additionally, it is noteworthy that the County Executive sub-programme has an allocation of Kshs. 195 million in the FY 2020-21. The Committee if of the considered view that the transfer of the functions was not piecemeal hence it is expected the entire delivery units would be under the watch of the National Government post the signing of the Deed of Transfer;
2) The payment of salaries, ongoing projects and pending bills are the subject of discussion at the intergovernmental technical working group under the auspices of the Attorney General and the same should be clear in the coming days. In

fact, the same position has been communicated to the Director General, NMS by the National Treasury on the issue of payment of salaries for the seconded staff; and

3) The allocation of money to NMS is subject to the provisions of the Deed of Transfer of Functions and the County Allocation of Revenue Act which require that the County Assembly appropriates monies for the transferred functions. The amendment is only meant to transfer resources to implement the transferred functions through the National Government, an entity that is not anticipated to be declared by the provisions of Section 2 and 5 of the Public Finance Management Act, 2012. The provisions of Article 187 of the Constitution decree the transfer of resources to accompany the functions hence the transfer cannot be construed as changing the structure of the County Executive. In any case, the Appropriation Bill is not the document that determines or outlines the structure of the County Government.

2.5. Reservation 5 – Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Ward Development Fund – as proposed by the Governor

Thus, *regarding the Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Ward Development Fund and concerns therewith.*

2.5.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Ward Development Fund.

2.5.2. Justification

This rejection is premised on the following: -

1) The Ward Development Act, 2014 anticipates that there shall be a comprehensive process of identification of projects and implementation of the same. Whereas it is anticipated that the Ward Development programmes shall encompass all the functions contained in Part 2 of the

Fourth Schedule, the reality is most of the projects to be implemented relate to the transferred functions. Review of the projects for implementation in the FY 2020-21 indicates that out of a total list of about 88 projects lined up for FY 2020-21 only about five relate to functions that were not transferred; and

2) It is based on this background that the County Assembly resolved to transfer the allocation to the Nairobi Metropolitan Services for ease of implementation. The Act anticipated that the projects be implemented through a Fund, a position that has remained largely impossible to realize due to a number of inherent challenges.

2.6. **Reservation 6 - Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Public Finance Management – as proposed by the Governor.**

Thus, *regarding the Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Public Finance Management and concerns therewith.*

2.6.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Public Finance Management.

2.6.2. Justification

This rejection is premised on the following: -

1) The issue of payment of salaries remains contentious, however the County Assembly adopted the position that payment of salaries for any seconded staff is supposed and should be better handled at the NMS. This remains the common practice across most government institutions; and

2) Negotiation of staff for the transferred functions is an activity that should have preceded the submission of the budget as should have been the case with any other aspect related to the transferred functions.

2.7. Reservation 7 - Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Inspectorate

Thus, *regarding the Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Inspectorate and concerns therewith.*

2.7.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to Allocation of Funds to Vote 5328 – Nairobi Metropolitan Services in Relation to Inspectorate.

2.7.2. Justification

This rejection is premised on the following: -

1) The issue of payment of salaries remains contentious, however the County Assembly adopted the position that payment of salaries for any seconded staff is supposed and should be better handled at the NMS. This remains the common practice across most government institutions; and
2) Negotiation of staff for the transferred functions is an activity that should have have preceded the submission of the budget as should have been the case with any other aspect related to the transferred functions.

2.8. Reservation 7 (repeated in error) – Other Amendments not Justified – as proposed by the Governor

Thus, *regarding other amendments not justified and related concerns.*

2.8.1. The Committee's Recommendations

The Committee rejects the Governor's reservation with respect to other Amendments not Justified.

2.8.2. Justification

This rejection is premised on the following: -

1) The allocation for the General administration and support services under the office of the Governor was left unchanged to take care of any upheavals arising from adjusting the budget;

2) During the consideration of the annual estimates for the FY 2020-21, the budget as presented as approved did not contain allocations to the tune of Kshs. 800million for payment of commissions of revenue collection. Further the amounts for pending bills were knocked off the budget as the County Treasury submitted that they shall be restarting negotiations on debt settlement with the National Treasury; and

3) The objectives intended to be realized through the Agricultural Support Development Programme may be achieved through minor readjustments of the budget.

3.0. COMMITTEE'S RECOMMENDATION

The Committee having considered the Governor's Reservations and Recommendations on the Nairobi City County Appropriation Bill, 2020, and pursuant to Section 24 (3) of the County Governments Act, 2012, the Select Committee on County Finance, Budget and Appropriations recommends as follows: -

That: -

1. The County Assembly **rejects** the Governor's Recommendation that the budget be rationalized to ensure that the budget is balanced to our projected revenues of Kshs 31,631,632,618.
2. The County Assembly **rejects** the Governor's Recommendation that additional revenues to be factored in a supplementary budget subject to confirmation of the source.
3. The County Assembly **rejects** the Governor's Recommendation that vote 5328: Nairobi Metropolitan Services be deleted in its entirety.
4. The County Assembly rejects the Governor's Recommendation that five votes related to the transferred functions 5315 – Health, 5316 – Urban Planning and Lands, 5317 – Public Works, Transport & Infrastructure, 5323 – Environment, Water, Energy & Natural Resources, 5324 – Urban Renewal & Housing be each with two Programmes namely:
    a. Programme 1: General Administration & Support Services:

b. Programme 2: Transferred Services.

5. The County Assembly **rejects** the Governor's Recommendation that the Inspectorate budget allocated to Nairobi Metropolitan Services be deleted and the funds be allocated under vote R5312: Programme 0724005310: Security and safety Management and the amount determined for transfer to appropriate under sub-item 2640499 Other Current Transfers and 2640599 Other Capital Grants and Recurrent and Capital expenditure respectively.
6. The County Assembly **rejects** the Governor's Recommendation that the in rationalizing the budget, the Items Referred in Item No 7 be restored as earlier proposed.

4.0. ANNEXURES

a) Minutes of the proceedings of the Committee
b) Governor's Reservations on the Nairobi City County Appropriation Bill, 2020

WE THE UNDERSIGNED MEMBERS OF THE SELECT COMMITTEE ON FINANCE, BUDGET AND APPROPRIATIONS AFFIRM THAT THIS IS THE APPROVED REPORT OF THE COMMITTEE ON THE GOVERNOR'S MEMORANDUM ON REFUSAL TO ASSENT TO THE APPROPRIATIONS BILL, 2020 AS ADOPTED BY THE COMMITTEE ON THE 2ND DAY OF NOVEMBER 2020

1	**Hon. Robert Mbatia, MCA**	
2	**Hon. Michael Ogada, MCA**	
3	Hon. J.M Komu, MCA	
4	Hon. Emily Oduor, MCA	
5	Hon. Fredrick Okeyo, MCA	
6	Hon. James Kariuki, MCA	
7	Hon. Catherine Okoth, MCA	
8	Hon. Osman Adow, MCA	
9	Hon. Wanjiru Kariuki, MCA	
10	Hon. Susan Makungu, MCA	
11	Hon. Nimo Haji, MCA	
12	Hon. Paul Ndungu, MCA	
13	Hon. Daniel Ngengi, MCA	
14	Hon. Anthony Ngaruiya, MCA	
15	Hon. Patrick Karani, MCA	
16	Hon. Nancy Muthami, MCA	
17	Hon. Herman Azangu, MCA	
18	Hon. Cecelia Ayot, MCA	
19	Hon. Mellab Atemah, MCA	
20	Hon. David Mberia, MCA	
21	Hon. David Okello, MCA	
22	Hon. Kennedy Oyugi, MCA	
23	Hon. Emapet Kemunto, MCA	
24	Hon. Elizabeth Nyambura, MCA	
25	Hon. Jacinta Wanjiru, MCA	

MINUTES OF THE 64TH SITTING OF 2020 OF THE NAIROBI CITY COUNTY ASSEMBLY FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD ON MONDAY 2ND NOVEMBER 2020 AT 12.00PM AT THE ASSEMBLY COMMITTEE ROOM 5, CITY HALL BUILDINGS.

PRESENT

1. Hon. Robert Mbatia, MCA — Chair
2. Hon. J.M Komu, MCA
3. Hon. James Kariuki, MCA
4. Hon. Catherine Okoth, MCA
5. Hon. Wanjiru Kariuki, MCA
6. Hon. Susan Makungu, MCA
7. Hon. Nimo Haji, MCA
8. Hon. Daniel Ngengi, MCA
9. Hon. Patrick Karani, MCA
10. Hon. Nancy Muthami, MCA
11. Hon. Mellab Atemah, MCA
12. Hon. David Okello, MCA
13. Hon. Emapet Kemunto, MCA
14. Hon. Elizabeth Nyambura, MCA
15. Hon. Jacinta Wanjiru, MCA
16. Hon. Cecelia Ayot, MCA
17. Hon. Anthony Ngaruiya, MCA
18. Hon. Paul Ndungu, MCA
19. Hon. Emily Oduor, MCA
20. Hon. Fredrick Okeyo, MCA
21. Hon. David Mberia, MCA

ABSENT

22. Hon. Kennedy Oyugi, MCA
23. Hon. Michael Ogada, MCA
24. Hon. Herman Azangu, MCA
25. Hon. Osman Adow, MCA

IN ATTENDANCE

1. Mr. Erick Otieno -Principal Fiscal Analyst
2. Mr. Alphonce Ouma -Senior Fiscal Analyst

SECTRETARIAT

3. Mr. Musa Senator -Fiscal Analyst
4. Mr. Farah Gabow -Fiscal Analyst

MIN 255/FBAC/ NOVEMBER /2020: Preliminaries

The Chairperson called the meeting to order at 12.00pm and opened the sitting with a word of prayer.

The following agenda for the day was adopted after being proposed by Hon. Wanjiru Kariuki and Seconded by Hon. Susan Makungu

1. Preliminaries
2. Deliberations on the Memorandum by the Governor on the Refusal to Assent Nairobi City County Appropriations Bill,2020
3. Any Other Business
4. Adjournment

MIN 256/FBAC/ NOVEMBER /2020: Deliberations on the Memorandum by the Governor on the Refusal to Assent Nairobi City County Appropriations Bill,2020

The Chairman welcomed the Members to the meeting and thanked them for the attendance. He reminded the Committee that the document was of critical importance to the County as it would determine the next step in expenditure of County resources. The Chairman noted that as resolved in the previous meeting the Members were expected to have gone through the document and welcomed the Principal Fiscal Analyst to take the Members through the draft Committee report.

The Officer took the Members through the Draft Committee Report on the Memorandum by the Governor on the Refusal to Assent Nairobi City County Appropriations Bill,2020. The Members adopted the report without amendments after being proposed by Hon. Daniel Ngengi and Seconded by Hon. J.M. Komu.

MIN 257/FBAC/NOVEMBER/2020: Adjournment

The time being twenty minutes to two o'clock in the afternoon and having dispensed with the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign..... Date..02/11/2020.....

(CHAIRMAN)

Sign..... Date..2nd/NOV/2020.....

(FISCAL ANALYST)

MINUTES OF THE 63RD SITTING OF 2020 OF THE NAIROBI CITY COUNTY ASSEMBLY FINANCE, BUDGET AND APPROPRIATIONS COMMITTEE (SECOND ASSEMBLY) HELD ON FRIDAY 30TH OCTOBER 2020 AT 11.00AM VIRTUALLY

PRESENT

1. Hon. Robert Mbatia, MCA — Chair
2. Hon. J.M Komu, MCA
3. Hon. Emily Oduor, MCA
4. Hon. Fredrick Okeyo, MCA
5. Hon. James Kariuki, MCA
6. Hon. Catherine Okoth, MCA
7. Hon. Osman Adow, MCA
8. Hon. Wanjiru Kariuki, MCA
9. Hon. Susan Makungu, MCA
10. Hon. Nimo Haji, MCA
11. Hon. Daniel Ngengi, MCA
12. Hon. Patrick Karani, MCA
13. Hon. Nancy Muthami, MCA
14. Hon. Herman Azangu, MCA
15. Hon. Mellab Atemah, MCA
16. Hon. David Okello, MCA
17. Hon. Kennedy Oyugi, MCA
18. Hon. Emapet Kemunto, MCA
19. Hon. Elizabeth Nyambura, MCA
20. Hon. Jacinta Wanjiru, MCA

ABSENT

21. Hon. Cecelia Ayot, MCA
22. Hon. Michael Ogada, MCA
23. Hon. Anthony Ngaruiya, MCA
24. Hon. David Mberia, MCA
25. Hon. Paul Ndungu, MCA

IN ATTENDANCE

1. Mr. Erick Otieno -Principal Fiscal Analyst
2. Mr. Alphonce Ouma -Senior Fiscal Analyst

SECTRETARIAT

3. Mr. Musa Senator -Fiscal Analyst
4. Mr. Farah Gabow -Fiscal Analyst

MIN 252/FBAC/OCTOBER/2020: Preliminaries

The Chairperson called the meeting to order at 11.00am and opened the sitting with a word of prayer.

The following agenda for the day was adopted after being proposed by Hon. Wanjiru Kariuki and Seconded by Hon. Susan Makungu

1. Preliminaries
2. Tabling of the Memorandum by the Governor on the Refusal to Assent to Nairobi City County Appropriations Bill,2020
3. Any Other Business
4. Adjournment

MIN 253/FBAC/OCTOBER/2020: Tabling of the Memorandum by the Governor on the Refusal to Assent to Nairobi City County Appropriations Bill,2020

The Fiscal Analyst tabled the Memorandum by the Governor on the refusal to assent to Nairobi City County Appropriations Bill,2020. He informed the Committee that the Memorandum had been committed to the Committee for Consideration and reporting back to the Assembly pursuant to Standing Order 146 (b). The Committee directed that the Budget Office prepare a brief on the Memorandum for consideration by the Committee in the next meeting as the Members make resolution on how to dispense off with the document.

The Chairperson encouraged the Members to go through the document and if possible make themselves hard copies.

MIN 254/FBAC/OCTOBER/2020: Adjournment

The time being twenty minutes to twelve o'clock in the afternoon and having dispensed with the business of the day the Chair adjourned the meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

Sign..... Date..02/11/20.....

(CHAIRMAN)

Sign..... Date..2nd/Nov/2020.....

(FISCAL ANALYST)

I certify that this printed impression is a true copy of the Bill passed by the County Assembly on the 8th October, 2020

CLERK
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 45844-00100
NAIROBI

Clerk of the County Assembly.

Presented for assent in accordance with the provisions of the Constitution of Kenya and County Governments Act on the 4th November (date) at the hour of 3:30pm

HON. SPEAKER
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 30075-00100
NAIROBI

County Assembly Speaker.

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NAIROBI CITY COUNTY

Governor's Office
Telehone: 020-344194
Web: www.nairobi.go.ke

City Hall,
P.O. Box 30075-0010
Nairobi, Kenya

OFFICE OF THE GOVERNOR

REF: NCC/GOV/VOL.1/OCT.20/004
YOUR REF: SCA/BILLS.2020/005

Thursday, October 15, 2020

Hon. Benson Mutura,
Speaker of the Nairobi City County Assembly
City Hall, Assembly Wing
Nairobi.

15 OCT 2020
4.30PM

Dear *Mr Speaker*,

RE: THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

I, H.E Gideon Mike Mbuvi Sonko, Governor of the Nairobi City County, pursuant to the provisions of Section 24 (2)(b) of the County Governments Act (No. 17 of 2017), do hereby **REFUSE TO ASSENT** to the Nairobi City County Appropriation Bill, 2020, for the reasons contained in the attached Memorandum, and accordingly, I do hereby REFER the Bill back to the Nairobi City County Assembly for consideration in accordance with section 24 (3)(4) & (5) of the of the County Governments Act.

H.E. Mike Mbuvi Sonko, EGH
GOVERNOR.

Copies to:

1. The Clerk,
   Nairobi City County Assembly

2. The Controller of Budget,
   Office of the Controller of Budget,
   Bima House, 12th Floor Harambee Avenue, Nairobi0

NAIROBI CITY COUNTY

Governor's Office
Telehone: 020-344194
Web: www.nairobi.go.ke



City Hall,
P.O. Box 30075-00100,
Nairobi, Kenya

OFFICE OF THE GOVERNOR

THE CONSTITUTION OF KENYA

REFUSAL TO ASSENT TO THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

MEMORANDUM

By His Excellency the Honorable Mike Mbuvi Sonko, Governor of Nairobi City County.

Submitted to the Honourable Speaker of the Nairobi City County Assembly.

WHEREAS a Bill entitled *"A Bill for An Act of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on 30th June 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes,"* the short title of which is *"Nairobi City County Appropriation Bill, 2020"* was passed by the Nairobi City County Assembly on Thursday, October 8th, 2020;

AND WHEREAS the Nairobi City County Appropriation Bill, 2020, was presented to me for assent, in accordance with the provisions of Section 24 of the County Government Act, 2012, on the 9th October,2020;

NOW THEREFORE, in exercise of the powers conferred on me by Section 24 (2) (b) of the County Government Act, 2012, *I refuse to assent to the Nairobi City County Appropriation Bill, 2020,* for the reasons set out hereunder:

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1. **DEFICIT BUDGET:**

The Public Finance Management Act 2012 outlines the budget process that the County Budget process including preparation and submission of the County Fiscal Strategy Paper which informs the budget and the end result of every budget process is the Appropriation Act and Section 128 gives the County Executive Committee Member for Finance the mandate to manage the county budget process. Further, Section 129 of the Public Finance Management Act 2012 requires the County Executive member of finance to submit the budget to the Assembly on or before 30th April of each year; and while doing so the CECM-Finance should ensure that the submitted budget is in accordance with the resolutions adopted by the County Assembly on the County Fiscal Strategy Paper.

In view of the above, the CECM-Finance submitted the County Fiscal Strategy Paper 2020/2021 to the County Assembly on 28th February 2020 for consideration.

Further, and in accoradnce with Section 129 of the Public Finance Management Act 2012, the CECM-finance proceeded to submit the budget estimates to the County Assembly in accordance with the County Fiscal Strategy Paper 2020/2021 with a total budget of Kshs **31,433,645,196** on 30th April 2020 for consideration. The submitted budget did not make provision for any expected unutilized cash balances at the end of the financial year **2019/2020**.

The County Assembly adopted the submitted budget estimates with amendments **on 30th June 2020**. The proposed amendments were re-allocations and did not result to an increase of the budget from the submitted budget of **Kshs 31,433,645,196.**

Finally, and in accordance with Section 129(7) of the Public Finance Management Act ,2012, the CECM-finance prepared the Nairobi City Appropriations Bill 2020 taking into account the **reconciled** cash balances in the County Revenue Fund of **Kshs 290,442,563**.

The proposed amendments by the assembly and in order to ensure responsiveness of the bill to the realities of the day, the approved budget was realigned and the committee taken through the realigned budget for consideration in passing the bill. The total budget as per the submitted Bill amounted to **Kshs 31,631,632,618.**

I have reviewed the Bill as presented to me for assent and the total budget and the total projected revenues for the financial year 2020/2021 Kshs 31,631,632,618 against the total expenditure of Kshs 37,454,976,280, leaving shortfall of Kshs 5,823,343,662, which is against the Public Finance Management regulations no 31(c') which provides that the total budgeted revenue and budgeted expenditure must be balanced.

2. ADVISORY BY THE CONTROLLER OF BUDGET:

Article 201 of the Constitution of Kenya 2010 espouses that Public Finance Management, and by extension Budget Making Processes shall be guided by realities and not wishful thinking.

It is against this backdrop that the Controller of Budget issued an advisory on the 27th July, 2020 (copy attached herein), requiring the Nairobi City County Government Executive to revise downwards Own Source Revenue Projections based on the historical trend of the revenue streams.

In the Financial Year 2017/2018, our actual own source revenue capped at Kshs 10.11 billion. In the FY 2018/2019, our own source revenue rose marginally to Kshs 10.25 billion which was 66.1% of the set target (*Page 196 of the County Governments Annual Budget Implementation Report for FY 2018/19 by the OCOB).* In the just ended Financial Year 2019/2020, our own source revenue dipped to Kshs 8.41 billion, attributable to failure by the Kenya Revenue Authority (KRA) to meet the targets they set for themselves since March 2020, where they collected Kshs 4,722,465,644 against Kshs 5,197,835,397 over the same period last year.

It is against these realities that the Nairobi City County Government Executive heeded the advise of the Controller of Budget, and revised the budget downwards from Kshs 36,981,390,888 in the FY 2019/2020 to Kshss 31,631,632,618 for the FY 2020/2021.

It is therefore against the basic principles of public finance management for the Nairobi City County Assembly to abrogate unto itself the responsibility of the County Executive in budget preparation, without providing explanations or justifications for the mutilation they subjected the budget proposals to, or how the deficit of Kshs 5,823,343,662 will be financed, while ignoring the advisory of the Controller of Budget.

3. ILLEGAL AMENDMENTS TO THE BUDGETS

Section 131(3) of the Public Finance Management Act 2012 provides that an amendment to the budget may be made by the County Assembly only if it is in accordance with the County Fiscal Strategy Paper, and in making any amendments, any increase in any expenditure in a proposed appropriation is balanced out by a reduction in expenditure in another proposed appropriation. In making fundamental changes in the budget, the Assembly is duty bound under Section 131(2) of the Public Finance Management Act to consult the County Executive Member for Finance.

In addition, Regulation 37(1) of the Public Finance Management Regulations 2015, states that where the Assembly approves any changes in the annual

estimates of budget under Section 131 of the PFMA 2012, any increase or reduction of expenditure of a vote shall not exceed 1% of the votes ceiling.

In view of the above, the County Assembly exceeded the 1% threshold in making adjustments to Various votes **and overall increasing the budget by 19.3% Kshs 31,631,632,618 to Kshs 37,704,976,281 against the provisions of the law.**

Besides, the Bill passed by and forwarded by the County assembly contravenes Section 128 and 129 of the Public Finance Management Act, in so far as the County Assembly lacked the requisite jurisdiction to entertain the budget presented by Nairobi Metropolitan Services as such powers are vested in the County Executive Committee Member for Finance .

It cannot be justifiable for the assembly to factor in the 4.5 Billion budgeted for in the 2019-2020 financial year but remained unspent as such provisions violates section 136 (1) of the Public Finance Management Act 2012 which provides that "subject to any other legislation, an appropriation that has not been spent at the end of the financial year for which it was appropriated lapses immediately at the end of that financial year"

The budget for the 2020-2021 financial year passed by the County assembly violates article 5.2 and 5.3 of the deed of transfer which provided that "the level of funding for each transferred function shall be determined by the National Government in consultation with the County Government, *but in any case , the budgetary allocation shall not be less that the amount last appropriated by the County assembly in the preceding financial year.* **It is not in dispute that the budgetary allocation allocated to the County Government is less than half of the amount last appropriated by the County Assembly in the preceding financial year on account of none transferred functions.**

4. ALLOCATION OF FUNDS TO VOTE 5328-NAIROBI METROPLOITAN SERVICES IN RELATION TO TRANSFERRED FUNCTIONS

   The bill presented for assent proposes to allocate all the funds that were appropriated to all the five Votes related to the transferred functions according to the Deed of Transfer by deleting the ENTIRE allocations hitherto appropriated to the five votes and transferring **the same to Vote 5328-Nairobi Metropolitan Services . The five Votes are :**

   - 5315- Health
   - 5316- Urban Planning and Lands
   - 5317- Public Works ,Transport & Infrastructure
   - 5323- Environment , Water, Energy & Natural Resources
   - 5324- Urban Renewal & Housing

In doing so I wish state as follows:

- That in deleting the entire allocation to the five Votes, this leaves the Votes with no funds to finance the operations of the County Executive member responsible and the County Chief officers with no funds for operations and whereas the team is expected to coordinate the implementation of the transferred functions to the National Government.

- That in deleting the entire allocations which includes the payment of salaries for all county staff in respect of the transferred functions. The responsibility of payment of salaries remains with the Nairobi County Government for all its staff including those working in the transferred functions.

- That in deleting the entire allocations leaves the Votes with funds to finance the payment of any ongoing projects/pending bills related to the functions.

- That in deleting the entire allocations and introducing Vote 5328: Nairobi Metropolitan Services amounts to **CHANGING** the structure of the Executive without consulting the Executive.

- That Nairobi Metropolitan Services is not a delivery unit within the Nairobi City County Government and therefore does not qualify to find its way in the appropriation as a vote for appropriation of funds.

5. **ALLOCATION OF FUNDS TO VOTE 5328-NAIROBI METROPLOITAN SERVICES IN RELATION TO WARD DEVELOPMENT FUND**

The Ward Development Fund was established pursuant to the Ward Development Act 2014, and the Act provides for the mechanisms of the identification and implementation of the projects. The projects/programmes/activities are NOT specific to the transferred functions only and therefore the transfer of the entire allocation of the WDF is in contravention of the very Act that created the fund, in so far as ward development applies to all the functions under part 2 of the fourth schedule of the constitution.

6. **ALLOCATION OF FUNDS TO VOTE 5328-NAIROBI METROPLOITAN SERVICES IN RELATION TO PUBLIC FINANCE MANAGENT**

The presented to me also proposes to allocate Kshs 629,183,600 to Vote 5328 Nairobi Metropolitan Services in respect of salaries for revenue staff attached to Kenya Revenue Authority. Revenue function is not among the transferred

functions in accordance with the deed of transfer and therefore as stated earlier in this memorandum the responsibility of payment of salaries remains with the Nairobi City County Government.

7. ALLOCATION OF FUNDS TO VOTE 5328-NAIROBI METROPLOITAN SERVICES IN RELATION TO INSPECTORATE

The bill presented proposes to allocate Kshs 1,633,552,202 to cater for all expenses of the Inspectorate staff working under the Nairobi Metropolitan Services including salaries. While we acknowledge the importance of the enforcement staff to Nairobi Metropolitan Services in the discharge of the functions under them, I wish to state as follows:

- The payment of salaries for the Inspectorate Staff remains the responsibility of the Nairobi City County Government and not NMS.
- That, like any other support functions, the staff to be seconded ought to be negotiated between the NCCG & the Nairobi Metropolitan Services.

7. OTHER AMMENDMENTS NOT JUSTIFIED

The bill presented for assent has proposed to cut down the budgets for the programmes indicated which has the potential of paralyzing the operations of the entire programmes as shown below:

- **Under vote 5312 ,Programme 0726005310: Disaster Management Coordination was reduced from Kshs 259,160,863 to Kshs 59,160,863 an amount which is not adequate to pay for the salaries of the fire department projected at Kshs 205million.**
- Under vote R5314.Programme 0701005310: Public Financial Management, the allocation was reduced from Kshs 2,127,230,930 to Kshs 1,127,230,930 and **this is going to affect the payment of pending bills,General Insurances and commissions for revenue collection.**
- **Under vote R5321,Programme 0119005310: Urban Agriculture Promotion & Regulation was reduced from 79,131,333 to Kshs 9,131,333 and this going to affect the implementation of the Agricultural Support Development Programme (DONOR FUNDED)**

RECOMMENDATIONS:

In view of the above I recommend as follows:

1. That the budget be rationalized to ensure that the budget is balanced to our projected revenues of Kshs 31,631,632,618. Any5324- Urban Renewal & Housing
2. Additional revenues to be factored in a supplementary budget SUBJECT to confirmation by the source.
3. That Vote 5328 : Nairobi Metropolitan Services be deleted in its entirety.
4. That FIVE VOTES related to the transferred functions 5315- Health, 5316- Urban Planning and Lands, 5317- Public Works ,Transport & Infrastructure,5323- Environment , Water, Energy & Natural Resources,5324- Urban Renewal & Housing be each with two Programmes namely:
    - Programme 1:General Administration & Support Services: This programme will take all the funds not transferrable to the National Government like salaries, operational expenses for the CEC member responsible and CCO and staff serving as link between the implementing agency of the functions, NCCG and County Assembly.
    - Programme 2:Transferred Services : This programe shall take the amounts determined in consultation with NMS as transferable to NMS .
5. That the Inspectorate budget allocated to Nairobi Metropolitan Services be deleted and the funds be allocated under Vote R5312: Programme 0724005310: Security and Safety Management and the amount determined for transfer to appropriated under sub-item 2640499 Other Current Transfers and 2640599 Other Capital Grants and Recurrent and Capital expenditure respectively.
6. That the in rationalizing the budget ,the ITEMS REFEREED IN ITEM NO 7 be restored as earlier proposed.

Dated at Nairobi this 15th of October, 2020.

H.E MIKE MBUVI SONKO
GOVERNOR, NAIROBI CITY COUNTY

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Ref 001/29/07/2020

OFFICE OF THE CONTROLLER OF BUDGET

Tel: 020 2211068, 0738466721, 0709910000
Email: cob@cob.go.ke/Info@cob.go.ke
Website: www.cob.go.ke

GOVERNOR'S OFFICE
NAIROBI CITY COUNTY
29 JUL 2020
RECEIVED

Bima House, 12th Floor
Harambee Avenue
P.O Box 35616-00100
Nairobi Kenya

Ref: COB/NBI/002/2/3(17)

27th July, 2020

H.E. Gov. Mike M. Sonko,EGH
Nairobi City County Government
NAIROBI

NAIROBI CITY COUNTY
RECEIVED
13/25
County Secretary
P.O. Box 30076 - 00100

Dear Gov. Sonko,

RE: COMMENTS ON THE NAIROBI CITY COUNTY BUDGET ESTIMATES FOR FY 2020/21

The Office of the Controller of Budget (OCOB) is established under Article 228 of the Constitution of Kenya, 2010 to oversee and report on implementation of the budgets of both the national and county governments to each House of Parliament every four months. Further, Article 228 (5) of the Constitution requires the Controller of Budget not to approve withdrawal from public funds unless satisfied that the withdrawal is authorized by law.

In line with the above, the OCOB has reviewed the FY 2020/21 Budget Estimates which is the basis of the Vote on Account, and other planning documents for conformity with the Public Finance Management Framework. Our review has identified the following areas which should be addressed in order to enable timely approval of funds;

1. The own source revenue target for FY 2020/21 is Kshs.14.65billion compared to Kshs.10.25 billion collected in FY 2018/19, and Kshs.8.41 billion in the FY 2019/20. The revenue streams may have been affected by the slowdown of the economy as a result of the COVID-19, nonetheless the County may not meet own source revenue target based on the historical trend of the revenue streams.

   We advise that the target should be revised in line with current trends to avoid a hidden budget deficit or a justification for the projections provided.

NAIROBI CITY COUNTY ASSEMBLY

№ 00021

Telegraphic Address
Tel: +254 20 221 6151/0700330846
Email:speaker@nairobiassembly.go.ke
Web: www.nairobiassembly.go.ke

County Assembly
City Hall Buildings
P.O. Box 45844–00100
Nairobi, Kenya

OFFICE OF THE SPEAKER

SCA/BILLS/2020/005

October 8th, 2020

H.E. Gideon Mike Mbuvi Sonko
Governor,
Nairobi City County,
City Hall Building,
NAIROBI.

Dear Sir,

RE: THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

I, Benson Mutura, Speaker of the Nairobi City County Assembly, in accordance with the provisions of Article 185 of the Constitution and Standing Order 145 (1) of the Nairobi City County Assembly Standing Orders, do hereby submit for your Assent, **The Nairobi City County Appropriation Bill, 2020** as passed by the Nairobi City County Assembly on 8th October, 2020.

The Hon. Benson Mutura, MCA
Speaker of the Nairobi City County Assembly

OFFICE OF THE COUNTY ATTORNEY
RECEIVED
09 OCT 2020
11.10 am
NAIROBI CITY COUNTY

09 OCT 2020
RECEIVED
9:30am

302

No. 2020

THE NAIROBI CITY COUNTY GOVERNMENT

HIS EXCELLENCY THE GOVERNOR

HON. GIDEON MIKE MBUVI SONKO

I assent

Governor

RECEIVED 15th October 2020

An Act of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes.

APPROPRIATION ACT, 2020

An Act of Nairobi City County Assembly to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes

ENACTED by the Nairobi City County Assembly, as follows—

Short title.

1. This Act may be cited as the Nairobi City County Appropriation Bill, 2020.

Issue of KSh. 37,454,976,280 out of the County Revenue Fund for public services and purposes of the year ending 30th June, 2021 and appropriation of the money granted.

2. (1) The County Treasury may issue out of the County Revenue Fund and apply towards the supply granted for the service of the year ending on the 30th June, 2021, the sum of Kenya Shillings 37,454,976,280 (thirty seven billion, four hundred fifty four million, nine hundred seventy six thousand, two hundred and eighty) and that sum shall be deemed to have been appropriated as from 1st July, 2020, for the services and purposes specified in the Schedule annexed hereto.

(2) The sum granted out of the County Revenue Fund by subsection (1) as authorized by the Nairobi City County Assembly on the 30th June 2020, in accordance with Article 224 of the Constitution.

3. In addition to the sum granted by section 2, there may be applied, for the services and purposes specified in the Schedule, the sums specified out of any money directed to be applied as Appropriations in Aid under Article 206(1)(b) of the Constitution.

SCHEDULE

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
R5311	The amount required in the year ending 30thJune, 2021 for the following programmes of the County Public Service Board.		
	0701000: General Administration Planning and Support Services	91,503,677	
	Total	91,503,677	
R5312	The amount required in the year ending 30th June, 2021 for the following programmes of the Office Of Governor and Deputy Governor		
	0718005310: General Administrative Services	2,740,820,073	
	0724005310: Security and Safety Management	853,196,296	
	0726005310: Disaster Management Coordination	59,160,863	
	0725005310: Management of Legal Affairs	717,248,233	
	Total	4,370,425,465	
R5313	The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications		
	0207000: General Administration Planning and Support Services	105,745,897	
	0208000: Information And Communication Services	97,582,700	
	0210005310: ICT Infrastructure Development	10,895,200	
	Total	214,223,797	
R5314	The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning		
	0701005310: Public Financial Management	1,127,230,930	
	0718005310: General Administrative Services	342,053,220	
	0719000 P3: Economic and Financial Policy Formulation and Management	114,763,900	
	Total	1,584,048,050	
R5318	The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services		
	0508005310: General administration, planning and support services	1,555,779,846	
	0509005310: Education services	83,856,300	
	0902005310: Social Services	286,430,057	
	Total	1,926,066,203	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
R5319	**The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives**		
	0301000: General Administration Planning and Support Services	415,969,749	
	0310005310: Co-operative Development and Audit Services	15,993,200	
	0311005310: Tourism Promotion and Marketing	13,427,500	
	0312005310: Trade development and Market Services	30,666,800	
	0313005310: Licensing and Fair Trade Practices	24,470,300	
	Total	500,527,549	
R5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services	282,409,522	
	0710000: Public Service Transformation	977,097,500	
	0723005310: Performance Management and Public Service Delivery	9,282,700	
	Total	1,268,789,722	
R5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services	229,298,081	
	0119005310: Urban Agriculture Promotion & Regulation	9,131,333	
	0116005310: Animal Health, Safety and Quality Assurance	9,753,200	
	0117005310: Aforestation	4,343,900	
	0118015310: Food Systems and Surveillance	7,339,740	
	Total	259,866,254	
R5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation	1,409,977,879	
	Total	1,409,977,879	
R5326	**The amount required in the year ending 30th June 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services	130,000,000	
	Total	130,000,000	
R5327	**The amount required in the year ending 30th June 2021 for the following programme of Liqour Licencing Board**		
	0313015310: Liquor Licensing & Regulation		200,000,00

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
			0
	Total		200,000,000
Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
R5328	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Inspectorate Services	1,633,552,202	
	Public Finance Management	629,183,600	
	Health	7,228,940,646	
	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	14,907,081,689	
	RECURRENT TOTAL.... KShs.	26,662,510,285	200,000,000

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
D5311	The amount required in the year ending 30thJune, 2021 for the following programmes of the County Public Service Board.		
	0701000: General Administration Planning and Support Services	35,000,000	
	Total	35,000,000	
D5312	The amount required in the year ending 30th June, 2021 for the following programmes of the Office Of Governor and Deputy Governor		
	0718005310: General Administrative Services	91,750,000	
	0724005310: Security and Safety Management	20,000,000	
	0726005310: Disaster Management Coordination	131,800,000	
	0725005310: Management of Legal Affairs	0	
	Total	243,550,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
D5313	The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology ,E-Government and Public Communications		
	0207000 P1: General Administration Planning and Support Services	5,000,000	
	0208000 P2: Information And Communication Services	236,000,000	
	0210005310 ICT Infrastructure Development	38,000,000	
	Total	279,000,000	
D5314	The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning		
	0701005310: Public Financial Management	0	
	0718005310: General Administrative Services	0	
	0719000 P3: Economic and Financial Policy Formulation and Management	0	
	Total	-	
D5318	The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services		
	0508005310: General administration, planning and support services	0	
	0509005310: Education services	294,508,186	
	0902005310: Social Services	278,007,809	
	Total	72,515,995	
D5319	The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives		
	0301000: General Administration Planning and Support Services	0	
	0310005310: Co-operative Development and Audit Services	0	
	0311005310: Tourism Promotion and Marketing	0	
	0312005310: Trade development and Market Services	375,000,000	
	0313005310: Licensing and Fair Trade Practices	17,000,000	
	Total	392,000,000	
D5320	The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management		
	0701000: General Administration Planning and Support Services	0	
	0710000: Public Service Transformation	11,400,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
	0723005310: Performance Management and Public Service Delivery	25,000,000	
	Total	36,400,000	
D5321	The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry		
	0106000: General Administration Planning and Support Services	0	
	0119005310: Urban Agriculture Promotion & Regulation	45,000,000	
	0116005310: Animal Health, Safety and Quality Assurance	63,000,000	
	0117005310: Aforestation	3,000,000	
	0118015310: Food Systems and Surveillance	0	
	Total	111,000,000	
D5322	The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly		
	07220001: Legislation, Oversight and Representation	600,000,000	
	Total	600,000,000	
D5326	The amount required in the year ending 30th June 2021 for the following programme of Emergency Fund		
	0718005310: General Administrative Services	0	
	Total	-	
D5327	The amount required in the year ending 30th June 2021 for the following programme of Liqour Licensing Board		
	0313015310: Liquor Licensing & Regulation		50,000,000
	Total		50,000,000
Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
D5328	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	

(1)	(2)	(3)	(4)
Vote	Service or Purpose	Supply	Appropriation in Aid
		Kshs	Kshs
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	9,023,000,000	
	DEVELOPMENT TOTAL.... KShs.	10,792,465,995	50,000,000
	GRAND TOTAL	37,454,976,280	250,000,000

REPUBLIC OF KENYA

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – (FOURTH SESSION)

ORDERS OF THE DAY

THURSDAY, OCTOBER 8, 2020 AT 2.30 P.M.

ORDER OF BUSINESS

PRAYERS

1. Administration of Oath
2. Communication from the Chair
3. Messages
4. Petitions
5. Papers
6. Notices of Motion
7. Statement

8. BILL – THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020 (ASSEMBLY BILL NO 6 OF 2020)

Subject: Second Reading

The Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

(Second Reading)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

9. COMMITTEE OF THE WHOLE ASSEMBLY

Subject: Consideration of the Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

The Nairobi City County Appropriation Bill, 2020 (Assembly Bill No. 6 of 2020)

(Committee of the Whole Assembly)

(Chairperson, Select Committee on County Finance, Budget & Appropriations)

.../Notices

NOTICES

I. THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)

NOTICE is given that the Hon. Robert Mbatia, the Chairperson of the County Assembly Select Committee on Finance, Budget and Appropriations, intends to move the following amendments to the Nairobi City County Appropriation Bill, 2020, (Assembly Bill No. 6 of 2020) at the COMMITTEE STAGE-

1) The First Schedule of the Bill be amended as follows -
   a) In Vote No. R5312 under the Service on Security and Safety Management by deleting the supply of 2,024,373,136 and substituting thereof with the supply of 853,196,296.
   b) In Vote No. R5312 under the Service on Management of Legal Affairs by deleting the supply of 515,422,578 and substituting thereof with the supply of 717,248,233.
   c) In Vote No. R5312 under the Service on Disaster Management Coordination by deleting the supply of 259,160,863 and substituting thereof with the supply of 59,160,863.
   d) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 2,127,230,930 and substituting thereof with the supply of 1,127,230,930
   e) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 971,236,820 and substituting thereof with the supply of 342,053,220
   f) In Vote R5318 under Service on General Administrative Services by deleting the supply of 1,255,779,864 and substituting thereof with the supply of 1,605,779,846
   g) In Vote R5318 by deleting the Total Supply of 1,626,066,203 and substituting thereof with the supply of 1,926,066,203.
   h) In Vote R5321 by deleting the Service on Urban Agriculture Promotion and Regulation of 79,131,133 and replacing thereof with the supply of 9,131,133
   i) In Vote R5321 by deleting the Service on Afforestation of 54,343,900 and replacing thereof with the supply of 4,343,900
   j) By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes R5315, R5316, R5317, R5323, R5324 and R5325.

.../Notices

k) By inserting thereof, a new Vote immediately after Vote R5327 as follows

Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Inspectorate Services	1,633,552,202	
	Public Finance Management	629,183,600	
	Health	7,228,940,646	
	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	14,907,081,689	

.../Notices

2) The Second Schedule of the Bill be amended as follows -

i. In Vote No. D5318 by deleting the Total Supply of 572,515,995 and substituting thereof with the supply of 72,515,995

ii. By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes D5315, D5316, D5317, D5323, D5324 and D5325.

iii. By inserting thereof, a new Vote immediately after Vote D5327 as follows: -

Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	9,023,000,000	

II. The Assembly resolved on Wednesday, 19th February, 2020 as follows: -

a) THAT, notwithstanding the provisions of Standing Order 103(4), this Assembly orders that, each speech in a debate on **Bills** sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Sectoral Committee, in that Order.

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* Denotes Orders of the Day *

.../Notice Paper I

NOTICE PAPER I

Tentative business for Tuesday, 13th October, 2020 at 9.30 a.m.

(Published pursuant to Standing Order 39(1))

IT IS NOTIFIED that the Select Committee on Assembly Business, at its last meeting, approved the following *tentative* business to appear in the Order Paper for Tuesday 13th October, 2020 at 9.30 a.m.: -

A MOTION – HON. JAYENDRA MALDE, MCA

Subject: Perennial Land Grabbing in the County

THAT, aware that the County has always been experiencing increased cases of land grabbing over the past years, noting the many allegations of Officers at the Planning and Housing Department who work in cahoots with these people in order to acquire land fraudulently or get favoritism to blatantly contravene standard building plans and/ or regulations; **Cognizant** of the fact that corruption continues to mar the transfer process of lands and properties in the County without the knowledge of the residents living on such lands; **further noting** the relevant department of the County Government has continued to remain adamant or complacent to rectify the many anomalies dating back to 2017, giving example of Highridge Clinic that is under construction by a private developer, North Highridge School situated in 6th Parkland Avenue that is allegedly grabbed and Parkland/Highridge Ward whose approval for Ten storey was extended to more than twelve storey building; **deeply concerned** that many residents of Nairobi have abruptly been displaced from their lands and /or properties as a result of politicians and business elites allegedly giving bribes and engaging in corruption activities; **fully aware** of the laid down building guidelines and the implication of Chapter Six of the Constitution of Kenya, 2010 on Leadership and Integrity and the President's pronouncement in the fight against graft by Public Officers, this Assembly urges the County Executive in liaison with the Nairobi Metropolitan Services to urgently investigate the processes followed in the issuance of building approvals and fraudulent acquisition of lands in the County since 2017 that led to the many contraventions of requisite building and land transfer regulations and issues on residents consultation before transfer of such lands and property.

Second Assembly
(No. 051)

Fourth Session
(0301)

COUNTY GOVERNMENT OF NAIROBI CITY

SECOND ASSEMBLY – (FOURTH SESSION)

NAIROBI CITY COUNTY ASSEMBLY

VOTES AND PROCEEDINGS

THURSDAY, OCTOBER 8, 2020 AT 2.30 P.M.

1. The Assembly assembled at thirty minutes past Two O'clock.

2. The Proceedings were opened with Prayer

3. **PAPERS LAID: -**

   The following paper was laid on the Table of the Assembly;

   a) **THE REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE, BUDGET AND APPROPRIATIONS ON CONSIDERATION OF THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020**

   (Chairperson, Select Committee on County Finance, Budget and Appropriations)

4. **STATEMENTS PURSUANT TO STANDING ORDER 45(2)(C)**

   The following Statement was requested:

   a) The Hon. Peter Imwatok, MCA requested for a Statement from the Chairperson of the Sectoral Committee on Justice and Legal Affairs regarding the contract between the County Government and the Hatari Security Services Company.

5. **THE NAIROBI CITY COUNTY APPROPRIATIONS BILL, 2020 (ASSEMBLY BILL NO. 6 OF 2020)**

   (Chairperson, Select Committee on County Finance, Budget & Appropriations)

(Second Reading)

Order for the Second Reading read;

Motion made and Question proposed –

THAT, the Nairobi City County Appropriation Bill, 2020(Assembly Bill no. 6 of 2020) be now read a Second Time.

(Chairperson Select Committee on County Finance, Budget and Appropriations Committee)

Debate arising;

Mover replied;

Question put and agreed to;

Bill read a Second Time and committed to the Committee of the Whole Assembly **today.**

6. **COMMITTEE OF THE WHOLE ASSEMBLY**

Order for Committee of the Whole Assembly read;

IN THE COMMITTEE

(Hon. John Kamangu, MCA - in the chair)

The Nairobi City County Appropriations Bill, 2020 (Assembly Bill no. 6 of 2020)

Clause 2 be part of the Bill –

Question that Clause 2 be part of the Bill proposed, put and agreed to;

Clause

Question that Clause 3 be part of the Bill proposed, put and agreed to;

First Schedule amendments proposed –

THAT, First Schedule be amended as follows -

a) In Vote No. R5312 under the Service on Security and Safety Management by deleting the supply of 2,024,373,136 and substituting thereof with the supply of 853,196,296.

b) In Vote No. R5312 under the Service on Management of Legal Affairs by deleting the supply of 515,422,578 and substituting thereof with the supply of 717,248,233.

c) In Vote No. R5312 under the Service on Disaster Management Coordination by deleting the supply of 259,160,863 and substituting thereof with the supply of 59,160,863.

d) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 2,127,230,930 and substituting thereof with the supply of 1,127,230,930

e) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 971,236,820 and substituting thereof with the supply of 342,053,220

f) In Vote R5318 under Service on General Administrative Services by deleting the supply of 1,255,779,864 and substituting thereof with the supply of 1,605,779,846

g) In Vote R5318 by deleting the Total Supply of 1,626,066,203 and substituting thereof with the supply of 1,926,066,203.

h) In Vote R5321 by deleting the Service on Urban Agriculture Promotion and Regulation of 79,131,133 and replacing thereof with the supply of 9,131,133

i) In Vote R5321 by deleting the Service on Afforestation of 54,343,900 and replacing thereof with the supply of 4,343,900

j) By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes R5315, R5316, R5317, R5323, R5324 and R5325.

k) By inserting thereof, a new Vote immediately after Vote R5327 as follows

Vote	Service or Purpose Recurrent Expenditure	Supply	A-in-A
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Inspectorate Services	1,633,552,202	
	Public Finance Management	629,183,600	
	Health	7,228,940,646	

	Urban Planning and Lands	708,431,101	
	Public Works, Transport and Infrastructure	940,987,135	
	Environment, Water and Natural Resources	2,449,750,073	
	Urban Renewal and Housing	224,530,000	
	Ward Development Fund	30,000,000	
	Energy and Lighting	1,061,706,932	
	TOTAL	**14,907,081,689**	

(Chairperson of the Select Committee on County Finance, Budget and Appropriations)

Question of the amendment proposed;

Question put and agreed to;

Question that First Schedule as amended be part of the Bill proposed, put and agreed to;

Second Schedule amendments proposed –

THAT, Second Schedule be amended as follows-

i. In Vote No. D5318 by deleting the Total Supply of 572,515,995 and substituting thereof with the supply of 72,515,995

ii. By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes D5315, D5316, D5317, D5323, D5324 and D5325.

iii. By inserting thereof, a new Vote immediately after Vote D5327 as follows: -

Vote	Service or Purpose Development Expenditure	Supply	A- in-Aid
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	887,000,000	
	Urban Planning and Lands	183,000,000	
	Public Works, Transport and Infrastructure	2,502,000,000	
	Environment, Water and Natural Resources	943,000,000	
	Urban Renewal and Housing	889,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services	2,315,000,000	
	TOTAL	9,023,000,000	

(Chairperson of the Select Committee on County Finance, Budget and Appropriations)

Question of the amendment proposed:

Question put and agreed to:

Question that Second Schedule as amended be part of the Bill proposed, put and agreed to:

Title be part of the Bill –

Question that the Title be part of the Bill proposed, put and agreed to:

Clause 1 be part of the Bill –

Question that Clause 1 be part of the Bill proposed, put and agreed to:

Motion that the Bill be reported proposed, put and agreed to:

Bill to be reported *with amendments*

ASSEMBLY RESUMED: -

The Nairobi City County Appropriations Bill,2020 (Assembly Bill no. 6 of 2020)

Bill reported *with amendments*

Motion made and Question proposed: -

THAT, the Assembly do agree with the Committee of the Whole Assembly in the said report.

(Chairperson, Select Committee on County Finance, Budget and Appropriations)

Question put and ***agreed to***

Motion made and question proposed;

THAT, The Nairobi City County Appropriations Bill, 2020 (Assembly Bill no. 6 of 2020) be now read a Third Time.

(Chairperson, Select Committee on County Finance, Budget and Appropriations)

Question put and ***agreed to***

Bill read a Third Time and **passed;**

And the time being Fifty-Two Minutes Past Five O'clock, the Speaker adjourned the Assembly without Question put pursuant to the Standing Orders

7. **ASSEMBLY ROSE** - at Fifty-Two Minutes Past Five O'clock.

The Speaker will take the Chair on
Tuesday, October 13th, 2020
9.30 a.m

--x--

I certify that this printed impression is a true copy of the Bill passed by the County Assembly on the 8th October, 2020

CLERK
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 45844-00100
NAIROBI

Clerk of the County Assembly.

Presented for assent in accordance with the provisions of the Constitution of Kenya and County Governments Act on the 9th October 2020 (date) at the hour of 8:00am

HON. SPEAKER
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 30075-00100
NAIROBI

County Assembly Speaker.

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

COUNTY GOVERNMENT OF NAIROBI CITY

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – FOURTH SESSION

27TH REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE, BUDGET AND APPROPRIATIONS

ON

THE NAIROBI CITY COUNTY APPROPRIATION BILL 2020

OCTOBER 2020

354

1. PREAMBLE

Mr. Speaker Sir, the end of product of a long budget process which commences sometime in September each year is the Appropriation Bill which acts as legal instrument allowing accounting officers to access and utilize funds from the County Revenue Fund. The legislature is periodically called upon to consider and approve the annual estimates of revenues and expenditures not only as a statutory duty but as gatekeepers of the County's public purse. This noble task ensures that the people are at the very center of utilization of the resources that they have entrusted in the hands of the government of the day.

To support this expansive mandate, the provisions of Standing Order 199 established the Nairobi City County Assembly Finance, Budget & Appropriations Committee with a specific mandate among which is to:

a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;
b) Discuss and review the estimates and make recommendations to the County Assembly;
c) Examine the County Fiscal Strategy Paper presented to the County Assembly;
d) **Examine Bills related to the county budget, including Appropriations Bills**; and
e) Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlay

Mr. Speaker Sir, the County Assembly Finance, Budget & Appropriations Committee comprises of the following 19 Members:

1. **Hon. Robert Mbatia, MCA** **Chair**
2. **Hon. Michael Ogada, MCA** **Vice- Chair**
3. Hon. Patrick Karani, MCA
4. Hon. Nimo Omar, MCA
5. Hon. Kariuki Wanjiru, MCA
6. Hon. Anthony Ngaruiya, MCA
7. Hon. Jacinta Wanjiru, MCA

8. Hon. Joseph Mwangi Komu, MCA
9. Hon. James Kiriba, MCA
10. Hon. Daniel Ngengi Muturi, MCA
11. Hon. Susan Makungu, MCA
12. Hon. Catherine Okoth, MCA
13. Hon. Emily Oduor, MCA
14. Hon. Paul Ndungu, MCA
15. Hon. Nancy Muthami, MCA
16. Hon. Cecilia Ayot, MCA
17. Hon. Herman Azangu, MCA
18. Hon. Emapet Kemunto, MCA
19. Hon. Mellab Atemah, MCA
20. Hon. David Okelo, MCA
21. Hon. Osman Adow
22. Hon Fredrick Onyango Okeyo
23. Hon. David Mberia
24. Hon. Elizabeth Nyambura
25. Hon. Kennedy Oyugi

Examination of the Appropriations Bill 2020

Mr. Speaker Sir, during the consideration of this Appropriation Bill the Finance, Budget and Appropriations Committee held a number of sittings to review and discuss the published Bill during which the Committee was taken through the realignments that had been made to the approved budget to ensure that the Bill is responsive to the realities within the County. Further, the Committee held deliberations with the officers from the Nairobi Metropolitan Services and County Treasury to build consensus on the figures for appropriation to the transferred and other functions that are retained in the County Government. The Committee also received oral submissions from the Office of the Acting Clerk of the County Assembly through the Director Financial Services on the proposed adjustments made to the County Assembly budget.

Acknowledgment

Mr. Speaker Sir, the Committee is sincerely grateful to: -

a) Offices of the Clerk and the Speaker for the support received throughout this process;

b) Sectoral Committees who reviewed the budget estimates for their respective Sectors;

c) Officers from the County Executive, led by the County Treasury, who appeared before the Sectoral Committee and the Finance Committee for the purposes of making submissions on the estimates and the Bill;

d) The team from the Nairobi Metropolitan Services who were continuously available ' engage with the Committee on the Bill;

e) Members of the Finance, Budget and Appropriations Committee who dedicated their time to ensure that the task of reviewing the estimates is done diligently and within the limited statutory timelines; and

f) The County Assembly Budget Office who continually provided guidance to the Committee on the Bill.

Mr. Speaker Sir, it is therefore my utmost privilege and distinct honor on behalf of the Committee to table this report on the Nairobi City County Appropriations Bill, 2020 and recommend it to the Assembly for adoption.

Signed..... Date..... 8th October '20

Hon. Robert Mbatia, MCA

Chairman: Finance, Budget and Appropriations Committee

II. SCRUTINY OF THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

2.1. Background Information on the approved budget for the FY 2020-21, Vote on Account and Appropriations Bill 2020

1. **Mr. Speaker Sir,** on Tuesday 30th June 2020 this County Assembly approved the annual estimates for the FY 2020-21 totaling Kshs. 31.43billion consisting of Kshs. 25billion for recurrent and Kshs. 6.4billion for development expenditures. In the approved budget the County Assembly had been granted total resource envelope of Kshs. 2billion consisting of Kshs. 1.409billion for recurrent and Kshs. 600million for development expenditures. The consideration of the budget for the FY 2020-21 marked the first time that the County Government was required to appropriate and indeed ensure transfer of resources to the National Government in line with the Deed of Transfer of functions executed pursuant to the provisions of Article 187 of the Constitution. The approvals for votes were meant to guarantee efficient delivery of services on critical areas of garbage collection, implementation of WDF projects, rolling out disaster mitigating measures, settling of pending legal fees, purchase of vehicles for various Sectors, making the County visible at the devolved units among others. The amounts approved were meant to be utilized by the County Treasury with some substantial resources being wired to the National Government for performance of transferred functions for service delivery to Nairobians.

2. Mr. Speaker Sir, the approval of the budget estimates for the FY 2020-21 was succeeded by consideration of Vote on Account pursuant to the provisions of Section 134 of the Public Finance Management Act, 2012, which granted authority for the County Government to withdraw from the County Revenue Fund amounts not exceeding 50% of the approved budget estimates made up in the manner set out in the Vote of Account Schedule laid before the County Assembly. The approval granted to the tune of Kshs. 12.5billion was only meant for the purpose of meeting expenditure necessary to carry on the services of the Nairobi City County

Government and County Assembly during the financial year ending on the **30th June 2021** until such a time as this Appropriations Act for the financial year 2020-21 comes into operation.

3. **Mr. Speaker Sir**, the passage of the Vote on Account had been occasioned by the delay of the Senate to agree on and pass the Third Basis for Revenue Sharing Formulae which in effect delayed consideration and approval of the County Allocation of Revenue Bill, 2020. It needs no reminder that a County of Revenue Bill is an important piece of legislation at it determines horizontal allocations for Counties' equitable share of revenues, conditional allocations and the recurrent ceilings for the County Assemblies. The Committee therefore thought it would be improper to purport to budget for the County whereas the resources meant to fund more than half of the budget remains in contestation. The passage of the Vote on Account was therefore a temporary middle ground meant to ensure that the County does not grind to a halt during the interim period. Further, the County Assembly granted latitude for the stakeholders in the budget from within and outside the County to agree on how to fund the Nairobi Metropolitan Services within a framework consistent with the Public Finance Management Act and the Deeds of Transfer of functions from the Nairobi City County Government to the National Government. In the approval the County Assembly did not authorize any withdrawals towards development expenditures.

4. Mr. Speaker Sir, Parliament having passed both the Third Basis Formula for revenue sharing and the County Allocation of Revenue Bill, the appropriation Bill has therefore been submitted to provide legal basis for expenditure of amounts appropriated in the approved estimates for the FY 2020-21. However, given that the estimates were approved before County Allocation of Revenue Bill was passed by Parliament, the figures contained therein especially on the revenue side of the budget were statistically different and the County Assembly made the necessary adjustments on the approved budget. Further, during the approval of the budget the County Assembly had resolved that there is need to reduce allocations for Operations and Maintenance across all sectors then reallocate the amounts to

development programmes. Further, the Committee had resolved that the recurrent allocation for the County Assembly to Kshs. 1.409billion and development allocation be enhanced to Kshs 600.7million. To support persons living with disabilities, the County Assembly had resolved that resources be set aside to support related programmes.

2.2. Summary of Adjustments in the Appropriation Bill 2020

5. **Mr. Speaker Sir** based on the need to align the County budget to the changing circumstances arising from the late passage of the relevant legislations on vertical allocation of resources from the national exchequer and horizontal disbursements to Counties, this Appropriations Bill has made a number of amendments to the approved budget for the FY 2020-21.

6. **Mr. Speaker Sir,** On the revenue side of the budget, Members may recall that this County Assembly approved total resource envelope of Kshs. 31.43billion consisting of Kshs. 16billion as equitable share of revenues, Kshs. 764.5million as conditional grants, Kshs. 14.65billion as internal revenue collection and there were no projected bank balances carried forward from the FY 2019-20. However, as at the cut off period for FY 2019-20 which was mid- July 2020 the County Revenue Fund had a bank balance of Ksh.290.4million which was not factored in the approved budget. Overally therefore the total revenues available were projected to increase by Kshs. 197.9million compared to the approved budget for the FY 2020-21. Based on the foregoing there is therefore adjustments of the overall budget upwards to include this cash balances that remained unutilized at the end of the previous financial year. Further, the Committee has through this Appropriation Bill adjusted upwards the overall budget by Kshs. 3.5billion being amounts then remain undisbursed to the County by the end of the FY 2019-20. The Committee wishes to call upon the National Treasury to ensure that these amounts are disbursed to fund the transferred functions among other important service delivery areas to Nairobians.

7. **Mr. Speaker Sir,** On the expenditure side of the budget, the adjustments in the budget are meant to align it to changing realities. In summary the Appropriation Bill is meant to provide additional resources for legal fees, medical insurance,

allocation for persons living with disabilities. The Committee has considered the proposed adjustments to the approved budget, confirmed that they are aligned to the approved County Fiscal Strategy Paper 2020 and made further adjustments that shall be subject to the amendments in the amendments schedule.

2.3. The Appropriations Bill and the Nairobi Metropolitan Services

8. **Mr. Speaker Sir,** subject to the Deed of Transfer of Functions from the Nairobi City County Government to the National Government, a number of key functions are now under the control of the National Government. Effective 17th of March 2020 the Nairobi City County Government relinquished its control over County Health Services, County Planning and Development Services, County Transport Services, County Public Works and ancillary services. In line with the provisions of Article 187 of the Constitution the County budget therefore had to be adjusted in a manner to is alive to these changing times. Of note is that the delivery unit of the functions now falls squarely within the armpit of the Nairobi Metropolitan Services (NMS) under the stewardship of the Director General. The Committee held discussions with the representatives of the NMS who submitted in no uncertain terms that the resources set aside for execution of the transferred functions would not be sufficient for service delivery. There were concerns that the allocations would not be adequate for payment of salaries for staff, operations and even rolling out of development programmes.

9. On the hand, **Mr. Speaker Sir**, the County Treasury reminded the Committee of the basic principle of public finance that resources are scarce and the same can only be shared on a need by need basis with proper costing and prioritization. The Committee believes this pulling in different directions is what the Deed of Transfer intended to solve by requiring that the National Government engages the County Executive on costing of the transferred functions before any budget document is submitted to the legislature for approval. The Committee encourages that service delivery should be a consultative and compromise process where all parties perform their functions in line with the underpinning legal obligations.

III. RECOMMENDATIONS

10. **Mr. Speaker Sir,** having reviewed the Appropriations Bill, 2020 the Committee recommends that the following adjustments be made in the approved budget for the FY 2020-21 and effected in the Appropriations as contained in the amendments schedule attached: -

a) Enhancement of the resource envelope by Kshs. 4.5billion including Kshs. 3.5billion being undisbursed balances from FY 2019-20 and Kshs. 1.04billion being unspent RMLF from previous financial year.

b) Arrangement of the votes for transferred functions to ensure that budget for NMS is clearly discernible in the budget.

