

COUNTY ASSEMBLY OF NAKURU

THE HANSARD

Third Assembly (Second Session)

Wednesday 18th October 2023

Assembly Building

The House met at 3:25 PM

[The Speaker (Hon. Joel Karuri) In the Chair]

PRAYER

PETITION(S)

KIAMBOGO BLOCK 2/199

The Speaker (Hon. Joel Karuri): There is a Report of the Committee on Energy concerning a Petition by one Julius Amukanga seeking the County Assembly to intervene and stop the Excavation and Sand Mining at Kiambogo Block 2199. This status Report is to be laid by Hon. Rose Chepkoech, the Chairperson Committee on Environment, Energy, Water, and Natural Resources.

Hon. Rose Chepkoech: Thank you Mr. Speaker, I rise on the issue of the status Report of the Petition that was laid before this Honorable House on 22nd February 2023. And further committed to the Committee on Environment, Energy, Water, and Natural Resources.

Mr. Speaker, the Petitioner, Julius Amukanga, on behalf of residents Kiambogo- Kiambogo Block 2/199 in Nakuru East Ward sought the Assembly's intervention to stop Sand Mining in the said piece of land. The Petitioner had observed that the impending excavation would cause cracks in their houses as well as depreciating the land value in surrounding plots.

Mr. Speaker, the Committee while interrogating the matters raised in the Petition learned that the Land Owner had lost interest in selling his land to the Miners. Further, the Committee tried reaching the Petitioner through the contacts registered in the Petition to no avail. The Committee however, was able to launch communication with one Mr. Rufas Mwangi (Co-Petitioner) who informed the Committee that Mr. Julius Amukanga had left Nakuru East and was residing in

Western Kenya. The Committee has also reached the area MCA, Hon Anthony Kanyere who informed the Committee that the matter had been put to rest.

Mr. Speaker, the Committee has discussed the matter with the Petitioners and resolved that the Petition be withdrawn. The Committee is working on tentative dates to bring in the Petitioner and make a verbal withdrawal of the Petition.

Mr. Speaker, to this end, I hope that the House has been updated on the status of the Petition. Thank you.

The Speaker (Hon. Joel Karuri): Thank you Hon. Chairperson Committee on Energy, Environment, Water and Natural Resources.

Honorable Member for Nakuru East Ward, is he in the House to ascertain that the matter has been put to rest? If not, then the Honorable Chairperson has to follow up with the respective Committee Clerk to make sure that the Petitioner has formally withdrawn that Petition.

PAPER(S)

ATC FUND REGULATIONS 2023

The Speaker (Hon. Joel Karuri): There is a Paper to be laid by the Hon. Chairperson Committee on Agriculture.

Hon. Isabella Makori: Thank you Mr. Speaker. Under the provision of Section 116(1) of the Public Finance Management Act 2012, I beg to lay the Nakuru Agricultural Training Centre Fund (ATC) Regulations 2023. Thank you Mr. Speaker, I beg to lay.

The Speaker (Hon. Joel Karuri): Thank you Hon. Chairperson. The Regulations are properly laid before the House and I hereby commit the Regulations to the Committee on Assembly Rules and Delegated Legislation.

Chairperson? Vice Chairperson? Any Member of that Committee? Please take note and report that to the Chairperson, to pick up the matter and interrogate the Fund Regulations and have a Report to this House.

STATEMENT(S)

PLOTS IN MAIELLA WARD

The Speaker (Hon. Joel Karuri): There are requests for Statements and the first Honorable Member to request will be Hon. Jane Gituku. She is requesting a Statement from the Committee on Lands, Housing, and Physical Planning concerning the Allocation of Plots and Procedures of Repossession in Maiella Ward.

Hon. Jane Gituku: Thank you, Mr. Speaker, sir. I request to present this Statement to the Assembly.

Mr. Speaker, pursuant to Standing Order 47(2) C, I hereby request a Statement from the Chairperson of the Sectorial Committee on Lands, Housing, and Physical Planning concerning Allocation the of Plots and Procedures of Repossession in Maiella Ward.

Mr. Speaker, Section 12(8 and 9) of the Lands Act states that Public Land allocated under this Section shall not be Sold, Disposed of, Sub-Leased, or Subdivided unless it is developed for the purpose for which it was allocated. When the land allocated under Sub-Section 8 is not developed according to the terms and conditions stipulated in the Lease, that land shall automatically revert to the National or County Government as the case may be and the Commission shall include it in its annual Report the status of implementation of the Sub-Section.

