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REPUBLIC OF KENYA

NYANDARUA COUNTY ASSEMBLY

3RD ASSEMBLY — 4TH SESSION

OFFICIAL REPORT

Tuesday, 17th June 2025

The Assembly met in the Assembly Chambers at 2.30 pm.

(The Speaker, Hon. Wachira Waiganjo, in the Chair)

PRAYER

Speaker: Hon. Members, welcome to today's sitting on Tuesday, the 17th day of June 2025, at 2.30 pm.

QUORUM CALL AT THE COMMENCEMENT OF THE SITTING

(There was no quorum as confirmed by the Clerk-at-the-Table)

There being no quorum to commence the business of the day, I direct that, pursuant to Standing Order 36, the quorum bell be rung for an initial ten minutes or until such time within the ten minutes that the quorum will have been achieved.

(The bell was rung for seven minutes, and quorum was achieved, as confirmed by the Clerk-at-the-Table)

Hon. Members, quorum having been confirmed, we shall proceed with the business of the day.

First order.

PAPER(S)

AMENDMENT OF THE STANDING ORDERS

Yes, Majority Party Whip, Hon. Mary Kabiru.

Hon. Mary Kabiru: Mr Speaker, I want to table the report of the House Business Committee on the Amendment of the First Schedule of the Standing Orders.

I table.

Speaker: The report is duly tabled and the same shall be processed as directed by the House Business Committee pursuant to Standing Order 157 (5) (d).

Next order

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NOTICE(S) OF MOTION

AMENDMENT OF THE STANDING ORDERS

Yes, Majority Party Whip, Hon. Mary Kabiru.

Hon. Mary Kabiru: Mr Speaker, I beg to give notice of the following Motion;

That this House does adopt the Report of the House Business Committee on the amendment of the First Schedule of the Standing Orders as a report of the House and the recommendations therein as the resolutions of the House.

Thank you, Mr Speaker

Speaker: The Notice of Motion is duly given, and the same shall be processed as directed by the House Business Committee pursuant to Standing Order 157 (5) (d).

Next.

DEPARTMENT OF YOUTH AFFAIRS, SPORTS AND ARTS BUDGET IMPLEMENTATION REPORT OF FY
2023/2024

Very well. Hon. Joseph Kuria Thuo, Chairperson of the Committee on Sports, Youth Empowerment and the Arts.

Hon. Thuo Kuria: Mr Speaker, Sir, I beg to give notice of the following Motion:

That this House does adopt the Report of the Committee on Youth Affairs, Sports and Arts on the Departmental Budget Implementation Report of FY 2023/2024 as a report of the House and the recommendations therein as the resolutions of the House.

Thank you, Mr Speaker.

Speaker: The Notice of Motion is duly given, and the same shall be processed as directed by the House Business Committee pursuant to Standing Order 157 (5) (d).

Next.

JM KARIUKI MEMORIAL COUNTY REFERRAL LEVEL 4 HOSPITAL ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Very well. Hon. Paul Ngeche Wambaire, the Chairperson of the Committee on Health Services.

Hon. Paul Ngeche: Thank you, Mr Speaker. I beg to give notice of the following Motion:

That this House does adopt the Report of the Committee on Health Services on the JM Kariuki Memorial County Referral Level 4 Hospital Annual Report and Financial Statements for the year ended 30th June 2024 as a report of the House and the recommendations therein as the resolutions of the House.

Thank you, Mr Speaker, Sir.

Speaker: The Notice of Motion is duly given, and the same shall be processed as directed by the House Business Committee pursuant to Standing Order 157 (5) (d).

Next order.

STATEMENT

SURVEY OF COLONIAL DAMS, AND STATUS OF MAIRO-INYA AND ENGINEER MUNICIPALITIES

Very well. Who is holding brief for Hon. John Thuo Gachino?

(Hon. Ebrahim Maina rose)

Very well. Hon. Ebrahim Maina, Member for Murungaru.

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Hon. Ebrahim Maina: Thank you, Hon. Speaker. On behalf of the Chair, Hon. John Thuo Gachino, this is the progress report on the implementation of physical and land use development plans for Mairo Inya and Engineer Municipalities, and the surveying of colonial dams in Nyandarua County.

Mr Speaker, Sir, the Committee on Lands, Physical Planning, and Urban Development wishes to apprise this Honourable House of the status of its inquiry into the Statement sought by Hon. James Kiiru Gachomba, Member of County Assembly (MCA) for Njabini-Kiburu Ward.

In August 2024, Hon. Gachomba raised pertinent concerns regarding the progress of the implementation of the Physical and Land-Use Development Plans for Mairo-Inya and Engineer Municipalities, as well as the surveying of colonial dams located within Nyandarua County.

In response to these concerns, the Speaker directed the Committee on Lands, Physical Planning, and Urban Development...

(Hon. James Gachomba rose on a point of information)

Speaker: Yes, Hon. Gachomba.

Hon. James Gachomba: Mr Speaker, the response being read by the Hon. Member from the Committee on Lands is not on our tablets.

Speaker: The ICT Department, facilitate and ensure that every Member has the...

(Hon. Ebrahim Maina interjected)

Hon. Ebrahim Maina: Just to clarify, this is not the final report but a progress report.

Speaker: Yes, it is a progress report. Of course, it is important for Members to have it. It maybe the nature of the progress, I am sure there are some issues you are explaining. It is not just seeking leave; it appears that there are some issues that have been raised. You must have a soft copy.

Clerk, confirm and assist the Member. In the meantime, you can proceed because it is a one-page document, as the same is being circulated.

Hon. Ebrahim Maina: I wish to continue, in August 2024, Hon. Gachomba raised pertinent concerns regarding the progress of the implementation of the Physical and Land-Use Development Plans for Mairo-Inya and Engineer Municipalities, as well as the surveying of colonial dams located within Nyandarua County.

In response to these concerns, the Speaker directed the Committee on Lands, Physical Planning, and Urban Development to investigate the matter and submit a comprehensive report within a specified timeframe.

Pursuant to this directive, the Committee, through the Office of the Clerk, issued a formal request for information to the County Executive Committee Member (CECM) responsible for the Department of Lands, Physical Planning, and Urban Development, via correspondence referenced NCA/CLRK/14/CEC LANDS/38/24, and dated 15th August 2024.

In reply, the Department submitted a preliminary response via a letter referenced NYA/LPP&UD/ADM.28 VOL. 4(31), dated 31st October 2024. The information provided, however, was partial and lacked adequate detail. To seek further clarification, the Committee invited the CECM to appear before it on Wednesday, 6th November 2024 at 11:00 a.m., via letter referenced NCA/CLRK/14/CEC LANDS/46/24, dated 20th November 2024. On the same day, the

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Department responded through correspondence referenced NYA/LPP&UD/ADM.28 VOL. 4(32), requesting additional time to prepare a comprehensive response.

Based on the contents of the initial response dated 31st October 2024, the Committee compiled a preliminary progress report, which was formally tabled before this House on 5th March 2025. Subsequently, another invitation was issued to the Department through the Office of the Clerk, referenced NCA/CLRK/CEC LANDS/62/25, dated 17th April 2025. The Department's reply, dated 25th April 2025 and referenced NYA/LPP&UD/ADM.28 VOL.4(31), again contained limited and inconclusive information.

