

Committee on County Public Accounts & Investments

L.A.I.S ON 21st Oct 2020
at 10:01 am by Hon
Benja Mwaighe
Vice Chairman PICA PAE
Serial No. / 019 *Proche.*

COUNTY GOVERNMENT OF TAITA TAVETA



COUNTY ASSEMBLY OF TAITA TAVETA

SECOND ASSEMBLY – THIRD SESSION

REPORT

OF THE

COUNTY PUBLIC ACCOUNTS AND INVESTMENTS COMMITTEE

ON

THE AUDITOR GENERAL'S REPORT

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF TAITA TAVETA

FOR

THE YEAR ENDED 30TH JUNE 2018

OCTOBER, 2020

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LIST OF ACRONYMS AND ABBREVIATIONS

PFM - Public Finance Management Act

MCA -Member of County Assembly

IPSAS- International Public Sector Accounting Standard

KRA – Kenya Revenue Authority

NHIF –National Hospital Insurance Fund

IFMIS- Integrated Financial Management Information System

CARA- County Allocation of Revenue Act

PREFACE

On behalf of the Members of the Select Committee on County Public Accounts and Investments and pursuant to the provisions of the County Assembly Standing Order No.182, it is my pleasure and duty to present to the House, the Committee's Report of the Auditor General on the Financial Statement of County Executive of Taita Taveta for the year ended 30th June 2018.

COMMITTEE MEMBERSHIP

The County Assembly Select Committee on Public Accounts and Investments comprises of the following Members: -

1. Hon. Anselm Mwadime, MCA- Chairperson
2. Hon. Bertina Mwaiseghe, MCA – V/Chairperson
3. Hon. Jason Tuja, MCA – Member
4. Hon. Ronald Sagurani, MCA – Member
5. Hon. Nobert Chanzu, MCA – Member
6. Hon. Daniel Nguzo, MCA – Member
7. Hon. Maria Chao, MCA – Member
8. Hon. Jones Solomon, MCA – Member
9. Hon. Martha Kenio, MCA-Member
10. Hon. Anthony Warighe, MCA –Member
11. Hon. Catherine Mwakiwiwi, MCA - Member

COMMITTEE'S MANDATE

The Committee on County Public Accounts and Investments is one of the Select Committees established pursuant to provisions of *Standing Order No. 188* tasked with the following responsibilities: -

- a) The examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit.
- b) The examination of the reports, accounts and workings of the county public investments;
- c) The examination, in the context of the autonomy and efficiency of the county public investments, whether the affairs of the county public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices:

Provided that the Committee shall not examine any of the following, namely:

- i. Matters of major County or National Government policy as distinct from business or commercial functions of the public investments;
- ii. Matters of day-to-day administration; and,
- iii. Matters for the consideration of which machinery is established by any special statute under which a particular county public investment is established.

BACKGROUND

Mr. Speaker, Sir,

The office of the Auditor General has the mandate to audit and report on the accounts of the National and County Governments under Article 229 of the Constitution of Kenya, 2010 and Public Audit Act, 2015.

It is in this regard that the Committee is privileged to table a report on the **Financial Statement of County Executive of Taita Taveta for the year ended 30th June 2018** following the tabling of the Auditor General Report for the period year ended 30th June 2018 in this Honorable house on 14th November, 2019.

COMMITTEE OBJECTIVES

Mr. Speaker, Sir, the Committee main objective in this report is purely:

- a) The examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit.
- b) The examination of the reports, accounts and workings of the County Public Investments;
- c) The examination, in the context of the autonomy and efficiency of the county public investments, whether the affairs of the county public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices.

METHODOLOGY

Mr. Speaker, Sir, in compilation of this report the Committee used the following methods to gather information:

1. Interviewing the key officers at the County Executive
2. Review of applicable legislations and Regulations
3. Examination of vouchers, cash books, Budget, bank statements, agreement documents, and other related records
4. Review of minutes of meetings especially where there are resolutions affecting management of cash.

ACKNOWLEDGEMENT

Mr. Speaker, Sir, I want to sincerely thank the Members of the Public Accounts and Investment Committee for their dedication throughout the period of compiling of this report, the office of the Speaker and the Clerk for their support and adequate facilitation not forgetting the Honourable Members for their valuable input.

Mr. Speaker, Sir, it is in this regard that I present before this Honourable house the report on the Financial Statement of County Executive for the year ended 30th June 2018.

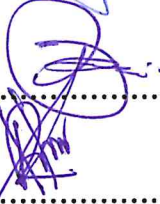
1. Hon. Anselm Mwadime, MCA- Chairperson


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2. Hon. Bertina Mwaiseghe, MCA – V/Chairperson


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3. Hon. Jason Tuja, MCA – Member


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4. Hon. Ronald Sagurani, MCA – Member


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5. Hon. Nobert Chanzu, MCA – Member


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6. Hon. Daniel Nguzo, MCA – Member


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7. Hon. Maria Chao, MCA – Member


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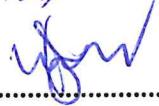
8. Hon. Jones Solomon, MCA – Member


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9. Hon. Martha Kenio, MCA-Member


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10. Hon. Anthony Warighe, MCA –Member


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11. Hon. Catherine Mwakiwiwi, MCA – Member


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EXECUTIVE SUMMARY

In the report the Auditor General issued an Adverse Opinion on the basis that the financial statements do not present fairly, the financial position of the County Executive of Taita Taveta as at 30th June 2018, and of its financial performance and its cash flows for the year ended in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the County Government Act 2012.

