



REPUBLIC OF KENYA

## NAIROBI CITY COUNTY ASSEMBLY

### OFFICIAL REPORT

#### First County Assembly – First Session

Wednesday, 26<sup>th</sup> June 2013

The House met at 2.30pm

*(Deputy Speaker in the Chair)*

#### PRAYERS

#### COMMUNICATION FROM THE CHAIR

**Hon. Deputy Speaker (Mr. Kennedy Ng'ondi):** Hon. Members it is within the powers of the speaker to suspend any motion before the speaker puts the question. Indeed the suspension of the said motion of today will give you, Hon. Members, an opportunity to understand in principle where to take your vote. Please take note that this Assembly is the symbol of authority, and all its powers are derived from this Assembly and the Constitution of Kenya. You therefore have to conduct yourself with decorum and respect.

I am in agreement that this house is a battlefield but only through debates. It is therefore totally unacceptable for members to direct their anger at the Clerk of the Assembly even to an extent of storming his office after the proceedings of the Assembly. As the Speaker of this Assembly, I hope we will find it important to debate and solve issues in accordance with the Constitution of the land. Thank you very much.

I call upon the Hon. Michael Ogada, the chairman of Budget and Appropriations Committee. Okay, it has been brought to my attention that there is a notice of motion by Hon. Akuk, which I think is in order. This is motion No. 10, which will be tabled before the Clerk and then we will list it among the motions under order No. 6.

**NOTICE OF MOTION****NOTICE – MOTION ON FIBRE OPTIC CABLE LAYING**

**Hon. Member for Nyayo Highrise Ward** (Mr. Maurice Akuk): Mr. Speaker sir, I would like to give notice of the following motion which states: **THAT WHEREAS** laying of the fibre optic cables in the Country by the Government and Network Companies is a necessity to improving the level of information technology in the Country; **NOTING** that the Nairobi City County is now responsible for the physical planning of the County: **AWARE** that numerous trenches are haphazardly being dug all over the city, on pavements, roads and neighbourhood estates; and that little concern is taken to rebuild the sidewalks, and tarmac roads where the trenches were initially dug; **CONCERNED** that the city's physical beauty is being scarred and general orderliness threatened; **THAT** this Assembly urges the Government of Nairobi City County to immediately put a stop to the haphazard digging of trenches and reign in on wayward contractors who are responsible for this mess on our beloved city. Thank you.

**MOTION- ADOPTION OF REPORT ON THE BUDGET**

**Hon. Member for Embakasi Ward** (Mr. Michael Ogada): Thank you Mr. Speaker. I wish to move the following motion that pursuant to the provision of Standing Order No. 207(6) this Assembly adopts the report of the Budget and Appropriation Committee on the Budget estimates for the County Government and County Assembly tabled in the County Assembly on 25<sup>th</sup> June, 2013.

Mr. Speaker sir, as you are aware that the estimates of the Finance Bill 2013/2014 for the Nairobi County Government were submitted to the Assembly on 30<sup>th</sup> April 2013 and laid on the table of the House on 30<sup>th</sup> May 2013 as provided for under the Standing Order number 207(2), Section 2, 129(2) of the Public Finance Management Act 2012 and the Standing Order No. 207(3). Once laid the estimates stand committed to the House sectoral committees for examination. The County Assembly Budget and Appropriations committee is required to submit a report on the estimates to the House within 21 days after they were first laid before the Assembly. On behalf of the Members of the County Assembly Budget and Appropriations Committee, I hereby present to the County Assembly, the Committee's report on the 2013/2014 estimate of the revenue and expenditure of the Nairobi City County.

The budget and Appropriations Committee as currently constituted comprises the following members:

1. **Hon. Michael O. Okumu**- MCA- Chairperson
2. **Hon. George Ochola**- MCA- vice chairperson
3. **Hon. Alfred Ambani**- MCA - Member
4. **Hon. Maurice O. Akuk**-MCA- Member
5. **Hon. Oscar Lore**- MCA- Member
6. **Hon. Osman Odow Ibrahim**- MCA- Member
7. **Hon. Jackson Kiama Gikandi**-MCA- Member
8. **Hon. Kenneth Thugi Muroki**- MCA- Member
9. **Hon. Stephen Njoroge Kairu**- MCA- Member

Mr. Speaker sir, the Nairobi County Assembly Budget and Appropriations Committee is constituted under the Standing Order number 187. Pursuant to Standing Order number 187(3), the committee is mandated to:

- a) Investigate , inquire into and report on all matters related to coordination , control and monitoring of the County budget,
- b) Discuss and review the estimates and make recommendations to the County Assembly;
- c) Examine the County Budget Policy Statement 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.

Mr. Speaker sir, the year 2013/14 County budget is special to the Nairobi City County Government in many ways, but mainly because it is the first budget to be read under the new dispensation of devolution.

The County Budget and Appropriations Committee has scrutinized the budget from the County Executive and the Assembly, and has made a number of recommendations to this house.

Mr. Speaker sir, in reviewing the 2013/2014 Budget Estimates the Committee held a total of ten sittings. During these sittings, the Committee consulted widely with the Nairobi City County Treasury, who gave the Committee invaluable support and advice. We thank them for their efforts and inputs in this report. In line with the Constitution and the Standing Orders, the Budget and Appropriation Committee also received inputs from the public in the stakeholder's forum held on 26<sup>th</sup> May, 2013 at Charter Hall. Mr. Speaker sir, allow me to thank Kenyans who took time to participate in the forum and whose views we have taken into account in this report.

Mr. Speaker sir, let me also appreciate all the Sectoral Committee Members who worked tirelessly to prepare their reports within the short timeframe we had.

Last but not least the Committee is grateful to the office of the Speaker and the office of the Clerk of the County Assembly for the support received as it discharged its mandate of reviewing the 2013/14 Estimates. The Committee is also grateful to the Members of the County Assembly who participated in the process.

Mr. Speaker sir, it is therefore my pleasant duty and privilege, on behalf of the Budget and Appropriation Committee to table this report and recommend it to the House for adoption.

Mr. Speaker sir, we had to look comprehensively at the Estimates and in adherence to the Public Financial Management Act (PRF Act) 2012. While scrutinizing the County Executive Budget, the Committee was satisfied that the estimates were submitted in time; that is, on or before 30<sup>th</sup> April, 2013. However, the Committee observed that the County Assembly Budget Estimates were included in the

County Executive estimates contrary to the provision of the PRF Act. Further, the Executive combined both the Development and Recurrent Expenditure in volume one. This prompted the Committee to start by examining whether the Estimates submitted conformed to the Constitutional provisions and PRF Act as well as the principles set by the budget estimates for FY2013/14.

Mr. Speaker sir, Members will agree with the Committee that it was very difficult to decipher information from the estimates provided to this House for the FY2013/14 and the medium term. The submitted estimates were not presented on program basis and neither were the expected outputs and outcomes attached to the resource voted to various County Agencies.

Mr. Speaker sir, with regard to the legal provisions, the committee was drawn to the attention of section 129(2) (a) of the Public Finance Management Act 2012 which spells out that the County Executive Member for Finance shall submit the budget estimates with documents supporting those estimates. At the same time, the accounting officer of the County Assembly, in this case, the Clerk of the Assembly is also required to submit the estimates of the County Assembly on or before 30<sup>th</sup> April. Section 130 (1) details the key documents that should accompany the budget estimates. These include the following:

- (a) A summary of budget policies including policies on revenue, expenditure, debt and deficit financing;
- (b) An explanation on how the budget relates to fiscal responsibility principles and the financial objectives;
- (c) A memorandum by the County Executive Member for Finance on how the resolutions adopted by the County Assembly on the County Fiscal Strategy Paper under section 117 of the Public Finance Management Act 2012 had been taken into account by the Executive when preparing the estimates. The committee ignored this document since the County Fiscal Strategy Paper could not have been in place at the time when we did not have the County Government in place.

Mr. Speaker sir, With regard to the format of the Budget, the Committee observed that the budget estimates should include:

- (a) A list of all entities that receive funds appropriated from the budget of the County Government
- (b) Estimates of revenue projected from the Equalization Fund in the medium term;
- (c) All revenue allocations from the national government, which shall include conditional and unconditional grants;
- (d) All estimated revenue estimated by broad economic category;
- (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 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 an appropriation is not included in an Appropriation Act, together with the constitutional or national Transitional 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

Mr. Speaker sir, the Committee observed that most of the documentation required for effective scrutiny of the budget estimates had not been submitted. This prevented the Budget Committee as well as other Sectoral Committees of the County Assembly from effectively scrutinizing the 2013/ 2014 Budget Estimates. However, the blame could not be laid on the Executive because just like the Assembly, they were constituted in the middle of the budgeting process and these documents could not have been in place at that time. Mr. Speaker sir, you will allow me to skip some pages.

Page 10: on the specific scrutiny by the relevant sectoral committees; under the County Executive; number 15, upon being laid the estimates were referred to respective sectoral committees who scrutinized them with the assistance of the Principal Analyst availed by the office of the Interim Clerk and all the representative principal officers provided by responsible departments and thereafter handed their reports to the Budget Committee.