Mr. Speaker, Maiella Ward has suffered Irregular and Illegal Allocation of land and this is a major component of all the plots as is in other areas in question in Nakuru County. The plots in question are major rhetoric as it is not one issue but a myriad of issues entrenched in Colonial Administrative methods and systems which lead to lack of transparency and abuse of offices in the self-interests of individuals pertaining to land.

Mr. Speaker, we have Moi Ndabi which is a settlement area in Maiella Ward and has plots in various places like Kipkonyo, Ndoro, and Sero among others whereby we have been having rampant land acquisition through illegal means which is commonly referred to as 'Land Grabbing'. Mr. Speaker, these practices are becoming rampant among the politically connected individuals and the elite segments of the society thus, 'Land Grabbing' in the Ward has unjustly benefitted Private Developers. We have one example where we have lost an ECDE plot of 1 acre to a Flower Farm by the name of Rainforest and they have constructed buildings for their private use while we are left with ECDE children who have nowhere to attend nurseries, and those who can are traveling for almost 3 Kilometers to access the nearest Nursery Facility.

Mr. Speaker, we have had several Petitions lodged against Private Developers since 1997 and the objection is on the mode of allocation of the land that they sit on. Therefore, there is a need for the County Government of Nakuru to urgently relook into and ascertain the process and circumstances surrounding the allocation of plots that we are going to mention here below that are in Maiella Ward.

Mr. Speaker, I therefore seek to request a Statement from the Chairperson Committee on Lands, Housing, and Physical Planning on the procedures of repossession of land and also on the following issues;

1. Who was involved in the allocation of plots at Kipkonyo, which is in Moi Ndabi where we have allottees holding ballots but they do not have Allotment Letters and therefore, they do not pay rates to the County Government, denying this County Revenue and they are not even reflected into our Sub-County Office Revenue System. When you go there to check for your Name, you do not get your Name yet these people have got ballots therefore, it is

not sure whether they are the owners of these plots and whether these plots belong to the County Government.

2. We want to know the Officers responsible for repossession and allocation of Plots allotted to individuals. We have a case in Sero where there are plots and we have Plot Numbers 94, 95 and 49 whereby individuals were allocated. They have a Beaconsing Certificate they were allocated these plots through the County Government back in 2013. They have receipts, and they have been paying rates but back in 2019, they only woke up one morning and realised that they are no longer reflected in the County System and instead of their names, other names had been included. Mr. Speaker, on following this matter with our Chief Officer for Lands, she wrote letters to the Revenue Department who also claimed that if these people feel that their plots have gone, they should go to Court.
3. We also have plots at Nduro, Numbers 34 and 35. Therefore Mr. Speaker, I am also seeking to understand the procedures used by the County Government of Nakuru to allocate the plots in question to new Allottees and the due procedures followed. For example, if a plot has been repossessed for various reasons, we need to be told how the notice of repossession is communicated to the older Allottees, how the New Allottee receives the Offer Letter, and we are supposed to be furnished with their Acceptance Note that the plots have changed hands. Mr. Speaker, you realise that when you follow this matter, the Revenue Receiver who happens to collect revenue from these plots is usually the person who is in charge of the Systems at the County Government and who is able to change names at will, depending on who approaches the Revenue Receiver.
4. We would like to understand how the ECD Plots in Nduro that belonged to the County Government were allocated to the flower farm by the name Rainforest and the motive behind this grabbing and allocating of this land to the flower farm.
5. The measure the County Government of Nakuru is putting in place to ensure grabbed plots in Maiella Ward are reclaimed and used for public use, if they were meant for public use, and in that case, we are mentioning this particular ECD plot.
6. The Measure the County Government is undertaking to protect its Allottees who have Late Payment Receipts but still lose their plots to New Allottees.
7. Measures that the County Government of Nakuru is putting in place to reduce cases of double allocation of plots within plots that are owned by the County Government.

Thank you Mr. Speaker, I wish to forward my Statement.

The Speaker (Hon. Joel Karuri): Thank you Hon. Member for Maiella Ward. The Chairperson Committee on Lands? Vice Chairperson? Member?

The Honorable Member for Turi, forward this Petition to the Chairperson for action and Report back to this House with a comprehensive response to that request.