Accordingly, the Committee issued a final invitation for the CECM to appear before it on 7th May 2025 at 11:00 a.m., via a letter referenced NCA/CLRK/14/CEC LANDS/64/25, dated 2nd May 2025. During this session, the Department failed to provide the requested written submissions and instead verbally committed to submitting the necessary documentation at a later date, requesting additional time for the same.

In light of the foregoing, Mr. Speaker, Sir, the Committee notes with concern that despite having granted the department ample time since 2024, no substantive information has been submitted to enable the Committee to adequately respond to this Honourable House. Consequently, Mr. Speaker, Sir, the Committee recommends that the matter be referred to the Committee on General Oversight for further inquiry and to provide greater clarity on the issue under consideration. Attached herewith are copies of the relevant correspondences pertaining to the said statement.

Hon. Speaker that is the position of this Statement. Thank you.

Speaker: Hon. Ebrahim before you sit, how many days leave did you seek to bring the main report?

Hon. Ebrahim Maina: Hon. Speaker, we are not seeking further dates or further time. What we are requesting is that this matter should now be dealt with by the Committee on General Oversight. That is what we are seeking for.

Speaker: Yeah.

Yes Hon. James Gachomba

Hon. James Gachomba: Hon. Speaker, I do agree that this Assembly has requested for this response many times. It had requested the report so that we can interrogate the funds that were appropriated within Engineer Municipality and Mairo Inya Municipality. Since the department is unable to provide those documentations Mr Speaker, I agree with the Committee's recommendation that we invite them to the Committee on General Oversight so that this House can deal with it firmly. Thank you Hon. Speaker.

Speaker: Thank you. I will give further directions in regards to that matter later.
Next order.

MOTION

NYANDARUA COUNTY RECEIVER OF REVENUE HALF YEAR REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31ST 2024.

Speaker: Very well. Hon. Zachary Mwangi Njeru.

Hon. Zachary Njeru: Thank you, Hon. Speaker. Hon. Speaker, I beg to move the following Motion.

That this House does adopt the Report of the Committee on Finance, Economic Planning and ICT on the Nyandarua County Receiver of Revenue Half year Report and

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Financial Statements for the period ended December 31st 2024 as a report of the House and the recommendations therein as the resolutions of the House.

Hon Speaker, with me is the said report. I take this opportunity to go through the report. Mr. Speaker, Sir, Counties derive their mandate in the Fourth Schedule of the Constitution of Kenya, 2010. Nyandarua County is responsible for providing a variety of services to its residents within its area of jurisdiction, including the services provided by the defunct local authorities and those transferred from the National Government. The Governor who heads the County is responsible for the general policy and strategic direction of the County. The Executive Committee supports him in carrying out the mandate as stipulated in the Constitution.

The CEC member of Finance, Economic Planning & ICT is in charge of the county Treasury. The receiver of revenue falls under the County Treasury thus the head of the County treasury provides for the policy direction on revenue collection.

Hon. Speaker, Regulation 61 of the PFM regulations intimates that the receiver of revenue designated by the County executive member shall be responsible for collecting and accounting for, such items of revenue as the CECM may specify.

In writing, the County Executive Committee member for finance shall designate persons to be responsible for collecting, receiving and accounting for such county government revenue as the County Executive Committee member for finance may specify in their letters of designation.

A receiver of county government revenue is responsible to the County Executive Committee member for finance to ensure that the revenue for which the receiver is responsible is collected or recovered, and is accounted for according to PFMA section 157 & 158.

The receiver of revenue collects revenue and remits it to the County Revenue Fund (CRF). The management of day- to – day of revenue is under departmental Chief Officers (Cos), Director Revenue and head of revenue reporting.

Hon. Speaker, revenue reporting. Hon. Speaker, I do not intend to go to the introductory part, but it is always good to appreciate my committee members. That is;

- | | | |
|----------------------------------|---|------------------|
| 1) Hon. Zachary Mwangi Njeru | - | Chairperson |
| 2) Hon. Benson Kiarie Njoki | - | Vice-Chairperson |
| 3) Hon. Peter Mwangi Maina | - | Member |
| 4) Hon. Joseph Kuria Thuo | - | Member |
| 5) Hon. Cathryn Nyawira Mathenge | - | Member |
| 6) Hon. Julianna Mugure Babu | - | Member |
| 7) Hon. Patrick Kariuki Muhindi | - | Member |
| 8) Hon. Elijah Mwangi Nyagah | - | Member |
| 9) Hon. Edinald King'ori Wambugu | - | Member |

Secretariat

- | | | |
|---------------------|---|-----------------|
| 1) Ms. Nancy Muthee | - | Committee Clerk |
|---------------------|---|-----------------|

Hon. Speaker, I want to go directly to the committee findings and observation that is page 10. Because it is more of a reporting and comparative analysis. Having considered the said report by the Receiver of Revenue on the Revenue statements for the period ended 31st December, 2024, the committee has made the following findings and observations: -

1. The County set a target of collecting Kes. 600 million (Local collection) and Kes. 250 million from AIA (Facility Improvement Financing) from various revenue streams

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defined in the Finance Bill. The revenue projection for the FY 2023/24 was Kes. 985 million, which is a 13.7% decrease from the current year's target.

Hon. Speaker, from our Findings, The Financial statement has not included the comparative period; therefore, the Committee had to rely on the previous reports tabled in the House for comparison and decision making. This is an anomaly while presenting financial statements.

Hon. Speaker, it is good to note that the County collected a total of KES. 247,172,342 with Kes. 136,276,981 as Facility Improvement Financing and Kes. 110,895,361 as local collection, which represents 29.08% of the anticipated Kes. 850million.

From the table below, Hon Speaker, we have the Revenue, the target, the actual collection, and the % in collection.

Hon Speaker, according to the local revenue we had, a correction of 22.71%. F.I.F. The target was Kes 250,000,000, but the actual correction was Kes 110,885,361. And that is, it sums up to 44.36%. And, having a collective total Hon. Speaker over, 29.08%. Comparing the total target of Kes 850,000,000 to the actual collection of Kes 247,172,342.

Hon Speaker. The revenue collection for the period under review is 29.08%, while the comparative period revenue collection was 22% of the target. Irrespective of the revenue target, there has been an increment in revenue collection of 9.8% from the comparative period. With the collection of the recorded in the first half, the County will hardly meet the set target, noting that the County has a variance of 20.92%. So, that was an indicator that the target will not be met whatsoever.

Hon. Speaker, the major streams in the County include: Hospital Fees, Administration Control fee & charges, Cess, Single business permits, and parking fees. Table 1 above, Hon Speaker, is a tabulation of the top five revenue streams

- Hospital Fees: Revenue collected as of December 2023 was Kes 121,631,071. and, as of December 2024, there was a correction of KES 110,895,361. On the correction of administration control, that is, fees and charges. Revenue collected as at December 2023 was Kes 31,000,000 plus, while the revenue collected as at December 2024 was at Kes 42,000,000 plus. When we come to the cess, Hon Speaker, revenue collected, as at December 2023, was a Kes 31,000,000 plus, whereas revenue collected as at December 2024 was at Kes 27,000,000 plus.