Mr. Speaker Sir, in conclusion and pursuant to the provisions of Section 129 (7), 135, 154 of the Public Finance Management Act 2012 and Standing Order 228 the Select Committee on County Finance, Budget and Appropriations recommends that:

"This County Assembly adopts the Report of the Select Committee on County Finance, Budget and Appropriations on the Nairobi City County Appropriations Bill, 2020"

SCHEDULE: COMMITTEE STAGE AMENDMENTS TO THE APPRROPRIATION BILL, 2020

Notice is given that the Hon. Robert Mbatia, the Chairperson of the County Assembly Select Committee on Finance, Budget and Appropriations, intends to move the following amendments to the Nairobi City County Appropriation Bill, 2020, (Assembly Bill No. 6 of 2020) at the COMMITTEE STAGE-

1) The First Schedule of the Bill be amended as follows -
   a) In Vote No. R5312 under the Service on Security and Safety Management by deleting the supply of 2,024,373,136 and substituting thereof with the supply of 853,196,296.
   b) In Vote No. R5312 under the Service on Management of Legal Affairs by deleting the supply of 515,422,578 and substituting thereof with the supply of 717,248,233.
   c) In Vote No. R5312 by deleting the Total Supply of 5,539,776,650 and substituting thereof with the supply of 4,574,425,465.
   d) In Vote R5314 under the Service on Public Financial Management by deleting the supply of 2,127,230,930 and substituting thereof with the supply of 1,498,047,330
   e) In Vote No. R5314 by deleting the Total Supply of 3,213,231,649 and substituting thereof with the supply of 2,584,048,049
   f) In Vote R5318 under Service on General Administrative Services by deleting the supply of 1,255,779,864 and substituting thereof with the supply of 1,605,779,846
   g) In Vote No. R5318 by deleting the Total Supply of 1,626,066,203 and substituting thereof with the supply of 1,976,066,203.
   h) By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes R5315, R5316, R5317, R5323, R5324 and R5325.

   i) By inserting thereof, a new Vote immediately after Vote R5327 as follows

Vote	**Service or Purpose** **Recurrent Expenditure**	**Supply**	**A-in-A**
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan		

	Services		
	Inspectorate Services	1,167,176,840	
	Public Finance Management	629,183,600	
	Health	6,718,940,646	
	Urban Planning and Lands	620,000,000	
	Public Works, Transport and Infrastructure	933,948,359	
	Environment, Water and Natural Resources	2,027,199,420	
	Urban Renewal and Housing	145,289,163	
	Ward Development Fund	30,000,000	
	TOTAL	**12,272,563,683**	

j) By deleting the Recurrent Total Supply of **23,950,166,623** and substituting thereof with the Recurrent Total Supply of **25,401,166,613**

2) The Second Schedule of the Bill be amended as follows -

i. In Vote No. D5318 by deleting the Total Supply of 572,515,995 and substituting thereof with the supply of 872,515,995

ii. In Vote D5319 under the Service on Trade Development and Market by deleting the supply of 375,000,000 and substituting thereof with the supply of 525,000,000

iii. In Vote No. D5319 by deleting the Total Supply of 392,000,000 and substituting thereof with the supply of 542,000,000.

iv. By the deleting in their entirety the Programmes, Service or Purpose, Supply and Appropriations in Aid in relations to Votes D5315, D5316, D5317, D5323, D5324 and D5325.

v. By inserting thereof, a new Vote immediately after Vote D5327 as follows: -

Vote	Service or Purpose	Supply	A- in-Aid

	Development Expenditure		
	The amount required for the year ending 30th June, 2021 for the following programmes of the Nairobi Metropolitan Services		
	Health	748,000,000	
	Urban Planning and Lands	120,000,000	
	Public Works, Transport and Infrastructure	3,630,000,000	
	Environment, Water and Natural Resources	650,000,000	
	Urban Renewal and Housing	350,000,000	
	Ward Development Fund	1,304,000,000	
	Energy and other auxiliary services	1,000,000,000	
	TOTAL	**7,802,000,000**	

vi. By deleting the Development Total Supply of **7,431,465,995** and substituting thereof with the Development Total Supply of **10,521,465,99**

vii. By deleting the Grand Total Supply of **31,381,632,618** and substituting thereof with the Grand Total supply of **35,922,632,608**

WE THE UNDERSIGNED MEMBERS OF THE SELECT COMMITTEE ON FINANCE, BUDGET, AND APPROPRIATIONS AFFIRM THAT THIS IS THE APPROVED REPORT OF THE COMMITTEE ON THENAIROBI CITY COUNTY APPROPRIATION BILL FOR THE FY 2020-21 AS ADOPTED BY THE COMMITTEE ON THE 8TH DAY OF OCTOBER 2020

1	Hon. Robert Mbatia, MCA	
2	Hon. Michael Ogada, MCA	
3	Hon. J.M Komu, MCA	
4	Hon. Emily Oduor, MCA	
5	Hon. Fredrick Okeyo, MCA	Okeyo
6	Hon. James Kariuki, MCA	
7	Hon. Catherine Okoth, MCA	
8	Hon. Osman Adow, MCA	
9	Hon. Wanjiru Kariuki, MCA	M.K
10	Hon. Susan Makungu, MCA	S.M
11	Hon. Nimo Haji, MCA	N.O.H.
12	Hon. Paul Ndungu, MCA	
13	Hon. Daniel Ngengi, MCA	
14	Hon. Anthony Ngaruiya, MCA	
15	Hon. Patrick Karani, MCA	
16	Hon. Nancy Muthami, MCA	
17	Hon. Herman Azangu, MCA	Azangu
18	Hon. Cecelia Ayot, MCA	C.A.
19	Hon. Mellab Atemah, MCA	
20	Hon. David Mberia, MCA	D.M
21	Hon. David Okello, MCA	
22	Hon. Kennedy Oyugi, MCA	K/O
23	Hon. Emapet Kemunto, MCA	
24	Hon. Elizabeth Nyambura, MCA	
25	Hon. Jacinta Wanjiru, MCA	

SPECIAL ISSUE

Kenya Gazette Supplement No. 9 (Nairobi City County Bills No. 6)

REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

NAIROBI CITY COUNTY BILLS, 2020

NAIROBI, 10th September, 2020

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Bill for Introduction into the Nairobi City County Assembly—

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The Nairobi City County Appropriation Bill, 2020 1

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

THE NAIROBI CITY COUNTY APPROPRIATION BILL, 2020

A Bill for

AN ACT of the County Assembly of Nairobi City to authorize the issue of a sum of money out of the County Revenue Fund and its application towards the service of the year ending on the 30th June, 2021 and to appropriate that sum and a sum voted on account by the Nairobi City County Assembly for certain public services and purposes

ENACTED by the County Assembly of Nairobi City, as follows—

Short title

1. This Act may be cited as the Nairobi City County Appropriation Act, 2020.

Issue of KSh. 31,381,632,618 out of the County Revenue Fund for public services and purposes of the year ending 30th June, 2021 and appropriation of the money granted

2. (1) The County Treasury may issue out of the County Revenue Fund and apply towards the supply granted for the service of the year ending on the 30th June, 2021, the sum of **Kenya Shillings Thirty-One Billion, Three Hundred Eighty-One Million, Six Hundred Thirty-Two Thousand, Six Hundred Eighteen only** and that sum shall be deemed to have been appropriated as from 1st July, 2020, for the services and purposes specified in the Schedule annexed hereto.

(2) The sum granted out of the County Revenue Fund by sub-section (1) as authorized by the Nairobi City County Assembly on the 30th June, 2020, in accordance with Article 224 of the Constitution.

3. In addition to the sum granted by section 2, there may be applied, for the services and purposes specified in the Schedule, the sums specified out of any money directed to be applied as Appropriations in Aid under Article 206(1)(b) of the Constitution.

SCHEDULE

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
R5311	**The amount required in the year ending 30thJune, 2021 for the following programmes of the County Public Service Board**		
	0701000: General Administration Planning and Support Services	91,503,677	
	Total	**91,503,677**	
R5312	**The amount required in the year ending 30th June, 2021 for the following programmes of the Office of Governor and Deputy Governor**		
	0718005310: General Administrative Services	2,740,820,073	
	0724005310: Security and Safety Management	2,024,373,136	
	0726005310: Disaster Management Coordination	259,160,863	
	0725005310: Management of Legal Affairs	515,422,578	
	Total	**5,539,776,650**	
R5313	**The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology, e-Government and Public Communications**		
	0207000: General Administration Planning and Support Services	105,745,897	
	0208000: Information And Communication Services	97,582,700	
	0210005310: ICT Infrastructure Development	10,895,200	
	Total	**214,223,797**	
R5314	**The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning**		
	0701005310: Public Financial Management	2,127,230,930	
	0718005310: General Administrative Services	971,236,820	
	0719000 P3: Economic and Financial Policy Formulation and Management	114,763,900	
	Total	**3,213,231,649**	
R5315	**The amount required in the year ending 30thJune, 2021 for the following programmes of the Health**		
	0401000: Preventive & Promotive Health Services	174,011,330	
	0402005310: Curative care	267,757,991	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
	0404005310: General administration, planning and support services	5,777,171,325	
	Total	**6,218,940,646**	
R5316	**The amount required in the year ending 30th June, 2021 for the following programmes of Urban Planning and Lands**		
	0106000: General Administration Planning and Support Services	229,714,692	
	0114005310: Urban Planning, compliance & enforcement	22,653,900	
	0115005310: Land management	168,457,062	
	Total	**420,825,655**	
R5317	**The amount required in the year ending 30th June, 2021 for the following programmes of the Public works, transport and Infrastructure**		
	0207000: General Administration Planning and Support Services	1,096,037,959	
	0211005310: Roads, Drainage & Bridges	14,040,200	
	0212005310: Road Safety Interventions	11,690,100	
	0213005310: Institutional Buildings & Maintenance	12,180,100	
	Total	1,133,948,359	
R5318	**The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services**		
	0508005310: General administration, planning and support services	1,255,779,846	
	0509005310: Education services	83,856,300	
	0902005310: Social Services	286,430,057	
	Total	**1,626,066,203**	
R5319	The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives		

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
	0301000: General Administration Planning and Support Services	415,969,749	
	0310005310: Co-operative Development and Audit Services	15,993,200	
	0311005310: Tourism Promotion and Marketing	13,427,500	
	0312005310: Trade development and Market Services	30,666,800	
	0313005310: Licensing and Fair Trade Practices	24,470,300	
	Total	**500,527,549**	
R5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services	282,409,522	
	0710000: Public Service Transformation	977,097,500	
	0723005310: Performance Management and Public Service Delivery	9,282,700	
	Total	**1,268,789,722**	
R5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services	229,298,081	
	0119005310: Urban Agriculture Promotion & Regulation	79,131,333	
	0116005310: Animal Health, Safety and Quality Assurance	9,753,200	
	0117005310: Afforestation	54,343,900	
	0118015310: Food Systems and Surveillance	7,339,740	
	Total	**379,866,254**	
R5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation	1,409,977,879	
	Total	1,409,977,879	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Recurrent Expenditure	*KSh.*	*KSh.*
R5323	**The amount required in the year ending 30th June, 2021 for the following programmes of the Environment, Water, Energy and Natural Resources**		
	1001005310: General Administration & Support Services	541,553,020	
	1002005310: Environment Management and Protection.	1,057,941,300	
	1004005310: Water Resources Management	27,705,100	
	Total	**1,627,199,420**	
R5324	**The amount required in the year ending 30th June, 2021 for the following programmes of the Urban Renewal and Housing**		
	0102000: Housing Development and Human Settlement	30,205,400	
	0106000: General Administration Planning and Support Services	104,314,463	
	0113005310: Building Services	10,769,300	
	Total	**145,289,163**	
R5325	**The amount required in the year ending 30th June, 2021 for the following programme of Ward Development Projects**		
	0214005310: Ward Development	30,000,000	
	Total	**30,000,000**	
R5326	**The amount required in the year ending 30th June, 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services	130,000,000	
	Total	**130,000,000**	
R5327	**The amount required in the year ending 30th June, 2021 for the following programme of Liqour Licencing Board**		
	0313015310: Liquor Licensing & Regulation		200,000,000
	Total		**200,000,000**
	Sub-Total (Recurrent Expenditure)	23,950,166,623	200,000,000

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Development Expenditure	*KSh.*	*KSh.*
D5311	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Public Service Board.**		
	0701000: General Administration Planning and Support Services	35,000,000	
	Total	**35,000,000**	
D5312	**The amount required in the year ending 30th June, 2021 for the following programmes of the Office Of Governor and Deputy Governor**		
	0718005310: General Administrative Services	91,750,000	
	0724005310: Security and Safety Management	20,000,000	
	0726005310: Disaster Management Coordination	131,800,000	
	0725005310: Management of Legal Affairs	0	
	Total	**243,550,000**	
D5313	**The amount required in the year ending 30th June, 2021 for the following programmes of the Information Communications Technology, e-Government and Public Communications**		
	0207000 P1: General Administration Planning and Support Services	5,000,000	
	0208000 P2: Information and Communication Services	236,000,000	
	0210005310 ICT Infrastructure Development	38,000,000	
	Total	279,000,000	
D5314	**The amount required in the year ending 30th June, 2021 for the following programmes of the Finance and Economic Planning**		
	0701005310: Public Financial Management	0	
	0718005310: General Administrative Services	0	
	0719000 P3: Economic and Financial Policy Formulation and Management	0	
	Total	-	
D5315	**The amount required in the year ending 30th June, 2021 for the following programmes of the Health**		
	0401000 P.1 Preventive & Promotive Health Services	20,000,000	
	0402005310 Curative care	666,000,000	
	0404005310 General administration, planning and support services	62,000,000	
	Total	748,000,000	

(1)	(2)	(3)	(4)
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Development Expenditure	*KSh.*	*KSh.*
D5316	**The amount required in the year ending 30th June, 2021 for the following programmes of Urban Planning and Lands**		
	0106000: General Administration Planning and Support Services	0	
	0114005310: Urban Planning, compliance & enforcement	0	
	0115005310: Land management	20,000,000	
	Nairobi Metropolitan Services		
	Total	**20,000,000**	
D5317	**The amount required in the year ending 30th June, 2021 for the following programmes of the Public works, transport and Infrastructure**		
	0207000: General Administration Planning and Support Services		
	0211005310: Roads, Drainage & Bridges	2,644,047,957	
	0212005310: Road Safety Interventions	93,188,334	
	0213005310: Institutional Buildings & Maintenance	152,763,709	
	Total	**2,890,000,000**	
D5318	**The amount required in the year ending 30th June, 2021 for the following programmes of Education, Youth affairs, Sports, Culture and Social Services**		
	0508005310: General administration, planning and support services	0	
	0509005310: Education services	294,508,186	
	0902005310: Social Services	278,007,809	
	Total	**572,515,995**	
D5319	**The amount required in the year ending 30th June, 2021 for the following programmes of Trade, Commerce, Tourism and Cooperatives**		
	0301000: General Administration Planning and Support Services	0	
	031000531O: Co-operative Development and Audit Services	0	
	0311005310: Tourism Promotion and Marketing	0	
	0312005310: Trade Development and Market Services	375,000,000	
	031300531O: Licensing and Fair Trade Practices	17,000,000	
	Total	392,000,000	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Development Expenditure	*KSh.*	*KSh.*
D5320	**The amount required in the year ending 30th June, 2021 for the following programmes of Public Service Management**		
	0701000: General Administration Planning and Support Services	0	
	0710000: Public Service Transformation	11,400,000	
	0723005310: Performance Management and Public Service Delivery	25,000,000	
	Total	**36,400,000**	
D5321	**The amount required in the year ending 30th June, 2021 for the following programmes of Agriculture, Livestock Development, Fisheries and Forestry**		
	0106000: General Administration Planning and Support Services	0	
	0119005310: Urban Agriculture Promotion & Regulation	45,000,000	
	0116005310: Animal Health, Safety and Quality Assurance	63,000,000	
	0117005310: Afforestation	3,000,000	
	0118015310: Food Systems and Surveillance	0	
	Total	**111,000,000**	
D5322	**The amount required in the year ending 30th June, 2021 for the following programmes of the County Assembly**		
	07220001: Legislation, Oversight and Representation	600,000,000	
	Total	600,000,000	
D5323	**The amount required in the year ending 30th June, 2021 for the following programmes of the Environment, Water, Energy and Natural Resources**		
	1001005310: General Administration & Support Services	12,807,762	
	1002005310: Environment Management and Protection.	137,192,238	
	1004005310: Water Resources Management	0	
	Total	**150,000,000**	
D5324	**The amount required in the year ending 30th June, 2021 for the following programmes of the Urban Renewal and Housing**		
	0102000: Housing Development and Human Settlement	50,000,000	
	0106000: General Administration Planning and Support Services	0	
	0113005310: Building Services	0	

(1)	*(2)*	*(3)*	*(4)*
Vote	*Service or Purpose*	*Supply*	*Appropriation in Aid*
	Development Expenditure	*KSh.*	*KSh.*
	Total	**50,000,000**	
D5325	**The amount required in the year ending 30th June 2021 for the following programme of Ward Development Projects**		
	0214005310: Ward Development	1,304,000,000	
	Total	**1,304,000,000**	
D5326	**The amount required in the year ending 30th June 2021 for the following programme of Emergency Fund**		
	0718005310: General Administrative Services	0	
	Total	-	
D5327	**The amount required in the year ending 30th June 2021 for the following programme of Liqour Licensing Board**		
	0313015310: Liquor Licensing & Regulation		50,000,000
	Total		**50,000,000**
	Sub-Total (Development Expenditure)	7,431,465,995	50,000,000
	GRAND TOTAL	31,381,632,618	250,000,000

MEMORANDUM OF OBJECTS AND REASONS

Clause 2 of this Act provides for the issue, out of the County Revenue Fund, of the sum of **KSh. 31,381,632,618** required to meet public expenditure during the financial year ending on the 30th June, 2021. This sum includes the amount authorized by the County Assembly on the 30th June, 2021, under section 224 of the Constitution.

Dated the 8th September, 2020.

MICHAEL OGADA,
Vice-Chairperson, Finance, Budget and Appropriations Committee.

Particular 4 (d)

THE REPUBLIC OF KENYA

LAWS OF KENYA

PUBLIC FINANCE MANAGEMENT ACT

CHAPTER 412C

Revised Edition 2014 [2013]

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Particular 4

THE PUBLIC FINANCE MANAGEMENT ACT, 2012

ARRANGEMENT OF SECTIONS

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PART I—PRELIMINARY

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3—Object of this Act.

4—Declaration of entities as national government entities.

5—Declaration of entities as county government entities.

6—Act to prevail in certain matters.

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10—Responsibilities of the Parliamentary Budget Office.

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Establishment of the National Treasury

11—Establishment of the National Treasury.

12—General responsibilities of the National Treasury.

13—Powers of the National Treasury.

(b) the amount of the loan and the currency in which it is expressed and in which it is repayable;

(c) the terms and conditions of the loan, including interest and other charges payable and the terms of repayment;

(d) the amount of the loan advanced at the time the report under subsection (3) is submitted;

(e) the purpose for which the loan was used and the perceived benefits of the loan; and

(f) any other information that the county assembly requests.

(5) The County Treasury shall submit both quarterly and annual reports of all loans made to the county government to the county assembly.

County Treasury to submit county government debt management strategy to county assembly.

123. (1) On or before the 28th February in each year, the County Treasury shall submit to the county assembly a statement setting out the debt management strategy of the county government over the medium term with regard to its actual liability and potential liability in respect of loans and its plans for dealing with those liabilities.

(2) The County Treasury shall include the following information in the statement -

(a) the total stock of debt as at the date of the statement;

(b) the sources of loans made to the county government;

(c) the principal risks associated with those loans;

(d) the assumptions underlying the debt management strategy; and

(e) an analysis of the sustainability of the amount of debt, both actual and potential.

(3) As soon as practicable after the statement has been submitted to the county assembly under this section, the County Executive Committee member for finance shall publish and publicise the statement and submit a copy to the Commission on Revenue Allocation and the

ANNEX 1

THE NATIONAL GOVERNMENT
(THROUGH)
THE MINISTRY OF DEVOLUTION & THE ASALs

&

THE NAIROBI CITY COUNTY GOVERNMENT

DEED OF TRANSFER OF FUNCTIONS FROM THE NAIROBI CITY COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

THIS DEED OF TRANSFER is made on this 25TH Day of [illegible] **TWO THOUSAND AND TWENTY.**

BY AND BETWEEN

I. **THE NATIONAL GOVERNMENT OF THE REPUBLIC OF KENYA,** through **THE MINISTRY OF DEVOLUTION & THE ASALs** ("the ***National Government***") on the first part; and,

II. **THE NAIROBI CITY COUNTY GOVERNMENT**, ("the ***County Government***") whose registered office is at City Hall, off City Hall Way, Nairobi on the other part.

*(Each a "**Party**" and together the "**Parties**")*

RECITALS AND DECLARATION OF COMMON INTENT

WHEREAS, the Constitution of Kenya, 2010 established a devolved structure of Governance with a **service-centric approach**, in which the sovereign power of the People of Kenya is exercised at two levels, being the **National Level** and the **County Level** (*collectively* the "**Government of the Republic of Kenya**");

Initials:

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WHEREAS, the Principles of Executive Authority set out under Article 129 of the Constitution require that Executive Authority at both levels of Government be exercised in a manner that serves the best interest, well-being and aspirations of the People of Kenya;

WHEREAS, the **Principal Object of Devolution** is set-out under Article 174 of the Constitution as being: "*to promote democratic and accountable exercise of power, to foster national unity by recognizing diversity and to give powers of self-governance to the people and enhance the participation of the people in exercise of the powers of the state and in making decisions affecting them*";

WHEREAS, Article 189 of the Constitution, sets out the structure for co-operation between the National and County Governments; with Government at either level being required to perform its functions and exercise its powers in a manner that respects the functional and institutional integrity of the Government at the other level, and respects the constitutional status and institutions of Government at the other level;

WHEREAS, it is the shared aspiration of all Kenyans for their Government to operate in an effective, transparent and accountable manner with respect to the delivery of Public Goods and Services;

Initials:

WHEREAS, it is the solemn duty of the Government to guarantee reasonable access to all Public Goods and Services in all Counties and in every part of the Republic;

WHEREAS, Article 186 of the Constitution, as read with the Fourth Schedule of the Constitution, sets out functions of County Governments to include: County Health Services, Control of Air Pollution, Control of Noise Population, Prevention of Public Nuisance, Regulation of Public Entertainment, County Transport, Trade Development, County Planning & Development, Pre-primary Education, Village Polytechnics, Firefighting Services, and Disaster Management & Control of Drugs;

WHEREAS, Nairobi City is the Seat of the Government of Kenya and the Nation's Capital City;

WHEREAS, Nairobi City is also the largest commercial hub in East and Central Africa, and home to over 4 million persons;

WHEREAS, the Nairobi City County Government seeks to foster its effectiveness in the delivery of the public good; and is considering mechanisms of embedding operational enhancements that would make the County Government better able to deliver on its constitutional mandate;

Initials:

WHEREAS, the Nairobi City County Government is conscious of its internal constraints as to the effective discharge of its functions;

WHEREAS, the Nairobi City County Government recognizes that in light of the scope of the devolved functions, some of the functions currently vested in the Nairobi City County Government would be more effectively performed and exercised by the National Government;

WHEREAS, and to enhance delivery of the public good, the Nairobi City County Government is desirous of transferring to the National Government the functions set out in **Article 3** of this Deed of Transfer of Functions;

WHEREAS, the National Government is desirous of accepting the transfer to the National Government of the functions set out in Article 3 of this Deed of Transfer of Functions from the Nairobi City County Government; and it has the requisite capacity and competence to perform the transferred functions:-

NOW THEREFORE, having considered the above, the Parties enter into this Deed of Transfer of Functions and solemnly agree as follows:

Initials:

ARTICLE 1: DEFINITIONS

1.1 The following expressions (save where the context requires otherwise) bear the following meanings:-

1.1.1 References to an Article are (unless the context otherwise requires) to an Article respectively of this Deed of Transfer of Functions;

1.1.2. Words importing the singular meaning where the context so admits include the plural meaning and vice versa;

1.1.3. The Article and paragraph headings are for reference purposes only and shall not affect the interpretation of this Deed of Transfer of Functions.

ARTICLE 2: PRINCIPAL OBJECTS

The principal objects this Deed of Transfer of Functions are:

2.1 To give full effect of the benefits of the devolved and decentralized governance to the residents of Nairobi City County; and,

Initials:

2.2 To anchor the framework of the transfer of certain functions from the Nairobi City County Government to the National Government.

ARTICLE 3: THE SCOPE OF THE FUNCTIONS TRANSFERRED TO THE NATIONAL GOVERNMENT

The Nairobi City County Government unequivocally transfers the following functions to the National Government:

3.1 County Health Services;

3.2 County Transport Services;

3.3 County Planning and Development Services; and

3.4 County Public Works, Utilities and Ancillary services.

ARTICLE 4: PERFORMANCE STANDARDS AND REPORTING OBLIGATIONS

In furtherance of the principles of good governance that require accountable and transparent management of public affairs, the performance of the transferred functions shall be undertaken in keeping with the guidelines set out herein after:

4.1 The Parties will harmonize the relevant sector performance contracts and service delivery indicators, as adopted by the respective governments herein and relevant departments;

Initials:

4.2 There shall be an annual report tabled before Parliament and the Nairobi City County Assembly on the implementation of this Agreement;

4.3 Pursuant to Article 189(2) of the Constitution, the Parties may form joint committees for the better performance of this Agreement; and

4.4 The National Government and Nairobi City County Government may enter into sector specific service-level agreements and/or Memoranda of Understanding to guide and achieve better performance of this agreement.

ARTICLE 5: FINANCING THE DELIVERY OF THE TRANSFERRED FUNCTIONS

The financing of the delivery of the transferred functions shall be undertaken as follows:

5.1 Financing for the functions herein shall be drawn from either or both the Consolidated Fund and the County Revenue Fund;

Initials:

5.2 The Nairobi City County Government shall ensure that the transferred functions are fully funded from the County Revenue Fund;

5.3 The level of funding for each transferred function shall be determined by the National Government in consultation with the County Government, but in any case the budgetary allocation shall not be less than the amount last appropriated by the County Assembly in the preceding financial year;

5.4 The National Government shall have the responsibility of collecting and remitting all revenue accruing from the transferred functions herein;

5.5 For the purposes of general coordination of revenue collection, the Nairobi City County Government appoints Kenya Revenue Authority (KRA) as the principal agent for overall revenue collection;

5.6 The relevant human resources for the implementation of this agreement shall be seconded from the County Government to the National Government; and

Initials:

5.7 The County Public Service Board shall, in consultation with the Public Service Commission, formulate the necessary instruments to facilitate the secondment and/or deployment of the necessary human resources.

ARTICLE 6: CAPACITY BUILDING FRAMEWORK

6.1 The National Government shall carry out a comprehensive capacity assessment in line with Article 190 of the Constitution, as read with Section 121 of the County Governments Act, 2012; and,

6.2 In addition to the capacity building measures identified in the Capacity Assessment Review Report (CARPS), the Parties shall develop a capacity building programme based on 6. 1 above.

ARTICLE 7: EXECUTION OF THE TRANSFERRED FUNCTIONS

7.1 The National Government shall prescribe and establish an institutional framework for the execution of the transferred functions.

Initials:

ARTICLE 8: REVIEW CYCLE

8.1 The Parties shall review the performance of the transferred functions annually.

ARTICLE 9: DURATION AND TERMINATION

9.1 This Deed of Transfer shall become effective 21 (twenty one) days from the date of execution and shall remain in force for an initial renewable period of 24 months from the date of execution.

9.2 This Deed of Transfer of Functions may only be terminated by the mutual written consent of both Parties expressed in a common document.

ARTICLE 10: GENERAL

10.1 This Deed of Transfer of Functions shall be notified to the Nairobi City County Assembly pursuant to Section 26(6) of the Intergovernmental Relations Act and shall in the meantime be subjected to public participation.

Initials:

10.2 This Deed of Transfer of Functions, together with any amendments as may be necessitated by public participation, constitute the entire Agreement between the Parties. Both parties acknowledge that they have not entered into this Agreement in reliance wholly or partly on any statement or representation made by the other except as contained or referred to herein.

10.3 No variation or addition to this Agreement and no waiver of any provision shall be valid unless in writing signed by a duly authorized officer of both of the parties. In the event of a variation or addition, all the terms of this Agreement shall apply to such variation or addition except as may otherwise be expressly provided therein.

10.4 No forbearance or indulgence by either Party in enforcing any term or condition of this Agreement shall prejudice or restrict that Party's rights or powers under this Agreement and no waiver of any breach shall operate as a waiver of any subsequent or continuing breach.

Initials:

10.5 Any written notice to be given under the terms of this Agreement may be delivered by hand delivered to:

10.5.1 **In the case of Ministry**
Cabinet Secretary
Ministry of Devolution & the ASALS
The National Treasury
NAIROBI
(Marked 'URGENT'); and,

10.5.2 **In case of the County**
County Secretary
Nairobi City County
City Hall
(Marked 'URGENT').

10.6 This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party hereto and expressed in a common document.

ARTICLE 11: GOVERNING LAW AND DISPUTE RESOLUTION

11.1 This Deed of Transfer of Functions shall be governed by and construed in accordance with the Laws of Kenya.

Initials:

SIGNED BY MILLE MBWI Sinde

duly authorized Signatories for

NAIROBI CITY COUNTY GOVERNMENT

In the presence of

SIMON L MERINTAT

Initials:

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REPUBLIC OF KENYA

IN THE EMPLOYMENT AND LABOUR RELATIONS

COURT AT NAIROBI

PETITION 52 OF 2020

(Before Hon. Justice Hellen S. Wasilwa on 17th September, 2020)

OKIYA OMTATAH OKOITI.....PETITIONER/APPLICANT

VERSUS

THE NAIROBI
METROPOLITAN SERVICE.....1ST RESPONDENT/APPLICANT

THE PUBLIC
SERVICE COMMISSION .....2ND RESPONDENT/APPLICANT

THE HON. ATTORNEY GENERAL.3RDRESPONDENT/APPLICANT

THE NAIROBI CITY COUNTY
PUBLIC SERVICE BOARD .....4TH RESPONDENT/APPLICANT

AND

MAJOR GENERAL
MOHAMED ABDALA BADI.....1ST INTERESTED PARTY

DR. FREDRICK OUMA OLUGA.....2ND INTERESTED PARTY

ENG. PETER MUTT MWANIKI.....3RD INTERESTED PARTY

MR. HEMORIKE OMOLO OKUTA .....4TH INTERESTED PARTY

MS. LILLIAN KIENI.....5TH INTERESTED PARTY

MR. JOHN MUYA.....6TH INTERESTED PARTY

MS. MARION RONO.....7TH INTERESTED PARTY

ARCH SAMWEL NDIRITU MUITA.....8TH INTERESTED PARTY

MS. MAUREEN NJERI.....9TH INTERESTED PARTY

HON. GOVERNOR MIKE MBUVI SONKO....10TH INTERESTED PARTY

RULING

1. Pending before me for determination is the Notice of Motion Application dated 29th July, 2020. The Application is filed Under Certificate of Urgency under the Constitution of Kenya (Protection of Rights and Fundamental Freedoms) Practice and Procedure Rules, 2013.

2. The Application seeks the following Orders **THAT:-**

   1. *The Honourable Court be pleased to certify this Application as urgent to be heard on priority basis. (Spent)*

   2. *The Court be pleased to declare that the creation of the Nairobi Metropolitan Services*

was done in compliance with the law and the Constitution.

3. *The Court be pleased to declare that the deployment and secondment of the 1st to 9th Interested Parties to the Nairobi Metropolitan Services from the Nairobi City County was done in compliance with the Law and the Constitution.*

4. *The Court be pleased to declare that the deployment and secondment of the 6052 staff to the Nairobi Metropolitan Services from the Nairobi City County was done in compliance with the Law and the Constitution.*

5. *The Honourable Court be pleased to lift the Order of unconstitutionality issued on 18th June, 2020.*

6. *Costs of the Application be provided for.*

3. This Application is premised on the grounds that:-

a) *The Applicant maintains that the creation of the Nairobi Metropolitan Service, the 1st Respondent/Applicant was lawful and Constitutional and that its establishment was done pursuant to Article 132 (4) (a) of the Constitution of Kenya as an office in Public Service that is domiciled in the Executive Office of the President vide the Executive Order No. 3 of 2020.*

b) *The provisions of Article 187 of the Constitution of Kenya allows for the transfer of functions of between levels of government via an agreement in this case a Deed of Transfer as executed between the two levels of government.*

c) *Pursuant to the Provisions of Section 26 of the Intergovernmental Relations Act at Subsection 4 and 5 the National County Assembly was*

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notified of the Deed of Transfer and actively participated contrary to this Honourable Court's decision that it was left out.

d) There was Public Participation and that all the Constitutional and Statutory requirements in relation to the Deed of Transfer were duly complied with.

e) The 1st Respondent is an institution created in the Public Service under the National Government to foster intergovernmental cooperation in accordance with Article 187 of the Constitution hence there is no requirement for creation of a separate legal entity independent from the National Government under the Deed of Transfer.

f) The deployment of the 1st to 9th Interested Parties was done in consultation with the Public Service Board and that there was no

need to consult the Nairobi County Public Service Board as neither of this officers was a county public service employee.

g) Consultation of the two bodies was contemplated in the Deed of Transfer under Clause 5.6 and 5.7 and the same was complied with.

h) The secondment of the 6052 County employees cannot be null and void because the Court itself acknowledged that it was done in consultation with the Public Service Commission and the Nairobi County Public Service Board but cited no provisions of any Act of Parliament or the Constitution which had been violated.

i) This matter is one of great Public Interest thus there is need to weigh Public Interest against the Interest of the Petitioner and the 10th Interested Party as it involves seamless

delivery of essential public services to the residents of Nairobi which had been hampered due to several constraints being experienced by the County Government of Nairobi.

j) The effect of the declaration of unconstitutionality has the effect of abolishing the Nairobi Metropolitan Services at the expiry of 90 days hence the need to hear and determine the instant Application.

k) No prejudice will be suffered by the Petitioner/Respondent if the Application herein is allowed.

l) The Application ought to be allowed in the interest of Equity and Justice.

4. The Application is further supported by the Affidavit of **ENOSH MOMANYI ONYANGO**, the Deputy Director General and Accounting Officer of the 1st

Respondent/Applicant, in which they reiterates the averments made in the Notice of Motion Application.

5. The Affiant maintains that the creation of the 1st Respondent/Applicant was done in accordance with the law. He further maintains that on 25th February, 2020 the National Government and County Government signed a Deed of Transfer of Functions pursuant to the provisions of Article 187 of the Constitution of Kenya, 2010 as read together with Section 26 of the Intergovernmental Relations Act (No. 2 of 2012).

6. He further averred that the said Deed of Transfer was published in the Kenya Gazette on 25th February, 2020 as Gazette Notice No. 1609 of 2020 and that the residents of Nairobi and the General Public were subsequently invited to participate in the process by submitting their views and comments to the Ministry of Devolution, Nairobi City County or State Department of Devolution.

7. He further avers that indeed Public Participation was held in all Seventeen (17) Sub Counties within Nairobi County between 4th and 6th March, 2020 through the Ward based consultative forums and that all parties were duly afforded an opportunity to state their views concerning the transfer of functions.

8. He contended that the Nairobi County Assembly was on 26/2/2020 duly notified of the decision to transfer the County Government Functions to the National Government in compliance with the provisions of Section 26 (5) of the Intergovernmental Relations Act who did proceed to discuss the said Deed of Transfer before proceeding with its adoption as defined under Article 176 (1) of the Constitution of Kenya, 2010.

9. He maintains that the establishment of the office of the 1st Respondent and other offices is backed by and anchored in law under Article 234 (2) (a)(i) of the Constitution of Kenya and Section 30 of the Public Service Commission Act.

10. He contended that the 1st to 9th Interested Parties were duly seconded by the Public Service Commission from various National Government entities and that the 1st Respondent is an interim office established to undertake the transferred services.

11. He further contended that the said officers will upon the lapse of the Deed of Transfer, revert to their respective ministries.

12. It is on the basis of the reasons stated in the Motion and the Supporting Affidavit that the Applicant maintains that it has demonstrated compliance with the law and the Constitution and urged this Honourable Court to set aside its earlier declaration that the creation of the 1st Respondent/Applicant was in violation of the law and the Constitution, and the deployment of the 1st to 9th Interested Parties was done in contravention of the law and the Constitution and declaring that the secondment of 6052 employees of the 1st Applicant was in contravention of the County Government Act.

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13. In conclusion, the Applicants urged this Court to allow its Application in terms of the reliefs sought therein.

14. In response to the Application the 10th Interested Party through his Advocates on record filed his grounds of opposition dated 7th September, 2020 in which he raises the following grounds:-

1. ***The said Application is a gross abuse of the Court Process, incompetent, frivolous, vexatious, lacks merits and is fatally defective.***

2. ***The said Application offends the functus officio doctrine which prevents re-opening of a matter before a court that rendered the final decision thereon.***

3. ***This Honourable Court rendered its final judgment in this matter on 18th June, 2020. The only remedy available to the Applicants***

is to exercise his right to appeal under Article 164 (3) (b) of the Constitution.

4. *The Application offends the provisions of Order 45, Rule 1 which provides that a person considering himself aggrieved by a decree or order from which an appeal allowed BUT from which no appeal has been preferred may apply for review. The Applicants have appealed pursuant to a Notice of Appeal and application in the Court of Appeal CIVIL APPLICATION NO. 192 OF 2020 (Nairobi) seeking stay of the judgment hereof. This said application is awaiting a ruling thereof.*

5. *The Applicants are abusing the Court Process by simultaneously seeking the same orders in the Court of Appeal and before this Honourable Court hereof.*

6. *This Honourable Court lacks jurisdiction to grant the orders sought in this Application pursuant to the provisions of Article 162 (2) (a) of the Constitution.*

7. *The Applicants have failed to appreciate that a County consists of the County Executive and the County Assembly.*

8. *The purported transfer of functions from the Nairobi City County to the National Government was subject to approval by the County Assembly, Parliament and public participation under Article 10 of the Constitution.*

9. *The Applicants have acted contrary to the law and the constitution by purporting to hand pick and appoint various Chief Officers without consulting the 10th Interested Party and in blatant contravention of the law thereof.*

10. *The Applicants have acted contrary to the law and the constitution by purporting to second to the Nairobi Metropolitan Service about 6,052 Nairobi City County employees without consulting the 10th Interested Party and in blatant contravention of the law thereof.*

11. *The Application is seeking orders that cannot be reasonably granted in a judicial process.*

12. *The 10th Interested Party persuades this Honourable Court to dismiss the said application with costs to be assessed by this Honourable Court to be payable forthwith.*

15. The Application proceeded orally on 8th September, 2020.

Submissions by the Parties

16. Mr. Eredi, Counsel on record for the Applicants submitted that it has demonstrated by way of evidence that the

Applicants have complied with this Court's Judgment of 18/6/2020 in particular it has shown steps taken by the National Government to establish the 1st Respondent within the law.

17. The Applicants further submitted that they have established that the County Government was involved in the process and maintain its legality. It is on this basis that Mr. Eredi urged this Honourable Court in the circumstances to lift the Order of illegality issued on 18/6/2020.

18. On the issue of filing an appeal, the Applicants maintained that they are entitled by law to appeal this Court's decision and that the instant Application is only aimed at confirming to this Court that they have complied with the Court Orders.

19. Mr. Eredi further contended that the 10th Interested Party being a party to the Deed of Transfer as well as the

Proceedings in this matter cannot oppose the instant Application.

20. The Applicants maintained that the 1st Respondent/Applicant is not a statutory body but is a service body established by the Public Service Commission in accordance with the law. He therefore urged this Honourable Court to find merit in the instant Application and allow it as prayed.

Petitioner's Submissions

21. Mr. Havi, counsel on record for the Petition in opposition to the Application filed submitted that prayers 2, 3, 4 and 5 of the Application are requests to this Court to overturn the Orders of this Court which is not tenable in law.

22. He further submitted that the instant Application seems to have been clothed as an Application for review but fails to meet the threshold for grant of such Orders as provided under Order 45 of the Civil Procedure Rules and

further that the Applicant has also proceeded to file an appeal to the Judgment of 18/6/2020.

23. He further maintained that the instant Application seeks to have this Court re-open its case after delivery of Judgment, which is defeated by the doctrine of res-judicata. He further argued that there must be an end to litigation and therefore the matter is to be left to rest.

24. Mr. Havi argued that there has been no compliance with the decree of 18/6/2020 and that at the lapse of the 90 days period they shall approach the Court as directed.

25. In conclusion, Counsel urged this Honourable Court to dismiss the Application with costs.

Submissions by the 10th Interested Party

26. The 10th Interested Party through his Counsel on record, Mr. Kurauka relied on the grounds of Opposition dated 7/9/2020 and associated himself with Submission made by Mr. Havi.

27. He further argued that the Applicant through its Application seeks to have this Court re-write its Judgment and that this goes against the principle of res- judicata.

28. He further submitted that the Applicant has not brought before this Court any new evidence that was not previously placed before this Court at the time of Judgment.

29. He averred that the Applicant elected to prefer an Appeal to the Court's Judgment and that the same remains pending before the Court of Appeal. He urged this Court to find the Application is devoid of merit and to dismiss the same.

4th Respondent's Submissions

30. Mr. Muga, on behalf of the 4th Respondent denied the contents of the Affidavit in support of the Application pending before this Court. He further argued that the particulars of compliance given by the Applicant therein are not known to the 4th Respondent.

31. He further associated himself with the submissions by Mr. Havi and Mr. Kurauka and urged this Court to dismiss the Application with costs.

Rejoinder by Applicants

32. In his brief rejoinder, Mr. Eredi submitted that this matter being a constitutional petition no provisions of the Civil Procedure Act would apply. He further contended that the issues of review and appeal as raised do not apply as well.

33. He relied on the provisions of Article 159 of the Constitution of Kenya, 2010 urging this Court not have undue regard to procedural technicalities and allow the Application as filed. To buttress this argument the Applicant cited and relied on the case of **Mitu-Bell Welfare Society vs Attorney General & 2 Others [2013] eKLR.**

34. On the issue of the matter, being res-judicata the Applicant maintained that the same is not the case. The

Applicant urged this Honourable Court to look at the merits of its Application and proceed to exercise its discretion by allowing it as prayed.

35. I have considered this application and averments and submissions of the Parties. The issues for this Court's determination are as follows:-

a. ***Whether this Court is functus officio in this matter.***

b. ***Whether the Applicants are properly before this Court.***

c. ***Whether this Court has jurisdiction to handle this matter.***

d. ***What orders this Court can grant.***

Functus Officio

36. In **Telecom (K) Limited vs John Ochanda suing on his own behalf and on behalf of 996 of former**

employees of Telecom (K) Limited (2014), the Court of Appeal held that:-

> ***"The principle of functus officio is a principle of law that prevents the re-opening of a matter before a Court that rendered the final decision."***

37. This principle envisages that this Court cannot revisit a matter to reopen the case once it has rendered a final decision on the same.

38. In the Telecom (K) case above the Court further held that:-

> ***"The doctrine is not to be understood to bar any engagement by a Court with a case that it has already decided or pronounced itself on. What it does bar is a merit-based decisional re-engagement with the case once final judgment has been entered and a decree thereon issued. There do therefore exist certain exceptions..."***

39. My understanding of the law is that I cannot as a matter of principal reopen this case once I have pronounced my judgement. This Court can however re-engage with this case but not to redo the judgement or make other merit-based decisions.

40. On 18/6/2020, I rendered a judgement in this Petition. Paragraph 129 of the Judgment, I suspended the declaration of illegality from taking effect for a period of 90 days and also issued certain directions giving a roadmap of what should be done in the intervening period.

41. I allowed a window for the Parties to come back to Court at paragraph 131 in order to review the implementation of the directions given. The import of paragraph 131 of the judgement is that the Court was still holding onto the matter not to reopen the case but to check implementation of directions given within the 90 days window period.

42. In the current application, the Applicants have not indicated that they are not coming to Court for review. They however indicated in their affidavit that they wanted to demonstrate compliance with the directions given by Court in its judgement of 18/6/2020.

43. Indeed any Party is free as per the judgement to seek details or clarity on the judgement and even to demonstrate compliance thereof as was ordered in the judgement.

44. This Court remains ceased of this matter in order to give effect to its judgement and the contention that this Court is functus officio is not true. This Court will not be rewriting its judgement or sitting on appeal thereto.

Whether Applicants are properly before Court and whether this Court has jurisdiction to handle this application

45. The Respondents have submitted that the Applicants are wrongly before this Court because they have filed an

application before the Court of Appeal in Civil Application No.192 of 2020 (Nairobi) seeking stay of this Court's judgement therefore and the application is awaiting a ruling thereof.

46. The Applicants on their part submitted that this is not an application for review as provided for under Order 45 rule 1. They aver that their application get credence from this Court judgement of 18/6/2020 at paragraph 131 which entitled any party to apply.

47. The Applicants also aver that they only seek to demonstrate compliance with the Court's directions in the said judgement.

48. As discussed in issue No.1 above, the Court is still seized of this matter in form of checking compliance of directions and not reviewing the judgement to change it.

49. In the circumstances, any party is free to apply and the Applicants exercised their right to approach this Court. It

is my finding that the Applicants are therefore properly before Court.

50. The Respondents submitted that the same Applicants filed an application before the Court of Appeal which is also still pending. There being no order from the Court of Appeal barring this Court from proceedings in any way, I find that this Court still has jurisdiction to entertain the application filed herein.

Order

51. Having established that this Court is not functus officio and so has jurisdiction to handle the application before it, I now examine the prayers sought by the Applicants.

52. The Applicants have indicated that they just wanted to demonstrate their compliance of orders granted by Court in its judgement so that the declaration of illegality can be lifted before the 90 days window period.

53. In order to determine whether the application has merit or not, I will revisit the directions I gave which were as follows:-

1. *"The Nairobi Metropolitan Services should be established by law and the instrument of its establishment made.*

2. *The issue of secondment and deployment of staff should also be addressed and the authority responsible to action proper secondment/deployment letters."*

Established of Nairobi Metropolitan Service

54. On the issue of Nairobi Metropolitan Services establishment the Applicant has indicated that they wished to submit information and documents to the effect that the creation of Nairobi Metropolitan Services was lawful and constitutional as the County Assembly was involved in the exercise.

55. At paragraph 81 of my judgement, I made a finding that in as far as the Deed of Transfer of Functions of Nairobi County Government was done by the County Government without involvement of the County Assembly, the Constitution was breached and the transfer was done without involvement of the entire County Government as envisaged by the Constitution.

56. The Applicant in this application has submitted that they have documents to prove that the establishment of Nairobi Metropolitan Services was lawful and constitutional owing to the fact that the County Assembly was involved in the transfer of functions. They attached schedule EOM 3 as proof of this fact.

57. The Applicant also attached Annexture EOM 2 to show that there were consultative forums in different wards to discuss the issue of transfer of functions from the County Government to the Nairobi Metropolitan Services. Annex EOM 2 is a schedule of meetings to be held in different Wards for the purpose of getting public participation.

58. The Applicant further annexed annexture EOM 5 from the Attorney General's office which is a letter notifying the Nairobi County Assembly of the decision to transfer the foretasted County functions to the National Government.

59. Annexture EOM 5 is a letter of 25/6/2020 notifying the County Assembly of the judgement of this Court and sought information relating to the process the Assembly had undertaken with regard to Deed of Transfer of functions.

60. In response the County Assembly wrote a letter of 10/7/2020 explaining actions the Assembly had undertaken since February 2020 and forwarded a copy of the order paper, Hansard Report and Motions related thereto.

61. I have looked at the said documents as annexed and I note that on 27/2/2020 the Speaker of the County Assembly notified the County Assembly of the decision by

the County Government to transfer 4 (four) functions to the National Government and also established an adhoc committee to study and report on the Deed of Transfer of functions (EOM 7A and B).

62. On the 12/3/2020, the adhoc committee on Transfer of Functions submitted its report that established that on 4/3/2020 there was public participation in all 17 sub counties where members of public submitted their views on Transfer of Functions. The report was tabled in the Assembly on the said date. The Assembly considered and adopted the report and the Deed of Transfer of functions.

63. The 4th Respondents did not respond to this issue but only indicated that they were not aware of the particulars of compliance given by the Applicants.

64. I have considered the information provided by the Applicant – the Hansard report submitted and it is evident that the Nairobi County Assembly was actually consulted

and was involved in the process leading to the establishment of the 1st Respondent.

65. Having established that the County Assembly was involved in the transfer of functions of the Nairobi County Government to the National Government, it is also true then the provision of the Constitution at Article 176(1) was not breached.

66. The next issue is about the instruments leading to the establishment of the Nairobi Metropolitan Services.

67. The Applicants have averred that on 18/3/2020 pursuant to Article 132(4)(a) of the Constitution, the President of the Republic of Kenya established the Nairobi Metropolitan Services as an office in the Public Service domiciled in the Executive Office of the President vide Executive Order No. 3 of 2020.

68. They aver that this was done upon and in accordance with the recommendation of the Public Service Commission. The Applicants annexed EOM 8 the Executive No. 3 of 2020 as an Exhibit.

69. The Applicants have averred that the Nairobi Metropolitan Service was established as the Institutional Framework envisaged in Article 7.1 of the Deed of Transfer functions to execute Deed of Transfer of Functions on behalf of the National Government.

70. The Applicants aver that the office of the Nairobi Metropolitan Service and other offices is backed by and anchored in law under Article 234 (2)(a)(1) of the Constitution and Section 30 of the Public Service Commission.

71. Article 234 of the Constitution provides the functions and powers of the Public Service Commission. Under Article 234(2)(a)(i), the Public Service Commission can establish and abolish offices in the Public Service.

72. The Applicants aver that the President established the Nairobi Metropolitan Services on recommendation of the Public Service Commission, which has the mandate to do so. It is indeed true the Public Service Commission has the power to establish and abolish offices in the Public Service Commission.

73. I have looked at the Deed of Transfer exhibited before Court. I had already alluded to the presence in my judgement of 18/6/2020 but added that at the time of filing the current Petition, the Deed of Transfer was not in existence.

74. At the moment, the Gazette Notice establishing the 1st Respondent has been exhibited in Court which I believe was used to establish the 1st Respondent by the President under powers conferred upon him under Article 132(4)(a) of the Constitution.

75. It is therefore my finding that the Applicants h... demonstrated before this Court by exhibiting evidence of

the involvement of the County Assembly in the transfer of functions to the National Government and also by exhibiting the instrument that established the 1st Respondent.

Secondment and deployment of staff

76. On this issue, in my judgement of 18/6/2020, I indicated at paragraph 130 that the issue of secondment and deployment of staff should be addressed and the authority responsible in this exercise to action proper secondment/deployment letters.

77. In regard to this issue, the Applicant submitted that the deployment of the 1st to 9th Interested Parties was done in consultation with the Public Service Commission and that there was no need to consult the Nairobi County Service Board as neither of these officers was a County Public Service employee. The Applicant avers that the consultation of the two bodies was contemplated in the Deed of Transfer under Clause 5.6 and 5.7 and the same was complied with.

78. With respect to secondment of 6052 County employees, he avers that this was in consultation with Public Service Commission and Nairobi County Public Service Board.

79. On this issue, the 4th Respondent did not put in any response but only indicated that he was a stranger to the allegations by the Applicant.

80. The 10th Interested Party indicated that he was not consulted in the secondment of the staff seconded to the 1st Respondent.

81. The Petitioner did not respond to this issue of secondment and deployment of staff to the 1st Respondent.

82. I take note that indeed in my judgement I acknowledged that the County Public Service Board was consulted before the staff in question were either deployed or seconded. The status of the 1st to 9th Interested Parties as being officers from the Public Service Commission was

not explained in the initial proceedings. I will not revisit it. If however they were redeployed by the Public Service Commission who is said to be their employer then that would be in order.

83. However, for the 6052 employees of the Nairobi County Public Service Board, the issue of consultation with the Nairobi County Public Service Board was acknowledged.

Remedies

84. Having found as above, I therefore find that the declaration of illegality of the Nairobi Metropolitan Services as created is now lifted.

85. I also find that the deployment and secondment of the 1st to 9th Interested Parties was done within the correct framework of the law.

86. On issue of secondment of the 6052 staff from the Nairobi County Public Service Board to the 1st Respondent, it has been demonstrated that the

secondment was done with the approval of the Nairobi County Public Service Board as indicated in my judgement. The letter for secondment were not annexed to this application but if not written should be actioned.

87. Those are the orders of this Court. There will be no order of costs.

Dated and delivered in Chambers via zoom this **17th day of September, 2020.**

HON. LADY JUSTICE HELLEN WASILWA
JUDGE

In the presence of:

Eredi for the Applicant – Present

Nelson Havi for Petitioner/Respondents – Present

REPUBLIC OF KENYA

IN THE HIGHCOURT OF KENYA AT NAIROBI

CONSTITUTIONAL AND HUMAN RIGHTS

PETITION NO. E348 OF 2020

IN THE MATTER OF APPLICATION UNDER ARTICLE 23(3) & 165(3)(a), (b), (4) OF THE CONSTITUTION OF KENYA.

AND

IN THE MATTER OF CONTRAVENTION, THE CONTINUED & THREATENED ACTION OF SPECIFIED PROVISIONS OF ARTICLE 1,2(2),3,6(2)10(2), 174, 175(b), 183,187, 196(1)(b), 207, 226(2), 241(3)(b) & (c) 259(11) & 258 OF THE CONSTITUTION OF KENYA.

AND

IN THE MATTER OF GAZETTE NOTICE NO. 1609 DATED 25TH FEBRUARY 2020, VOL CXXII NO 38 OF 2020.

AND

IN THE MATTER OF THE DEED OF TRANSFER OF FUNCTIONS DATED 25TH FEBRUARY 2020 & UNDATED ADDENDUM THERETO, BETWEEN THE NAIROBI CITY COUNTY GOVERNMENT AND THE NATIONAL GOVERNMENTOF KENYA.

AND

IN THE MATTER OF ARTICLE 201(d) AND (e) OF THE CONSTITUTION OF KENYA.

AND

IN THE MATTER OF A VIOLATION OF SECTION 21(3), 63,64,91 & 100 OF THE COUNTY GOVERNMENTS ACT

AND

IN THE MATTER OF SECTIONA 25(d0, 29,33 & 35 OF THE INTERGOVERNMENTAL RELATIONS ACT.

AND

IN THE MATTER OF SECTION 67,68 & 96 OF THE PUBLIC FINANCE MANAGEMENT ACT,

AND

IN THE MATTER OF SECTION 47(1)(a) OF THE PUBLIC FINANCE COMMISSIONS ACT.

AND

IN THE MATTER OF SECTION 4,5,6,7,8,10 & 11 OF THE PUBLIC APPOINTMENTS (COUNTY ASSEMBLIES APPROVAL) (ACT NO 5 OF 2017).

AND

IN THE MATTER OF SECTION 7 OF THE ARBITRATION ACT.

AND IN THE MATTER A PETITION BY;

NAIROBI CITY COUNTY..... PETITIONER/APPLICANT.

AND

NAIROBI METROPOLITAN SERVICES .....1ST RESPONDENT.
THE HON. ATTORNEY GENERAL .....2ND RESPONDENT.
MAJOR GENERAL MOHAMMED A. BADI.....3RD RESPONDENT.
BRIG. GEN. FREDRICK LEURIA.....4TH RESPONDENT.
MAJOR J. V. MBITHI.....5TH RESPONDENT
MAJOR A. N. NYAKUNDI.....6TH RESPONDENT.
MAJOR J. K. NJOROGE.....7TH RESPONDENT

MAJOR J. K. BIOMBO.....8TH RESPONDENT
MAJOR A. L. MUSOMA.....9TH RESPONDENT
LIAM KANGE'ETHE THUKU.....10TH RESPONDENT
C. S DEPARTMENT OF NATIONAL TREASURY & PLANNING.....11TH RESPONDENT
C. S DEPARTMENT OF DEVOLUTION & ASALS.....12TH RESPONDENT
NAIROBI CITY COUNTY ASSEMBLY.....13TH RESPONDENT

IN COURT ON 12TH NOVEMBER 2020
BEFORE HON.MR. JUSTICE A. MRIMA
ELECTRONICALLY
ORDER

THIS MATER coming up for mention for directions on 12th November 2020 before Hon Mr. Justice A. C. Mrima AND UPON HEARING Counsel for Petitioner, Counsel for the 2nd Respondent AND IN THE ABSENCE of Counsel for the 1st Respondent and Counsel for the 3rd to 13th Respondent's AND WHEREAS THIS MATTER coming up in Court electronically;

IT IS HEREBY ORDERED

1. THAT the prayer for conservatory orders sought is declined pending the interpartes hearing of the Notice of Motion dated 22nd October 2020.
2. THAT the Petitioner shall extract and serve a copy of this order upon the Respondents within 3 days.
3. THAT upon service, the Respondents shall file and serve their respective responses to the Notice of Motion dated 22nd October 2020 within 5 days.
4. THAT the Petitioner shall thereafter file and serve any Supplementary response, if need be, together with written submissions within 1 day of 3 above.
5. THAT the Respondents to file and serve written submissions within 5 days of service.
6. THAT highlighting of submissions on 1st December 2020

FURTHER ORDER.

7. THAT leave be and is hereby granted to the Petitioner to file and serve amended Petition within 3 days of today.

GIVEN under my Hand and Seal of this Honourable court this 12th day of November, 2020
ISSUED at Nairobi this.....16th.....day of.....November.....2020.

DEPUTY REGISTRAR
HIGH COURT OF KENYA, NAIROBI - Petition E348/2020

DEPUTY REGISTRAR
HIGH COURT OF KENYA
MILIMANI - NAIROBI
403

REPUBLIC OF KENYA

IN THE HIGH COURT OF KENYA AT NAIROBI

COMNSTITUTIONAL AND HUMAN RIGHTS DIVISION

PETITION NO. E 371 OF 2020

IN THE MATTER OF CONTRAVENTION OF ARIICLE 187 OF THE CONSITIUTION OF KENYA

AND

IN THE MATTER OF ARTICLES 201, 203 (d) AND 207, 220 (b), 224 AND 225 OF THE CONSTITUTION OF KENYA OF THE CONTITUTION OF KENYA 2010

AND

IN THE MATTER OF CONTRAVENTION OF PART 2 OF THE FOURTH SCHEDULE OF THE CONSTITUTION OF KENYA, 2010

AND

IN THE MATTER ARTICLES 165 (3) (d) AND 258 OF THE CONSTITUTION OF KENYA

AND

IN THE MATTER OF DEED OF TRANSFER OF FUNTIONS DATED 25TH FEBRUARY, 2020.

AND

IN THE MATTER OF SECEIONS 26 OF THE INTYRGOVERNMENTAL RELATIONS ACT, 2012

AND

IN THE MATIÏER OF SECTION 24 OF THE COUNTY GOVERNMENTS ACT 2012

AND

IN THE MATTER OF PUBLIC FINANCE MANAGEMENT ACT2012

AND

IN THE MATTER OF IMPLEMENTATION DEED OF TRANSFER GAZZETIE NOTICE NO 1609 DEED OF TRANSFER DATED 25TH FEBRUARY, 2020.

AND

IN THE MATTER OF CONSTITUTIONAL AND STATUTORY VALIDITY AND ROLES, POWERS AND AUTHORITY OF THE NAIROBI METROPOLITAN SERVICES

BETWEEN

PAUL NDORE MUSYIMI.....PETITIONER

VERSUS

THE GOVERNOR, NAIROBI CITY COUNTY.....1ST RESPONDENT

NAIROBI CITY COUNTY.....2ND RESPONDENT

COUNTY EXECUTIVE FOR FINANCE AND

ECONOMIC PLANNING, NAIROBI CITY COUNTY.....3RD RESPONDENT

THE NAIROBI CITY COUNTY ASSEMBLY.....4TH RESPONDENT

NAIROBI METROPOLITAN SERVICES .....5TH RESPONDENT

CABINET SECRETARY

THE DEPARTMENT OF DEVOLUTION & ASALS.....6TH RESPONDENT

THE HON. ATTORNEY GENERAL .....7TH RESPONDENT

IN COURT ON 30TH NOVEMBER, 2020
BEFORE HON. MR. JUSTICE J.A MAKAU (ELECTRONICALLY)
ORDER

THIS MATTER coming up for hearing before Hon. Mr. Justice A. C. MRIMA. AND UPON HEARING counsel for the 1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Petitioners, of the counsel for the Respondents. AND WHEREAS this matter is coming up in court electronically;

IT IS HEREBY ORDERED.

1. THAT the Notice of motion dated 9th November, 2020 is hereby marked as abandoned.
2. THAT matter shall be fixed for directions on 1st December, 2020 to consider whether it will be decided together with Petition Number E348 OF 2020.
3. THAT orders accordingly.

FURTHER ORDERS

4. THAT this court finds that the counsel for the petitioner having unconditionally abandoned a formal application needs to either review such orders or file another like application rather than making an oral application.
5. THAT the oral application is largely made on hearsay evidence despite raising so serious and grievous issues.
6. THAT the court finds that the vague circumstances in this matter distances the petitioner to the orders orally sought.
7. THAT orders accordingly.

GIVEN under my hand and seal of this Honourable court this 30th day of November, 2020.

ISSUED at Nairobi this.....30th.....day of.....November.....2020.

DEPUTY REGISTRAR

CONSTITUTION & HUMAN RIGHTS DIVISION - Petition E371/2020

HIGH COURT OF KENYA, NAIROBI

405 DEPUTY REGISTRAR HIGH COURT OF KENYA MILIMANI - NAIROBI

REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

THE NATIONAL TREASURY
P.O. Box 30007
NAIROBI
KENYA

15th October, 2020

[illegible]

[illegible]

[illegible]

(T&J/CR/0015/2020)

GOVERNMENT OF NAIROBI CITY COUNTY

Approved
2/7/2020

THE NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY
(FOURTH SESSION)

NOTICE OF MOTION

Hon. Speaker, I beg to give notice of the following motion:-

THAT pursuant to Standing Order 191, this Assembly adopts **THE REPORT OF THE SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE ON VETTING OF NOMINEE FOR THE POSITION OF SECRETARY TO THE NAIROBI CITY COUNTY PUBLIC SERVICE BOARD,** laid on the Table of the Assembly today Thursday, 2nd July, 2020.

(Chairperson, Sectoral Committee on Labour and Social Welfare)

COUNTY GOVERNMENT OF NAIROBI CITY



Approved
2/7/2020

NAIROBI CITY COUNTY ASSEMBLY
SECOND ASSEMBLY-FOURTH SESSION

REPORT OF THE SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE ON

THE VETTING OF THE NOMINEE TO THE POSITION OF THE SECRETARY, NAIROBI CITY COUNTY PUBLIC SERVICE BOARD

Clerks Chamber
Nairobi City County Assembly
NAIROBI

JULY, 2020

ANNEXES

(i) Annexure (2)

Minutes

(ii) Annexure (1)–Clearance Certificates

a) Kenya Revenue Authority

b) Higher Education Loans Board

c) Ethics and Anti-Corruption Commission

d) Credit Reference Bureau

e) Criminal Investigation Department

1) Minutes

(iii) Annexure (3) - Curricula Vitaes

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1.0. PREFACE

1.1. Committee Mandate

Hon. Speaker,

The Sectoral Committee on Labour and Social Welfare is one of the Sectoral Committees established under Standing Order 203. The Committee is mandated under the Third Schedule of the Standing Orders to *"investigate, inquire into and report on all matters related to labour, trade union relations, manpower or human resource planning; County Public Service; gender and social welfare, youth."*

1.2. Committee Membership

Hon. Speaker,

The Committee comprises of the following Members:-

1. **Hon. Geoffrey Ng'ang'a, MCA- Chairperson**
2. **The Hon. Jared Akama, MCA – Deputy Chairperson**
3. The Hon. Peter Wanyoike, MCA
4. The Hon. Susan Mukungu, MCA
5. The Hon. Millicent Jagero, MCA
6. The Hon. Peter K. Wahinya, MCA
5. The Hon. Anthony Nganga, MCA
6. The Hon. John Kamau, MCA
7. The Hon. Anthony Kimemia, MCA
8. The Hon. Mbugua Kabiru, MCA
9. The Hon. Silas Matara, MCA
10. The Hon. Samwel Mwangi, MCA
11. The Hon. Margaret Mbote, MCA
12. The Hon. Evans Otiso, MCA
13. The Hon. Rose Ogonda, MCA
14. The Hon. Joseph Ndonji, MCA
15. The Hon. Esther Nyangweso, MCA
16. The Hon. Jairus Omayo, MCA
17. The Hon. Imapet Kemunto, MCA
18. The Hon. Patrick Musili Mbangula, MCA
19. The Hon. Mellab Atemah MCA
20. The Hon. Fredrick Omondi, MCA
21. The Hon. Benson Mwangi, MCA

1.3. Message from His Excellency the Governor

Hon. Speaker,

Pursuant to Section 58 (1)C of the County Governments Act, 2012 and Section 58 of the Public Appointments (County Assemblies Approval) Act, 2017, **H.E. Mike Gideon Mbuvi Sonko** forwarded vide a letter dated 2nd March, 2020 to the Speaker of the Nairobi City County Assembly, **Mr. Philip Polland George Kaingu**'s name as nominee to the position of secretary to the County Public service Board for vetting by the Sectoral Committee on Labour and Social Welfare and consideration for approval by the County Assembly for appointment as secretary to the County Public service Board.