There is another request for a Statement by Hon. Rose Njoroge, the Deputy Majority Leader from the Chairperson Committee on Early Childhood Education and Vocational Training concerning the Bursary Disbursement for the Financial Year 2022-2023 in Gilgil and Subukia Wards.

STATEMENT(S)

BURSARY DISBURSEMENT FOR FINANCIAL YEAR 2022-2023

Hon. Rose Njoroge: Thank you, Mr. Speaker, sir. Pursuant to Standing Order 47 (2) C, I hereby request a Statement from the Chairperson of the Sectorial Committee on Early Childhood Education and Vocational Training concerning the Bursary Disbursement for the Financial Year 2022-2023 in Gilgil and Subukia Wards.

Mr. Speaker, the 2001 Children's Act requires the Government to undertake all necessary steps to make available Free Education to every child. The County Government has actualised this through the award of Bursaries to needy students to enhance access to Education.

Mr. Speaker, Her Excellency the Governor issued Cheques to Bursary beneficiaries across the County on the 4th of April 2023 through Electronic Funds Transfer directly to the learning Institutions. However, it is important to note that some beneficiaries in Gilgil and Subukia Wards are yet to receive their Cheques hence inconveniencing most learners.

Mr. Speaker, an amount of Kshs. 500 000 and Kshs. 697 000 for Gilgil and Subukia Wards Bursary respectively was enhanced in the Supplementary II Budget of the year 2022-2023. However, to-date, the beneficiaries of the bursaries have not received their Cheques due to continued delay by the County Government to release these Funds. This has led to humiliation and disadvantaging of the needy students who had been targeted from the respective Wards.

Mr. Speaker, it is on this note that I seek to request for a Statement from the Chairperson for Committee on Early Childhood Education and Vocational Training on;

1. Status of the Bursary Enhancement amounting to Kshs. 500 000 and Kshs 697 000 for Gilgil and Subukia Wards respectively.
2. The plans the County Government is undertaking to unlock the stalemate in the release of the above Funds.

Thank you.

The Speaker (Hon. Joel Karuri): Thank you Hon. Member for Gilgil Ward. There is a request for a Statement from the Chairperson Select Committee on Implementation concerning the Implementation Status of Karai Fish Market Fence in Naivasha East Ward. The Statement is requested by Hon. Stanley Karanja.

STATEMENT

KARAI FISH MARKET FENCE

Hon. Rose Chepkoech: Thank you, Mr. Speaker, sir. I am standing on behalf of Hon. Stanley Karanja, MCA Naivasha East Ward.

Mr. Speaker, pursuant to Standing Order 47(2) C, I hereby request for a Statement from the Chairperson of the Select Committee on Implementation concerning the Implementation Status of Karai Fish Market in Naivasha East Ward.

Mr. Speaker, the Karai Fish Market Fence was programmed under Budget for 2019-2020 Phase 2. Mr. Speaker, it is worth noting that the fence is yet to be implemented hence the operationalisation of the Market has not been achieved within the required timeline. The continued delay in the implementation of the aforementioned project has denied the residents of Karai effective, and timely service delivery within the Market.

Mr. Speaker, the Implementation Committee is mandated to follow the implementation of all House Resolutions passed by the Assembly. The extent to which such operationalisation has taken place within the minimum time necessary.

Mr. Speaker, aware that the Budget is among several House Resolutions, the Committee on Implementation is mandated to ensure the Status Report of each. On its premise, I seek to request for a Statement from the Chairperson for the Committee on the Implementation of the following:

1. How much was allocated to the Fence and the current Implementation Status
2. The Contractor that was awarded the Project.
3. How much has been paid to the Contractor to date
4. Measures and Timelines the respective County Department has put in place to ensure the project is completed.

Thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you the Hon. Rose Chepkoech on behalf of the Hon. Stanley Karanja. This request for the Statement is committed to the Chairperson Committee on Implementation, the Hon. Member for Turi take note and respond to this House.

Earlier there was a request for a Statement by Hon. Rose Njoroge. That request for Statement has been committed to the Committee on Early Childhood, Education and Vocational Training. Chairperson? Vice-Chairperson? Take note and respond to that request. Next order.

MOTION

REPORT OF THE AUDITOR GENERAL

The Speaker (Hon. Joel Karuri): There is a Motion by Hon. Simon Kamau, Chairperson Committee on County Public Accounts and Investments.