Under a single business permit, the period, as at December 2023, the correction was Kshs 8,790,000.00, while revenue collected as at December 2024 was at Kshs 16,812,000.

On the issue of parking fees, the revenue collected as of December 2023 was Kes 9,837,000. While the revenue corrected, as at December 2024, was Kshs 9,990,000 plus. Hon. speaker, this was our findings that in the second half, which usually runs from July 1 to December 31, Hospital fees recorded a decrease of 8.8%, Administration control fees & charges an increase of 132.2%, cess 12.8% decrease, single business permit 91.2% increase while parking fee had an increase of 1.6% from the comparative period. Efficiency should be enhanced to ensure better performance of revenue.

Hospital fees recorded a decrease in revenue that needs to be investigated, mainly because the facilities and services have improved from the comparative period. Additionally, Administration control fees & charges include liquor license, which reported a significant growth of Kshs 35,241,213 from Kshs. 10,125,964 from the comparative period, which is a 248% increase.

Hon.Speaker, Cess has also recorded a decrease in revenue, while it was expected due to

enforcement at the barrier points, revenue would increase. Moreover, milk cess is classified under cess, while no revenue is reported under this stream. This is a stream that can report substantive revenue with minimal cost of collection, bearing in mind that we have an already organized entity, such as the rights of KDL and Muki, and Nyala.

Hon. Speaker, Single business permit recorded a huge increase from the comparative period, which gives an indication that the County can collect more in every stream when the right strategies are applied.

Hon. Speaker, it is good to note that Parking fees include street parking, motorbike fees, and bus park fees.

This is tabulated in the table

Table 2: Parking fees

Revenue stream	Revenue as at December 2023 (in Kshs.)	Revenue as at December 2024 (in Kshs.)
Street parking/ Town parking fee	249,880	440,000
Motorbike fees	3,859,100	3,653,590
Bus park fees	5,728,500	5,896,760
Total	9,837,480	9,990,350

Arising from the foregoing, there is a slight increase in the parking fee, but a decrease was noted in the motorbike stream. This revenue stream was expected to report greater revenue with the three municipalities in the County, greater enforcement can increase revenue in this stream.

Hon. Speaker, the County revenue collection of Kshs. 247,172,342 includes a miscellaneous revenue of Kshs. 10,896,108 which includes insurance compensation of Kshs. 5.7 million, Imprest surrender/Salary and refund of Kshs. 519,005 and direct Bank Deposits of Kshs. 4,677,103.

Findings

Hon. Speaker, the Committee noted that insurance compensation and imprest surrender/salary and refund are not a source of revenue, although the funds are deposited in the CRF, they are not defined in the Finance bill, as such. These funds overrate revenue reported from the various sources of revenue. It is good to note that, Hon. Speaker.

During the period under review, the total payments amounted to Kshs. 234,227,076 that included County disbursement of Kshs. 121,965,014 to the CRF; FIF had its collection of Kshs. 110,895,361 spent in the health facilities. There were bank charges of Kshs. 25,271 and a revolving fund of Kshs. 1,341,430.

Hon. Speaker, the above entails the comparison and analysis of revenues as far as the period under review is concerned.

Committee's recommendations

Hon. Speaker, arising from the foregoing, the Committee makes the following recommendations:

- a) That this House does adopt the Committee's Report on the Receiver of Revenue Revenue Statements for the Financial Statements for the period ended 31st December, 2024, and the recommendations therein as the resolutions of this House.
- b) That within thirty (30) days, the County Executive Committee Member does bring to this House the measures taken to ensure revenue from milk cess is collected, including any other stream as recommended by the Committee.
- c) That going forward, the CECM for Finance does ensure that financial statements outline comparative figures for the period.

Hon. Speaker, that is as far as the report on the Receiver of Revenue and Financial Statements is concerned. Finally, I wish to call Hon. Wambugu King'ori, who is a member of the Committee, to second the Motion.

Speaker: Very well; yes, Hon. Wambugu King'ori.

Hon. Wambugu King'ori: Thank you, Hon. Speaker. I rise in support of the Motion that has been sponsored by the Committee on Finance, Economic Planning and ICT of which I am a member. Nonetheless, we have a long way to go, Hon. Speaker, as far as revenue collection within the County is concerned. It is worrying. For me, it is worrying because we have discussed these things for long and nothing has been done in terms of implementation. Hon. Speaker, we never met the targets during financial years 2022/2023 and 2023/2024. Now we are in financial year 2024/2025, headed to financial year 2025/2026.

We have done a lot of benchmarking as a committee and brought a report to this honourable House with many recommendations, yet without support from the Executive. I might be seen as if I am fighting the Executive; I am not! My position is this: there are several indicators that I would wish to cite, or rather, there are several parameters that I would wish to cite that the Executive should take up without exaggerated enforcement. In the report on page 12 there is a table that details parking fees. The enforcement officers, who are attached to the Directorate of Revenue Collection, impose a lot of force as regards street parking/ town parking fee, motorbike fees and bus park fees. Hon. Speaker, you will realize that revenue collected from this stream amount to a good percentage. The motorbike fees collected across the County as at December 2023 amounted to Kshs. 3.8 million. This amount reduced to Kshs. 3.6 million in year 2024. The bus park fees totaled Kshs. 5.7 million in 2023 and Kshs. 5.8 in 2024.

However, Hon. Speaker, you will realize that the above revenue relates to the 'small fish'. Most times the enforcement officers run up and down ensuring that this amount of money is collected.

In our recommendations, Hon. Speaker, we have cited one stream, that is, revenue from milk cess. No report was given on this, yet that is where the money lies. Hon. Speaker, across the County, there are many industries for milk processing. Additionally, consider the milk that is collected from individual farmers, which is ferried from our County to other counties. Yet, the Revenue Directorate has indicated nothing as regards what it has collected. In our calculation, we found that, if milk cess is properly collected in this county, we would have gotten about Kshs.180 to 200 million.

Hon. Speaker, it appears that the County Assembly is not receiving support from the County Executive. That is why I am rising here to say that the County Executive needs to do

several things without using their enforcement powers on revenue collection. One of the things, Hon. Speaker, is public participation. When was the last time public participation was conducted in this county to encourage the public to participate in issues related to tax policy formulation? When was the last time this was done? My answer, Hon. Speaker, is that there is no time. Other than the Finance Bill that usually emanates from the County Executive, comes to the Assembly, and then we go for public participation, there is no other time that you find a public participation where there is an engagement between the public and the government.

The other one, Hon. Speaker, is the issue related to do with stakeholders' engagement. Milk cess is a matter of consultation that requires the involvement of the main stakeholders; for example, Ol'Kalou milk processing plant, Muki Sacco, Tulaga, Njabini, and the rest. We should engage them in dialogue and consultation, and then we discuss the matter on a platform where everyone is there. It is my believe that, if we are able to involve the business community in these discussions on policy making, a white smoke will be seen.