1.4. Committal to Committee on Labour and Social Welfare

Hon. Speaker,

Standing Order 43 (2) provides that 'If a message is received from the Governor or the Senator of the County, at a time when the County Assembly is not in session, the Speaker shall forthwith cause the message to be transmitted to every Member and shall report the message to the County Assembly on the day the County Assembly next sits'. The notification of nominations was therefore referred to the Sectoral Committee on Labour and Social Welfare on 16th June, 2020 for vetting and **reporting to the Assembly within 21 days in accordance with Section 9(1) of the Public Appointments (County Assemblies Approval) Act, 2017** *(hereinafter referred to as "the Act").*

Subsequently, the Clerk of the County Assembly placed an advertisement in the in the local dailies, specifically the Daily Nation on Friday 18th June, 2020, inviting the public to submit memoranda by way of written statements on oath (sworn affidavits) on the suitability or otherwise of the nominee in conformity with Section 7(10) of the Act.

1.5. Committee Meetings

Hon. Speaker,

The nominees for the County Public Service Board (C.P.S.B) appeared before the Committee on **Wednesday 1st July, 2020** and were vetted in accordance with the provisions of the Constitution, the Public Appointments (County Assemblies Approval) Act, 2017, and the County Assembly Standing Orders on their suitability for appointment to the CPSB. In total, the Committee held three sittings in consideration of this matter.

1.6. Acknowledgement

Hon. Speaker,

May I take this opportunity to thank Members of the Committee for their input and valuable contributions during the deliberations and vetting exercise. The Committee also takes this opportunity to thank the Offices of the Speaker and of the Clerk of the County Assembly for the logistical support accorded to it during the vetting exercise. The Committee is grateful to the staff of the County Assembly attached to the Committee for their services rendered to the Committee.

Finally, on behalf of the Sectoral Committee on Labour and Social Welfare, it is my pleasure and duty to present to the Assembly, the Committee's Report on the vetting of the nominee for appointment to the position of secretary, Nairobi County Public Service Board for adoption pursuant to the Standing Orders of the County Assembly and other enabling provisions of the Law.

Thank you.

Signed .....

Hon. Geoffrey Ng'ang'a, MCA

(Chairperson)

Date...../7/2020.....

2.0. BACKGROUND

2.1. Mandate of the Sectoral Committee on Labour and Social Welfare

The Sectoral Committee on Labour and Social Welfare is one of the Sectoral Committees established under Standing Order No. 203 with amongst others, the mandate to vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 196 (*Committee on Appointments*).

2.2 Appointment process of the Secretary, County Public Service Board Nominee

Article 235 (1) of the Constitution of Kenya provides for the Governor's power to appoint persons to hold offices in the County Public Service with the approval of the Assembly, from among persons competitively sourced.

A letter from the Office of the Governor dated 2nd March, 2020 addressed to the Speaker of the County Assembly indicated that the name of Mr. Philip Polland George Kaingu had been forwarded for vetting by the Sectoral Committee on Labour and Social Welfare and consideration for approval by the County Assembly for appointment as Secretary to the County Public Service Board.

2.3 Notification to the Public

Section 7(5) and (10) of the Public Appointments (County Assemblies Approval) Act, provides that-, *"the committee shall, by notice in at least one newspaper of national circulation, notify the public of the time and place for holding an approval hearing at least seven days prior to the hearing"* and *"any person may, prior to the approval hearing and by a written statement on oath, provide the Clerk with evidence contesting the suitability of a candidate to hold the office to which the candidate has been nominated"*.

Pursuant to the above provisions of the law, the Clerk of the County Assembly placed an advertisement in the local dailies, specifically the Daily Nation on Friday 17th June, 2020 inviting the public to submit memoranda by way of written

statements on oath (sworn affidavits) on the suitability or otherwise of the nominees. At the close of business on Monday 20th June, 2020, no memoranda contesting the suitability of the nominee to the Board had been received.

In accordance with the provisions of Article 196 of the Constitution and section 7(5) of the Public Appointments (County Assemblies Approval) Act, the general public was also notified in the local dailies by the Clerk of the County Assembly of the intention of the Sectoral Committees to conduct the vetting and approval hearing of the nominees on Wednesday, 1st July, 2020.

The nominees were vetted by the Sectoral Committee on Labour and Social Welfare on Wednesday, 1st July, 2020 at the Assembly Precincts.

2.4. Clearance Requirements

To ensure compliance with the provisions of Chapter 6 of the Constitution, the nominees were required to submit their clearance status with the following institutions for the vetting exercise –

a) Kenya Revenue Authority (KRA)
b) Criminal Investigation Department (CID)
c) Higher Education Loans Board (HELB)
d) Credit Reference Bureau (CRB) and
e) The Ethics and Anti-Corruption Commission (EACC)

The clearance by the foregoing institutions was primarily meant to provide information about the nominees on: -

a) Matters touching on integrity;
b) Tax compliance;
c) Loan repayments; and
d) Presence or absence of criminal records.

3.0 VETTING OF COUNTY PUBLIC SERVICE BOARD NOMINEES

In conducting the vetting process, the Sectoral Committee on Labour and Social Welfare examined the nominee against the following criteria, amongst others, as set out in the Public Appointments (County Assemblies Approval) Act No. 5 of 2017–

i. Academic qualifications
ii. Employment record
iii. Professional associations
iv. Potential conflict of interest
v. Knowledge of the relevant subject
vi. Overall suitability for the position
vii. Tax compliance
viii. Integrity

During its Sitting held on **Wednesday, 1st July, 2020** at the County Assembly Precincts, City Hall Buildings from 11:00 am, the Committee conducted face-to-face interviews of the nominee. The minutes of the vetting proceedings are attached to this report.

3.1 Appearance before the Committee by Mr. Philip Polland George Kaingu – Nominee for Secretary to the County Public Service Board

The nominee for County Public Service Board Secretary, Mr. Philip Polland George Kaingu, appeared before the Committee on Wednesday, 1st July 2020 at 11.00 am and was informed by the Chairperson that in line with the provisions of the Public Appointments (County Assemblies Approval) Act No. 5 of 2017, the Committee had invited submissions from the Public on his suitability or otherwise for appointment to Public office, and none had been received by close of business on Friday 24th June, 2020.

While under oath, he proceeded to inform the Committee as follows:-

A. **With regards to whether he had a Masters degree as provided in the job advert** and whether he was a certified Public Secretary as per the requirements for the said position; the nominee responded he is not a holder of a Masters Degree and also he is not a certified public secretary; however, he had been exempted with

thirteen units of Certified Service Secretary and the that remaining five units he would complete them with KASNEB by end of the following year.

B. **With respect to self-introduction, knowledge, experience and qualification, the nominee informed the Committee that he was born in 1966 and:-**

a) He is an advocate to the High Court of Kenya; and

b) He holds a Bachelor of Laws Degree and a diploma in community development and a diploma in Legal Practice and a certificate in Paralegal studies.

C. **In response to his employment history and its relevance to the position, the nominee stated as follows:-**

a) Currently he is practicing in the name and style of P.G Kaingu & Company Advocates as an advocate to the High Court of Kenya and Commissioner for Oaths.

b) 2011-2013 he was the Litigation Counsel, Kihara Njuguna & Co. Advocates;

c) 2007-2011 he served as intern at Shem Kebongo & Company Advocates;

d) 1990-2007 he worked as a Court Interpreter/ Clerical Officer, Judiciary, High Court of Kenya;

e) 1988-1990 he worked as a teacher, Gede Secondary School, Malindi, Kilifi County; and

D. **Regarding his understanding for the position he applied for, he responded as follows:-**

a) That the position he applied for is the Secretary of County Public Service Board Nairobi City County and he will be the Accounting Officer to the said Board;

E. **With regards to what motivated him to apply for the position and the relevant experience he will bring, the nominee stated that:-**

a) The nominee is passionate about the Public Service Board, having served in the public service. He understands the critical needs of the devolution structure and the practice to work in a noble County like Nairobi;

F. On functions of the County Public Service Board, the nominee informed the

a) Establish and abolish offices in the County public service;

b) Appoint persons to hold or act in offices of the County public service including in the Boards of cities and urban areas within the County and to confirm appointments;

c) Prepare regular reports for submission to the County Assembly on the execution of the functions of the Board;

d) Advise the County Government on human resource management and development; and

e) Promote in the County public service the values and principles referred to in Articles 10 and 232 of the Constitution;

G. **In response to some of the values referred to in Article 10 and 232 of the Constitution of Kenya, he stated as follows:-**

The national values and principles of governance, article 10 include-

a) Patriotism, national unity, sharing and devolution of power, the rule of law, democracy and participation of the people;

b) Human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized;

c) Good governance, integrity, transparency and accountability; and

d) Sustainable development.

The values and principles of public service, article 232 include-

a) High standards of professional ethics;

b) Efficient, effective and economic use of resources;

c) Responsive, prompt, effective, impartial and equitable provision of services; and

d) Involvement of the people in the process of policy making.

H. **Regarding what he considers as the main challenges and to address the challenges:-**

a) Streamlining the workforce in line with competence

b) Ensuring teamwork and cohesion among the staff.

c) Demoralized workforce is also a challenge

d) Inadequate funding of the public service

e) To review and streamline the skills to maintain the services.

f) Adherence to labor laws and regulations

g) Establishing relevant committees in the Board and offices that will FastTrack the needs of the staff.

h) Engaging the relevant structures in the County especially the committee that will hand work to the Board.

i) Executive to have enough funding so that the Public service Board can be able to implement its mandate as enshrined in the constitution.

I. **On the steps he will take to help the County to achieve its vision and plans:-**

The nominee stated that he will make use of the performance contracting tool to commit each officer through monitoring and evaluation.

J. **In terms of what he will do to ensure that officers in the County adhere to the values and principles as contained in article 10 and 232 of the Constitution. He responded as below:-**

The nominee stated that he will ensure that fairness and equity is upheld in all Sectors and implementation of the Report prepared by the County Public Service Board on Staff Promotion.

K. Regarding what he can do to ensure the Board achieves its priorities, he stated as below:-

He will uphold transparency, integrity and accountability in executing his duties.

L. **On whether he renders any community service and if yes where:-**

He was listed with Kituo cha Sheria as a pro-bono Advocate. Several cases of clients who are destitutes but need legal advice and representation have been referred to him which he successfully handled since he was admitted to the bar.

M. **On what Nairobi residents can expect from him if approved:-**

A public service full of cohesiveness and inclusion;

Best service delivery by the public service; and

Nairobi County Public Service Board will be run by professionals.

N. Regarding how he will handle the pressure from family and friends who will be seeking services and favor:-

a) He has good ethical standards and behaviors and the way he dealt with stff at his office was the way he dealt with his family members. That he would withstand the pressure,

O. **On what Nairobi residents can expect from him if approved:-**

The nominee informed the Committee that she will uphold high standards of-

a) Professionalism;
b) Accountability;
c) Integrity;
d) Commitment; and
e) Ensure that the public service upholds the all the values and principles as articulated in the Constitution.

P. Regarding why he had left working at the Judiciary in 2007 yet the said organization was a good employer to many Kenyans; he responded that he had the desire to move on after working for over ten years. That his desire was to practice and not to work at the bench. He had to apply early retirement to be paid his dues to finish his Diploma at the Kenya School of Law.

4.0. COMMITTEE'S GENERAL OBSERVATIONS AND FINDINGS

The Committee having considered the nominees' filled Questionnaires pursuant to the Public Appointments (County Assemblies Approval) Act, 2017, his Curriculum Vitae and having heard his oral submissions during the vetting exercise made the following general observations:

THAT: -

1. The nominee satisfied the requirements of Chapter Six of the Constitution of Kenya on leadership and integrity which is a requirement under section 35(3)(c) of the County Governments Act, 2012 in that: -
   a) The nominee has been cleared by the Ethics and Anti-Corruption Commission (EACC), Directorate of Criminal Investigations (DCI), Kenya Revenue Authority (KRA), Higher Education Loans Board (HELB) and the Credit Reference Bureau (CRB).
   b) The nominee has not been charged in a Court of Law.
   c) The nominee did not exhibit a potential conflict of interest.
2. The nominee did not have the experience of leadership as he was working in his own private firm since 2013 yet managing only four staffs.
3. The Committee further observed that Section 58 (1) (c) of the County Governments Act provides that the CPSB shall comprise - 'a certified public secretary of good professional standing nominated and appointed by the Governor, with the approval of the County Assembly, who shall be the secretary to the Board yet he did not have the certificate in certified public secretary (CPS); and
4. The nominee was not qualified as per the requirements of the said position since he is not a Certified Public Secretary (by the Kenya Accountant and Secretaries National Examination Board) as required under Section 58(1) (c).

5.0. COMMITTEE'S RECOMMENDATIONS

Pursuant to Section 45 (1) (a) and (b) of the County Governments Act, 2012, Section 9 of the Public Appointments (County Assemblies Approval) Act, 2017, and Standing Order No. 203 (6) (f) of the Nairobi City County Assembly Standing Orders, the Committee recommends:-

THAT, this Assembly does not approve the name of Mr. Philip Polland George Kaingu as nominee to the position of secretary to the County Public service Board since he is not a Certified Public Secretary as required under Section 58(1) (c) of the County Governments Act, 2012.

LIST OF MEMBERS OF THE SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE

1. Hon. Geoffrey Ng'ang'a, MCA- Chairperson----------
2. The Hon. Jared Akama, MCA - Deputy Chairperson----------
3. The Hon. Peter Wanyoike, MCA----------
4. The Hon. Susan Mukungu, MCA----------
5. The Hon. Millicent Jagero, MCA----------
6. The Hon. Peter K. Wahinya, MCA----------
5. The Hon. Anthony Nganga, MCA----------
6. The Hon. John Kamau, MCA----------
7. The Hon. Anthony Kimemia, MCA----------
8.
9. The Hon. Mbugua Kabiru, MCA----------
10. The Hon. Silas Matara, MCA----------
11. The Hon. Samwel Mwangi, MCA----------
12. The Hon. Margaret Mbote, MCA ----------
13. The Hon. Evans Otiso, MCA ----------
14. The Hon. Rose Ogonda, MCA----------
15. The Hon. Joseph Ndonji, MCA ----------
16. The Hon. Esther Nyangweso, MCA ----------
17. The Hon. Jairus Omayo, MCA----------
18. The Hon. Imapet Kemunto, MCA ----------
19. The Hon. Patrick Musili Mbangula, MCA----------
20. The Hon. Mellab Atemah MCA----------
21. The Hon. Fredrick Omondi, MCA----------
22. The Hon. Benson Mwangi, MCA----------

MINUTES OF THE 36TH SITTING OF NAIROBI CITY COUNTY ASSEMBLY'S SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE HELD ON THURSDAY, 2ND JUNE, 2020 AT 10.00 A.M. AT THE ASSEMBLY PRECINCTS.

PRESENT:

1. Hon. Geoffrey Ng'ang'a, MCA- Chairperson
2. The Hon. Jared Akama, MCA – Deputy Chairperson
3. The Hon. Susan Mukungu, MCA
4. The Hon. Anthony Kimemia, MCA
5. The Hon. Mbugua Kabiru, MCA
6. The Hon. Silas Matara, MCA
7. The Hon. Samwel Mwangi, MCA
8. The Hon. Margaret Mbote, MCA
9. The Hon. Rose Ogonda, MCA
10. The Hon. Evans Otiso, MCA
11. The Hon. Esther Nyangweso, MCA
12. The Hon. Imapet Kemunto, MCA
13. The Hon. Patrick Musili Mbangula, MCA

ABSENT

1. The Hon. Peter Wanyoike, MCA
2. The Hon. Millicent Jagero, MCA
3. The Hon. Peter K. Wahinya, MCA
4. The Hon. Anthony Nganga, MCA
5. The Hon. John Kamau, MCA
6. The Hon. Jairus Omayo, MCA
7. The Hon. Mellab Atemah MCA
8. The Hon. Fredrick Omondi, MCA
9. The Hon. Joseph Ndonji, MCA
10. The Hon. Benson Mwangi, MCA

SECRETARIAT – COUNTY ASSEMBLY

1. Ms. Cammelyne Anguche – Clerk Assistant

MIN 90/JUNE/2020– PRAYERS

The meeting was called to order at 10.25 a.m and begun with a word of prayer from Hon. Rose Ogonda. The Chairperson then took Members through the agenda which was adopted as proposed by Hon. Silas Matara and seconded by Hon. Susan Mukungu as follows:-

AGENDA

1. Prayers
2. Adoption of the Agenda

3. Adoption of the report of the vetting of the Secretary, County Public Service Board
4. Any other business
5. Adjournment

MIN. 91/ JUNE /2020 – ADOPTION OF THE REPORT OF THE VETTING OF THE SECRETARY, COUNTY PUBLIC SERVICE BOARD

The agenda of the Meeting was adopted as proposed by Hon. Jared Akama and seconded by Hon. Rose Ogonda.

The Committee adopted the report of the vetting of the Secretary, County Public Service Board as follows;

The nominee was not qualified as per the requirements of the said position since he is not a Certified Public Secretary (by the Kenya Accountant and Secretaries National Examination Board) as required under Section 58(1) (c).

That Pursuant to Section 45 (1) (a) and (b) of the County Governments Act, 2012, Section 9 of the Public Appointments (County Assemblies Approval) Act, 2017, and Standing Order No. 203 (6) (f) of the Nairobi City County Assembly Standing Orders, the Committee recommends:-

THAT, this Assembly does not approve the name of Mr. Philip Polland George Kaingu as nominee to the position of secretary to the County Public service Board since he is not a Certified Public Secretary as required under Section 58(1) (c) of the County Governments Act, 2012.

The report was adopted as proposed by Hon. Margaret Mbote and seconded by Hon. Esther Nyangweso.

MIN. 92/ JUNE /2020 - ANY OTHER BUSINESS AND ADJOURNMENT

There being no any other business to consider, the meeting was adjourned at 11.30am.

CONFIRMED AS TRUE RECORDS OF PROCEEDINGS

CHAIRPERSON.....

COUNTY GOVERNMENT OF NAIROBI CITY





NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY–FOURTH SESSION

REPORT OF THE SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE ON

THE VETTING OF NOMINEES TO THE NAIROBI CITY COUNTY PUBLIC SERVICE BOARD

Clerk's Chambers

City Hall Building

NAIROBI

OCTOBER, 2020

2.0. BACKGROUND

2.1. Mandate of the Sectoral Committee on Labour and Social Welfare

The Sectoral Committee on Labour and Social Welfare is one of the Sectoral Committees established under Standing Order No. 203 with amongst others, the mandate to vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 196 (*Committee on Appointments*).

2.2. Appointment process of the County Public Service Board Nominees

Article 235 (1) of the Constitution of Kenya provides for the Governor's power to appoint persons to hold offices in the County Public Service with the approval of the Assembly, from among persons competitively sourced.

A letter from the Office of the Governor dated 8th September, 2020 addressed to the Speaker of the County Assembly indicated that the names of two (2) nominees had been forwarded for vetting by the Sectoral Committee on Labour and Social Welfare and consideration for approval by the County Assembly for appointment as a Secretary and a Member of the County Public Service Board.

2.3. Notification to the Public

Section 7(5) and (10) of the Public Appointments (County Assemblies Approval) Act, provides that-, *"the committee shall, by notice in at least one newspaper of national circulation, notify the public of the time and place for holding an approval hearing at least seven days prior to the hearing"* and *"any person may, prior to the approval hearing and by a written statement on oath, provide the Clerk with evidence contesting the suitability of a candidate to hold the office to which the candidate has been nominated"*.

Pursuant to the above provisions of the law, the Clerk of the County Assembly placed an advertisement in the local dailies, specifically the Daily Nation on Thursday 17th September, 2020 inviting the public to submit memoranda by way of written statements on oath (sworn affidavits) on the suitability or otherwise of the nominees. At the close of business on Tuesday 29th September, 2020, no memoranda contesting the suitability of the two nominees to the Board had been received.

In accordance with the provisions of Article 196 of the Constitution and section 7(5) of the Public Appointments (County Assemblies Approval) Act, the general public was also notified in the local

dailies by the Clerk of the County Assembly of the intention of the Sectoral Committees to conduct the vetting and approval hearing of the nominees on Monday, 5th October, 2020.

The nominee to the position of Member of County Public Service Board was vetted by the Sectoral Committee on Labour and Social Welfare on Monday, 5th September, 2020 at the County Assembly Committee room 5. However, vide a letter dated 1st October 2020, the nominee for the position of Secretary to the Board declined to appear before the Committee for vetting.

2.4. Clearance Requirements

To ensure compliance with the provisions of Chapter 6 of the Constitution, the nominees were required to submit their clearance status with the following institutions for the vetting exercise –

a) Kenya Revenue Authority (KRA)
b) Criminal Investigation Department (CID)
c) Higher Education Loans Board (HELB)
d) Credit Reference Bureau (CRB) and
e) The Ethics and Anti-Corruption Commission (EACC)

The clearance by the foregoing institutions was primarily meant to provide information about the nominees on: -

a) Matters touching on integrity;
b) Tax compliance;
c) Loan repayments; and
d) Presence or absence of criminal records.

3.0. VETTING OF THE NOMINEES FOR MEMBER AND SECRETARY, COUNTY PUBLIC SERVICE BOARD

In conducting the vetting process, the Sectoral Committee on Labour and Social Welfare examined the nominees against the following criteria, amongst others, as set out in the Public Appointments (County Assemblies Approval) Act No. 5 of 2017–

i. Academic qualifications
ii. Employment record
iii. Professional associations
iv. Potential conflict of interest
v. Knowledge of the relevant subject

vi. Overall suitability for the position

vii. Tax compliance

viii. Integrity

During its Sitting held on **Monday, 5th October, 2020** at Committee Room 5, County Assembly Precincts, City Hall Buildings the Committee conducted face to face interview of the nominee. The minutes of the vetting proceedings are attached to this report.

3.1. Appearance before the Committee by Mr. Jack Babji Owino – Nominee for Member, County Public Service Board

The nominee for County Public Service Board member, Mr. Jack Babji Owino, appeared before the Committee on **Monday, 5thOctober 2020** at 11.00 am and was informed by the Chairperson that in line with the provisions of the Public Appointments (County Assemblies Approval) Act No. 5 of 2017, the Committee had invited submissions from the Public on his suitability or otherwise for appointment to Public office, and none had been received by close of business on Friday 29th September, 2020.

While under oath, he proceeded to inform the Committee as follows:-

A. **With respect to self-introduction, knowledge, experience and qualification, the nominee informed the Committee that he was born in 1980 and:-**

   a) He holds a Bachelors degree in management and leadership from University of Management University of Africa;

   b) He also holds a diploma in Logistics from Chattered Institute of Logistics;

   c) Certificate in Food Production Management from Utalii College;

   d) He has worked in Sarova Stanley for 9 years in positions of a supervisor and Executive Chief Chef; and

   e) He is currently the director of Jacan Engineering, Akwa Ventures and Owins Transporters for the last 6 years

B. **In response to his employment history and its relevance to the position, the nominee stated as follows:-**

   He has worked for nine (9) years as a supervisor and run has his own business for 6 years and therefore has the skills of human resource, administration, finance and public relations.

He will use the skills acquired and experiences to help the Board deliver its mandate as stipulated in the Constitution; and

C. **Regarding his understanding to the position he applied for and the relevant experience he will bring, the nominee stated that:**
    - He understands that a member of the Board should hold office for a term of six years and is ready to give his services till end of the term;
    - He understands that the key objective of the Board is hiring and firing of the saff and will assist in the decision making; and
    - He has experience in managerial skills from previous employment and being a CEO in his company and therefore this will give him a better opportunity to serve in the Board

D. **With regards to what motivated him to apply for the position and the relevant experience he will bring, the nominee stated that:-**

He stated that he was passionate about serving people and therefore the position will assist in giving back to the society, as he will be able to serve them within the management of the County. He further showed his passion in serving by indicating his involvement in politics both in his rural home and in Nairobi.

E. **On functions of the County Public Service Board, the nominee informed the Committee that the Board has powers to:-**
    - Establish and abolish offices in the County;
    - Make recommendations to the Salaries and Remuneration Commission, on behalf of the county government;
    - Hiring qualified staff; and
    - Serving people with Integrity and fairness for all as key objective

F. Regarding what he considers as the main challenges and to address the challenges:-
    - He will ensure there is good communication between Board Members to help address issues of conflict management such as strikes;
    - With his experience he will ensure that the Board is transparent and everyone treated fairly with no discrimination; and
    - He understands that the county has challenges of salaries being late and therefore will help sort out by ensuring it is paid within the stipulated time.

G. In terms of decision making and what he will do to navigate the relationship between himself, other Board Members, members of the assembly to ensure that the County Government respects its Constitutional mandate and deliver services to Wananchi:-

- He will ensure the law as stipulated in the Constitution is followed to guide in solving problems;
- He will ensure that there is communication among all the stakeholders and will come up with solutions on where there are challenges;
- He will ensure services are delivered by embracing team spirit and avoiding any discrimination; and
- Ensure there is good working conditions between the staff, the executive , the Assembly and National Government

H. Regarding how he will handle the budget preparation:-

The nominee informed the Committee that the process should start with public participation for transparency, accountability and that the rule of law should be followed

I. Regarding on how he will handle the pressure from family and friends who will be seeking services and favour:-

He stated that he will avoid conflict of interest by applying high standard of professionalism without fear or favour

J. Regarding the past experience in his life which demonstrates his commitment to the requirements of Chapter six of the Constitution, on leadership and integrity:-

The nominee stated that he is honest, never been arrested and has never had any problems with anyone and thus the interest to hold the position.

K. On any unique component, he will bring on board to help the residents of Nairobi:-

The nominee stated that the residents should expect a person of:-

- integrity;and
- Professionalism

L. On response to whether he renders any community service within Nairobi:-

He does community service by giving donations to the Community, Dandora dumpsite being the latest beneficiary

M. In response to how he will handle political and staff pressure due to his academic qualifications:-

He stated that he had worked in busy environments before and learnt to contain himself as well as follows the rule of law and that his education qualifications were as a result of challenges he faced as a bread winner and that what he learnt in college had improved his skills in management.

N. In response to his change of career, from food to logistics and transportationn and finally to management.

The nominee stated that the reason he left hotel industry is to start his own business. And it is for the same reason that he had to go back to college and attain his diploma in logistics as well as his Bachelors degree.

O. On what Nairobi residents can expect from him if approved:-

The nominee stated that the people of Nairobi should be assured of a committed person who believes in integrity and fairness for all.

P. In response to why he did not appear for the hearing of previous appointment for the same position of a member to the Public Service Board:-

He mentioned that he was out of town at the day of vetting due to unavoidable family duties that he had to attend to, presented his papers later but was rejected due to time limits.

3.2. Mr. Philip Polland George Kaingu – Nominee for the position of Secretary, County Public Service Board

The nominee to the position of the Secretary to the County Public Service Board, Mr. Philip Polland George Kaingu, **did not appear** before the Committee on **Monday 5th October 2020** as invited. The Committee noted that the nominee had collected vetting forms and submitted clearance documents from the listed institutions as required but later vide letter dated 1st September 2020 informed the office of the Clerk of his withdrawal to attend the approval hearings.

The Committee noted that that the same nominee had been considered by the County Assembly and his nomination was **rejected** following the adoption of the report of the Committee on the following grounds:-

"THAT, this Assembly does not approve the name of Mr. Philip Polland George Kaingu as nominee to the position of secretary to the County Public service Board since he is not a

Certified Public Secretary as required under ***Section 58(1) (c) of the County Governments Act, 2012".***

Section 10 of the Public Appointments (County Assemblies Approval) Act, 2017 provides as follows:-

10. Rejection of nomination

i) Where the nomination of a candidate is rejected by a County Assembly, the appointing authority ***shall submit to the County Assembly the name of another candidate,*** *and the procedure for approval specified in this Act shall apply accordingly.*

ii) A nominating authority ***shall not resubmit the name of a candidate whose nomination has been rejected by the County Assembly*** *unless the circumstances relied on for the rejection of the appointment of the candidate did not exist or ceased to exist at the time of rejecting the nomination of the candidate.*

In this regard, it should be demonstrated that Section 10 (ii) of the Public Appointments (County Assemblies Approval) Act, 2017 has been complied to.

4.0. COMMITTEE'S OBSERVATIONS AND FINDINGS

The Committee having considered the nominee's Curriculum Vitae and heard his oral submissions during the vetting exercise, made the following observations and findings.

A. Mr. Jack Babji Owino – Nominee for Member, County Public Service Board

The Committee having considered the nominee's filled Questionnaire pursuant to the Public Appointments (County Assemblies Approval) Act, 2017, his Curriculum Vitae and having heard his oral submissions during the vetting exercise made the following general observations:

i) That the nominee satisfied the requirements of Chapter Six of the Constitution of Kenya on leadership and integrity which is a requirement under section 35(3)(c) of the County Governments Act, 2012 in that: -

   a) The nominees have been cleared by the Ethics and Anti-Corruption Commission (EACC), Directorate of Criminal Investigations (DCI), Kenya Revenue Authority (KRA), Higher Education Loans Board (HELB) and the Credit Reference Bureau (CRB).

   b) The nominees have not been charged in a Court of Law.

   c) The nominees do not exhibit a potential conflict of interest.

ii) That the nominee met the requirements of Section 35(3) (d) since he exhibited impressive knowledge of topical and legal issues touching on the respective dockets and have the requisite abilities, qualifications and experience

B. Mr. Philip Polland George Kaingu – Nominee for Member, County Public Service Board

As already indicated the nominee had initially been vetted by the Committee and his nomination rejected by the County Assembly on grounds that he is not a Certified Public Secretary as required under Section 58(1) (c) of the County Governments Act, 2012.

Pursuant to Section 10 (ii) of the Public Appointments (County Assemblies Approval) Act, 2017 the nominee needed to demonstrate that the conditions upon which his rejection was based had been fulfilled. However, the nominee failed to attend the approval hearing and hence the Committee did not make any observations with regard to his nomination.

5.0. COMMITTEE'S RECOMMENDATIONS

Pursuant to Section 45 (1) (a) and (b) of the County Governments Act, 2012, Section 9 of the Public Appointments (County Assemblies Approval) Act, 2017, and Standing Order No. 203 (6) (f) of the Nairobi City County Assembly Standing Orders, the Committee recommends:-

1. **THAT,** this Assembly approves the following Nominee for appointment by **H.E. the Governor Hon. Mike Gideon Mbuvi Sonko** as Member of the Nairobi City County Public Service Board as follows:-

NAME OF NOMINEE	POSITION
Mr. Jack Babji Owino	Member, Nairobi City County Public Service Board

II) THAT, the approval of Mr. Philip Polland George Kaingu for appointment to the position of Secretary to the Nairobi City County Public Service Board be **pended** until the provisions of Section 10 (ii) of the Public Appointments (County Assemblies Approval) Act, 2017 are demonstrated to have been complied with.

AGENDA

1. Prayers
2. Adoption of the Agenda
3. Adoption of the report of the vetting of the Member, County Public Service Board
4. Any other business
5. Adjournment

MIN. 2/ VETTING/OCT /2020 – ADOPTION OF THE REPORT OF THE VETTING OF THE SECRETARY, COUNTY PUBLIC SERVICE BOARD

The Committee adopted the report of the vetting of the member, County Public Service Board.

The report was adopted as proposed by Hon. Jared Akama and seconded by Hon. Rose Ogoda.

MIN. 3/ VETTING/OCT/2020 - ANY OTHER BUSINESS AND ADJOURNMENT

Members deliberated on the Committee's retreat and resolved to change the dates from Monday 19th to Thursday 15th October, 2020 since most members were affected by the scheduled date.

MIN. 4/ VETTING/OCT/2020 - ADJOURNMENT

There being no any other business to consider, the meeting was adjourned at 12.00pm.

CONFIRMED AS TRUE RECORDS OF PROCEEDINGS

CHAIRPERSON.....

DATE..... 3rd Oct 2020.....

MINUTES OF ADOPTION OF VETTING REPORT OF THE NOMINEE TO THE POSITION OF THE MEMBER TO THE COUNTY PUBLIC SERVICE BOARD BY THE NAIROBI CITY COUNTY ASSEMBLY'S SECTORAL COMMITTEE ON LABOUR AND SOCIAL WELFARE HELD ON MONDAY, 12TH OCTOBER, 2020 AT 11.00 A.M. AT THE ASSEMBLY PRECINCTS, COMMITTEE ROOM 5

PRESENT

1. Hon. Anthony Ngariuya, MCA — Chairperson
2. Hon. Rose Ogoda, MCA — Vice Chairperson
3. Hon. Peter Wanyoike, MCA
4. Hon. Mellab Atemah, MCA
5. Hon. Peter Wahinya Kimuhu, MCA
6. Hon. Wilson Ochola, MCA
7. Hon. Fredrick Okeyo, MCA
8. Hon. Stephen Gikonyo, MCA
9. Hon. Joseph Ndonji, MCA
10. Hon. Esther Nyangweso, MCA
11. Hon. Evans Otiso, MCA
12. Hon. Jared Akama,MCA
13. Hon. Beatrice Gakuru, MCA
14. Hon. Hon. Fredrick Njogu,MCA
15. Hon. Paul Ndungu, MCA
16. Hon. David Okello, MCA
17. Hon. Emmapet Kemunto, MCA
18. Hon. Joyce Muthoni, MCA
19. Hon. Asli Mohammed, MCA

ABSENT

1. Hon. June Ndegwa, MCA
2. Hon. Solomon Magembe, MCA
3. Hon. Samuel Mwangi, MCA
4. Hon. Jairus Omayo, MCA
5. Hon. Maina Njoka, MCA
6. Hon. Fredrick Omondi, MCA

SECRETARIAT – COUNTY ASSEMBLY

1. Ms. Mercy Riunga – Senior Clerk Assistant
2. Mr. Paul Gesore - Senior Researcher

MIN 1/VETTING/OCT/2020– PRELIMINARIES

The Chairperson called the meeting to order at 11.15 a.m and begun with a word of prayer. The Chairperson then took Members through the agenda which was adopted as proposed by Hon. Peter Wahinya and seconded by Hon. Emapet Kemunto as follows:-



LAWS OF KENYA

COUNTY GOVERNMENTS ACT

No. 17 of 2012

Revised Edition 2012

Published by the National Council for Law Reporting
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www.kenyalaw.org

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(h) while ensuring equitable sharing of available resources throughout the county.

35. Appointment of county executive members

(1) The governor shall, when nominating members of the executive committee—

(a) ensure that to the fullest extent possible, the composition of the executive committee reflects the community and cultural diversity of the county; and

(b) take into account the principles of affirmative action as provided for in the Constitution.

(2) The county assembly shall not approve nominations for appointment to the executive committee that do not take into account—

(a) not more than two thirds of either gender;

(b) representation of the minorities, marginalized groups and communities; and

(c) community and cultural diversity within the county.

(3) A person may be appointed as a member of the county executive committee if that person—

(a) is a Kenyan citizen;

(b) is a holder of at least a first degree from a university recognised in Kenya;

(c) satisfies the requirements of Chapter Six of the Constitution; and

(d) has knowledge, experience and a distinguished career of not less than five years in the field relevant to the portfolio of the department to which the person is being appointed.

(4) A member of the county executive committee shall not hold any other State or public office.

36. Functions of the executive committee

(1) In addition to the functions provided under Article 183 of the Constitution, a county executive committee shall—

(a) supervise the administration and delivery of services in the county and all decentralized units and agencies in the county;

(b) perform any other functions conferred on it by the Constitution or national legislation; and

(c) carry out any function incidental to any of the assigned functions.

(2) In the performance of its functions, a county executive committee shall have power to determine its own programme of activities and every member of the committee shall observe integrity and disclosure of interest in any matter before the committee.

44. Appointment of county secretary

(1) There is established for each county the office of the county secretary who shall be secretary to the county executive committee.

(2) The county secretary—

(a) shall be competitively sourced from amongst persons who are university graduates with at least ten years experience in administration and management;

(b) shall be nominated from persons competitively sourced under paragraph (a) by the governor and, with the approval of the county assembly, appointed by the governor; and

(c) may, subject to the conditions and terms of appointment, be dismissed by the governor.

(3) The county secretary shall—

(a) be the head of the county public service;

(b) be responsible for arranging the business, and keeping the minutes, of the county executive committee subject to the directions of the executive committee;

(c) convey the decisions of the county executive committee to the appropriate persons or authorities; and

(d) perform any other functions as directed by the county executive committee.

(4) The county secretary may resign from office by giving thirty days written notice to the governor.

45. Appointment of county chief officers

(1) The governor shall—

(a) nominate qualified and experienced county chief officers from among persons competitively sourced and recommended by the County Public Service Board; and

(b) with the approval of the county assembly, appoint county chief officers.

(2) The office of a county chief officer shall be an office in the county public service.

(3) A county chief officer shall be responsible to the respective county executive committee member for the administration of a county department as provided under section 46.

(4) The county chief officer shall be the authorized officer in respect of exercise of delegated power.

(5) The governor may re-assign a county chief officer.

(6) A county chief officer may resign from office by giving notice, in writing, to the governor.

Particular 6

NAIROBI CITY COUNTY

Telephone:+254 20 344 194
Email:info@nairobi.go.ke
Facebook: NairobiCityCountyOfficial
Twitter: @county_nairobi

City Hall,
P.O Box 30075-0010,
Nairobi,
KENYA.

FINANCE AND ECONOMIC PLANNING SECTOR

NCCG/CCO/FEP/47/2019

10th April, 2019

The Clerk,
Nairobi City County Assembly,
City Hall Building, 2nd Floor,
P.O. Box 45844 - 00100,
NAIROBI

NAIROBI CITY COUNTY ASSEMBLY
CLERK'S CHAMBER
1 APR 2019
RECEIVED
P.O. BOX 30075 - 00100, NAIROBI

RE: WORKSHOP TO FINALIZE DELIBERATIONS ON THE COUNTY FISCAL STRATEGY PAPER 2019 AND THE SUPPLEMENTARY ESTIMATES (II) FOR THE FY 2018-19

Your communication on the above subject vide letter Ref; NCCA/FB&AC/CORR/2019/159 refers.

This is to confirm that the Treasury is in the process of finalizing plans towards hosting the proposed workshop.

The name and details of the workshop shall be communicated to you in due course.

WINFRED GATHAGU
COUNTY CHIEF OFFICER - ECONOMIC PLANNING

F.A- Budget
Table before the committee
For their information.
881
Attorney
D/C.
11/4/19

NAIROBI CITY COUNTY

Telephone:+254 20 344 194
Email:info@nairobi.go.ke
Facebook: NairobiCityCountyOfficial
Twitter: @county_nairobi

City Hall,
P.O Box 30075-0010,
Nairobi,
KENYA.

FINANCE AND ECONOMIC PLANNING

CFO/WWG/134/2019/E **9th April, 2019**

The Clerk,
Nairobi City County Assembly,
NAIROBI.

COUNTY CHAMBER
10 APR 2019
RECEIVED
P.O. BOX 30075 - 00100, NAIROBI

RE: SUPPLEMENTARY NO. II BUDGET ESTIMATES FY 2018/2019 AND REVISED BUDGET CEILLINGS FOR FY 2019/20

The above matter refers.

The County Treasury submitted Supplementary No. 2 FY 2018/2019 to the County Assembly vide letter reference CEC (FEP)/AIE/ran/522/2018 dated 25th March 2018. Further arising from the deliberations by the County Executive Committee on the revised budget submitted vide the above referenced letter it was decided that the supplementary budget as submitted be withdrawn and be resubmitted later to ensure inclusion of other additional proposals arising from the discussions. In this regard the County Treasury wishes to withdraw the Supplementary Budget II FY 2018/2019 No. 2 submitted on 25th March 2018 vide letter CEC(FEP)/AIE/ran/522/2018.

Accordingly the County Treasury hereby resubmits the Supplementary Budget II FY 2018/2019 and revised CFSP ceilings for FY 2019/2020 to the County Assembly for consideration.

WINFRED W. GATHAGU
CECM, FINANCE AND ECONOMIC PLANNING

Encls.

F/A Budget
Table revised CFSP ceilings for consideration by the committee.
KMPTT 11/4/19

Sec C/A LAP
Kindly process for tabling
today's mail withdrawal of earlier
signed
Report
9/4/19

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THE REPUBLIC OF KENYA

LAWS OF KENYA

PUBLIC FINANCE MANAGEMENT ACT

CHAPTER 412C

Revised Edition 2014 [2013]

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FINANCE

County government responsibilities in public finance.

102. (1) Each county government shall ensure adherence to—

(a) the principles of public finance set out in Chapter Twelve of the Constitution;

(b) the fiscal responsibility principles provided in section 107 under this Act;

(c) national values set out in the Constitution; and

(d) any other requirements of this Act.

(2) The County Executive Committee shall observe principles of collective responsibility in exercising their functions under this Act.

(3) In making decisions a county assembly shall take cognisance of Article 216 (2) of the Constitution.

Establishment of county treasuries.

103. (1) There is established for each county government, an entity to be known as County Treasury.

(2) The County Treasury shall comprise —

(a) the County Executive Committee member for finance;

(b) the Chief Officer; and

(c) the department or departments of the County Treasury responsible for financial and fiscal matters.

(3)The County Executive Committee member for finance shall be the head of the County Treasury.

Responsibilities and Powers of a County Treasury

General responsibilities of a County Treasury.

104. (1) Subject to the Constitution, a County Treasury shall monitor, evaluate and oversee the management of public finances and economic affairs of the county

government including—

(a) developing and implementing financial and economic policies in the county;

(b) preparing the annual budget for the county and co-ordinating the preparation of estimates of revenue and expenditure of the county government;

(c) co-ordinating the implementation of the budget of the county government;

(d) mobilising resources for funding the budgetary requirements of the county government and putting in place mechanisms to raise revenue and resources;

(e) managing the county government's public debt and other obligations and developing a framework of debt control for the county;

(f) consolidating the annual appropriation accounts and other financial statements of the county government in a format determined by the Accounting Standards Board;

(g) acting as custodian of the inventory of the county government's assets except where provided otherwise by other legislation or the Constitution;

(h) ensuring compliance with accounting standards prescribed and published by the Accounting Standards Board from time to time;

(i) ensuring proper management and control of, and accounting for the finances of the county government and its entities in order to promote efficient and effective use of the county's budgetary resources;

(j) maintaining proper accounts and other records in respect of the County Revenue Fund, the County Emergencies Fund and other public funds administered by the county government;

(k) monitoring the county government's entities to ensure compliance with this Act and effective management of their funds, efficiency and transparency and, in particular, proper accountability for the expenditure of those funds;

(l) assisting county government entities in developing their capacity for efficient, effective and transparent financial management, upon request;

(2) The Intergovernmental Budget and Economic Council may agree on regulations with guidelines for county government joint infrastructure investments.

Responsibilities of an accounting officer of a county assembly in management of public finances

147. Role of accounting officers in management of public finances

(1) Subject to the Constitution, the accounting officer of a county assembly shall monitor, evaluate and oversee the management of their public finances, including —

(a) promoting and enforcing transparency, effective management and accountability with regard to the use of their finances;

(b) ensuring that accounting standards are applied;

(c) implementing financial policies in relation to their finances;

(d) ensuring proper management and control of, and accounting for, their finances in order to promote the efficient and effective use of budgetary resources;

(e) preparing annual estimates of expenditures;

(f) acting as custodian of the entity's assets except as may be provided by other legislation or the Constitution;

(g) monitoring the management of their finances and their financial performance;

(h) reporting regularly to the county assembly on the implementation of their budget; and

(i) take such other action, not inconsistent with the Constitution, as will further the implementation of this Act.

Responsibilities of accounting officers of county governments and county government entities

148. Designation of accounting officers for county government entities by the County Executive Committee member for finance

(1) A County Executive Committee member for finance shall, except as otherwise provided by law, in writing designate accounting officers to be responsible for managing the finances of the county government entities as is specified in the designation.

(2) Except as otherwise stated in other legislation, the person responsible for the administration of a county government entity, shall be the accounting officer responsible for managing the finances of that entity.

(3) A County Executive Committee member for finance shall ensure that each county government entity has an accounting officer in accordance with Article 226 of the Constitution.

(4) The Clerk to the county assembly shall be the accounting officer of the county assembly.

(5) A county government may, in order to promote efficient use of the county resources, adopt, subject to approval by the county assembly, a centralised county financial management service.

149. Responsibilities of accounting officers designated for county government entities

(1) An accounting officer is accountable to the county assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is—

(a) lawful and authorised; and

(b) effective, efficient, economical and transparent.

(2) In carrying out a responsibility imposed by subsection (1), an accounting officer shall, in respect of the entity concerned—

(a) ensure that all expenditure made by the entity complies with subsection (1);

(b) ensure that the entity keeps financial and accounting records that comply with this Act;

(c) ensure that all financial and accounting records that the entity keeps in any form including in electronic form are adequately protected and backed up;

(d) ensure that all contracts entered into by the entity are lawful and are complied with;

(e) ensure that all applicable accounting procedures are followed when acquiring or disposing of goods and services and that, in the case of goods, adequate arrangements are made for their custody, safe guarding and maintenance;

(f) bring a matter to the attention of the County Executive Committee member responsible for the entity if, in the accounting officer's opinion a decision or policy or proposed decision or policy of the entity may result in resources being used in a way that is contrary to subsection (1);

(g) prepare a strategic plan for the entity in conformity with the medium term fiscal framework and financial objectives of the county government;

(h) prepare estimates of expenditure of the entity in conformity with the strategic plan referred to in paragraph (g);

( ) submit the estimates of an entity, which is not a county corporation, to the County Executive Committee member for finance;

(j) submit the estimates of an entity, which is a county corporation, to the executive committee member responsible for the entity who, after approving it, shall forward it to the County Executive Committee member for finance;

(k) not later than three months after the end of each financial year, prepare annual financial statements for that financial year and submit them to the Auditor-General for audit, with a copy to the County Treasury;

(m) providing the National Treasury with information which it may require to carry out its responsibilities under the Constitution and this Act;

(n) issuing circulars with respect to financial matters relating to county government entities;

(o) advising the county government entities, the County Executive Committee and the county assembly on financial matters;

(q) strengthening financial and fiscal relations between the national government and county governments in performing their functions;

(r) reporting regularly to the county assembly on the implementation of the annual county budget; and

(s) taking any other action to further the implementation of this Act in relation to the county.

Powers of a County Treasury.

105. (1) A County Treasury has such powers as are necessary to enable it to carry out its functions and responsibilities under this Act including-

(a) with prior notice, access any system of public financial management used by any of the county government entities and the internal controls used to monitor the system;

(b) taking appropriate measures, including the stoppage of funds, to deal with any failure of a county government entity to comply with this Act;

(c) with prior notice, accessing the premises of a county government entity and inspecting all records and other documents relating to the financial affairs of that county government entity, kept by that entity;

(d) requiring county government entities to comply with all applicable norms or standards regarding accounting practices, budget classification systems and other public financial management systems as prescribed by the Accounting Standards Board;

(e) requiring any public officer employed by a county government or county government entity to provide explanations, information and assistance in respect to matters relating to the county government's public finances:

Particular 8

ANNEX 1

THE NATIONAL GOVERNMENT
(THROUGH)
THE MINISTRY OF DEVOLUTION & THE ASALs

&

THE NAIROBI CITY COUNTY GOVERNMENT

DEED OF TRANSFER OF FUNCTIONS FROM THE NAIROBI CITY COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

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THIS DEED OF TRANSFER is made on this 25TH Day of [illegible] **TWO THOUSAND AND TWENTY.**

BY AND BETWEEN

I. **THE NATIONAL GOVERNMENT OF THE REPUBLIC OF KENYA**, through **THE MINISTRY OF DEVOLUTION & THE ASALs** ("the ***National Government***") on the first part; and,

II. **THE NAIROBI CITY COUNTY GOVERNMENT**, ("the ***County Government***") whose registered office is at City Hall, off City Hall Way, Nairobi on the other part.

*(Each a "**Party**" and together the "**Parties**")*

RECITALS AND DECLARATION OF COMMON INTENT

WHEREAS, the Constitution of Kenya, 2010 established a devolved structure of Governance with a **service-centric approach**, in which the sovereign power of the People of Kenya is exercised at two levels, being the **National Level** and the **County Level** (*collectively* the "**Government of the Republic of Kenya**");

Initials:

WHEREAS, the Principles of Executive Authority set out under Article 129 of the Constitution require that Executive Authority at both levels of Government be exercised in a manner that serves the best interest, well-being and aspirations of the People of Kenya;

WHEREAS, the **Principal Object of Devolution** is set-out under Article 174 of the Constitution as being: "*to promote democratic and accountable exercise of power, to foster national unity by recognizing diversity and to give powers of self-governance to the people and enhance the participation of the people in exercise of the powers of the state and in making decisions affecting them*";

WHEREAS, Article 189 of the Constitution, sets out the structure for co-operation between the National and County Governments; with Government at either level being required to perform its functions and exercise its powers in a manner that respects the functional and institutional integrity of the Government at the other level, and respects the constitutional status and institutions of Government at the other level;

WHEREAS, it is the shared aspiration of all Kenyans for their Government to operate in an effective, transparent and accountable manner with respect to the delivery of Public Goods and Services;

Initials:

WHEREAS, it is the solemn duty of the Government to guarantee reasonable access to all Public Goods and Services in all Counties and in every part of the Republic;

WHEREAS, Article 186 of the Constitution, as read with the Fourth Schedule of the Constitution, sets out functions of County Governments to include: County Health Services, Control of Air Pollution, Control of Noise Population, Prevention of Public Nuisance, Regulation of Public Entertainment, County Transport, Trade Development, County Planning & Development, Pre-primary Education, Village Polytechnics, Firefighting Services, and Disaster Management & Control of Drugs;

WHEREAS, Nairobi City is the Seat of the Government of Kenya and the Nation's Capital City;

WHEREAS, Nairobi City is also the largest commercial hub in East and Central Africa, and home to over 4 million persons;

WHEREAS, the Nairobi City County Government seeks to foster its effectiveness in the delivery of the public good; and is considering mechanisms of embedding operational enhancements that would make the County Government better able to deliver on its constitutional mandate;

Initials:

WHEREAS, the Nairobi City County Government is conscious of its internal constraints as to the effective discharge of its functions;

WHEREAS, the Nairobi City County Government recognizes that in light of the scope of the devolved functions, some of the functions currently vested in the Nairobi City County Government would be more effectively performed and exercised by the National Government;

WHEREAS, and to enhance delivery of the public good, the Nairobi City County Government is desirous of transferring to the National Government the functions set out in **Article 3** of this Deed of Transfer of Functions;

WHEREAS, the National Government is desirous of accepting the transfer to the National Government of the functions set out in Article 3 of this Deed of Transfer of Functions from the Nairobi City County Government; and it has the requisite capacity and competence to perform the transferred functions:-

NOW THEREFORE, having considered the above, the Parties enter into this Deed of Transfer of Functions and solemnly agree as follows:

Initials:

ARTICLE 1: DEFINITIONS

1.1 The following expressions (save where the context requires otherwise) bear the following meanings:-

1.1.1 References to an Article are (unless the context otherwise requires) to an Article respectively of this Deed of Transfer of Functions;

1.1.2. Words importing the singular meaning where the context so admits include the plural meaning and vice versa;

1.1.3. The Article and paragraph headings are for reference purposes only and shall not affect the interpretation of this Deed of Transfer of Functions.

ARTICLE 2: PRINCIPAL OBJECTS

The principal objects this Deed of Transfer of Functions are:

2.1 To give full effect of the benefits of the devolved and decentralized governance to the residents of Nairobi City County; and,

Initials:

2.2 To anchor the framework of the transfer of certain functions from the Nairobi City County Government to the National Government.

ARTICLE 3: THE SCOPE OF THE FUNCTIONS TRANSFERRED TO THE NATIONAL GOVERNMENT

The Nairobi City County Government unequivocally transfers the following functions to the National Government:

3.1 County Health Services;

3.2 County Transport Services;

3.3 County Planning and Development Services; and

3.4 County Public Works, Utilities and Ancillary services.

ARTICLE 4: PERFORMANCE STANDARDS AND REPORTING OBLIGATIONS

In furtherance of the principles of good governance that require accountable and transparent management of public affairs, the performance of the transferred functions shall be undertaken in keeping with the guidelines set out herein after:

4.1 The Parties will harmonize the relevant sector performance contracts and service delivery indicators, as adopted by the respective governments herein and relevant departments;

4.2 There shall be an annual report tabled before Parliament and the Nairobi City County Assembly on the implementation of this Agreement;

4.3 Pursuant to Article 189(2) of the Constitution, the Parties may form joint committees for the better performance of this Agreement; and

4.4 The National Government and Nairobi City County Government may enter into sector specific service-level agreements and/or Memoranda of Understanding to guide and achieve better performance of this agreement.

ARTICLE 5: FINANCING THE DELIVERY OF THE TRANSFERRED FUNCTIONS

The financing of the delivery of the transferred functions shall be undertaken as follows:

5.1 Financing for the functions herein shall be drawn from either or both the Consolidated Fund and the County Revenue Fund;

Initials:

5.2 The Nairobi City County Government shall ensure that the transferred functions are fully funded from the County Revenue Fund;

5.3 The level of funding for each transferred function shall be determined by the National Government in consultation with the County Government, but in any case the budgetary allocation shall not be less than the amount last appropriated by the County Assembly in the preceding financial year;

5.4 The National Government shall have the responsibility of collecting and remitting all revenue accruing from the transferred functions herein;

5.5 For the purposes of general coordination of revenue collection, the Nairobi City County Government appoints Kenya Revenue Authority (KRA) as the principal agent for overall revenue collection;

5.6 The relevant human resources for the implementation of this agreement shall be seconded from the County Government to the National Government; and

Initials:

5.7 The County Public Service Board shall, in consultation with the Public Service Commission, formulate the necessary instruments to facilitate the secondment and/or deployment of the necessary human resources.

ARTICLE 6: CAPACITY BUILDING FRAMEWORK

6.1 The National Government shall carry out a comprehensive capacity assessment in line with Article 190 of the Constitution, as read with Section 121 of the County Governments Act, 2012; and,

6.2 In addition to the capacity building measures identified in the Capacity Assessment Review Report (CARPS), the Parties shall develop a capacity building programme based on 6. 1 above.

ARTICLE 7: EXECUTION OF THE TRANSFERRED FUNCTIONS

7.1 The National Government shall prescribe and establish an institutional framework for the execution of the transferred functions.

Initials:

ARTICLE 8: REVIEW CYCLE

8.1 The Parties shall review the performance of the transferred functions annually.

ARTICLE 9: DURATION AND TERMINATION

9.1 This Deed of Transfer shall become effective 21 (twenty one) days from the date of execution and shall remain in force for an initial renewable period of 24 months from the date of execution.

9.2 This Deed of Transfer of Functions may only be terminated by the mutual written consent of both Parties expressed in a common document.

ARTICLE 10: GENERAL

10.1 This Deed of Transfer of Functions shall be notified to the Nairobi City County Assembly pursuant to Section 26(6) of the Intergovernmental Relations Act and shall in the meantime be subjected to public participation.

Initials:

10.2 This Deed of Transfer of Functions, together with any amendments as may be necessitated by public participation, constitute the entire Agreement between the Parties. Both parties acknowledge that they have not entered into this Agreement in reliance wholly or partly on any statement or representation made by the other except as contained or referred to herein.

10.3 No variation or addition to this Agreement and no waiver of any provision shall be valid unless in writing signed by a duly authorized officer of both of the parties. In the event of a variation or addition, all the terms of this Agreement shall apply to such variation or addition except as may otherwise be expressly provided therein.

10.4 No forbearance or indulgence by either Party in enforcing any term or condition of this Agreement shall prejudice or restrict that Party's rights or powers under this Agreement and no waiver of any breach shall operate as a waiver of any subsequent or continuing breach.

Initials:

10.5 Any written notice to be given under the terms of this Agreement may be delivered by hand delivered to:

10.5.1 **In the case of Ministry**
Cabinet Secretary
Ministry of Devolution & the ASALS
The National Treasury
NAIROBI
(Marked 'URGENT'); and,

10.5.2 **In case of the County**
County Secretary
Nairobi City County
City Hall
(Marked 'URGENT').

10.6 This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party hereto and expressed in a common document.

ARTICLE 11: GOVERNING LAW AND DISPUTE RESOLUTION

11.1 This Deed of Transfer of Functions shall be governed by and construed in accordance with the Laws of Kenya.

11.2 In the event of a dispute between the Parties herein arising from a matter provided for, governed by or arising out of this Agreement, the Parties shall at the first instance endeavour to resolve the dispute amicably through negotiations, but if the dispute is not resolved amicably within 30 days from the date one Party notifies the other of the dispute in writing, the Parties shall refer the dispute to the National and County Governments Co-ordinating Summit.

IN WITNESS whereof this Deed of Transfer has been executed by the duly authorized representatives of the parties the day and year first written above.

SIGNED BY EUGENE WAMALWA

duly authorized: CABINET SECRETARY

MINISTRY OF DEVOLUTION & THE ASALS

In the presence of

Attorney-General

Prof. Githu Muigai

Initials:

902

SIGNED BY Mike Mbuvi Sonko

duly authorized Signatories for

NAIROBI CITY COUNTY GOVERNMENT

In the presence of

SIMON L. MERIMTAT

Initials:

Paper Tabled in the Majority Leader HN: 926 Majority Leader, NCA on 8/9/20

GOVERNMENT OF NAIROBI CITY COUNTY

THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

SECOND ASSEMBLY-FOURTH SESSION

NCCA/T&J/2020 / (49)

8th September , 2020

PAPER LAID

Pursuant to Section 166 of the Public Finance Management Act, 2012, I beg to lay the following Paper on the Table of the Assembly, today Tuesday, 8th September, 2020.

a) THE NAIROBI CITY COUNTY REVENUE AND EXPENDITURE REPORT AS AT 30TH JUNE 2020

(The Leader of Majority Party)

Copies to:
The Speaker
The Clerk
Hansard Editor
Hansard Reporters
The Press

Approved 08/09/2020

904

Paper tabled by -Leader of Majority Abdi Guyo, MCA
S.C.A 8/9/20

NAIROBI CITY COUNTY

Telephone:+254 20 344 194
Email:info@nairobi.go.ke
Facebook: NairobiCityCountyOfficial
Twitter: @county_nairobi

City Hall,
P.O Box 30075-00100,
Nairobi,
KENYA.

FINANCE AND ECONOMIC PLANNING

F&EP/BGT&EXP/BGT EST/3/VOL I **30th July 2020**

NAIROBI CITY COUNTY ASSEMBLY
CLERK
04 AUG 2020
RECEIVED
P.O. Box 45844 – 00100, NAIROBI

The Clerk,
Nairobi City County Assembly,
City Hall Building, 2nd Floor,
P.O. Box 45844 – 00100,
NAIROBI

RE: REVENUE AND EXPENDITURE REPORT AS AT 30TH JUNE 2020

In accordance with Section 166 of Public Finance Management Act 2012, Forwarded herewith please find the revenue and Expenditure Report as at 30th June 2020.