I will go to page 17;

### **Meeting with Nairobi City County Treasury**

Mr. Speaker sir, Standing Order number 207(5) provides that the Committee shall discuss and review the estimates and make recommendations to the County Assembly, taking into account the recommendations of the Sectoral Committees, the views of the Member of the Executive Committee responsible for finance, and the public. In this regard and in the absence of the member of the Executive Committee for finance, the County Assembly Budget and Appropriation Committee requested the Nairobi City County Secretary to inform the Chief Officer responsible for County City Treasury to appear before it on Wednesday 5<sup>th</sup> June, 2013;

Number 28: Mr. Speaker sir, during the meetings, the Transition Principal Officer, appraised the committee on the Budget Estimates for Nairobi County for FY2013/14. Accompanied by his team, he elaborated on the revenue, recurrent and development expenditure estimates. The following represents the summary of the Nairobi City County Government as presented by the Transition Principal Officer for Finance;

The County anticipated to raise 31.9 billion Kenya shillings in revenue. Out of this recurrent expenditure takes 16.7 billion Kenya shillings. On development expenditure they anticipated to spend 9.6 billion Kenya shillings, and on debt repayment they budgeted to spend 5.6 billion Kenya shillings, therefore, having a surplus of 172 million Kenya shillings.

Mr. Speaker sir, the Nairobi City County Budget for the financial year 2013/14 was going to be Ksh31.9 billion of which a total Ksh14.9 billion was going to be raised from internal sources within the County while Ksh16.9 billion was going to be catered for by the transfers from the National treasury. The internal sources were going to tap from rates, single business permits, billboards, and parking.

Mr. Speaker sir, of Ksh31.8 billion that the County proposed to raise as Revenue, Ksh10.2 billion (30%) of it was going to cater for Personnel Emoluments; Ksh6.5 billion (20%) was going to be spent on Operations and Maintenance; Ksh5.5 billion (17%) was going to be used to repay debts incurred by the defunct Nairobi City Council; and finally Ksh9.6 billion (30%) of the County Budget was going to cater for the Development Expenditure.

Mr. Speaker sir, the committee developed reservations on the revenue amount projected to be realized by the Nairobi County Government for the FY 2013/14; particularly, the committee questioned the basis given for amount projected for central transfers, rates and single business permits which constituted 52%, 14% and 5% respectively of the total revenue for FY 2013/14.

Mr. Speaker sir, the Committee after thorough analysis of the estimates and with additional input from fiscal analysts from Parliamentary Budget Office of the National Assembly realized that indeed the concerns on the reality of the County raising those projected revenues were justified. The estimation of the revenue for financial year 2013/14 appeared to be overly optimistic and it might have been extremely difficult for the County to raise the funds.

Mr. Speaker sir, the reality at the time was that The National Assembly, recently passed the Division of Revenue Bill which proposed Ksh210 billion to go to Counties (Ksh190 billion as sharable revenue and Ksh20 billion as conditional allocations). Given that the legislation had been enacted, Nairobi County was going to receive a total of Ksh9.8 billion of which Ksh9.5 billion was going to be sharable revenue and Ksh390 million was going to be conditional allocation (to fund donor projects). This was considerably less than the projected amount of Ksh16.9 billion, a deficit of Ksh7.4 billion.

Furthermore, the County was going to have some difficulties in raising some revenues internally considering that some of the debts the County Government was planning to recover were going to present a challenge. Also, some fees and rates quoted in the estimates were very high therefore presenting a threat to the County's capacity of shoring up the revenues as they were either going to bring expensive and protracted litigations from city dwellers or scare away existing and potential investors therefore negatively affecting revenues planned to be accrued from business permits.

Mr. Speaker sir, armed with this set of new facts, the Committee once again invited the Nairobi City County Treasury at a sitting held on 12<sup>th</sup> June, 2013 in order to elaborate on the new development and how the County intended to seal this revenue shortfall. The Transition Principal Officer accepted the track facts presented by the committee but in their defense he stated that the department was highly optimistic of receiving the amount captured in the budget estimates as Central transfers. In other words they had not accepted the move by the National Assembly or by and large the shortfall in revenues from the Central Government.

Mr. Speaker sir, the Committee appreciated the work that the Nairobi City Treasury had done in preparing the printed budget estimates. However, it was very clear to both parties that the printed budget estimates had to be re-worked in order to reflect the changes brought about by the Division of Revenue Act 2013 among other things which included;

- The overall revenue projections in the budget estimates were very high and would not be realized in the Financial Year 2013/14;
- That the development expenditure did not follow the MTEF guidelines whereby their needed to be additional information on capital projects included in the Budget estimates, to show their date of commencement and completion, and a projection of successive years e.g. 2 years. Furthermore the information needed to capture the intended outputs of the projects;
- There were instances where some items were a duplication of allocations of funds on certain items in one department or across different departments;
- The budget estimates lacked information on those vote heads that were going to be funded by foreign grants or by the National Government.

Number 37: Mr. Speaker sir, the Committee pursuant to Standing order 187(3b) which states that the committee shall discuss and review the estimates and make recommendations to the County Assembly, the committee informed the County Treasury official that it was impossible for it to prepare a budget report from the laid down estimates in their current form and therefore requested the County Treasury to review the estimates taking into consideration the following key recommendations for the purpose of reducing the huge budget deficit;

**Governor's Office:**

- a) The Committee recommended a reduction of the Construction of Governor's House by Ksh50 million

*(Applause)*

- b) The committee recommended the reduction of the allocation of media services in the Governor's office (consultancy) from Ksh50million to Ksh40 million

*(Applause)*

- c) Defer setting up of County Radio Station to the next financial year 2014/15

*(Applause)*

- d) Reduce the amount allocated ERP Project by Ksh50 million

- e) Defer setting of E-Payment platform to the next FY2014/15

- f) Reduce the amount allocated to Network/Hardware Support by Ksh10 million



- g) Include The Quality Management Secretariat in the budget estimates and allocate it an amount of Ksh20 million for the year 2013/14

#### **Justice and Inspectorate Department**

- a) Defer Head 9111408 Construction of Motor Vehicle ground in Eastland to the next FY 2014/15
- b) Defer the amount allocated for the installation of CCTV to the next financial year
- c) The amount allocated for the Committee clerks should be reduced to Ksh10 million
- d) Vote on the allocation of Insurance for County Representatives should be moved from the Governor's Office to the County Assembly Service Board

#### **Finance, Administration and Economic Planning**

- Reduce the amount allocated to purchase of new vehicles for Service Delivery by Ksh100 million

#### **Environment and forestry**

- a) There was need to separate head 91111426 and 9111427. They all captured the allocation of funds for the rehabilitation of cleansing depots. Therefore, head 9111426 should only cater for civil works at Dandora dumpsite and the amount allocated should be reduced by Ksh40 million. Further the word "rehabilitation of cleansing depots" should be deleted as it is captured in the next vote, 9111426
- b) Purchase of Garbage collection trucks; the Committee recommended that we buy 2 trucks per constituency that is only 34 Refuse Collection Trucks so that only two trucks serve each of the 17 constituencies at a cost of Ksh272 million

*(Applause)*

- c) The amount allocated to contracts/ Garbage of Ksh520 million should be reduced to Ksh350 million

*(Applause)*

#### **Health**

- a) Reduce the amount to rehabilitation of City Mortuary and Acquisition of new Cemetery to Ksh450 million
- b) Allocation for Pumwani Maternity Hospital should reduce to Ksh250 million
- c) Reduce the amount allocated to upgrading of Health Centers in Districts to Ksh100 million

#### **Physical Planning, Housing and Lands**

- a) Reduce the amount allocated to preparation of the Valuation Roll to Ksh280 million
- b) Reduce the amount allocated to integrated City Development Master Plan to Ksh60 million

#### **Public Works and Infrastructure**



- a) Reduce the amount allocated to improvement of Public Transport, Traffic Management, Parking and Road Safety to Ksh500 million
- b) Reduce the amount allocated to purchase of Fire Engines and other Road Maintenance Equipment to Ksh50 million
- c) Defer purchase of Foam Tender to the next FY2014/15
- d) Reduce the amount allocated to Roads and Drainage to Ksh450 million

#### **Youth Affairs, Sports Culture and Social Services**

- a) Reduce the amount allocated to construction of Street Families Rehabilitation Centre at Ruai to Ksh100 million
- b) The bursary fund under the Education Department in the County Executive should be distributed to each Ward in equal amounts of Ksh500, 000 for three terms in a year. The Ksh1.5 million in a year will total to Ksh127 500,000 for the initial allocation in the FY 2013/14. This move will save the County a total of Ksh72,500,000.

*(Applause)*

#### **Trade and Development**

- a) Reduce the amount allocated to relocation and construction of Wakulima market to Kariobangi to Ksh100 million
- b) Reduce the amount allocated to cost of land and Construction of Market at Kasarani to Ksh150 million

#### **Operation and Maintenance Expenses Across all Sectors**

- a) Reduce all operations and maintenance by 20-30%. However this should be under the discretion of the Treasury Department
- b) County Assembly to reduce its hospitality expenditure by 10%

*(Applause)*

#### **Constituency Development projects**

Amalgamate all funds meant for this item and from the total allocate Ksh15 million to each Ward. County Representatives should be given the right to decide the priority of the projects.

*(Applause)*

The total amount for the Constituency Development Funds is Ksh1.55 billion. If each Ward is given Ksh15 million, the total amount will be Ksh1.275 billion. Therefore the County stands to save an amount of Ksh275 million.