Based on the significance of the matters discussed in the basis of conclusion on lawfulness and effectiveness in the use of resources the auditor confirms based on the audit procedure performed that public resources have not been applied lawfully and in an effective way.

Further the records availed for audit review indicated that the County Executive had imprests totaling to Kshs. 3,518,893 which were outstanding for more than six (6) months, contrary to Section 93 (5) of the Public Finance Management (County Governments) Regulations, 2015. Further, financial statements balance of Kshs. 18,008,152 is at variance with the supporting schedule balance of Kshs. 18,715,938 by Kshs. 707,786 which has not been explained nor reconciled.

The Auditor revealed that the statement of receipts and payments for the year ended 30th June, 2018 reflects County Own generated receipts totaling to Kshs. 203,635,113 against a budget of Kshs. 398,465,509, resulting to a shortfall of Kshs. 194,830,396 or 49%. In addition, the County Executive has missed its revenue targets for the last (3) three years.

The Auditor noted that Kshs. 115,494,866 was in respect of basic wages paid to temporary employees. However, needs assessment report, advertisement of the positions, lists of those shortlisted and letters of appointment were not availed for audit review.

The Auditor further revealed that Kshs. 26,886,238 was in respect of plot rents. However, it was noted that County Executive of Taita Taveta uses old valuation roll inherited from the defunct Local Authorities. Further, the County Executive has not updated the valuation roll nor automated it to integrate it with the

County information system. Failure to update and automate the valuation roll may have resulted in poor revenue collection realized during the year ended 30th June, 2018.

GENERAL RECOMMENDATIONS

Mr. Speaker, Sir,

The Committee investigated and recommended on the following areas outlined by the Auditor General after thorough scrutiny of documents and interview with key officers:

- i. The management should operational all IFMIS modules and prepare financial statements for 2018-2019 as per the guidelines issued by the National treasury on preparation of financial statements and in accordance with the international public sector accounting standards (cash Basis) using the auto reconciled figures from the IFMIS generated reports.
- ii. The Financial statements were not amended as per the journal voucher no.11 for the auditor to review them before issuing final report as no proof of amended Financial Statements was submitted to the Office of the Auditor General.
- iii. The accounting officer should ensure all payment vouchers are fully supported with authentic supporting documents for relevant goods and services provided.
- iv. The County Executive should carry out baseline survey to establish the potentiality of County own source of revenue to ensure correct revenue forecast is made.
- v. The County Executive should put mechanism to ensure all revenue is collected, accounted and reported in accordance with the Constitution of Kenya, 2010 and Public Finance Management Act, 2012.
- vi. A forensic investigation should be conducted by the EACC with a view of establishing the ballooning wage bill especially for the casual and contracted staff and whether they are employed in accordance with the County Human Resource guidelines and Employment Act.
- vii. The Controller of Budget should give advisory on conflict between Section 25(1) (f) of the Public Finance Management (County Governments) Regulations, 2015 and County allocation of Revenue Act in allocating of entities resources.
- viii. The Accounting officer in charge should submit a report to the House on the status of County pro system stating the strategies on when the County will manage the system on its own and the possible steps taken to engage KRA as agent of county own source revenue enhance efficiency and effectiveness in revenue management.

Mr. Speaker, Sir,

The Committee investigated and recommended on the following areas outlined by the Auditor General after thorough scrutiny of documents and interview with key officers:

Basis for Adverse Opinion

1. Variances between Financial Statement and Integrated Financial Management Information System (IFMIS) Balances

The financial statements for the year ended 30 June 2018 reflect variances between the Financial Statements and Integrated Financial Management Information System amounting to Kshs. 5,351,727,279 as detailed below:

S/No	Components	Note	Figure as per Financial statements for 2017-2018(Ksh)	Figure as per IFMIS (Ksh)	Variance (Ksh)
	Receipts				
1	Exchequer Releases	1	3,895,800,000	-	3,895,800,000
2	Proceeds from Domestic and Foreign grants	2	102,437,473	-	102,437,473
3	Transfers from other Government Entities	3	231,883,738	-	231,883,738
4	County own generated receipts	9	203,635,113	-	203,635,113
	Total Receipts		4,433,756,324		4,433,756,324
	Payments				
5	Compensation of employees	11	2,080,083,939	2,077,357,035	2,726,904
6	Use of Goods and Services	12	829,427,834	665,113,745	164,314,089
7	Subsidies	13	-	334,500	(334,500)
8	Transfers to other Government units	14	739,212,158	136,271,930	602,940,228
9	Other grants and transfers	15	51,172,649	47,055,520	4,117,129
10	Social Security benefits	16	55,945,487	28,244,086	27,701,401
11	Acquisition of Assets	17	267,186,722	370,817,086	(103,630,364)
12	Other payments	20	8,268,750	(211,867,318)	220,136,068
	Total payments		4,031,297,539	3,113,326,584	917,970,955
	Grand total		8,465,053,863	3,113,326,584	5,351,727,279

The financial statements for the year ended 30th June, 2018 are not in agreement with the Integrated Financial Management Information System. Consequently, the accuracy of the financial statements presented for audit cannot be confirmed.