Hon. Michael Njenga: Thank you Mr. Speaker. On behalf of the Chair and the Members of the Nakuru Committee on County Public Accounts and Investments, I beg to move the adoption of the Report of the Committee on the Report of the Auditor General on the Financial Statements of Naivasha Water and Sanitation Company Limited (NAIVAWASCO), for the year ended 30th June 2019.

Introduction

Mr. Speaker, the Public Accounts and Investments Committee is a Select Committee established under Standing Order No. 188 and is responsible for the examination of the working of Public Accounts and Investments.

1.1 Mandate of the Committee

Mr. Speaker, the Committee is mandated to: -

- a) Examine the Accounts showing the appropriation of the sum voted by the House to meet the Public Expenditure and of such other Accounts laid before the House as the Committee may think fit.
- b) Examine the Reports and Accounts of the Public Investments;
- c) Examine the Reports, if any, of the Auditor General on the Public Investments;
- d) Examine, in the context of the autonomy and efficiency of the Public Investments, whether the affairs of the Public Investments are being managed in accordance with sound Financial or Business Principles and Prudent Commercial Practices.

Mr. Speaker, the Committee comprises of thirteen Members.

Challenges Experienced by the Committee

- i) Members noted time and resources allocated to the Committee is too little in comparison to the work they are supposed to handle.
- ii) Tracking of the Implementation Status of previous PAIC Reports was difficult as Status Reports on Implementation were not available.

Committee's Objectives

Mr. Speaker, the Observations and Recommendations if taken into account and implemented will enhance Accountability, Effectiveness, Transparency, Efficiency, Prudent Investment, and Financial Management in Naivasha Water and Sanitation Company.

COUNTY WATER ENTITIES

1. Naivasha Water, Sewerage and Sanitation Company Limited
2. Nakuru Rural Water and Sanitation Company Limited
3. Nakuru Water and Sanitation Services Company Limited

Mr. Speaker, the Committee, after in-depth analysis, insights, and engagement with the Management of NAIWASCO Ltd, identified several key issues raised by the Auditor General which affected both directly and indirectly the performance of the Company during the year under review.

Mr. Speaker, the Company continued to suffer under the weight of Long-Standing Debts which stood uncollected. This resulted to a weak Financial Position hindering effective service delivery. Despite the Company providing a provision for Bad and Doubtful Debts of over Kshs 15 Million, over Kshs 70 Million of earned revenue remained uncollected during the year under review.

Mr. Speaker, Non-Revenue Water (NRW) was another problem facing the Company. The NRW stood at 31%; that is 6% more than what is allowed by the National Water Regulatory Body, WASREB. This refers to Water supplied but not billed due to burst pipes, dilapidated infrastructure, or theft of Meters. The resultant effect is that the Company could not realise enough revenue to effectively sustain its operations.

Mr. Speaker, the Committee appreciates efforts of the Company Management to improve performance by increasing metering and area of coverage which have improved revenue and service delivery. However, a lot needs to be done to realise the Company's key mandate of providing water to all residents in its area of operation.

Mr. Speaker, the Committee has proposed a number of recommendations in this Report which if implemented will go a long way in making the Company more effective in delivering services.

Other matters raised by the Auditor General and considered by the Committee are in this Report.

Unaccounted for Customer Deposit

- i) Mr. Speaker, the Committee observed that the Company Management was not able to ascertain the validity or and competence of the Customer Deposits of Kshs.9 636 559.
- ii) This has been a recurring issue over many years, and no credible solution has been provided by the Management.

Committee Recommendations

Mr. Speaker, the Committee recommended that:

- i) NAIVAWASCO Ltd Management should reconcile and explain the variance of Kshs. 5 456 311 and a Status Report be submitted to the Committee by 31st October 2023.
- ii) The Management should ensure that all Customer Deposits are supported by credible information of Customer Data for accountability.

Understatement of Payables

Mr. Speaker, the Committee observed that this is a recurring issue which has neither been reconciled nor resolved by the two Entities, which are, NAIVAWASCO Ltd and Rift Valley Water Works Agency.

Committee Recommendations

After careful deliberations and consideration of the issues raised by the Auditor General and the responses from the Company Management, the Committee recommended that:

- i) The Management of the two Entities, that is, NAIVAWASCO Ltd and Rift Valley Water Works Agency, should, as a matter of urgency, convene and resolve the matter with a view to get the true position of Trade Payables due to Rift Valley Water Works Ltd.
- ii) The Management of NAIVAWASCO Ltd should present a Status Report of the same to the Committee by 31st December 2023.