The other measure, Hon. Speaker, is political will and governance. Do we have political goodwill in this county in relation to this which will enhance revenue collection? If the issue of revenue collection became a matter of county importance, and everyone, all the departments and directorates, were involved, and they deal with all the revenue streams as captured in the Finance Bill, we would have increased the revenue raised in this county.

Lastly, Hon. Speaker, it is the issue pertaining corruption. I will give a good example of Geta Forest, which is closer to me; lumbering is ongoing or rather, harvesting of mature trees. In our Finance Act, for every lorry ferrying trees, we should collect a thousand shillings. I spent a day investigating this matter, and I came out with a conclusion or an answer that, for every three or five lorries carrying the logs, one of them is not captured. This investigation had to be done without mentioning names. I would take the number plates of the vehicles and forward them to the County Executive, specifically, to the revenue directorate and the Chief Officer would tell me that the vehicle is not captured. That is an indicator of corruption that traverses across the board; in our cess points and every area where we collect revenue. How can we mitigate this? This can only come from the County Executive, who should ensure that they do what requires to be done.

I will give another example; one of the revenue collectors was saying that if he were told to make a choice; take up the position of a CECM in charge of Finance or remain in his current position, he would choose the latter. Why? This is because of the money going into his pocket. This is a clear indication of the corruption in this County.

According to CRA indicator our County has a capacity of collecting Kshs.1.5 billion as own source revenue. Now, we are below Kshs. 500 million. This shows that we have a long way to go. It is not that the County Government is not able to do so, but it is because of negligence in terms of the methods of enhancing revenue collection in this County.

Hon. Speaker, I rest my case, registering my support of the report of the Committee. With the recommendations that I have just raised, and bearing in mind that the Hansard Report will be forwarded to the County Executive, they should look at the proposals and then, own source revenue enhancement will be well done.

Thank you, Hon. Speaker. I second the report.

Speaker: Thank you.

(Question proposed)

Yes, Hon. Kaiyani.

Hon. Rimui Kaiyani: Thank you, Hon. Speaker. From the onset, I want to support the report with a few suggestions. I would wish to refer this House to page 10, item number 2. I want to read it verbatim. It reads,

‘The County collected a total of Kshs.247,172,342 with Kshs.136,276,981 as Facility Improvement Financing and Kshs.110,895,361 as local collection, which represents 29.08% of the anticipated Kshs.850 million.

If you look at the table there bearing in mind the FIF figure as indicated, the local collection, which is a figure Kshs.110,895,361 as listed and you compare that statement with the listing on the table, I would wish to be informed of the coherence in that statement.

I would also refer you to item number five, which reads, ‘during the period under consideration, the total payments was Kshs.234,227,076 which included, County disbursed of Kshs. 121,965,014 to the CRF, FIF has its collection of Kshs.110,895,361 spent in the health facilities...’ and the statement continues. I would like the corroboration of those figures and the consistency in the figures so that we have the correct and consistent statement. I would wish that the Chair clarifies that matter, and before this report is adopted, a correction to this statement is made, so that the figure appearing as FIF and local collection is consistent with the statement.

The other item, Hon. Speaker, is on page 11, which talks about the collections. I have noted that comparative revenue collections within 2023/24 have indicated that hospital fees were Kshs.121,631,071 for 2023 and Kshs.110,895,361 for December 2024, which to me is a reduction. There is an increase in administration control fees and charges. The question that comes to my mind is, is administration control a revenue or an expenditure/expense? I have also noted that there is an increase, although that is grossly stated to the extent that one is not able to distinguish what is what. What do you mean by administration control? What are these fees and charges? We ought to have that expounded.

There is also the aspect of the cess. In 2023, the cess collected was Kshs.31,615,947 as at December compared to Kshs.27,584,566 as at December 2024. This shows a decline in cess collection. I would like to imagine that this is from the cess point. I also want to corroborate with what the seconder of the motion, Hon. Wambugu King’ori, talked about. Could the reason behind the reduction in cess collection be attributed to leakages that could be taking place at the cess points? In that regard, what are the measures taken to make sure that the leakages are sealed?

Again, the same has happened, although this time around, there is a near double increment from single business permits. If my memory serves me well, I am reminded that there was a consolidation between last year and this year on single business permit collections. Could this increase be attributable to the consolidation in terms of the permits, so that we see a double increment?

Finally, there is the aspect of parking fees. The amount has largely remained the same. That is, Kshs.9,837,480 compared to Kshs.9,990,350. The question that comes into my mind is, does it mean that we have not increased the parking lots? Or, could it be that the same number of vehicles that were parked in the last period have been parked in the period under consideration, and how possible could that be so that it seems to be the same amount? Those are factors that need to be explained.

Before I go to the final point, Hon. Speaker, the seconder of the motion talked about political goodwill. That provoked my thinking, Hon. Speaker. Hon. King’ori talked about goodwill from the government, and it got me wondering who is supposed to be collecting revenue and why the revenue collector would lack the goodwill to do so. Although I understood, Hon. King’ori,

within the context you wanted me to understand, it made me start wondering. Otherwise, the owner of revenue collection in both the Finance Bill that is passed in this Hon. House and the report we are looking at is the County Executive. I wonder why the County Executive would lack the goodwill to do its work if it did. This caught my attention when the seconder of the motion was making his remarks.

Hon. Speaker, and this could be the challenge,— Chapter Three page 13 of 13. This is, on the Committee's recommendations, which I am concerned about. In a serious matter such as this, I am surprised that the committee would only come up with three recommendations. When I see how they are worded or framed, it is in a very conservative manner as opposed to speaking it the way it should be spoken. Look at number 3, which says, 'that going forward, the CECM Finance does ensure that Financial statements outline comparative figures for the period'. Recommendation number 2 says, 'that within thirty (30) days, the County Executive Committee Member does bring to this House the measures taken to ensure revenue from milk cess is collected'.

I also take cognizance of the fact that the Chair of the Committee and the seconder took quite some time talking about the milk cess. It left me wondering whether that is the only cess we could talk about, as opposed to all other revenue streams listed within the Finance Bill that the Committee provided. So, why are they so passionate about milk other than other cesses that would come about?

Finally, the mover of the motion talked about logging and the timber yard operators or business owners/community. Kinangop happens to have a bulk of them bearing in mind the cesses levied on them. Last time we debated this matter, we appealed to the House to do a comparative analysis on the levies charged in the neighbouring county, which is Nakuru, to make sure that the traders within the county are not overburdened compared to their competitors in Nakuru County. Specifically, we were talking about where they are relocating to and taking their business, which ought to be in Nyandarua. This is because of favourable business conditions that are provided by Nakuru County compared to ours.

With those many remarks, I want to rest my case and appeal to the committee to look into the matters that I have raised, especially on the contradictions and confusion that exist in the figures as listed, and also the enhancement of the recommendations so that the committee appears to have tipped the bite and not given recommendations that appear toothless.

I submit.

Speaker: Thank you. We have Hon. Gachomba.

Hon. James Gachomba: Thank you, Hon. Speaker. I rise to support the report by the committee on Finance, Economic Planning, and ICT, on the report of the receiver of revenue, statements for the period ended 31st June, 2024. Mr Speaker, you are aware that, in the year that has ended, that financial year, they had budgeted to collect Kshs 600 million as own source revenue. They had also projected to collect Kshs 250 million from F.I.F., as defined in the Finance Bill.