Management Response

During the period under review the Cash Management module, that facilitate in online bank reconciliations, in IFMIS had not been fully rolled out hence leading to variances in some revenue votes in the IFMIS system.

We also wish to note that other modules like Asset management module and Inventory modules that could assist in asset and stock management are yet to be rolled out.

However, we wish to report that the Cash Management module has been activated and the County Treasury is currently able to do auto reconciliations in IFMIS system. This was actualized after the National Treasury sent two (2) officers during the Month of February, 2019 to Taita Taveta County to provide technical assistance in the reconciliations of Financial Statements in IFMIS and resolving of variances.

Committee Findings

The Head of Treasury committed an offence for failing to keep proper records as per section 197(1) (l) as the financial statements are not in agreement with the Integrated Financial Management Information System with a variance of Kshs. 5,351,727,279. Hence the accuracy of the financial statements as at 30th June 2018 could not be confirmed.

Committee recommendation

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The management should operational all IFMIS modules and prepare financial statements for 2018-2019 as per the guidelines issued by the National treasury on preparation of financial statements and in accordance with the international public sector accounting standards (cash Basis) using the auto reconciled figures from the IFMIS generated reports.
- ii. The Accounting officer should ensure proper books of accounts are kept as required by law.

2. Cash and Cash Equivalents

2.1 Stale Cheques

The statement of assets and liabilities as at 30 June 2018 reflects a bank balance of Kshs. 554,726,120 as detailed in Note 21A to the financial statements. However, three (3) bank reconciliations had stale cheques totalling to Kshs. 331,043 as detailed below:

S/No	Bank Account Name	Bank Balance (Ksh)	Stale Cheques amount (Ksh)
1	Moi Voi sub County Hospital Account	5,108,239	268,688
2	Mwatate sub County Hospital Account	788,791	52,532
3	Public Service Board Account	3,282	9,823
	Total	5,900,312	331,043

No explanation was given for non-reversal of the stale cheques in the cash book. Consequently, the accuracy and completeness of the three (3) bank balances of Kshs. 5,900,313 as at 30 June 2018 could not be confirmed.

Management Response

The stale cheques have since been reversed, new ones issued and necessary amendments done in the cash book as per the attached bank reconciliation statements for the following Month of July, 2018, containing the bank reconciliation statement and cash book extracts indicating dates amended for further reference.

Committee Findings

- i. The management failed to reverse the stale cheques in the cash book as at 30th June 2018.
- ii. Proper books of accounts are not maintained as per the Public Finance Management Act 2012 Section 104(1) (j) as cash book and bank reconciliation were not updated as at 30th June 2018

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. Officers in charge of maintaining cash book and bank reconciliations for Moi Hospital Account, Mwatate Sub County Hospital Account and Public Service Board Accounts should be reprimanded for not keeping proper books of accounts as per Public Finance Management Act 2012.
- ii. The County Treasury should ensure all cheques issued have funds and should be presented within the stipulated period of time.
- iii. The Accounting Officer should ensure bank reconciliations are done and cash book updated as per Section 90 of Public Finance Management Regulation, 2015.

2.2 Wesu NHIF Account

The statement of assets and liabilities as at 30 June 2018 reflects a bank balance of Kshs. 554,726,120. Included in this balance is an account balance of Kshs. 1,912,400 in respect of Wesu NHIF Account. However, the supporting bank reconciliation statement reflects cash book balance of Kshs. 1,921,402 resulting to unreconciled nor explained variance of Kshs. 9,002.

Consequently, the accuracy and completeness of the three (3) bank balances of Kshs. 5,900,313 as at 30 June 2018 could not be confirmed.

Management Response

The error of Kshs. 9,000.50 resulted from transposition of figures and has since been rectified as per the attached journal voucher No. 10.

Committee Findings

The bank balance for Wesu NHIF Account as at 30th June 2018 was Kshs. 1,912,400 as confirmed by the management response is that, their bank reconciliation had a transposition error. Therefore, the accuracy and completeness of the three bank balances of ksh. 5,900,313 as at 30th June could not be confirmed.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that;

- i. The capacity of officers who are charged with the responsibility of financial preparation should be enhanced to reduce errors and all put mechanism for review before submission.
- ii. Any error made should be addressed in the management letter report and or the draft report with amendments to the financial statements before the final report is issued.
- iii. The Accounting Officer should ensure bank reconciliations are done and cash book updated as per Section 90 of Public Finance Management Regulation, 2015.

2.3 County Deposit Account

The statement of assets and liabilities as at 30 June 2018 reflects a bank balance of Kshs. 554,726,120. Included in this balance is an account balance of Kshs. 4,555,939 for County Deposit Account. However, the bank reconciliation statement reflects cash book balance of Kshs. 2,423,498 resulting to a variance of Kshs. 2,132,441 which has not been reconciled nor explained.

Consequently, the accuracy and completeness of County Deposit Account balance of Kshs. 4,555,939 as at 30 June 2018 could not be confirmed.

Management Response

The account balance as at 30th June, 2018 was Kshs. 2,555,939 and not Kshs. 4,555,939 as earlier stated.

The necessary journal entries have been passed to correct the anomaly, please see the attached Journal Voucher No 11, bank reconciliation statement as at 30th June, 2018 and bank statement.