ALLAN ESABWA IGAMBI
COUNTY EXCUTIVE COMMITTEE MEMBER
FINANCE & ECONOMIC PLANNING

C.C 1. Controller of Budget
Bima House

2. Nairobi County Budget Coordinator
City Hall

I PCA (CSP)
Table
Ag. Clerk
7/8/2020

H/E CA - Austin
Please Prepare for tabling
Agnes
PCA (CSP)
07/09/2020

905

EXECUTIVE SUMMARY

SUMMARY OF REVENUE AND EXPENDITURES FOR THE PERIOD ENDED 30TH JUNE 2020

No.	Revenue Stream	Approved Budget	Revised Budget	Actuals	% Performance against Annual Target
1	RATES	3,925,000,000	3,925,000,000	1,873,419,827	48
2	SINGLE BUSINESS PERMITS	2,892,000,000	2,892,000,000	1,586,716,661	55
3	PARKING FEES	2,763,000,000	2,763,000,000	1,545,226,999	56
4	BLDNG PERMITS	2,101,000,000	2,101,000,000	456,718,816	22
5	BILLBOADS & ADVERTS	1,425,000,000	1,425,000,000	753,996,503	53
6	FIRE SERVICES	458,400,000	458,400,000	217,864,111	48
7	HOUSE RENTS	615,000,000	615,000,000	495,274,463	81
8	FOOD HANDLERS CERT	300,000,000	300,000,000	127,706,557	43
9	OTHER MARKETS	232,400,000	232,400,000	55,808,435	24
10	WAKULIMA MARKET	192,000,000	192,000,000	109,254,585	57
11	REGUL. OF BLDNG /CHANGE /AMALG/SUB	166,000,000	166,000,000	88,237,362	53
12	WAYLEAVE	150,000,000	150,000,000	110,074,106	73
13	BETTING CONTROL & LOTTERIES	120,295,889	120,295,889	1,331,442	1
14	GARBAGE/TIP CHARGES	120,000,000	120,000,000	24,171,677	20
15	TPS-MARKET RENTS	102,000,000	102,000,000	86,768,100	85
16	MUTHURWA MARKET	72,000,000	72,000,000	42,944,692	60
19	LIQUOR LICENSES	450,000,000	289,229,744	178,851,129	62
17	OTHER INCOMES	1,232,200,000	1,232,200,000	769,083,556.5	62
18	**TOTAL REVENUES**	**17,316,295,889**	**17,155,525,633**	**8,523,449,021**	**50**
21	**EXTERNAL SOURCES**				
22	Equitable Share	15,919,950,000	15,919,950,000	11,446,444,050	72
23	Compensation For User Fees Foregone	79,423,251	79,423,251	79,423,251	100
24	Road Maintenance Levy 2018/2019	415,845,530	415,845,530	415,847,530	100
25	Road Maintenance Levy-2019/20	451,898,344	451,898,344	-	-
26	KDSP (Level 1 grant allocation)	30,000,000	30,000,000	30,000,000	100
27	Danida -Universal Healthcare in Devolved Governments	47,156,250	47,156,250	64,761,250	137
28	World Bank Loan for Transforming Health systems for universal healthcare	96,359,510	96,359,510	96,359,510	100
29	Conditional grant for Development of Youth Poly technics	22,998,298	22,998,298	22,998,292	100
30	Agriculture Development Support Project	21,183,840	21,183,840	13,341,920.0	63
31	**Sub Totoal (External Sources)**	**17,084,815,023**	**17,084,815,023**	**12,169,175,803**	**71**
32	**TOTAL REVENUES**	**34,401,110,912**	**34,240,340,656**	**20,692,624,824**	**60**
33	Cash balances	2,580,279,974	2,741,050,232	2,741,050,232	
34	Total Available revenues	36,981,390,886	36,981,390,888	23,433,675,057	63
35	Expenditures				
36	Transfers to County Assembly	2,939,977,879	1,454,677,879	1,303,773,508	90
37	Recurrent Expenditures	24,300,152,062	27,486,581,031	20,069,713,421	73
38	Development Expenditures	9,741,260,947	8,040,131,978	1,979,948,407	25
39	**Total**	**36,981,390,888**	**36,981,390,888**	**23,353,435,337**	**63**

REVENUE PERFORMANCE BY SOURCE ANALYSIS 2019/2020

	REVENUE BY SOURCE	Approved	Revised	Actual Receipts
	GOVERNOR'S OFFICE			
	ADMINISTRATION DEPARTMENT			
1	CITY HALL ANNEX	24,000,000	24,000,000	13,869,500
2	COUNCIL PREMISES ANNUAL RENT	-	-	0
3	HIRE OF CHARTER HALL	60,000	60,000	10,000
4	HIRE OF CONFERENCE HALL	12,000	12,000	20,000
5	HIRE OF CITY HALL GARDEN/SPACE	240,000	240,000	6,700
6	TECHNICAL ASSISTANCE	-	-	300,000
7	TOL	9,000,000	9,000,000	3,458,800
	DECENTRALIZATION			
8	DECENTRALIZATION-WARDS			1,178,833
9	BUILDING MATERIALS	60,000,000	60,000,000	10,548,613
	COMPLIANCE, FIRE SERVICES AND DISASTER MANAGEMENT			
	FIRE SERVICES			
10	FIRE FIGHTING(CALL) SERVICES	6,000,000	6,000,000	1,672,600
11	FIRE INSPECTION CERT	450,000,000	450,000,000	215,329,909
12	FIRE SPECIAL SERVICES	2,400,000	2,400,000	861,602
	LEGAL DEPARTMENT			
13	COURT FINES	3,000,000	3,000,000	3,743,281
14	CONSENT FEES	1,800,000	1,800,000	782,780
15	COURT AWARDS	30,000	30,000	23,000
16	CONVEYANCE FEES	120,000	120,000	160,000
17	SALES OF MINUTES/BY -LAW	36,000	36,000	1,000
	INSPECTORATE			
18	IMPOUNDING-DAGORETTI	20,000,000	20,000,000	10,417,271
19	IMPOUNDING (ENFORCEMENT/TLB)	42,000,000	42,000,000	4,445,984
20	COURT FINES	42,000,000	42,000,000	37,202,967
21	ZEBRA CROSSING	1,200,000	1,200,000	869,000
22	DAGORETTI TRAINING FEES	2,400,000	2,400,000	130,000
	TOTAL	664,298,000	664,298,000	305,031,840
	FINANCE AND ECONOMIC PLANNING			
	TREASURER' DEPARTMENT			
23	RATES	3,925,000,000	3,925,000,000	1,873,419,827
24	CLEARANCE CERTIFICATES	72,000,000	72,000,000	32,547,000
25	RATES SEARCH FEES/ADMINISTRATIVE FEES	1,200,000	1,200,000	10,449,622
26	SDR-INSTITUTIONS HOUSES	18,000,000	18,000,000	11,189,392
27	SDR-GROUND RENTS	60,000,000	60,000,000	48,071,664
28	SDR-STAND PREMIUM	12,000,000	12,000,000	4,057,533
29	SDR-SEARCH/TRANSFER FEES	3,600,000	3,600,000	4,225,820
	PROCUREMENT			
30	SALES OF TENDER/BID DOC	1,000,000	1,000,000	0
31	SALES OF DRUM/LIDS	300,000	300,000	65,700
32	CAPITAL DISPOSAL	120,000	120,000	10,000
33	WEIGH BRIDGE	300,000	300,000	0
	TOTAL	4,093,520,000	4,093,520,000	1,984,036,558
	WATER,ENERGY,FORESTRY,ENVIRONMENT & NATURAL RESOURCES			
34	BOATING FEES (LEASE)-UHURU PARK	3,060,000	3,060,000	1,130,295
35	GARBAGE/TIP CHARGES	120,000,000	120,000,000	24,171,677
36	RECYLCLING PERM/INCINERATOR	3,000,000	3,000,000	1,982,296
37	HIRE OF UHURU KAMUKUNJI	12,000,000	12,000,000	2,544,600
38	HIRE OF UHURU PARK	300,000	300,000	0
39	HIRE OF JEEVANJEE GARDEN	300,000	300,000	38,820
40	HIRE OF CITY PARK-VIDEO SHOOTING	1,200,000	1,200,000	50,000
41	LANDSCAPING FEE	2,400,000	2,400,000	672,840
42	USE OF PUBLIC TOILETS	6,000,000	6,000,000	3,057,900
43	TRANS. SOIL CONSTRUCTION SITE/borehole/bowsers	21,600,000	21,600,000	10,323,734

	REVENUE BY SOURCE	Approved	Revised	Actual Receipts
44	WASTE POLICY MANGNT/FINES	12,000,000	12,000,000	3,688,171
45	ANNUAL WASTE COLLECTION PERMIT	12,000,000	12,000,000	2,680,001
	TOTAL	193,860,000	193,860,000	50,340,334
	HEALTH			
46	CITY MORTUARY	42,000,000	42,000,000	45,672,437
47	PUMWANI M. HOSPITAL	-	-	3,039
48	AMBULANCE FEES	120,000	120,000	75,522
49	LAB. FEES-WATER AND FOOD ANALYSIS	800,000	800,000	194,501
50	BIRTH & DEATH CERT	360,000	360,000	253,058
51	FOOD HYGIENE LICENSE	72,000,000	72,000,000	80,922,336
52	FOOD HANDLERS CERT	300,000,000	300,000,000	127,706,557
53	ATTACHEMENT FEES	4,800,000	4,800,000	1,773,001
54	COURT FINES	1,200,000	1,200,000	609,350
55	INST. INSP. FEES & PARKLANDS	9,000,000	9,000,000	3,497,001
56	EXPORT CERT	9,000,000	9,000,000	2,419,500
57	HEALTH CERT/OCC. CERT/SITE FOR TOILET	60,000,000	60,000,000	25,451,336
58	INNOCULATION	72,000,000	72,000,000	20,837,717
59	PEST CONTROL	10,800,000	10,800,000	2,996,000
60	MAMA LUCY	80,000,000	80,000,000	0
61	MUTUINI	40,000,000	40,000,000	0
62	MBAGATHI	80,000,000	80,000,000	0
	TOTAL	782,080,000	782,080,000	312,411,355
	PHYSICAL PLANNING, HOUSING AND LANDS			
	CITY PLANNING DEPARTMENT			
63	BILLBOADS & ADVERTS	1,425,000,000	1,425,000,000	753,996,503
64	BLDNG PERMITS (1.25 of construction cost)	2,101,000,000	2,101,000,000	456,718,816
65	AUTH. OF MINOR REPAIRS/EXT. LEASES	-	-	11,654,100
66	CONSTRUCTION SITE BOARD	-	-	5,125,560
67	COURT FINES	-	-	178,743
68	HOARDING/ENCROACHMENT FEES	-	-	86,520
69	DEMOLISION OF TEMPORARY STRUCTURES	-	-	0
70	DEMOL.OF PERM. STRUCT. UPTO 2LEVELS			0
71	DEMOL. OF PERM. STRUCT. ABOVE 2LEVELS	-	-	0
72	REGUL. OF BLDNG /CHANGE /AMALG/SUB	166,000,000	166,000,000	88,237,362
73	BUILDING OCC. CERT	-	-	89,500
74	ADVERTS ON POLES	-	-	0
75	SURVEY FEES	12,000,000	12,000,000	1,531,900
	HOUSING DEVELOPMENT DEPARTMENT			
76	UMOJA	3,000,000	3,000,000	178,281
77	DANDORA	30,000,000	30,000,000	1,428,686
	VALUATION			
78	PROVISIONAL VALUATION FEES	15,000,000	15,000,000	2,758,373
	HOUSING SECTION			
79	RENTS	307,500,000	307,500,000	232,710,001
80	TPS-ESTATES	6,000,000	6,000,000	1,906,980
81	EASTLANDS	307,500,000	307,500,000	262,564,462
82	RENTS-APPL/DEP/TRA/EVICTION	2,400,000	2,400,000	1,999,997
	TOTAL	4,375,400,000	4,375,400,000	1,821,165,784
	PUBLIC WORKS AND INFRASTRUCTURE			
91	PARKING FEES	2,763,000,000	2,763,000,001	1,545,226,999
92	CIVIL ENG. DRAWINGS	8,000,000	8,000,000	3,328,843
93	DAMAGE OF PAVEMENT/SLABS	120,000	120,000	116,440
94	HOARDING FEES	60,000,000	60,000,000	21,822,446
95	TAXI INSPECTIONS	240,000	240,000	600
96	OUTDOOR EVENTS & BUS SHELTERS	24,000,000	24,000,000	6,905,995
97	REMOVAL & STORAGE CHARGES	-	-	2,500
98	HIRE OF FLAGS/BUNTINGS	-	-	0
99	SALE OF BROKEN SLABS	-	-	0
100	ROAD CUTTINGS & REINSTATEMENTS	36,000,000	36,000,000	14,921,006
101	ELECTRICITY & MAINTENANCE	2,400,000	2,400,000	676,545
102	SURVEY FEES/Beacon/Encroachment	6,000,000	6,000,000	60,400
103	WAYLEAVE	150,000,000	150,000,000	110,074,106
	TOTAL	3,049,760,000	3,049,760,001	1,703,135,880

	REVENUE BY SOURCE	Approved	Revised	Actual Receipts
	EDUCATION, YOUTH AFFAIRS, SPORTS CULTURE & SOCIAL SERVICES			
	SOCIAL SERVICES			
104	CITY STADIUM/SPORTS GROUNDS	2,400,000	2,400,000	507,721
105	LIBRARY	480,000	480,000	138,100
106	SOCIAL HALLS	12,000,000	12,000,000	4,815,900
107	WAITHAKA TECHNICAL CENTRE	1,200,000	1,200,000	12,000
	SUB-TOTAL			
	EDUCATION			
108	PRE-UNIT FEES & CHARGES	30,000	30,000	613
109	REGISTRATION/INSPECTION OF SCH	30,000	30,000	10,000
110	HIRE OF HALLS/EQUIPMENTS	6,000,000	6,000,000	6,000
111	NURSERIES FEES & CHARGES	1,000,000	1,000,000	0
	SUB-TOTAL			
	TOTAL	23,140,000	23,140,000	5,490,334
	TRADE, INDUSTRIALIZATION, CO-OPERATIVE DEVELOPMENT AND TOURISM			
	MARKETS			
112	SINGLE BUSINESS PERMITS	2,892,000,000	2,892,000,000	1,586,716,661
113	TPS-MARKET RENTS	102,000,000	102,000,000	86,768,100
132	OTHER MARKETS	232,400,000	232,400,000	55,808,435
133	MUTHURWA MARKET	72,000,000	72,000,000	42,944,692
134	WAKULIMA MARKET	192,000,000	192,000,000	109,254,585
135	TRANSFER FEES-TPS/MKTS	1,200,000	1,200,000	373,300
136	BETTING CONTROL & LOTTERIES	120,295,889	120,295,889	1,331,442
	LIQUOR LICENSES	450,000,000	289,229,743.93	178,851,129
137	WEIGHTS & MEASURES	15,000,000	15,000,000	4,666,880
138	CO-OPERATIVE AUDIT	24,000,000	24,000,000	10,172,035
139	CO-OPERATIVE DEVELOPMENT	1,200,000	1,200,000	102,800
	TOTAL	4,102,095,889	3,941,325,633	2,076,990,059
	AGRICULTURE ,FORESTRY & NATURAL RESOURCES			
141	VET SERVICES	12,000,000	12,000,000	18,837,893
142	FISHERIES	3,000,000	3,000,000	40,000
143	ANIMAL POUNDS	100,000	100,000	0
144	DOG LICENCES	6,000,000	6,000,000	15,560
145	TREE CUTTING	4,500,000	4,500,000	2,690,552
146	SALE OF PLANTS/FIREWOOD	6,000,000	6,000,000	1,288,019
	TOTAL	31,600,000	31,600,000	22,872,024
	PUBLIC SERVICE MANAGEMENT			
147	HRM-ATTACHMENT/LOSS OF ID	542,000	542,000	
	OTHER MISCELLANEOUS INCOME			
148	BAIL/REFUNDS/IMPREST/DISPOSALS	-	-	241,974,853
	TOTAL	542,000	542,000	241,974,853
	TOTAL INTERNAL SOURCES (OSR)	17,316,295,889	17,155,525,634	8,523,449,021
EXTERNAL REVENUES				
150	Equitable Share	15,919,950,000	15,919,950,000	11,446,444,050.00
151	Conditional Grants			
152	Compensation For User Fees Foregone	79,423,251	79,423,251	79,423,251.0
153	Road Maintenance Levy 2018/2019	415,845,530	415,845,530	415,847,530.0
154	Road Maintenance Levy-2019/20	451,898,344	451,898,344	-
155	KDSP (Level 1 grant allocation)	30,000,000	30,000,000	30,000,000.0
156	Danida -Universal Healthcare in Devolved Governments	47,156,250	47,156,250	64,761,250.0
157	World Bank Loan for Transforming Health systems for universal healthcare	96,359,510	96,359,510	96,359,510.2
158	Conditional grant for Development of Youth Poly technics	22,998,298	22,998,298	22,998,292.0
159	Agriculture Development Support Project	21,183,840	21,183,840	13,341,920.0
161	Total External Revenues	17,084,815,023	17,084,815,023	12,169,175,803
162	TOTAL REVENUES AVAILABLE FY 2019/2020	34,401,110,912	34,240,340,657	20,692,624,824

	REVENUE BY SOURCE	Approved	Revised	Actual Receipts
163	Cash Balances			
164	Reconciled CRF balance relating to FY 2018/19	2,447,994,749.25	2,458,802,902.45	2,458,802,903.45
165	NBK REVENUE ACCOUNT-30th June 2020	90,630,284.00	90,630,284.00	90,630,284.00
166	Agriculture Development Support Project	11,000,000	11,000,000	11,000,000
167	Conditional grant for Development of Youth Poly technics	30,654,947	30,654,947	30,654,947
168	Liqour Board		149,962,097.30	149,962,098.30
	Sub-Total (Cash balances)	2,580,279,980	2,741,050,231	2,741,050,233
169	TOTAL FUNDING	36,981,390,892	36,981,390,888	23,433,675,057

SUMMARY OF EXPENDITURES BY SECTORS FOR THE FY 2019/2020

SECTOR	APPROVED Budget			Revised Budget			Actual Expenditure			Absorption		
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total
5311;COUNTY PUBLIC SERVICE BOARD	52,214,502	0	52,214,502	52,214,502	0	52,214,502	30,061,676	-	30,061,676	58	-	58
5312; OFFICE OF GOVERNOR & DEPUTY GOVERNOR	5,479,449,208	628,000,000	6,107,449,208	5,556,458,766	272,000,000	5,828,458,766	4,749,168,130	20,985,899	4,770,154,029	85	8	82
5313; ICT, E-GOVT & PUBLIC COMMUNICATIONS	203,511,356	349,000,000	552,511,356	192,666,522	373,000,000	565,666,522	108,464,025	-	108,464,025	56	-	19
5314; FINANCE & ECONOMIC PLANNING	4,660,771,540	862,106,000	5,522,877,540	5,644,716,371	1,063,106,000	6,707,822,371	4,469,567,160	674,375,296	5,143,942,456	79	63	77
5315; HEALTH	6,719,215,048	658,000,000	7,377,215,048	6,214,714,548	323,100,000	6,537,814,548	5,259,415,174	34,968,326	5,294,383,499	85	11	81
5316; URBAN PLANNING AND LANDS	488,475,285	168,000,000	656,475,285	441,736,946	100,846,067	542,583,013	349,553,598	5,011,573	354,565,171	79	5	65
5317; PUBLIC WORKS ,TRANSPORT & INFRASTRUCTURE	1,141,277,939	3,638,000,000	4,779,277,939	1,109,477,939	2,535,324,776	3,644,802,715	830,232,025	863,442,599	1,693,674,624	75	34	46
5318;EDUCATION,YOUTH AFFAIRS, SPORTS, CULTURE & SOCIAL SERVICES	1,534,805,021	441,654,947	1,976,459,968	1,636,481,850	247,803,165	1,884,285,015	871,847,646	60,741,562	932,589,208	53	25	49
5319; TRADE,COMMERCE,TOURISM & COOPERATIVES	611,904,578	473,500,000	1,085,404,578	575,786,893	128,000,000	703,786,893	386,774,274	15,899,687	402,673,961	67	12	57
5320;PUBLIC SERVICE MANAGEMENT	1,026,447,638	91,000,000	1,117,447,638	1,170,999,790	20,000,000	1,190,999,790	1,045,066,447	-	1,045,066,447	89	-	88
5321;AGRICULTURE, LIVESTOCK DEVELOPMENT, FISHERIES & FORESTRY	360,561,169	126,000,000	486,561,169	345,737,605	79,300,000	425,037,605	203,939,910	35,451,403	239,391,313	59	45	56
5322; COUNTY ASSEMBLY	1,409,977,879	1,530,000,000	2,939,977,879	1,409,977,879	44,700,000	1,454,677,879	1,303,773,508	-	1,303,773,508	92	-	90
5323; ENVIROMENT,WATER,ENERGY & NATURAL RESOURCES	1,519,801,814	463,000,000	1,982,801,814	1,650,457,065	230,794,031	1,881,251,096	1,416,129,859	54,008,708	1,470,138,567	86	23	78
5324;URBAN RENEWAL AND HOUSING	151,716,963	500,000,000	651,716,963	108,108,154	60,385,514	168,493,668	84,612,162	-	84,612,162	78	-	50
5325; WARD DEVELOPMENT PROGRAMME	39,000,000	1,304,000,000	1,343,000,000	34,424,080	1,305,375,165	1,339,799,245	11,577,789	202,802,728	214,380,517	34	16	16
5326; EMERGENCY FUND	100,000,000	0	100,000,000	250,000,000	0	250,000,000	43,103,000	-	43,103,000	17		17
5327; LIQOUR LICENSING BOARD	211,000,000	39,000,000	250,000,000	251,000,000	52,000,000	303,000,000	210,200,518	12,260,626	222,461,144	84	24	73
5328;NAIROBI METROPOLITAN SERVICES	-	-	-	2,251,600,000	1,249,097,260	3,500,697,260	-	-	-	-	-	-
TOTAL	25,710,129,941	11,271,260,947	36,981,390,888	28,896,558,910	8,084,831,978	36,981,390,888	21,373,486,901	1,979,948,407	23,353,435,309	74	24	63

FY 2019/2020 SUPPLEMENTARY BUDGET

BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMES FOR FY 2019/2020

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
5311000000 COUNTY PUBLIC SERVICE BOARD	0701000 P1 General Administration Planning and Support Services	52,214,502	0	52,214,502	52,214,502	0	52,214,502	30,061,676	-	30,061,676
	0701010 SP.1.1 General Administration Planning and Support Services	52,214,502		52,214,502	52,214,502	0	52,214,502	30,061,676		30,061,676
	Total 5311000000 COUNTY PUBLIC SERVICE BOARD	**52,214,502**	**0**	**52,214,502**	**52,214,502**	**0**	**52,214,502**	**30,061,676**	**-**	**30,061,676**
5312000000 OFFICE OF GOVERNOR & DEPUTY GOVERNOR	0718005310 General Administrative Services	2,835,819,404	183,000,000	3,018,819,404	2,634,431,199	42,000,000	2,676,431,199	2,233,667,195	8,985,899	2,242,653,094
	0718015310 Sp1 General Administration & Support Services	466,292,312	25,000,000	491,292,312	421,153,312	8,000,000	429,153,312	352,327,363	3,049,786	355,377,149
	0718025310 Sp2 Sub County Administration	1,925,002,186	148,000,000	2,073,002,186	1,887,052,981	34,000,000	1,921,052,981	1,643,725,180	5,936,113	1,649,661,293
	0718075310 Sp7 County Executive	355,423,965	0	355,423,965	234,623,965	0	234,623,965	181,689,644		181,689,644
	0718095310 Sp9 Audit	89,100,941	10,000,000	99,100,941	91,600,941	0	91,600,941	55,925,009		55,925,009
	0724005310 P 24 Security and Safety Management	2,088,579,879	43,000,000	2,131,579,879	2,022,084,878	0	2,022,084,878	1,748,036,267	-	1,748,036,267
	0724055310 Inspectorate	2,020,682,478	20,000,000	2,040,682,478	1,961,082,477	0	1,961,082,477	1,693,227,760		1,693,227,760
	0724015310 sp 24.1 investigative Services	67,897,401	23,000,000	90,897,401	61,002,401	0	61,002,401	54,808,507		54,808,507
	P; 0726005310:Disaster Management Coordination	279,744,784	371,000,000	650,744,784	270,687,547	230,000,000	500,687,547	162,024,276	12,000,000	174,024,276
	072601510: Fire & Disaster Management	279,744,784	371,000,000	650,744,784	270,687,547	230,000,000	500,687,547	162,024,276	12,000,000	174,024,276
	0725005310 P 25 management of legal affairs	275,305,142	31,000,000	306,305,142	629,255,142	0	629,255,142	605,440,391	-	605,440,391
	0725015310 sp 25.1 legal services	275,305,142	31,000,000	306,305,142	629,255,142	0	629,255,142	605,440,391		605,440,391
	Total 5312000000 OFFICE OF GOVERNOR & DEPUTY GOVERNOR	**5,479,449,208**	**628,000,000**	**6,107,449,208**	**5,556,458,766**	**272,000,000**	**5,828,458,765**	**4,749,168,130**	**20,985,899**	**4,770,154,029**
5313000000 ICT, E-GOVT & PUBLIC COMMUNICATIONS	0207000 P1: General Administration Planning and Support Services	95,011,356	12,000,000	107,011,356	99,890,049	0	99,890,049	82,791,953	-	82,791,953
	0207010 SP 1: General Administration, Planning And Support Services	95,011,356	12,000,000	107,011,356	99,890,049	0	99,890,049	82,791,953		82,791,953
	0208000 P2: Information And Communication Services	96,500,000	224,000,000	320,500,000	81,976,473	272,000,000	353,976,473	25,672,072	-	25,672,072
	0208010 SP 2.1: News And Information Services	72,500,000	10,000,000	82,500,000	64,250,000	0	64,250,000	22,123,737		22,123,737
	0208030 SP 2.3: ICT and Media Regulatory Services	9,500,000	0	9,500,000	8,671,373	0	8,671,373	1,912,925		1,912,925
	0208040 SP 2.4 E-Government Services	14,500,000	214,000,000	228,500,000	9,055,100	272,000,000	281,055,100	1,635,410	-	1,635,410
	0210005310 ICT Infrastructure Development	**12,000,000**	**113,000,000**	**125,000,000**	**10,800,000**	**101,000,000**	**111,800,000**	-	-	-
	0210010 SP1: ICT Infrastructure Connectivity	6,000,000	101,000,000	107,000,000	5,400,000	101,000,000	106,400,000	-	-	-

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
	0210035310 sp 3:Information Security	6,000,000	12,000,000	18,000,000	5,400,000	0	5,400,000	-		-
	Total 5313000000 ICT, E-GOVT & PUBLIC COMMUNICATIONS	**203,511,356**	**349,000,000**	**552,511,356**	**192,666,522**	**373,000,000**	**565,666,522**	**108,464,025**		**108,464,025**
5314000000 FINANCE & ECONOMIC PLANNING	**0701005310 Public Financial Management**	**3,512,010,835**	**692,106,000**	**4,204,116,835**	**4,604,298,491**	**1,063,106,000**	**5,667,404,491**	**3,600,161,329**	**674,375,296**	**4,274,536,625**
	0701015310 Assets Management Services	280,667,520	7,000,000	287,667,520	272,843,720	0	272,843,720	211,590,510		211,590,510
	0701065310 sp1.6 Accounting Services	2,668,588,840	583,106,000	3,251,694,840	3,969,177,397	1,063,106,000	5,032,283,397	3,179,349,353	674,375,296	3,853,724,649
	0701075310 sp1.7 Budget Formulation Coordination and mgt	181,599,010	0	181,599,010	113,705,010	0	113,705,010	47,534,824		47,534,824
	0701085310 sp1.8 Resource Mobilisation	253,754,600	102,000,000	355,754,600	125,494,700	0	125,494,700	70,626,413		70,626,413
	070115310 Debt Management Services	13,949,500		13,949,500	13,949,500	0	13,949,500	1,265,300		1,265,300
	0718085310 Sp8 Supply Chain Management	113,451,365	0	113,451,365	109,128,164	0	109,128,164	89,794,930		89,794,930
	0718005310 General Administrative Services	**999,314,417**	**0**	**999,314,417**	**936,079,417**	**0**	**936,079,417**	**838,906,035**	**-**	**838,906,035**
	0718015310 Sp1 General Administration & Support Services	999,314,417	0	999,314,417	936,079,417	0	936,079,417	838,906,035		838,906,035
	0719000 P3: Economic and Financial Policy Formulation and Management	**149,446,289**	**170,000,000**	**319,446,289**	**104,338,463**	**0**	**104,338,463**	**30,499,795**	**-**	**30,499,795**
	0719010 SP 3.1 Fiscal Policy Formulation, Development and Management	149,446,289	170,000,000	319,446,289	104,338,463	0	104,338,463	30,499,795		30,499,795
	Total 5314000000 FINANCE & ECONOMIC PLANNING	**4,660,771,540**	**862,106,000**	**5,522,877,540**	**5,644,716,371**	**1,063,106,000**	**6,707,822,371**	**4,469,567,160**	**674,375,296**	**5,143,942,456**
5315000000 HEALTH	**0401000 P.1 Preventive & Promotive Health Services**	**245,001,723**	**8,000,000**	**253,001,723**	**232,501,723**	**8,000,000**	**240,501,723**	**185,332,552**	**-**	**185,332,552**
	0401115310 HIV/AIDS Prevention & Control Unit	4,440,402	0	4,440,402	3,366,402	0	3,366,402	75,000		75,000
	0401125310 TB Control	2,200,000	0	2,200,000	1,393,700	0	1,393,700	-		-
	0401135310 Malaria Control & Other Communicable Diseases	1,400,000	0	1,400,000	973,100	0	973,100	117,600		117,600
	0401145310 Reproductive Health & Maternal Health (RMNCAH)	148,661,321	0	148,661,321	147,860,421	0	147,860,421	145,312,152		145,312,152
	0401155310 Enviromental / Public Health	88,300,000	8,000,000	96,300,000	78,908,100	8,000,000	86,908,100	39,827,800	-	39,827,800
	0402005310 Curative care	**470,788,679**	**567,000,000**	**1,037,788,679**	**285,788,679**	**282,000,000**	**567,788,679**	**96,426,573**	**34,968,326**	**131,394,898**
	0402065310 sp.2.6 County Referral Hospitals	342,450,000	390,000,000	732,450,000	207,002,000	153,200,000	360,202,000	73,431,756	28,654,901	102,086,656
	0402075310 sp.2.7 Health Centres & dispensaries	128,338,679	177,000,000	305,338,679	78,786,679	128,800,000	207,586,679	22,994,817	6,313,425	29,308,242
	0404005310 General administration, planning and support services	**6,003,424,646**	**83,000,000**	**6,086,424,646**	**5,696,424,146**	**33,100,000**	**5,729,524,146**	**4,977,656,049**	**-**	**4,977,656,049**
	0404015310 Sp4.1 Administration/Human Resource for Health	5,291,466,646	33,100,000	5,324,566,646	5,180,642,446	0	5,180,642,446	4,699,776,808		4,699,776,808
	0404025310 Sp4.2 Health Policy,Planning & Financing	20,000,000	29,900,000	49,900,000	13,258,900	13,100,000	26,358,900	2,276,509	-	2,276,509
	0404035310 sp 4.3 Health Commodities	651,957,500	0	651,957,500	480,263,800	0	480,263,800	275,048,376		275,048,376

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
	0404045310 sp 4.4 Research, Quality assurance & standards unit	17,000,500	10,000,000	27,000,500	10,121,700	10,000,000	20,121,700	554,356	-	554,356
	0404055310 sp 4.5 Coroner services unit	23,000,000	10,000,000	33,000,000	12,137,300	10,000,000	22,137,300	-	-	-
	Total 5315000000 HEALTH	**6,719,215,048**	**658,000,000**	**7,377,215,048**	**6,214,714,548**	**323,100,000**	**6,537,814,548**	**5,259,415,174**	**34,968,326**	**5,294,383,499**
5316000000 URBAN PLANNING AND LANDS	**0106000 P 6 General Administration Planning and Support Services**	**213,837,689**	**0**	**213,837,689**	**213,837,689**	**0**	**213,837,689**	**192,306,604**	**-**	**192,306,604**
	0106010 SP.6.1 Administration, Planning & Support Services	213,837,689	0	213,837,689	213,837,689	0	213,837,689	192,306,604		192,306,604
	0114005310 P.8:Urban Planning, compliance & enforcement	**53,700,000**	**144,000,000**	**197,700,000**	**14,961,661**	**92,232,226**	**107,193,887**	**9,814,792**	**1,207,796**	**11,022,588**
	0114015310 sp 8.1 Urban planning	32,500,000	77,000,000	109,500,000	9,731,567	72,000,000	81,731,567	7,854,366	1,207,796	9,062,162
	0114025310 sp 8.2 Enforcement and compliance	21,200,000	67,000,000	88,200,000	5,230,094	20,232,226	25,462,320	1,960,426	-	1,960,426
	0115005310 P.9:Land management	**220,937,597**	**24,000,000**	**244,937,597**	**212,937,596**	**8,613,841**	**221,551,437**	**147,432,203**	**3,803,777**	**151,235,980**
	0115015310 sp 9.1 valuation services	44,000,000	12,500,000	56,500,000	39,330,300	4,500,000	43,830,300	5,755,807	3,803,777	9,559,584
	0115025310 sp 9.2 land survey	162,937,597	7,500,000	170,437,597	160,933,096	2,800,000	163,733,096	139,683,828		139,683,828
	0115035310 sp 9.3 Administrative services	14,000,000	4,000,000	18,000,000	12,674,200	1,313,841	13,988,041	1,992,568		1,992,568
	Total 5316000000 URBAN PLANNING AND LANDS	**488,475,285**	**168,000,000**	**656,475,285**	**441,736,946**	**100,846,067**	**542,583,013**	**349,553,598**	**5,011,573**	**354,565,171**
5317000000 PUBLIC WORKS ,TRANSPORT & INFRASTRUCTURE	**0207000 P1: General Administration Planning and Support Services**	**1,078,097,939**	**0**	**1,078,097,939**	**1,066,497,939**	**0**	**1,066,497,939**	**811,474,350**	**-**	**811,474,350**
	0207010 SP 1: General Administration, Planning And Support Services	1,078,097,939		1,078,097,939	1,066,497,939	0	1,066,497,939	811,474,350		811,474,350
	0211005310 P5:Roads,Drainage & Bridges	**23,400,000**	**3,234,460,000**	**3,257,860,000**	**17,900,000**	**2,270,884,776**	**2,288,784,776**	**10,708,143**	**728,199,990**	**738,908,133**
	0211015310 sp 5.1 Construction Roads & Drainages & Maintenance	23,400,000	3,234,460,000	3,257,860,000	17,900,000	2,270,884,776	2,288,784,776	10,708,143	728,199,990	738,908,133
	0212005310 P6:Road Safety Interventions	**19,480,000**	**168,140,000**	**187,620,000**	**17,280,000**	**69,440,000**	**86,720,000**	**6,386,324**	**44,890,031**	**51,276,355**
	0212015310 sp 6.1 Transport Facilities & Traffic Management	19,480,000	168,140,000	187,620,000	17,280,000	69,440,000	86,720,000	6,386,324	44,890,031	51,276,355
	0213005310 P7: Institutional Buildings & Maintenance	**20,300,000**	**235,400,000**	**255,700,000**	**7,800,000**	**195,000,000**	**202,800,000**	**1,663,209**	**90,352,578**	**92,015,786**
	0213015310 sp 7.1 Public streetlighting Installations & Maintenances	7,000,000	223,000,000	230,000,000	2,000,000	195,000,000	197,000,000	1,663,209	90,352,578	92,015,786
	0213025310 sp 7.2 Motor Vehicle,Machinery & Plant Maintenance	6,800,000	4,400,000	11,200,000	5,800,000	0	5,800,000	-		-
	0213035310 sp 7.3 Institutional Buildings Maintenance	6,500,000	8,000,000	14,500,000	0	0	0	-		-
	Total 5317000000 PUBLIC WORKS ,TRANSPORT & INFRASTRUCTURE	**1,141,277,939**	**3,638,000,000**	**4,779,277,939**	**1,109,477,939**	**2,535,324,776**	**3,644,802,715**	**830,232,025**	**863,442,599**	**1,693,674,624**
5318000000 EDUCATION,YOUTH	**0508005310 General administration, planning and support services**	**1,149,631,494**	**0**	**1,149,631,494**	**1,270,471,548**	**0**	**1,270,471,548**	**668,866,733**	**-**	**668,866,733**

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
AFFAIRS, SPORTS, CULTURE & SOCIAL SERVICES	0508025310 sp 8.2 General Administration & Support Services	1,149,631,494		1,149,631,494	1,270,471,548	0	1,270,471,548	668,866,733		668,866,733
	0509005310 P9 Education services	84,650,000	153,654,947	238,304,947	83,408,040	100,885,708	184,293,748	2,598,400	32,352,982	34,951,382
	0509015310 sp 9.1 Quality Assurance and Co-curriculum	1,000,000	0	1,000,000	847,200	0	847,200	267,200		267,200
	0509025310 sp 9.2 Early Childhood Development Centres	78,400,000	70,000,000	148,400,000	78,160,000	30,000,000	108,160,000	-	-	-
	0509035310 sp 9.3 Technical and Vocational Training	5,250,000	83,654,947	88,904,947	4,400,840	70,885,708	75,286,548	2,331,200	32,352,982	34,684,182
	0902005310 2.1 Social Services	300,523,527	288,000,000	588,523,527	282,602,262	146,917,457	429,519,719	200,382,513	28,388,580	228,771,093
	0902015310 General Administration & Support Services	173,773,527	5,000,000	178,773,527	170,983,527	2,000,000	172,983,527	149,858,025	1,999,950	151,857,975
	0902025310 Sp.2.2 Gender and Community Empowerment	5,800,000	25,000,000	30,800,000	4,840,000	12,500,000	17,340,000	783,703	-	783,703
	0902035310 Sp2.3 Development and promotion of culture/ heritage	5,150,000	33,000,000	38,150,000	4,198,440	17,000,000	21,198,440	880,300	-	880,300
	0902045310 Sp2.4 Development and promotion of sports	54,000,000	185,000,000	239,000,000	50,213,624	83,417,457	133,631,081	31,367,388	10,691,260	42,058,648
	0902055310 Sp2.5 Youth Empowerment and Promotion	18,300,000	8,000,000	26,300,000	17,281,290	0	17,281,290	14,035,942		14,035,942
	0902065310 Sp 2.6 Social welfare and care for the Aged	18,000,000	12,000,000	30,000,000	14,542,960	12,000,000	26,542,960	1,714,800	8,178,017	9,892,817
	0902075310 Sp 2.7 Promotion of Library and Information Services	4,300,000	0	4,300,000	3,515,421	0	3,515,421	377,105		377,105
	0902085310 Sp.2 8 Rescue and Rehabilitation of Children Services	21,200,000	20,000,000	41,200,000	17,027,000	20,000,000	37,027,000	1,365,250	7,519,353	8,884,603
	Total 5318000000 EDUCATION,YOUTH AFFAIRS, SPORTS, CULTURE & SOCIAL SERVICES	1,534,805,021	441,654,947	1,976,459,968	1,636,481,850	247,803,165	1,884,285,015	871,847,646	60,741,562	932,589,208
5319000000 TRADE,COMMERCE,TOURISM & COOPERATIVES	**0301000 P.1 General Administration Planning and Support Services**	412,123,278	16,000,000	428,123,278	408,687,118	0	408,687,118	355,661,137	-	355,661,137
	0301010 SP1 General Administration Planning and Support Services	412,123,278	16,000,000	428,123,278	408,687,118	0	408,687,118	355,661,137		355,661,137
	0310005310 P.10 Co-operative Development and Audit Services	37,781,300	8,500,000	46,281,300	30,225,300	0	30,225,300	8,265,817	-	8,265,817
	0310015310 sp 10.1 Cooperative Development Services	28,000,000	6,000,000	34,000,000	22,400,000	0	22,400,000	8,030,817		8,030,817
	0310025310 sp 10.2 Cooperative Audit Services	9,781,300	2,500,000	12,281,300	7,825,300	0	7,825,300	235,000		235,000
	0311005310 P.11 Tourism Promotion and Marketing	31,000,000	12,000,000	43,000,000	24,800,000	0	24,800,000	1,153,900	-	1,153,900
	0311015310 sp 11.1 Tourism Development	31,000,000	12,000,000	43,000,000	24,800,000	0	24,800,000	1,153,900		1,153,900

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
	0312005310 P.12 Trade development and Market Services	71,000,000	379,000,000	450,000,000	62,030,000	103,000,000	165,030,000	15,202,171	15,899,687	31,101,858
	0312015310 sp 12.1 Trade Development	43,000,000	127,000,000	170,000,000	36,630,000	46,000,000	82,630,000	2,981,001	-	2,981,001
	0312025310 sp 12.2 Market Services	28,000,000	252,000,000	280,000,000	25,400,000	57,000,000	82,400,000	12,221,170	15,899,687	28,120,857
	0313005310 P.13 Licensing and Fair Trade Practices	60,000,000	58,000,000	118,000,000	50,044,475	25,000,000	75,044,475	6,491,249	-	6,491,249
	0313015310 sp 13.1 Liquor Licensing & Regulation			0			0			-
	0313025310 sp 13.2 Weights & Measures Services	17,000,000	45,000,000	62,000,000	13,599,975	25,000,000	38,599,975	340,300	-	340,300
	0313035310 sp 13.3 Trade Licensing Services	25,000,000	10,000,000	35,000,000	21,644,500	0	21,644,500	44,000		44,000
	0313045310 sp 13.4 Betting & Gaming Services	18,000,000	3,000,000	21,000,000	14,800,000	0	14,800,000	6,106,949		6,106,949
	Total 5319000000 TRADE,COMMERCE,TOURISM & COOPERATIVES	**611,904,578**	**473,500,000**	**1,085,404,578**	**575,786,893**	**128,000,000**	**703,786,893**	**386,774,274**	**15,899,687**	**402,673,961**
5320000000 PUBLIC SERVICE MANAGEMENT	0701000 P1 General Administration Planning and Support Services	250,662,603	40,000,000	290,662,603	257,531,132	0	257,531,132	220,151,636	-	220,151,636
	0701010 SP.1.1 General Administration Planning and Support Services	250,662,603	40,000,000	290,662,603	257,531,132	0	257,531,132	220,151,636		220,151,636
	0710000 P 5: Public Service Transformation	746,785,035	36,000,000	782,785,035	887,592,428	20,000,000	907,592,428	821,231,106	-	821,231,106
	0710010 S.P.5.1 Human Resource Management	665,000,000	36,000,000	701,000,000	813,824,480	20,000,000	833,824,480	796,832,044	-	796,832,044
	0710020 S.P.5.2 Human Resource Development	81,785,035	0	81,785,035	73,767,948	0	73,767,948	24,399,062		24,399,062
	0723005310 P 23 Performance Management and Public Service Delivery	29,000,000	15,000,000	44,000,000	25,876,230	0	25,876,230	3,683,705	-	3,683,705
	0723015310 sp 23.1 Performance Contracting management	10,000,000	0	10,000,000	9,033,680	0	9,033,680	1,745,758		1,745,758
	0723025310 sp 23.2 Governance Monitoring and Evaluation	10,000,000	15,000,000	25,000,000	8,862,550	0	8,862,550	1,725,348		1,725,348
	0723035310 sp 23.3 Quality Management Systems and ISO certification	9,000,000	0	9,000,000	7,980,000	0	7,980,000	212,599		212,599
	Total 5320000000 PUBLIC SERVICE MANAGEMENT	**1,026,447,638**	**91,000,000**	**1,117,447,638**	**1,170,999,790**	**20,000,000**	**1,190,999,790**	**1,045,066,447**		**1,045,066,447**
5321000000 AGRICULTURE, LIVESTOCK DEVELOPMENT, FISHERIES & FORESTRY	0106000 P 6 General Administration Planning and Support Services	225,481,909	6,000,000	231,481,909	221,295,211	0	221,295,211	198,523,916	-	198,523,916
	0106010 SP.6.1 Administration, Planning & Support Services	225,481,909	6,000,000	231,481,909	221,295,211	0	221,295,211	198,523,916		198,523,916
	P;0119005310:Urban Agriculture Promotion & Regulation	88,564,210	60,000,000	148,564,210	83,462,495	30,300,000	113,762,495	4,745,494	-	4,745,494
	019015310: Crop Development and Management	65,520,566	20,000,000	85,520,566	62,630,862	11,000,000	73,630,862	3,361,223	-	3,361,223

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
	0119025310: Fisheries Development and mangement	11,509,644	20,000,000	31,509,644	9,953,644	5,000,000	14,953,644	752,384	-	752,384
	0119035310: Livestock Resources management and development	11,534,000	20,000,000	31,534,000	10,877,989	14,300,000	25,177,989	631,887	-	631,887
	0116005310 P.10:Animal Health, Safety and Quality Assurance	**16,152,413**	**39,000,000**	**55,152,413**	**16,152,413**	**39,000,000**	**55,152,413**	**290,000**	**35,451,403**	**35,741,403**
	0116015310 sp 10.1 Animal Research, Diseases, Pest Control & Quality Assuarance	16,152,413	39,000,000	55,152,413	16,152,413	39,000,000	55,152,413	290,000	35,451,403	35,741,403
	0117005310 P.11:Aforestation	**13,532,637**	**11,000,000**	**24,532,637**	**11,396,687**	**10,000,000**	**21,396,687**	-	-	-
	0117015310 sp 11.1 Forestry Services	13,532,637	11,000,000	24,532,637	11,396,687	10,000,000	21,396,687	-	-	-
	0118015310 Food Systems and Surveillance	**16,830,000**	**10,000,000**	**26,830,000**	**13,430,800**	**0**	**13,430,800**	**380,500**	-	**380,500**
	0118015310 sp18:1 Food Systems and Surveillance Services	16,830,000	10,000,000	26,830,000	13,430,800	0	13,430,800	380,500		380,500
	Total 5321000000 AGRICULTURE, LIVESTOCK DEVELOPMENT, FISHERIES & FORESTRY	**360,561,169**	**126,000,000**	**486,561,169**	**345,737,605**	**79,300,000**	**425,037,605**	**203,939,910**	**35,451,403**	**239,391,313**
COUNTY ASSEMBLY	07220001 Legislation, Oversight and Representation	1,409,977,879	1,530,000,000	2,939,977,879	1,409,977,879	44,700,000	1,454,677,879	1,303,773,508	-	1,303,773,508
	07220001 Legislation, Oversight and Representation	1,409,977,879	1,530,000,000	2,939,977,879	1,409,977,879	44,700,000	1,454,677,879	1,303,773,508		1,303,773,508
	Total COUNTY ASSEMBLY	**1,409,977,879**	**1,530,000,000**	**2,939,977,879**	**1,409,977,879**	**44,700,000**	**1,454,677,879**	**1,303,773,508**	-	**1,303,773,508**
5323000000 ENVIROMENT,WATER, ENERGY & NATURAL RESOURCES	**1001005310 P1 General Administration & Support Services**	**557,476,815**	**10,000,000**	**567,476,815**	**509,103,119**	**0**	**509,103,119**	**460,656,406**	-	**460,656,406**
	1001015310 Sp1 General Administration & Support Services	557,476,815	10,000,000	567,476,815	509,103,119	0	509,103,119	460,656,406		460,656,406
	1002005310 P2 Environment Management and Protection.	**910,324,999**	**153,000,000**	**1,063,324,999**	**1,114,353,946**	**150,200,000**	**1,264,553,946**	**946,818,583**	**46,550,000**	**993,368,583**
	1002035310 sp 2.3 Solid waste management	859,237,878	133,000,000	992,237,878	1,059,237,878	142,700,000	1,201,937,878	932,489,314	46,550,000	979,039,314
	1002045310 sp 2.4 Beautification, Recreation and Greening Services	28,687,121	15,000,000	43,687,121	37,171,908	5,000,000	42,171,908	9,157,669	-	9,157,669
	1002055310 sp 2.5 Environment planning Management Services	22,400,000	5,000,000	27,400,000	17,944,160	2,500,000	20,444,160	5,171,600	-	5,171,600

VOTE CODE TITLE	PROGRAMME CODE AND TITLE	APPROVED 2019/2020 FY Budget			Revised 2019/2020 FY Budget			Actual Expenditure		
		Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total	Gross Recurrent	Gross Development	Total
	1004005310 P4 Water Resources Management	52,000,000	300,000,000	352,000,000	27,000,000	80,594,031	107,594,031	8,654,869	7,458,708	16,113,577
	1004055310 sp 4.5 Energy & Natural resources	52,000,000	300,000,000	352,000,000	27,000,000	80,594,031	107,594,031	8,654,869	7,458,708	16,113,577
	Total 5323000000 ENVIROMENT,WATER,ENERGY & NATURAL RESOURCES	**1,511,801,814**	**463,000,000**	**1,982,801,814**	**1,650,457,065**	**230,794,031**	**1,881,251,096**	**1,416,129,859**	**54,008,708**	**1,470,138,567**
5324000000 URBAN RENEWAL AND HOUSING	0102000 P.2 Housing Development and Human Settlement	42,400,000	281,500,000	323,900,000	11,941,841	60,385,514	72,327,355	3,143,225	-	3,143,225
	0102045310 SP4 Urban Renewal	16,500,000	281,500,000	298,000,000	5,194,241	60,385,514	65,579,755	1,306,025	-	1,306,025
	0102055310 SP5 Management of Rental Housing	25,900,000		25,900,000	6,747,600	0	6,747,600	1,837,200		1,837,200
	0106000 P 6 General Administration Planning and Support Services	94,516,963	208,500,000	303,016,963	94,516,963	0	94,516,963	80,649,187	-	80,649,187
	0106010 SP.6.1 Administration, Planning & Support Services	94,516,963	208,500,000	303,016,963	94,516,963	0	94,516,963	80,649,187		80,649,187
	0113005310 P.7: Building Services	14,800,000	10,000,000	24,800,000	1,649,350	0	1,649,350	819,750	-	819,750
	0113015310 sp 7.1 Building services research and information	14,800,000	10,000,000	24,800,000	1,649,350	0	1,649,350	819,750		819,750
	Total 5324000000 URBAN RENEWAL AND HOUSING	**151,716,963**	**500,000,000**	**651,716,963**	**108,108,154**	**60,385,514**	**168,493,668**	**84,612,162**		**84,612,162**
5325000000 WARD DEVELOPMENT PROGRAMMES	0214005310 P8:Ward Development	39,000,000	1,304,000,000	1,343,000,000	34,424,080	1,305,375,165	1,339,799,245	11,577,789	202,802,728	214,380,517
	0214015310 sp 8.1 Ward Development & Administration	39,000,000	1,304,000,000	1,343,000,000	34,424,080	1,305,375,165	1,339,799,245	11,577,789	202,802,728	214,380,517
	Total 5325000000 WARD DEVELOPMENT FUND	**39,000,000**	**1,304,000,000**	**1,343,000,000**	**34,424,080**	**1,305,375,165**	**1,339,799,245**	**11,577,789**	**202,802,728**	**214,380,517**
5326000000 EMERGENCY FUND	0718005310 General Administrative Services	100,000,000	-	100,000,000	250,000,000	-	250,000,000	43,103,000	-	43,103,000
	0718015310 Sp1 General Administration & Support Services	100,000,000	0	100,000,000	250,000,000	0	250,000,000	43,103,000		43,103,000
	5326000000 EMERGENCY FUND	**100,000,000**	**0**	**100,000,000**	**250,000,000**	**0**	**250,000,000**	**43,103,000**		**43,103,000**
5327000000 LIQOUR LICENSING BOARD	0313015310 sp 13.1 Liquor Licensing & Regulation	211,000,000	39,000,000	250,000,000	251,000,000	52,000,000	303,000,000	210,200,518	12,260,626	222,461,144
	0313015310 sp 13.1 Liquor Licensing & Regulation	211,000,000	39,000,000	250,000,000	251,000,000	52,000,000	303,000,000	210,200,518	12,260,626	222,461,144
	Total 5327000000 LIQOUR LICENSING BOARD	**211,000,000**	**39,000,000**	**250,000,000**	**251,000,000**	**52,000,000**	**303,000,000**	**210,200,518**	**12,260,626**	**222,461,144**
	5328000100 Nairobi Metropolitan Services				2,251,600,000	1,249,097,260	3,500,697,260			-
	5328000000 NAIROBI METROPOLITAN SERVICES				**2,251,600,000**	**1,249,097,260**	**3,500,697,260**			
	Total Voted Expenditure KSh.	**2,514,129,191**	**1,127,250,247**	**3,641,379,888**	**4,896,549,219**	**3,084,461,970**	**7,981,011,188**	**1,774,603,901**	**1,979,148,401**	**3,753,752,302**
	% of total expenditure	70	30	100	78	22	100			

*647# → for KRA
*235# → County government.

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Parking Revenue Operations Report
Saturday 28th November 2020

ON-STREET ZONE	Sub-Zones	Parking Slots	Validated Parking Slots	Validated Attendants	*647# Vehicles	*235# Vehicles	Total Vehicles	Conversion Rate	% Slots Paid	*647# Revenue	*235# Revenue	Incharge
D	1,2,3,4,5,6,7,9, 11,12,13 & 14	4,674	3,936	67	1,767	489	2,256	78%	57%	369,920	189,400	Robert.M/Lewis.K/Anne M/David.M/Joseph.N/S me.N/Brenda.A
OMBO MUNYIRI	17	434	515	11	97	6	103	94%	20%	30,600	1,200	Bonface Mutuku
JABE	8	316	363	5	72	11	83	87%	23%	18,000	2,200	Faridah Mutuku
ESTLANDS	16	848	660	9	215	32	247	87%	37%	47,600	6,400	Fred Kubai
GRIDGE	16	85	85	3	17	2	19	89%	22%	3,400	400	Fred Kubai
GIRI	16	25	28	0	1		1	100%	4%	200		Fred Kubai
HIRU	16	5	0	0			-	0%	0%			Fred Kubai
NGEMI	16	5	5	0			-	0%	0%			Fred Kubai
PERHILL	10	163	284	5	18	8	26	69%	9%	3,600	1,600	Hassan Ibrahim
MMUNITY	10	368	57	3	2		2	100%	4%	1,200		Hassan Ibrahim
NGATA RD	10	85		0	1		1	100%	1%	200		Hassan Ibrahim
LIMANI	10	40		0			-	0%	0%			Hassan Ibrahim
THURAI	29	75		1	3		3	0%	4%	1,400		Ken Ndegwa
ARA	15	669	374	7	62	15	77	81%	21%	13,200	3,000	Kennedy Ndegwa
TTHAIGA	28	96		0	6	2	8	75%	8%	2,800	400	Kennedy Ndegwa
NGANI	15	153		0		1	1	0%	1%		200	Kennedy Ndegwa
WANI	15	20		0			-	0%	0%			Kennedy Ndegwa
RIOKOR	15	76		0	1		1	100%	1%	200		Kennedy Ndegwa
SARANI	23	292		4	8		8	100%	3%	1,600		Kennedy Ndegwa
IBAKASI /UTAWALA	22	143		2	15		15	100%	10%	3,000		Luca Mburu
DUSTRIAL AREA	19,20,21	3,013		49	271	52	323	84%	11%	93,400	33,600	Luca Mburu/ Joel Ngang
LIMANI	30	59	24	0	4	2	6	67%	25%	800	400	Parick Mbugua
REN	30	203	100	2	18	4	22	82%	22%	5,200	800	Parick Mbugua
RLINGHAM	30	108	13	0		2	2	0%	15%		400	Parick Mbugua
VINTONG	30	119	101	2	3		3	100%	3%	1,400		Parick Mbugua
GORETTI	31	60	50	1	3		3	100%	6%	600		Parick Mbugua
ONG ROAD	26	173	123	5	42	1	43	98%	35%	10,000	200	Patrick Mbugua
YA	30	20	0	0			-	0%	0%			Patrick Mbugua
STLEIGH	24	470		7	66	19	85	78%	18%	22,400	4,600	Simon Kibe
RUBURU	25	215	218	3	27	1	28	96%	13%	5,400	200	Simon Kibe
W PUMWANI RD	24	104	109	0			-	0%	0%			
ARKETS/BORDERS/OTHERS						3	3	0%	0%		450	
tal		13,116	7,045	186	2,719	650	3,369	61%	12%	636,120	245,450	

OFF-STREET CAR PARKS	Sub-Zones	Parking Slots	Validated Parking Slots	Validated Attendants	NRS	Revenue Sure	Total Vehicles	Conversion Rate	% Slots Paid	*647# Revenue	*235# Revenue	Incharge
NKEN		241					-	0%	0%			Philip Soi
GH/LAW COURT		30					-	0%	0%			Philip Soi
UNTRY BUS		59				26	26	0%	44%		18,090	Bonface Mbithuka
Total		330			0	26	26		8%	0	18,090	

Pathfinder 8

Paper laid on 30/06/2020
by Hon. Chege Mwaura - Ed
Chairperson Finance, Budget &
Appropriations Committee

COUNTY GOVERNMENT OF NAIROBI CITY

NAIROBI CITY COUNTY ASSEMBLY

SECOND ASSEMBLY – FOURTH SESSION

26TH REPORT OF THE SELECT COMMITTEE ON COUNTY FINANCE, BUDGET AND APPROPRIATIONS

ON

THE CONSIDERATION OF THE REVENUE AND EXPENDITURE ESTIMATES FOR THE NAIROBI CITY COUNTY GOVERNMENT AND THE COUNTY ASSEMBLY FOR THE FY 2020-21

JUNE 2020

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I.PREAMBLE

Madam Speaker, the consideration of these estimates has been undertaken in the backdrop of extraordinary circumstances both within and outside the County's boarders. These deliberations mark the third time that this Second Assembly has had the opportunity to consider and make determination on the County's estimates of revenues and expenditures prepared pursuant to the provisions of Section 131 (1) of the Public Finance Management (PFM) Act, 2012, the Public Finance Management (County Government) Regulations 2015 and Standing Order 222. Global review of the devolution progress indicates that this is the eight time that the County Assembly shall be called upon to take a position on resources meant to shape the County's development compass. Including these estimates, the County Assembly shall have granted approval for expenditure of amounts totaling over Kshs. 200billion since the onset of the devolution model in the year 2013.

Madam Speaker, it is once again imperative to remind this honorable House that the provisions of Article 221 of the Constitution requires that at least two months before the end of the financial year, the County Executive Committee Member for Finance should submit to the County Assembly, the estimates of the revenue and expenditure of the county government for the next financial year. At the same time the Clerk to the County Assembly is also required to table the estimates for the County Assembly Service Board. The global pandemic on the corona virus has affected the operations of the County Assembly especially given that its local ramifications coincided with the peak of the budget process when the County Government was in the process of finalizing its consideration of the County Fiscal Strategy Paper for 2020. On or around the same period the County Government executed a Deed of Transfer which gave the National Government authority to determine the strategic direction for the heath, planning, transport and ancillary functions.

This mix of factors therefore worked jointly to delay consideration of the CFSP and by extension led to late tabling and consideration of the budget estimates for the FY 2020-21. In this regard therefore, whereas the budget estimates for the two arms of government were submitted to the County Assembly within the statutory timelines, their tabling was differed to grant the County Assembly latitude to consider and adopt the FSP. Having been submitted and in line with the provisions of Standing Order 222 the Estimates of Revenues and Expenditures stood committed to the Sectoral Committees and the Finance, Budget and Appropriations Committee for consideration and reporting. The PFM law and the Nairobi City County Assembly Standing Orders require that when finalizing the consideration of any budget document, the Budget Committee shall consult the Sectoral Committees, members of the public and the County Executive Committee Member for Finance. In furtherance of the provisions of Standing Order 119 (6), the Sectoral Committees are expected to consider the estimates, take into account the views of the respective Sector Chief Officers and County Executive Committee Members and thereafter make submissions to the Budget Committee.

Madam Speaker, the consideration of these estimates was guided by the County Assembly Finance, Budget & Appropriations Committee which comprises of the following 23 Members:

1.	**Hon. Chege Mwaura, MCA**	**Chair**
2.	**Hon. Michael Ogada, MCA**	**Vice- Chair**
3.	Hon. Robert Mbatia, MCA	
4.	Hon. Patrick Karani, MCA	
5.	Hon. Mary Ariviza, MCA	
6.	Hon. Emapet Kemunto, MCA	
7.	Hon. Millicent Jagero, MCA	
8.	Hon. Samora Mwaura, MCA	
9.	Hon. Herman Azangu, MCA	
10.	Hon. Millicent Mugadi, MCA	

11. Hon. Susan Mukungu, MCA
12. Hon. Catherine Okoth, MCA
13. Hon. Emily Oduor, MCA
14. Hon. Margaret Mbote, MCA
15. Hon. Elijah Mputhia, MCA
16. Hon. John Mukiri, MCA
17. Hon. Paul Shilaho, MCA
18. Hon. Samuel Muchene, MCA
19. Hon. Fredrick Okeyo, MCA
20. Hon. Cecilia Ayot, MCA
21. Hon. Mellab Atema, MCA
22. Hon. Kennedy Oyugi, MCA
23. Hon. Paul Ndungu, MCA

Madam Speaker, the Nairobi City County Assembly Finance, Budget and Appropriations Committee is constituted under the provisions of Standing Order 199 and mandated to: -

a) investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget;
b) discuss and review the estimates and make recommendations to the County Assembly;
c) examine the County Fiscal Strategy Paper presented to the County Assembly;
d) examine Bills related to the county budget, including Appropriations Bills; and
e) Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlay.

Examination of the Budget Estimates for the FY 2020-21

Madam Speaker, presentation of budget estimates in any given financial year marks the end of a budget cycle which starts with the issuance of the budget circular by the CECM- Finance and Economic Planning. The budget circular

provides guidelines on issues that accounting officers should take into account when preparing their respective budgets. The County Assembly has already approved the Annual Development Plan for the FY 2020-21 setting out the development priorities for the coming financial year, the County Fascial Strategy Paper 2020-21 outlining the broad strategic objectives for the County plus the individual Sector ceilings and the Debt Management Strategy Paper which details the County's marshal plan on debts and debts repayment. These estimates submitted therefore intend to inject the necessary resources required to actualize the contents of the planning documents already approved by this house.

Madam Speaker, in reviewing the Budget Estimates for FY 2020-21, the Committee held virtual and physical meetings in which the Committee received submissions from the County Executive Committee Member responsible for Finance, the Chairs of Sectoral Committees, the Secretary to the County Assembly Service Board and the members' public. The Committee has taken into account all the submissions from the key stakeholders before finalizing this report.

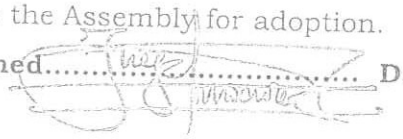
Acknowledgments

Madam Speaker, the Committee is sincerely grateful to: -

a) Offices of the Clerk and the Speaker for the support received throughout this process;
b) Sectoral Committees who reviewed the budget estimates for their respective Sectors and appeared before the Budget Committee to make their presentations;
c) Officers from the County Executive, led by the County Treasury, who appeared before the Sectoral Committee and the Finance Committee for the purposes of making submissions on the estimates;
d) Members of the Finance, Budget and Appropriations Committee who dedicated their time to ensure that the task of reviewing the estimates is done diligently and within the limited statutory timelines; and

e) The County Assembly Budget Office who continually provided guidance to the Committees on the estimates.

Madam Speaker, it is therefore my pleasant duty and privilege, on behalf of the Finance, Budget & Appropriations Committee to table this report and recommend it to the Assembly for adoption.

Signed.....  **Date**.....30th June 2020.....

Hon. Chege Mwaura, MCA

Chairman: Finance, Budget and Appropriations Committee

II. SCRUTINY OF THE BUDGET ESTIMATES FOR THE FY 2020-21

A. Overall Budget for the FY 2020-21

1. **Hon. Speaker**, in line with the approved ceilings in the County Fiscal Strategy Paper, the total County budget is proposed to equal Kshs. 31.434billion out of which Kshs. 25billion is meant for recurrent expenditures while Kshs. 6.4billion has been earmarked for development initiatives. With these allocations the development budget represents about 20% of the overall budget for the coming financial year. Comparing these intended allocations to the revised budget for the FY 2019-20 there is proposed downward revision of the recurrent budget by Kshs. 3billion with the development budget being reduced by Kshs. 2billion. In the course of scrutiny of these estimates the Committee noted that budget document presented has not presented the Budget Summary which would ordinarily detail the expected theme of the budget and what it entails to achieve.

2. Further, **Hon. Speaker,** the proposed budget contains allocations for the functions that have been transferred to the National Government. During these deliberations the Committee was made aware of the approved budget for the National Government in which budget for the Nairobi Metropolitan Services (NMS) being the implementing agency for the functions has been domiciled in the Presidency with an allocation of Kshs. 27.92billion. The Committee continues to emphasize that the proposed resources for transferred functions need to be subject of mutual consensus among the parties as the same are not in tandem with the Deeds of Transfer. The Committee heard from the County Treasury that there is pending work to be done on the funding of NMS including on how to settle salaries for the County Government including the transferred staff, the handling of ongoing projects and the details of the budget thus far prepared by the NMS.

3. Review of the estimates indicates that the allocation for development has been reduced drastically to below 30% mark as required by the underpinning provisions of the Public Finance Management Act. **Madam Speaker,** evidence on record continue to show that absorption of development budget is still lackluster. As at the end of third quarter of the current financial year the County had spent just about Kshs. 1.25billion out of the total revised budget of Kshs. 8billion. This expenditure nine months into the financial year represented a fall in absorption by about Kshs. 1billion compared to the FY 2018-19.

4. It is imperative to point out **Madam Speaker** that the provisions of Section 107 (2) of the PFM Act requires that over the medium term a minimum of thirty percent of the county governments budget shall be allocated to the development expenditure. The Committee has noted, for the FY 2020-21, the allocation for development expenditure stands at 20% of the total budget. Most fundamentally the Committee was taken aback that over the last few financial years, supplementary budgets have been used to drastically lower the development votes. This departs from the express provisions of Regulation 25 (g) require that Counties do not only allocate funds for development but also utilize the allocated amounts for development.

5. On the specific Sector budget Madam Speaker, the Public Health Department being a transferred function has the highest number of devolved staff and is projected as the largest consumer of recurrent budget at Kshs. 6.5billion or 26% of the total recurrent budget followed by the Finance Sector at Kshs. 5.9billion and Governor's Office at Kshs. 5billion or about 20% of the total county recurrent budget. The Water, Energy and Environment Sector which is in charge of managing the City's garbage collection and water infrastructure has been granted Kshs. 1.6billion for recurrent initiatives. The enhanced allocation for Finance Sector is to help undertake debt repayments, as well as manage fiscal reforms. To support legislative mandate of the County Assembly,

Kshs. 1.48billion has been allocated for recurrent while Kshs. 500million has been set aside for development programmes under the legislative arm of government.

6. Another transferred function on Public Works and Infrastructure Sector leads in development allocation at Kshs. 2.89billion constituting just about 45% of the overall development budget. Compared to the allocations contained in the budget for the current financial year, the Public Works budget has been rationalized on the negative by Kshs. 750million. The WDF has been allocated Kshs. 1.3billion being the similar amount as the figure set aside in the current financial year.