Mr. Speaker sir, the same sitting with the Nairobi City Treasury resolved the following:

1. The Department should re-examine and print new estimates that reflect new realities
2. Ensure that the County Government expenditure conforms with the Medium Term Expenditure framework and that they are presented in report form
3. The Department should strongly consider the recommendations put forwards by the Committee
4. Treasury to submit the new estimate budget for the year 2013/14 to the Interim Clerk of the Assembly by Wednesday 29<sup>th</sup> June 2013

Mr. Speaker sir, I am now on page 23: the overview of the budget allocation. Indeed the Nairobi City County Treasury met the Committee again at a sitting held on 22<sup>nd</sup> and 23<sup>rd</sup> June, 2013. The treasury had fulfilled most of the resolutions made during the previous meeting. Most importantly, the printed budget estimates were reviewed downwards in accordance with the recommendations of the Committee.

The Committee was much obliged to see that the Nairobi City County Treasury Department had followed and headed to the Committee's recommendations on revising the budget estimates for the County downwards.

However, the Committee noted with concern that the recurrent budget for FY 2013/14 was projected to be Kshs.14 billion, 59% of the total County Budget. Of this amount Ksh10.4 billion was going to cater for personnel emoluments. This high expenditure needs to be downsized as it is unsustainable.

Let us go briefly to the adjustments: that is page 26, item number six. There were adjustments and reallocations made in the County Executive and County Assembly 2013/14 Budget. The Committee received presentations by the Chairs of the various sector committees on proposed recommendations for adjustments on the Budget 2013/14. The Committee also captured views provided through Public barazas by the Nairobi County Government. Also the Committee worked hand-in-hand with the Nairobi City Treasury in adjusting the submitted printed Budget estimates for 2013/14 in line with its mandate of evaluating budgetary policy and programmes with direct budgetary outputs.

The Budget Committee undertook to rationalize the proposals by the Committees to the extend possible. In doing so keen attention was paid and care taken to ensure that impact on service provision for the Nation as a whole is possible. The budget is the mechanism that allows a county to deliver on its promises to its people. Undertaking a comprehensive budget involves apportioning scarce resources to competing needs.

Hon. Members may be aware that the budget Committee looked at how the overall expenditure fits in the fiscal framework. Indeed due cognizance is given to having a stable micro-economic environment especially ensuring that the fiscal budget deficit does not thrust out private sector investor involvement and has a sustained level of debt as well. But it was not possible to factor in, the review of all recommendations of all the sectoral committees. The Committee recommended the following with regard to budget estimates for Nairobi City County for the year 2013/14: that the expected bank balances in the County exchequer for Financial Year 2012/13 amounting to Ksh370 million be carried forward to the year 2013/14 and be appropriated in the respective balances.

Furthermore the expected balances for Financial Year 2012/13 should be added to the projected revenue for 2013/14. The remaining part of this report should be considered as a notice of motion for the

adoption of the adjustments made on the 2013/14 Budget submitted to the Assembly in order to have an efficient responsive budget that addresses the needs and aspirations of the County residents.

- a) Revenue from building permits was adjusted from Ksh2.8 billion to Ksh3 billion
- b) Capital expenditure, chambers allowed adjustment from Ksh400 million to Ksh462 million
- c) County executive's media services, i.e consultancy services was reduced from Ksh50 million to Ksh40 Million
- d) Installation of CCTV was reduced from Ksh20 million to Ksh10 million
- e) Purchase of motor vehicles was adjusted from Ksh150 million to Ksh100 million
- f) Integrated City Development plan was adjusted from Ksh70 million to Ksh60 million
- g) Roads and drainage was reduced from Ksh600 million to Ksh550 million

So members you can understand that the adjustments were made when the estimates were brought back because we realized that the final document did not put into consideration the recommendations we had made. So we had to do a further adjustment in order for the budget to conform to the recommendations that we gave.

When you come to the County Assembly; transport allowance was not considered but we have included Ksh30 million to cater for the increment of Ksh20, 000 per Hon. Member per month.

*(Applause)*

When you look at that you will realize the Committee's sitting allowances was for four sittings per week but now we have captured eight sittings per week which makes the figure to stand at Ksh180 million. And again we realized that in the County Government budget the executive committee members (appointed by the Governor), were to be paid allowances but we ex-punched the item and its figures. Therefore they are not going to be paid any allowances.

*(Applause)*

Mr. Speaker sir, on the debt repayment we have adjusted. We did take into consideration the overdraft that was taken from the bank so the debt increased from Ksh2.2 to Ksh2. 7 billion.

Mr. Speaker sir, I am almost through. We are on page 29. Financial Sectoral Budget for the Nairobi City County for financial year 2013/14: the following represents the sectoral budget of the Nairobi City County Government for financial year 2013/14;

- a) The vote for the Nairobi County Assembly: there is no revenue estimated to be raised for the FY2013/14, however, the total expenditure is estimated to be Ksh1, 620,201,208 whereby recurrent expenditure will constitute Ksh1, 058,201,208. While development expenditure will constitute Ksh656.611, 220,000. The recurrent expenditure for this sector will constitute personnel costs and operations and maintenance which will be Ksh656, 611,220 and Ksh410, 589,988 respectively.
- b) Since the structure of the County Government will comprise of eleven sectors namely: Governor's Office, Trade and Enterprise Development; Environment;

Health; Agriculture; Education; Public Works; Roads and Transport; Land and Housing, Water, Sanitation and Energy; Public Service Management, and Finance and Economic Planning, their budgets will be as follows:-

- (i) The vote for the Governor's Office will accrue a revenue amount of Ksh75, 500,000 for the FY 2013/14. The total budget expenditure for this office will be Ksh468, 250,000, of which the recurrent expenditure will constitute an amount of Ksh221, 250, 000, while the capital expenditure will constitute an amount of Ksh160, 000,000. From the recurrent expenditure, personnel costs will constitute an amount of Ksh221, 250,000;
- (ii) Vote for finance, Administration and Economic Planning is expected to accrue a revenue amount of Ksh16, 291,682,243. The total estimated expenditure will be Ksh5, 159,033,979, of which the recurrent expenditure will constitute Ksh2, 286,533,979 while the development (Capital) expenditure constitutes Ksh272, 500,000 of the recurrent expenditure. In this vote, an amount of Ksh2, 500,000 has been estimated for payment of outstanding debt;
- (iii) Vote for Environment and Forestry is estimated to raise Ksh220, 100,000 as revenue for FY 2013/14. The estimated total expenditure for recurrent and capital for this vote is Ksh3,098,107,130 and Ksh427,000,000 respectively;
- (iv) Vote for the Health Sector is estimated to raise Ksh309, 200,000 as revenues for FY 2013/14. The estimated total expenditure for this vote is Ksh2, 780,770,187 of which recurrent and capital expenditure will constitute, Ksh1, 767,270,187 and 1,013,500,000 respectively;
- (v) Vote for physical Planning, Housing and Lands is estimated to raise Ksh4, 690,600,000 as revenues for FY 2013/14. The estimated total expenditure for this vote is Ksh1,210,006,920 of which recurrent and capital expenditure will constitute Ksh1,767,27,187 and Ksh1,013,500,000 respectively;
- (vi) Vote for Public Works and Infrastructure is estimated to raise in the FY 2013/14 revenue amount of Ksh2, 260, 500, 0000. The total estimated expenditure will be Ksh4,903,570,005 of which recurrent expenditure will constitute an amount of Ksh1,415,070,005 while the capital expenditure will constitute Ksh3,488,5000 000;
- (vii) Vote for Education, Youth, sports, Culture & Social Services is estimated to raise Ksh36, 700,000 as revenues for FY 2013/14. The

estimated total expenditure for this vote is Ksh1,772,087,7005 of which recurrent and capital expenditure will constitute from it an amount of Ksh1,465,087,705 and Ksh307,000,000 respectively;

- (viii) Vote for Trade and Enterprise Development is estimated to raise in the FY 2013/14 revenue amounting to Ksh426, 000,000. The total estimated expenditure will be Ksh484,034,211 of which recurrent expenditure will constitute an amount of Ksh184,034,211 while the Capital expenditure will constitute Ksh300,000,000;
- (ix) Vote for Public Service Management is estimated to raise no revenues for the FY 2013/14. The estimated total expenditure for this vote is however estimated to be Ksh626,031,439 of which recurrent and capital expenditure will constitute Ksh621,031,439 and 5,000,000 respectively;
- (x) Vote for Agriculture and Livestock Development is estimated to raise no revenues for the FY 2013/14. The estimated total expenditure for this vote is Ksh50,000,000 of which will constitute development expenditure of Ksh50,000,000;
- (xi) Vote for Water Energy and Sanitation is estimated to raise for the FY 2013/14 revenue amounting to Ksh264, 000,000. The total estimated expenditure will be Ksh80,000,000 of which will constitute development expenditure of Ksh50, 000, 000.

Mr. Speaker sir, in total, Nairobi City County budget for the year 2013/14 will therefore be Ksh25, 344,282,243. Of this total Ksh14, 731,108,000 will be raised from internal sources within the County while Ksh10, 243,174,243 will be catered for by transfers from the National Treasury. The internal sources will tap from rates, single business permits, billboards and parking among others.

Of the Ksh25, 344,282,243 that the County intends to raise Ksh10, 439,936,631 will be channeled to payment of personnel emoluments; Ksh4, 485, 744, 6999 will cater for operations and maintenance; Ksh2.7 billion will be used to settle the outstanding debts that the County Government inherited while Ksh7, 599, 500,000 will be used to cater for the planned capital expenditure.