Committee Findings

- i. The Financial statements were not amended as per the journal voucher no.11 for the auditor to review them before issuing final report as no proof of amended Financial Statements was submitted to the Office of the Auditor General.
- ii. The County deposit account bank reconciliation presented for audit review did not reconcile with the bank statement as at 30th June 2018.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The Accounting Officer should ensure bank reconciliations are done and cash book updated as Per Section 90 of Public Finance Management Regulation, 2015.
- ii. The Accounting Officer should comply with the provision of Section 90 of the PFM Regulation, 2015.

3. Outstanding Imprests

The statement of assets and liabilities as at 30 June 2018 reflects accounts receivable - outstanding imprest balance of Kshs. 18,008,152. However, records availed for audit review indicated that imprests totaling to Kshs. 3,518,893 were outstanding for more than six (6) months, contrary to Section 93 (5) of the Public Finance Management (County Governments) Regulations, 2015. Further, financial statements balance of Kshs. 18,008,152 is at variance with the supporting schedule balance of Kshs. 18,715,938 by Kshs. 707,786 which has not been explained nor reconciled.

In addition, the outstanding imprests balance of Kshs. 18,008,152 includes Kshs. 385,360, being multiple imprests issued to staff of the County Executive, contrary to Section 93 (4) of the Public Finance Management (County Governments) Regulations, 2015 which require accounting officers to ensure applicants have no outstanding imprests.

In the circumstances, the accuracy, propriety and validity of outstanding imprests balance of Kshs. 18,008,152 as at 30 June 2018 could not be ascertained.

Management Response

Most of the imprests outstanding for more than 6 months were standing imprests that were meant to be surrendered at the end of the financial year, despite some having been surrendered on time there were system challenges that delayed their clearance in the IFMIS system on time. We wish to report that all the imprests that were outstanding have been surrendered.

Additionally, the County Treasury in conjunction with the payroll office have been recovering outstanding imprests from any defaulting County officer (s).

Also systems and mechanisms have been put in place to ensure that staff do not take an additional imprest before surrender of previously issued advances. To this effect additional staff

have been deployed to Sub-County Treasuries to ensure that proper segregation of duties have been implemented and adequate verification is done before any imprest is captured in the system.

Additionally, the County Treasury have started charging interest on any overdue imprests to deter staff from failing to surrender imprests on time.

Committee Findings

- i. Imprest amounting to Kshs. 18,008,152 was still outstanding as at 30th June 2018
- ii. The management have started recovering long outstanding imprest through payroll deductions as evidence in the response.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The Accounting officers should ensure compliance with Section 91-93 of Public Finance Management Regulations, 2015 on management of imprest.
- ii. The amount should be recovered as advance as per Section 93(10) if any officer failed to surrender within the stipulated time as per Section 93(5) of the PFM Regulation, 2015

4. Unsupported Expenditure

The statement of receipts and payments for the year ended 30 June 2018 reflects total payments of Kshs. 4,031,297,539, out of which an amount of Kshs. 33,853,808 was not supported as detailed below:

No.	Department	Details	Amount (Ksh)	Observations	Response
1	Water & Irrigation	Travel & subsistence	2,695,500	The payment was not supported with work programmes and work tickets	<i>Work programmes, work tickets and project supervision reports are hereby attached for audit review.</i>
2	Trade & Community affairs	Travel & subsistence	1,720,101	The expenditure was not supported with signed schedules and work tickets	<i>Signed schedules and work tickets are hereby attached for audit verification.</i>
3	Trade & Community affairs	Un-accounted for fuel	3,646,100	The consumption of fuel was not supported with fuel register	<i>Fuel registers are hereby attached for audit review.</i>
4	Various departments	Routine maintenance of motor vehicles and other transport equipment	7,018,607	The expenditure was not recorded in motor vehicle log books and work tickets nor supported with engineer's pre and post mechanical inspection reports neither report of inspection and acceptance committee	<i>Supporting documents for the motor vehicles repairs are hereby attached for audit verification. Additionally, the county has gone further by starting the process of recruiting of its own mechanical engineers who will also be helping in doing the pre and post inspection, please see attached. This will also promote on efficiency and effectiveness in service delivery.</i>
5	Water & Irrigation	Accommodation, domestic travel and daily subsistence allowance	1,176,000	The allowances and travel expenses were paid to 14 County officials on inspection of unspecified water projects. Further, no work tickets and bus tickets showing how	<i>The payments were for inspection of Njukini Water Project Rehabilitation, Rekeke Water Project, etc. Work tickets and report on the exercise is hereby attached for audit verification.</i>

				they travelled were availed for audit review nor report on the activities availed for audit verification.	
6	Water & Irrigation	Supply of 12 laptops, DVDs, modems, flash disks and extension cables	1,165,200	Stores records did not indicate who received the 12 laptops nor to whom they were not availed for audit verification.	<i>A record (list) showing the staff who were issued with the laptops is hereby attached for audit verification.</i>
7	Various departments	Domestic travel and subsistence	16,432,300	The expenditure was not supported with annual activity plans, work tickets, bus tickets, meetings attendance registers nor invitation letters.	<i>Included in this amount is Kshs. 2,695,500 in respect to Travel and subsistence incurred under Water Department and Kshs. 13,736,800 for various departments whose supporting documentations are hereby attached for audit verification.</i>
	Total		33,853,808		

In the circumstances, the propriety of expenditure totalling Kshs. 33,853,808 for the year ended 30 June 2018 could not be confirmed.