Mr. Speaker, you understand, in FY 2023/2024 they projected to collect Kshs 985 million and now you see, there was a decline of about 13.7%. Mr Speaker, this as a result of lack of cooperation between the stakeholders in the county government. You can see the trajectory; the receiver of revenues has alluded through the chair that there are many areas that they need work on and make sure that the targeted revenues are hit and they should be realistic.

Mr Speaker, you are aware of what we do the budget on— in the coming week we shall be passing the FY2025/2026 budget estimates—the targeted revenue about Kshs 600 million in addition to the shareable revenue that comes from the national government. We have a ceiling, and you're aware that the ADP is very clear on the areas that we need to prioritize during budget making after which we get the County Fiscal paper (CFSP) that sets the ceilings. If the ceilings are set, and we are unable to collect revenue as targeted in the budget, it automatically affects the development budget for instance Hon. Thinji's road will not be done. My roads will not be done in Njabini if the targets set are not realized.

Mr. Speaker, I'm appealing to the county government to give reason for getting little. I would wish to propose to the chairperson of the committee on Finance that they should come up with some incentives so that our revenue collectors can be motivated. They should also examine where revenues are being wasted. Can we block those leakages? Can we come up with machines that will be able to automate revenues that are being collected from our residents and our business people?

He has alluded to milk cess. This is a new chapter. We can dwell much on it, but the milk cess should not be collected at my doorstep; let them go to the cess point. Let them not come to my home and chase the farmers there. They've got the check points, they should check from there.

There are some other areas. Mr. Speaker, we have the alcoholic bill that this House passed in the last financial year. Can they be able to interrogate and tell us how much they have collected from the liquor licence?

We need to guard all our cess points in terms of enhancement and try as a county to look for other ways to collect the revenues, not only from our single business permits and other services. We have other streams like the forest produce. The water that is being collected from Konoike dam and also from Njabini to Nairobi could earn this county more revenue if our county establishes synergy with the government of Nairobi. This way we can have a fulfilled budget.

Mr. Speaker, I want to urge the committee on finance to come up with modalities on how to enhance revenue. If we are not able to meet our targets, the development budget will be affected. With those few remarks, Mr. Speaker, I wish to support the document. Thank you, Mr. Speaker.

Speaker: Thank you, Hon. Gachomba. Hon. Ngeche,

Paul Ngeche: Thank you, Mr. Speaker, I take this early opportunity to congratulate the committee on being an eye-opener to the county.

Mr. Speaker, I don't know about that report, but there is an indication that as a county we can be able to collect Kshs 2 billion. That is a report that is, somewhere; a credible report that we can collect Kshs 2 billion. Today, we can only afford a third of that. That is what we can be able to do. I think, we should not lament or complain, but give the implementing body the support that they require. However, after giving them the support that they require, do they have the goodwill? I borrow from the seconder; the goodwill of the implementer is required.

Maybe how I view things is totally different from another human being. That is why I will start by looking at the hospital. From facility improvement financing, they were targeting to get Kshs 250 million, but what was collected was Kshs. 110 million. We never even hit half of it; we are at 44.36%. Major streams in the county, including hospital fees. I want to dwell much on hospital fees, because I am the Chairperson Committee on Health, and I also need to connect with what happened. The second half runs from 1st July to 31st December and hospital fees recorded a decrease of 8.8%. To the revenue collector, they feel bad, because we have reduced revenue by 8.8%. The other time while contributing, I said, the worst thing that is happening is that we are

depending on sick people. Now you can see the trend; they are healing now. So, we now do not have money because we cannot depend on sick people for revenue.

Mr. Speaker, my point is very simple. If we want to generate revenue from the hospitals, we also need to equip and empower these facilities. It was only yesternight, on our social media, I saw an Hon. Member complaining that the Engineer hospital cannot be able to do some simple medical procedures there, at a certain time and beyond a certain time. Do we expect now to get the revenue from such a hospital? Nothing! We will not be able to get. So, if we need our hospitals to generate income, we should now be ensuring that Engineer hospital has functional wards, so we can have people — patients — admitted there in order to, of course, generate income. So, Hon. Speaker, whatever we require now are measures, and those measures should yield fruits. We should also ensure that, if the hospital is the main contributor, it should have adequate human resource establishment — people who will be able to offer services.

You see, according to this report, when we do not have a CT scan, which is a basic service to be provided, we will not be able to generate more money because you will find that our JM County Referral Hospital, which is now coming up very well in terms of health care, can only make a lot of referrals to Nakuru. You see, the charges, that is, the component of the revenue that we receive as revenue from the hospital come from the small things that happen in the hospital, which we expect to earn us more income.

Mr Speaker, when we talk of goodwill, we are saying that the ‘CEO’ of this County should understand that a large percentage of our monies come from the hospitals, thus we should create a very good environment so that as our people seek services, they get the quality services while the County generates a lot of income.

As we are going through the financial statements, though I will be moving a Motion here on this, you will find another issue is about automation. What am I saying? For example, the money collected through the FIF Bill (which is a very good Bill that we passed in this House) may be misused after it has been collected. I do not know whether it is the mover or the seconder who talked about corruption. Now, we have created a stream yes, but that money will not be remitted where it supposed to be remitted? What are we supposed to do? Other counties are investing even in robotics and AI. I have seen in Murang’a County has something to do with ... I do not know the keyword that they are using, but they can fetch some drugs from one point and take them to another facility. They are doing it very successfully. They can monitor their strategic or pharmaceutical products such that you can trace someone who, were it in our case, came to JM County Referral Hospital at 12 noon and indisposed, got treated and with what drugs. They can even confirm that these drugs cost this much and that this person paid this.

Unless we automate our system, Mr Speaker, we have a long way to go in terms of revenue enhancement, because most of the money (collected from health facilities) will end up in the pockets of some people — people who purport to be working for the County Government, but, instead, they work for themselves.

I have highlighted two streams: the one on money from the hospitals and the other on revenue enhancement through automation of services. We now need to block the loopholes.

Mr Speaker, we have other areas that have not been harnessed. The Sasumwa Dam water is a natural gift given by God, just like animals, the wild animals, in Masai Mara Game Reserve. That area of generating revenue from water resources in the County has not been harnessed. The water, in its capacity, that we just take to Nairobi, Baringo and elsewhere is a natural gift, just like oil. Some people will argue that it is a basic need. Yes, it is, but if we say this, then oil is also a

basic need. Those who have cars and those who have airplanes use oil. So, it is a basic need. The same should be happening in the water sector. This calls for a policy. We should now harness what we have. Talking of the water resources, even if we charge 50 cents per litre, we could be having a lot of money yearly.

Mr Speaker, there was a Cooperative Minister by the name Hon. Nyaga who said before he died that a county that will have a very good ‘CEO’ will be able to progress. I am not saying or insinuating anything, but I can say, because Hon. ... (*spoke inaudibly*) is not around ... Nyambura from Kiambariki.