Mr. Speaker sir, in conclusion and pursuant to the provisions of Standing Order number 207(6) the County Budget and Appropriation Committee recommends that this County Assembly adopts the report of the Budget and Appropriations Committee on the Budget Estimates for the County Government, and County Assembly tabled in the Assembly on Tuesday 25<sup>th</sup> June, 2013. Thank you, Mr. Speaker sir. I call upon Hon. Adow to second.

*(Applause)*

**Hon. Member for Eastleigh North Ward (Mr. Osman Adow):** Thank you, Mr. Speaker sir. I think you are a real finance minister. I wish to second the motion and support the adoption of this budget by members. I commend the sectoral committee for the report and we have to harmonize that with the reality of the fact that the budget's projection was ambitious. We also have to make sure the essential services that are required in Nairobi are provided. I think that will be on our back. We need to work extra hard immediately and therefore, I urge the members to adopt and approve. Thank you.

*(Applause)*

**Hon. Deputy Speaker:** Hon. Members I have to sincerely thank you for maintaining silence in the House and making it possible for us all to understand the important motion in question. Now allow me to propose the question that pursuant to provision of Standing Order No. 207(6) this Assembly adopts the report on the Budget and Appropriations Committee on the estimates of the County Government tabled to the County Assembly on 25<sup>th</sup> June, 2013. Thank you.

**Hon. Member for Makongeni Ward (Mr. Peter Imwatok):** Mr. Speaker sir, I rise to support this motion. First of all, I want to applaud the Budget and Appropriations Committee because of the good work. I would like us to remember the need for a safer Nairobi. It could have worked well for this County if the C.C.T.V. proposed by the executive could have been installed this year instead of being deferred to the next financial year.

I have the privilege to have been a member of the Transport and Works committee and Mr. Speaker, you would recall that the Governor read his speech to this Honorable Assembly articulating his policies to improve lighting and he clearly stated that he wanted to unlock the traffic jam that take up to two hours.

Nevertheless the Committee has done very well, for example on the issues of bursaries. So many needy children are waiting the guidance of this Assembly and the executive to enable them get money to go back to school and I would suggest that as soon as this is done the bursaries be dispatched.

The Committee proposes the disbursement of funds to Wards which is a very good idea. Initially, the defunct Nairobi City Council used to have LATIF Fund, even though; I would not want to be seen to criticize these funds. The disbursement to Wards will ensure efficient service delivery to Nairobi City County. I must also say that the car maintenance allowance for honorable members is a brilliant idea. I remember in one of our meetings a member commented that some of us were parking 'slippers' in the vehicle parking lot. Mr. Speaker, I support the report.

**Hon. Deputy Speaker:** Hon. Akuk.

**Hon. Member for Nyayo Highrise Ward (Mr. Maurice Akuk):** Thank you Mr. Speaker sir for giving me this opportunity to also debate on the matter. Just like the member who has just left the floor, I do support because, I am also part of the Budget Committee. I would however like to let the Hon. Member know that there was a reason for deferring the C.C.T.V to the next financial year. I would like to inform him through the Chair that, indeed, we looked at the item and realized that the item was not meant for the entire Nairobi as a County. This C.C.T. V was only for City Hall. We looked at it at length, and discovered that the C.C.T.V. that was to be put at City Hall had a lot of cost gaps since the monitoring room's cost had not

been added and besides we do not have the staff to carry out the monitoring. It was only practical that the item be deferred to the next financial year. An opportunity to be at the Budget Committee has enabled me to answer some of the queries raised by Hon. Imwatok and I believe that the Hon. Member has understood why we did defer that particular item. Thank you.

**Hon. Deputy Speaker:** Hon. Ogeto

**Hon. Member for Kilimani Ward (Mr. Moses Ogeto):** Thank you, Mr. Speaker sir, for giving me this opportunity to support the motion with amendments. As we adopt this report which was presented by the able Chairman, the finance Minister, I would like us to look at the cost of renovations. I can say the house of the Vice President cost four hundred million. The money was spent on purchase of land and construction of everything and I have seen on the renovation we have four hundred and sixty two million. This additional sixty two million is high because we understand that we already have the house which requires renovation. We would like to understand from the Department of Finance why we require an additional sixty two million to be allocated. Was it based on the present economic value? We must also understand from the Chair, what the allocated expenditure is for. Is it to buy land or was it .....*(Interruption)* Thank you, Mr. Speaker sir.

**Hon. Deputy Speaker:** Excuse me. Hon. Member, what is your stand?

**Hon. Moses Ogeto:** Mr. Speaker sir, I stood earlier and said I support this report, with amendments.

*(Interruption)*

**Hon. Deputy Speaker:** Order granted.

**Hon. Member:** Mr. Speaker, I rise on a point of order number 51. Is the Member in order to propose an amendment without giving a notice of the motion?

**Hon. Moses Ogeto:** Mr. Speaker sir, I want the Hon. Member to understand the Standing Order on amendment of the motion number 51(1) *"unless otherwise provided in these Standing Orders any amendment to a Motion which a Member wishes to propose in accordance with these Standing Orders may be moved and, if necessary seconded at any time after the question upon the Motion has been proposed and before it has been put."*

51(2) *"When every amendment under paragraph (1) has been disposed of, the Speaker shall either again propose the question upon the Motion or propose the question upon the Motion as amended as the case may require, and after any further debate which may arise thereon, shall put the question."*

Mr. Speaker sir, that is my understanding of Standing Order number 51. One can advise me on this. I said I support with amendments.

**Hon. Deputy Speaker:** Order! Thank you for your contribution but maybe you need to get to your books well and go through the Standing Order number 52. By way of doing so you will come to understand the manner in which you have to do the amendments. It was just a matter for you to note. Thank you. Hon. Maxwell.



**Hon. Member for Korogocho Ward (Mr. Maxwell Ochar):** Thank you, Mr. Speaker sir. I wish to support this motion. I thank the Budget and Appropriations Committee for the work well done. It was a tough job and if you can remember, the money we are expecting from the Central Government did not come as it was proposed. It was reduced by some percentage. So the Budget and Appropriations Committee were walking on a tight rope; it was tight and in fact they balanced well to an extent where they need applause. In fact I am giving you credit because you have done a good job. So I urge this House to pass this motion in unity, because for one; we have been out, and we know for a fact that the public is looking at us and they want to see what we are doing in this 2013/14 financial year. I thank the Committee for the hard work they have undertaken for this House. Thank you.

*(Applause)*

**Hon. Deputy Speaker:** Thank you. Hon. Mwiki Member

**Hon. Member for Mwiki Ward (Mr. Isaac Njoroge):** Thank you Mr. Speaker sir. Before I make my contribution let me address those who are directly responsible for the Public Address system. The office of the Clerk and the Speaker, I feel that the quality of sound we have in this House is wanting and I think I am saying this because I have a personal interest in music and if at all the problem has to be solved we have to get a good system. I am willing to donate even mine ... *(Interruption)*

**Hon. Deputy Speaker:** Your offer is accepted. So, you may bring us one tomorrow.

**Hon. Isaac Njoroge:** But it is a challenge to the team to make sure that the sound is okay. Otherwise I rise to support this motion and again as a friend to the Committee I feel that the report is good and it tackles the issues affecting our County, Nairobi. I would like to mention something. Because of the promises that we had heard here and there and the debates of having offices at the Ward and other members offering that we have them in town; some Members have also been saying that the amount allocated is small while others say that it is a lot of money. What I want to point out is that we need to put into consideration that a budget process is a process that is done annually and we may not have everything in the first year.

If I look at this report, it has most of the issues we have to achieve in our first financial year. So, I want to commend the Committee for the job they are doing; and on the pressing issues raised by members, I hope we will be able to address them appropriately especially in our budget next year. And again keeping in mind that this is our first financial year budget and having His Excellency the Governor who is a manager, I believe the revenue that we are going to collect in the next financial year will facilitate development, come next year.

I would also like to make some comments. I remember, Hon. Members in the last Assembly there was the sitting President Uhuru Kenyatta who then was the Minister for Finance. Something came up, a common phrase came up; "the computer error". Hon. Members you can remember. I want you to take a look at page 29, number 7 on the Financial Sectoral Budget of the Nairobi City County Government for the financial year 2013/14, 53 (j), probably, just to mention to the Chair of the budget Committee that the vote of Finance, Administration and Economic Planning is estimated to accrue a revenue amounting to Ksh16.2 billion. The total estimated expenditure will be Ksh5.2 billion of which the recurrent expenditure will constitute Ksh2.3 billion while the development (capital) expenditure will constitute 'Ksh272, 500,000', I think it is Ksh272, 500,000 but it is not properly reflected. I think as an accountant and with a little experience in

budget processing, we need to put a note on that. If you go to page 32(8) on the Committee's recommendations, the second paragraph; "*this County ...*" I think it should be Wednesday 26<sup>th</sup> June, 2013. Thanks so much. I support.

**Hon. Deputy Speaker:** Thank you, Hon. Member for being keen and helping this House to realize the errors and take note of the corrections. Hon. Imwatok, oh, just a minute. Hon. Akuk to answer.

**Hon. Maurice Akuk:** Thank you Hon. Isaac for identifying the little mistake, but I would like to notify the House that on Page 32, you may know Hon. Isaac that we have recommended that check the order papers. I remember this was tabled on Tuesday the 25<sup>th</sup> June 2013. Thank you.