Committee Findings

Expenditure worth ksh33,853,808 had scanty documentations therefore the committee could not also ascertain the propriety of the expenditure.

The expenditure amounting to ksh. 33,853,808 might be irregular

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The accounting officer should ensure all payment vouchers are fully supported with authentic supporting documents for relevant goods and services provided.

- ii. The County Treasury examination unit should be capacitated to ensure compliance with Public Finance Management Act, 2012 on use of public resource.
- iii. The accounting officer should ensure the office of the auditor general is furnished with all the required documentation during the audit review period as per the Public Audit Act, 2015.

Other Matter

1. Budgetary Control and Performance

1.1 Revenue Budget

The statement of receipts and payments for the year ended 30 June 2018 reflects County Own generated receipts totaling to Kshs. 203,635,113 against a budget of Kshs. 398,465,509, resulting to a shortfall of Kshs. 194,830,396 or 49%. The County Executive has missed its revenue targets for the last (3) three years, as shown below:

Item	2017/2018 (Ksh)	2016/2017 (Ksh)	2015/2016 (Ksh)
Budgeted own generated	398,465,509	355,389,656	35,351,618
Actual own generated receipts	203,635,113	165,992,249	197,351,618
Under collection	194,830,396	189,397,407	155,000,000
% under collection	49	53	44

The under collection indicates possible weakness in revenue management in such aspects as recording of revenue and enforcement of internal control systems. This situation is likely to negatively impact on service delivery and implementation of planned programs for the residents of Taita Taveta County.

Management Response

During the period under review there were numerous challenges that led to shortfall in revenue collection that include but not limited to, late passage of Finance Act by the County Assembly hence forcing the County to rely on the old 2014 Finance act, whose rates were lower. However, we wish to report that the new bill has since been passed and is currently in use. Also there was

a long electioneering period that drastically led to reduction in business activities that ultimately contributed to reduction in revenue collection.

Despite the above challenges, the County Government has developed strategies to enhance revenue collection and this includes use of pay bill numbers, introduction of new revenue streams and the recently procured weighbridges aimed at maximizing cess collection.

Additionally, the County has put in place stringent measures and other controls to ensure that all revenues are collected from all the rates and fees payers and this has yielded positive results as total revenue collected as at 30th April, 2019 stands at Kshs.251 Million against a target of Kshs.300 Million. It is worthy to note that the amount of local revenue so far collected, as at 30th April, 2019 surpasses the Total local revenue of Kshs.203 Million collected in the last financial year 2017/2018 by Kshs.48 Million and we expect the margin to increase once the financial year ends at 30th June, 2019.

We anticipate to collect the remaining Kshs.49 Million by 30th June, 2019.

Committee Findings

- i. Over budgeting on revenue
- ii. There was a slight improvement in County own source of revenue collection for the year 2017-2018 compared to 2016-2017 i.e. from ksh. 165,992,249 to ksh. 203,635,113 Despite under collection visa vi the budgeted amount.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The County Executive should carry out baseline survey to establish the potentiality of County own source of revenue to ensure correct revenue forecast is made.
- ii. The County Executive should put mechanism to ensure all revenue is collected, accounted and reported in accordance with the Constitution of Kenya, 2010 and Public Finance Management Act, 2012.

1.2 Expenditure Budget

During the year under review, the County Executive of Taita Taveta had a total budget of Kshs. 5,524,403,398, comprising recurrent vote of Kshs. 3,892,924,350 and development vote of Kshs. 1,631,479,048. Actual expenditure was Kshs. 4,031,297,539, resulting to net under absorption of Kshs. 1,493,105,859 or 27%— of the-budget as summarized below:

Vote	Approved budget for 2017/2018 (Ksh)	Actual expenditure for 2017/2018 (Ksh)	Under absorption (Ksh)	%
Recurrent	3,892,924,350	3,674,452,741	218,471,609	5.6
Development	1,631,479,048	356,844,798	1,274,634,205	78
Total	5,524,403,398	4,031,297,539	1,493,105,859	27

The overall under absorption of the approved budget of Kshs. 1,493,105,859 or 27% indicates that some development activities planned for the year were not under taken. This may have had a negative effect on delivery of goods and services to the residents of Taita Taveta County.

1.3 Recurrent Budget

During the year under review, the County Executive of Taita Taveta was allocated Kshs. 3,892,924,350 for recurrent expenditure against actual expenditure of Kshs. 3,674,452,741, resulting to net under expenditure of Kshs. 218,471,609 or 5.6% as detailed below:

Item	Approved budget for 2017/2018 (Ksh)	Actual expenditure for 2017/2018 (Ksh)	Under absorption (Ksh)	Over absorption (Ksh)	%
Compensation of employees	2,409,897,142	2,080,083,939	329,813,203	-	14
Use of goods and services	981,958,540	769,609,358	212,349,182	-	22
subsidies	375,000	-	375,000	-	10
Transfers to other government units	214,825,479	614,489,019	-	399,663,540	18.6
Other grants and transfers	51,054,138	46,022,649	5,031,489	-	10
Social security benefits	56,539,635	55,945,487	594,148	-	1
Acquisition of assets	105,250,321	100,033,540	5,216,781	-	5
Other payments	73,024,095	8,268,750	64,755,345	-	89
	3,892,924,350	3,674,452,741	618,135,148	399,663,540	5.6

The total under absorption of Kshs. 618,135,148 may have impacted negatively on delivery of goods and services to the residents of Taita Taveta County. Further, approval of the County Assembly of the over expenditure of Kshs. 399,663,540 was not availed for audit verification.