Lack of Provision for Bad Debts on Outstanding Receivables

Mr. Speaker, the Committee made the following observations:

- i) The uncollected amount of Kshs 76,433,084, which relates to 83% of the Receivables is a colossal sum of money which could jeopardise the daily operations of the Company.
- ii) The Credit-Control Mechanisms put in place were not effective enough to realise speedy recovery of debts.

Committee Recommendations

Mr. Speaker, the Committee recommended that:

- i) The Company Management should ensure that all debts inherited from the defunct Municipal Council were written off if Customers are not traceable.
- ii) Management should ensure that more efficient mechanisms for Debt Recovery are put in place and executed.

- iii) Management should explore the incorporation of an External qualified Debt Collector after carrying out a Cost-Benefit Analysis.

Budget Control and Performance

Mr. Speaker, the Committee made the following observations:

There was no significant correlation between the political environment and the Company's performance during the year under review.

Committee Recommendations

The Committee recommended that:

The Company Management should diversify its operations to cater for more individual Customers rather than relying mainly on industrial Customers to realise more revenue.

Unaccounted for Water

FINANCIAL YEAR	2017/18	2018/19	2019/20	2020/21	2021/22
NRW	36%	32%	31%	28%	26%

- i) Mr. Speaker, from the above data, the Management has reduced the Non-Revenue Water for the last 5 years from 36% to 26% which is a reduction of 10%.
- ii) The Company Management has done reasonably well to manage Non-Revenue Water problem.

Committee Recommendations

After careful deliberations and consideration of the issues raised by the Auditor General and the responses from the Company Management, the Committee recommends that:

- i) The Company Management should incorporate mechanisms to reduce physical losses through proactive patrolling for leaks, quick quality repairs, and daily detection of illegal water use including illegal connections, use of better-quality pipe materials, underground leak detection, and pressure management among many others.

- ii) Management should invest in Management Systems such as the Geographical Information System whose technology can guide quick real-time problem solving.
- iii) Heavy penalties for illegal connections and water meters theft must be administered as Stipulated by Law and Company Regulations.

Acknowledgement

Mr. Speaker, I take this opportunity to commend the Members of the Committee for their devotion and commitment to duty, which made the consideration of the Auditor General's Report on NAIWAWASCO Ltd successful. I also wish to thank the Offices of the Speaker and the Clerk to the Assembly for the support extended to the Committee in undertaking this important assignment.

Mr. Speaker, I wish to thank the Management of NAIWAWASCO Ltd who submitted written responses to the Report, and who appeared before the Committee to give further clarity to issues raised by the Auditor General. At this point, I would like to request Hon. Muraya to second.

The Speaker (Hon. Joel Karuri): Thank you. Hon. Muraya.

Hon. Joseph Muraya: Thank you Mr. Speaker. I want to first commend the Committee on Public Accounts and Investments for the good work. I wish to second the Motion and also to ask the Chairperson on Implementation to take up the matter because we need to salvage the Company.

The Speaker (Hon. Joel Karuri): What other instructions are you forwarding to ...?

Hon. Joseph Muraya: Not other instructions Mr. Speaker, I am just requesting the Chairperson because we have some recommendations and we need to see that whatever we have done is fully implemented. I was not giving any direction, I was just asking him as a Chairperson for Implementation to take up...

The Speaker (Hon. Joel Karuri): The Hon. Mwangi, you had the pleasant duty to second the Motion and now you proceeded to request. I thought your request could come during the debate. I get that you are praying, you are putting a request to the Committee and the Chairperson for Implementation to make sure that the recommendations are followed and achieved. What is the order the Hon. Chair? Use your microphone.

Hon. John Mwangi: I rise on Order No. 47 (2) (c).

The Speaker (Hon. Joel Karuri): what about it?

Hon. John Mwangi: Hon. Speaker, I rise on Standing Order 47 (2) (c), concerning a Statement that was requested by Hon. Joseph Muraya concerning the Implementation Status all House Resolutions since the inception of the County Assembly. The Statement was sorted on Wednesday, 4th of October, 2023.

Mr. Speaker, I wish to seek clarity from the Honorable Member who requested the Statement on the period, and timeliness under which the response should be based, noting that Resolutions dating back to the year 2014 are many and also unrealistic to compile a Report within the timelines directed by the Speaker, within a period of one month. Thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you. The Honorable Chairperson what you are communicating is that the Honorable Member for Viwandani, the Honorable Muraya narrows down to a specific Resolution or an Item. Is that what you are asking?