(*Laughter*)

You see, I am not insinuating that we do not have a good ‘CEO’, but 15 years after devolution we should not be talking about the loopholes or whatever; that we cannot collect cess and that we cannot account for money used. At the end of the day, as you can see, and you have seen even with the issue of the Boda Bodas (although I am not an economist), revenue has decreased. This is for the members in UDA — the Kenya-Kwanza regime. When we say that people are no longer purchasing Boda Bodas, you might think that it is not serious. The old ones have depreciated; hence no revenue can be collected. This is what happening. Nobody is able to purchase a new motorbike. I am talking this for the country; it is not even for Nyandarua County alone. It is for the entire country to know that the Boda, or rather, the motorbike operators are paying fees, but the motorbikes are depreciating by the day and some of them have been kept away and the owners no longer pay. They cannot pay, and nobody is able to buy a motorcycle, which is currently costing around Kshs. 200,000. This is for the Kenya-Kwanza government to know. Where is the Majority Leader to tell us what is happening? Nobody will be able to do the Boda business.

I am talking about revenue streams. Now you have heard about hospitals. We are no longer having patients. Patients are decreasing. The motorbike fees are being paid, but nobody is willing to purchase a new one. If these are our streams, then we need to work out something.

The issue of valuation roll is another one. The issue of automating the systems to avoid losing anything should be the other one. Of course, I thought that in this report they ought to have said or recommended that we need to automate — to start automating. Though it has got a deficiency, it is a good eye-opener. In the next report, we can recommend for solutions. Sometimes you find that, maybe, they do not know that they ought to undertake such a solution, but we are going to ensure that we look into this.

Mr Speaker, we talked about the milk cess, only that it was politicized and nothing could come out of it. However, we know that with goodwill, Mr Speaker, we can have our two billion shillings in revenue. With our two billion shillings, we can get money for salaries, so that whatever is remitted by the National Government goes to development. That is where we should be heading. Of course, we are the vision carriers. If this will not happen now, when we become governors (because some of us can lead from up there), we will be able to harness this, that is, get two billion shillings as our own-source revenue.

With that, Mr Speaker, I support the efforts of the committee. Thank you.

Speaker: Thank you. Yes, Hon. Isaac Kung’u.

Hon. Isaac Kung’u: Thank you, Hon. Speaker. I want to contribute to this report, and I will be very brief, because I only want to discuss about five points.

Number one, Hon. Speaker, before I give my five points, you see, we are discussing the half-year report. Sometimes it is very confusing, because on Friday, we had the CECM for Finance,

and she gave us a report of Kshs.567 million, that is, the money that she has been able to collect to date. However, we are now discussing about Kshs.247 million.

I think even though this report is being discussed in the last month, or the last two weeks of the financial year, being a half-year, we should be discussing the nine-month report. I think it was delayed a bit, and next time we need to be a bit updated so that we are able to discuss the current issues. It would be better.

Hon. Speaker, I also want to say that the issue of OSR is very critical. If anybody in this country looks at the trends in the National Government on the release of the shareable revenue and whatever is happening with our exchequer at the national level, any county should sit down and become serious with OSR. This is because it is taking long. The National Government sometimes does not give money, and for those counties that will not be able to collect money, there will be very serious problems.

So far, it seems, after devolution, on average, Hon. Speaker, the counties are able to finance themselves at between 13 and 15 percent. That is why in this country, we don't have what we call fiscal autonomy for the counties because of over-reliance on the National Government. 85% of the counties' money comes from the National Government, and we need to do something because, essentially, we are still at the times we started devolution, we need to extend it to a point.

If you look at a country like the United States of America, the federal states are able to finance the federal government or the United States government. This is because there are certain states within the US that produce so much surplus that whenever the federal government wants money, they go to those states and they get some money. We should be working towards this. Otherwise, what is happening to the CoG is that the counties are crying all over because they cannot get sufficient funds.

Hon. Speaker, I just want to say this. I agree with the mathematics and the figures that have been given here. But, going forward, we should now stop looking at these figures and saying this is the much we collected from FIF. You know, we need to now undo this thing, and start asking ourselves, now that I have been told FIF collected Kshs.136 million, so what?

Hon. Ngeche, will just stand up and say, the sick people have reduced. But then we should now, Hon. Speaker, and I know the Chairman of the Committee on Finance is here, in the next report, concentrate more on the strategies, and look at and critique the report to the extent that the County Executive has implemented the strategy. This is because even if you give us figures, you know, for example, we need to ask ourselves, we have been talking about manual versus digitisation. Can I get a report on how far we have digitised our streams? You know, that is the kind of report I want to see. So far in the revenue report, I want to see that we have digitised 98 % or 48% instead of bringing the figures, and that is a strategy. We need to digitise! Where are we?

When we talk about the broadening of our tax base for our revenue base, can we say within our report, we brought a new stream? For example, we are talking here about milk cess. Can we count and say, in the last financial report, we had, for example, 190 streams, but this year, we have 210? We have been able to broaden. We have some very serious issues. For example, in health services, we are talking about having a private wing within our J.M. Referral Hospital because the insurance companies are paying. Why can't we go there, look for a building, put some specialised care where some people who have access to insurance can get services, and our county gets money? We have been giving these ideas. So, how far are we in terms of broadening our revenue base?

I want to see the legal framework. We have said in this County more than once that we have an omnibus law called the Finance Act. For it to be implemented, it requires another legal framework. For example, we are talking of the Outdoor Advertisement Act. Do we have it? We have seen vehicles running all over this county, doing every kind of marketing and advertising, but do they pay? Do we have an Outdoor Advertisement Act that can support our Finance Act? Do we have our Revenue Administration Act? How is our Enforcement Act? So, we need to have the legal framework that is supposed to support the Finance Act. Where are we? How many Acts have we passed so that we can support our revenue collection? I want to see a report on the training and capacity building of our staff, that is, the revenue collectors. How are they motivated? What kind of training have they had in the last half year?

It was very discouraging as I was speaking with the Chairperson of the Committee on Liquor Licensing, he is from Ndaragwa. He told me they have not even received a penny. That gentleman has been using his money to fuel his vehicle to go and look for revenue for this county. And then we come here and bring a report indicating that we have been able to collect Kshs.35 million, which 148% increase. But the committee that is doing that is demotivated. So, we need to see the capacity building and the motivation of the staff. What have you done to those people who are in charge of revenue collection?

Finally, what have you done in terms of public awareness? We are collecting this money from the people. Have we done meetings with the bar owners? Have you done meetings with the hotel owners? Have you done meetings with those people who do logging? This will ensure that we reduce litigations and people become compliant because they understand why they are paying these revenues.

So, Hon. Speaker, what I am saying as I conclude, in the next report, let us not discuss figures more but let us discuss more in terms of revenue. I know the Committee on Finance has done a lot. However, if you want to put into task the County Executives to implement the strategies, can we now start judging them in terms of strategy? Let us do our reporting in terms of strategy. Tell us what you have done in terms of broadening the tax base. Tell us! What have they done in all those strategies we have been giving now and then? Otherwise, we have been sitting in meetings, but you can see there is very minimal increase or minimal change in terms of revenue collection, because it becomes just a talk show. Some ideas are just left over after the meeting or workshop. We leave it at that, nobody follows up, and then the next day, we will come to discuss the same issues.