B. Financing the 2020-21 Budget

7. **Madam Speaker**, the tabled budget estimates have envisaged that in the FY 2020-21 the total county revenues shall comprise of Kshs. 16.78 billion from the national government's transfers and Kshs. 14.65 billion from internal sources making the total revenue to the County Revenue Fund to equal Kshs. 31.43 billion. The projected internal revenue projections have been reduced by about Kshs. 3billion compared to the figures contained in the budget for the current financial year. Previous data on revenue performance indicate that the County has not been on top gear in realizing it internal revenue targets. As was submitted during the consideration of the CFSP, the Committee continues to emphasize that the initiated mechanisms to improve the collections between the Kenya Revenue Authority and the County Government may need to be interrogated for efficacy.

8. **Madam Speaker** the Committee noted that during the pronouncement of the budget highlights for the National Government, the Cabinet Secretary for the National Treasury communicated that to fund the NMS Kshs. 15.95billion will be plucked out of the County's equitable share while Kshs. 9.78billion will be

out of the internal sources of revenue. With this position the Committee submits that the County may be required to relinquish 100% of its share and just about 90% of its internal revenues based on the budget performance for the FY 2018-19. To fully realize this, the Committee projects that the County may need to have available about Kshs. 43billion to ensure that non-transferred functions are not deprived of resources. The High Court has pronounced itself on the matter and given the parties adequate time to correct any legal loopholes that might have remained unsealed during the operationalization the Deed. The Committee has therefore considered the tabled estimates in full cognizance of these prevailing realities awaiting resolution on the pending issues including consideration and approval of the County Allocation of Revenue Act 2020.

9. Additionally, **Madam Speaker** the submitted budget proposes that no cash balances shall be carried forward to the coming financial year in effect assuming seamless implementation and absorption of the current budget. It is true that the pandemic has limited government operations and hence it is expected to ice most expenditures. Relying on the trend data it is shown that in the FY 2018-19 and FY 2019-20 the actual bank balances carried forward were Kshs. 1.3billion and Kshs. 2.5billion respectively. The Committee has advised the County Treasury to ensure that any bank balances not spent by the end of this financial year are appropriated by this house before being utilized for any intended purposes.

10. **Madam Speaker,** review of the revenue performance in the financial year 2019-20 indicates that the internal revenue figures for the current financial year are still overambitious. It is conclusive to assert that the major technological reforms that have been initiated in various revenue heads are yet to deliver upward surge on revenue growth and expansion of the revenue basket. As at end of March 2020, nine months into the financial year, the total internal revenues stood at Kshs. 7.16 billion against the revised revenue

target for the FY 2019-20 at Kshs. 17.2 billion, representing an overall performance of 42%. This was a drop from FY 2018-19 of Kshs. 8.2 billion at the same period. To achieve this target therefore the County should collect about Kshs.10 billion in the fourth quarter of the current financial year.

C. Review of Compliance of The Budget Estimates for The FY 2020-21 to the Prevailing Legislation

11. **Madam Speaker,** the budget process and the role of this County Assembly in that regard is guided by Chapter 12 of the Constitution, the PFM Act 2012, the PFM (County Government) Regulations 2015 and the County Assembly Standing Orders. The Finance, Budget and Appropriations Committee is charged with the responsibility of ensuring that budget documents submitted and approved by the County Assembly meet the set legal and statutory requirements. This section of the report would hence endeavor to address issues related to fidelity to the law.

12. **Madam Speaker,** the provisions of Section 129 (2) (a) of the PFM Act, 2012 requires that the budget estimates be submitted to the Assembly together with any supporting documents and all bills that are necessary to implement the budget. In this regard the County Treasury submitted the itemized and the program-based budgets which link the resources being requested for various activities to the outputs that the public would derive from such monumental expenditures. The Committee notes that as opposed to the previous financial year, the County Treasury did not submit the monitoring and evaluation report thereby making it a herculean task to determine the status of implementation of various programmes approved in the current financial year. On the requirement of the provisions of Section 129 (2) (b) of the Act which decrees that the County Executive Committee Member for finance shall ensure that the estimates submitted in subsection (a) are in accordance with the resolutions adopted by the County Assembly on the County Fiscal Strategy Paper the Committee observed that there was considerable attempt to align the two

documents with each other. The Committee observed that by and large the estimates submitted had complied with the resolutions on the County Fiscal Strategy Paper and any areas of deviation would be pointed out for amendment. Most importantly is that all Sectors had complied with the budget ceilings as approved in the CFSP.

13. **Madam Speaker,** the provisions of Section 130 (1) of the PFM Act, 2012 further states that the budget summary submitted on the budget estimates shall include the following: -

a) A summary of budget policies including revenue, expenditure, debt and deficit financing;
b) A statement of how the budget relates to the fiscal responsibility principles and the financial objectives; and
c)A memorandum by the County Executive Committee member for Finance explaining how the resolutions adopted by the county Assembly on the budget estimates have been taken into account.

14. **Madam Speaker**, as has been stated the submitted budget did not contain the budget summary as required by the provisions of the law. The County Treasury therefore left a lot for guesswork with regard to upfront understanding of the fiscal reasoning that informed the budget, the assumptions underpinning the revenue projections for the coming financial year, the expenditure allocation criteria, the public finance management reforms to be pursued, the debt financing mechanisms and the extent of adherence to the fiscal responsibility principles. The Committee hence recommends that the County Treasury shall always ensure that this express provision of Section 130 (1) (a) of the PFM Act, 2012 is complied with and any failure be a basis for inadmissibility of any presented budget.

15. **Madam Speaker,** the provisions of Section 130 (1) (b) of the PFM Act, 2012 stipulates that the budget estimates shall include: -

a) List of all county government entities that are to receive funds appropriated from the budget of the county government;
b) Estimates of revenue projected from the Equalization fund over the medium term;
c) All revenue allocations from the national government over the medium term including conditional and unconditional grants;
d) All other estimated revenue by broad classification;
e) All estimated expenditure, by Vote, and by programme, identifying both recurrent and development expenditure;
f) Information regarding loans made to the county government, including an estimate of the principal, interest and other charges to be paid by that county government in the financial year in respect of those loans;
g) Information relating to any payments and liabilities to be made or incurred by the county government for which appropriation is not included in an Appropriation Act, together with the constitutional or national legislative authority for any such payments or liabilities; and
h) A statement by the County Executive Committee Member for Finance specifying the measures taken by the county government to implement any of the County Assembly recommendations.

16. **Madam Speaker,** the Committee noted that while most of the above requirements were met, the estimates had no narrative on how the County Treasury had rolled out the resolutions of the County Assembly on the budget estimates for the FY 2019-20.

17. **Madam Speaker,** the provisions of the PFM Regulations have provided additional benchmarks to consider while preparing and approving budget estimates. These include:

a) All budget proposals shall be supported by the county government entity strategic plan;
b) All revenue and expenditure shall be entered into county government budget estimates;
c) Expenditure entered into the budget estimates shall be authorized for one financial year only;
d) Budget revenue and expenditure shall be balanced;
e) Total budget shall cover total expenditure and therefore except as provided by legislation, there shall be no use of specific revenue to finance specific expenditure;
f) The CECM- Finance shall cause to be conducted public hearings on the estimates and views received from the public included by the Accounting Officers.

18. **Madam Speaker,** once again during the consideration of these estimates the Committee could not confirm whether the County government entities have strategic plans in support of the expenditures being requested. On a positive note, the Committee can report that the tabled budget estimates have details of revenues and expenditures included in the budget estimates, expenditures are authorized for FY 2020-21 only, the revenue and expenditures are balanced and there are no earmarked expenditures not backed by legislation.

D. Summary of Key Issues Arising from Public Hearings

19. **Madam Speaker**, the provisions of Article 221 (5) of the Constitution and Section 131 (2) of the PFM Act, 2012 require that before the Assembly considers the estimates the relevant Committee in finalizing its recommendations on the budget estimates to the Assembly shall take into account the views of the public in the proposed recommendations. To satisfy these legal provisions and also to ensure that the public remain a cornerstone of the County budget process, the County Assembly placed an advert on the dailies on Thursday 18th June 2020

calling on the Members of the public to submit their comments on the estimates. In line with the Ministry of Health guidelines on ban of public gatherings the Finance Committee opted against holding a physical meeting to receive comments on the estimates. However, the Committee wishes to report that at the time of tabling this report no submission had been received on the estimates.

E. Submissions from Sectoral Committees

20. **Madam Speaker,** the provisions of Standing Order 222 (4) require that the estimates be considered by all the Sectoral Committees in line with their respective mandates and report to the Finance, Budget and Appropriations Committee. In this regard the Committee received approved reports of Sectoral Committees on the estimates with insights into the Sectoral budget performance for the FY 2019-20, the planned Sector priorities as well as accompanying budgetary allocations for the FY 2020-21. The following were the recommendations that the Sectoral Committees made to the Budget Committee

Agriculture, Livestock and Fisheries Sector

a) Following the examination of the 2020-21 Budget Estimates, the Sectoral Committee on Agriculture, Livestock and Fisheries recommends to the Finance, Budget and Appropriations Committee to adopt the Sector's budget estimates as tabled.

Health Services Committee

a) Following the examination of the 2020-21 Budget Estimates, the Sectoral Committee on Health Services recommends to the Finance, Budget and Appropriations Committee to adopt the Sector Budget Estimates as tabled.

Justice and Legal Affairs Committee

a) That the Sector reprioritizes within its budget to provide funds for the Internal Audit and Risk Management and sub county administration department;
b) That the Finance, Budget and Appropriations Committee approves the Sector's expenditure proposal in the Budget Estimates for the FY 2020/21 for the General administration, supply chain management and security and safety management Sector;
c) The inspectorate department should clarify the budget allocation for the recruitment of constables.

Sectoral Committee on Trade, Tourism and Cooperatives

a) That the budget estimates Sector for the Sector of Commerce, Tourism and Cooperatives be approved as tabled;
b) That the following policy measures be initiated under the Sector in the FY 2020/21;
    — The Sector to develop a policy on County Loans Scheme to support the SMEs before the end of the financial year 2019/20;
    — The County to develop á policy where procurement of development projects to be done within the first quarter of the financial year;
    — The Sector should establish measures to reduce the rollover of projects every financial year.

Education, Youth Affairs, Sports, Culture & Social Services Sector

a) That the Select Committee on County Finance, Budget and Appropriations to approve additional funds to the tune of the Ksh.642 million for projects to enable the Sector achieves its development objective;
b) That the Sector should start the procurement process immediately at the beginning of the financial year to avoid last minute cancellation of tenders which hampers commencement of projects;
c) That the Sector should prioritize the roll over projects that were cancelled at the tender stage the previous financial year; tendering process should commence immediately at the start of the FY 2020/2021 to avoid delay;

d) That the County Executive should move with speed and publish the Nairobi City County Bursary Fund Regulations of 2018 which provide for the establishment of the Executive Bursary and Scholarship Co-ordination Committee and the Ward Bursary Committees.

Culture and Community Services

a) **That for Security, Compliance, Fire and Disaster Management Sector** to fully implement its mandate, the sector recommends increase of development expenditure by Ksh. 290 million, recurrent expenditure by Ksh. 120 million and compensation of employees amounting by Ksh. 500 million.

b) **That for Education, Youth Affairs, Children, Sports, Culture and Social Service Sector** to fully implement its mandate, the sector recommends the following additional funding in its budget:

— Ksh. 60 Million to complete an ongoing phase 2 rehabilitation of City Stadium;

— Ksh.3 Million to complete the ongoing construction of Dandora II social hall;

— Ksh. 5.5Million to the awarded construction of Dandora I Social Hall;

— Ksh. 5.5Million to construct an awarded construction of Kabiro Social Halls;

— Ksh. 6Million in the construction of Umoja social halls;

— Ksh. 9 Million in the ongoing completion of construction of Joseph Kangethe centre;

— Ksh. 40 Million for equipping the newly constructed and rehabilitated social halls;

— Ksh. 15 Million for the completion of a perimeter fence;

— Ksh. 23Million for the awarded rehabilitation of 10 No. social halls;

— Ksh. 33 Million phase 1 on the construction of a stadium in Woodley ward;

— Ksh. 9 Million for the completion of a perimeter wall at Mji wa Huruma;

— Ksh. 10 Million for the construction of a perimeter wall at Waithaka;

— Ksh. 45 Million for the phase 2 on the construction of the ongoing 4 No. of stadia in Buini and Ziwani.

c) **Liqour Licensing Department** recommends as follows in order to fully implement its mandate;

1) Ksh. 17,000,000 for construction of eight sub county containerized liquor offices;
2) Ksh. 30, 000,000 for construction of a rehabilitation centre; and
3) Ksh 3,000,000for electrical installation of the new sub-county offices.

Environment and Natural Resources

a) The Sectoral Committee on Environment and Natural Resources after examination of the budget estimates recommends to the Finance, Budget and Appropriations Committee that the Sector budget estimates be considered and approved as tabled.

Water and Sanitation

a) That the recurrent expenditure programs be approved as contained in the tabled budget estimates 2020/2021;
b) The development expenditure be approved as contained in the tabled budget estimates 2020/2021;
c) That the Rolled over projects from the Financial Year 2019/2020 should be given first priority during the implementation of the capital projects for the 2020/2021 Budget Estimates.

Labour and Social Welfare

a) **That Youth, Gender and Social Services** sectors be granted additional of Kshs. 244,500,000 for Development Expenditure and Ksh. 241,189,169 for Recurrent Expenditure;
b) **That County Public Service Board** be granted an allocation of Ksh. 15.4million for development expenditure and recurrent expenditure Ksh. 65,214,609;

c) **That Public Service Management** sector needs a total allocation of Ksh. 2,835,940,000 being Kshs. 717,000,000 for development expenditure and Kshs. 2,118,940,000 for recurrent expenditure.

Transport and Public Works Sector

a) In the 2020-21 Budget Estimates, Public Works, Transport and Infrastructure has an allocation of Kshs. 4,037million consisting of Kshs. 1,147million for recurrent expenditure and Ksh2,890 million for development expenditure.

b) After examining the budget estimates, the Sectoral Committee on Transport and Public Works makes the following recommendations to the Select Committee on County Finance, Budget and Appropriations:

a) That, the estimates be approved as tabled;

b) That, the County Executive Committee Member responsible for Public Works, Roads and Transport to continuously engage with the County Treasury with a view to enhancing timely release of finances in order to ensure that Sector plans are implemented without challenges and enhance the actual absorption of allocated funds;

c) The Committee recommends that the Sector expedites the formulation of the quality of works guidelines which contractors will adhere to.

ICT, E- Government and Public Communication Sector

a) That recurrent expenditure ceiling of the Information, Communication and E-Government Sector be maintained at Kshs 208 million and that of the development be increased from Kshs 270 million to Kshs 304 million.

Ward Development Fund

a) The Committee recommends that the Select Committee on Budget, Finance and appropriations approves Budget Estimates for the Wards Development Fund as proposed in the report with an increment **of Kshs. 361, 100,075** which is for the roll over projects for FY 2019/2020.

Lands, Planning and Housing

a) Following the examination of the 2020-21 Budget Estimates, the Sectoral Committee on Lands, Planning and Housing recommends to the Finance, Budget and Appropriations Committee to adopt the Sector's budget estimates as tabled.

b) The Committee further recommends that the following policy measures be initiated under the Urban Planning, Lands and Urban Renewal and Housing:

— That to enhance absorption of development funds, the sector liaises with the Finance and Urban Planning Sector to designate Chief Offices as the accounting officers in the Sectors;

— That a procurement officer be permanently seconded to the Sector to facilitate expeditious execution of capital expenditure.

F. General Observations of the Finance, Budget and Appropriations Committee on The Sectors Budget Estimates for the FY 2020-21

21. Madam Speaker, the provisions of the Public Finance Management Act 2012 are explicit that the County Governments should be preparing program-based budgets that shift focus from inputs to outputs related to the resources being requested. During these deliberations the Committee noted with concern that despite this being the sixth financial year that the County Government was preparing programme based budgets, the estimates submitted had numerous gaps making them an inappropriate yardstick for monitoring and evaluation at the end of the financial year. Most Sectors had in most cases not met the required threshold in definition of programmes, projection of possible outputs, assigning of targets and related key performance indicators. On the

performance review, the Committee noted that several sectors had not provided a narrative on the extent to which previous resource allocations have been helpful at helping achieve the desired outcomes. It was specifically observed that some of the KPIs provided could not provide an appropriate measurement for utilization of the resources requested. Further the Budget Committee observed that the baseline and targets provided were not measurable against the resources requested. To address this challenge, the Committee has called upon the County Treasury to build the capacity of the Sectors and Sector accountants on aspects of budgets with more emphasis on how to prepare program-based budgets that meet the tenets of the legal requirements. The Committee shall be following up on this to ensure that the budgets that are approved by this house meet the tenets of good budgeting practice.

22. **Madam Speaker,** the Committee continues to emphasize that there is need to ensure that budgets approved by the County Assembly are effective tools for monitoring and evaluation. During the review of these estimates the Committee noted that there were various areas of increases or reductions in the budget for which no explanations were provided. The Committee has urged the County Treasury to ensure that budgets submitted to the County Assembly have adequate supporting documents as an eye opener for the people mandated to scrutinize the same.

23. Hon. Speaker, while the County proposes to allocate Kshs.6.4billion towards development, the Finance Committee has noticed that only an average 10% of the allocations have been actually utilized in development in previous budgets. Of note is that the development budget for the coming financial year is projected to fall to be about 20% of the overall projected budget for the FY 2020-21. Of more interest is that over the years there has been challenges in utilization of amounts allocated to development. This is contrary to the PFM (County Government) Regulations 2015 which requires that over the medium

term a minimum of thirty percent of the county government's budget shall be spent on the development expenditure. The Committee notes that in the past the County has used supplementary budgets to reduce the development allocations with recurrent expenditures rising due to the ease of access and approval. To solve this problem, the Committee has once again agreed with the County Treasury on the need to find a way to fasten tedious approval process of development related activities and solve the related procurement bottlenecks in the County.

24. **Madam Speaker,** the Finance Committee notes that the continuous inability of the County to achieve its revenue targets has led to a state of continuous roll over of projects. While approving the CIDP 2018 – 22 and the ADP 2020-21 the Assembly set out new projects and programmes to be implemented during the period. However, despite this well-intentioned proposal, the Committee has noted that there are projects that have remained resident in the budget books. The Committee notes that the document is populated by projects that commenced in the previous financial years and which have continuously been rolled over due to limited resources to ensure full implementation. he only way to mitigate this is to improve revenue collection in the County. To support this process, the County Assembly has approved the Revenue Administration Act and the report of the inquiry into the revenue performance for the County Government which contain well informed proposals on how to improve and ensure optimal revenue collection.

25. **Madam Speaker**, during these deliberations the County Treasury lamented to the Committee that the County Treasury has had its litany of challenges in having a harmonious working relationship with the NMS. The need for consensus building in matters of mutual benefit to the advancement of spirit of devolution is paramount and cannot be over-emphasized. Whereas the Committee has undertaken to bring everyone to the table and solve any pending issues, the need for the County Treasury to be a good partner to the

County Assembly is of utmost importance. The Committee insists that the County Executive Committee Member for Finance must provide guidance to the budget actors on all matters related to public finance within the County Government.

G. Committee's Recommendations

26. **Madam Speaker,** the remainder of this report should be construed as an amendment on the submitted budget for the financial year 2019-20 with an aim of ensuring that it is aligned to the County Fiscal Strategy Paper and other County planning documents while taking into account the recommendations of the County Executive Committee Member for Finance and the Sectoral Committees:

27. **Madam Speaker**, the Committee noted various critical issues during the consideration of the estimates which it would like addressed. In addition to the proposals contained in other parts of this report, the Committee proposes that the Assembly resolves as follows: -

a) That the budget for the County Government be adjusted to ensure that the budget for the County Assembly is accommodated at Kshs. 1.409billion for recurrent and Kshs. 600.7million for development activities;

b) That in line with the Nairobi City County Persons Living with Disabilities Act 2015, the budget for the County Government be adjusted to provide an amount not less than 1% of the total budget for programmes and activities for persons living with disabilities;

c) That the County Government budget be adjusted to provide resources for rehabilitation of street children and street families;

d) That the County Government holds a consultative meeting with the Kenya Revenue Authority to develop a joint framework for enhancement of revenue collection and the same be captured in the Finance Bill 2020;

e) That in line with the provisions of Section 148 of the Public Finance Management Act, 2012 the County Treasury assigns full accounting functions to respective Sector Chief Officers;

f) That to provide resources for development, the allocations for Operations and Maintenance across all Sectors excluding the County Assembly be reduced by 20%; and

g) That the above changes be captured in the Appropriations Bill 2020 to be submitted to the County Assembly.

Mr. Speaker Sir, in conclusion and pursuant to the provisions of Section 131 (1) of the Public Finance Management Act 2012 and Standing Order 222 (6) the Select Committee on County Finance, Budget and Appropriations recommends that:

This County Assembly adopts the Report of the Finance, Budget and Appropriations Committee on Consideration of the Budget Estimates for the Nairobi City County Government and County Assembly for the FY 2020-21.

ADOPTION OF THE COMMITTEE REPORT ON THE CONSIDERATION OF THE REVENUE AND EXPENDITURE ESTIMATES FOR THE FINANCIAL YEAR 2020/2021.

The following members appended their signatures to signify their agreement with the report:-

No	NAME	SIGN
1.	Hon. Chege Mwaura, MCA - Chairperson	
2.	Hon. Michael Ogada, MCA – V/Chairperson	
3.	Hon. Mary Arviza, MCA	
4.	Hon. Fredrick Okeyo, MCA	
5.	Hon. Emapet Kemunto, MCA	
6.	Hon. Millicent Jagero, MCA	
7.	Hon. Samora Mwaura, MCA	
8.	Hon. Herman Azangu, MCA	
9.	Hon. Millicent Mugadi, MCA	
10.	Hon. Susan Makhungu, MCA	
11.	Hon. Margaret Mbote, MCA	
12.	Hon. Robert Mbatia, MCA	
13.	Hon. Elijah Mputhia, MCA	
14.	Hon. Patrick Karani, MCA	
15.	Hon. Paul Ndungu, MCA	
16.	Hon. Paul Shilaho, MCA	
17.	Hon. Catherine Okoth, MCA	
18.	Hon. John Mukiri, MCA	
19.	Hon. Samuel Muchene, MCA	
20.	Hon. Cecilia Ayot, MCA	
21.	Hon. Mellab Atema, MCA	
22.	Hon. Kennedy Oyugi, MCA	
23.	Hon. Emily Ondenje, MCA	

MINUTES OF THE 36TH SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY FINANCE, BUDGET & APPROPRIATIONS COMMITTEE HELD ON TUESDAY, 30TH JUNE, 2020 AT 9.30 AM AT BIBLICA HOTEL, NAIROBI

PRESENT

1. Hon. Chege Mwaura, MCA — Chairperson
2. Hon. Michael Ogada, MCA — Vice Chairperson
3. Hon. Fredrick Okeyo, MCA
4. Hon. Emily Oduor, MCA
5. Hon. Emapet Kemunto, MCA
6. Hon. Millicent Jagero, MCA
7. Hon. Samora Mwaura, MCA
8. Hon. Herman Azangu, MCA
9. Hon. Margaret Mbote, MCA
10. Hon. Paul Ndung'u, MCA
11. Hon. Paul Shilaho, MCA
12. Hon. Catherine Okoth, MCA
13. Hon. John Mukiri, MCA
14. Hon. Samuel Muchene, MCA
15. Hon. Mary Arivitsa, MCA

ABSENT

1. Hon. Robert Mbatia, MCA
2. Hon. Millicent Mugadi, MCA
3. Hon. Susan Makhungu, MCA
4. Hon. Elijah Mputhia, MCA
5. Hon. Patrick Karani, MCA
6. Hon. Cecilia Ayot, MCA
7. Hon. Mellab Atema, MCA
8. Hon. Kennedy Oyugi, MCA

IN-ATTENDANCE – County Executive

1. Mr. Allan Igambi – CEC Finance & Economic Planning
2. Mr. James Ngunjiri – County Budget Office
3. Mr. Tiras Kamau – County Budget Office
4. Mr. Johnson Abwori – Head of County Treasury
5. Mr. Shaban Asman – County Revenue
6. Mr. Geoffrey Sianga - Economist

SECRETARIAT:

1. Mr. Asman Omweri – Clerk Assistant
2. Titus Ndirangu – Clerk Assistant

BUDGET OFFICE

1. Erick Roberts – Fiscal Analyst

MIN135/NCCA/FBAC/JUNE/2020: PRELIMINARIES

— The Chair of the session called the meeting to order at 9.40 a.m. and opened the meeting with a word of prayer. He then welcomed Members and the secretariat present to the meeting and took them through the agenda as follows: -

AGENDA

1. Preliminaries
2. Meeting with CEC Finance and Economic Planning regarding the Revenue & Expenditure Estimates for the Financial Year 2020/2021.
3. Adoption of the Report on Revenue & Expenditure Estimates for the Financial Estimates for the Financial Year 2020/21
4. Any Other Business
5. Adjournment

— The agenda of the meeting was proposed by Hon. Herman Azangu and seconded by Hon. Millicent Jagero.

MIN139/NCCA/FBAC/JUNE/2020: - CONSIDERATION OF THE REVENUE & EXPENDITURE ESTIMATES FOR THE FINANCIAL YEAR 2020/2021.

The Acting County Assembly Clerk, the County Executive Committee Member in charge of Finance and Economic Planning and his team briefed the Committee on the Revenue & Expenditure Estimates for the Financial Year 2020/2021.

An officer from the County Assembly Budget Office presented an analysis of the Budget Estimates and the following observations were made:

- In line with the approved ceilings in the County Fiscal Strategy Paper, the total County budget is proposed to equal Kshs. 31.434billion out of which Kshs. 25billion is meant for recurrent while Kshs. 6.4billion has been earmarked for development initiatives. With these allocations the development budget represents about 20% of the overall budget for the coming financial year. Comparing these intended allocations to the revised budget for the FY 2019-20 there is proposed downwards revision of the recurrent budget by Kshs. 3billion with the development budget being reduced by Kshs. 2billion.
  i. *The budget document presented has not presented the Budget Summary which would ordinarily detail the expected theme of the budget and what it entails to achieve.*
  ii. *The proposed budget contains allocations for the functions that have been transferred to the National Government. This is despite the fact that the budget for the Nairobi Metropolitan Services being the implementing agency for the functions has been domiciled in the Presidency with an allocation of Kshs. 27.92billion*
  iii. *As was pointed out during the consideration of the CFSP, the proposed resources for transferred functions may not have been subject to mutual consensus among the parties as the same are not in tandem with the Deeds of Transfer. The proposed allocations are lower than the figures appropriated in the annual estimates for the FY 2019-20.*
  iv. *The overall budget estimates have not provided a breakdown of the overall budget by Economic Classification hence it may not be easy to determine changes in those global budget components at a glance.*
  v. *The allocation for development has been reduced drastically to below 30% mark as required by the underpinning provisions of the Public Finance Management Act. Evidence on record continue to show that absorption of development budget is still lackluster. As at the end of third quarter of the current financial year the County had spent just about Kshs. 1.25billion out of the total revised budget of Kshs. 8billion. This expenditure nine months into the financial year represented a fall in absorption by about Kshs. 1billion compared to the FY 2018-19.*
  vi. *Section 107 (2) of the PFM Act requires that over the medium term a minimum of thirty percent of the county governments budget shall be allocated to the development expenditure. As has been noted, for the FY 2020-21, the allocation for development expenditure stands at 20% of the total budget. It is important to note that over the last few financial years, supplementary budgets have been used to drastically lower the development votes. This departs from the express provisions of*

Regulation 25 (g) require that Counties do not only allocate funds for development but also utilize the allocated amounts for development.

- The Public Health Department being a transferred function has the highest number of devolved staff is the largest consumer of recurrent budget at Kshs. 6.5billion or 26% of the total recurrent budget followed by the Finance Sector at Kshs. 5.9billion and Governor's Office at Kshs. 5billion or about 20% of the total county recurrent budget. The Water, Energy and Environment Sector which is in charge of managing the City's garbage collection and water infrastructure has been granted Kshs. 1.6billion for recurrent initiatives. The enhanced allocation for Finance Sector is to help undertake debt repayments, as well as manage fiscal reforms. To support legislative mandate of the County Assembly, Kshs. 1.48billion has been allocated for recurrent while Kshs. 500million has been set aside for development programmes under the legislative arm of government.
- Another transferred function on Public Works and Infrastructure Sector leads in development allocation at Kshs. 2.89billion constituting just about 45% of the overall development budget. Compared to the allocations contained in the budget for the current financial year, the Public Works budget has been rationalized on the negative by Kshs. 750million. The WDF has been allocated Kshs. 1.3billion being the similar amount as the figure set aside in the current financial year.
- Comparison of the overall budget figures with the ceilings approved in the County Fiscal Strategy Paper 2020 indicates that the overall budget is per the ceilings approved in the CFSP.
- In the FY 2019-20, the County Assembly had a total budget of Kshs. 2.94 billion out of which Kshs. 1.409 billion was for recurrent expenditure and Kshs. 1.53billion for development expenditures. The development budget for the County Assembly was rationalized in the Second Supplementary Estimates to Kshs. 44.7million. For the financial year 2019-20 the County Assembly budget estimates for recurrent expenditures is proposed at Kshs. 1.48billion and development expenditures at Kshs. 500 million bringing a total budget of Kshs. 1.98billion according to the tabled estimates for the County Government. However, according to the individual budget estimate by the County Assembly Service Board the overall budget for the Board stands at Kshs. 2billion consisting of Kshs. 1.409billion for recurrent and Kshs. 600million for development. This

i. *Whereas the allocations in the main budget document are in tandem with the ceilings approved in the County Fiscal Strategy Paper for the FY 2020-21, the individual budget for the County Assembly Service Board creates a budget deficit of Kshs. 30.7million.*
ii. *The draft County Allocation of Revenue Bill 2020 has set the recurrent ceilings for the County Assembly at the figure approved in CARA 2019 at Kshs. 1.409billion.*
iii. *Review of the economic budget classification indicates that the Assembly projects to spend Kshs. 867million on compensation to employees, Kshs. 511million on Use of Goods and Services with additional Kshs. 32million being earmarked for Acquisition of recurrent assets. The expenditures project an increase of the allocations for Compensation to Employees by about Kshs. 100 million with allocation for Operations and maintenance falling by almost similar amount.*

iv. *The narrative in the budget indicates differing positions on whether there was allocation for development in the last approved supplementary budget for the FY 2019-20.*

v. *During the consideration of the supplementary budget for the current financial year, it was indicated that the mega project for construction/purchase of office block had been differed to the following financial year, a position that has now been cemented in these estimates to a 'later period'.*

- The County Assembly is an independent arm of the County Government mandated to perform the legislative functions within the County including approval of County laws, policies, budgets and expenditures; integrated development plans, tariffs, rates and service charges. Some of the salient issues with regard to the County Assembly program-based budget are: -

i. *Programme objectives refer to specific results that should be achieved. The County Assembly has provided select achievements that were realized with the resources allocated in the budget for the current financial year but there remains a weak link between that baseline and the projected outputs for the coming financial year. It is noteworthy that whereas the recurrent ceilings have remained constant over the two financial years, the targets have in most cases been enhanced in the FY 2020-21. The number of Bills to be considered has been increased to 15 in the coming financial year.*

ii. *The achievements provided by the County Assembly indicates five Bills considered with three more being under consideration. However, information is lacking on the reporting period for these achievements and whether the list is actually exhaustive on the number of laws that have been considered during that period. For example, the achievement includes passage of Outdoor Bill which was done in 2018 and excludes other laws like Finance Bill which was approved in current financial year. Further, despite the deliverables for the County Assembly being legislation, oversight and representation, the achievements reported have only been limited to the legislative function.*

iii. *PBB is meant to provide a link between the resources requested and the outputs that are to be realized by ensuring that there are clear and measurable targets accompanied with key performance indicators. Review of the PBB for the Assembly indicates that there were some areas that need to improve to make the budget an epitome of good budgeting. For example, despite having no allocation in the FY 2020-21, the PBB indicates a target of building official residence for the Hon. Speaker.*

iv. *The 'targets' contained in the Oversight sub-program may not provide an appropriate yardstick for utilization of the resources requested as the ones indicated therein are KPIs and not targets. Even as KPIs it is not clear how reduction in corruption case and other malpractices among others can be valued and measures assigned. There are also scenarios where the KPI and the targets are the same which is not the intention of PBB.*

- In the FY 2019-20, the Finance and Economic Planning Sector had a total annual budget of Kshs. 5.5 billion out of which Kshs. 4.66 billion was for recurrent expenditure and Kshs. 862 million for development expenditures. This figure was enhanced to Kshs. 6.7billion with recurrent increasing to Kshs. 5.6billion and development to Kshs. 1.063billion. For the financial year 2020-21 the Sector budget estimates indicate a

downward review to Kshs. 4.95billion which has been entirely allocated to recurrent activities.

i. *According to the approved CFSP the Finance Sector had purposed to spend Kshs. 1.95billion, a figure that has been amended in the tabled estimates to Kshs. 4.95billion. It is noteworthy that in the approved CFSP Kshs. 3billion had been allocated for pending bills. The nature and extent of pending bills to be settled with these resources are not discernible from the tabled estimates. It is also not clear whether there is intention to settle development related pending bills in the coming financial year.*

ii. *In the submitted first supplementary estimates for the FY 2019-20 the Finance Sector had earmarked reasonable quantum of resources for settlement of pending bills, the way that was demarcated and utilized has not been publicized. Further, information and consensus building on the handling of pending bills attached to transferred functions as the expected use of the Kshs. 3billion in the coming financial year has not been provided.*

- The Finance and Economic Planning Sector is charged with the responsibility of ensuring prudent, financial managements of financial resources, formulating fiscal economic and fiscal policies to facilitate socio-economic development, resource mobilization and control of public finance resource. The following are some salient issues regarding the sector's program-based budget;

iii. *The Sector program-based budget has not listed the Sector performance information up to the time of submitting the budget estimates making it difficult to account for previous resources allocated and the link with the new requests.*

iv. *The PBB does not contain revenue targets for the coming financial year or the medium-term period.*

v. *The entire budget does not contain resource requirements aligned to the proposed sector targets making it difficult to determine the likelihood of their realization.*

- The tabled budget estimates have envisaged that in the FY 2020-21 the total county revenues shall comprise of Kshs. 16.78 billion from the national government's transfers and Kshs. 14.65 billion from internal sources making the total revenue to the County Revenue Fund to equal Kshs. 31.43 billion.

i. *The projected internal revenue projections have been reduced by about Kshs. 3billion compared to the figures contained in the budget for the current financial year. Previous data on revenue performance indicate that the County has not been on top gear in realizing it internal revenue targets. As was submitted during the consideration of the CFSP, the initiated mechanisms to improve the collections between the Kenya Revenue Authority and the County Government may need to be interrogated for efficacy.*

ii. *During the pronouncement of the budget highlights for the National Government, the Cabinet Secretary for the National Treasury communicated that to fund the NMS Kshs. 15.95billion will be plucked out of the County's equitable share while Kshs. 9.78billion will be out of the internal sources of revenue. With this position the County may be required to relinquish 100% of its share and just about 90% of its internal revenues based on the budget performance for the FY 2018-19. To fully*

realize this the County may need to have available about Kshs. 43billion to ensure that non-transferred functions are not deprived of resources.

iii. *The budget proposes that no cash balances shall be carried forward to the coming financial year in effect assuming seamless implementation and absorption of the current budget. The pandemic has limited government operations and hence it is expected to ice most expenditures. In the FY 2018-19 and FY 2019-20 the actual bank balances carried forward were Kshs. 1.3billion and Kshs. 2.5billion respectively.*

- With the aforementioned resource outlay, the following issues remain:
  i. *Review of the revenue performance in the financial year 2019-20 indicates that the internal revenue figures for the current financial year are still overambitious. It is conclusive to assert that the major technological reforms that have been initiated in various revenue heads are yet to deliver upward surge on revenue growth and expansion of the revenue basket.*
  ii. *As at end of March 2020, nine months into the financial year, the total internal revenues stood at Kshs. 7.16 billion against the revised revenue target for the FY 2019-20 at Kshs. 17.2 billion, representing an overall performance of 42%. This was a drop from FY 2018-19 of Kshs. 8.2 billion at the same period. To achieve this target therefore the County should collect about Kshs.10 billion in the fourth quarter of the current financial year.*
- The process of ensuring that revenues collected by Counties are coded and defined in GFS, SCOA for ease of tracking and clarity of reporting may need to be hastened.
- The presentation of the budget estimates for the FY 2020 -21 marks the culmination of the budget cycle that commenced with the consideration and approval of the Annual Development Plan for the year 2020-21. Budgets implement government annual agendas by giving life and fiscal health to approved plans and policies. The Committee is called upon to consider the tabled estimates with an aim of the County Assembly approving them with or without amendments. In such consideration the Committee is required to be faithful in verifying that the budget has been aligned to approved plans and policies, it has lived within the tenets of the underpinning law, the resources being requested have been accounted for in the PBB and it has observed the principles of equality and equity. Before making any recommendations on annual financial estimates the Committee is required to take into account the views of the Sectoral Committees, the public and the County Executive Committee Member for Finance.

MIN140/NCCA/FBAC/JUNE/2020:- Adoption of the Report on Revenue & Expenditure Estimates for the Financial Estimates for the Financial Year 2020/21

The Committee adopted the report unanimously as proposed by Hon. Fredrick Okeyo and Seconded by Hon. Mary Arivitsa with the following recommendations;

The vote on account was adopted las proposed by Hon. Catherine Okoth and seconded by Hon. Samora Mwaura.

MIN141/NCCA/FBAC/JUNE/2020:- ANY OTHER BUSINESS

There was no any other business for the committee to transact.

MIN142/NCCA/FBAC/MARCH/2020:- ADJOURNMENT

There being no other business, the chair adjourned the committee siting at 1.15 p.m.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS

SIGN..... DATE.....30TH JUNE 2020.....

HON. CHEGE MWAURA (CHAIRMAN)

SIGN..... DATE.....30-6-2020.....

OMWERI ASMAN JOHN (COMMITTEE CLERK)

COUNTY GOVERNMENT OF NAIROBI CITY

Annex 1

Approved
16/7/2020

SESSIONAL PAPER NO. 1 OF 2020

ON

A POLICY FRAMEWORK FOR REVENUE COLLECTION AND MANAGEMENT IN NAIROBI CITY COUNTY

Towards enhancing efficient, customer centred and integrated revenue collection in Nairobi City County for better planning and administration of resources

JULY 2020

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COUNTY ASSEMBLY
P. O. Box 45844-00100
NAIROBI

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EXECUTIVE SUMMARY

An effective revenue collection system is a core function of an effective system of any government. Beyond its obvious role in generating revenue needed for provision of essential public services, it is generally agreed that a well-designed and efficiently administered revenue collection system contributes far more broadly than its contribution of revenue alone. It is on this backdrop that this policy framework for revenue collection in Nairobi City County has been developed.

Noting that effective revenue collection system is one of the foundations needed to buttress sustainable economic growth, the Nairobi City County is committed to adopting an effective, efficient, transparent and accountable system for revenue collection and utilization.

This Policy Paper is anchored in the Constitution, the County Governments Act, and the Intergovernmental Relation Act. The rationale of the policy Paper consists of the following facts:

a. Articles 209 and 210 of the Constitution grants powers to County Governments to impose, vary or waiver taxes, fees, levies and other charges.
b. There has been gross underperformance of Nairobi City County as regards annual revenue collection *vis a vis* its annual expenditure.
c. The underperformance is attributed to challenges in collection and administration of county revenue comprising of taxes, fees and charges.
d. The challenges and gaps identified include the following:
    i. Inadequate revenue collection and administration policies and legislation;
    ii. Multiplicity of fees and charges;
    iii. Human resource capacity deficits;
    iv. Weakness in systems of enforcing compliance by customers;

v. Low automation and integrated revenue administration; and

vi. Ineffective internal controls and audit mechanisms.

The purpose of this Policy Paper, therefore, is to guide, strengthen and support the establishment of an effective, efficient, transparent and accountable system for revenue collection for Nairobi City County. The Policy Paper aims to create a system that offers optimal collection and unsurpassed utilization of revenue from the Nairobi City County.

The Policy Paper identifies the revenue collection challenges and gaps and proposes several commitments and solutions towards addressing these challenges and towards the overall development of an effective revenue collection system.

Chapter one gives a historical perspective of revenue collection and management in Nairobi City County; Chapter two provides context to revenue collection in the County, including the legal framework that empowers the County to collect revenues; Chapter three is on interventions and recommendations and provides sustainable solutions, interventions and recommendations that will ensure that the County optimally generates revenue from all its revenue streams; Chapter four is on implementation, monitoring and evaluation and Chapter five is on conclusion.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

The City of Nairobi was incorporated as a township in 1900 as the Township of Nairobi. Previously, it had been a supply depot on the Kenya-Uganda railway. In 1905, Nairobi was confirmed as the capital of the Country (Nairobi Urban Study Group 1973) with seven distinct zones. In 1919, a municipal council with corporate rights was appointed thus making Nairobi a municipal council. In these early years, the growth of the town had been controlled only by economic forces, with no co-ordination of development other than by the layout of a gridiron street pattern in the CBD. In an attempt to order the situation, a town-planning consultant was appointed in 1926 to make recommendations on zoning arrangements (Nairobi Urban Study Group 1973). However, little was done to curb land speculation, and development occurred in an uncontrolled manner. In 1928, the powers and responsibilities of the Municipal Council of Nairobi (MCN) were considerably extended by a new municipal ordinance.

Upon independence the City became a province within the newly formed Republic. Thereafter, several urban plans were designed and implemented. These plans partitioned Nairobi based on various economic and social activities. The plans would then advise on the kind of revenue collection that would occur in the City. Through this system the City achieved a level of prosperity with service delivery being timely and efficient. Revenue collection was largely manual but was sufficient due to the population and need of the era. However, over the years, revenue collection has not kept up with the changing face of the City and has slumped.

The 2010 Constitution created a two tier system of Government i.e. the National and County Governments. The City of Nairobi then under the Nairobi City Council thus became the Nairobi City County. The County is demarcated into seventeen sub-counties with eighty-five wards.

The Nairobi City County has over the years failed to meet its revenue collection targets. This has hampered the County Government in its implementation of the budget and service delivery. Part of the challenges the County has facing is lack of optimization of its revenue streams.

Since coming into force of the Nairobi City County Government (Hereinafter the County) in March 2013, the County has not been able to realize its optimum revenue potential and budget targets, mainly due to the under- performance of County internal revenues. For instance, in FY 2017-18, the County realized Kshs. 26.328billion against an original revenue target of Kshs. 33.457billion creating a budget under performance of Kshs. 7.129billion. The total internal revenues collection for the FY stood at Kshs.10.109 billion against a target of Kshs. 17.229billion. In FY 2018-19 the County Assembly approved a Budget for the Nairobi City County Government totalling Kshs. 32.31 billion out of which Kshs. 15.50 billion was to be funded from County own internal sources of revenue.

However, the County generated a total of Kshs.10.25 billion from own revenue sources in FY 2018/19. The County's approved budget for FY 2019/20 was Kshs.36.98 billion, with expected Kshs. 17.05 billion generation from own source revenue. In addition, the County Assembly subsequently passed the Nairobi City County Finance Act, 2019 which was assented to by the Governor.

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The Act provides fresh measures aimed at broadening the revenue base and improving the existing revenue collection methods and measures.

The need for County Governments to have reliable sources of revenue to enable them to govern and deliver services effectively is among key principles of devolution as provided under Article 175 (b). The Constitution identifies funding sources for counties to include:

a) Equitable share of at least 15 percent of most-recently audited revenue raised nationally (Art. 202 and 203(2))
b) Additional conditional and unconditional grants from the National Government's share of revenue(Art. 202(2));
c) Equalization Fund based on half of one percent of the revenue raised nationally (Art. 204);
d) Local revenues in the form of taxes, charges and fees; and,
e) Loans and grants.

Chapter twelve of the Constitution of Kenya lays down the principles of public finance. In particular, Article 201 highlights the specific requirements which include openness, accountability, promotion of an equitable society in sharing of the burden of taxation, burdens, and benefits of the use of resources and the use of public money in a prudent and responsible way among others.

The key role of the County Assembly is to ensure that there is prudence in the management of public funds by the County Government. In this undertaking, the County Assembly is expected to pass and follow up on the implementation of the County budget, the finance bills among other related documents.

1.2 MISSION AND VISION

Mission

To promote openness, accountability and equitable society by optimization of revenue streams to achieve shared burden of taxation for better service delivery.

Vision

Enhancing of Revenue Collection for the City of Nairobi for Better Planning & Resourcing.

1.3 OBJECTIVES

This Policy Paper seeks to examine the County's revenue collection and management and propose solutions that will enhance its revenue collection for better planning, service provision and resourcing.

1.3.1 Specific Objectives

- To achieve a customer centric process of revenue collection
- To identify the gaps in revenue collection
- To assess the revenue streams and their performance
- To optimize revenue collection
- To enhance transparency in revenue collection
- To centralize the revenue collection systems

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1.4 HISTORY OF REVENUE COLLECTION SYSTEM

The Kenya Local Government Reform Programme (KLGRP) was conceptualized by the government of Kenya in the early 1990s and became operational in 1996. The decentralization initiative under the KLGRP was launched focusing on strengthening Local Authorities (LA). The programme

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had three components: rationalizing central-local financial relations, improving Local Authorities financial management, including revenue mobilization, and strengthening citizen participation in planning and ownership of programmes. The reform programme had recognized the importance of Local Authorities in enhancing economic governance, improving public service delivery, and increasing economic efficiency, accountability and transparency. The reforms had also included putting in place Fuel Levy Fund, Contribution in Lieu of Rates, user charges rationalization, single business permits and most greatly Integrated Financial Management System (IFMS). These programs aimed at restructuring the local public sector and more importantly, strengthening local level accountability mechanisms.

KLGRP focused on deepening the legal, financial management and institutional reforms in Local Government sector. KLGRP began with financial reforms aimed at enhancing inter-governmental fiscal transfers, improving financial management, debt resolution, streamlining budgeting system and service provision capacity building for Local Authorities. A key instrument in this process was the enactment of the Local Authority Transfer Fund (LATF) in 1998. The Act provided 5 percent of national income tax to Local Authorities in line with population, resource base and financial performance.

At independence, Nairobi inherited a system of Local Authorities, whose basis was the Local Government Act (Cap. 265) rather than the Constitution. Local Authorities derived their revenue raising powers from a variety of legal instruments including: the Local Government Act (Cap 265, sections 216 and 217) which empowered Local Authorities to establish and maintain a General Rate Fund; b) the Valuation for Rating Act (Cap 266) and the Rating Act (Cap

267), The Rating Act provided for imposition and collection of property rates by rating authorities while the Valuation for Rating Act (Cap 266) provided for valuation of properties for the purpose of levying rates. The latter also laid out procedures to be followed in preparing a valuation roll, which is a legal document consisting of information on all rateable properties within a specific jurisdiction, the Trade Licensing Act (Cap 497) which empowered Local Authorities to impose business license fees, the Local Government Act (section 222) which empowered Local Authorities to borrow, including through issuance of stocks or bonds, although this facility was rarely used.

At the inception of County Governments, Nairobi City County was collecting taxes manually without a proper set framework. Over the years the County contracted Web Tribe (Jambo pay) to collect revenue on its behalf through a platform known as "E-jiji pay". This contract was terminated for, among others, poor revenue collection.

In early 2018 the County then again contracted National Bank of Kenya through an entity known as "Noveta" for purposes of revenue collection. Currently the County is using a hybrid manual system as well as the "Noveta" platform.

1.5 RATIONALE FOR THE POLICY PAPER

The overall goal for Devolved Governments is to achieve effective service delivery for every Kenyan no matter their socio-economic status. Nairobi residents deserve services that are provided in a timely and efficient manner. This will be achieved through optimum revenue collection and management. This vision is guided by the understanding that quality services contributes

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significantly to economic growth and overall improvement of the well- being and living standards of Nairobi residents. Service delivery and revenue collection are therefore mutually inclusive.

This Policy Paper seeks to adopt best practices in revenue collection, procedures and accountability framework. The use of modern technology will ease the process of revenue collection hence the need for automation of the revenue system and processes to ensure sustainability and accountability.

Adoption of a customer centric system of revenue collection will simplify the revenue collection process for the user. This will enhance the current revenue streams and create potential for new revenue streams. A centralized revenue collection system coupled with the customer centric focus can be used to identify of gaps in the county revenue collection system. The centralized system will also ensure a realistic budget making process with realistic and verifiable revenues.

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CHAPTER TWO
CONTEXTUAL ANALYSIS

This chapter analyses the legal framework that empowers the County to collect revenue. It examines the services offered by the County, the revenue collection processes and systems and the human resources within the County and evaluates their effectiveness in revenue collection. Lastly, the chapter forecasts the optimum revenue collection potential for the County and analyses the gaps in compliance and enforcement.

2.1 LEGAL FRAMEWORK

Prior to the promulgation of the Constitution of Kenya, 2010 and the onset of the devolved system of government, local authorities derived their revenue raising mandate from various legislation, including the Local Authorities Act which established the local governments, the Rating Act which permitted the county councils to levy rates and prescribed the forms of rating, the Valuation for Rating Act which provided for valuation and preparation of a valuation roll and the Trade Licensing Act. A majority of these legislation subsist post the promulgation, albeit with the necessary modifications in line with Part 2 of the Sixth Schedule to the Constitution.

Presently, own source revenue within the County is underpinned by the Constitution of Kenya, 2010, the Public Finance Management Act (PFMA) 2012, the County Government Act 2012 and the Urban Areas and Cities Act 2011, among other county-specific legislation.

Article 209(3) of the Constitution allows Counties to impose property tax, entertainment taxes and any other tax authorised by an Act of Parliament, with Part 2 of the Fourth Schedule of the Constitution specifying that the issuance

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of trade licences as a responsibility of the County Government. On its part, Article 209(4) of the Constitution provides that county governments may impose charges for the service they provide. Further, Article 209(5) of the Constitution requires counties to impose taxes, levies and charges in a way that does not prejudice national economic policies, economic activities across county boundaries or the national mobility of goods, services, capital and labour.

Part IV of the PFMA provides for County Government responsibilities with respect to management and control of public finance. According to Section 120(1) of the County Governments Act, counties are required to develop a tariffs and pricing policy to guide imposition of fees and charges for public services. In addition, county governments may enact laws and regulations to facilitate implementation of tariff policies. Section 6 (2) (b) of the County Government Act empowers the County to acquire, purchase or lease any land wherefrom the County is able to collect rent.

Article 210 of the Constitution expressly states that no tax or licensing fee may be imposed, waived or varied except as provided by legislation. Consequently, counties enact specific laws such as the annual county finance acts that authorise tax collection and receipt of other revenues. Nairobi City County has enacted the following source or sector specific legislation that enable regulation of various sectors through licensing and permits, acquired at a fee, thereby facilitating revenue collection within the County –

- Nairobi City County Tax Waivers Administration Act, 2013
- Nairobi City County Revenue Act, 2015
- Nairobi City County Dog Control and Welfare Act, No. 8 of 2015

- Nairobi City County Early Childhood Education Act, 2017
- Nairobi City County Cultural Heritage Act, No. 9 of 2017
- Nairobi City County Betting Lotteries and Gaming Act, 2014
- Nairobi City County Alcoholics Drinks and Licensing Act, 2014
- The Nairobi City County Outdoor Advertising and Signage Control and Regulation Act, 2018
- The Nairobi City County Transport, Act, 2020

See Annex (1) for an analysis of the Nairobi County laws for charging fees, rents, rates and cess.

One of the foundational challenges faced by the County in so far as revenue collection is concerned is the fact that there is currently no comprehensive legal basis for the collection and management of revenue by the County. The County does not have a distinct, well defined revenue policy and legislative framework for the imposition of tax and fees, including waivers or variation thereto in accordance with **Article 201 (1) of the Constitution**.

A majority of the revenue related laws are time worn. Consequently, the County relies on the laws inherited from its successors, particularly, the defunct Nairobi City Council. For instance, the valuation roll that was prepared in the year 1982 pursuant to the Valuation for Rating Act has not been updated since, despite that fact that property valuation ought to be undertaken every 10 years.

Moreover, the legal framework for county revenue collection exists in separate, disjointed legislation, with each separately providing its own enforcement

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mechanisms thereby creating a multiplicity of levies, legal and institutional overlaps and policy illogicality.

The County is yet to develop and operationalise a tariff and pricing policy which ought to outline an objective basis for setting fees and charges for the services provided by the County. In the absence of effective policies, county fees and charges may fluctuate, with the effect of either penalising some citizens or raising inadequate revenue, thereby constraining provision of quality services.

2.2 REVENUE COLLECTION SYSTEM

The role of automation in revenue collection cannot be over emphasized especially with regard to efficiency gains and sealing leakages. The Controller of Budget and the Commission on Revenue Allocation reports indicate that majority of counties use fragmented ICT systems in revenue collection and management.

The systems currently in use by the County for revenue collection purposes are *LAIFOMS* (the core reporting system), *RevenueSure* and *FleetFix* (Transport Management) and *eDevelopment Permit System* (Urban Planning).

Having these stand-alone systems to address the same objective poses various challenges as outlined hereunder:

a) *Cost of Collections* – each system requires dedicated resources (software, hardware and human resources) which escalate the collection costs.
b) *Reporting Challenges*- these are brought about by lack of standardisation. Each system generates unique reports based on the system's design. This

fragmentation of systems also makes it difficult for the County to have real time and/or on-demand reports.

c) *Accountability Challenges* – the County has had numerous challenges, especially with third party owned systems, whose vendors dictate the terms of engagements thereby leaving the county at their mercy. Such contractual arrangements have made it difficult for the County to hold the vendors accountable.

d) *Scalability challenges* – the County is currently using an aged core system. This limits the kinds and instances of enhancements that can be done on it to modernise it. This has led the County to seek for alternative systems to cover for the legacy system's weaknesses.

e) *Ownership challenges* – use of third-party systems limits the County on the use and modification of the systems to maximize their use. It also exposes crucial data to the third parties. Further, the County has no line of sight on real-time collections.

f) *Security* – the core County system, due to its aged nature, cannot withstand modern day system attacks and breaches. For third party-owned systems, data and infrastructure security is left to the vendor, with minimal control.

g) *Stability* – City Hall is prone to many power outages that result in system downtimes. This has a direct impact on revenue collection and customer satisfaction.

2.3 REVENUE COLLECTION PROCESSES

Process walkthroughs conducted by the Kenya Revenue Authority (the principal revenue collection agent for the County, presently) on current revenue generating processes show that:

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a) Most processes are manual or semi-manual. Only Daily Parking and Single Business Permit stand out as services that are automated.

b) Duplication and replication of roles which results in inefficient workflows and poor service delivery.

c) Processes are not predictable. This is because there are no existing internal Service Level Agreements (SLAs) to guide processing of customer applications and requests.

d) Most processes are not documented. This creates room for abuse and manipulation. Auditing the processes is also difficult due to lack of proper reference documents.

e) Processes are not full proof and are prone to influence and interference by both staff and customers

f) Limited customer touchpoints and payment options. Most processes require the applicant to visit an office to make an application. Payments can only be validated at the cash office.

g) Processes are generally long and tedious. Most processes involve actors whose workflows are not interlinked in a system.

2.4 PERSONNEL IN REVENUE COLLECTION

The County is constrained in terms of numbers and capacity of personnel to cover all revenue streams in revenue collection and administration. These constraints have led to low revenue collection as the County is forced to deploy more revenue enforcers who do not have the requisite skills in areas such as revenue potential assessment, forecasting, cost of collection assessment and revenue management and administration. The staff are also not equipped with the necessary tools and resou s to enable them perform their work effectively.

Institutional arrangements and role overlaps at the County have contributed to the challenges in revenue collection and management. Given that revenue collection is decentralized to a department for instance, collection of user fees from Health Department who might not report to the CEC Member responsible for Finance has been abused leading to spending revenue at source, contrary to the Public Finance and Management Act, 2012 and the Regulations thereto.

Another factor adversely affecting revenue collection is low morale (de-motivation) especially by revenue collectors working for the County. They decry earning disproportionately lower salaries compared to their counterparts inherited from the defunct local authorities. This has led to the County being unable to attract and retain requisite personnel needed to maximize on their revenue potential. Revenue pilferage through staff has also been identified as a major setback to the County achieving its targeted revenue. The manual systems exacerbated by corrupt individuals within the County has let to loss of colossal revenues amounting to billions of shillings.

2.5 REVENUE POTENTIAL

Since the onset of devolution, the County has had its fair share of challenges on attempt to realize the full potential of revenue required to fund the key components of the budget. Data on record indicate that as a proportion of the total projected revenues, the County has consistently faced a gap of between 20-25%. The Institute of Economic Affairs on its review of the County's revenue potential found out that the County is operating below 50% of its revenue capacity.

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This dismal performance in revenue collection has been occasioned by the inherent challenges within the County which include lack of appropriate data on the revenue payers across the revenue streams, weak and opaque revenue collection systems, the County focusing on automation of the various streams without commensurate investment on innovation techniques and non-optimal integrity levels of revenue personnel.

It is imperative to note that the underpinning provisions of Article 209 of the Constitution has laid emphasis on the taxes, fees and charges that can be imposed by the County Governments with emphasis being on the nexus between service delivery and revenue collection. It is apparent that the relationship between revenue collection and service delivery is symbiotic where below par performance on one end affecting the other.

The County has tried to make considerable progress in the process of estimating the revenue potential due to the County but the same has not been accurate or near accurate due to limited data on the parameters that inform the revenue figures. The report on the Gross County Product by KNBS indicates that Nairobi's share of GDP remains large at 21.7% but the County is growing way below the national average GDP growth rate of 5.6%. The study revealed the ground potential for Nairobi County but the same has not been utilized in the County budget process as a basis for determining the revenue potential of the various revenue streams.

The Nairobi City County Assembly conducted an inquiry into the revenue performance for the various revenue streams and it was evident that data gaps continue to be a major challenge with regard to revenue forecasting and projections. There exists no published study on the potential of the Nairobi

County Own Source Revenue potential which would otherwise be instrumental for planning and budgeting. However, a study conducted by the Commission on Revenue Allocation in partnership with the European Union direct to the fact that there are substantial rate arrears not captured in county revenue information. With considerable data not captured in GIS the report indicates that Kshs. 75,631,804,690.00 is uncollected in the whole of Nairobi with another Kshs. 112,687,232,305 not mapped in GIS bringing total rate arrears to Kshs. 188,319,036,995.00.

The Assembly's study pointed to the fact that there are inherent sectoral challenges that continue to limit the County's ability to realize optimal revenue outturns including: -

- The issuance of fire inspection certificates was done without any commensurate services thereby providing little incentives for citizens to voluntarily apply for fire certificates
- Most of the sectors were unaware of the existing revenue laws and hence levied fees and charges that were not in consonance with existing legislation
- Lack of data on number of parking slots and matatus operating within the Nairobi metropolis
- Overreliance on automation with no effort to innovate the contemporary technologies to match the sectoral requirement for optimal revenue realization
- Downtime in the parking payment which leads to lapses in accountability for the revenues collected
- Lack of legal updated framework to guide in determination of rates payable

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- Inadequate personnel to ensure enforcement and compliance on the rates approved
- Delayed reconciliation of rents payable by staff and failure to effect salary deductions in time
- Failure to link some revenue payment systems to LAIFOMS making it difficult to verify payments
- Lack of data on number and revenue potential from markets
- Failure by the County Treasury to consult Sectors before assignment of revenue targets
- Lack of adequate investment in ICT and insufficient training of staff on use of ICT equipment
- Failure or slow enforcement on illegal business and tax defaulters
- Technical mismatch of the revenue enforcement officers

To address the existing gap on realization of optimal revenue performance there is need to determine what constitutes the maximum revenue that the County can collect. This should be achieved by determining the drivers that inform the various revenue through a comprehensive census to compile data necessary for forecasting and decision making.

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CHAPTER THREE
INTERVENTIONS AND RECOMMENDATIONS

Chapter two identified the challenges that have greatly contributed to dismal revenue collection and management with within the County. This chapter seeks to provide sustainable solutions, interventions and recommendations that will ensure that the County optimally generates revenue from all its revenue streams, it proposes the legal and policy interventions that should be undertaken to ensure that the technology adopted by the County is firmly anchored in law. It proposes institutional changes that needs to be undertaken to enhance revenue collection by utilizing qualified, motivated and accountable human resource. The chapter further proposes the minimum requirements for the technology to be employed for County revenue collection which should ensure transparent, customer centric, efficient and centralized revenue collection.

3.1 LEGAL AND POLICY RECOMMENDATIONS

The recommendations set out hereinafter are anchored in Article 201 of the Constitution which sets out the principles that guide all aspects of public finance in the Republic. The County is enjoined by the Constitution to ensure openness and accountability in public finance, to facilitate prudent and responsible utilisation of public money and to facilitate responsible financial management and clear fiscal reporting. A harmonised legal framework for Revenue administration is the principal foundational precept for the development of an efficient and effective revenue collection system. It is what underpins the local revenue structure and design for the county government to ensure compliance with the principles of public finance enshrined in Article 201 of the Constitution.

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The following recommendations are made in this respect –

1. Enactment of legislation to provide a framework for the general administration of revenue raising laws. The Act should provide for the following, *inter alia* –

- The creation of a semi-autonomous body which shall be responsible for the administration of revenue collected by the County, with clearly defined functions, powers, roles and responsibilities.
- Clearly defined systems that ensure accountability, monitoring and analysis of revenue collected by the County to, *inter alia*, inform county revenue forecasting.
- An effective and efficient dispute resolution mechanism to ensure that aggrieved customers have a mechanism for resolving disputes arising from revenue administration in an efficient and timely manner. The dispute resolution process should be fair, independent and accessible to customers.
- Mechanisms for voluntary tax payment and coercing payment by non-complying customers by providing for appropriate penalty structures.
- Mechanisms for waiver or variation of taxes, rates, fees, charges and other revenue collected by the County.
- The creation of an accurate and reliable customer database with mechanisms for regular updates and proactive customer engagement.
- Mechanisms for receiving public feedback and providing information on preparation of revenue raising measures to facilitate active and effective public participation.
- Effective risk management procedures that address the identification, assessment, ranking, and quantification of compliance risks.

2. Enactment of key legislation such as property rating, valuation and cess collection laws to replace the outmoded laws used by the County's

predecessors. The legislation should prescribe property discovery and tax base coverage, valuation and assessment, provide for up to date valuation and recording of property in new valuation rolls and establishment of appropriate tax rates.

3. Development and operationalisation of a tariff and pricing policy to guide imposition of fees and charges. To this end, the County should take into account the guiding principles set out in Section 120 of the County Governments Act, that is, -

   (a) users of county services should be treated equitably in the application of tariffs, fees, levies or charges;

   (b) the amount individual users pay for services should generally be in proportion to their use of that service;

   (c) poor households shall have access to at least basic services through —

      i. tariffs that cover only operating and maintenance costs;

      ii. special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service; or

      iii. any other direct or indirect method of subsidies of tariffs for poor households;

   (d) tariffs shall reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;

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(e) tariffs shall be set at levels that facilitate the financial sustainability of the service, taking into account subsidy from sources other than the service concerned;

(f) provision may be made in appropriate circumstances for a surcharge on the tariff for a service;

(g) provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;

(h) promotion of the economic, efficient, effective and sustainable use of resources, the recycling of waste and other appropriate environmental objectives; and

(i) full disclosure of the subsidies on tariffs for poor households and other categories of users.