Hon. Joseph Muraya: Yes Mr. Speaker, and also the time frame should be extended because a period of one month is not enough to furnish this House with a Report from the year 2014. Unless we are being given maybe a period of six months.

The Speaker (Hon. Joel Karuri): You had proceeded very well the Honorable Chairperson for Implementation but now you have lost the House. What you had requested was that the Honorable Member of Viwandani narrows down to a specific House Resolution so that the Committee does not seem to be in some sort of fishing expedition throughout the lifetime of this House to get all those Reports. So the Honorable Member for Viwandani, did you have a specific area that you wanted to know how the Resolution was done or how do you want it to be?

Hon. Joseph Muraya: Thank you Mr. Speaker. I had not asked for period of time I had asked what the Committee on Implementation has been doing. Unless the Chair wants to tell us that the Implementation Committee was only formed during the year 2018/2019, or and he does not want to do his duty of furnishing the House with the Status because Mr. Speaker...

The Speaker (Hon. Joel Karuri): Honourable Chair, allow the Member to finish his concerns.

Hon. Joseph Muraya: Yes, because we have had many Reports and Motions that have come here since we entered this House and Mr. Speaker, there is nothing that has been done one year down the line.

Mr. Speaker, we had gone to Naivasha for example; we gave recommendations and the matter was committed to him by you Mr. Speaker. And since then, there is nothing that has been done

Mr. Speaker, I can narrow down my request to a one year Status of the Implementation *ambazo zimefanyika* and you just stick to the days that you gave the Chairperson to give us the Report. Let him not work so hard but rather give us the status of one year.

The Speaker (Hon. Joel Karuri): The Hon. Chair.

Hon. John Mwangi: Thank you Mr. Speaker for granting me this opportunity to give information. So Hon. Joseph Muraya, the Member for Viwandani, what I understand as a professional is that...

The Speaker (Hon. Joel Karuri): Honorable Chairperson address the Speaker so that there is no exchange between the floors.

Hon. John Mwangi: Mr. Speaker, what I understand according to the Statement that was requested, the Honorable Member requested the Committee to furnish him with the Implementation Status, Resolutions, and Reports...

Hon. Joseph Muraya: On a point of information. Mr. Speaker, I did not ask for the status to come to me. It is to the floor of this House. He is misleading the House...

The Speaker (Hon. Joel Karuri): Order! Order! Hon. Chair, finish your submissions then we make a ruling on the matter.

Hon. John Mwangi: Mr. Speaker the Honorable Member requested for a Statement, for the Committee on Implementation to furnish the House with the Implementation Status for all Resolutions, Reports Bills, and Petitions from 2014 to date.

The Speaker (Hon. Joel Karuri): What is it the Hon. Chairperson Committee on PAIC?

Hon. Simon Karanja: Mr. Speaker, I think the Honorable Member for Turi wants to mislead this House. There was a Statement that was sought by the Hon. Muraya and you gave a ruling and you gave the Honorable Chairperson for the Committee on Implementation a time frame to respond.

Mr. Speaker, Hon. Muraya was seeking the Implementation Status since inception of this County Assembly. But because we are dealing with a specific Report, I know that work is voluminous and the timeframe that you gave has not elapsed. So, it is like the Honorable Member for Turi wants to answer that Statement that was sought by the Hon. Muraya at this time when we are supposed to be discussing his Report. So, I would request the Hon. Muraya to confine himself, if he is requesting for a Statement for this particular time then let him ask for the Implementation Status of the Committee on Public Accounts so that we narrow ourselves down because if we continue this way, then we are not going to discuss anything in as far as this Report that is on the floor of the House is concerned.

That is my request Mr. Speaker, because the Member for Turi cannot answer all those requests that were put by Hon. Muraya at this time and the time that you gave us, as the time has not elapsed.

The Speaker (Hon. Joel Karuri): Thank you. The Hon. Member for Viwandani you said that you have reduced the time covered? That is since the inception of this term. Now you want to have the Implementation Report across all the Departments or do you have a special select Committee or all the Committees?

Hon. Joseph Muraya: I just want Reports of all Committees because I have given an example of a Report on the Committee on Health. So, all Reports since the Chairperson was elected as the Chairperson of Implementation when we were sworn in. So, all Reports that Mr. Speaker you have committed to him in the last year.