**Hon. Deputy Speaker:** Hon. Manoah?

**Hon. Member for Nairobi South Ward (Mr. Manoah Mboku):** Thank you Mr. Speaker sir. I want to congratulate the budget committee on the highlights they have made so far with regard to this document. They have tried as much as they could to at least balance .....*(Interruption)*

**Hon. Deputy Speaker:** Maybe you can hold your microphone?

**Hon. Manoah Mboku:** ..... all areas and accommodate the interest of every department. However, I want to say something small on Public Health. If you look at page 21 of this document; the Budget Committee has reduced the allocation given to rehabilitation of the City Mortuary and Acquisition of the Cemetery to Ksh450 million. Initially it was approximately Ksh650 million. Mr. Speaker, this amount is very little considering that you have to divide it into two, you will get the acquisition of the cemetery getting a Ksh225 million and the City Mortuary getting maybe Ksh225 million which is very little given that the last allocation given to this particular project, that is the acquisition of the new cemetery was around Ksh280 million. I am worried that this money may be little to acquire new land for the cemetery given that the value of land in the City has gone up. The Department of Health Services may get difficulties in acquiring the new cemetery and I therefore suggest that the matter be revisited again. Thank you, Mr. Speaker.

**Hon. Deputy Speaker:** Thank you Hon. Member. Hon. Chege?

**Hon. Member for Kahawa West Ward (Mr. Patrick Chege):** Thank you, Mr. Speaker sir for giving me this opportunity to contribute to this motion. First, I rise to support the good work that has been done by this Committee. It has been a very tedious job, I believe and I think my name should be added to this committee, because I also want to be counted as one of the first Assembly Members to have come out with this budgetary estimates for the financial year. Being the first Committee on Budget, I think they have done a good job. I wish to commend them especially on the areas of bursaries, although I think the money should have been increased because Ksh500, 000 is very little per term. It comes to a total of Ksh1.5 million per year.

I think as time goes-by, the Chairman should look into that and revise the bursary amount. For us who come from areas where we have so many needy cases you will realize that, right now, we already have the bursary requests in waiting and the parents of these needy children would like to see us do something at least for these children to go back to school. Let us pass this budget. Let us support this motion so that at least we can start working. We find that from the time we were elected to this House, we

have done nothing to be very sincere, and people outside there are wondering. I would wish we move with speed so that at least we can be seen as capable of doing something.

I would also say that when it comes to Public Works, I don't know why they found it wise to reduce the amount allocated to the drainage. You will agree with me that the rains have made our roads to be very dilapidated. I would wish the Chairman could look into this and raise that amount. My Ward is one of the areas which have impassable roads due to poor drainage. More money might be required in this Nairobi County to address this issue. We need to add more money especially when it comes to roads and drainage.

I would wish all the Members of this Assembly would support this motion so that at least we can move Nairobi to where the people of this Capital City want us to take it. Thank you, Mr. Speaker.

**Hon. Deputy Speaker:** Thank you very much. Hon. Chief Whip of Majority

**Hon. Chief Whip Majority (Mr. David Mberia):** Thanks for the work well done. Mr. Speaker sir I rise to support because I recognize members of this house. They have decided to make sure that the members implement projects in their various wards. I think the committee needs to look into the interest of the Youths in this County. The Youth of this County constitute 60% of the population and I would like to urge.. *(Interruption)*

**Hon. Deputy Speaker:** Order. Can you check whether the microphone is on?

**Hon. Chief Whip Majority:** Thank you. I would like to appeal to the Speaker for this committee to set aside some funds maybe to be disbursed as a youth grant fund to cater for the interest of our youths. You remember in the recent times, the media houses both print and electronic say that our youths are crying out for help. The graduates, some with Bachelor of Commerce degrees are also crying out for help. They are in this County without jobs. I would like this House through the budget committee to set aside a kitty for the youth to be disbursed to various youth groups in our Wards. Secondly, Mr. Speaker sir, I happen to have served in the former City Council of Nairobi and there were bursary cheques which were left behind. I don't know what happened to those cheques and the committee. I also don't know what will happen because people in our Wards are asking where their cheques are. I think the Budget Committee should have set aside some money .....*(Interruption)*

**Hon. Deputy Speaker:** Order, order Member. I think you're in support of the motion?

**Hon. Chief Whip Majority:** Yes Mr. Speaker, but on a light note.. *(Interruption)*

**Hon. Deputy Speaker:** Can you build up your motion Hon. Member? *(Interruption)*

**Hon. Chief Whip Majority:** I am in support of the motion Mr. Speaker sir and I would like through your indulgence to know from the Chairman of this Committee; he happened to be one of the members who came back and a lot of cheques ....

**Hon. Deputy Speaker:** Order Chief Whip! You need to have raised your issue at the committee stage.

**Hon. Chief Whip Majority:** Thank you, Mr. Speaker. My last point is that the amount which has been allocated for the bursary is very little. Half a million per ward in one term is little because we will be catering for children from high schools and colleges. I would urge the committee in future to increase the amount to about one million Kenya shillings. Thank you.

**Hon Deputy Speaker:** Hon. Diana

**Hon. Member for South C Ward (Ms Diana Kapeen):** Thank you, Mr. Speaker sir. I would like to commend the Budget Committee. I also support the motion by the Budget and Appropriations Committee because as you know we are going to have a very busy year of providing services to the residents of Nairobi. I want to appreciate that we have been allocated bursaries, which is in the interest of every Member of this House, and our constituents back home are waiting for this very important piece of work so that they can take back their children back to school. I would also like to support the budget given the fact that they were given a very short time to work. They have done a splendid job. I support the motion. Thank you

**Hon. Deputy Speaker:** I think that the Hon. Otieno, you will have the chance to conclude the motion so just hold your horses.

**Hon. Member for Karura Ward (Mr. Stephen Thuo):** Thank you Mr. Speaker sir, I rise to support the motion and also to commend the good work that has been done by the Budget and Appropriations Committee.

**Hon. Moses Ogeto:** Mr. Speaker sir, point of order

**Hon. Deputy Speaker:** Order granted

**Hon. Moses Ogeto:** Thank you Mr. Speaker sir, can the Hon. Member who has just stood here go back and dress properly before he can contribute to the motion?

**Hon. Stephen Thuo:** Mr. Speaker sir, how else am I supposed to be dressed?

**Hon. Deputy Speaker:** Thank you, proceed.

**Hon. Stephen Thuo:** Thank you my good friend. I would like to support the motion based on the fact that at least 30% of the funds of the County have been allocated to the capital or development expenditure and that is a commendable job by the Budget Committee. Also we have Ksh15 million going to the Wards and Ksh1.5 million going to the bursary. It is now upon this House to come up with a legal framework on how these funds are going to be disbursed. It is just not enough to have a provision in the budget for such funds without an enabling law to administer the given funds. With those remarks I support the motion.

**Hon. Deputy Speaker:** Hon. Members, if you allow me I will take two from this side and two from the other side. Okay, the member from Mukuru Kwa Njenga

**Hon. Member for Mukuru Kwa Njenga Ward (Mr. Alexander Mulatya):** Asante sana Bwana Kinara. Naomba kuiunga mkono bajeti hii ya makadirio ya matumizi ya pesa ya mwaka 2013/14. Isipokuwa

kuna taswishi kidogo kuhusu malori yakuzoa taka ambayo tulikuwa tukitaka kukodisha kutoka nje kwa shilingi milioni mia tano ishirini. Tulikuwa tumeipunguza kutoka milioni mia tano ishirini hadi milioni mia tatu ishirini, huku tukibakisha shilingi milioni mia mbili kwa kujenga vijana na pia kujenga pahali pa kuweka taka kwa kutarajia kuwa mji wetu huu utakuwa msafi. Naunga mkono ijapokuwa pia natia taswishi kwa maana pia ukiangalia mazingira ya kwetu hapa Nairobi; yafedhehesha sana, ndio sababu tulikuwa tumetenga elfu mia mbili kwa kujenga pahala pa kusanya taka ambapo hayo malori yatakuja kuzioa. Pia tulikuwa tumeweka fedha hizo ndio tusaidie vijana wetu hapa Nairobi kupata mapato.

Kama vile mwezangu amesema kuwa vijana walistahili kuangaliwa pia katika bajeti hii. Bado nauliza swali kama hilo nikitarajia kujibiwa na kuelezwa kwa maana ni vizuri mji wetu uwe safi na pia vijana wetu waweze kupata mapato kutokana na mji wetu huu wa Nairobi. Asante.

**Hon. Deputy Speaker:** Thank very much, Hon. Member, you have stood many times. We will have the last one from Hon. Otieno

**Hon. Member for Pangani Ward (Mr. Wahinya Njau):** Speaker sir, I would wish to thank you for this moment that you have given me to contribute to this motion. But there are some areas that I would like Hon. Members to take note of.

**Hon. Deputy Speaker:** Order Member! Hon. Members I believe this is a very important motion, so I wish to say that we have two members from this side and one member from the other side being the last. Is that in order?

**Hon. Wahinya Njau:** Yes.

**Hon. Deputy Speaker:** Proceed

**Hon. Wahinya Njau:** As I was saying before I was interrupted, it is my feeling that money that is allocated to Kariobangi Market and Kasarani is somehow minimal considering that Wakulima and Retail markets are congested. It is my feeling that if we can be able to relocate Wakulima market to Kariobangi and Kasarani Markets, it would be efficient for the people of Nairobi..