1.4 Development Budget

During the year under review, the County Executive of Taita Taveta was allocated Kshs. 1,631,479,048 for development expenditure against actual expenditure of Kshs. 356,844,798, resulting to under expenditure of Kshs. 1,274,634,250 or 78% as detailed below: -

Item	Approved budget for 2017/2018 (Ksh)	Actual expenditure for 2017/2018 (Ksh)	Under absorption (Ksh)	Over absorption (Ksh)
Use of goods and services	62,062,427	59,818,477	2,243,950	4
Transfers to other government units	416,201,247	124,723,139	262,822,893	68
Other grants and transfers	53,327,988	5,150,000	48,177,988	90
Acquisition of assets	1,233,465,963	167,153,182	1,066,312,781	86
Repayment of principal on domestic and foreign borrowing	13,000,000	-	13,000,000	100
Other payments	(146,578,577)	-	(146,578,577)	100
Total	1,631,479,048	356,844,798	1,274,634,250	78

The County Executive under absorbed development budget by Kshs. 1,274,634,250 or 78%. This means that some development projects planned for the year were not implemented as budgeted, thus negatively impacting delivery of goods and services to the residents of Taita Taveta County.

Management Response

During the period under review the under absorption in the development budget arose due to the long electioneering period that prompted delay of disbursement of development monies from exchequer.

Additionally, the County Government had formed a Task Force Committee and pending bill committee to verify all the on-going and completed projects and pending bills respectively and

this resulted to delayed execution of various development projects and suspension of payments for development expenditures hence resulting to the above under-expenditure as at 30th June, 2018. However, we wish to report that all projects are currently on course as evidenced by the attached projects status reports.

Additionally, we wish to report that the County Government of Taita Taveta did not overspend on its budget as all payments and commitments are done through the IFMIS system that does not allow any expenditure above the voted amounts. Out of the whole recurrent budget of Kshs. 3,892,924,350 Kshs. 218,471,609 was not spend.

The transfers of Kshs. 614,489,019 included Kshs. 534,861,129 which were transfers for the County Assembly of Taita Taveta, hence actual transfers in respect of County Executive is Kshs. 79,627,890.

Committee Findings

There was under absorption of Ksh. 1,493,105,859 or 27% of the budget which was not explained nor amount in question accounted for.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The Accounting officer should ensure strict compliance with the Public Finance Management Act 2012 on compliance with budgetary provisions any violation should be dealt with in accordance with the law.
- ii. Quarterly financial performance report should be reviewed by PAC after the budget committee to ensure continuous follow up on utilization of public resource in order to ascertain whether value for money was achieved for the programs and or project implemented in each quarter.
- iii. The County Executive should ensure compliance with County Allocation of Revenue Act (CARA) in allocating of resources to its entities.

2. Pending Bills

Other important disclosures no. 1 on page 33 to the financial statement for the year ended 30 June 2018 reflect a balance of pending accounts payable and pending staff payable balance of Kshs. 491,215,669 and 51,354,745 respectively, all totaling to Kshs. 542,570,414. However, Kshs. 251,436,927 in respect to pending accounts payable for department of youth and sports were omitted from the total pending accounts payable balance of Kshs. 542,570,414.

Further, the pending bills are as a result of non-adherence to Section 5.2.1 of the Government Financial Regulations and Procedures which provides that 'no expenditure for which there is no budgetary allocation may be incurred'. It is therefore apparent that the management did not confirm availability of funds before signing supply-contracts-with-the-third-parties.

Consequently, the validity, accuracy and authenticity of the pending bills amounting to Kshs. 542,570,414 for the year ended 30 June 2018 could not be ascertained.

Management response

The pending bill arose due to shortfall in revenue collection hence the County Government could not facilitate some of its bills when they fall due. Additionally, The National Treasury had commissioned a special audit to verify the list of pending bills as at 30th June, 2018 and the report on the same is yet to be submitted to the County Government for action.

Delay in disbursement of exchequer from the national treasury is yet another factor that led accumulation of pending bills during the period under review.

Youth and Sports pending bills was Kshs. 56,407,024 and not Ksh. 251,436,927 as earlier reported, we regret the error.

Committee Findings

The accounting officers in various departments failed to adhere to Section 5.2.1 of the Government Financial Regulations and Procedures which provides that 'no expenditure for which there is no budgetary allocation may be incurred'.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The County Treasury should provide to the County Assembly a payment plan of the correct audited pending bill as at 30th June 2018 within fourteen days after adoption of this report.
- ii. Any project undertaken without a budgetary provision should not be honored. Any violation should be dealt in accordance with the law.