4. Entrenching in law measures that map tax compliance with the provision of public services. For instance, tying issuance of the Single Business Permit to production by a business entity of a valid Tax Compliance Certificate, and awarding procurement tenders only to tax-compliant firms.

5. The Commission on Revenue Allocation (CRA) in conjunction with the Kenya Law Reform Commission (KLRC) and the Council of Governors (CoG) have developed a County Model Revenue Legislation Handbook containing model laws on property rates, trade licenses, revenue administration and finance law. The County should consider adopting these model laws, with the necessary modifications.

3.2 INSTITUTIONAL FRAMEWORK

The existing framework for revenue collection in the County has evolved gradually and has involved multi-sectoral diverse strategies, approaches, institutional arrangements and system evolution. This has, over time, cumulatively resulted in systems with identified inadequacies and subject to legal, infrastructural, security and ethical challenges. Consequently, the foregoing has resulted in inefficiencies in service delivery and a domino effect on revenue collection. Electronic or manual initiatives that have been adopted to redress these challenges have faced bottlenecks including; technology, legislative, human resource, institutional, behavioural among others both from within the County and from customers. The existing legal framework has rather compounded the undesirable experiences and processes by instituting ineffective coordination of responsibilities.

To address this and to ensure effective and coordinated arrangements, it is proposed that administrative and institutional reforms need to be put in place to ensure effectiveness and efficiency in revenue collection and management. The administrative and institutional changes should ensure that the following objectives are achieved: -

1. The need to ensure intuitional units with a central command devoid of ambiguities and overlap of responsibilities and role playing;
2. The need to facilitate bringing on board third parties under legitimate and pre-agreed arrangements to enhance both revenue potential and collection;
3. The need to provide adequate, supervised, accountable and auditable platforms of human resources to facilitate access to convenient and accessible services related to the various revenue streams;

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4. The need to decentralize revenue collection responsibilities and infrastructure to the constitutionally recognized decentralized units to buttress and enhance compliance and enforcement strategies;
5. The need to link quality of service delivery to revenue collection and human resource attitude to influence client attitude and behavior towards their obligations in the social contract.

The institutional framework should take into consideration the factors that have hindered convenient and effective and more robust revenue collection system in the County. The success of implementation will therefore largely depend on strong commitment to turn around institutional and administrative arrangements within the County to ensure that they work towards achieving the desired results in revenue collection.

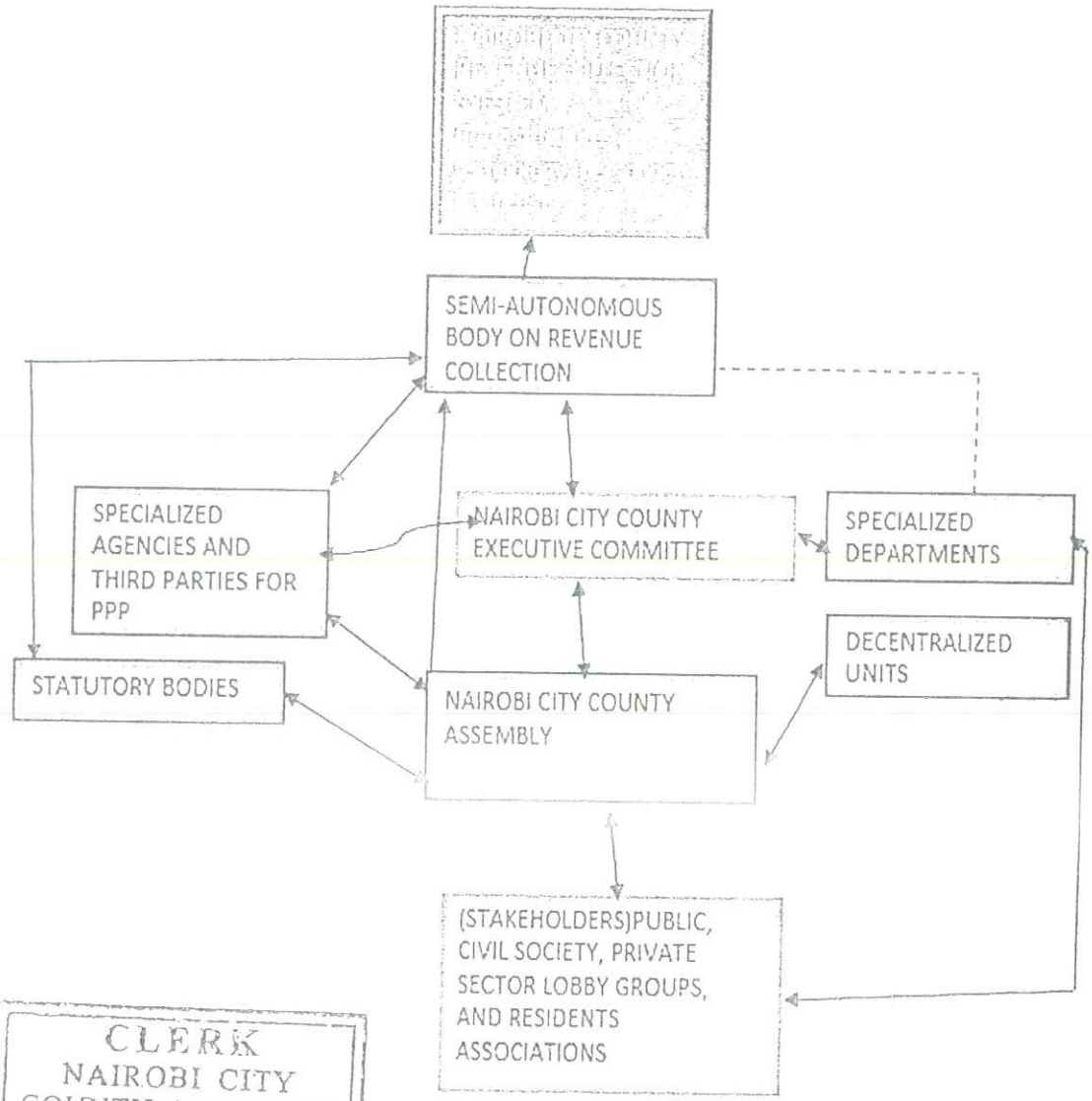
In view of the above, Nairobi City County Government needs to provide strategic leadership and direction by setting the vision, strategies and targets as well as oversee, synchronize and centralise all revenue collection. This proposed institutional framework provides for both top-down and bottom-up approach to ensure proper implementation of the policy, and for an all-inclusive approach. The County Executive Committee will be expected to:

1) Generate policy innovations that will enhance convenient revenue collection;
2) Identify and spearhead strategic revenue models to pursue in light of the dynamics and diversity in revenue collection;
3) Through the relevant specialized agencies and departments, direct studies on thematic issues affecting revenue collection and propose appropriate interventions;

4) Receive, synthesize and evaluate policy proposals and legislative instruments from various specialized agencies and departments and approve and pass appropriate recommendations geared towards improvement in revenue collection and service delivery in the county.

Figure 1 below provides the new institutional framework.

Figure 4.1 Nairobi City County Revenue Collection: The new Institutional Framework



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3.3 REVENUE ADMINISTRATION

The place of revenue administration is as important as revenue collection in a government as it provides mechanisms through which tax bases are assessed, rates of fees and charges determined, how the customers are billed, how payment is made, receipted, enforcement on fees applicable, accountability, auditing, reporting and oversight.

Revenue administration is organized within the various Sectors headed by the respective County Executive Committee Member. The Sectors are charged with the responsibility of implementing targets assigned through approved revenue laws and hence funding the aspirations contained in the annual budget. Whereas attempts have been made to devolve most of these revenue streams, most collections have still remained at City Hall where persons queue. The County Treasury has a department for revenue collection but its link to the other sectors is not clear making it a bystander in the overall revenue collection process. This is occasioned by the fact that each of the revenue streams domiciled in Sectors are headed by Directors who are at the same level as the Director of Revenue hence no clear reporting structure.

The fees payable are anchored on finance legislations passed by the County Assembly on annual basis. Currently, and in line with the advisory from the Commission on Revenue Allocation, the County has commenced the passing of individual legislations on each of the revenue streams. Towards this end, laws have been enacted to regulate transport, education, solid waste management, advertising, trade licensing, disaster management among others. This legislation should ideally provide the first point of reference on the amount of fees payable hence informing the assessment by the revenue collectors.

The various payment methods available to the customers include payment at cash office, banking halls, e-payment platforms, Point of Sale methods among others. The risks associated with manual payment methods are enormous hence there has been great effort to move the County towards e-payment methods. In the intervening period, the County has deployed *jambo pay* platform and *noveta* as alternative solutions to the manual payment mechanisms, but they have all had their myriad of shortcomings ranging from system opaqueness to data discrepancies. Previous engagement with third parties to collect revenues have left the County powerless in its revenue collection function as it could not receive accurate and verifiable data on amounts collected. This presents an accountability gaps on revenue collection and auditing the revenue collected through any such platform.

The County Treasury in this regard only reports on the information received from the various Sectors and administrators of the revenue platform without ability to verify the accuracy so reported. The following are proposed to cure the anomalies: -

1. **Revenue Administration Structure**: To correct the fragmented revenue collection structure, there is need develop an autonomous revenue collection entity with clear reporting structure. This clarity ensures that reporting and accounting on revenue collected is not compromised and the same are done in real time. Further, the engagement of a specific line dealing with revenue has the benefit of reducing staff dealing with revenue collection, lowering revenue administration costs and reducing duplication of efforts. The import of the Nairobi City County Revenue Administration Bill was to cure this reporting dilemma by providing an entity in charge of revenue collection that has determinate terms of

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reference. The Bill borrows heavily from the experiences through the Kenya Revenue Authority which solved the multiplicity of layers in tax administration and ambiguity in revenue reporting.

2. **Assessment of revenues payable**: The need for system integration of revenue payable would guarantee consistency and efficiency in revenue administration thereby reducing the risks associated with either under or overcharging. Once enacted, there is need to publicize the laws on fees and charges so that the general public are aware of the amounts payable. It is a dual responsibility of both the Government and the public to assist in implementation of enacted legislation and the case should be even more important on matters of fees and charges. Towards this end a proper and up to date record on the revenue payers together with GIS mapping of their locations are essential ingredients towards effective revenue administration

3. **E-Payment Methods:** Whereas there is still debate on whether e-payment leads to increase in real revenue collection, there is consensus on what a good e-payment platform should encompass. Summarily a good platform should provide the County with ability to understand its security aspects including information on any attacks on it and losses incurred in that regard; access rights to the County staff as the developers of the system; it should have offline capabilities when system is down or has malfunctioned; it should have data back up and storage facilities for the entire system; power supply back-up during electricity power supply failure or elongated power cuts; a mechanism of IT system processing, verifying and auditing payments made per day; and reconciliation mechanisms.

3.4 REVENUE COLLECTION TECHNOLOGY

The County should adopt technology that is able to incorporate all its revenue streams, provide real time information and be easy to use.

3.4.1 PROCESSES

With regard to the processes at the County Government, the following measures are recommended: -

a. A comprehensive audit of the County processes be conducted to identify gaps, bottle-necks and inefficiencies in current processes that result in revenue loss and poor customer experience.
b. Business Process Re-engineering (BPR) be undertaken continually to redesign the various processes with the aim of simplifying them; and to keep up with the ever changing technology world.
c. A status report of BPR initiatives carried out be presented to the County Assembly periodically, or on request, by the authority in charge of service delivery

3.4.2 SYSTEMS

This Policy proposes that the current existing systems be retired and, in their place, a modern and more robust system be introduced to address the system challenges addressed in Chapter two.

Whether the County elects to build or outsource such systems, the technology delivered/acquired should AT ALL TIMES be capable of: -

a) Integrating various facets in the revenue management process (revenue assessment, payments, compliance and enforcement and reporting) into a single system.

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b) Providing both customers and County staff with simple easy to use interfaces and a variety of channels to choose from depending on their technology awareness levels.

c) Scalability at minimal costs to accommodate changes in the operating environment, technology, legislative and policy changes.

d) Integrating and leveraging on existing authoritative data sources (e.g IPRS, Telcos, KRA, Ministry of Lands, BRS, KNBS) to ensure that data quality is achieved.

e) Leveraging on geo-technology such as Global Positioning System (GPS) and Geographical Information System (GIS) to enhance revenue mapping, projections and collections.

f) Delivering a stable and secure revenue management system

g) Providing clear audit history of changes, system logins and transactions for accountability and reporting purposes.

h) Provide a comprehensive Support and Maintenance Framework for deployed solutions.

3.4.3 SERVICE DELIVERY

This Paper proposes the development of a comprehensive Customer Support Framework that establishes the following:

a. Nairobi County Service Charter

b. Nairobi Customer Relationship Management (CRM) System entailing:

   i. Complaints/Service Request Management

   ii. Contact Center

   iii. Customer Reward/Loyalty Program

3.5 COMPLIANCE AND ENFORCEMENT

Compliance and enforcement of revenue collection in Nairobi City County has faced numerous challenges; in particular, the process of revenue collection, assessment of taxes, fees and charges, payment and receipting, enforcement, auditing, reporting and oversight. There has also been resistance and hostility from customers who insist that service provision is not commensurate to the taxes they pay.

It has been observed that the discrepancy in revenue collections has been as a result of lack of requisite skills and/or capacity of the personnel to provide realistic projections and strengthen the enforcement efforts. In view of the foregoing a raft of measures can be taken into consideration in order to address this persistent problem and improve on revenue collection as follows:

3.5.1 Independent Revenue collection body

Establishment of a centralized office which shall be the designated and authorized office to enforce revenue collections. This office should be anchored in law and its processes and general operations oversighted by the County Assembly.

3.5.2 Power of the Revenue collection body

The independent revenue collection body shall have authorized revenue collection officers who shall the power to enter and inspect at any time any premises that is believed to have failed to pay revenues. The revenue collection officers shall properly identify themselves before entering and/or inspecting to avoid instances of impersonation.

The Authorized revenue collection officers shall account for all the revenue collected.

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3.5.3 Access and inspections of premises, equipment, goods, computers and data

The independent revenue collection body may make own assessments of revenue owed by revenue payers or on request by the payers. The assessments (which shall not alter the due date of payment) shall be served on the customers and state the amount payable and the time period within which the customer is expected to pay.

3.5.4 Power to evict, reposes properties and revenue refund

Due process must be followed before any action is taken to evict or reposes any property. This process should be anchored in law to prevent abuse and arbitrary use of force. A customer who has paid in excess must be refunded and/or the payments carried forward.

3.5.5 Penalties and offences

A customer who gives false and misleading information on revenue payments or failing to pay revenue within the stipulated period or makes an incorrect or false statement which affects their liability to pay revenue or claiming refund or relief or obstructs County revenue officers from carrying out their tasks commits an offence that is punishable by law.

3.5.6 Personnel

Only staff with requisite skills should be designated as revenue collection and enforcement officers. They should be redeployment periodically to enhance efficiency and prevent corruption.

CHAPTER FOUR
IMPLEMENTATION, MONITORING AND EVALUATION

4.1 IMPLEMENTATION

The implementation of this Policy should be undertaken and monitored through consultative forums with the relevant stakeholders.

4.1.1 Role of the Nairobi City County Government (NCCG)

The role of Nairobi City County Government will be to provide the policy direction, support and monitor the implementation of the revenue collection framework. Policy implementation will include the facilitation of a conducive business environment for customers as the County Government strives towards self-sustaining in terms of own-source revenue.

NCCG will provide feedback mechanisms which shall include regular collection of views from customers to gauge their satisfaction levels. The feedback mechanisms will include online platforms and suggestion boxes in markets, public transport termini, and malls. The NCCG shall also conduct public education and awareness on revenue structure and design, amount of fees required, procedure, and how to make payments by the customers.

NCCG's overall responsibility will therefore be to provide an enabling policy environment to facilitate businesses thus increasing the own source revenue streams.

4.1.2 Role of the Revenue Collection Agent

The revenue collection agency identified by the Nairobi City County Government will play a key role in providing a centralised revenue collection system. The system shall be transparent to avoid fraud, evasion and under-

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collection. It shall also be able to provide daily reconciliations, automatically remind the collection officer when payments are due and monitor the level of fraudulent payments presented by the collection officer, and alerting supervisors of possible problems. The system shall require minimal training for both the revenue collectors and customers.

4.1.3 Role of customers

The customers' role shall be to comply in payment of taxes when they are due and cooperate with the revenue collection agent. Equally, organized groups and associations of customers which have a structured framework for engagement shall serve as useful agents and information dissemination platforms.

4.1.4 Human and financial resources

Effective revenue collection requires competent revenue collectors, enhanced revenue sources and customer awareness. To achieve all this, adequate funding is required. In this regard, through the budgeting framework, adequate funds shall be set-aside to finance the maintenance of the revenue collection system, training of revenue officers, continuous mapping of revenue streams and conducting public awareness on revenue obligations.

In addition, Nairobi City County Government shall engage strategic partners to provide both technical and financial support to the revenue collection system.

4.2 MONITORING AND EVALUATION

The Nairobi City County Government shall ensure that an effective Monitoring and Evaluation (M&E) system is developed for successful implementation of these policy recommendations. A comprehensive monitoring and evaluation system facilitates identification of deviations from set targets and ensures that corrective measures are taken.

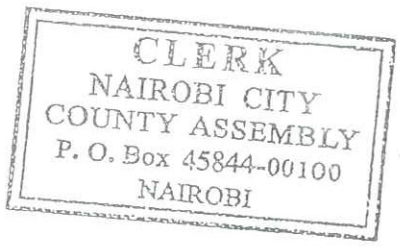
In this Policy, M&E should take place at two levels with clear definition of roles and expected outputs. At the government level, the Nairobi City County Government shall develop a comprehensive logical framework that sets the implementation process of this Policy. The logical framework will spell out the broad policy objectives, strategic interventions and expected outputs. In addition, it will contain performance indicators, means of verification and the time frame.

At the agency and customers' level, the agent shall develop M&E tools for each of the identified interventions and facilitate the development and institutionalization of an inbuilt mechanism within the systems of other relevant stakeholders. The agent and the customers' association shall be the source of information required for the M&E system. They will be critical in identifying process constraints and suggesting appropriate mitigation measures.

Joint monitoring and evaluation will be undertaken by Nairobi City County Government, revenue collection agent representatives of customers and other relevant stakeholders. Quarterly and annual progress reports on implementation will be developed at this level and shared amongst all the County Assembly and other stakeholders.

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Capacity building will also be undertaken to equip the staff with relevant skills to collect and process timely and reliable data that is necessary for effective M&E exercise. The M&E report will in turn be utilized within Nairobi City County Government and other stakeholders in order to improve on the revenue collection system and the overall optimise revenue collection.



CHAPTER FIVE
CONCLUSION

The County has morphed from a Council to a Commission to a Council again and then to Nairobi City County and has had no shortage of attempts to increase its revenue potential and collection through various manual and technology-based systems. Over the years, the City has faced a myriad of challenges and gaps in revenue collection, hampering service delivery to the people of Nairobi. It is not in doubt that the City has fallen short of human resource and administrative ethics; technological integrity; compliance and enforcement and integrity of third parties engaged in revenue collection at various stages of the history of revenue collection. Lack of or feeble feedback and reporting mechanisms and M&E methods in internal system documentation or in external agreements open room for system manipulation.

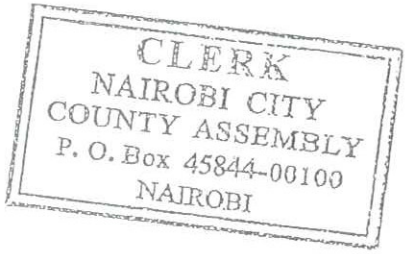
It is these cumulative failures in achieving an improved and infallible revenue collection system for the City that has occasioned the development of this Policy Paper with realistic, workable and futuristic proposals. The Policy Paper identifies the gaps and challenges that Nairobi City has over the years encountered in revenue collection and proposes the introduction of an easy, convenient, secure, auditable and accountable technology-based, integrated (revenue collection, GIS-based, Address system-based, E-enforcement) system that encompasses all Sectoral revenue streams for the County.

The policy further proposes prescriptive feedback and report mechanisms with realistic and useful M&E methods. In addition, this Paper proposes administrative and personnel interventions with an emphasis on preserving system integrity and ethical conduct in the course of system implementation. The Paper also outlines the

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institutional framework where the County Assembly is to mandated to enabling and aligned legislations to support the implementation of this policy.

The County Assembly is requested to consider and approve this Policy Paper to become the blueprint Revenue Collection Policy Framework for Nairobi City County.



MINUTES OF THE JOINT SITTING OF THE SECTORAL COMMITTEE ON ENERGY AND ICT & THE SELECT COMMITTEE ON FINANCE, BUDGET AND APPROPPRIATIONS HELD ON TUESDAY 14TH JULY, 2020 AT 9.00 A.M AT WINDSOR GOLF HOTEL, KIAMBU COUNTY

Annex II

COMMITTEE ON ENERGY AND ICT

PRESENT

1. Hon. Geoffrey Majiwa, MCA - Chairperson
2. Hon. Anthony Ngaruiya, MCA - Vice Chairperson
3. Hon. Silas Matara, MCA
4. Hon. Mwangi Njihia, MCA
5. Hon. Solomon Magembe, MCA
6. Hon. Osman Adow, MCA
7. Hon. Alvin Olando Palapala, MCA
8. Hon. Clarence Munga, MCA
9. Hon. Catherine Apiyo, MCA
10. Hon. James Mwangi, MCA
11. Hon. Doris Kanario, MCA
12. Hon. Kariuki Wanjiru, MCA
13. Hon. Jackline Apondi, MCA
14. Hon. Emapet Kemunto, MCA
15. Hon. Emily Oduor, MCA
16. Hon. Patriciah Musyimi, MCA
17. Hon. Jane Muasya, MCA

ABSENT

1. Hon. Waithera Chege, MCA
2. Hon. Fredrick Okeyo, MCA
3. Hon. Melab Atemah, MCA
4. Hon. Joseph Mwangi Komu, MCA

COMMITTEE ON FINANCE, BUDGET AND APPROPPRIATIONS

PRESENT

1. Hon. Chege Mwaura, MCA - Chairperson
2. Hon. Michael Ogada, MCA - Vice- Chairperson
3. Hon. Mary Arivitsa, MCA
4. Hon. Samora Mwaura, MCA
5. Hon. Margaret Mbote, MCA
6. Hon. Muchene Kabiru, MCA
7. Hon. Millicent Mugadi, MCA
8. Hon. Paul Ndung'u, MCA
9. Hon. Millicent Jagero, MCA

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10. Hon. Catherine Okoth, MCA
11. Hon. Emily Oduor, MCA
12. Hon. Paul Shilaho, MCA
13. Hon. John Mukiri, MCA
14. Hon. Cecilia Ayot, MCA
15. Hon. Herman Azangu, MCA
16. Hon. Emapet Kemunto, MCA
17. Hon. Patrick Karani, MCA

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ABSENT

1. Hon. Robert Mbatia, MCA
2. Hon. Mellab Atemah, MCA
3. Hon. Fredrick Okeyo, MCA
4. Hon. Kennedy Oyugi, MCA
5. Hon. Susan Makungu, MCA
6. Hon. Elijah Mputhia, MCA

IN-ATTENDANCE	COUNTY EXECUTIVE
1. Mr. Justus Kathenge	– Ag. County Secretary
2. Mr. Newton Munene	– CECM, ICT & E- government

SECRETARIAT	COUNTY ASSEMBLY
1. Mr. Sammy Kiptoo	– Director Legislative Services
2. Mr. Shadrack Makokha	– Principal Committee Services
3. Mr. Erick Otieno	- Principal Fiscal Analyst
4. Ms. Hellen Mutie	– Senior Clerk Assistant
5. Mr. Titus Muiruri	– Senior Clerk Assistant
6. Mr. Alphonce Ouma	- Senior Fiscal Analyst

Min. No.001/July/2020: Preliminaries

— The Chairperson for the Finance, Budget and Appropriations Committee (FBAC) called the meeting to order at 11.00 a.m. and he said the opening prayer. He took the Committee through the agenda as follows:-

Agenda

1. Preliminaries (prayers & adoption of the Agenda)
2. Meeting with the Ag. County Secretary, CECM Finance and CECM ICT to deliberate on the sessional paper no. 1 of 2020 on a policy framework for revenue collection and management in Nairobi City County
3. Deliberation on the stakeholder's submissions on the Sessional Paper
4. Adoption of the joint Committee Report on the sessional paper no. 1 of 2020 on a policy framework for revenue collection and management in Nairobi City County
5. Any Other Business
6. Adjournment

— The agenda of the meeting was thereafter proposed by Hon. Catherine Okoth and seconded by Hon. Clarence Munga

Min. No.002/July/2020: Meeting with the Ag. County Secretary, CECM Finance and CECM ICT to deliberate on the sessional paper no. 1 of 2020 on a policy framework for revenue collection and management in Nairobi City County

— The Chairperson FBAC invited the Ag. County Secretary and CECM for ICT who informed the Members that there was need for the policy to provide clear operational structure that allows coordination of staff supervision between KRA, NMS and the Executive on operations and revenue collection.

— The County Executive also recognized that there was entire need to post enough technical officers to efficiently enforce on all revenue streams and more staffs be deployed. Further, there was need to clarify on the currently running contracts between the County Government and other third party agents.

Min. No.003/July/2020: Deliberation on the key stakeholder's submissions on the Sessional Paper

— The FBAC Chairperson informed the Committees that in accordance with the Article 196 of the Constitution, Section 115 and Section 87 of the County Government Act, 2012, the County Assembly wrote to stakeholders with a view to invite submissions of the written memoranda on the policy framework for revenue collection and management in Nairobi City County on Thursday, 9th July, 2019 and be forwarded to the Office of the Clerk by Tuesday 14th July, 2019. He further stated that the Committees received written memoranda from the following stakeholders amongst others; -

i. The Institute for Social Accountability (TISA);
ii. Kenya Revenue Authority (KRA);
iii. Nairobi Metropolitan Services (NMS);
iv. County Secretary and CEC ICT; and
v. National Bank of Kenya (NBK)

— From the submissions the Committees noted that;

a) The Institute for Social Accountability (TISA)

TISA Submitted Memoranda containing comments, areas of concern and remarks with proposed recommendations. TISA observations centered on eminent factors affecting NCC revenue collection and recommendations to promote optimum revenue collection system which can stimulate and guide the economic and social development of the County.

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b) Kenya Revenue Authority (KRA)

KRA Submitted memoranda containing comments, in regards to challenges they have faced during the three months period and the proposed recommendations in various revenue streams. They proposed a standardization of collection processes.

c) Nairobi Metropolitan Services (NMS)

NMS memorandum highlights on the following: -

- Need for compliance and enforcement of revenue collection,
- End stagnation of revenue collection staff by promotion, confirming all those in acting capacities and promote staff across board,
- The need for use of technology to carry out census and automation of the Sub-county offices.
- Need for a system that allows integration with other payment platforms for real time reports.
- The need for development of regulations to enable full implementation of various Acts and a drafted and gazette policy document to guide operations and decisions is crucial. Fast tracking the acquisition of the ICRMS is essential.
- There is need for incorporating views, comments and observations by NMS to improve on the quality of specific areas of the proposed policy.

d) National Bank of Kenya (NBK)

- That they require clarity on the status of their running contract agreement with the County Government regarding revenue collection in view of the proposed policy; and
- That they support the Kenya Revenue Authority and the Nairobi Metropolitan Services in executing their mandate to enhance revenue collection in the County.

The committees resolved to have the submissions of stakeholders be included and that the report be tabled on Thursday 16th July, 2020.

Min. No.004/July/2020: Adoption of the joint Committee Report

The secretariat tabled the draft report before the joint committee on consideration of sessional paper no. 1 of 2020 on a policy Framework for Revenue Collection and Management in Nairobi County.

The joint Committees unanimously adopted the said report.

Min. No.004/July/2020: Any Other Business

There were no items under this agenda

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Min. No.005/July/2020: Adjournment and date of next meeting

The meeting adjourned at 4.30 pm. The next meeting would be held on Wednesday 15th July, 2020 at 10.00 a.m. at Windsor Golf Hotel, Kiambu County.

SIGNATURE ..... DATE 16/7/2020
(CHAIRPERSON)

SIGNATURE ..... DATE 16th July 2020
(CHAIRPERSON)

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The Institute for Social Accountability

13th July 2020

To: Chairperson,
Finance and Budget Appropriation Committee,
Nairobi City County Assembly,
P. O. Box 45844 – 00100,
Nairobi.

CC: Pauline Akuku,
Ag, Clerk, Nairobi City County Assembly
Clerks Chambers, County Assembly,
City Hall Buildings,
P. O. Box 45844 – 00100,
Nairobi.

RE: SUBMISSIONS ON THE CONSIDERATION OF THE PROPOSED NAIROBI CITY COUNTY REVENUE COLLECTION SYSTEM

Greetings from The Institute for Social Accountability (TISA).

The Institute for Social Accountability (TISA) is a civil society initiative committed towards the achievement of sound policy and good governance in local development in Kenya, to uplift livelihoods of, especially, the poor and marginalized. TISA has been operational since March 2008 and is a locally registered trust committed to the promotion of effective local governance in Kenya.

Introduction

On 25th February 2020, by way of Deed of Transfer executed between the Governor of Nairobi County and the Minister for Devolution, County Health Services, County Transport Services, County Planning and Development Services, and County Public Works, Utilities and Ancillary Services were transferred from the Nairobi County Government to the National Government. The same was communicated vide Gazette Notice 1609 of 2020. Vide Gazette Notice 1967 of 6th March, 2020, and in accordance with section 160 of the Public Finance Management Act, 2012, the county assembly through the select committee on Finance, budget and appropriation presented before the house policy proposal for establishing Nairobi Revenue System under the management of Kenya Revenue Authority **Sessional paper No. 1 of 2020** on 8th July 2020. The policy framework proposes a raft of measures to streamline revenue collection to cure the perennial shortfall in attaining Own source Revenue targets as required under the law.

Prior to signing of the agreement, the Auditor-General had flagged a number of counties, including Nairobi, for failing revenue collection with some missing their targets by up to Sh7 billion. In the 2017/2018 financial year report, the Auditor-General warned that the continued decline in budgeted local revenue and its collection may hamper or compromise service delivery.

According to the report, the Nairobi County target was to collect Sh17.22 billion in the 2017/18 financial year, but it ended up collecting Sh10.15 billion, which was an under collection of Sh7.07 billion, 41 per off the mark.

1. DLS
Kindly advise
Ag. Clerk
14/7/2020

II. PFA/CA Budget/CP
Kindly brief the Committee
PCA (C) 14/7/2020

II. PCA ©
Kindly liaise with the Budget Office and ensure that the issues raised herein are captured.
D/LS
14/7/2020

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In fact, according to the report, the total amount collected as own source revenue in the 2017/18 was lower than what the county collected the previous year which was Sh10.93 billion, a reduction of Sh775 million.

Unfortunately, all this is happening against the backdrop of recommendations by Commission on Revenue Allocation (CRA) on how to improve administration and collection of revenue in the city county- which remain unimplemented Through a report entitled the *NAIROBI CITY COUNTY (NCC) REVENUE ENHANCEMENT RECOMMENDATIONS BASED ON FIELD VISIT FINDINGS (25TH APRIL TO 15TH MAY 2016),* the CRA outlined key priorities to strengthen revenue collection in Nairobi Unfortunately, this report was never adopted.

Generally, revenue collection in the counties proves to be an uphill task. A 2019 study by National Treasury established that Own-Source Revenue (OSR) collections by counties are four times below the minimum potential. The OSR potential and tax gap study revealed that the 47 county governments can raise a minimum Sh124.7 billion annually. In the financial year 2017/18, county governments aimed at raising Sh49.2 billion in OSR but only managed Sh32.5 billion, similar to collections in 2016/17, a massive Sh92.2 billion below the potential. These figures were also confirmed in the Own Source Revenue Potential and Tax Gap Study by The World Bank.

Therefore, As Nairobi City County assembly prepares to formulate a policy on Nairobi county Revenue Management system, we wish to bring forth some of the eminent factors affecting NCC revenue collection;

1. **THAT** NCC lacks as a foundation, a comprehensive policy and legislation underpinning its revenue regime. Policy and legal framework is a paramount and foundational aspect of successful revenue collection system. It is what underpins the local revenue structure and design for any sub-national government.
2. **THAT** NCC lacks up to date database of tax bases thus making it difficult to undertake revenue forecasting and monitoring for the county
3. **THAT** NCC has failed to ensure Public awareness on revenue collection frameworks, the few available are not clear and that county government has not cascaded it down to the taxpayers.
4. **THAT** NCC has failed to promote Public participation; Forum for public engagement and participation is an important platform for information sharing and opportunity for citizen to exercise their voice and demand accountability from duty bearers.
5. **THAT** NCC has failed to recognize the contribution of the small-scale business e.g. hawkers, street vendors in the growth of county economy. There is need to regularize their operations through registration and subsequent allocation of trading spaces
6. **THAT** NCC has failed to undertake a revenue potential analysis and forecasting; Nairobi needs to undertake a study to assess and analyse its revenue potential. Such a study is critical to informing the County on how to broaden tax base and strengthen efficiency and effectiveness in revenue mobilization.
7. **THAT** NCC has failed to provide quality services to the taxpayers hence low tax compliance; service delivery is not commensurate to fees and charges paid, largely attributed to unwillingness to pay taxes and fees. lack of taxpayers' education campaigns and other participatory initiatives by the county.
8. **THAT** County lacks requisite personnel capacity in revenue collection and administration compounded by weak enforcement mechanism and fragmented revenue system.
9. **THAT** NCC has failed to put measures to eliminate cartels at the city hall who continue to promote corrupt vices especially during allocation of trading spaces

10. **THAT** NCC has failed to consider all the recommendations by CRA on revenue collection and administration to improve its target on OSR

Whereas;

11. The proposed revenue collection policy framework is meant to improve general revenue administration in Nairobi City County, TISA wishes to make the following observations on the framework;

❖ **The Nairobi Metropolitan Service as currently constituted is unconstitutional**

The NMS was created by Executive fiat rather than a deliberative process that would grant audience to the residents of Nairobi. In both letter and spirit, the NMS violates the Constitution. This was acknowledged by Wasilwa J in *Petition 52 of 2020*,[1] who stated that "In as far as this Deed of Transfer of functions of Nairobi County Government was done between the County Governor without involvement of the County Assembly, the Constitution was breached and the transfer was done without involvement of the entire County Government as envisaged by the Constitution."[2] In her wisdom, the Honourable Judge granted forbearance to the NMS by suspending the declaration of the body's illegality from taking effect for a period of 90 days beginning 18th June 2020, in which period the NMS should be established by law and the instrument of its establishment made.

Until such time as the NMS is constitutionally established, every policy it purports to implement, including Sessional Paper No. 1 of 2020, will not only be in violation of existing court orders, but will also lack the democratic mandate that Article 187 as read with Article 176 envisages. One of the objects of devolution of government as stipulated under Article 174 of the Constitution is to give powers of self-governance to the people and enhance the participation of the people in the exercise of the powers of the State and in making decisions affecting them.[3] Therefore, the NMS should take steps to remedy this situation, and take advantage of Wasilwa J's forbearance by embarking on public participation to fulfill its establishment.

❖ **Provision for intergovernmental relations**

Without prejudice to the unconstitutionality of the NMS as expressed above, TISA submits that Sessional Paper No. 1 of 2020 does not commit to amiable intergovernmental relations between the county government and the national government. Section 25 of the Intergovernmental Relations Act, enacted pursuant to Article 189 of the Constitution, establishes principles of transfer or delegation of powers, functions and competencies. Pertinently, a government transferring or delegating a power, function or competency, in this case the Nairobi County Government, is mandated to "ensure a transfer or delegation under this section does not transfer constitutional responsibility assigned to that level of government."[4] TISA expresses concern that by rendering revenue collection and management within the exclusive jurisdiction of the KRA, not only usurps Constitutionally assigned functions of the county government, but also compromises intergovernmental relations. By way of remedy, TISA proposes a demarcation of revenue collection and management in such a way as to be in compliance with the Fourth Schedule of the Constitution. Section 7 of the Fourth Schedule assigns trade development and regulation to the county government, which function is principally constituted by revenue collection and management. To this end, and in lieu of the imperial task assigned to the KRA, the NRS ought to be retained by the NCC, with the KRA providing supporting and ancillary roles.

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[1] *Okiya Omtata Okoiti & 3 others v The Nairobi Metropolitan Service and others* [2020] eKLR

[2] *Okiya Omtata Okoiti & 3 others v The Nairobi Metropolitan Service and others* [2020] eKLR, para 81.

[3] Article 174(c), *Constitution of Kenya*, (2010).

[4] Intergovernmental Relations Act, section 25(d)

Furthermore, considering the context in which the Nairobi revenue framework is being developed, there is need to ensure mutual respect to the devolved units. Articles 6 and 189. Article 6(2) defines the governments at national and county levels as distinct and interdependent. The two levels of government are required to conduct their mutual relations based on consultation and cooperation. WHILE Article 189 (a) requires the two levels of government to perform their functions and exercise powers in a manner that respects the functional and institutional integrity of the government and the other level.

Therefore, the proposed revenue framework should provide a clear provision on conflict of interest; county assembly, national assembly, and the executive. The framework should seek to promote the best interest of Nairobi residents and progress of Nairobi county government.

- **Framework for accountability and oversight- Role of the county assembly**

Being a county function, the framework needs to recognise the critical role the county assembly play in the oversight. The county assembly exercise oversight over County government and therefore they play an important role in enhancing accountability in revenue generation. Accountability is an important cornerstone for good governance and continued deterioration causes decline in economy growth and provision of quality services to Citizens. The County assembly are tasked with receiving and approval of county policies and plans. Before approval of plans and project they need to ensure that all relevant information's are available. The need to uphold merit when it comes to vetting and approval of County public offices to ensure that the selected individuals have competent skills required to perform certain functions therefore accountable. The county assembly are responsible for approval of county revenue collection system and they need to ensure that the system allows transparency and accountability.

- **Public participation**

The constitution establishes citizen engagement as a key pillar for a democratic system, article 1,10,35, 69, 118, 174, 184, 196, 201, and 232. For a revenue system to perform as expected, the citizen must be engaged in the development process. Under article 201, the constitution establishes the principle of openness and accountability- The principle believes that good performance of revenue can only be reported if the community participate and response to policies regarding revenue generation. The constitution of Kenya 2010 includes provisions on expenditure controls and enhanced transparency. The government of Kenya has employed fundamental factors to foster openness.

The transfer of function process was started on a wrong footing since Nairobi residents were not engaged despite highly impacting on their lives. Therefore, the policy framework should propose a more proactive engagement with taxpayers in all county revenue matters, including legislations through better communication and publicity of all important documents in advance of meetings. Lastly, the policy should propose a process of simplifying tax legislations and requirement and enhance overall revenue transparency as this is important in creating awareness and credibility amongst taxpayers.

- **Transparency in Revenue administration**

It should be noted, Transparency in revenue administration at the county is followed up by county government as they have a responsibility of providing clear fiscal reports on usage and management of revenue and they maintain public reports for any waiver and reason for granting waiver which is reported to the Attorney General. Transparency is a key drive for development of confidence as it creates a conducive atmosphere of willingness of individuals and company to pay tax which is a revenue generation source.

- **Consultation with County Budget Economic Forum**

Inline with section 137(3)(b) PFMA, The CBEF is an integral part of public participation. It is meant to ensure inclusion, transparency, and accountability in public finances. According to CRA, The County Budget and Economic Forum (CBEF) was set-up to coordinate and collect views from the public during the budgeting process and function as a think-tank for the County government in terms of financial and economic management. The CBEF assists the county to analyze and identify its priorities as they budget for programs, improve coordination between the citizens and government and improve harmonization of project implementation and funding. Therefore, CBEF should be a key stakeholder in the ongoing discussions on formulating Nairobi revenue Policy framework. The framework should provide a clear link and the role of CBEF in the whole process.

Whereas;

12. In order to promote an optimal revenue collection system which can stimulate and guide the economic and social development of Nairobi county, TISA wishes to make the following recommendations

Recommendations

Issue	Problem Statement	Recommendation
Trading spaces for informal traders	The constitution provides for equal rights in land use; including trading spaces. Additionally, Nairobi lacks up to a database of tax bases thus making it difficult to undertake revenue forecasting and monitoring. Trade activities play an integral part of revenue source in NCC; however administration of the department has been left at the mercy of few individuals who control space allocations.	• There is need to have a biometric form of data registration for all businesses, and available resources to allow planning and monitor revenue collection in Nairobi, this should include the small scale enterprises; hawkers, street vendors. This biometric system ought to be numerically serialized for traders occupying those spaces to help track and monitor adherence to revenue collection. The integrity of this system needs to be guaranteed and amenable to independent audit, ensuring that traders' data is: • processed in accordance with the right to privacy of the data subject • processed lawfully, fairly and in a transparent manner in relation to any data subject; • collected for explicit, specified and legitimate purposes and not further processed in a manner incompatible with those purposes; • adequate, relevant, limited to what is necessary in relation to the purposes for which it is processed; • collected only where a valid explanation is provided whenever information relating to family or private affairs is required; • accurate and, where necessary, kept up to date, with every reasonable step being taken to ensure that any inaccurate personal data is erased or rectified without delay; • kept in a form which identifies the data subjects for no longer than is necessary for the purposes which it was collected; and • Furthermore, designation of trading spaces needs to be in line with the Physical Planning Act and there ought to be a participatory and inclusive role for all necessary stakeholders.

		• There should be a clear and humane process of revenue collection devoid of harassment, destruction of property and seizure. • The policy should provide measures to repossess grabbed public land to ensure provision of right to trade. • **Designation of special microenterprise areas:** We call for a stop to all evictions of small traders pending the provision or a requisite framework through zoning by-laws to make provision for micro-enterprise designated areas through local land use plans with a strong emphasis on informal traders.
Enforcement	The fines and charges imposed on defaulters are relatively high for small scale traders and ought to be re-considered in line with what the traders would feel the punishment of pay but not be driven out of business. Inefficiency: Current compliance costs to business and administration for the county government should be minimised as far as possible. Uncertainty and inconsistency; revenue rules and policies are not only uncertain, but also change with the whim of the governor. Regulatory charges and multiple approvals often result in increased cost of doing business, disproportionately affecting the poor.	• NCC should develop harmonized list of offences with reasonable fines for defaulters; this will deter defaulters but also promote compliance. • The penal sanctions ought to be made known to the traders and should not be so punitive as to deter enrollment and compliance. • Enforcement should be based on the respect for and protection of the rights of traders. The NRS should ensure consistency in its execution of the county's fiscal policy. The policy should be enforced through robust regulations which ensure: • A clear designation of licensing and enforcement officers and their station • A robust code of conduct which protects the rights of traders • The code of conduct should require officers to identify themselves formally every time they interact with traders, and issue a formal complaint for all disciplinary matters.

		• There is need for clear penalties and procedures that respect traders' rights. • There should be non-judicial avenues to challenge county decisions by trader • Miranda Rights - Officers should be required to explain procedures during routine interaction and especially during enforcement exchanges. • There is needed for gender sensitivity training of county officers to protect female traders. (hotlines, use gender desks) • Outlaw all direct payments to licensing officers to prevent extortion.
Comprehensive policy	Nairobi lacks as a foundation, a comprehensive policy and legislation underpinning its revenue regime.	• The proposed policy should provide a comprehensive framework and should respond to the recommendations made in the CRA report. • There is need to have harmonized revenue collection system e.g. the likes of NTSA system where all services are automated to ease the cost of operation and reduce long process of approvals • There is need to articulate the role of all stakeholders and ensure public participation, accountability, and transparency in revenue management. • There is need to ensure effective oversight and integrate revenue management effectively in the county budget process.
Property rates	Land and Property is a critical source of revenue for Nairobi county, yet property rates (land rates) in Kenya are still underpinned by the National Rating Act (Cap 267) and Valuation for Rating Act (Cap 266) of the defunct local authorities.	To allow revision of rates and levies imposed on land and properties the NCC should enact appropriate county laws. e.g. revisit the enactment of the Nairobi City County Valuation and Rating Bill, 2015.

	As provided for in National Rating Act (CAP 267), property rates in Kenya and for that matter Nairobi are levied on the value of land unlike in most African countries where these rates are based on the value of property.	
Compliance	Lack of transparency and accountability in service delivery; service delivery is not commensurate to fees and charges paid, attributed to unwillingness to pay taxes and fees.	• There is need for more accountable and transparent process where the taxpayers receive services commensurate to the amount remitted to the NCC. • NCC should invest more in creating awareness to the taxpayers on the need to comply
Revenue collection Personnel	County lacks requisite personnel capacity in revenue collection and administration compounded by weak enforcement mechanism and fragmented revenue system.	Harmonized and automated system will reduce over-reliance to manpower, this will also improve in monitoring and follow up with the customers in case of any pending bills inform of taxes
Trade Licenses/Single Business Permit	Trade licenses are levied on businesses and trade including professionals as a means of regulating conduct of business or trade. However, a huge number of small businesspeople have been left out	There is need to increase the tax base by including the small business owners through registration to ensure more revenue collection inform of licenses and permits
User charges and fees	User charges are a revenue source linked to specific services and vary based on the amount of service consumed, for example, water bill, parking fees e.tc. Most of the fees and charges including parking fees, market fees and others were inherited from the former local authorities hence do not reflect the current economic times	Marginal decrease or lack in revenue collection from user charges and fees like parking fees is majorly undermined largely by collusion from revenue collectors and overall leakages. There is need to have a standardized rate for the user charges and fees to close the gap of revenue collectors taking advantage of the businesspeople

Accountability Framework	The policy needs to provide a robust accountability framework to curb cartels.	The policy should provide a self-regulating and accountability framework which can be realised through the creation of ward level revenue accountability fora. Such fora would serve to monitor local revenue collection and oversight the local revenue collection and reporting process. They would bring together county revenue officers, administrators, and traders for purposes of disclosure on revenue performance and corrective action. To enable transparency the county would; • Share the database of all registered traders and their revenue contributions in the area; • Hold regular reporting meetings on the status of revenue collection to review the revenue collection report • Designation of revenue officers to a particular area to be transparent to avoid collusion • Make revenue information transparent at all levels to enable tracking of the same. • Publish performance weekly revenue information in county administrative offices and website.
Licensing	The revenue policy is underpinned by the licensing regime. All licensing should be based on principles of tax justice and the ability of targeted groups to pay.	Licensing should:

		• It should be underpinned by classification of traders based on ability to pay. This classification criteria should be made publicly available • It's should be payable in 3 instalments for smaller traders • It should be underpinned by sustained sensitization and education • It should be linked to the services provided by the county • It should have a gender component to meet the needs of the smallest informal traders especially women informal traders

For further information, please contact us at
P.O. Box 48353 -00100 Nairobi
Tel: +254 20 4443676
www.tisa.or.ke

KENYA REVENUE AUTHORITY
ISO 9001:2015 CERTIFIED

Ref: KRA/5/1002/6(86)

13th July, 2020

Office of the Clerk
Nairobi County Assembly
City Hall Buildings
P.O.Box 45844 - 00100
NAIROBI

Dear Madam,

PUBLIC PARTICIPATION ON THE CONSIDERATION OF THE POLICY FRAMEWORK FOR NAIROBI REVENUE SYSTEM BY NAIROBI METROPOLITAN SERVICES.

Nairobi County appointed KRA as the Principal Agent for overall Revenue collection for all County Revenue in Mid March 2020. Since then the Authority has collected a total of Kshs1.865B.

During the three months of overseeing County revenue collection, KRA has identified the following challenges and recommendations to address the challenges and would like to submit the same for consideration by the County Assembly.

1. Introduce structure collection methods to unstructured revenue streams such as markets by identifying the key/regular/trusted customers and establish a registration process.
2. Understand market dynamics and implement a solution that will not cause disruption to traders and business operations in the Market.
3. Introduce a weighbridge at Markets and provide visibility to supervisors/managers. This will ensure there is transparency, equality and objectivity in application of charges for customers' goods.
4. Introduce a queue management (virtual) and implementation of 24 hr market operations.
5. Standardize the collection process across similar businesses such as Markets, parking, etc. and develop a procedure manual to guide operations.

III P.F.A/Sec C.A Budget/ICT.
Kindly liaise with Committee
PCA(C) 14/7/2020

(II) PCA(C)
Kindly liaise with the PFA Budget and the committee to expedite the process
D/LS 14-7-2020

DLS
Kindly deal
Ag. Clerk 14/7/2020

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6. Display all applicable charges at all service points (markets, parking areas, website, etc) for all customers/traders to have visibility – Consider having a digital billboard at strategic sites.

7. Automate revenue collection process, add controls and enforce staff accountability and consequences for revenue leakage and non-performance.

8. Allow for multiple payment options to cater for different customer preferences and conveniences.

9. Implement a system with a robust reporting capability and in real time. Allow for generation of reports viewed from different perspectives such as categorised by sectors, by revenue streams, by zones, by Sub County, by Ward, as well as customised reports.

10. Maintain a register of all land rate payers which is updated in real time. Enable rate payers to obtain and pay their bills online and have their accounts updated in the NCCG System.

11. Ensure the systems has capability to update current land ownership status. Further real time updates resulting from subdivision of plots and sale of property.

12. Establish integration between Lands Office and valuation department.

13. Automate application, processing and issuance of health certificates, permits and licences.

14. Review of enforcement laws to ensure the County does not lose large amounts of revenue through defaulters. Explore use of Demand Notices and Agency Notices. Establish a Platform that allows for sharing of information with other key Authorities such as Banks, MOL, KRA, IFMIS, etc.

15. Expedite the passing of the new valuation roll.

Submitted for consideration

Annastaciah Githuba, HSC.
PROJECT LEAD NCCG/KRA PROJECT

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Bank

A Subsidiary of KCB Group PLC

National Bank of Kenya Limited
P.O. Box 45844-00100 Nairobi Kenya
Tel: +254 (0)20 3828000
+254 (0)711 052000
Email: nbkcare@nationalbank.co.ke
Website: www.nationalbank.co.ke

July 13th, 2020

Our Ref:
DAILY NATION NEWSPAPER
ADVERTISEMENT OF JULY 10, 2020.

CLERK OF THE NAIROBI CITY COUNTY ASSEMBLY
P.O. BOX 45844-00100, NAIROBI.
CITY HALL BUILDING
2ND FLOOR, ROOM 279, NAIROBI
Email: clerk@nairobiassembly.go.ke

DLC
Kindly deal
Ag Clerk
14/7/2020

NAIROBI CITY COUNTY ASSEMBLY
CLERK
14 JUL 2020
RECEIVED
P.O. BOX 45844-00100, NAIROBI

Dear Sir,

RE: WRITTEN SUBMISSION FEEDBACK ON SESSIONAL PAPER NO.1 OF 2020- A POLICY FRAMEWORK FOR NAIROBI REVENUE SYSTEM

We take cognisance of the Daily Nation Newspaper Advertisement dated July 10th, 2020 through which you announced to the General Public that Sessional paper No.1 of 2020 titled *'A Policy Framework for Nairobi Revenue System'* was tabled in the Nairobi City County Assembly on July 8th, 2020 and thereafter committed to Finance, Budget and Appropriation Committee and the Sectoral Committee on Energy, Information and Technology for Reviewing and Reporting.

On account of the above and in line with Article 196(1) (b) of the Constitution of Kenya and Standing Order 121 (3) of the Nairobi City County Assembly, the views of National Bank of Kenya Ltd (N.B.K) with regard to Sessional paper No.1 of 2020 are hereby provided as below for incorporation by the Finance, Budget and Appropriation Committee and the Sectoral Committee on Energy, Information and Technology of the Nairobi County Assembly.

NBK has a valid running 5-year contract with the Nairobi City County Government (N.C.C.G) for the provision of Automated Revenue Collection and Value Added Financial for Nairobi City County (Contract Number: NCC/FIN & ECO/G-G/208-2019) which commenced on June 10th, 2019. During the period from June 10th, 2019 to date, NBK has provided the following:

1. N.B.K has provided Automated Revenue Collection Service through Mobile Application, U.S.S.D Code, Web Portal Application, and N.B.K Cashier/Payment Counter services accessible in all NBK Branches.

2. N.B.K has implemented Revenue Collection Reporting, Monitoring Systems and Dashboards which have been accessible to Nairobi City County Executive Leadership from June 2019 and to Kenya Revenue Authority (K.R.A) leadership since March 2020 when K.R.A commenced its revenue collection activities.

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3. N.B.K has implemented a Revenue Enforcement Application for enhanced Parking Fee Collections. This application has been available for use by designated N.C.C.G officers and K.R.A officers since March 2020 when K.R.A commenced its revenue collection activities.

4. N.B.K has conducted training for all N.C.C.G Sub-County Finance Officers on enforcement and revenue mobilization through the use of NBK Revenue Collection Systems and Reports.

5. N.B.K has provided NBK Revenue Collection Systems, Reports, Technical Support and Financial/Banking Services to KRA from March 2020 to date.

6. N.B.K has digitized and enhanced application and issuance of food handlers' certificates for Nairobi County.

7. N.B.K has conducted roadshows and other publicity initiatives in various locations and sub counties in Nairobi City County to mobilize revenue collection and raise awareness in Nairobi County.

National Bank of Kenya Ltd takes cognisance of its role in the provision of Automated Revenue Collection services to Nairobi City County in support of the Kenya Revenue Authority and Nairobi Metropolitan Services in tandem with N.B.K contractual obligations as per the 5-year running contract between N.C.C.G and N.B.K.

National Bank of Kenya Ltd requests for clarification from the Clerk of the Nairobi City County Assembly as to how the running 5-year contract to provide Automated Revenue Collection and Value Added Financial for Nairobi City County by National Bank of Kenya shall be handled within the proposed policy framework.

The National Bank of Kenya Ltd pledges its support to Nairobi City County Government, Nairobi City County Assembly, Kenya Revenue Authority and Nairobi Metropolitan Services in executing their mandates to enhance revenue collection and customer service in Nairobi City County for the for the good of the citizens of Nairobi County, the General Public and all Stakeholders concerned.

National Bank of Kenya Ltd requests that the above views and considerations be taken into consideration as part of the review of Sessional Paper No.1 of 2020 titled *'A Policy Framework for Nairobi Revenue System'*

Yours Sincerely,

KELVIN JUMBA
HEAD, TRANSACTION BANKING

FREDERICK KIOKO
CHANGE MANAGEMENT & INTEGRATION

Cc:

County Secretary, Nairobi City County Government
County Attorney, Nairobi City County Government
Commissioner General, Kenya Revenue Authority
Director General, Nairobi Metropolitan Services
The Cabinet Secretary, The National Treasury

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CRITICAL ISSUES, STATUS AND RECOMMENDATIONS ON POLICY FRAMEWORK FOR REVENUE COLLECTION IN NAIROBI CITY COUNTY BY NAIROBI METROPOLITANT SERVICES.

REVENUE STREAM	ISSUE (POINT OF CONCERN)	STATUS (NCCG ERA)	STATUS (CURRENT POSITION)	GAPS (CHALLENGES)	RECOMMENDATION (STRATEGIES)	ACTION BY
DEBT COLLECTION UNIT (DCU)	Legal & Regulatory	Court injunctions on KAA, TAXI, Oil Transporters	County Attorney and Legal team making follow up	Inability to collect or enforce on defaulters	The cases should be determined immediately	County Attorney
	Operation & Enforcement	Depends on sectors to forward defaulters list	Wait for defaulters lists from sectors	Enforce only on the forwarded list of defaulters	Have access to all revenue stream data and extract defaulters list for enforcement independently	CECM-Fin, CCO-ICT CCO-Finance
	Organization structure	All officer report to the Head of DCU unit	All staff are under KRA and Head of DCU Unit plays no role	Inability to monitor performance to ensure optimum collection	All staff should report to the Head of DCU for efficient operations	CS NMS KRA
	System (Automation)	NBK system and LAIFOMS	NBK system and LAIFOMS	Payers accounts are not updated as the systems are not integrated	Ensure that the systems are integrated and fast track the acquisition of the ICRMS	CCO-ICT CCO-Finance NBK
	Infrastructure & facilitation	Depend on lists from sectors with few vehicles	Depends on list but under KRA	Lack of inspection gadgets to verify and inadequate vehicles	Provide inspection gadgets and transportation to cover the entire county	CCO-Finance CCO-ICT SCM

	Human Resource	There were 72 officers posted to cover specific revenue streams	Under KRA	Inability to all the revenue streams	Post enough technical officers to efficiently enforce on all revenue streams	DHRM ALL CCO HOCR

REVENUE STEAM	ISSUE OF CONCERN	STATUS (NCCG ERA)	CURRENT STATUS	CHALLENGES	RECOMMENDATION	ACTION BY
Rates	Huge arrears		Huge arrears	Low Revenue	Gazettement of rates defaulters in newspapers	▪ NMS ▪ NCCG
	Unreliable customer database		Wrong Customer Data	Inaccurate accounting for rates due from our customers	Immediate data clean-up	▪ Chief Valuer ▪ ICT Dpt.
	Low customer database for new rate payers			Limited number of rate payers	Seek information sharing with KPLC, Water & Sewerage, Lands Office, KRA	▪ Chief Valuer ▪ Director – Rates ▪ ICT Dept.
	Limited/Tedious payment process		Limited options for customer payment methods	Low compliance levels	Acquisition of playbill to ease payments	▪ CECM Finance ▪ CFO
	Limited customer contacts/update on their		No customer update for	Low levels of customer	Facilitate use of bulky SMS, E-mail reminders	▪ Chief Valuer ▪ Director –

	outstanding balances		their outstanding balances (Unpaid)	compliance in making payments	of customer balances	Rates ▪ Director – ICT ▪ Public Relations
	Low numbers of voluntary update of new		Low customer database	Low revenues	Facilitate Wards, Sub-County Rates Camp to enhance New Account opening	▪ Director – Rates ▪ CFO ▪ Chief Valuer
	Generation of High of High volumes of demand notices		Obsolete tally printer	Outdated and slow tally printer	Acquisition of new tally printer machine	▪ Director – ICT ▪ NMS ▪ CFO ▪ Supply Chain Dpt.
	Slow Enforcement		No dedicated team for Rates Field Officers	Huge arrears standing in the rates books/data	Urgent deployment of Rates specific team	▪ NMS ▪ KRA
	Hindered mobility		Slowed movement for enforcement teams	Growing Rates arrears not paid	Urgent acquisition of 2no. single cab pick-up (Body)	▪ NMS ▪ CFO
	Customer reluctance to pay		Low Revenue as customers adopt a wait and see on a possible waiver	Growing rates arrears and penalties	Consider granting of rates waiver to boost collection	▪ CECM Finance and Economic Planning ▪ Governor ▪ NMS
	Accumulated rates under CILOR contribution in lieu of rates by Government Ministries/Dpts/Agencies		Failure by Ministries to pay their CILOR every successive	Growing rates arrears for government departments	Fast-track and sustain engagement to collect the huge billions unpaid	▪ NMS ▪ Respective CS

			year			
REVENUE STREAM	ISSUE (POINT OF CONCERN)	STATUS (NCCG ERA)	CURRENT POSITION	GAP/CHALLENGES	RECOMMENDATION/STRATEGY	ACTION BY
	STRUCTURE ISSUES					
SINGLE BUSINESS PERMIT	Staff	Deployed to KRA and reshuffled, some transferred to and from other departments		Lack of clarity on: a) Technical skills to evaluate amounts payable and other legal requirements used in evaluation and advise to the Client b) Risk of legal tussles due to payment for SBP for of illegal businesses and /or businesses in unfeasible areas according to law c) De-linking of staff from the respective departments for	Control, Monitoring and other staffing matters should be handled at NMS office in the respective directorates. -Directorate can only be able to **budget for** and be **in charge** of staff answerable to the department.	NMS

				appropriate guidance/ monitoring and control		
	Human Resources (Skills & Capacity, motivation, terms & working conditions, number)					
	Promotion stagnation	Promotion has not been done for the last years with a number of officers working in Acting capacity despite concerted efforts in academic progression		Demotivated staff	Confirm those in Acting capacity and promote staff across board	County Public service board and Nairobi Metropolitan services
	Acknowledgement and reward for overtime	Enforcement team work over lunch hour and report to work early and leave late especially during peak period ie September to 31ST, March		Staff have been demotivated due to lack of appreciation of their efforts	Acknowledge and reward extra time efforts by staff	NMS and NCCG
	GOVERNANCE AND INTERAGENCY RELATIONSHIP					

	GOVERNANCE AND INTER-AGENCY RELATIONSHIP					
	Reporting	Staff deployed to KRA have instructions not to report to the Directorate		This has led to creation of two directorates with issues of insubordination -This has budget implication issues as the directorate may not be able to plan for the staff and general operations which may hinder/affect revenue collection	NMS as the mother body to the deed should have deployed staff report to the directorates for purposes of planning, monitoring and evaluation, including performance target and evaluation -KRA Should be answerable to NMS as a Principle revenue collection agent	NMS
	SYSTEMATIC ISSUES					
	Accurate Database	SBP Data base is inaccurate due to multiple applications in the system		Inaccuracy in data leads to incorrect decisions and unfruitful enforcement efforts.	-Identify staff in the directorate to confirm status and cleanse data -Use technology to curry out census (This will involve procurement of gadgets and Provision of ICT storage tool for updated, clean data	Directorate in conjunction with ICT Department
	Automation of Sub-County Offices	Only 2 Sub-Counties are able to issue invoices to clients ie Makadara, Dandora		-Loss of revenue due to distance from the Headquarters	-Automation of the Sub-county offices where the Sub-county and Ward Licensing officers are able to serve customers under the directorship of NMS Is Key for enhanced compliancy	NMS & ICT
	OPERATIONAL ISSUES					

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	Revenue Reporting	Currently rely on both LAIFOMS and NBK Platforms to get revenue reports		Manually prepared reports are prone to mistakes -Enforcement of already paid up accounts, which is a waste of resources -Inability to attach performance to the respective office -Inability to flag out the defaulters and those accounts are due for payment	System that allows integration with other payment platforms for real time reports is key.	NMS & NCCG 2022
	Self-declaration Challenges	There are many Unused accounts/ loss of revenue due to undercharges and duplication of Licenses		Loss of revenue as well as inappropriate decision making. Loss of time on already paid up accounts	Staff are needed to do inspections and report on the same for correction/ adjustments to be done	NMS & the Directorate
	OPERATIONS AND ENFORCEMENT					
	Enforcement Tools	The department lacks vehicles and gadgets for enforcement		Ineffective enforcement	Procurement of 2NO. minibuses and 17NO. double cabin pick ups -Procurement of 162 inspection and enforcement gadgets which will double up as data collection tools	NMS
	INFRASTRUCTURE AND FACILITIES					

	Lack of offices	Out of the 102 officers: -27NO. are sharing unfurnished offices with Administrators; -6 Have stalled container offices; -100NO. offices not connected to LAIFOMS; -23 Places have land available either for construction or expansion; -Those sharing are housed in Social halls or National Housing corporation; 42 Places do not have land for construction of offices		Officers operate from makeshifts or containers on road reserves which is poor working condition that do not pull citizens to get their attention for service delivery. - Monitoring of officers in such conditions become a challenge - Demotivated staff	-Buy land for 42 No wards -Construct offices -Connect the offices with LAIFOMS and internet -Rent 31NO. Offices and connect them accordingly -Furnish the offices with Computers and furniture	NMS and the NCCG
	Sub- county connectivity	LAIFOMS Connectivity is required in 15NO. Sub-		Majority of customers have to travel from distant places to the headquarter for services	System connectivity of all sub-counties and provision of efficient online application is key to compliance	NMS & ICT

		counties to start with. -17NO. Desk tops and printers are required		-Discouraging long journey and queues at the bank and city hall lead to high rate of non-compliance		1021
	LEGAL FRAMEWORK and POLICY					
	Legal Framework	Initiation of Development of Zero draft Regulations had just began		Inability to make decision on a) Zoning of Nairobi for purposes of differential fees and charges b) Licensing of Hawkers c) Issue of penalties on non-compliance	The respective stakeholders to immediately engage to develop the regulations to enable FULL Implementation of The Nairobi Trade Licensing Act, 2019 which was assented to on 23rd, May, 2020	NMS and the respective directorate, including related departments ie Planning, Environment, Health, Legal Department
	Policy	The department does not have written Policy document to guide operations		Subjective decisions which lead to non-uniformity	There needs to be drafted and gazette Policy document to guide operations and decisions	NMS and the SBP Department, in consultation with the Legal department and other stakeholders

REVENUE STREAM	ISSUE (POINT OF CONCERN)	STATUS (NCCG ERA)	STATUS (CURRENT POSITION)	GAPS (CHALLENGES)	RECOMMENDATION (STRATEGIES)	ACTION BY
URBAN DESIGN & OUTDOOR ADVERTISING	1.Legal & Regulatory (Governance)	Court injunctions/Orders obtained by Advertisers against the County Court orders/injunctions obtained against KURA & KENHA and the y enjoined the County Undue political interference in development and control of advertising structures Competition between other revenue function and urban planning function.	1.County Attorney and Legal team making follow up Director of Legal has a list of pending cases in Court touching on advertising. Politicians collude with advertiser to put up unapproved structures Some departments within the County take part in revenue collections for outdoor advertising departments	Restraining orders against enforcement on particular sites/companies Restraining orders touching on revenue Mushrooming of illegal structures Much of advertising revenue are unaccounted for	The cases should be determined immediately Establish the County Urban Planning Liaison Committee for arbitration & conflict resolution. The department should work independently without any political influence/interference Establish a system of accounting for every revenue collected within a specified department	County Attorney
	2.Organization structure/Personnel (coordination of	Majority (12no.) of revenue mobilization/enforcement officers report to KRA	No direct supervision/coordination revenue	Inability to monitor performance to ensure optimum	There should be clear structure that allows for coordination of staff	NMS KRA

	functions	offices for assignments	generation with the Head of the Section based at City Hall.	collection Slowed down the process of revenue mobilization. Complains from advertisers regarding accurate information forwarded on technical issues.	supervision between KRA & NMS on operations and revenue collection. Technical aspects of advertising should be left to be handled by Urban Planning technical staff based at City Hall. Advertising data collection being technical in nature should remain a function to be handled by UDD in collaboration with NMS.	
	Technology/ System (Automation)	The revenue generation tracking process is semi-automated. NBK system and LAIFOMS	NBK system and LAIFOMS	Payers accounts are not updated as the systems are not integrated There lacks regular revenue reports forwarded to UDD for reference in order to inform further mobilization activities.	Ensure that the systems are integrated and fast track the acquisition of the ICRMS	CCO-ICT CCO-Finance NBK

	Logistics	Depend on lists from sectors with few vehicles The department has only one plant and the plant has no operator from the County instead is outsourced. Lack of enforcement gears & transport for surveillance purposes. Monitoring depends on regular surveillance activities by few officers in the department	Depends on list but under KRA There is insufficient facilitation in terms of transport, equipment & machinery necessary for undertaking of enforcement. There is no monitoring system for outdoor advertising	Lack of inspection gadgets inadequate enforcement machinery/vehicles Lack of proper monitoring of outdoor advertising activities	Provide inspection gadgets Provide transportation to cover the entire county Provide GIS System to help in monitoring of advertising activities.	CCO-Finance CCO-ICT SCM
	Human Resource	There were 72 officers posted to cover specific revenue streams The department has only 36 personnel which 12 have been transferred to KRA	Under KRA Under staffed	Inability to all the revenue streams Inability to cover all the office work and enforcement work	Post enough technical officers to efficiently enforce on all revenue streams More staffs to be deployed.	DHRM ALL CCO HOCR
	Administration	Office has worn out furniture and fittings	Office has worn out furniture and fittings, With no stationeries.	The working environment is very bad	The office should be renovated	ADM

KENYA REVENUE AUTHORITY
ISO 9001:2015 CERTIFIED

12th November, 2020

KRA/5/1002/3/(155)

NAIROBI CITY COUNTY ASSEMBLY
CLERK
12 NOV 2020
RECEIVED
P.O. Box 45844 - 00100, NAIROBI

The Ag. Clerk,
Nairobi City County Assembly,
City Hall Buildings
P.O. Box 45844– 00100,
Nairobi.