**Hon. Deputy Speaker:** Hon. Member, are you in support of the motion or not?

**Hon. Wahinya Njau:** I am in support of the motion. But I said that it is my feeling that the Budgetary Committee has done a very good job, but I would wish that in the next financial year these two markets, Kasarani and Kariobangi be allocated more money so that they are expanded to take up the population of the traders to be relocated from the congested Wakulima most probably in the next three years. 'Asante sana'.

**Hon. Deputy Speaker:** Before you conclude Hon. Otieno, Hon Warutere has a question.

**Hon. Warutere:** Thank you, Mr. Speaker for allowing me to ask one question that I think was asked by a very good friend of mine. I rise again to support the motion. You must all agree that the Committee did a very good job within a short time span. For this we must give credit where it is due. My only concern was on a question that was asked and it was not fundamentally answered on the issue of construction of the house on page 27. Initially we had the Governor's house budgeted at an estimate of

Ksh400 million. This again has gone up to Ksh462 million. I think it could have been fair for Hon. Akuk or the Chair to be granted time to explain what informed this decision to have this increase. There is a difference between Ksh462 and 400 million as opposed to the other elements that surround it. Thank you, Mr. Speaker.

**Hon. Deputy Speaker:** Thank you, Hon. Member. May be at least that one we will have an answer later. Order, point of order?

**Hon. Member:** Is Hon. Kanyi properly dressed Mr. Speaker?

**Hon. Deputy Speaker:** Order Member. It has been brought to my attention that Hon..... oh , he is properly dressed. Thank you, Member. Thank you. No, not now. Hon. Otieno

**Hon. Member for Sarang'ombe Ward (Mr. Pius Otieno):** Thank you, Mr. Speaker for the opportunity that you have given me. First of all I want to commend the Budget and Appropriations Committee for having gone through this task. Indeed I want to understand that the budget process is a difficult one, but actually they gave it their all.

But allow me to make the following observations following the recommendations; that indeed there has been observation that this budget came when there was no County Strategy Paper. This paper was important as far as this budget process is concerned and it is the only tool that we can actually use to ensure that there is a lot of prudence as far as fiscal discipline is concerned because the auditor General is the person who will audit the budget.

And we as members of the Public Accounts Committee will rely heavily on the Strategy Paper so in the absence of this paper it will be difficult to hold the members of the Executive to account. If we are not going to have the paper or if we are not going to have the tool it will be difficult to determine if there is prudent spending at all levels.

Allow me to say right from the onset that if you look at the section that touches on the environment, the Committee has told us 2013/14 employee compensation stands at eighty three. Eighty three percent actually is not the good side but it tells us that there is something that needs to be done. If in a budget 83% of the department's allocation goes to compensation, then they must be performing very poorly in as far as prudent spending of money is concerned. Now we must interrogate and ask ourselves, who are these employees to be compensated? Are they people who actually are viable? Do we have personnel that is over sixty years of age and are we paying the right people who are providing services?

Because if you say 83% will be used for compensation, then how much money has been allocated for capital and development expenditure? Because there are standards all over the world. We call them International Standards or benchmarks and if we do not start using them at this County Assembly, then the people living in Nairobi will start questioning our wisdom in respect to our role as an oversight body is concerned.

I would also challenge the County Public Service Board that we actually inaugurated last week, to come up with mechanisms of establishing if these people are truly workers of this County Government. If they are then we should ask ourselves whether by spending the 83% of our budget on them is going to



ensure that we get value for our money, or we are going to waste money compensating employees who have lived beyond their reasonable value.

Then, under the Early Childhood, Education and Vocational Training, my attention is drawn to the following and it reads as follows; Ksh300 million. However, the mechanisms in which these funds are to be apportioned to different Wards have not been elaborated by the Chief Officer responsible for the sector.

Now, I think it is upon the Budgetary and Appropriations Committee to meet with this County Assembly to implore the concerned persons in charge of this department or in charge of this docket to come up with a clear framework in consultation with the Assembly and other stakeholders so that money is not voted blindly like this where there is general apportioning of money without clear framework. If we behave like that, it will be a sure way of advancing fraud or providing loop holes for people to steal money and we will have no legal basis of accounting in terms of value output the allocated funds. What is the policy? What is the strategic plan of the department? How are we going to account for this money?

When develop a budget, you must back it up with a policy, particularly the strategic plan. So we have to approve the budget and appropriation to ensure that there is a policy that will be backing this 300 million shillings.

Under Transport and Public Works the allocation of 800 million shillings was given to Constituency Development Projects. Although the money has been reduced, I would still ask the members of the committee to reconsider because of the impassable areas in the Wards now that we are expecting the long rains because in the Nairobi City County, we don't build roads, but we now have a policy, and we could consider this even in the next financial year.

But we must start the process of construction of roads. People are dying and especially women are dying on streets. If the streets and roads are impassable, we must also interrogate the Engineer, if at all there are policies, probably he is sleeping on the job. And if we have a serious Public Service Board, then these are the matters they should start questioning. What has the Engineer been doing all these years? What will he be doing in the five years to come up with a clear plan .....*(Interruption)*

**Hon. Deputy Speaker:** Order Member! Proceed.

**Hon. Pius Otieno:** I was saying there is need now to start interrogating the role of the engineer because we now want value for mone. Like yesterday, my area was gutted down by fire. 23 people lost their properties. Children, women and their husbands have now nowhere to live, because the fire brigade could not access the area due to the haphazard planning of the area. So we need actually to reflect and be up to the task. With those remarks Hon. Members I urge you to pass these budget estimates, but in future we should budget with regard to a strategic paper. Let us pass the budget estimates because we were voted into office in March and there was no time for delivering this. Let us now start incorporating the due process especially in future. Last but not least, there is a place that we have allocated 15 million shillings and to the right, the Constituency Development Fund. County Representatives should be given the right to decide priority of the implementation of the projects. We are just servants of the people. Immediately you start saying that you should be given the power, they say power corrupts, and absolute power corrupts absolutely. So this must be done in consultation with the public. If our role is probably to oversee and provide oversight, then members of this Assembly have no business of deciding the wants. Because we



are not doing this for ourselves; we have no right. Our right is as good as the right of the people and in that matter Mr. speaker .....(*Interruption*)

(*Loud consultation*)

**Hon Deputy Speaker:** Order members!

**Hon. Member for Viwandani Ward (Mr. Samwel Nyang'wara):** Point of order.

**Hon. Deputy Speaker:** Point of order.

**Hon. Samwel Nyang'wara:** Mr. Speaker sir, is the member in order to tell us that Hon. Members that public has to participate, when we know very well that the public participated in this particular document and..

(*Applause*)

Mr. Speaker we have an express authority as the Hon. Members of this House to represent the public and they have delegated the power of representation to us. Is the Hon. Member in order to intimate that the Hon. Members should let the public participate when we know they participated?

**Hon. Deputy Speaker:** Thank you. The Hon. Member you are now left with one minute.

**Hon. Pius Otieno:** I want to say at times it is dangerous to be right when the majority are wrong. But on this Mr. Speaker, I want to stand alone because ... (*Interruption*)

**Hon. Deputy Speaker:** Order!

**Hon. Pius Otieno:** This constitution; you are the ones.. (*Interruption*)

**Hon. Deputy Speaker:** Hon. Members order!

**Hon. Pius Otieno:** You voted for this Constitution and if you look keenly at Chapter 13; on public service there are values spelt out in this Constitution. If you look again at Chapter 10; the values and principles of governance, it is clearly indicated.. (*Interruption*)(*Loud consultations*)

**Hon. Deputy Speaker:** Order Hon, Members! There is a lot of movement in the House, criss-crossing of the floor is not allowed please. You have to go to the far end and bow and then leave the House or cross to either side.

**Hon. Pius Otieno:** The only reason why you see that I am advocating for public participation is that right now the public have a right to go to court and if they invoke this Constitution and say that they were not involved in planning...(*Interruption*)

(*Loud consultation*)

**Hon. Deputy Speaker:** Order Hon. Member, you are contradicting yourself.

*(Loud consultation)*

**Hon. Deputy Speaker:** Order Member! Can you sit down? Hon. Members allow me to call upon the mover of the motion to reply. Order Members! I am on the floor Hon. Member. The mover of the motion to reply. You cannot raise a point of order on the Speaker, Hon. Nyang'wara. The mover to reply.

*(Loud Consultations)*

**Hon. Deputy Speaker:** Silence! Order!

**Hon. Michael Ogada:** Thank you Mr. Speaker. Once again I feel nice in replying to the motion. First, I would like to thank Hon. members for their wonderful debate and the observations they have made but Mr. speaker... *(Interruption)(Loud consultations)*

**Hon. Deputy Speaker:** Order Members! The mover of the motion is replying please.

**Hon. Michael Ogada:** Mr. Speaker sir, there are some issues that have been raised which were not answered. I will just address them briefly. I will start with the issue raised on compensation from the last speaker. He raised the issue of 83% being high. That is true but we all know that the Environment Department is a service provision department. It is not an income generating department. Therefore we don't expect the compensation to be equivalent to what we are going to provide as service. That is why this compensation is higher than what we are going to get from the department.