Thank you, Hon. Speaker. I thank you, and I support the report with more recommendations.

Speaker: Yes, Hon. Gitau.

Hon. Reuben Gitau: Thank you, Hon. Speaker. I rise to support the motion, but I still have a few concerns, especially on the issue of revenue stream number three, that is on cess, Hon. Speaker.

Hon. Speaker, I would like you to check the budget that we passed in this Assembly, and specifically the budget for the Department of Roads; the development budget that detailed the money that was supposed to build roads, gravel, grade, and all that. The figures amounted to almost one billion. If you check out the percentage that goes to cess, it is almost three percent of that money. With that, the amount is around Kshs.33 million, which is three percent of one billion.

So, Hon. Speaker, if you look at these cess figures, that is by December, they are telling us they had collected Kshs.27 million. This is inclusive of cess collected from other departments,

because even in the Water Department, there is cess for the contractors that are doing works that involves areas that can generate cess. Hon. Speaker, other departments have the same; Department of public works, department of water and all that.

If you look at these figures Hon. Chair, these figures are not adding up. If one department would give Kshs. 33 million and by December you had only collected Kshs. 27 million, then there is a problem Hon. Speaker. The other issue Hon. Speaker, I would have expected the Committee to give us figures on how much the County is spending on revenue collection. The total we are spending on our staff. We start by how much are we paying the staff; motivating them, facilitating them, giving them fuel for the vehicles and all that.

Hon. Speaker, the last time in the Budget Committee I remember we had requested the same but what we got is that this department has only 80 members of staff. The number of vehicles that they have is less than seven. As late as last week when we had the department of Finance at Naivasha last week, Hon. Speaker, I remember the Chief Officer Finance telling us that they want to consolidate fuel in one department. They want fuel managed from one department. I do not know whether it is the County Secretary or the Department of Finance. One of the reasons that he gave us is that this County has 279 vehicles. Hon. Speaker, 279 vehicles and the department that is collecting money to facilitate the Budget has less than seven vehicles.

Hon. Speaker, we have vehicles here moving around doing nothing. Hon. Speaker, if you look at the issue of staff, if you are talking...

Speaker: 279 vehicles are the vehicles owned by the County Government of Nyandarua?

Hon. Reuben Gitau: Yes, Hon. Speaker. Only seven vehicles have been allocated to the Department of Revenue collection. So even as we sit here and expect results from that department, a department that has only 80 staff, Hon. Speaker, and my Chair is well aware of the money that we gave these people to pay the staff. We have over 2000 staff in this County, and one of the expectations of this House is that once we give the Executive money to pay, facilitate and motivate the staff, the county gets some returns on the same. One of the areas from which we expect returns Hon. Speaker, is the area of revenue collection. I would like to tell the Committee Chair, my good friend Hon. Zachary Njeru, that we need a review. As much as we have the County Secretary and the Human Resource department that is in charge of the staff, I think that there should be reallocation of duties.

Hon. Speaker, we need to support this Department with enough staff and at the same time motivate them. We should make them mobile so that as we expect more in terms of collection, we know that they have the capacity and that they are able to do that.

Mr Speaker, with that, I would wish to support but emphasize on those recommendations that going forward, we need to support the department and whatever has been allocated...I have heard the Chair mention about issue about what has been allocated. If we allocated some money to motivate the staff in the department of revenue collection, let that money get to them. The money should get to the owners. Once you allocate and this money does not get to the owners then there is a problem. There will be a go slow from the staff that are not motivated and are not given what is supposed to be given to them. By so doing we end up with less collection of revenue. Thank you.

Speaker: Yes, Hon. Thinji Kiriga

Hon. Thinji Kiriga: Mr Speaker, I rise to support the report. I want to talk about one observation that I have made across the County. There is this revenue management system which has not been up to date. As one of the Hon. Members said, is that we need to have a very good

strategy. Mr Speaker, it seems that sometimes our system goes down. This hinders revenue from being collected efficiently. Mr Speaker, it is important that once the person pays the revenue, the method of paying be efficient. Sometimes back when His Excellency the Governor had talked about waiving the bills, it is only a few people that paid due to the failure of the system. It is important that as we consider other failing factors, to also look at the system that manages the revenue collection. Mr Speaker I support.

Speaker: Hon. Thinji, you can call the mover.

Hon. Thinji Kiriga: Mr Speaker, I call the mover.

Hon. Zachary Njeru: Thank you, Hon Speaker. I wish to appreciate the concerns raised by the Members and would wish to give my response as follows:

I will start with an issue that was raised by the seconder, Hon. Edinald King'ori. The issue about tax education. I agree that we have been having this discussion with the department but first and foremost, for us to even have agreeable charges Hon Speaker, it is prudent to have those sort of public participation sessions. Our traders should be well informed about what they are supposed to pay which should be agreeable. In return they should also be made to know what they will get.

About an issue that was raised by Hon. Kaiyani, which is on page 10; Yes, I do agree that the table on this page, that is the table tabulating revenue, target, actual collection and percentages has a problem. In fact, it is a thematic issue bearing in mind that the local collection should be Kshs. 110 as indicated in the finding number 2. The FIF should be vice versa; Kshs.136. That correction will be made. It is a typo error.

Hon. Speaker, on the issue to do with leakages, yes, we have been having a lot of discussion around this issue. It is a very complex process Hon. Speaker ranging from automation all through to enforcement officers. We cannot talk about leakages on the aspect of enforcement officers. Hon. Speaker if we do not operate from up to date data and operate from existing data, then how do we purport to be dealing with leakages Hon. Speaker. I think with the current intervention, of having another system of revenue collection, bearing in mind that the spatial plan is on the way, and that the valuation roll is almost ready as per the land department, that will be where we start addressing the issue of leakages. The other issue was the issue raised by Hon. Kaiyani about administration control fees and charges

I take him to page 11, and say that this includes liquor licenses, which is what led to the increase in percentage. Hon. Speaker, the liquor licensing falls under the category of Administration because of the issues of how vetting of bar owners is done, and that is why that revenue is premised there.

Hon. Speaker, we had an issue raised by Hon. Kaiyani on whether the hospital fees are revenue or expenditure? Hon. Speaker, this will be a discussion advanced to another level, bearing in mind that F.I.F is money being spent at source. It is good we understand this from our fiscal analyst, whether indeed a hospital fee is revenue or an enabler. Going forward, this is a new fee designed in a new manner, Hon. Speaker, I think with time we will be in a position to say that this indeed is revenue or an enabler.

Hon. Kaiyani, also talked about cess; that we have casually addressed it. Hon. Speaker, cess entails several things, ranging from farm produce, forest produce cess, and cess from mining in our quarries. This one being a half year report, we have combined all the cesses into one component for 'cess', as we have done for single business permits—we have so many different businesses each being issued with a single business permit.

Hon. Speaker, from the recommendation, Hon. Kaiyani indicated that we have only zeroed in to milk cess. It is because this stream, in the period that they review, recorded zero. That is why we were so concerned bearing in mind that, they received even a milk cess concept paper from this House, highlighting what should be done and who should be targeted. We do not want to overwhelm our people with taxes therefore we specified and said that it should be all the vendors, the milk processors, and all the cooperatives. From them we can get the 30 cents for the milk cess, which would translate to a reasonable amount of revenue.