3. Projects Status and Implementation

Review of projects implementation status report as at 30 June 2018 availed for audit revealed that projects valued at Kshs. 614,659,085 were contracted. However, only projects worth Kshs. 128,362,916 or 21% were implemented, resulting to projects valued at Kshs. 486,296,168 or 79% not implemented as detailed below:

Departments	Contracted Amount (Ksh)	Amount paid (Ksh)	Works outstanding (Ksh)
Education & Libraries	45,113,808	-	45,113,808
Livestock & Fisheries	4,276,743	1,660,760	2,615,983
Public Works	281,432,400	74,004,316	207,428,083
Trade	34,469,970	5,781,374	28,688,596
Water & Irrigation	249,366,163	46,916,466	202,449,696
Total	614,659,084	128,362,916	486,296,166

Failure to deliver projects on time means that service delivery to the county residents has been affected negatively. The implementation cost of the projects may escalate due to inflation. This is contrary to Section 149 (1) of the Public Finance and Management Act, 2012.

Consequently, the management was in breach of the Law and the development objectives of the planned projects may not be achieved.

Management response

The non-implemented projects during the period under review were due to; the prolonged electioneering period whereby monies for development delayed in disbursement hence the County could not implement most of projects in time, however most projects are now complete. Additionally, the delay in execution of projects was occasioned by verification exercise which was being undertaken by Taskforce and pending bills committee who were tasked with the responsibility of evaluating the projects and confirming the quality, status of completion and justification on any delayed or stalled projects when the new County Government came in place. The committee was also to evaluate the project costs and value for money in accordance with project delivery objectives.

Committee Findings

There is no mechanism to protect project implementation during transition period ie. project management policy.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The executive should formulate and operationalise project management policy within 3 months after adoption of this report.
- ii. Each department should be submitting the statutory quarterly report by 15th of each quarter to the County Assembly for review by the respective committee to ensure compliance with government regulations on project management.

4. Projects Verification

Note 17 to the financial statements for the year ended 30 June 2018 reflects a balance of Kshs. 159,653,169 in respect to construction and civil works. During projects verification in the month of November 2018, five projects valued at Kshs. 19,325,644 were verified and anomalies noted as detailed below:

No.	Department	Project details	Amount	Observations
1	Water	Jora rock water project-project to harvest water	1,315,644	Ksh. 1,315,644 was spent on the project and it does not harvest sufficient water for the residents and therefore value for money could not be confirmed.
2	Water	Rekeke water project	3,010,000	The project started in November 2016 and the contract price was 17,887,854. Total payments to date is Ksh. 3,010,000 was paid during the year under review. During the project audit inspection, the contractor was not on site and it is not clear when the project was to end as the expected completion date or duration of the

				contract was not indicated in the contract agreement.
3	Water	The Red Cross water project	14,000,000	This was a partnership project between the Kenya Red Cross and the County Government. The County Government has fully paid their share totalling to Ksh. 25 M, out of which Ksh. 14M was paid their March 2018. However, the Bill of Quantities and progress reports were not availed for audit review. The project was ongoing at the time of audit inspection.
4	Education	Construction of 2 classrooms and a kitchen at Mwanyambo Primary	500,000	The amount was for building an external kitchen which was not done.
5	Education	Construction of ECD classrooms, kitchen & water harvesting at Gimba Primary	500,000	The amount was for building an external kitchen which was not done.
	Total		19,325,644	

In the circumstances, the citizens of the County may not have received value for money on projects worth Kshs. 19,325,644 for the year ended 30 June 2018.

Management Response

No.	Department	Project details	Amount	Observations	Response
1	Water	Jora Rock water project – Project to harvest water	1,315,644	Kshs. 1,315,644 was spent on the project and it does not harvest sufficient water for the residents and therefore value for money could not be confirmed.	<i>Since this is a rock catchment, the quantity of water harvested is dependent on the amount of rain received at that area.</i>

					<p><i>The project uses a concept of an earth dam whereby water is harvested during rainy season in-order to be used over a given period of time during the season of dry spell. It is a simple and strategic intervention to ensure that water for domestic use and irrigation is available to the residents throughout the year. The catchment is currently full with water.</i></p>
2	Water	Rekeke water Project	3,010,000	<p>The project started in November 2016 and the contract price was 17,887,854. Total payments to date is Kshs. 9,589,249, out of which Kshs. 3,010,000 was paid during the year under review. During the project audit inspection, the contractor was not on site and it is not clear when the project was to end as the expected completion date or duration of the contract was not indicated in the contract agreement.</p>	<p><i>The project is at more than 90% completion and there is an interim payment the contractor is waiting to be paid so that he completes the project. The only pending item is purchase of booster pump and installation and connection of electricity.</i></p>
3.	Water	The Red Cross water project	14,000,000	<p>This was a partnership project between the Kenya Red Cross and the County Government. The County Government has fully paid their share</p>	<p><i>We wish to report that the project is now complete and is in use by the County Residents.</i></p>

				totaling to Kshs.25 million, out of which Kshs.14 million was paid in March 2018. However, the Bill of Quantities and progress reports were not availed for audit review. The project was ongoing at the time of audit inspection.	<i>Additionally, the bill of quantities and progress reports has been attached.</i>
4.	Education	Construction of 2 Classrooms and a kitchen at Mwanyambo Primary	500,000	The amount was for building an external kitchen which was not done.	<i>The delay was occasioned by an engagement which was ongoing between the Mwanyambo Primary School Committee and the Mwanyambo ECDE committee. The Committee had requested for extension of the existing kitchen within the compound instead of building a new one. Bill of Quantities for the changed scope has been developed and the contractor will soon complete the works as he is still on site.</i>
5.	Education	Construction of ECD Classroom, Kitchen & Water Harvesting at Gimba Primary	500,000	The amount was for building an external kitchen which was not done.	<i>We wish to report that the kitchen was completed and is currently in use by the ECD</i>
	Total		19,325,644		

Committee Findings

There was no value for money for projects worth ksh19,325,644 as at 30th June 2018 as BQs and other documentation were not availed for audit review and delay in execution of the project as per verification conducted.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

1) Water (Jora rock water project-project to harvest water)

The management should undertake proper feasibility study before embarking on such projects to avoid taking longer time during execution for it to achieve the required results.