When it comes to Kasarani and Kariobangi issue, Members I think we are all aware that at Kasarani we don't have land yet, we have to go and look for land to buy. So what we did is give a portion that we know is enough to acquire land and in the next financial year we are going to roll out the project and ensure that it is complete. Actually, Hon. Members, on Kasarani Market, we did ask the people concerned and they said it is not going to be possible to construct within this financial year. They said that they need 20 months to complete it. Therefore we gave them the initial figure of Ksh100 million and the balance will be given in the next financial year.

*(Applause)*

When it comes to the contract on garbage collection, the Member raised the issue of more than 350 million shillings. In fact this figure is supposed to be below 200 million shillings instead of 350 million shillings that we gave, but what made us make that decision is that we are going to buy trucks, but the trucks will take some time to be acquired. So, we can't put the County to a halt, because we are waiting to buy the trucks, once the trucks have been bought, I know we shall have a saving in the figure we have allocated to the garbage collection section.

**Hon. Deputy Speaker:** Thank you.

**Hon. Michael Ogada:** Mr. Speaker sir, on bursaries, because of the budget constraints we were made to do with 1.5 million shillings. Actually we were thinking of Ksh2.5 million, but we agreed in the next budget, we will see what is good for us.

*(Applause)*

When it comes to youth, we don't have a law for this House to give Youth grants. Not unless there is a law to that effect to enable us to do so. You can by way of enacting a law that will give us that go-ahead to give a provision in the budget so that our youth can be given grants from the County.

The other issue is that if the youth want to benefit from the County, let them form companies and let them follow the laid down procedures, and I know 30% of the contracts have been set aside for the youth, so that they can be assisted to acquire contracts and engage in business with the County. In other words the National Government is better placed to help the youth. It is very controversial.

*(Applause)*

On drainage, we reduced the figure from what it was because the Transition period is going to take three years and therefore Kenya Urban Roads Authority (KURA) and Kenya Highways Authority (KENHA) are going to be still in place so some of the works we are going to do are going to be run by KURA and KENHA. So what we set aside is enough, the two Authorities can supplement our efforts and I think that can be enough. Otherwise Members, I am very grateful. Our members are grateful for giving us great and wonderful support. Thank very much.

*(Applause)*

**Hon. Deputy Speaker:** Hon. Members allow me to put the question that pursuant to provision of Standing Order number 207(6) this Assembly adopts the report of the Budget and Appropriations Committee on the Budget estimates, tabled in the House on 25<sup>th</sup> June, 2013. As many as are of the same opinion say 'aye' and as many as are of the contrary opinion say 'nay'. The 'ayes' have it

*(Applause)*

*(The motion was passed and the budget estimates adopted)*

#### **MOTION- FOURTH REPORT ON AMENDMENT OF STANDING ORDERS**

**Hon. Deputy Speaker:** Order Members! As you move the motion, there is a communication from the Chair of the Committee on procedures that the person who brought in the motion for amendment to move the motion on his behalf. So proceed.

**Hon. Chief Whip of Minority (Mr. Athman Hashim):** Thank Mr. Speaker: I want to take this chance to apologize to Hon. Members who have had to use a lot of their airtime credit to confirm my coming to this House. But, I can see they are smiling. I am here to remind the Chair ..... *(Interruption)*

**Hon. Deputy Speaker:** Order Members! Thank you.

**Hon. Chief Whip of Minority:** I am here because of yesterday's motion and in pursuant to provision of Standing Order 235(5) this House approves the motion brought to the County Assembly on the fourth report of the Procedure and Rules committee on the amendment to the Standing Order. Mr. Speaker, yesterday we debated exhaustively and our side of the house felt that we have nothing else to add because

we had spent our time well on the debate. But I would like to take this chance and remind Hon. Members from the other side of the house that we have great honor and responsibility and it is not only the responsibility to self but also to the other people. Having said that, Mr. Speaker, I seek your direction. Thank you.

**Hon. Deputy Speaker:** Thank you Hon. Member. I will read part of my communication. My earlier address to the Assembly: *"that the suspension of the said motion of today will give you, Hon. Members, an opportunity to understand in principle where to vote."* So the motion in question was suspended yesterday and the rule is that we will take one from this side, one from the other side and then we make a vote.

*(Applause)*

**Hon. Deputy Speaker:** Imwatok

**Hon. Member for Makongeni Ward (Mr. Peter Imwatok):** Thank you, Mr. Speaker sir. I am standing on a point of order No. 47(2) which says: *"Save for a Special Motion, a Member who has a Motion standing in his or her name may authorize, in writing, another Member to move that Motion in the Member's stead."*

Therefore Mr. Speaker, I want to indulge and request that the member moving the motion table before the House a written document from the member who was supposed to table this motion before this House.

**Hon Deputy Speaker:** Okay, Hon. Members, on Standing Order No. 47(3) by a way of conclusion; I read the standing order, *"Where no Member moves a Motion at the time specified by or under these Standing Orders, such Motion shall not again be published in the Order Paper during the same Session except with the leave of the Speaker."*

It is with the leave of the speaker that the motion is on the floor. Thank you.

*(Applause)*

**Hon. Deputy Speaker:** Can we have a person from this side and one from the other? Order Imwatok!

**Hon. Member for Ngando Ward (Mr. Peter Wahinya Kimuhu):** Point of order

**Hon. Deputy Speaker:** Granted, Hon. Wahinya

**Hon. Wahinya Kimuhu.:** Mr. Speaker sir. This house is a house of rules and procedure. I am standing on the same point of Order No. 47. Mr. Speaker, can you protect me?

*(Loud consultation)*

**Hon. Deputy Speaker:** Hon. Members, this is on a point of order. So present your point of order well.

**Hon. Wahinya Kimuhu:** Mr. Speaker with due respect, the point of order No. 47(2) clearly indicates that a Hon. Member authorized by the Member who has a motion to move the motion on his behalf should have been actually authorized by a written document to the House and the same be tabled. We have no objection for the motion to be debated in the House but the rules and procedures...

**Hon. Deputy Speaker:** Hon. Members order! This is the standing order in question and it states by leave of the speaker. I have communicated to the House that the speaker who is the chairperson of the rules and procedures of the House communicated that the person who intended for the Standing Order to be amended to move the motion.

*(Consultation)*

**Hon. Deputy Speaker:** Order Members!

**Hon. Wahinya Kimuhu:** Thank you Mr. Speaker sir for giving me this opportunity. First of all I stand to support the motion and as my colleague has said, yesterday we had a very lengthy debate on this particular motion. First let me congratulate you Mr. Speaker, because through your wisdom we have been able to reach where we are this afternoon.

Yesterday I did specify very categorically that this House being a very new House, we are compelled to borrow very heavily from the National Assembly. These Standing Orders that we drafted have actually been mirrored from National Assembly Standing Orders. And this is certainly because we were using the experience that the National Assembly has, and again because of the matter of time, it was not possible for us to create our own. Now, if we have borrowed all the provision of Standing Orders, I personally do not see the reason as to why we should not support the provision of Standing Orders that allows the chair of the committee to come from the minority party. We have borrowed more than 100% from that National Assembly, therefore I do think it is necessary to amend that area so that we can be in tandem with our senior brothers of the National Assembly if they find it fit within their wisdom to give that Chair to the minority party.

**Hon. Member:** On a point of order

**Hon. Deputy Speaker:** Order granted

**Hon. Peter Imwatok:** Mr. Speaker, I still reaffirm order No. 47 which I stand for, I wish to inform the member who has just spoken that we are not in Parliament. The constitution is very clear under the Devolution Act 2012. The constitution says that we have several arms of the Government and in particular the Parliament, the Executive and the Judiciary. In this instance we have two arms of government. We have the Executive and Legislature. The Act is very clear about our role as MCAs that is oversight, legislation and representation. Under the Devolution Act Article 35, does not stipulate specifically who is supposed to play an oversight role over the Executive. It says the function of Member of the County Assembly is preferably to be a representative, legislator, point of order I am referring to is number 47.

**Hon. Deputy Speaker:** Order! Thank you, Hon. Member. Can you conclude Hon. Wahinya?

**Hon. Wahinya Kimuhu:** Thank you, Mr. Speaker for giving me this opportunity to finalize and in conclusion I did say that there comes a time that the members of this particular Assembly, with the division

we have between Cord and Jubilee, need to sit down and reason together like men and women of high integrity and of high respect. The reason why am saying that is that at the end of the day in life, we have to adopt the spirit of give and take. So Mr. Speaker, there is no need of point of orders, standing orders or even trying to create ...my colleagues from the other side of..... *(Interruption)*

**Hon. Deputy Speaker:** Order Members! Hon. Rono

**Hon. Member for Harambee Ward (Mr. Ronald Milare):** Thank you, Mr. Speaker for giving me this opportunity to contribute to this motion, and I rise to oppose this motion in principle and I oppose it because I believe it is fundamentally flawed. In the principle of give and take, let us also debate without being emotional. We should not politicize the process because the decision we make should be able to stand the test of time and I believe and as you try to convince us that the National Assembly did the same, I don't think that two wrongs can make a right. I urge you to look at the clause that was altered. The 'thing' that was altered in the National Assembly is different from what we have in this house today.

In the spirit of separation of powers because it has been referred to here, under the separation of powers, that the Government cannot check itself, we as a County Assembly we are part of government and the government has two separate functions, the legislative and the executive. What I mean is that the legislature is mandated to oversight the Executive. Therefore there cannot be a CORD government and a Jubilee government.