Dear Sir,

REQUEST FOR INFORMATION AND DOCUMENTATION RELATED TO THE EXISTING CONTRACTUAL ENGAGEMENTS BETWEEN NAIROBI CITY COUNTY AND KENYA REVENUE AUTHORITY ON REVENUE COLLECTION

We refer to your letter dated 1/10/2020 and wish to respond as hereunder:-

1. **The Contract/Service Level Agreement between Kenya Revenue Authority and Nairobi City County on Revenue Collection.**

   1.1 The Kenya Revenue Authority (KRA) was appointed as the collector of revenue for the Nairobi City County Government (NCCG) pursuant to clause 5.5. of the deed of transfer made by and between the NCCG and the National Government which was published in the gazette notice no. 1609 of 25th February 2020. **ANNEXED AND MARKED KRA-1 is a copy of the gazette notice.**

   1.2 Further to the Deed of Transfer and in accordance with the provisions of section 160 of the Public Finance Management Act, the Nairobi County Chief Executive Committee Member responsible for Finance and Planning, appointed KRA as principal agent for overall revenue collection for all county revenue, for a period of twenty four (24) months, with effect from the 16th March, 2020. **ANNEXED AND MARKED KRA-2 is a copy of gazette notice by the CEC.**

   1.3 In order to implement the Deed of Transfer, KRA and the NCCG entered into a Service Level Agreement (SLA) setting out the terms for the management and accountability for the revenue collection. **ANNEXED AND MARKED KRA-3 is a copy of the SLA.**

2. Detailed information on the framework, platform and engagement mechanisms employed by Kenya Revenue Authority to collect and manage revenues

A. The Framework

The legal framework for engagements between KRA and the NCCG are therefore as follows:-

2.1 the deed of transfer between the NCCG and the National Government,

2.2 appointment of KRA by the Nairobi County Chief Executive Committee Member responsible for Finance and Planning as principal agent for overall revenue collection for all county revenue.

2.3 The Service Level Agreement (SLA) between KRA and the NCCG.

B. The platform

2.4 The systems currently in use by the County for revenue collection FleetFix, and eDevelopment Permit System (Urban Planning).

2.5 The County revenue has numerous challenges including:

- Inaccurate and inconsistent customer data
- Lack of data integrity
- Invalidated data
- Inaccurate/ inconsistent master data for revenue bearing assets

2.6 Sessional Paper No. 1 of 2020 on Policy Framework for Revenue Collection and Management in Nairobi City County proposed that the existing systems be retired and in their place a modern and more robust system be introduced.

2.7 The Paper recommended that the new technology to be delivered/acquired should at all times be capable of -

a) Integrating various facets in the revenue management process (revenue assessment, payments, compliance and enforcement and reporting) into a single system.

b) Providing both customers and County staff with simple easy to use interfaces and a variety of channels to choose from depending on their technology awareness levels.

c) Scalability at minimal costs to accommodate changes in the operating environment, technology, legislative and policy changes.

d) Integrating and leveraging on existing authoritative data sources (e.g KRA, Registrar of Persons, Ministry of Lands and the Business Registration Service) to ensure that data quality is achieved.

e) Leveraging on geo-technology such as Global Positioning System (GPS) and Geographical Information System (GIS) to enhance revenue mapping, projections and collections.

f) Delivering a stable and secure revenue management system

g) Providing clear audit history of changes, system logins and transactions for accountability and reporting purposes.

C. Engagement mechanisms employed by KRA to collect and manage revenue

2.8 KRA has NCCG staff seconded to it who are engaged in day to day revenue collection activities.

2.9 In addition, KRA has continuously engaged senior County staff especially the CEC-Finance and Planning in matters affecting revenue collection through correspondences and meetings.

2.10 Engagements have also been held with the County CECs through meetings with the Solicitor General aimed at resolving any disputes between the parties.

2.11 The SLA also has provisions for mutual engagements whereby the NCCG as the principal is expected to convene Monthly meetings with KRA to address any challenges in revenue collection and administration and also to receive progress reports on revenue collection.

2.12 The NCCG has designated officers who receive revenue collection reports on real-time basis and have access to the revenue collection accounts for transparency and accountability purposes.

3. **Relationship between KRA and the National Bank of Kenya (NBK) on revenue collection.**

KRA operates revenue collection accounts at the National Bank of Kenya, other than the banker-client relationship; there is no other relationship between KRA and the NBK. However, KRA is aware of the contractual relationship between NCCG and NBK on revenue collection.

4. **Relationship between KRA, the NCCG and the Nairobi Metropolitan Services (NMS) on revenue administration.**

4.1 The Nairobi City County Government is a devolved Government Entity established under Articles 6(1) and 176(1) of the Constitution of Kenya.

4.2 Pursuant to the Deed of transfer and section 160 of the Public Finance Management Act, the CEC-Finance and Economic Planning appointed KRA as the principal agent of the NCCG for overall revenue collection for all county revenue on behalf of the NCCG.

4.3 The NMS is an entity created by the National Government to manage the transferred functions under the deed of transfer between the NCCG and the National Government.

4.4 KRA as the principal agent for revenue collection for the NCCG has a principal-agent relationship with the NCCG.

4.5 KRA consults the NCCG and NMS on technical and policy matters affecting the respective revenue streams. KRA also relies on the NCCG and NMS in enforcement of revenue collection within the County.

We trust that this addresses the issues raised in your aforementioned letter and look forward to a close working relationship with the County Assembly in addressing challenges in revenue collection and administration.

Annastaciah Githuba
DEPUTY COMMISSIONER-COUNTY REVENUE DIVISION

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SPECIAL ISSUE

THE KENYA GAZETTE

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GAZETTE NOTICE NO. 1964

THE ORGANIZING COMMITTEE (OC) FOR THE INTERNATIONAL ASSOCIATION OF ATHLETICS FEDERATION (IAAF) WORLD UNDER 20 CHAMPIONSHIPS, NAIROBI, 2020

APPOINTMENT

AS a further addendum to Gazette Notice No. 1911 dated 21st February, 2019 and Gazette Notice No. 10413 dated 31st July, 2019, the Cabinet Secretary for Sports, Culture and Heritage reconstitutes the following Steering Committee and Organizing Committee for the International Association of Athletics Federation (IAAF) (now World Athletics) World Under 20 Championships, Nairobi, 2020 as follows:

(a) Steering Committee Representatives of: In addition to the members appointed *vide* Gazette Notice 1911 of 2019, to include—

Cabinet Secretary, Ministry of Water and Sanitation
Cabinet Secretary, Ministry of Energy and Petroleum
Cabinet Secretary, Ministry of ICT
Cabinet Secretary, Ministry of Health
Chairperson, Sports Kenya
National Olympics Committee-Kenya, 1st Vice-President

To be members of the Steering Committee, effective 1st March, 2020, for the remaining period of the Steering Committee's tenure as indicated in Gazette Notice No. 1911 of 2019.

(b) Organizing Committee

Chairman, Gen. Jackson Tuwei
Chief Executive Officer, Michael Agwingi Rabar
Assistant Chief Executive Officer, Ruth Agesa (Dr.)
Chief Operations Officer, Regina Gachora
Assistant Chief Operations Officer, Janice Kemoli
Director of Ticket Operations and Knowledge Management, Barnabas Korir
Assistant Director of Ticket Operations and Knowledge Management, Maxwell Nyamu
Director, Administration, Florence Amoit
Assistant Director, Administration, David Miano
Director, Finance and Team Services, Margaret M. Byama
Assistant Director, Finance and Procurement, Silvia Maleen Mayodi
Director, Legal, Emmanuel K. Gichohi
Assistant Director, Legal, Procedural Advisory, Christine Mangwana
Assistant Director, Legal, Contracts, Rosemary Chepkorir
Director of ICT, Lawrence Monda
Assistant Director, ICT, Hesbon Malwenyi
Director, Security and Accreditation, Joseph Kiget
Assistant Director, Security and Accreditation, Joseph Chirchir
Director, Protocol, Local, Col. Matigo Marwanga
Director, Protocol, International, Amb. Michael Kinyanjui
Assistant Director, Protocol, Susan Kamau
Director, Technical and Competition, Ibrahim Hussein
Assistant Director, Technical and Competition, Paul Mutwii
Director, Marketing and Commercial, Zaheeda Suleiman
Assistant Director, Marketing and Commercial, Robert Nyanga'aya
Assistant Director, Marketing and Commercial, Ndirangu Ruhiu
Director, Media, Broadcasting and Communication, Alexander Mwithia Kobia
Assistant, Director, Media, Broadcasting and Communication, Chris Mbaisi
Assistant, Director, Media, Broadcasting and Communication, Michael Okinyi
Director, Transport, Thomas Kwaka
Assistant Director, Transport, Vincent Kaduki
Director, Logistics, Douglas Wakiihuri
Assistant Director, Logistics, Mohamed Bashir Ibrahim
Director, Medical and Anti-Doping, Jared Nyakiba (Dr.)
Assistant Director, Medical and Anti-Doping, Victor Bargoria (Dr.)
Assistant Director, Medical and Anti-Doping, Abdul Aziz Gello (Dr.)
Director, Volunteers, Caroline Chizupo
Assistant Director, Volunteers, Razoah Vitisia
Director, Accommodation, Zulekha Khalid
Assistant Director, Accommodation, Peter Angwenyi
Assistant Director, Accommodation, Mercy Ndung'u
Director, Legacy, Walter Ongeti (Dr.)
Assistant Director, Legacy, Jibril Maalim
Assistant Director, Legacy, Benjamin Wafula
Director, Delivery, Gabriel Muthuma Warigi
Director, Monitoring and Evaluation, George O. Ombakho (Dr.)
Director-General, Sports Kenya, Pius Meto

to be members of the Secretariat and Organizing Committee, effective 1st March, 2020 and/or for the remaining duration as indicated in Gazette Notice No. 1911 dated 21st February, 2019.

Dated the 24th February 2020.

AMINA MOHAMED,
Cabinet Secretary for Sports, Culture and Heritage.

GAZETTE NOTICE NO. 1965

MINISTRY OF SPORTS, CULTURE AND HERITAGE

WORLD RALLY CHAMPIONSHIPS (WRC) SAFARI RALLY PROJECT

APPOINTMENT OF THE STEERING COMMITTEE AND ORGANIZING COMMITTEE FOR THE WORLD RALLY CHAMPIONSHIP (WRC) SAFARI RALLY PROJECT

AS an addendum to Gazette Notice No. 12089 of 2017, contained in the Kenya Gazette Vol. CXIX – No. 181 of 8th December, 2017, the Cabinet Secretary for Sports, Culture and Heritage has restructured the Steering Committee (SC) and Organizing Committee (OC) for WRC Safari Rally Project, hereinafter to be known as the WRC Safari Rally Kenya, as follows:

(a) Steering Committee:

Chairperson: Cabinet Secretary, Ministry of Sports, Culture and Heritage

Vice-Chairperson: Principal Secretary, State Department of Sports Development

Secretary: Chief Executive Officer, Organizing Committee

Members:

Principal Secretary, National Treasury and Planning
Principal Secretary, State Department of Culture and Heritage
Principal Secretary, State Department of Tourism
Principal Secretary, State Department of Wildlife
Principal Secretary, State Department of Transport
Principal Secretary, State Department of Maritime and Shipping Affairs
Andrew Wakahiu,
Joshua Oigara, Group CEO (KCB)
James Muiruri Kahumbura, (Director, KMSF)
Jaswant Singh Rai
Andrew Mukite Musangi
Phineas Kimathi Muriithi (*ex-official*)

(b) Organizing Committee

Chairperson: Phineas Kimathi Muriithi

Members

Representatives:

Ministry of Interior and Co-ordination of National Government
Secretary, Administration, State Department for Sports Development
Director-General, Sports Kenya
Director-General, National Youth Service
Director-General/CEO, Automobile Association of Kenya
Chief Executive Officer, Magical Kenya
Julius M. Kabiru,
Rose Wachuka Macharia,
John Kimanthi Maingi
Biko Gwendo
Surinder Thatti, FIA Liaison
Hellen Kagendo Shiri, FIA Certified Event Secretary
Stanley Kanyago, Accountant
Amb. Christopher Chika

The Term of Office for the above-listed committees shall be for a period of three (3) years, effective the 1st March, 2020 to organize the WRC Safari Rally Kenya for the periods 2020, 2021 and 2022, including the transition period and without prejudice to any work undertaken as at the effective date of this appointment.

Dated the 24th February 2020.

AMINA MOHAMED,
Cabinet Secretary for Sports, Culture and Heritage.

GAZETTE NOTICE NO. 1966

ESTABLISHMENT OF THE TOKYO OLYMPICS AND PARALYMPICS 2020 STEERING COMMITTEE

IT IS notified for public information that the Cabinet Secretary for Sports, Culture and Heritage (MOSCH) has appointed the following Offices to constitute the Steering and Central Management Committees for the Tokyo 2020 Olympic and Paralympic Games, for a period of ten (10) months, with effect from the 12th December, 2019 to 12th October 2020.

The Steering Committee shall:

(a) Oversee the preparation for Olympics.

(b) Consider and approve work plans, budgets and any other relevant proposals from the Central Management Committee.

(c) Approve the final list of athletes to Tokyo.

(d) Provide financial oversight.

(e) Give policy direction.

The Central Management Committee shall:

(a) Carry out day to day activities in preparations for the Tokyo Olympics.

(b) Prepare work plans, budget, team lists and any other proposals for consideration by the Steering Committee.

(c) Perform any other duties as may be directed by the Steering Committee.

STEERING COMMITTEE (SC)

1.	Cabinet Secretary, MOSCH	*Chairperson*
2.	Chief Administrative Secretary, MOSCH	2nd Chairperson
3.	Principal Secretary, State Department of Sports	3rd Chairperson
4.	Principal Secretary, State Department of Culture and Heritage	Member
5.	Andrew Wakahiu	Member
6.	President National Olympics Committee of Kenya (NOC-K)	Member
7.	Chef de Mission, NOC-K	
8.	Secretary-General-NOC-K-	Member
9.	Treasurer, NOC-K	Member
10.	Athletes' Representative, NOC-K-	Member
11.	President, Paralympics Committee	Member
12.	Secretary-General, Paralympic Committee	Member
13.	Chef de Mission, Paralympic Committee	Member
14.	Representative of the Principal Secretary, MFA	Member
15.	Representative of the Principal Secretary, Tourism,	Member
16.	Representative of the Principal Secretary, Interior,	Member
17.	Representative of the Auditor-General	Member
18.	Sports Journalist Association of Kenya	Member
19.	Chief Executive Officer, Anti-Doping Agency of Kenya (ADAK)	Member
20.	Chairman, Sports, Art and Social Development Fund	Member
21.	Representative of the Senate Standing Committee on Labour and Social Welfare	Member
22.	Representative of the National Assembly Departmental Committee on Sports, Culture and Tourism,	Member
23.	Kizzie Shako (Dr.)	Member

CENTRAL MANAGEMENT COMMITTEE (CMC)

1.	Deputy President, NOC-K	Chairperson
2.	Chef de Mission	Secretary

3. Secretary-General, NOC-K
4. Deputy Chef de Mission, NOC-K
5. General Team Manager
6. Chief Medical Officer, NOC-K
7. Media Liaison Officer, NOC-K
8. Treasurer, NOC-K
9. President, Paralympic Committee
10. Secretary-General, Paralympic Committee
11. Chef de Mission, Paralympic Committee
12. Chief Medical Officer, Paralympic Committee
13. General Team Manager, Paralympic Committee
14. Treasurer, Paralympic Committee
15. Secretary, Administration, State Department of Sports, MOSCH
16. Representative from the Cabinet Secretary, MOSCH
17. Representative from the Principal Secretary, State Department of Sports, MOSCH
18. Chief Executive Officer, Anti-Doping Agency of Kenya (ADAK)
19. Chief Executive Officer, Sports, Arts and Social Development Fund
20. Chief Executive Officer, Sports Kenya
21. Chief Executive Officer
22. Chief Finance Officer, State Department of Sports, MOSCH
23. Benjamin Wafula, Reports and Documentation
24. Louis Otieno Onyango
25. Richard Omwela
26. Frost Josiah (Amb.)
27. S. K. Maina (Amb.)

Dated the 11th December, 2019.

AMINA MOHAMED,
Cabinet Secretary for Sports, Culture and Heritage.

GAZETTE NOTICE NO. 1967

THE CONSTITUTION OF KENYA

THE PUBLIC FINANCE MANAGEMENT ACT

(*No.* 18 *of* 2012)

NAIROBI CITY COUNTY GOVERNMENT

APPOINTMENT OF KENYA REVENUE AUTHORITY AS THE PRINCIPAL REVENUE COLLECTOR

PURSUANT to Article 5.5 of the Deed of Tranfer of Function from the Nairobi City County Government to the National Government gazetted on the 25th February, 2020 and in accordance with section 160 of the Public Finance Management Act, 2012. The Nairobi City County Government appoints the Kenya Revenue Authority as the principal agent for overall revenue collection for all County Revenue, for a period of twenty four (24) months, with effect from the 16th March, 2020.

Dated the 6th March, 2020.

ALLAN E. IGAMBI,
CECM, Finance and Economic Planning.

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

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KENYA REVENUE AUTHORITY

NAIROBI CITY COUNTY GOVERNMENT

SERVICE LEVEL AGREEMENT

BETWEEN

NAIROBI CITY COUNTY GOVERNMENT

AND

KENYA REVENUE AUTHORITY

ON APPOINTMENT OF KENYA REVENUE AUTHORITY AS THE PRINCIPAL AGENT FOROVERALL REVENUE COLLECTION FOR THE NAIROBI CITY COUNTY GOVERNMENT

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SERVICE LEVEL AGREEMENT BETWEEN THE KENYA REVENUE AUTHORITY (KRA) AND THE NAIROBI CITY COUNTY GOVERNMENT (NCCG)

This Service Level Agreement(SLA) is made this_____ day of_____ 2020

BETWEEN

The Kenya Revenue Authority, a State Corporation in the Republic of Kenya duly incorporated under the Kenya Revenue Authority Act (No. 2 of 1995) and whose registered office is situated at Times Tower, Haile Selassie Avenue, and of Post Office Box Number 48240-00100 Nairobi (hereinafter referred to as ' the KRA');

AND

The Nairobi City County Government, a devolved Government entity established under Articles 6(1) and 176(1) of the Constitution of Kenya and of Post Office Box Number 30075-00100 Nairobi(hereinafter referred to as the 'NCCG');

WHEREAS

a) Through the Gazette Notice No. 1609 dated 25th February 2020 on the Transfer of Functions from the NCCG to National Government and the subsequent Gazette Notice No. 1967 dated 6thMarch 2020, NCCG appointed KRA as its Principal Agent for overall revenue collection, including water revenue;

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b) Pursuant to Article 5.5 of the Deed of Transfer of Functions (the Deed of Transfer) and the letter dated 6th March 2020 by the County Executive Committee Member – Finance and Economic Planning, KRA has been appointed by the NCCG to as the principal agent for overall revenue collection for the NCCG on the terms and conditions set forth in this SLA;

c) KRA is able to provide NCCG with Revenue Collection and Management Solutions and has agreed to offer Revenue Collection Services to the NCCG by way of integrated planning, operations and management platform to enable the NCCG actively manage service delivery, monitor and track the County's revenue assets, monitor and track revenue collection activities, seal revenue leakages and enforce payment for the services;

d) The parties have agreed to enter into this Agreement setting out the terms and conditions governing their relationship;

e) KRA and the NCCG shall form a Joint Committee to be known as the "Joint Implementation Committee" to implement the terms of this Service Level Agreement;

NOW THEREFORE the KRA and the NCCG do hereby enter into this SLA and agree as follows:

1. Introduction

1.1 On 25thFebruary 2020, the National Government of the Republic of Kenya, through the Ministry of Devolution and the Arid and Semi-Arid Lands (ASALs){"**the National Government**"} and the NCCG executed a Deed of Transfer of Functions from the NCCG to the National Government.

1.2 Article 5.4 of the Deed of Transfer provides that the National Government shall have the responsibility of collecting and remitting all revenue accruing from the transferred functions under the Deed of Transfer;

1.3 Article 5.5 of the Deed of Transfer provides for the appointment of KRA by NCCG as the principal agent for overall revenue collection and for the purposes of general co-ordination of revenue collection;

1.4 Pursuant to Article 5.5 of the Deed of Transfer and in accordance with section 160 of the Public Finance Management Act, 2012, the County

Executive Committee Member, Finance and Economic Planning appointed KRA as the principal agent for overall revenue collection for all County Revenue for a renewable period of twenty four (24) months with effect from 16th March 2020.

1.5 The purpose of this SLA, including the annexes thereto, is to guide and achieve better performance of the Deed of Transfer and for the management and accountability for revenue collection.

2.0 DEFINITION OF TERMS;

2.1 The following terms shall have the meaning assigned to them hereunder wherever they may appear in this SLA:

i. "County Revenue" means collectable revenue

ii. "Financial year" means the NCCG's annual accounting period which is 1st July to 30th June of every year;

iii. "Rate Payer"means the person assessed for, or due for payment of County revenue;

iv. "Revenue data"means data generated by the NCCG containing names of Rate Payers and County Revenue owing from each of the Rate Payers;

v. "Confidential Information" means all trade secrets, expertise, information and data (including all Financial, Legal, Marketing, Technical and all other knowledge and information) whether or not in material form, relating to either Party;

vi. "Electronic Payments Funds Transfer Channels" third party money transfer channels such as but not limited to MPESA, Airtel Money, and Orange Money among others;

vii. "Customer"means an individual or business that receives services from NCCG.

3.0 IMPLEMENTATION

3.1 The Parties herein shall appoint a Joint Implementation Committee which shall be responsible for implementation of this SLA and for addressing any challenges that may be encountered during the implementation.

3.2 The Committee shall be comprise the following:

a. The Commissioner of Domestic Taxes or the designated representative, who shall be the Chairperson;

b. The County Chief Executive Committee – Finance and Planning or designated representative;

c. The County Attorney or designated representative, who shall be the Secretary;

d. The Commissioner, Legal Services and Board Coordination or designated representative; and

e. The Deputy Commissioner, Transformation Leadership Office (KRA)

4.0 STAFF FOR REVENUE COLLECTION

The Parties shall identify the necessary staff to facilitate effective revenue collection.

5.0 RIGHTS AND OBLIGATIONS OF KRA

5.1 KRA shall comply in all respects and at all times with its obligations as set out in this Agreement.

5.2 KRA shall roll out the revenue collection services for all revenues including revenues arising from water supply and services as per the Deed of Transfer.

5.3 In furtherance to revenue collection, KRA shall be responsible for the following functions:

5.3.1 Revenue Assessment;

5.3.2 Revenue Accounting, Reconciliation & Reporting;

5.3.3 Compliance Monitoring;

5.3.4 Enforcement of Compliance; and

5.3.5 Debt Enforcement.

5.4 KRA shall endeavor to provide services to NCCG Customers through a revenue collection platform both online, on mobile, through agents and all other KRA channels and outlets.

5.5 KRA shall open revenue collection accounts for purposes of receiving and accounting for all revenues collected on behalf of the NCCG.

5.6 KRA shall ensure all funds paid by customers through any of KRA's payment channels are transferred to the Nairobi County Revenue Fund Account at the Central Bank of Kenya within 24 hours upon receipt in the collection account.

5.7 KRA may propose such legislation, policies and instruments as may be necessary for the implementation of this SLA.

5.8 KRA may develop and implement such systems, integrations, process improvements and take such administrative measures necessary for the implementation of this SLA.

5.9 KRA shall notify NCCG in writing of any event or circumstance that may have a material and or adverse effect on NCCG's revenue and its ability to perform its obligations.

5.10 KRA shall make provision for reporting of the revenue collected to the NCCG in such a manner and at such times as shall be agreed by the parties.

5.11 KRA may, for the purposes of communication, incorporate the NCCG logo on communication material related to County Revenue Collection.

6. RIGHTS AND OBLIGATIONS OF NCCG

6.1 The NCCG shall provide to KRA such information, data and records as shall be necessary for the implementation of this SLA.

6.2 The NCCG shall make available to KRA any systems, platform(s) and equipment deployed for NCCG revenue collection.

6.3 The NCCG shall ensure necessary legislation, policies and instruments are enacted for the implementation of this SLA.

6.4 The NCCG undertakes not to enact any legislation, policies and other administrative measures that may undermine the implementation of this SLA.

6.5 NCCG may request KRA for any information relevant to the compliance with the terms of this SLA.

6.6 NCCG shall close all existing County revenue bank accounts within one (1) week from 16thMarch 2020 and give KRA a confirmation in writing on the accounts' closure together with all details of accounts so closed.

6.7 NCCG shall instruct the service providers in writing with a copy to KRA tore-route all County revenue collections paid through the current mobile Pay bills service accounts to the newly opened" KRA Nairobi County Revenue Collection Accounts" within one (1) week from 16thMarch 2020.

6.8 KRA shall be at liberty to open Mobile Paybill Service Accounts if need be.

6.9 NCCG shall upon recommendation by KRA terminate any Mobile Pay bill service accounts with various providers i.e. Safaricom, Orange Money, Airtel and notify KRA of such termination.

6.10 NCCG shall send written instructions to all banks currently operating NCCG Revenue Collection Accounts to remit and re-route any payments made to those accounts prior to effecting closure fourteen

(14) days from 16th March 2020. NCCG shall further grant access to the accounts to designated KRA officers as may be requested.

7. WARRANTIES

7.1 By accepting to offer and partner with KRA in the provision of revenue collection and value added services, the NCCG warrants that:

7.2 Its electronic platforms shall be maintained in proper working condition at all times.

7.3 Necessary licenses and approvals related to any prior agreements of intellectual property rights have been obtained.

7.4 NCCG shall provide all data and information on prior transactions to enable KRA to collect County revenue.

7.5 All data relating to NCCG's customers and their transactions shall be hosted by KRA and a copy of the data will be shared with NCCG.

7.6 NCCG confirms that it shall make full and accurate disclosure of all existing and dormant revenue collection accounts and Pay bill numbers to KRA.

7.7 NCCG confirms and assures KRA that it shall disclose all accountable instruments used for and ancillary to revenue collection.

7.8 NCCG shall make a full disclosure of all existing contractual obligations relating to revenue collection within seven (7) days of execution of this SLA.

8. FURTHER AREAS OF COLLABORATION FOR REVENUE ENHANCEMENT

KRA and NCCG shall partner in the following areas:

a. Revenue projections & target setting;

b. Performance accountability and staff discipline;

c. Relevant capacity building for revenue collection;

d. Ethics and integrity management;

e. Publicity and public relations; and,

f. Stakeholder communication &engagement.

9. TRANSITIONAL ARRANGEMENTS

9.1 KRA and NCCG will undertake to work together to facilitate a smooth hand-over of the collection of the County revenues from NCCG to KRA and further address any potential transitional issues.

9.2 KRA shall commence collection of the County revenue streams in accordance with the modalities specified in this SLA, the Deed of Transfer and in continuous consultation with NCCG taking into consideration the existing collection mechanisms by NCCG.

9.3 The Parties may conduct joint programmes to promote compliance and enhance revenue collection.

9.4 KRA and the NCCG will hold mutual consultations and meetings as may be necessary from time to time to achieve the purpose of the transitional arrangements.

9.5 During the transitional period, any notice, request or consent required or permitted to be made pursuant to this SLA shall be in writing.

9.6 Any such notice, request or consent shall be deemed to have been given or made when delivered to the Commissioner General of KRA and to the office of the County Executive Committee Member in Charge of Finance and Economic Planning for NCCG and such

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communication will be considered delivered on the date it is received and stamped with an official stamp.

11.0 COLLECTION ACCOUNT

11.1 KRA shall, for purposes of accounting for the revenue collected on behalf of NCCG, open bank accounts under the name, "KRA -NAIROBI COUNTY REVENUE COLLECTION ACCOUNT".

11.2 The accounts shall solely be for purposes of collection of the revenue and the KRA shall not withdraw funds from the said accounts.

11.3 The County revenue so collected shall be transmitted to said Nairobi County Revenue Fund accounts at Central Bank of Kenya within twenty four (24) hours of receipt of the money.

11.4 NCCG, through the County Executive Committee Member – Finance and Economic Planning, shall be granted access rights to the County Revenue Collection accounts and may obtain copies of the bank statements.

12.0 ENFORCEMENT

12.1 Parties shall cooperate to harness each other's strength to ensure enforcement, facilitation and compliance with payment of County revenue.

12.2 The Parties shall develop policies, laws and administrative measures to facilitate effective enforcement on County revenue collection.

13.0 INDEMNITY.

13.1 KRA shall keep NCCG fully indemnified, subject to the NCCG's responsibilities as set out in this SLA, against any losses arising out negligence by KRA or any of its staff.

13.2 NCCG shall keep the KRA fully indemnified, subject to KRA's responsibilities as set out in this SLA, from any losses and claims that

may arise because of carrying out transactions arising from this agency relationship provided that the losses or claims have not arisen due to its failure to perform its duties or any of its representatives, under this SLA.

14.0 FORCE MAJEURE

14.1 "FORCE MAJEURE" shall mean and include any event beyond the Parties' control whether or not foreseeable at the time of conclusion of this SLA such that the Parties cannot execute or justly be required to execute the obligations herein. Such circumstances include but are not restricted to acts of God, civil war, insurrection, fires and strikes.

14.2The Party affected by force majeure shall notify the other party of the Force Majeure events upon occurrence. The Party suffering the effects of this instance of Force Majeure must do everything in its power to limit the effect of such an event may have on the fulfillment of its obligations under this Agreement. If the Force Majeure event subsists for a period exceeding thirty (30) days such that the affected Party is unable to execute their obligations herein for such period, then the Party not affected shall be entitled to automatically terminate the SLA upon expiry of the said thirty (30) days by sending the other Party a written notification with acknowledgement of receipt.

14.3The Parties will due to occurrence of Force Majeure, suspend the execution of their obligations under this SLA for the duration of delay or prevention caused by such Force Majeure without being held responsible and/or liable for any damages resulting there from the Customer.

15.0 COMPENSATION TO KRA ON COST OF COLLECTION

NCCG shall compensate KRA on the cost of collection which shall be in the form of monthly commission at the rate of two per cent (2%) of the revenue collected plus direct costs incurred in the collection of revenue.

16.0 DURATION.

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This SLA shall be in force for a renewable period of twenty four (24) months with effect from 16th March 2020.

17.0 REVIEW AND AMENDMENT OF THE SLA

This SLA may be amended by mutual consent of both parties in writing.

18.0 DISPUTE RESOLUTION.

18.1 Any dispute which arises between the Parties shall be first referred to a Joint Dispute Resolution Committee constituted of:

a) Commissioner General of KRA;
b) Commissioner of Domestic Taxes of KRA;
c) Commissioner Legal Services and Board Coordination, KRA;
d) Commissioner, Support Services, KRA;
e) The County Executive Committee Member for Finance and Economic Planning, NCCG;
f) The County Attorney, NCCG; and,
g) The County Chief Officer responsible for Revenue Management, NCCG.

18.2 KRA shall chair the Joint Dispute Resolution Committee while NCCG will provide the secretariat.

18.3 Where the Joint Dispute Resolution Committee fails to resolve the dispute within Fourteen (14) days, the dispute shall be referred to the Attorney General for mediation.

18.4 The Attorney General may refer the dispute to the Chairperson of the Nairobi Centre for International Arbitration and dealt in accordance with the provisions of Nairobi Centre for International Arbitration Act, No 26 of 2013.

19.0GOVERNING LAW

This SLA shall be governed by and construed in accordance with the Laws of Kenya and the Courts of Kenya shall have sole jurisdiction over its enforcement.

IN WITNESS WHEREOF the representatives of the parties hereto have set their hands hereunto the day and year first written.

SIGNED BY MIKE MBUVI SONKO)
Duly authorised Signatories for the)
NAIROBI CITY COUNTY GOVERNMENT)
)
)
)

COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE AND ECONOMIC PLANNING)

SEALED with the common seal of
KENYA REVENUE AUTHORITY
In the presence of

COMMISSIONER GENERAL

COMMISSIONER LEGAL SERVICES
AND BOARD COORDINATION

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SPECIAL ISSUE

Nairobi City County Gazette Supplement No. 9 (Acts No. 4)

CLERK
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 45844-00100
NAIROBI

REPUBLIC OF KENYA

NAIROBI CITY COUNTY GAZETTE SUPPLEMENT

ACTS, 2013

NAIROBI, 6th September, 2013

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PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, NAIROBI

THE NAIROBI CITY COUNTY TAX WAIVERS ADMINISTRATION ACT, 2013

No. 4 of 2013

Date of Assent: 4th September, 2013

Date of Commencement: See Section 1

ARRANGEMENT OF CLAUSES

Clause

PART I—PRELIMINARY

1—Short title and commencement.

2—Interpretation.

3—Objects of the Act.

PART II— AUTHORITY TO WAIVE TAX AND ADMINISTRATION OF TAX WAIVERS

4— No tax waiver except in the manner provided by law.

5— Authority of the executive committee member to waive, etc. tax.

6— Waivers to be published.

7— Report of waivers.

8—Records of waivers.

9—No waiver for public officers.

PART III—MISCELLANEOUS PROVISIONS

10—Regulations.

THE NAIROBI CITY COUNTY TAX WAIVERS ADMINISTRATION ACT, 2013

AN ACT of the Nairobi City County to provide for the regulation and administration of tax waivers; to give further effect to Article 210 of the Constitution and for connected purposes

ENACTED by the County Assembly of the County of the City of Nairobi, as follows—

PART I—PRELIMINARY

Short title and commencement

1. This Act may be cited as the Tax Waivers Administration Act, 2013 and shall come into operation on such a date as the county executive committee member for finance, may in consultation with the Governor, appoint.

2. In this Act, except where the context otherwise requires—

"executive committee member" means the executive committee member responsible for finance;

"tax" includes any revenue or licensing fee payable by any person to the County Government, whether it has become due or not;

"tax waiver" inludes the forbearance of tax collection, partial or full remission, spreading out a payment in respect of tax already accrued and any variation of the amount due or interest or penalty due on any amount owing to the county government.

Objects of the Act.

3. The objects of this Act are to—

(a) give further effect to Article 210 of the Constitution as regards tax waivers and the administration thereof;

(b) to ensure transparency in the administration of taxes and other revenue, in particular in the waivers thereof;

(c) to provide for the procedure applicable to and requirements for tax waivers.

PART II— AUTHORITY TO WAIVE TAX AND ADMINISTRATION OF TAX WAIVERS

No tax waiver except in the manner provided by law.

4. No tax may be waived except in the manner provided for in this Act, any applicable national legislation or any other Act of the Nairobi County Assembly.

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Authority of the Executive Committee Member to waive, etc. tax.

5. (1) The executive committee member responsible for finance may, where he or she deems it appropriate, and with the concurrence, in writing, of the Governor waive the payment of any tax, fees or other payment due to the county government.

(2) The power of the executive committee member to waive tax shall be exercisable, in respect of every transaction, with the written approval of the Governor, but in any case, only in the following circumtances—

(a) where the waiver is for purposes of encouraging defaulting tax payer to pay such amount as may enable the county government recover part of the amount owing from the defaulting payer;

(b) where, in the opinion of the county executive committee member, there exist such compelling circumstances that make it equitable, expedient and in the interest of the financial advantage to the county that the waiver be made;

(c) for any other public interest reason, in consultation with the Governor.

Waivers to be published.

6. Where the committee member intends to waive any tax, he or she shall publish such intention in the Gazzette not less than fourteen days before the intended date of the waiver.

(2) The notice referred to in subsection (1) shall indicate the reasons for the intended waiver and shall invite comments from the public on the intended waiver.

Report of waivers.

7. Every waiver shall be reported to the Assembly and published in the Gazette not more than fourteen days after it is anted.

Records of waivers.

8. Pursuant to Article 210 of the Constitution, the executive committee member shall in respect of every waiver of tax or licensing fee—

(a) maintain a public record of each waiver together with the reason for the waiver; and

(b) report to the Auditor-General and the County Assembly, each waiver, and the reason for it.

No waiver for public officers.

9. The executive committee member shall not waive tax or fees or authorise the exclusion of a State officer or public officer from payment of tax or fees by reason of the office held by that State officer or public officer or the nature of the work of the State officer or public officer.

Authority of the Executive Committee Member to waive, etc. tax.

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KENYA REVENUE AUTHORITY
NAIROBI CITY COUNTY
100%
WAIVER
EXTENDED
15th OCT-22nd OCT
7 DAYS LEFT!!
H.E MIKE MBUVI SONKO
GOVERNOR, NAIROBI COUNTY

NAIROBI CITY COUNTY

Waiver

on Penalties/ Interest on Outstanding

Land Rates

From
15th Sept - 15th Oct 2020



How to Pay;

- **Bank** Any National Bank of Kenya branch in Nairobi
- **Mobile APP** NCCG E-Payments App on Android
- **USSD code *235#**
- **Web Portal** epayments.nairobi.go.ke

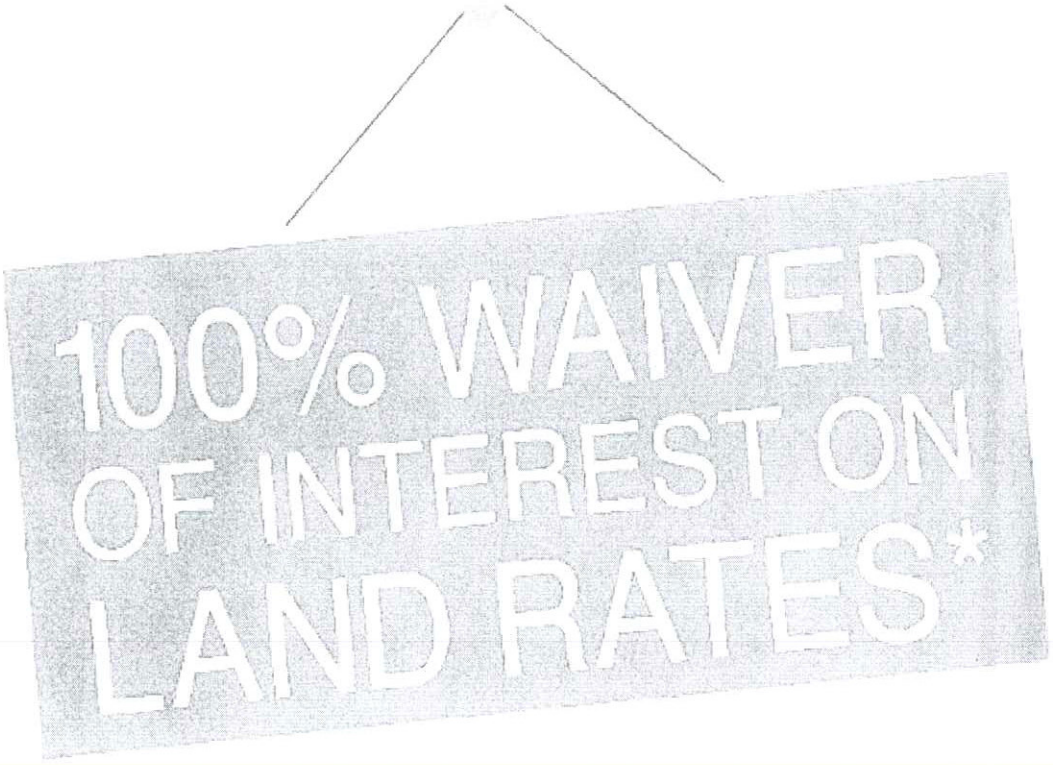
NAIROBI CITY COUNTY

Customer Care: 0725 624 483,
0703 072 903, 0703 088 900
Email: support@nairobicitycounty.ke

National Bank
A Subsidiary of KCB Group PLC

NAIROBI CITY COUNTY

KENYA REVENUE AUTHORITY
ISO 9001:2015 CERTIFIED



15th September to 15th October 2020

For further clarification and facilitation,
please contact us on:
070901394, 0709 013 942, 0709 013 943, 0709 013 944

Pay via:

Cooperative Bank
Account Name: Nairobi City County
KRA Revenue Account
Account Number: 01141709410000
Branch: City Hall

National Bank
Account Name: Nairobi City County
KRA Revenue Account
Account Number: 0107225251100
Branch: Kenyatta Avenue

1055 KENYA

*Terms and Conditions Apply

KENYA REVENUE AUTHORITY

NAIROBI CITY COUNTY
OFFICE OF THE GOVERNOR

PUBLIC NOTICE

100% WAIVER OF INTEREST ON LAND RATES - EXTENSION

The County Government of Nairobi through the goodwill of H.E the Governor Mike Mbuvi Sonko has extended by one more week the notice on payment to all land rates defaulters on the approved 100% waiver on outstanding interest (penalties) upto **Thursday, 22nd October 2020** on the following conditions:

That the rate payer clears in full the total principal land rates and **10% administrative costs** of said principal amount payable.

All land rate defaulters are also warned that failure to pay upon expiry of the above period, legal proceedings will be instituted which include but not limited to:

1. Compel land rates defaulters' tenants to pay directly to the County Government until the land rates and interest due are fully paid.
2. Cancel or withdraw any licences/permits granted in the premises in which land rates have not been paid.
3. Charge the principal outstanding rates plus interest until the full amount is cleared.
4. Rate defaulters' premises may be sold in court for recovery of rates arrears with in addition be required to pay the legal costs incurred.

The County Government of Nairobi through its principal agent, Kenya Revenue Authority operates a cashless payment system. All payments should be made through the following County Revenue Collection accounts:

1. **Cooperative Bank:**
   Account Name: Nairobi City County KRA Revenue Account
   Account Number: 01141709410000
   Branch: City Hall
2. **National Bank:**
   Account Name: Nairobi City County KRA Revenue Account
   Account Number: 01071225251100
   Branch: Kenyatta Avenue
3. **Web Portal: epayments.nairobi.go.ke**
4. **Mobile App: NCCGepayments**

Concerned property owners should make payments upon obtaining bills/invoices from City Hall Cash office, Mwalimu Cash Office and Times Tower Ground Floor Banking Hall. Payments through Cooperative Bank require the pay-in slips be presented to the above indicated cash offices.

NB: Be sure to present the banking slip for receipting immediately after payment will not relieve the obligation to pay late payment penalties where applicable.

At the end of the Waiver Period, KRA will institute enforcement measures to recover the principal and interest amounts.

PAY TO SAVE YOUR PROPERTY

Chief Finance Officer, NCCG **Head of County Revenue Division, KRA**

www.nairobicity.go.ke

Particular 11

NAIROBI CITY COUNTY

City Hall,
P. O. Box 30076-00100,
Nairobi, Kenya.

OFFICE OF THE GOVERNOR
COUNTY SECRETARY AND HEAD OF COUNTY PUBLIC SERVICE

29th April, 2020

[illegible]

The Auditor-General
The National Treasury & Planning
P.O. Box 30007-00100
NAIROBI

Attention: Joseph W. Wellito

RE: REQUEST FOR PREPARATION FOR HANDING OVER/TAKING OVER OF FUNCTIONS TRANSFERRED FROM NAIROBI CITY COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

Your letter Ref. No. NT/AG/NC/424/VOL I (19) dated 28th April, 2020 refers.

This is to inform you that I am under first and clear instructions from His Excellency the Governor of Nairobi City County Government not to provide any [illegible] pursuant to the terms of the Deed of Transfer (DOT) of functions.

Be informed that H.E. the Governor has initiated the process of pulling out of the arrangement to revert the functions back to Nairobi City County.

JUSTUS M. KATHENGE
AG. COUNTY SECRETARY & HEAD OF COUNTY PUBLIC SERVICE

Cc H.E. the Governor
Nairobi City County

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Approved

GOVERNMENT OF NAIROBI CITY COUNTY

Paper laid by the Majority Leader on 12/3/2020 (SCACC)

Paper Laid 12/03/2020

THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

SECOND ASSEMBLY – FOURTH SESSION

NBI CA. PLC. 2020 / (014) 12th March, 2020

PAPER LAID

Pursuant to Standing Order 191 (6), I beg to lay the following Paper on the Table of the Assembly, today, Thursday, 12th March, 2020.

THE REPORT OF THE AD HOC COMMITTEE ON THE TRANSFER OF FUNCTIONS FROM THE COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT ON THE CONSIDERATION OF THE DEED OF THE TRANSFER OF FUNCTIONS

(Chairperson, Ad Hoc Committee on the Transfer of functions from the County Government to the National Government)

Copies to:
The Speaker
The Clerk
Hansard Editor
Hansard Reporters
The Press

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COUNTY GOVERNMENT OF NAIROBI CITY

Approved
12/03/2020

Papers laid by Hon. Charles Thuo (Majority Lead. SCACC) 12/03/2020

NAIROBI CITY COUNTY ASSEMBLY
SECOND ASSEMBLY
(FOURTH SESSION)

REPORT

OF

THE *AD-HOC* COMMITTEE ON TRANSFER OF FUNCTIONS FROM THE COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

ON

CONSIDERATION OF THE DEED OF TRANSFER OF FUNCTIONS

Clerk's Chambers
City Hall Buildings
NAIROBI

MARCH, 2020

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4.0. COMMITTEE OBSERVATIONS 27
5.0. COMMITTEE RECOMMENDATIONS 29
Based on its observations, the Committee recommends the following:- . 29

ANNEXES
Annexure (1)
1) A copy of the Deed of Transfer of Functions
Annexure (2)
2) Minutes
Annexure (3) – Excerpts of the relevant legislations
3) Constitution of Kenya, 2010 (Article 187)
4) Intergovernmental Relations Act, 2012 (Section 28)
Annex (4) - Public Participation findings
5) Notice of submission of views

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ABBREVIATIONS

ASAL	-	Arid and Semi-Arid Lands
CRA	-	Commission on Revenue Allocation
FY	-	Financial Year
KRA	-	Kenya Revenue Authority
MCA	-	Member of County Assembly
NG	-	National Government

1.0. PREFACE

1.1. Establishment and the mandate of the *Ad-hoc* Committee

On 27th February 2020 the Speaker informed the County Assembly that she had received a Message from the Attorney General of the Republic of Kenya transmitting a Deed of Transfer of Functions from the County Government to the National Government. In particular, implementation of the following functions had been transferred to the National Government:-

i) County Health Services;

ii) County Transport Services;

iii) County Planning and Development Services; and

iv) County Public Works, Utilities and Ancillary services.

The Speaker further directed that an *Ad-hoc* Committee be established to oversee the transition and implementation of the agreement between the National Government and the County Government. Consequently, on 3rd March, 2020, the House established an *Ad-hoc* Committee on Transfer of Functions from the County Government to the National Government with the following mandates:-

i) Study the Deed of Transfer of Functions and un-pack its contents and implications;

ii) The role of the County Assembly as far as implementation of the Deed is concerned;

iii) The impact of the transfer of functions on the Budget making process for the FY 2020/2021; and

iv) Propose areas that require legislation either by the Senate or the County Assembly

As per the directives issued by the Speaker, the Committee was given a period of fourteen (14) days from the date of its establishment to deliver on its mandate.

1.2. Membership

The Committee comprises of the following Members:-

1. Hon. Beatrice Elachi, CBS – Speaker & Chairperson.
2. Hon. Charles Thuo, MCA – Majority Leader (Vice-Chairperson)

3. Hon. David N. Mberia, MCA – Minority Leader
4. Hon. John Kamangu, MCA – Deputy Speaker
5. Hon. June Juliet Ndegwa, MCA – Majority Party Whip
6. Hon. Peter A. Imwatok, MCA – Minority Whip
7. Hon. Francis Otieno Ngesa, MCA
8. Hon. Robert N. Mbatia, MCA
9. Hon. Emily Oduor, MCA
10. Hon. James Chege Mwaura, MCA
11. Hon. Kabiro Mbugua, MCA
12. Hon. Peter Wanyoike, MCA
13. Hon. Paul Kiguathi Kados, MCA
14. Hon. Moses Ogeto Nyangeresi, MCA
15. Hon. Michael Ogada Okumu, MCA
16. Hon. Mellab Lumalah Atemah, MCA
17. Hon. Millicent Mugadi, MCA.
18. Hon. Geoffrey Majiwa, MCA.

1.3. Committee Secretariat

The Committee Secretariat Comprises of the following Officers:-

1. Mr. Sammy Kiplimo – Principal Clerk Assistant (Committee Services)
2. Mr. Shadrack Makokha – Senior Clerk Assistant (Committee Services)
3. Mr. Adam Kibwana – Senior Clerk Assistant (Legislative & Procedure)
4. Ms. Pauline Akuku – Principal Public and Media Relations Officer
5. Mr. Paul Kimani – Ag. Principal Finance Officer
6. Mr. Erick Njoga – Clerk Assistant
7. Mr. Abel Nyagwa - Senior Hansard Officer
8. Mr. Erick Otieno – Fiscal Analyst/Budget Office.
9. Mr. Martin Mugendi – Legal Counsel.

1.4. Executive Summary

On 25th February, 2020, the nation was informed, through a Press Statement by the Office of the Spokesperson, State House, Nairobi, that in an agreement signed

at State House on 25th February, 2020, by Governor Gideon Mike Mbuvi Kioko Sonko and Devolution Cabinet Secretary Eugene Wamalwa, with the concurrence of His Excellency the President, Uhuru Kenyatta, certain functions of Nairobi City County Government had been transferred to the National Government pursuant to Article 187 of the Constitution of Kenya. The Press Statement further indicated that the National Government would take over the following functions of the Nairobi City County Government: -

a) *County health services;*
b) *County transport services;*
c) *County public works, utilities and ancillary services; and*
d) *County Government planning and development.*

The Press Statement stated that the transfer was intended to ensure that Nairobi City County residents received efficient services and that it came as a breakthrough in the running of County services that had ground to a halt. Consequently, **Gazette Notice No. 1609** dated **25th February, 2020** was published seeking to give effect to the transfer of functions of the Nairobi City County Government to the National Government. A grace period of **twenty one (21)** days before commencement of the agreement was provided. Further, the said Deed was communicated to the County Assembly on **27th February, 2020** and referred to the Ad-hoc Committee on Transfer of Functions for consideration and reporting within fourteen (14) days.

In its consideration of the Deed of Transfer of Functions, the Committee aimed to unravel the following issues:-

i) Whether the transfer of functions was in accordance with the law particularly Article 187 of the Constitution and Part III of the Intergovernmental Relations Act, 2012;
ii) The consequences of the transfer of functions to the County Government in terms of benefits or otherwise; and

iii) What would be the implementation framework of the transferred functions and the role of the County Assembly with respect to its legislative and oversight mandate.

In order to address the aforementioned issues, the Committee examined in-depth the Deed of Transfer of functions, the applicable legislations, views of the public, submissions of the County Executive and experts. The Committee observed as follows:-

i) There is a consensus that the County Government of Nairobi City, particularly the Executive arm, has failed to deliver on its mandate specifically on the transferred functions and as such, the National Governments intervention is a welcomed move.

ii) That despite transfer of the four functions of the County Government to the National Government, the County Assembly need to continue performing its constitutional role of oversight, representation and legislation with respect to the transferred functions.

iii) That budgeting of the transferred functions should be in tandem with the provisions of the Public Finance Management Act, 2012. In particular, projects already proposed in the planning documents approved by the County Assembly should be implemented.

iv) Any decision made on behalf of the County Government, the County Assembly must be involved through its formal structures. In the case of preparation and execution of the present Deed of Transfer of Functions, the County Assembly was not involved.

In view of the above, the Committee recommended that the Nairobi City County Assembly adopts the Deed of Transfer of Functions from the Nairobi City County Government to the National Government with the following amendments: -

i) The County Assembly continues to perform its constitutional roles of oversight and legislation with respect to the transferred functions. A mechanism to effect this position to be developed by the multi-agency developing a policy/framework for penalization of the Deed;

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ii) The County Assembly shall be approving, Memorandum of Understandings, Service Level Agreements, and Joint Committees contemplated in the Deed of Transfer of Functions; and

iii) The approved County Integrated Development Plan 2018-22 and the Annual Development Plans shall be the baseline document for the implementation of the transferred functions.

1.5. Committee Meetings

The Committee held two (2) meetings and a retreat where Members reviewed the Deed of Transfer of functions and the applicable legislations. The Committee also used the meetings to review views from the public on the matter and from the County Executive Committee (CEC) Members whose functions had been transferred. Minutes of the Committee's sittings are annexed to this report.

1.6. Acknowledgement

The Committee wishes to take this opportunity to thank Offices of the Speaker and the Office of the Ag. Clerk for supporting the Committee's work. I also I wish to register my appreciation to fellow Honorable Members of the Committee for their commitment to deliver on the task despite the short period granted. The Committee also thanks Members of the Public who presented their views and the Office of the Solicitor General and consultants who digested the Deed for Members and all the applicable legislations. Finally, the Committee appreciates the support of the Secretariat for their immense support in preparing this report.

It is my pleasant duty, to table this report of the *Ad-hoc* Committee on Transfer of Functions on consideration of the Deed of Transfer of Functions from the County Government of Nairobi City to the National Government.

Signed .....

Hon. Beatrice Elachi, MCA

(Chairperson)

Ad-hoc Committee on Transfer of Functions

Dated this ....12th.....day of.....03.....2020

2.0. INTRODUCTION

2.1. The Legal Framework on Transfer of Functions

The Constitution at Article 186 as read together with the Fourth Schedule sets out the respective functions and powers of the national and county governments. Article 187 of the Constitution contemplates a situation where a function or power at one level may be transferred to a government at the other level by agreement between the governments. The Article provides thus;-

(1)A function or power of government at one level may be transferred to a government at the other level by agreement between the governments if-

(a) The function or power would be more effectively performed or exercised by the receiving government; and

(b) The transfer of the function or power is not prohibited by the legislation under which it is to be performed or exercised

(2) If a function or power is transferred from a government at one level to a government at the other level—

a) Arrangements shall be put in place to ensure that the resources necessary for the performance of the function or exercise of the power are transferred; and

b) Constitutional responsibility for the performance of the function or exercise of the power shall remain with the government to which it is assigned by the Fourth Schedule.

The afore-stated Article of the Constitution and Part III of the Intergovernmental Relations Act, 2012 provide in detail, on amongst others, the conditions to be met before such transfer, the criteria for such transfer and the procedure that is to be followed in the processing of a transfer. In the process of transfer of functions, public participation is critical. Indeed, public participation is a key pillar and recurring theme in the Constitution. Article 10(2) of the Constitution provides for various values and principles of governance that speak to the matter of public participation, including participation of the people, transparency and accountability. Section 29 of the Intergovernmental Relations Act, 2012, specifically provides for public participation in the process of transfer of functions or powers from one level of government to another.

2.2. Signing of the Deed of Transfer of Functions

On 25th February, 2020, the Governor of Nairobi City County, H.E. Gideon Mike Mbuvi Kioko Sonko and Devolution Cabinet Secretary Eugene Wamalwa, with the concurrence of His Excellency the President, Uhuru Kenyatta, signed an agreement where certain functions of Nairobi City County Government had been transferred to the National Government pursuant to Article 187 of the Constitution of Kenya. The agreement stipulates that the National Government would take over implementation of the following functions of the Nairobi City County Government: -

i) County health services;

ii) County transport services;

iii) County public works, utilities and ancillary services; and

iv) County Government planning and development.

2.3. Committal of the Deed of Transfer of Functions

On 27th February 2020 the Speaker informed the County Assembly that she had received a Message from the Attorney General of the Republic of Kenya transmitting a Deed of Transfer of Functions from the County Government to the National Government. The Speaker subsequently committed the Deed to an Ad-hoc Committee for consideration and reporting. The report of the Committee is to guide the House on the action it would take. In particular, the Committee was directed to undertake the following:-

i) Study the Deed of Transfer of Functions and un-pack its contents and implications;

ii) The role of the County Assembly as far as implementation of the Deed is concerned;

iii) The impact of the transfer of functions on the Budget making process for the FY 2020/2021; and

iv) Propose areas that require legislation either by the Senate or the County Assembly.

3.0. ANALYSIS OF THE DEED OF TRANSFER OF FUNCTIONS

3.1. Outline of the Deed of Transfer of Functions

Article 1: Contains the definition of terms used in the Deed

Article 2: Outlines the principal objectives of the Deed of Transfer being to give effect the transfer of functions from the County Government to the National Government so that residents of Nairobi City County can benefit from devolution.

Article 3 : Outlines the scope of the functions transferred to the National Government being; County Health Services, County Transport Services, County Planning and Development Services and County Public Works, Utilities and Ancillary Services.

Article 4: Provides for performance standards and reporting obligations. In particular, it provides that there shall be an annual report to be tabled before Parliament and County Assembly, Parties may form Joint Committees and may also enter into sector specific service-level agreements and/or Memoranda of Understanding to guide and achieve better performance of the agreement.

Article 5: Provides for the financing of the transferred functions. Financing shall be drawn from either or both the Consolidated Fund and the County Revenue Fund. The level of funding for each transferred function shall be determined by the National Government in consultation with the County Government. The National Government shall have the responsibility of collecting and remitting all revenue accruing from the transferred functions. In addition, Kenya Revenue Authority (KRA) shall be responsible for general coordination of revenue collection with Nairobi City County Government. The Human Resource for implementation of the agreement shall be seconded from the County Government to the National Government

Article 6: Provides for a capacity building framework where the National Government shall carry out a comprehensive capacity assessment in line with Article 190 of Constitution as read together with Section 121 of the County Governments Act, 2012

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Article 7: Provides for the execution of the transferred functions. The National Government shall prescribe and establish an institutional framework for the execution of the transferred functions.

Article 8: Provides that parties to the agreement shall review the performance of the transferred functions annually.

Article 9: Provides for the duration and termination of the agreement. The effective date of the agreement shall be twenty one (21) days from the date of execution being 17th March, 2020 and shall remain in force for an initial renewable period of 24 months from the date of execution. The Deed of Transfers of Functions may only be terminated by the mutual consent of both parties expressed in common document.

Article 10: Provides for the general provisions which include; notification of the County Assembly of the Deed of Transfer of Functions, the deed may be amended or varied by both parties in writing.

Article 11: Provides for the Governing law and dispute resolution. It provides that the Deed of Transfer of Functions shall be governed by and construed in accordance with the Laws of Kenya. Dispute resolution shall be resolved amicably through negotiations or may be referred to the National and County Governments Coordinating Summit.

3.2. Implications of the Deed of Transfer of Functions

a) Legal Implications

The Deed of Transfer of functions gives effect to the provisions of Article 187 of the Constitution and Part III of the Intergovernmental Relations Act, 2012. In effect, the National Government has taken over implementation of the following functions:-

i) County Health Services;

ii) County Transport Services;

iii) County Planning and Development Services; and

iv) County Public Works, Utilities and Ancillary services.

b) Financial Implications

Article 5.1 of the Deed provides that financing of the functions shall be drawn from the Consolidated Fund and/or the County Revenue Fund. Funding of the functions through Consolidated Fund may mean that the amounts for that purpose are paid into the Fund without being disbursed to the County Governments as part of Equitable Share. On the other hand, Article 5.2 provides that the Nairobi City County Government shall ensure that the transferred functions are fully funded from the County Revenue Fund. Whereas Article 5.1 provides that the financing of the functions may include the Consolidated Fund, Article 5.2 only indicates the County Revenue Fund as the source of funding.