On the issue regarding the Sawmillers, it is good to confirm that there was a problem in the last financial year, but as a committee and deliberately as a Chair, I took that initiative and brought all the sawmillers on board. We had a meeting with them together with the county CEO, and we did agree on charges. That is why you can see that this time round, when we are having a massive harvest in our forests, we have not been having any issues. We have restored even the confidence that was there, with our sawmillers.

Hon. Gachomba indicated about working with a realistic budget; that was informed by having a very highly projected OSR. This House and these members can attest that as the Chair I have been so categorical that we do not exceed Kshs 600 million because we cannot be having arbitrary figures while there are parameters to tell the range we should be in as we put down revenue measures and the sealing leakages.

Hon. Ngeche indicated about our capability. Indeed, this county is capable of collecting a tune of Kshs 2 billion. The reports from the Controller of Budget and Auditor General indicated that we can collect over Kshs. 3 billion if all the structures and measures are put in place. Hon. Speaker that will only happen when we make this county investment-friendly, that is, making this county investor-ready.

We also need to confront the issue regarding revenue collection as an investment. On some of these minor revenue streams like parking—we have been having a lot of issues with them. Remember, Nyandarua is more of a rural county so when we talk about parking fees it can only be charged within our municipalities. That will only happen when we gazette the parking lots and then come up with the necessary regulations. But if we take this issue as an investment, Hon. Speaker; I have been giving a very practical example of our seed multiplication unit at Ol'joro-Orok. If the county is not able to run that unit, why don't we do a kind of public-private partnership other than making our farmers and those of our neighbouring counties source certified seeds from other bodies or the national government. This seed multiplication unit is a very potential unit that costs almost a billion that could be a major boost to our revenue basket.

We have the Cabros plant which is idle, Hon. Speaker. I think with the kind of urbanization that is taking place in our upcoming shopping centres we can try to incorporate this plant in whatever is being done, and in return, that would be another good source of revenue without bothering our people.

On the issue to do with the Sasumua dam, I think, this being a shared resource and having this discussion over the years, this is the high time—though we are working in a political environment—we get the goodwill from the President and the ministry of water. Looking at where it is positioned we might not be in a position to get water from the Sasumua dam but in return, even if we do not get money, we can have an alternative source of water. Remember, there was a discussion in the last regime that we would be given, by the national government, the Malewa, Kinja, and Chania dams. That has only been a talk. So, let us confront this issue collectively and see what would come up from the Sasumua discussion.

Chairperson budget, raised an issue of timelines, that now we should be discussing, the other half-year report, Hon. Speaker, but it only depends with when it is forwarded and committed to the committee, and I do agree with him. In view of this, we beseech the receiver of revenue to make sure that the timelines are followed.

On the issue of the strategies, Hon. Speaker, over the years we have, as a committee, given alternative strategies, especially when the CECM comes here for budget pronouncements on revenue-raising measures, ranging from the recommendations that we made during the formulation of the Finance Bill. We have given more than enough strategies. It is now for the Finance Department to do the needful. Even the Chairperson of the Committee on Budget and Appropriations indicated about new streams in this financial year. In fact, in the current Finance Bill, milk cess has been incorporated and a number of new streams are included. We want to see how the same is being implemented.

Hon. Speaker, there are a number of notable policy gaps. You get to understand that we have a kind of an omnibus policy enshrined in Finance Act. However, if you go to other counties and other establishments, they have regulations for each and every (revenue) stream. Enforcement and compliance have been very easy and very effective for those streams with specific regulations and policies.

On the issue of tax education, we have indicated as much. I am talking of tax holidays and all those aspects that relate to taxation, Hon. Speaker.

We have solely relied on figures. Yes, it is good to understand that we can only do that when we are doing comparative analysis and hypothesis, Hon. Speaker.

The Member for Shamata, Hon. Reuben Gitau, alias Njamba, indicated that he has an issue with the cess. Yes, I do agree, and this has been brought about by the lack of proper enforcement. For instance, when we talk of farm produce cess, where are our cess points? Of late, Hon. Speaker, traders have tried as much as possible to get alternative routes to escape. However, we have recommended all the necessary measures to be put in place, ranging from surveillance to making sure that we have enough cess points. We should do proper mapping so that there can never again be an alternative route for those traders who want to evade tax.

Hon. Reuben Gitau wished that, in the next report, it is good that we indicate how much is spent towards revenue collection. Hon. Speaker, we will try as much as possible, but I wish to notify the Member that this is a very big scope, ranging from the human resource establishment in the department, the revenue collection system put in place, the issue of fuel management, the issue of the number of trucks involved, to the number of fuel allowances paid to the revenue officers. Nonetheless, in the next report, the same will be done.

Hon. Speaker, there is a very deliberate effort to deal especially with the issue of usage of vehicles. That is why, now, there is the formation of the fleet management system to make sure that we are not short of vehicles and to avoid scenarios where vehicles 'lie idle' in other departments yet they are county vehicles. We do not want to see a situation where a certain officer parks a vehicle for 12 hours, Hon. Speaker, whereas that vehicle would have, maybe, been used by enforcement officers in an attempt to minimize resources.

Another issue, Hon. Speaker, is about the shortage of human resource. Through the Committee on Public Service, Administration and Devolution, which is chaired by my good friend and a senior Member, Hon. Wambugu King'ori, and of which I happen to be a member, we indicated that there must be a very elaborate staff establishment. We agreed that skills audit should

be done in order to tell which department is understaffed and which is overstaffed. Following this, Hon. Speaker, re-designations would happen.

We recruit interns each and every year, and, I think, because of the service needs, interns could be another HR force, Hon. Speaker, that would be engaged through the Department of Finance, Economic Planning and ICT.

Hon. Speaker, Hon. Thinji Kiriga, raised an issue about the revenue collection system. Of late, we have been using the BSK system, which has been having a lot of breakdowns. That is why we have made a recommendation to that effect. In the last supplementary budget, this House, through the Committee on Budget and Appropriations, appropriated funds for procuring a new system that will entail a number of 'packages' including up-to-date data backup capability so we can have a viable revenue collection system.

In this financial year, in the budget estimates that will be approved before the night of 30th June, there is yet another Kshs. 10 million to cater for what is left as regards installation of the said system and other gadgets that will be used in revenue collection.

Hon. Speaker, with that, I want to appreciate all the fellow Members and beseech them to adopt this report with its recommendations and the amendments made for it to serve the purpose.

Finally, Hon. Speaker, I beg to move.

(Question put and agreed to)

Hon. Members, I had earlier on stated that, in regard to the progress report on the implementation status of physical and land use development plans for Mairo-Inya and Engineer Municipalities as well as the surveying of colonial dams in Nyandarua, I would give directions. I refer the matter back to the House Business Committee for deliberation and further directions.

Next order.

ADJOURNMENT

Hon. Members, there being no other business to transact during this sitting, I now adjourn the House to Wednesday, the 18th day of June 2025 at 9.30 am.

(The House rose at 4.37 pm)

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