There is only one County Government of Nairobi. And therefore I want to inform this House that the Assembly is mandated by the Constitution to oversight the executive and it is very clear in the Standing Orders number 172. It says that *"Committees shall enjoy and exercise all the powers and privileges bestowed on County Assembly by the Constitution and statute, including the power to summon witnesses, receive evidence and to request for and receive papers and documents from the Government and the public"*

Article 195 of the constitution is very clear that the County Assembly or the committees, not just the Public Accounts Committee (PAC) and Public Investment Committee (PIC) but all the committees have the power to summon any person to appear as a witness for the purposes of giving information and evidence. And for the purposes of clause I when the Assembly or the Committee is sitting they shall have powers to *"impose the of attendance of witnesses and examine them under oath, compel them to produce documents or any other material."* Therefore, I want to appeal to Hon. Members that we as a house and as a committee we all have that oversight authority and it not only the PIC and PAC. I don't know why it is so important because we have been amending these standing orders to please under the influence of some individuals or to try to accommodate...

**Hon Deputy Speaker:** Order Member! Can you withdraw that statement?

**Hon. Ronald Milare:** Mr. Speaker, I withdraw, but this Standing Order has been amended four times and the integrity of the Standing Orders is in question. Because most of the Standing Orders have been amended it has been as a result of some push of shove from certain quarters and Mr. Speaker.....

*(Applause)*

I would like to persuade members that even if we pass this amendment. We may have the dance as the saying goes and lose out on the price. And therefore my fellow colleagues from the other side even looking at the text of the amendment it says that the Chairperson of the Public Account Committee and Public Investment Committee shall come from amongst members of the minority coalition party as the case may be. The argument is that CORD is the majority and Jubilee is the minority. Now in the event that CORD becomes the minority, are we going to amend this or are we going to say that now that the Governor is from the CORD and the CORD becomes the majority...

*(Loud consultations)*

I withdraw. Let me finish.....(Interruption and loud consultations)

**Hon. Deputy Speaker:** Order Member! Just for a point of information. The amendment in question is stated out clearly, the way it ought to be, from the order paper. If you can see the intended proposed amendment; it starts at the new paragraph immediately after 186(5) to read as follows: *"the chairperson of the County Assembly and County investment committee shall be elected from among the members of the minority coalition"*. So, if your side falls under the minority that is the case. Proceed, Hon. Member.

**Hon. Ronal Milare:** Okay, Mr. Speaker, if that is the case then that begs some questions because we know nobody was elected under Jubilee or CORD, it is T.N.A, O. D. M. and the rest. What I am putting across is for posterity, in the event and it is a fact that T.N.A. is the majority party in the house. That is a fact. T.N.A. has 41 members; O.D.M. has 40 members, Wiper has two members and there is one member from. APK..... *(Interruption)*

**Hon. Deputy Speaker:** Order Member! You're becoming.....*(Interruption)*

*(Loud consultation)*

**Hon. Deputy Speaker:** Hon. Members it is a common knowledge that the majority leader in the House comes from the CORD fraternity. So it is beats logic. Hon. Member....

**Hon. Ronald Milare:** This is a matter that can be contested in court and I want us to protect ourselves because we say here that the chairs will come from the minority party and we assume Jubilee is the minority. What happens in the event that the other fellow from APK rises to claim that he is the minority party because he is one, then what?

**Hon. Deputy Speaker:** Thank you, Member

**Hon: Ronald Milare:** So Mr. Speaker I will urge that even if this seat was to go to the minority side, let us withdraw it, look at it critically, and then bring it to the House and in the spirit of give and take we will support it...*(Interruption)*

**Hon. Deputy Speaker:** Thank you, Hon. Member, you ought to bring a notice of withdrawal of the motion. Thank you. Hon. Members order! Hon. Nyang'wara order! Before I put the question, Hon. Members in my own wisdom I gave you an opportunity to go and put your houses in order. Those who are against the motion and those who are for the motion. Hon. Members allow me to call upon the Member to reply. Proceed.



*(Applause)*  
*(Loud consultations)*

**Hon. Deputy Speaker:** Hon. Nyangw'ara not allowed. Not allowed. Hon. Nyangw'ara please have your seat. The motion was suspended yesterday. The motion was deliberated and suspended. Order Hon. Member! Are we all in agreement that the motion was suspended?

*(Loud consultations)*

**Hon. Deputy Speaker:** The motion was suspended and it has to be brought back on the order paper. Hon. Nyangw'ara order! Members I will throw you out.

*(Loud consultations as Members stand up and the Majority side of the House objects to the Speaker's move on the motion)*

**Hon Deputy Speaker:** Order Hon. Elkana! Please sit down. Hon. Imwatok, please sit down. I am on the floor. Hon. Millicent I am on the floor. Please I have called the mover of the motion to reply. Thank you.

*(Loud consultations)*

**Hon. Member:** Thank you Mr. Speaker for applying wisdom and authority, Hon. Members for debating on the motion..... *(Interruption)*

*(Loud consultations)*

**Hon. Deputy Speaker:** Hon. Members don't turn this Honorable House into a market place. Please Hon. Members. Order Hon. Members!

*(Loud consultations)*

**Hon. Deputy Speaker:** Order Members! Can you sit down? Hours of meeting; that is what I am reading, Hon. Members, unless in the convenience of the County Assembly, the Speaker or the Chairperson as the case may be, direct earlier or later interruption of business at 5.30pm. So proceed. Hon. Members sit down! I have the authority to expel you from this House. Please I am pleading with you. I gave you much time to go and do your own business. Hon. Members, may I put the question that pursuant to provision of Standing Order No. 235(5), this Assembly approves the fourth report of the Rules and Procedure Committee on the amendment on the Standing Order. As many as are of the same opinion say 'aye' and as many as are of the contrary opinion say 'nay'. The 'ayes' have it

*(Loud consultations and commotion as the majority side objects)*

**Hon. Deputy Speaker:** Members get seated. Division bell. Serjeant- At-Arms proceed and close the door. Close that door. Let's go to vote. Please members move out of here.

*(Loud consultations and commotion)*

**Hon. Deputy Speaker:** The Serjeant-At-Arms, can you ring the bell for division?

*(Loud consultations)*

**Hon. Deputy Speaker:** Hon. Jeffer. Please come and sit.

*(Loud consultations)*

**Hon. Deputy Speaker:** Hon. Members! Can you please close the door? Can you have your seats? Clerk, can you register the names and may I have the tellers?

*(Loud consultations)*

**Hon Deputy Speaker:** Can you have your seats? Hallo? Hon. Members, can you sit down? Hon. Nyang'wara, please. Hon. Members can you have some sort of respect for the chair? Clerk, can you call the names?

*(Clerk reads the names as some Members of the Majority side grab the mace. The Serjeant -At-Arms stops them from removing the mace)*

**Hon. Deputy Speaker:** Hon. Members, let's have respect for the symbol of authority of the House.

**Hon. Interim Clerk (Mr. Jacob Ngwele):** Hon members, if I call your name, please stand up and respond that 'I agree' or 'disagree' or you may say 'yes' or 'no'. We need two tellers please, one for 'yes' and the other for 'no'.

*(The names are called as the Members' votes are taken)*

**Hon. Deputy Speaker:** Hon. Ogeto, can you sit down? Clerk, can you make the correction?

**Hon Interim Clerk:** Yes. Hon. Jeffer voted no.

**Hon. Deputy Speaker:** Hon. Members order! Have some order in the House. Hon. Ogeto, I will send you out. Please get seated. Hon. Members especially the CORD Members, can you respect this house?

*(Voting continues amid loud consultations and commotion)*

**Hon. Deputy Speaker:** Order Members! Members you are aware that I have already put the question and you rise in objection. If you do not vote the question has already been put and the 'ayes' had it. It is going to remain that way. So it is up to you to choose. I am telling you it is either you participate or you leave. That does not matter. Hon. Members, Ogeto, I am giving you the last warning. If I expel you from the house you are going to miss your salaries. Order Members! Clerk, please proceed.

**Hon. Interim Clerk:** We are starting again because there are some Members who have confused us. If a Member is called he will respond with a 'yes' or 'no'.

**Hon. Deputy Speaker:** Hon Members can you sit down

*(Loud consultation)*

**Hon. Deputy Speaker:** Order Members!

*(Loud consultation)*

**Hon. Deputy Speaker:** Hon. Members, before I announce the results, may I make additional communication; there shall be a sitting tomorrow at 10.30am at the chambers. The committee which will be seating tomorrow at 10.30am is the committee on Budget and Appropriations. There shall be the Secretary or the Minister or the County Secretary in charge of finance bill. All Members are invited to attend at 10.30am.

Hon Members, further communication from Hon. Jeffer Kassam. He is kindly requesting members of the Justice and Legal Affairs Committee to have their sitting meeting after this Assembly.

Hon. Members, allow me to put the question on motion No.9, that pursuant to provision of Standing Order number 235(5), this Assembly approves the fourth report of the County Assembly and Rules Procedure Committee on the amendments to the Standing Orders. The division bell was rung and the vote has been carried out. This is the results:

The 'nays'	-	25,
The 'ayes'	-	40,
Absent	-	19,
Abstention	-	none

The 'ayes' have it. That brings us to the close of business today and the House adjourns to tomorrow 2.30pm for further deliberations.

*(The House rose at 5.49pm)*