Article 5.3 require that the funding for each transferred functions be determined by the National Government (NG) in consultation with the County Government and budget allocation for transferred functions be not less than the amount appropriated by the County Assembly in the preceding year. The NG shall therefore take the role of the Sectors in determining the priorities then negotiating the maximum amount of resources required to deliver on those functions. The floor on *budget allocation* for the transferred functions is maintained at the figure last appropriated by the County Assembly. Determination of the floor of the allocation for the functions may be through Conditional Grants contained in the County Allocation of Revenue Act done after consultation between the Ministry of Devolution, Commission on Revenue Allocation (CRA), the County Government and Parliament. In the alternative, the County Assembly may be required to appropriate monies for the same with the allocation for the current financial year being the basis for the FY 2020/21. The table below provides data on allocation for the transferred functions in the current financial year (Kshs. Millions):-

SECTOR	Actual Expenditure FY 2018-19	Annual Allocation FY 2019-20	Salary Projections FY 2019-20	SE Allocation for the FY 2019-20
Health	5,570	7,377	5,064	7,271
Urban Planning and Lands	421	656	330	478
Public Works, Transport and Infrastructure	4,685	4,779	655	3,619
Environment, Water, Energy and Natural Resources	2,391	1,982	527	1,648
Urban Renewal and Housing	151	651	82	360
Wards Development Fund	100	1,343	14	1,343
TOTAL	13,318	16,788	6,342	14,719

Article 5.4 provides that the National Government shall have the responsibility of collecting and remitting all revenue accruing from the transferred functions therein. Article 207 of the Constitution provides that all revenue raised or received by or on behalf of the County Government shall be paid into the County Revenue Fund. Whereas the Article has not succinctly indicated where the funds shall be remitted the Constitution has left no doubt. By virtue of Article 5.5, the County Government has appointed Kenya Revenue Authority (KRA) as the principal agent for overall revenue collection. The provisions of Section 157 of the PFM Act allow the CEC Member for Finance to designate persons as collectors and receivers of county revenues. The terms and conditions forming these contractual arrangements between the County Government and KRA need to be disclosed.

3.3. Submissions by Members of the Public

As already indicated, Section 29 of the Intergovernmental Relations Act, 2012, specifically provides for public participation in the process of transfer of functions or powers from one level of government to another. In this regard, on 4th March, 2020, the County Assembly in collaboration with the Ministry of

Devolution and Arid and Semi-Arid Lands (ASAL) organised public participation forums in seventeen (17) sub-counties. Members of the public raised various views as follows:-

1. Makadara Sub-County.
   i. That the National Government should ensure employment security of the staff who would be seconded to the National Government;
   ii. That all the County functions to be transferred to the National Government since the County has failed in service delivery;
   iii. That filling of the position of the Deputy Governor should be expedited.

2. Mathare Sub-county
   i. The public was dissatisfied with the manner in which the Deed of Transfer of Functions Deed was executed terming it an affront to devolution and a backdoor ploy by the national government to take over the management of Nairobi, which if not checked, would spill over to neighboring counties;
   ii. Further, residents expressed their displeasure at the sequence of events unfolding in the wake of the Transfer of Functions terming the public participation exercise a pretense of sanitizing the already flawed process;
   iii. The Participants did not see a compelling need for the transfer of functions given that the national government too has its own fair share of challenges in the management of its own affairs in various ministries and state agencies;
   iv. Residents wondered what would be the plight of Wards Development Fund projects given that the planning and development functions will be taken up by the national governments;
   v. Residents were also of the opinion that if, by the end of the timelines stipulated in the deed lapse, it would be prudent for the national

government to also take up the trade docket to spur revenue collection and service delivery;

vi. Participants sought to know the roles current County Executive Committee Members and chief officers would perform in their respective dockets when eventually their functions are taken up by the national government.

vii. The following proposals were presented by Members of the Public:-

- The Deputy Governor's position be filled to enable the County Government to perform its functions optimally;
- The County Assembly to continue dispensing its powers;
- Automate revenue collection to curb leakages.
- Fully implement the Bus Rapid Transport plan;
- De-monopolize and liberalize garbage collection to enhance a healthy living environment; and
- Revamp existing and put up new health facilities while ensuring optimal staffing and stocking of adequate supplies.

3. Kamukunji Sub-County

i. On performance standards and reporting obligations;The public supported the proposal that the two levels of government may enter into sector specific service level agreements to guide and achieve better performance of the said deed. Members of the public emphasized that an implementation report of the transfer of functions be made accesible to them.

ii. On financing the delivery of the transferred functions; the public supported the proposal that KRA would be the principal agent for revenue collection.

iii. On execution of the transferred functions; the public was of the opinion that it would be involved in establishing the framework for the execution of the transferred functions.

iv. On duration and termination of the public; some Members of the public were of the opinion that the deed be reviewed afer 12 months instead of the stated 24 months.

4. **Ruaraka Sub-County**

i. That the liquor control and management be transferred to the National Government as current status of management of liquor was not effective, as evidenced by the presence of bars near schools thus hampering the learning process;

ii. That the transfer of health services to the National Government which include County Hospitals, Ambulance Services, primary health services, food handling licensing, veterinary services and solid waste management should translate to effective service delivery to residents;

iii. That service delivery should be proportionate to the revenue collection. According to the residents, the Government should provide quality services in proportion to the revenue it collects;

iv. That all the services transferred to the National Government should have a centralized contact point for the members of the public to seek services. The members of the public felt that without a centralized point of reference, they may be tossed back and forth when seeking services;

v. That the National Government should move with speed and clear all challenges bedeviling the County in the Planning and Lands Department. In addition, the Government should provide land title deeds for all land owners in the City;

vi. Some members of the public felt that the procedure used in executing the Agreement was incorrect noting that the County Government and the National Government should have consulted the public first before signing the Agreement;

vii. Some Members of the public were concerned with effect of the pending Court Case on the transfer of the function. They opined that the case may delay the implementation of the Agreement thus hampering service delivery to the residents;

viii. That public entities such as Kenya Revenue Authority should be holding public forums and interacts with the Members of the public to deter negativity on the institutions.

5. Embakasi South

Members of the public were in support of the deed transfer of functions from the County Government to the National Government for the following reason:-

i. They indicated that most projects in their Ward have been initiated and completed by the National Government;

ii. They feel that if the four roles are handed over to the National Government services will be available to the people;

iii. The National Government will be efficient in delivery of services across the County.

The public further proposed that the National Government to have all Government services and offices in one area for ease of accessibility.

6. Starehe Sub-County

i. The process of the transfer was unprocedurally because the Public Participation from where Public Views are collected ought to have been done prior to the ratification of the Deed of Transfer; and

ii. There should be no transfer of functions from County Government to National Government because the National Government performs poorly in service delivery.

iii. There was no guarantee or evidence in the past by the National Government of being effective in delivery of services in the sectors that have been transferred considering that the functions are shared as per the Fourth Schedule to the Constitution.

7. Embakasi West Sub County

i. A majority of the residents agreed that service delivery in the County has been poor. As such, the National Government should second managers to the County for management of transferred functions;

ii. That MCAs should retain oversight on the transferred functions;

iii. That there should be accountability and transparency in funds management;

iv. That collection and submission of local revenue should be done at the sub-county level instead of going to city hall. KRA to also have its presence in the wards;

v. That the National Government should provide employment to the youth;

vi. That there should be decentralization of funds and services to the Sub County headquarters;

vii. That enforcement of standards and regulations should be done through the Sub County Administration and not the Chiefs and Police; and

viii. That there should be another public participation after the transfer in-order to sensitize the public on how things will work, so that it is clear.

8. Embakasi North Sub-County.

i. Members of the public raised concern on the frequent reshuffles of County senior officers leading to delays and non-continuity of seamless service delivery to the residents;

ii. The participants generally supported the transfer of functions to the National Government;

iii. The participants raised issue on pending bills and non-payment of youth involved in various County projects specifically cleaning services and beautification programmes;

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iv. There was a general feeling that transfering of functions could lead to loss of jobs;

v. The participants raised concern that Nairobi City County gets the highest share of revenues collected but the same is not reflected in terms of service delivery;

vi. The participants raised concern on assertion of Community Health Volunteers Bill no. 5 of 2019. The bill if assented to will streamline the working of Community Health workers who are key in the promotion of health in the County specifically in the informal settlements;

vii. The residents were concerned that the transfer of functions might be a trend that other Counties could emulate thus negating the gains of devolution;

viii. The participants were concerned on how the K.R.A will manage to streamline revenue collection in the County despite missing its annual targets on several occasions; and

ix. The participants raised issue on the oversight role of the County Assembly on the transferred functions.

9. Westlands Sub-County

i. A majority of Members of the public raised concern over the capacity of the national government to effectively perform the functions given that it has its own challenges. For instance, the KRA had been missing its revenue targets and that there was no guarantee that that the agency will not do the same to the County revenue. Further, the National government is also guilty in misuse of public funds in its ministries, departments and agencies;

ii. That the position of the Deputy Governor should be filled as soon as possible;

iii. That the public was not involved in the preparation of the Deed of Transfer of Functions.

iv. That instead of Transfer of Functions, the National Government should have seconded experts to the County Government to improve its capacity.

v. That the action to transfer functions from the County Government to the National Government was an affront to devolution and that the National Government may subsequently acquire the same functions from other Counties.

vi. That the agreement was not elaborate in terms of frame work and instruments for oversight and the place of County Assembly in the arrangements.

10. Dagoretti South Sub-County

i. The public unanimously felt that the status of services delivery in the County was below average and there seemed to be no value for money. The public enumerated many challenges and expressed hope in the proposed arrangement of transferring major services to the National Government.

ii. The public raised concern on whether the ongoing projects would be continued with or be given first priority, as they were essential to the residents.

iii. That development projects should be distributed equitably in all the five wards to promote even development in the Sub County and be done within the time frames outlined

iv. That the position of the Deputy Governor should be filled.

v. That operationalization of the enacted Community Health workers Bill, 2019 be hastened to enable the volunteers receive their stipends as they are the people on the ground who offers lot of assistance to the community.

vi. That there should be decentralization of services to the Sub County levels.

vii. That an audit on the budget for the Financial Year 2019/2020 be done before handing over is done to enhance transparency and to identify if whether there has been mismanagement of funds,

viii. That there should be a linkage between the MCAs, the Ward Administrators and the National Government in programmes implementation,

ix. That Pending Bills be settled in time to facilitate completion of stalled and ongoing projects, and

11. Kasarani

i. That the he status of county service delivery was below average

ii. That they were in support of the transfer of functions

iii. That the National Government should strive to deliver on the transferred functions

12. Dagoretti North Sub-County

i. Residents were concerned with service delivery irrespective of what level of Government was performing the functions.

ii. County Commissioners, Assistant County Commissioner and the Chiefs should be allowed to coordinate functions at the local level;

iii. Residents were in support of KRA collecting revenue;

iv. Provision of health services should be given priority

13. Roysambu Sub-county

i. The public sought to know if still the Members of the County Assembly had the oversight powers.

ii. The constituents expressed their displeasure at the sequence of events unfolding in the wake of the Transfer of Functions, terming the public participation exercise a charade geared towards sanitizing the already flawed process;

iii. The Participants did not see a compelling need for the transfer of functions given that the national government too has its own fair

share of challenges in the management of its own affairs in various ministries and state agencies;

iv. Residents wondered what would be the plight of Wards Development Fund projects;

v. Residents were also of the opinion that if, by the end of the timelines stipulated in the deed lapse, it would be prudent for the national government to also take up the trade docket to spur revenue collection and service delivery;

vi. Participants sought to know the roles current County Executive Committee Members and Chief Officers would perform in their respective dockets when eventually their functions are taken up by the national government;

vii. That the Deputy Governor's position be filled to enable the County Government of Nairobi to perform its functions optimally;

14. Kibra Sub-County

i. That the process of transfer of functions was not procedural;

ii. The National Government should ensure that all pending bills are cleared before taking over the functions;

iii. KRA may not be the ideal agency for collecting revenue since it has also been missing its targets;

iv. The public raised concern on whether the MCAs will continue performing the oversight function especially on the transferred functions;

v. There should be automation of revenue;

vi. The National Government should prioritize on improving of the health sector;

vii. The process of filling the vacancy in the Office of the Deputy Governor should be hastened.

15. Langata Sub-County

- Residents were in support of the transfer of functions as it may lead to improved service delivery particularly in the area of health, water and roads.

16. Embakasi East Sub-County

- Members of the public were in support of the deed transfer of functions from the County Government to the National Government for the following reasons that;
    i. They indicated that most projects in their Ward have been initiated and completed by the National Government;
    ii. They feel that if the four roles are handed over to the National Government services will be available to the people; and
    iii. The National Government will be efficient in delivery of services across the County.

17. Embakasi Central Sub-County

i) The Public were in agreement with the transfer of functions since the County Government had failed to deliver. Particularly, health centers and roads were in a dilapidated state; and
ii) There is need for clarity on the status of structures to implement the transferred functions. In addition, there is need for assurance of job security for County Government employees.

The views from the public can be summarized as follows;

i) That Members of the Public agree that the County Government has *failed* to deliver on its functions especially on the transferred functions;
ii) That Members of the Public are in agreement with the transfer of implementation of the transferred functions to the National Government, however, they are skeptical whether the National Government shall be able to effectively deliver since they have their own challenges;

iii) That Members of the Public insists that the legislative and oversight functions of the County Assembly be retained;

iv) That Members of the Public proposes that despite the transfer of functions to the National Government, service delivery must be done at the local level;

v) That Members of the Public want a functional County Government. In particular, the position of the Deputy Governor ought to be filled;

vi) That Members of the Public insists that they should always be consulted before a decision affecting them is taken;

vii) That the National Government should ensure that the transferred functions are effectively performed particularly health and roads.

3.4. Submissions by the County Executive Committee

The County Executive Committee Members whose functions have been transferred to the National Government appeared before the Committee on 11th March, 2020 and submitted as follows:-

i) General observations on the Deed of Transfer of Functions

a) Transferred functions should not render the County Government redundant. In fact, Section 187(2) (b) of the constitution states that the constitutional responsibility for the performance of the function or exercise of their power shall remain with the government to which it is assigned by the Fourth Schedule. This means that despite the transfer of functions the County Government continues to exist. Thus, the structure of the County Executive comprising of the Governor, Deputy Governor, 10 County Executive Committee Members and the County Secretary as the Secretary to the County Executive Committee (CEC) Members should continue to exist.

b) There should be joint Committees and joint authorities between the Nairobi County Executive and the National government.

c) CEC Members should continue to lead policy in their sectors and Chief Officers should continue to be the Accounting Officers

ii) Specific proposed amendments to the Deed of Transfer of Functions

a) **Article 5 :** The financing of Nairobi County to be administered as per the provisions of the Public Finance Management Act, 2012 with the Chief officers as accounting officers

b) **Article 5.6:** The National Government staff to be seconded to the County to supervise and offer technical support towards execution of the transferred functions under their current employment terms.

c) **The Institutional Framework to be structured as follows:**

- Strategic Level comprising of the line or sector Cabinet Secretary and the County Executive Committee Member to be in charge of policy formulation
- Technical Level comprising of the Principal Secretary and the County Chief Officers of the transferred functions to implement policy and oversee the execution of the functions

d) **Review Cycle:** Review of the performance of the transferred functions to be done quarterly.

e) **Transferred functions:** There should be clarity on the unbundling of the specific functions that have been transferred as per the Fourth Schedule to the Constitution.

4.0. COMMITTEE OBSERVATIONS

In light of the forgoing, the Committee made the following observations:

1. There is a general consensus that the County Government of Nairobi City, particularly the Executive arm, has failed to deliver on its mandate specifically on the transferred functions. As such, the current transfer of functions despite having been done out of political convenience, it can still be sanitized *expos facto,* in order to allow the implementation of the Deed for the benefit of Nairobians. This is the process the County Assembly has embarked on.
2. That despite transfer of the four functions of the County Government to the National Government, the County Assembly need to continue performing its constitutional role of oversight, representation, legislation and budget making with respect to the transferred functions. As such, a mechanism to operationalize this framework need to be developed by the multi-agency committee currently preparing a policy on implementation of the transferred functions.
3. That budgeting of the transferred functions should be in tandem with the provisions of the Public Finance Management Act, 2012. In particular, projects already proposed in the planning documents approved by the County Assembly should be implemented.
4. That pursuant to Article 176 of the Constitution, the County Government comprises of the County Assembly and the County Executive. As such, any decision made on behalf of the County Government, the County Assembly must be involved through its formal structures. For instance, in the case of preparation and execution of the present Deed of Transfer of Functions, the County Assembly was not involved at the preliminary stage. Thus, the County Assembly must be involved in preparation of future agreements including Service Level Agreements contemplated in the Deed.
5. Members of the Public were generally agreeable in the transfer of functions from the County Government to the National Government on account that

these will improve efficiency and quality of service, However, they were cautious that the National Government has had its share of challenges and may also fail. The Public also were of the view the County Executive need to be properly constituted with the appointment of the Deputy Governor being a priority to them. Equally, the appealed that in future, they should be fully involved prior to decisions being made by Government Officials.

5.0. COMMITTEE RECOMMENDATIONS

Based on its observations, the Committee recommends the following:-

1. **THAT** the Nairobi City County Assembly adopts the Deed of Transfer of Functions from the Nairobi City County Government to the National Government with the following amendments: -
    i) That in accordance with the provisions of Article 176, 185 and 187 (2) (b) of the Constitution, the oversight, representation, legislative and budget making functions remain with the Nairobi City County Assembly on the transferred functions;
    ii) That pursuant to Article 195 of the Constitution, the County Assembly shall have the power to summon the head of Joint committees or joint committees collectively contemplated under Article 4.3 of the Deed of Transfer of Functions or any other person involved in the implementation of the deed;
    iii) That the Joint Committees contemplated in Article 4.3 of the Deed of Transfer of Functions shall be approved by the Nairobi City County Assembly;
    iv) That the Memoranda of Understanding and Service Level Agreements contemplated in Article 4.4 of the Deed of Transfer of Functions shall be approved by the Nairobi City County Assembly;
    v) That pursuant to provisions of Section 104 of the County Governments Act 2012 and Section 126 of the Public Finance Management Act 2012, the approved County Integrated Development Plan for the period 2018 to 2022 and the Annual Development Plans shall be the baseline document for the implementation of the transferred functions;
    vi) That in accordance with the provisions of Article 229 of the Constitution, the Auditor General shall be required to prepare separate audit reports for the transferred functions and that the same be submitted to the Nairobi City County Assembly for consideration;

vii) That reporting contemplated in Article 4.2. of the Deed of Transfer of Functions should be done quarterly in accordance Section 166 of the Public Finance Management Act, 2012; and

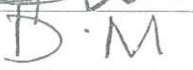
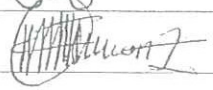
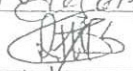
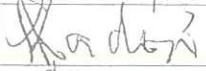
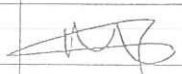
viii) That in the event of a dispute as contemplated under Article 11.2 of the Deed of Transfer of Functions; both arms of the County Government as envisioned under Article 176 of the Constitution shall be involved in its resolution.

2. THAT the County Assembly shall establish a Standing Committee to oversight the implementation of the agreement. For avoidance of doubt, the said Standing Committee shall be restricted to ensuring that the spirit and the letter of the agreement is conformed to while the respective Sectoral Committees shall continue oversighting the transferred functions.
3. THAT at the end of the term of the agreement, parties shall prepare an exit report which shall be tabled before the County Assembly and Parliament.

XXXXXXXXXXXXXXXXXXXXX END XXXXXXXXXXXXXXXXXXXXXXXXX

ADOPTION LIST OF THE REPORT OF THE AD-HOC COMMITTEE ON TRANSFER OF FUNCTIONS FROM THE COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT ON CONSIDERATION OF THE DEED OF TRANSFER OF FUNCTIONS

The following members appended their signatures to signify their agreement with the report:-

1.	**Hon. Beatrice Elachi CBS, Chairperson.**	
2.	**Hon. Charles Thuo, Vice-Chairperson**	
3.	Hon. David N. Mberia, MCA	
4.	Hon. John Kamangu, MCA	
5.	Hon. June Juliet Ndegwa, MCA	
6.	Hon. Peter A. Imwatok, MCA	
7.	Hon. Francis Otieno Ngesa, MCA	
8.	Hon. Robert N. Mbatia, MCA	
9.	Hon. Emily Oduor, MCA	
10.	Hon. James Chege Mwaura, MCA	
11.	Hon. Kabiro Mbugua, MCA	
12.	Hon. Peter Wanyoike, MCA	
13.	Hon. Paul Kiguathi Kados, MCA	
14.	Hon. Moses Ogeto Nyangeresi, MCA	
15.	Hon. Michael Ogada OkumuMCA	
16.	Hon. Mellab Lumalah Atemah, MCA	
17.	Hon. Millicent Mugadi, MCA.	
18.	Hon. Geoffrey Majiwa, MCA.	

MINUTES OF THE 1ST SITTING OF THE NAIROBI CITY COUNTY ASSEMBL.. AD HOC COMMITTEE ON TRANSFER OF FUNCTIONS HELD ON 4TH MARCH, 2020 AT 4.30PM IN COMMITTEE ROOM 5, CITY HALL BUILDING.

Annex 2(i)

MEMBERS PRESENT

1. Hon. David N. Mberia, MCA - Minority Leader
2. Hon. John Kamangu, MCA - Deputy Speaker
3. Hon. Robert N. Mbatia, MCA
4. The Hon. Emily Oduor, MCA - Chairing
5. Hon. James Chege Mwaura, MCA
6. Hon. Christopher Kabiro Mbugua, MCA
7. Hon. Peter Wanyoike, MCA
8. Hon. Paul Kiguathi Kados, MCA
9. Hon. Moses Ogeto Nyangeresi, MCA
10. Hon. Michael Ogada Okumu, MCA
11. Hon. Mellab Lumalah Atemah, MCA
12. Hon. Millicent Mugadi, MCA.
13. Hon. Geoffrey Majiwa, MCA.

MEMBERS ABSENT

1. The Hon. Beatrice Elachi, CBS - Assembly Speaker & Chairperson.
2. Hon. Charles Thuo Wakarindi, MCA - Majority Leader, Vice-Chairperson
3. The Hon. June Juliet Ndegwa, MCA - Majority Party Whip
4. Hon. Peter A. Imwatok, MCA - Minority Whip
5. Hon. Francis Otieno Ngesa, MCA

IN ATTENDANCE - COUNTY ASSEMBLY SECRETARIAT.

1. Ms. Pauline Akuku - Head of Communication Department
2. Mr. Sammy Kiplimo - Principal Clerk Assistant (Committee Services)
3. Mr. Shadrack Makokha - Ag. Senior Clerk Assistant (Committee Services)
4. Mr. Adam Kibwana - Ag. Senior Clerk Assistant (Legislative & Procedure)
5. Mr. Erick Otieno - Fiscal Analyst/ Budget Office.
6. Mr. Paul Kimani - Ag. Principal Finance Officer
7. Mr. Martin Mugendi - Legal Counsel.
8. Mr. Erick Njoga - Clerk Assistant.

MIN 001/ADH/MAR/4/2020 - PRELIMINARY

— Members present elected Hon. Emily Oduor to preside over the meeting since the Speaker was away on official duties. The presiding Chair welcomed Members to the meeting.

— The Meeting was called to order at 4.30pm, and opening prayers were conducted by the Session Chair who then took Members through the Agenda of the meeting which was adopted as proposed by Hon. Paul Kados, MCA and seconded by Hon. Mellab Atemah, MCA as follows; -

AGENDA

a) **Preliminaries** (prayers & adoption of the Agenda),
b) **Tabling of the Transfer Deed** *(Familiarization of the Terms and Conditions of the agreement between the County & National Government)*
c) **Terms of Reference (ToR) of the Committee,** *(Committee's Mandate and timelines)*
d) **Any Other Business,**
e) **Adjournment,**

MIN 002/ADH/MAR/4/2020 – TABLING OF THE DEED OF TRANSFER OF FUNCTIONS

— The secretariat tabled the Deed of Transfer of Functions before the Committee following its commitment by the Speaker.
— The Secretariat further informed the Committee that in consideration of the Deed, the Committee will be guided by the applicable provisions of the Constitution, the County Governments Act, 2012, the Intergovernmental Relations Act, 2012 and the deed itself.
— The Chair then took Members through the principle objectives of the deed; however, the Committee noted that in order for the Members to understand the deed, there was need for the Secretariat to unbundle it. The Secretariat advised that the unbundling would be done during subsequent meetings.
— Members questioned on when and whether the Deed would be adopted by the Assembly. The Secretariat advised that the Assembly's role would be to express its agreement with the Deed and propose recommendations on how best it would be implemented. It was noted that in the interest of the County Assembly, it would be prudent for the Deed to be considered and adopted by the Assembly before commencement of its implementation.
— Equally, the Committee observed that the public views collected during the forums be considered by the Committee

MIN 003/ADH/MAR/4/2020 – TERMS OF REFERENCE OF THE COMMITTEE

— The Committee considered its Terms of reference as communicated by the Speaker as follows:

i) Study the Deed of Transfer of Functions and un-pack its contents and implications;
ii) The role of the County Assembly as far as implementation of the Deed is concerned;
iii) The impact of the transfer of functions on the Budget making process for the FY 2020/2021; and

iv) Propose areas that require legislation either by the Senate or the County Assembly.

— The Committee proposed to extend its scope and also consider on how the budget of the FY 2022/2021 would be affected and how future oversight would be done.

— The Committee directed the secretariat to prepare a work plan and plan for a retreat where Members would consider in-depth the Deed and prepare a preliminary report. Equally, the Secretariat was asked to involve National Government officials so that they can explain the spirit of the Deed. The retreat was proposed to be held as from **Sunday 8th March, 2020 to Tuesday 10th March, 2020 at Windsor Golf Club, Kiambu County.**

MIN 004/ADH/MAR/4/2020 - A.O.B & ADJOURNMENT

There being no other business the meeting was adjourned at 5.30pm, the next meeting to be held on **Thursday 5th March, 2020** at the rise of Assembly.

CONFIRMED AS TRUE RECORDS OF PROCEEDINGS

CHAIRPERSON ..... DATE ....12/03/2020....

MINUTES OF THE 2ND SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY AD HOC COMMITTEE ON TRANSFER OF FUNCTIONS HELD ON 5TH MARCH, 2020 AT 4.30PM IN COMMITTEE ROOM 5, CITY HALL BUILDING.

MEMBERS PRESENT

Annex 2(ii)

1. Hon. Charles Thuo Wakarindi, MCA – Majority Leader, Vice-Chairperson
2. Hon. John Kamangu, MCA – Deputy Speaker
3. Hon. Christopher Kabiro Mbugua, MCA
4. Hon. Peter Wanyoike, MCA
5. Hon. Paul Kiguathi Kados, MCA
6. Hon. Moses Ogeto Nyangeresi, MCA
7. Hon. Michael Ogada Okumu, MCA
8. Hon. Mellab Lumalah Atemah, MCA
9. Hon. Francis Otieno Ngesa, MCA
10. Hon. Geoffrey Majiwa, MCA.

MEMBERS ABSENT

1. The Hon. Beatrice Elachi, CBS – Assembly Speaker & Chairperson.
2. Hon. David N. Mberia, MCA – Minority Leader
3. The Hon. June Juliet Ndegwa, MCA – Majority Party Whip
4. Hon. Peter A. Imwatok, MCA – Minority Whip
5. Hon. Millicent Mugadi, MCA
6. The Hon. Emily Oduor, MCA
7. Hon. Robert N. Mbatia, MCA
8. Hon. James Chege Mwaura, MCA

IN ATTENDANCE - COUNTY ASSEMBLY SECRETARIAT.

1. Ms. Pauline Akuku – Head of Communication Department
2. Mr. Sammy Kiplimo – Principal Clerk Assistant (Committee Services)
3. Mr. Shadrack Makokha – Ag. Senior Clerk Assistant (Committee Services)
4. Mr. Adam Kibwana – Ag. Senior Clerk Assistant (Legislative & Procedure)
5. Mr. Erick Otieno – Fiscal Analyst/ Budget Office.
6. Mr. Paul Kimani – Ag. Principal Finance Officer
7. Mr. Martin Mugendi – Legal Counsel.
8. Mr. Erick Njoga – Clerk Assistant.

MIN 005/ADH/MAR/5/2020 – PRELIMINARY

— The Meeting was called to order at 4.30pm, and opening prayers were conducted by the Vice Chair who then took Members through the Agenda of the meeting which was adopted as proposed by Hon. John Kamangu, MCA and seconded by Hon. Mellab Atemah, MCA as follows; -

AGENDA

a) Preliminaries (prayers & adoption of the Agenda),
b) Confirmation of previous minutes
(Minutes of the 1st sitting held on 4th March, 2020)
c) Consideration and adoption of draft work plan of the Committee.
d) Any Other Business,
e) Adjournment,

MIN 006/ADH/MAR/5/2020 – CONFIRMATION OF PREVIOUS MINUTES

— The Chair took Members through the Minutes of the 1st sitting held on 4th March, 2020. The confirmation of the Minutes was proposed by Hon. Mbugua Kabiro, MCA and seconded by Hon. Geoffrey Majiwa, MCA as true records of the proceedings.

MIN 007/ADH/MAR/5/2020 – CONSIDERATION AND ADOPTION OF DRAFT WORK PLAN OF THE COMMITTEE.

— The Committee considered its work plan on consideration of the Deed of Transfer of Functions and adopted it unanimously.

— The Committee directed the secretariat to prepare for a retreat where Members would consider in-depth the Deed and prepare a preliminary report. Equally, the Secretariat was asked to involve National Government officials and County Executive Committee Members so that they can explain the spirit of the Deed. The retreat was proposed to be held as from Sunday 8th March, 2020 to Tuesday 10th March, 2020 at Windsor Golf Club, Kiambu County.

MIN 008/ADH/MAR/5/2020 – A.O.B & ADJOURNMENT

There being no other business the meeting was adjourned at 6.15pm, the next meeting to be held from **Sunday 8th March, 2020 to Tuesday 10th March, 2020 at Windsor Golf Club, Kiambu County.** .

CONFIRMED AS TRUE RECORDS OF PROCEEDINGS

CHAIRPERSON ..... DATE 13/03/2020.....

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AGENDA

a) Preliminaries (prayers & adoption of the Agenda),
b) Adoption of report of the Ad Hoc committee on transfer of functions from the County Government to the National Government
c) Any Other Business,
d) Adjournment

MIN 010/ADH/MAR/12/2020 – ADOPTION OF REPORT OF THE AD HOC COMMITTEE ON TRANSFER OF FUNCTIONS FROM THE COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

The Secretariat tabled the report on the transfer of functions from the County Government to the National Government.

— The report was unanimously adopted by the Committee as proposed by Hon. Peter Imwatok, MCA and seconded by Hon. June Ndegwa, MCA

MIN 011/ADH/MAR/12/2020 – A.O.B & ADJOURNMENT

There being no other business the meeting was adjourned at 12.00pm, the next meeting to be held on Monday 16th March, 2020 at Windsor Golf Club, Kiambu County. .

CONFIRMED AS TRUE RECORDS OF PROCEEDINGS

CHAIRPERSON ..... DATE ...12/03/2020.....

MINUTES OF THE 3RD SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY AD HOC COMMITTEE ON TRANSFER OF FUNCTIONS HELD ON 12TH MARCH, 2020 AT 10.30PM IN COMMITTEE ROOM 4, CITY HALL BUILDING.

MEMBERS PRESENT

Annex 2 (iii)

1. The Hon. Beatrice Elachi, CBS – Assembly Speaker & Chairperson.
2. Hon. David N. Mberia, MCA – Minority Leader
3. The Hon. June Juliet Ndegwa, MCA – Majority Party Whip
4. Hon. Peter A. Imwatok, MCA – Minority Whip
5. Hon. Millicent Mugadi, MCA
6. The Hon. Emily Oduor, MCA
7. Hon. Robert N. Mbatia, MCA
8. Hon. Christopher Kabiro Mbugua, MCA
9. Hon. Paul Kiguathi Kados, MCA
10. Hon. Moses Ogeto Nyangeresi, MCA
11. Hon. Mellab Lumalah Atemah, MCA
12. Hon. Francis Otieno Ngesa, MCA
13. Hon. Geoffrey Majiwa, MCA.

MEMBERS ABSENT

1. Hon. Charles Thuo Wakarindi, MCA – Majority Leader, Vice-Chairperson
2. Hon. John Kamangu, MCA – Deputy Speaker
3. Hon. Michael Ogada Okumu, MCA
4. Hon. Peter Wanyoike, MCA
5. Hon. James Chege Mwaura, MCA

IN ATTENDANCE - COUNTY ASSEMBLY SECRETARIAT.

1. Mr. Sammy Kiplimo – Principal Clerk Assistant (Committee Services)
2. Mr. Shadrack Makokha – Ag. Senior Clerk Assistant (Committee Services)
3. Mr. Adam Kibwana – Ag. Senior Clerk Assistant (Legislative & Procedure)
4. Mr. Erick Njoga – Clerk Assistant.

MIN 009/ADH/MAR/12/2020 – PRELIMINARY

— The Meeting was called to order at 11.20am, and opening prayers were conducted by the Chair who then took Members through the Agenda of the meeting which was adopted as proposed by Hon. Peter Imwatok, MCA and seconded by Hon. Geoffrey Majiwa, MCA as follows; -

FOURTH SCHEDULE *(Article 185 (2), 186 (1) and 187 (2))*

DISTRIBUTION OF FUNCTIONS BETWEEN THE NATIONAL GOVERNMENT AND THE COUNTY GOVERNMENTS

EXPS

ANNEX 3(3)

PART 1—NATIONAL GOVERNMENT

1. Foreign affairs, foreign policy and international trade.
2. The use of international waters and water resources.
3. Immigration and citizenship.
4. The relationship between religion and state.
5. Language policy and the promotion of official and local languages.
6. National defence and the use of the national defence services.
7. Police services, including—
   (*a*) the setting of standards of recruitment, training of police and use of police services;
   (*b*) criminal law; and
   (*c*) correctional services.
8. Courts.
9. National economic policy and planning.
10. Monetary policy, currency, banking (including central banking), the incorporation and regulation of banking, insurance and financial corporations.
11. National statistics and data on population, the economy and society generally.
12. Intellectual property rights.
13. Labour standards.
14. Consumer protection, including standards for social security and professional pension plans.
15. Education policy, standards, curricula, examinations and the granting of university charters.
16. Universities, tertiary educational institutions and other institutions of research and higher learning and primary schools , special education, secondary schools and special education institutions.
17. Promotion of sports and sports education.
18. Transport and communications, including, in particular—
   (*a*) road traffic;

(*b*) the construction and operation of national trunk roads;

(*c*) standards for the construction and maintenance of other roads by counties;

(*d*) railways;

(*e*) pipelines;

(*f*) marine navigation;

(*g*) civil aviation;

(*h*) space travel;

(*i*) postal services;

(*j*) telecommunications; and

(*k*) radio and television broadcasting.

19. National public works.

20. Housing policy.

21. General principles of land planning and the co-ordination of planning by the counties.

22. Protection of the environment and natural resources with a view to establishing a durable and sustainable system of development, including, in particular—

(*a*) fishing, hunting and gathering;

(*b*) protection of animals and wildlife;

(*c*) water protection, securing sufficient residual water, hydraulic engineering and the safety of dams; and

(*d*) energy policy.

23. National referral health facilities.

24. Disaster management.

25. Ancient and historical monuments of national importance.

26. National elections.

28. Health policy.

29. Agricultural policy.

30. Veterinary policy.

31. Energy policy including electricity and gas reticulation and energy regulation.

32. Capacity building and technical assistance to the counties.

33. Public investment.

34. National betting, casinos and other forms of gambling.

35. Tourism policy and development.

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The functions and powers of the county are—

1. Agriculture, including—
   (*a*) crop and animal husbandry;
   (*b*) livestock sale yards;
   (*c*) county abattoirs;
   (*d*) plant and animal disease control; and
   (*e*) fisheries.
2. County health services, including, in particular—
   (*a*) county health facilities and pharmacies;
   (*b*) ambulance services;
   (*c*) promotion of primary health care;
   (*d*) licensing and control of undertakings that sell food to the public;
   (*e*) veterinary services (excluding regulation of the profession);
   (*f*) cemeteries, funeral parlours and crematoria; and
   (*g*) refuse removal, refuse dumps and solid waste disposal.
3. Control of air pollution, noise pollution, other public nuisances and outdoor advertising.
4. Cultural activities, public entertainment and public amenities, including—
   (*a*) betting, casinos and other forms of gambling;
   (*b*) racing;
   (*c*) liquor licensing;
   (*d*) cinemas;
   (*e*) video shows and hiring;
   (*f*) libraries;
   (*g*) museums;
   (*h*) sports and cultural activities and facilities; and
   (*i*) county parks, beaches and recreation facilities.
5. County transport, including—
   (*a*) county roads;
   (*b*) street lighting;
   (*c*) traffic and parking;

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(*d*) public road transport; and

(*e*) ferries and harbours, excluding the regulation of international and national shipping and matters related thereto.

6. Animal control and welfare, including—

(*a*) licensing of dogs; and

(*b*) facilities for the accommodation, care and burial of animals.

7. Trade development and regulation, including—

(*a*) markets;

(*b*) trade licences (excluding regulation of professions);

(*c*) fair trading practices;

(*d*) local tourism; and

(*e*) cooperative societies.

8. County planning and development, including—

(*a*) statistics;

(*b*) land survey and mapping;

(*c*) boundaries and fencing;

(*d*) housing; and

(*e*) electricity and gas reticulation and energy regulation.

9. Pre-primary education, village polytechnics, homecraft centres and childcare facilities.

10. Implementation of specific national government policies on natural resources and environmental conservation, including—

(*a*) soil and water conservation; and

(*b*) forestry.

11. County public works and services, including—

(*a*) storm water management systems in built-up areas; and

(*b*) water and sanitation services.

12. Fire fighting services and disaster management.

13. Control of drugs and pornography.

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.

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(*b*) establish the principles of governance and management of urban areas and cities; and

(*c*) provide for participation by residents in the governance of urban areas and cities.

(2) National legislation contemplated in clause (1) may include mechanisms for identifying different categories of urban areas and cities, and for their governance.

Legislative authority of county assemblies.

185. (1) The legislative authority of a county is vested in, and exercised by, its county assembly.

(2) A county assembly may make any laws that are necessary for, or incidental to, the effective performance of the functions and exercise of the powers of the county government under the Fourth Schedule.

(3) A county assembly, while respecting the principle of the separation of powers, may exercise oversight over the county executive committee and any other county executive organs.

(4) A county assembly may receive and approve plans and policies for—

(*a*) the management and exploitation of the county's resources; and

(*b*) the development and management of its infrastructure and institutions.

PART 3—FUNCTIONS AND POWERS OF COUNTY GOVERNMENTS

Respective functions and powers of national and county governments.

186. (1) Except as otherwise provided by this Constitution, the functions and powers of the national government and the county governments, respectively, are as set out in the Fourth Schedule.

(2) A function or power that is conferred on more than one level of government is a function or power within the concurrent jurisdiction of each of those levels of government.

(3) A function or power not assigned by this Constitution or national legislation to a county is a function or power of the national government.

(4) For greater certainty, Parliament may legislate for the Republic on any matter.

Transfer of functions and powers between levels of government.

187. (1) A function or power of government at one level may be transferred to a government at the other level by agreement between the governments if—

(*a*) the function or power would be more effectively performed or exercised by the receiving government; and

(*b*) the transfer of the function or power is not prohibited by the legislation under which it is to be performed or exercised.

(2) If a function or power is transferred from a government at one level to a government at the other level—

(*a*) arrangements shall be put in place to ensure that the resources necessary for the performance of the function or exercise of the power are transferred; and

(*b*) constitutional responsibility for the performance of the function or exercise of the power shall remain with the government to which it is assigned by the Fourth Schedule.

PART 4—THE BOUNDARIES OF COUNTIES

Boundaries of counties.

188. (1) The boundaries of a county may be altered only by a resolution—

(*a*) recommended by an independent commission set up for that purpose by Parliament; and

(*b*) passed by—

(i) the National Assembly, with the support of at least two-thirds of all of the members of the Assembly; and

(ii) the Senate, with the support of at least two-thirds of all of the county delegations.

(2) The boundaries of a county may be altered to take into account—

(*a*) population density and demographic trends;

(*b*) physical and human infrastructure;

(*c*) historical and cultural ties;

(*d*) the cost of administration;

(*e*) the views of the communities affected;

(*f*) the objects of devolution of government; and

(*g*) geographical features.

PART 5—RELATIONSHIPS BETWEEN GOVERNMENTS

Cooperation between national and county governments.

189. (1) Government at either level shall—

(*a*) perform its functions, and exercise its powers, in a manner that respects the functional and institutional integrity of government at the other level, and respects the constitutional status and institutions of government at the other level and, in the case of county government, within the county level;

(*b*) assist, support and consult and, as appropriate, implement the legislation of the other level of government; and

(*c*) liaise with government at the other level for the purpose of exchanging information, coordinating policies and administration and enhancing capacity.

(2) Government at each level, and different governments at the county level, shall co-operate in the performance of functions and exercise of powers and, for that purpose, may set up joint committees and joint authorities.

(3) In any dispute between governments, the governments shall make every reasonable effort to settle the dispute, including by means of procedures provided under national legislation.

(4) National legislation shall provide procedures for settling inter-governmental disputes by alternative dispute resolution mechanisms, including negotiation, mediation and arbitration.

Support for county governments.

190. (1) Parliament shall by legislation ensure that county governments have adequate support to enable them to perform their functions.

(2) County governments shall operate financial management systems that comply with any requirements prescribed by national legislation.

ANNEX 3 (4)

(d) dispute resolution between counties within the framework provided under this Act;

(e) facilitating capacity building for governors;

(f) receiving reports and monitoring the implementation of inter-county agreements on inter-county projects;

(g) consideration of matters referred to the Council by a member of the public;

(h) consideration of reports from other intergovernmental forums on matters affecting national and county interests or relating to the performance of counties; and

(i) performing any other function as may be conferred on it by this Act or any other legislation or that it may consider necessary or appropriate.

(2) The Council shall have powers to establish other intergovernmental forums including inter-city and municipality forums.

(3) The Council may establish sectoral working groups or committees for the better carrying out of its functions.

21. Meetings of the Council

(1) The Council shall meet at least twice a year.

(2) The meetings of the Council shall be as provided in the Schedule.

22. Reports by the Council

(1) The Council shall submit an annual report to the Summit, the Senate and the National Assembly.

(2) The report under subsection (1) shall be transmitted to the county assemblies within three months after the end of every financial year.

23. Joint committees

The national or a county government may establish a joint committee with a specific mandate where such a committee is necessary for the achievement of—

(a) the objects and principles of devolution provided in Articles 174 and 175 of the Constitution; and

(b) the objects and purposes of this Act.

PART III – TRANSFER AND DELEGATION OF POWERS, FUNCTIONS AND COMPETENCIES

24. Transfer and delegation of powers, functions and competencies

Subject to Article 186 and Article 187 of the Constitution, either level of government may—

(a) transfer its powers, functions or competencies to the other level of government; or

(b) delegate the exercise or performance of its powers, functions or competencies to—

(i) joint committees, authorities or entities;

(ii) other decentralized units; or

(iii) urban areas and cities.

25. Principles of transfer or delegation of powers, functions and competencies

A government transferring or delegating a power, function or competency under this Part shall—

(a) ensure the assignment is to the level of government best placed to exercise or perform the power, function or competency in accordance with Article 187 of the Constitution;

(b) ensure that adequate resources are provided to carry out the power, function, or competency;

(c) ensure that the transfer is in accordance with the procedures set out under this Act or prescribed by regulations made under this Act; and

(d) ensure a transfer or delegation under this section does not transfer constitutional responsibility assigned to that level of government.

26. Agreements on transfer or delegation of powers, functions or competencies

(1) A transfer or delegation of powers, functions or competencies under this Part shall be by a written agreement.

(2) The agreement for the transfer or delegation under subsection (1) shall include—

(a) the function, power or competency transferred or delegated;

(b) the specific legal provisions supporting the transfer or delegation;

(c) the reasons for the transfer or delegation;

(d) the performance standards and frameworks in respect of the transfer or delegation;

(e) the resourcing framework for delivery of the powers, function or competency transferred or delegated;

(f) the capacity of the receiving entity to exercise or perform the powers, function, or competency transferred or delegated;

(g) the capacity building framework for enhancing any deficits identified in the entity to which the transfer or delegation has been effected;

(h) the method of resolving any dispute that may arise under the agreement; and

(i) the terms and conditions for the exercise or performance of the power, function or competency including the time frame.

(3) The agreement shall be—

(a) signed by an authorized person or officer; and

(b) published in the Kenya *Gazette* and the county *Gazette* in respect of the county to which it relates, at least fourteen days before the effective date of the transfer or delegation.

(4) The National Assembly shall be notified of the decision to transfer a national government power, function or competency.

(5) A county assembly shall be notified of the decision to transfer a county government power, function or competency.

27. Service standards

(1) For each power, function or competency, there shall be minimum service standards or norms of performance provided under relevant laws.

(2) Any transfer or delegation of powers, functions or competencies shall be accompanied by adequate resources to ensure minimum service standards are achieved.

28. Criteria for transferring powers, functions or competencies

The criteria for the transfer or delegation of powers, functions or competencies shall include—

(a) the capacity of the entity to which the power function or competency is being transferred or delegated;

(b) the extent to which the transfer or delegation would allow for accountability;

(c) the extent to which the power, function or competency would best be performed by a single authority across a county, city, municipality or the Republic;

(d) the existence of the level of technical and managerial expertise required to perform a transferred or delegated function or competency; or

(e) whether the provision of the service requires substantial inter-county or large-scale infrastructure.

29. Public participation

The framework for public participation in the transfer or delegation of powers, functions or competencies by either level of government under this Part shall be provided by Regulations.

PART IV – DISPUTE RESOLUTION MECHANISMS

30. Application of this Part

(1) In this Part, unless the context otherwise requires, "dispute" means an intergovernmental dispute.

(2) This Part shall apply to the resolution of disputes arising—

(a) between the national government and a county government; or

(b) amongst county governments.

31. Measures for dispute resolution

The national and county governments shall take all reasonable measures to—

(a) resolve disputes amicably; and

(b) apply and exhaust the mechanisms for alternative dispute resolution provided under this Act or any other legislation before resorting to judicial proceedings as contemplated by Article 189(3) and (4) of the Constitution.

32. Dispute resolution mechanisms

(1) Any agreement between the national government and a county government or amongst county governments shall—

(a) include a dispute resolution mechanism that is appropriate to the nature of the agreement; and

(b) provide for an alternative dispute resolution mechanism with judicial proceedings as the last resort.

(2) Where an agreement does not provide for a dispute resolution mechanism or provides for one that does not accord with subsection (1), any dispute arising shall be dealt with within the framework provided under this Part.

33. Formal declaration of a dispute

(1) Before formally declaring the existence of a dispute, parties to a dispute shall, in good faith, make every reasonable effort and take all necessary steps to amicably resolve the matter by initiating direct negotiations with each other or through an intermediary.

(2) Where the negotiations under subsection (1) fail, a party to the dispute may formally declare a dispute by referring the matter to the Summit, the Council or any other intergovernmental structure established under this Act, as may be appropriate.

34. Procedure after formal declaration of a dispute

(1) Within twenty-one days of the formal declaration of a dispute, the Summit, the Council or any other intergovernmental structure established under this Act shall convene a meeting inviting the parties or their designated representatives—

(a) to determine the nature of the dispute, including—

(i) the precise issues in dispute; and

(ii) any material issues which are not in dispute; and

(b) to—

(i) identify the mechanisms or procedures, other than judicial proceedings, that are available to the parties to assist in settling the dispute, including a mechanism or procedure provided for in this Act, other legislation or in an agreement, if any, between the parties; or

(ii) subject to Article 189 of the Constitution, agree on an appropriate mechanism or procedure for resolving the dispute, including mediation or arbitration, as contemplated by Articles 159 and 189 of the Constitution.

MPs rail at Somalia war that is now spilling into Mandera

The government has failed to protect Mandera residents from the fighting between Jubaland and the Somalia army, local leaders have said.

The seven legislators from Mandera said several residents had been displaced and their property destroyed after being caught between the warring troops.

Yesterday Mandera Senator Mahamud Maalim said Kenyan authorities had not made any attempts to repulse the foreign troops. Mr Maalim said yesterday morning the Kenya-Somalia border in Mandera witnessed intense fighting between the two rival troops. "There is a lot of fighting going on at the border on the Kenyan side and it is not yet clear whether there are casualties," said the senator.

Mandera East MP Omar Maalim said the government should take responsibility for any destruction caused by the troops. Somalia has accused Kenya of harbouring Jubaland security minister Abdirashid Janan, who is considered a fugitive in Somalia. **[Moses Nyamori]**

NAIROBI CITY COUNTY ASSEMBLY

PUBLIC PARTICIPATION NOTICE

TRANSFER OF FUNCTIONS FROM THE NAIROBI CITY COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

The Residents of Nairobi City County and the General Public are hereby notified that the **Nairobi City County Government** and the **National Government** executed a Deed of Transfer of Functions to the National Government dated **25th February 2020**; which was carried in the Kenya Gazette vide Gazette Notice No. 1609 of 2020, published in **Issue No. Vol. CXXII-No. 38 of 25th February, 2020.**

The Deed is available for download at **www.devolutionasals.co.ke** and **www.nairobi.go.ke.**

The functions transferred by the Nairobi City County to the National Government are:

1. **County Health Services;**
2. **County Transport Services;**
3. **County Planning and Development Services; and**
4. **County Public Works, Utilities and Ancillary Services**

The Nairobi City County Assembly has been notified of the Transfer of the above mentioned Functions as codified in the Deed of Transfer of Functions in fulfillment of the legal obligations set out under Section 26 (5) of the Intergovernmental Relations Act (Act No. 2 of 2012).

In view of the above and pursuant to Article 196(1) (b) of the Constitution which provides that "a County Assembly shall facilitate public participation and involvement in the legislative and other business of the Assembly and its Committees" the Nairobi City County Assembly is agreeable and partners with the Ministry of Devolution and ASALs to invite residents of Nairobi City County and all members of the public to submit their views and comments on the Deed of Transfer of Functions to the Cabinet Secretary, Ministry of Devolution and ASAL or the County Secretary, Nairobi City County through the emails **transferagreement@devolution.go.ke** or **countyattorney@nairobi.go.ke** or speaker@nairobiassembly.go.ke or through written memoranda in an envelope marked ***"Public Participation on Transfer of Functions from Nairobi City County Government to National Government"*** addressed to:

The Cabinet Secretary,
Ministry of Devolution and ASAL
National Treasury Building 10th Floor,
P.O BOX 30004 - 00100, NAIROBI

Or submitted in any of the following offices:

1. **Nairobi City County,**
   City Hall,
   City Hall Way,
   P.O. Box 30075 - 00100
   NAIROBI
2. **The Principal Secretary**
   State Department for Devolution
   Teleposta Towers, 6th Floor
   P.O. Box 30004 – 00100
   NAIROBI
3. **Nairobi City County Assembly**
   City Hall.
   P.O Box 45844-00100
   NAIROBI

In addition the Ministry of Devolution and ASAL and the Nairobi City County Government have organized an open public forum for public participation on **Wednesday, 4th March 2020,** between **9.00 a.m.** and **1.00 p.m.** at the Kenya School of Government, Lower Kabete Campus, off Lower Kabete Road.

Further, Ward based Consultative forums have been scheduled at the same date and time (**4th March 2020** between **9.00 a.m.** and **1.00 p.m.**) in the 17 sub counties at the venues listed below:

S/NO	SUB-COUNTY	VENUE
1.	Dagoretti North	Muslim Primary School
2.	Dagoretti South	Waithaka Social Hall
3.	Embakasi Central	Kayole II Social Hall
4.	Embakasi North	Dandora III Social Hall
5.	Embakasi South	Mukuru Health Centre (Imara Daima)
6.	Embakasi East	Embakasi Social Hall
7.	Embakasi West	Sub-County Administration Grounds – Umoja I
8.	Makadara	Jericho Social Hall
9.	Ruaraka	Ruaraka Resource Centre – CDF
10.	Roysambu	Kahawa West Market Parking Area
11.	Kasarani	Maji Mazuri
12.	Kamukunji	Eastleigh North Social Hall
13.	Langata	Karen Social Hall
14.	Mathare	Undugu Social Hall,Mabatini Ward
15.	Kibra	Joseph Kangethe Social Hall(Woodley Grounds)
16.	Westlands	Parklands Day Nursery School
17.	Starehe	Kariokor Social Hall

The representations may to be received on or before **Friday, 6th March, 2020** at **5.00pm.**

SPEAKER, NAIROBI CITY COUNTY ASSEMBLY

Security. Tension as neighbours fight near border

Somali troops clash sets panic in Mandera town

Fleeing residents fear Monday's heavy gunfight might spill over into Kenya.

By Cyrus Ombati
newsdesk@standardmedia.co.ke

Fear gripped Mandera town yesterday following clashes between Somalia troops and Jubaland forces across the border.

Communication was cut in the town for the better part of the day as the clashes went on in Bula Hawa town on the other side of the Kenya-Somalia border.

A number of residents fled Mandera on Monday fearing that the fighting might spill over into the town. Dozens of fleeing Jubaland troops crossed the border into Kenya and were held at a local police station where they debriefed the Kenya Defence Forces that patrolled the town's streets.

Heavy gunfire and explosions could be heard from Bula Hawa as black smoke billowed in the horizon. The clash brought business to a standstill with most of the shops in Mandera town remaining closed.

The Somali troops are said to have been camping in Bula Hawa for the past month planning a raid to capture a fugitive Jubaland minister said to be hiding in Mandera town.

Officials said former minister Abdirashid Hassan Abdinur alias Abdirashid Janan arrived in Mandera town on January 30 and was booked in a local hotel after he escaped from a Mogadishu prison, where he had been held since August 31, 2019.

He later rented a house at Border Point 1 on the Kenyan side of the border, further stoking tension.

Mandera Governor Ali Roba called on the government to intervene and have the fugitive minister removed.

Meanwhile, Kenya has denied claims by Somalia that it is encroaching its borders. A statement from the Ministry of Foreign Affairs described allegations from the Somalia side as 'baseless.'

"These baseless accusations are part of a growing and persistent pattern of ill intent to use Kenya as a scapegoat and tool to justify unfulfilled and legitimate social demands in Somalia and for the political mileage," said the ministry.

Somalia's Ministry of Foreign Affairs had on February 27 accused Kenya of undermining the country's stability and sovereignty.

NACADA

VACANCY RE-ADVERTISEMENT

The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) was established vide an Act of Parliament in July 2012, and mandated to coordinate a multi-sectoral effort aimed at preventing, controlling and mitigating the impact of alcohol and drug abuse in Kenya.

NACADA wishes to recruit a dynamic, result-oriented and self-driven Kenyan citizen to fill the following vacant position:

POSITION TITLE	REF NO	NO REQUIRED	Terms of Service
Manager Corporate Communication	NAC/MCC/01/20	1	Permanent & Pensionable

Interested candidates should forward their applications by post, email, courier or hand-delivery, enclosing current and detailed CV, copies of academic and professional certificates, day time telephone contacts, current and expected remuneration, notice period required to take up the appointment if successful, and names, addresses and emails of three (3) professional referees to:

Chief Executive Officer,
National Authority For the Campaign Against Alcohol and Drug Abuse,
NSSF Building, Block A, Eastern Wing, 18th Floor,
P.O. Box 10774-00100 GPO
Email: careers@nacada.go.ke,
NAIROBI.

Qualified and interested candidates are invited to visit NACADA website at www.nacada.go.ke/vacancies for detailed job profile.

All applications MUST have the job reference number clearly marked on the envelope OR subject line so as to reach the undersigned not later than Friday 20, March 2020. Shortlisted candidates will be required to satisfy the requirements of Chapter Six (6) of the Constitution of Kenya 2010. In fulfilment of this provision, the following compliance certificates should be submitted:

- Certificate of Good Conduct,
- Clearance Certificate from Higher Education Loans Board;
- Tax Compliance Certificate;
- Clearance from the Ethics and Anti-Corruption Commission and
- Report from an Approved Credit Reference Bureau.

NACADA is an Equal Opportunity Employer. Any form of canvassing will lead to Automatic disqualification.

ONLY SHORT LISTED CANDIDATES WILL BE CONTACTED.
NEED SOMEONE TO TALK TO ON ALCOHOL & DRUGS?
CALL OUR HELPLINE NUMBER 1192, FREE OF CHARGE.

Annex 4 (5)

1108

THE NATIONAL GOVERNMENT
(THROUGH)
THE MINISTRY OF DEVOLUTION & THE ASALS

&

THE NAIROBI CITY COUNTY GOVERNMENT

ADDENDUM TO DEED OF TRANSFER OF FUNCTIONS FROM THE NAIROBI CITY COUNTY GOVERNMENT TO THE NATIONAL GOVERNMENT

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THIS ADDENDUM TO THE DEED OF TRANSFER is made on this .....Day of..... **TWO THOUSAND AND TWENTY.**

I. **THE NATIONAL GOVERNMENT OF THE REPUBLIC OF KENYA,** through **THE MINISTRY OF DEVOLUTION & THE ASALs** (the "the ***National Government***") on the first part; and,

II. **THE NAIROBI CITY COUNTY GOVERNMENT,** ("the ***County Government***") whose registered office is at City Hall, off City Hall Way, Nairobi on the other part.

*(Each a "**Party**" and together the "**Parties**")*

RECITALS AND DECLARATION OF COMMON INTENT

WHEREAS, the Parties executed the Deed of Transfer of Functions from the Nairobi City County Government to the National Government (the Deed) on 25th February 2020;

WHEREAS, Article 9.1 of the Deed provides that the Deed shall become effective twenty-one (21) days from the date of execution and remain in force for an initial renewable period of twenty-four (24) months from the date of execution;

WHEREAS, the Deed has been subjected to public participation as contemplated in Article 10.1 thereof;

WHEREAS, Article 10.2 of the Deed provides, *inter alia,* that the Deed, together with any amendments as may be necessitated by public participation, constitute the entire Agreement between the parties;

WHEREAS, Article 10.3 of the Deed provides, *inter alia,* that no variation or addition thereto and no waiver of any provision thereof shall be valid unless in writing signed by a duly authorized officer of both of the parties;

NOW THEREFORE, having regard to the foregoing and having considered the views and comments collated during the public participation exercise, the Parties enter into this Addendum to the Deed of Transfer of Functions and solemnly agree as follows:

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ARTICLE 1: DEFINITIONS

1.1 The words and expressions used herein bear the same import and meaning as defined in the Deed.

ARTICLE 2: APPLICATION OF THE ADDENDUM TO THE DEED

2.1 This Addendum to the Deed supplements and modifies the provisions of the Deed as further specified herein-below.

2.2 This Addendum to the Deed shall remain in force for the duration of the Deed.

ARTICLE 3: THE SCOPE OF THE FUNCTIONS TRANSFERRED TO THE NATIONAL GOVERNMENT

3.1 For the avoidance of doubt, the Parties hereby clarify that the function referred to in Article 3.4 of the Deed, that is, County Public Works, Utilities and Ancillary services, means the function outlined in paragraph 11 of Part 2 of the Fourth Schedule to the Constitution.

ARTICLE 4: ACCOUNTING OBLIGATIONS

4.1 The National Government shall be responsible for accounting in respect of the revenue and expenditure relating to the transferred functions as set out in Article 3 of the Deed.

4.2 The County Government shall provide to the National Government, as soon as is practicable but in any event not later than fourteen (14) days from the date of execution of this Addendum to the Deed, all the relevant accounting documents, including but not limited to, financial statements, registers, reports, asset inventories, contracts and such other documents and instruments, in respect of the transferred functions, as are necessary to enable the National Government discharge its accounting responsibility as stipulated in Article 4.1 hereinabove.

4.3 Notwithstanding the provisions of Article 4.1 hereinabove, the National Government shall only assume accounting responsibility over the transferred functions upon the County Government

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providing all the relevant accounting documents and information and a corresponding handover report to the National Government, setting out in sufficient detail all the assets, liabilities and obligations in respect of the transferred functions as at the date of the transfer of functions, and subject to verification of the correctness and accuracy thereof.

ARTICLE 5: PLANNING AND BUDGETING

5.1 The Parties hereby agree that the National Government shall have the overarching duty to take all necessary constitutional and statutory measures to fulfill its obligations in respect of the transferred functions.

ARTICLE 6: FINANCING THE DELIVERY OF THE TRANSFERRED FUNCTIONS

6.1 Further to Article 187(2) (a) of the Constitution and Articles 5.1 and 5.2 of the Deed, the National Treasury shall put in place arrangements and an appropriate framework to ensure that the resources necessary for the performance of the transferred functions are transferred from the Nairobi City County Government to the National Government.

ARTICLE 7: OVERSIGHT BY THE COUNTY ASSEMBLY

7.1 The Nairobi City County Assembly and all of its committees shall retain their constitutional and statutory oversight mandate over the performance of transferred functions.

7.2 In the exercise of its oversight mandate, the Nairobi City County Assembly or any of its committees, shall have the power, pursuant to the applicable laws and Standing Orders, to summon any County Executive Committee Member or Chief Officer of the Nairobi City County Government responsible for any of the transferred functions to appear before it for the purpose of giving evidence or providing information.

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ARTICLE 8: GENERAL

8.1 No variation or addition to this Addendum to the Deed and no waiver of any provision shall be valid unless by consent of both Parties in writing signed by a duly authorized officer of both of the parties. In the event of a variation or addition, all the terms of this Addendum to the Deed shall apply to such variation or addition except as may otherwise be expressly provided therein.

8.2 No forbearance or indulgence by either Party in enforcing any term or condition of this Addendum to the Deed shall prejudice or restrict that Party's rights or powers herein and no waiver of any breach shall operate as a waiver of any subsequent or continuing breach.

8.3 This Addendum to the Deed may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party hereto and expressed in a common document.

ARTICLE 9: GOVERNING LAW AND DISPUTE RESOLUTION

9.1 The provisions of Articles 11.1 and 11.2 of the Deed shall apply, with the necessary modifications, to this Addendum to the Deed.

IN WITNESS whereof this Addendum to the Deed of Transfer has been executed by the duly authorized representatives of the parties the day and year first written above.

SIGNED BY:

EUGENE WAMALWA, EGH
Duly authorized:

CABINET SECRETARY
MINISTRY OF DEVOLUTION & THE ASALS

In the presence of:

PAUL KIHARA KARIUKI
ATTORNEY GENERAL

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SIGNED BY:
MIKE MBUVI SONKO
GOVERNOR, NAIROBI CITY COUNTY GOVERNMENT

Duly authorized Signatory for:
NAIROBI CITY COUNTY GOVERNMENT

In the presence of:

JUSTUS KATHENGE
AG. COUNTY SECRETARY

Initials:

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