The Speaker (Hon. Joel Karuri): Any new information, already Hon. Muraya is making it easy for you; so, we want to believe that.

Hon. John Mwangi: I want to inform him something.

The Speaker (Hon. Joel Karuri): A new information?

Hon. John Mwangi: Yes. I want to inform the Honorable Member that the Committee should deal with Reports that are over six months. Some of the Reports are one month old and two weeks old, and therefore it is not possible to give a response for such Reports. Thank you.

The Speaker (Hon. Joel Karuri): Thank you Hon. Member, the Chair Committee on Implementation. Indeed, your Committee can only deal with matters that are six months since the Report was tabled. So, take note all the Reports that are six months old, you are going to table a Status Report, and an Implementation Report to this House within the same month, that should be easy work, that should not be voluminous work, and as you said earlier you needed six months or more than six months. That is agreeable.

Hon. John Mwangi: Yes.

The Speaker (Hon. Joel Karuri): Thank you. We have a Motion before the House and it has already been seconded and it is open for debate. Sorry for jumping the rope. The Motion is THAT this House adopts the Report of the Committee on County Public Accounts and Investments on the Auditor General on the Naivasha Water and Sanitation Company Limited for the Financial Year that ended 30th June 2019 that was laid on the table of the Assembly on Wednesday, 11th October 2023 during the Morning Sitting. The Motion is open for debate. The Hon. Member for Kiptagich.

Hon. Rose Chepkoech: Thank you Mr. Speaker, sir. I want to commend the good work done by Public Accounts and Investments Committee (PAIC). The Management of NAIVAWASCO Limited should present their status on 31st December to the House. We are waiting to hear of proper management of physical losses of water, use of quality pipes, underground leak-detection and pressure management that leads to a lot of water to be lost. The last one is heavy penalties for illegal connections and water meter theft. We know that there are many theft cases within water Management; this should be stipulated by law and company regulation, this will help end the menace. Thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you Member for Kiptagich. What you did not say is that you are in support of the Motion. Okay, the Hon. Member for London.

Hon. Bernard Gatuso: Thank you Mr. Speaker for giving me this opportunity. I want to commend the Committee chaired by our able Chairperson. I think NAIVAWASCO and other Water Companies have weaknesses in many areas. When there are water bursts in other places, they usually take long before they try to address water losses. Also, in terms of meter reading, to some extent there are variances and when they go around reading the meters they at times give exaggerated figures and to some extent they underestimate.

Mr. Speaker, I believe the Committee has done a good job and if all these recommendations are considered, the Water Company will be able to ensure that all the observations and recommendations in this Report are factored in and I believe they will minimise the losses and the Company will start flowing in terms of profits and ensuring services are delivered to our people. So, I am in support of the said Motion. Thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you. The Hon. Member for Turi and later the Hon. Member for Lakeview

Hon. John Mwangi: Thank you Mr. Speaker, I start by commending the good job that has been done by the Committee but also, I have gone through the Report and my area of concern is the Auditor's Report. Mr. Speaker, according to the Report, the Auditor gave a Qualified Report and usually, we say a Qualified Report is a Bad Report. And the reason behind that is, he was able to site Unaccounted Customer Deposits. Mr. Speaker, that means some of the money that was being received by the Company was never deposited into the Company's account and therefore when they were trying to prepare the Bank Reconciliation Statements, the Statement was not able to balance and therefore at the bottom, the Committee was able to recommend that they should work on the Unaccounted Customers' Deposits.

Also Mr. Speaker, Understatement of Account Payables or what we call Creditors, when you understate the Creditors, it is going to give a reflection on the financial position that the Company has Low Debtors' Levels and therefore gives a very bad picture of the Company whereby it is going to be portraying a positive picture while in reality, it is having a very bad impression. Therefore Mr. Speaker, my recommendation is that the Company should follow the recommendations that have already been stated by the Committee so that the Company can have a future, otherwise if the Company is not going to do that, it is not going to have a bright future. Otherwise, I support thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you. The Hon. Member for Lakeview.

Hon. Alex Mbugua: Thank you Mr. Speaker, let me start by also supporting before I have a Statement to give as the Member from Turi is being subjected to give on this floor. Water is very crucial and essential to human life. Today when we look at the wars that are happening in the Middle East mainly between Israel and Gaza, there is no water connectivity in one Country and the poor people are suffering because water is life.

Mr. Speaker, when I look at this Report, I look at the Rift Valley Water Works and you find that this Company used to provide Water before the defunct Municipalities, before even the promulgation of the Constitution of Kenya 2010. With the New Constitution, the Counties Devolved these functions and we have Water Companies working. It is very bad that these Companies though they cannot prove who owes these debts that run up to the 1990s, and 1980s. We have new developments within our estates, for instance, Naivasha, before this Rift Valley Water Works came, there were no estates such as Lakeview mainly Kayole and you find that today

we have such estates and burdening the people of this County and not just within Naivasha Mr. Speaker, to cater for the burden of the people and Companies that could not collect their debts during those times.

Mr. Speaker, it is not worth working because it will always derail the agenda of these Companies. We would request that these debts be written off and they do not appear any more within these Reports. When we do that, our people will get water. I also want to commend the NAIWASCO because of the personal commitment that they have made within the Naivasha region connectivity of the Sewerage System in that region and the availability of Management whenever we require them to tackle issues affecting the people. I house this major industry within Naivasha and I can say it is a performing Industry. Thank you Mr. Speaker, sir.

The Speaker (Hon. Joel Karuri): Thank you the Honorable Member for Lakeview. The Chairperson for PAIC following up on what the Honorable Member for Lakeview, he has supported a proposal that you put here that all the Bad Debts be written off.

Also, you are going to teach the House when a debt is considered bad and the process of writing it off so that we do not continue or maybe in the Report or in the Financial Books of a Company which is a Public Company, continuously appearing that these are debts, they are not liquid, they are Bad Debts. Inform the House when the process of dropping or saying that the debts which are also public money will be put off. Any other Member who wants to contribute before the Chairperson? The Vice Chairperson you wanted to comment on?

Hon. Michael Njenga: Thank you Mr. Speaker. I just want to comment on something that Hon. Mwangi, Chair Implementation Committee had said that the Auditor General gave NAIWASCO a qualified opinion meaning this Report is very bad. Mr. Speaker on the contrary, when it comes to Accounts, there are usually three Reports, an Unqualified Report means your Report had no issue at all then two there is a Qualified Report. A Qualified Report means that yes you have issues but there is no evidence that public money was used badly. Then Mr. Speaker, the last Bad Report is an Adverse Report. An Adverse Report is one that clearly states that public money was used in a way that is not supposed to be used. At that point, it does not come to the Committee for recommendations because at that point the Auditor General usually closes that Company or that Institution.

Mr. Speaker, on the matters on Bad Debts that the Committee is recommending to be written off, these debts stretch as far back as 90-120 days or above. Such debts usually recur from people who died and have never been collected or a Company that closed down and never came back to operational. Such debts cannot be written off from the Accounts of the Company and still cannot be collected. This is why we requested NAIWASCO in this case to give us a Status Report of every debt by 30th October this year so that we can also as a Committee before even writing off all of them, we can also as a Committee justify debts stretches, back that amount of time and which debts we are writing off and which debts are being left by the Company for them to collect within a certain time given by the Committee. Thank you Mr. Speaker.

The Speaker (Hon. Joel Karuri): Thank you. The Hon Chairperson

Hon. Simon Karanja: Mr. Speaker for today, my Vice was serving as the Chair. Today I was serving as a Member because I wanted to compliment what he has said and maybe I want to concur 100 percent with what my Chairperson has said and of course, after interrogating this Company, just to add one point, is that the Management of this Company seems to know what they are doing. And Mr. Speaker, seeing the Company that has reduced Non-Revenue Water from 36 percent to 26 percent which is only 1 percent short of what may be recommended by the WASREB, then it means that this Company is in the right direction.

Mr. Speaker, maybe adding on what Hon. Alex has said, it is good and it has been conferred by my Chair here that it is good that we do away with the Bad Debts so that from there, we can start holding those in Office accountable in case there is a loss of any other money as per the Auditor General's Report. Otherwise, they may be hiding behind that particular name "Bad Debt" but of course accrued for so many years. Mr. Speaker, if we write off the debts that have been recommended by the Vice Chairperson, if we do away with them, then maybe we hold those people responsible in case they misbehave as far as matters of NAIVAWASCO are concerned. Therefore, I stand to support this Report Mr. Speaker. Thank you.

The Speaker (Hon. Joel Karuri): Thank you, I now want to put it to question.

(Question put and agreed to)

ADJOURNMENT

Hon. Members, this House is adjourned to next week on Tuesday at 9.30 am

The House rose at 4.00 pm