11) Water (Rekeke Water Project)

The management should ensure the project is completed by installing the electricity so that the project can benefit the target community.

proper project management should be enhanced to ensure value for money is achieved.

III) Water (Red Cross water Projects)

i Proper project monitoring and evaluation should be enhanced.

ii Stakeholder involvement should be enhanced

iii Tavevo should ensure adequate resources are allocated for operation of the project.

IV) Education (Construction of 2 classroom & kitchen at Mwanyambo primary)

The management should carry out proper feasibility study and stakeholder's engagements and provide for adequate funding to avoid disagreements during implementation.

5. Compensation of Employees

Note 11 to the financial statements for the year ended 30 June 2018 reflects Kshs. 2,080,083,939 in respect of compensation of employees. Included in this amount is Kshs. 115,494,866 in respect of basic wages paid to temporary employees. However, needs assessment report, advertisement of the positions, lists of those shortlisted and letters of appointment were not availed for audit review.

In the circumstances, the propriety of Kshs. 115,494,866 on basic wages paid to temporary employees for the year ended 30 June 2018 could not be ascertained.

Management Response

We wish to report that the County Government of Taita Taveta has developed frameworks and guidelines on how contract and other temporary staffs are engaged.

The respective department's staff needs are usually send to the County Public Service Board through an indent specifying the vacancy, job description, academic qualification among other requirements to facilitate in advertisement, shortlisting, interviewing and subsequent appointment of the recruited staff.

During the year under review, the County Government of Taita Taveta recruited a total of two hundred and forty-nine staff (249) in various departments as summarized in appendix 12. Also attached are correspondences of various departments' indents indicating the vacancies, shortlisted staff, copies of appointment letters and County Public Service Board guidelines on recruitment of casuals and signed formal contracts for casuals for your further reference.

Committee Findings

Failure to avail needs assessment report, advertisement of the positions, lists of those shortlisted and letters of appointment for audit review means breach of the County Human resource guidelines and Employment Act.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. A forensic investigation should be conducted by the EACC with a view of establishing the ballooning wage bill especially for the casual and contracted staff and whether they are employed in accordance with the County Human Resource guidelines and Employment Act.
- ii. The County Executive should restructure its Human resource office with a view of improving its management of County Human Resource.
- iii. Disciplinary action should be taken for those found culpable for violating Human resource procedures in the management of County human resource.

Basis for Conclusion

1. Procurement of Air Tickets and Hotel Services

Note 12 to the financial statements for the year ended 30 June 2018 reflects use of goods and services figure of Kshs. 829,427,834. Included in this amount is Kshs. 7,465,169 of which anomalies were noted as detailed below:

No.	Item	Details	Amount (Ksh)	Comment/observations
1	Foreign travel and subsistence	Purchase of air tickets	1,906,436	Quotations to show how the services were procured and how award was done were not availed for audit review.
2	Hospitality supplies and services	Hire of tents and conference facilities	2,588,440	Quotations to show how the services were procured and how award was done were not availed for audit review.
3	Hospitality supplies and services	Payment for provision of hotel service	2,970,293	Quotations to show how the services were procured and how award was done were not availed for audit review.
	Total		7,465,169	

This is contrary to Section 105 of the Public Procurement and Asset Disposal Act, 2015 which states that 'a procuring entity may use a request for quotations from the register of suppliers for a procurement if the estimated value of the goods, works or non-consultancy services being procured is less than or equal to the prescribed maximum value for using requests for quotations as prescribed in Regulations.

Consequently, the County Executive is in breach of the law and the propriety of expenditure of Kshs. 7,465,169 for the year ended 30 June 2018 could not be ascertained.

Management Response

No.	Item	Details	Amount (Kshs.)	Comment/ Observations	Response
1.	Use of goods and services	Purchase of air ticket	1,906,436	Quotations to show how the services were procured were not availed for audit review	<i>We wish to confirm that the air tickets were sourced from suppliers in our prequalified list of suppliers. Additionally, the County</i>

					<p><i>Government of Taita Taveta have framework contracts with air ticketing agents for the provision of air tickets services whenever need arises. Please see the attached copies of signed framework contracts agreements and bid documents for further reference.</i></p>
2.	Use of goods and services	Hire of tents and conference facilities	2,588,440	Quotations to show how the services were procured were not availed for audit review	<p><i>We wish to confirm that tents and conference facilities were sourced from service providers in our prequalified list of suppliers and the County Government has signed frame work contracts with the service providers to facilitate in their engagement whenever need arises. Please see the attached copies of signed framework</i></p>

					<i>contracts agreements</i>
3.	Use of goods and services	Payment for provision of hotel service.	2,970,293	Quotations to show how the services were procured were not availed for audit review	<i>There were existing framework contracts for the provision of hotel services are hereby attached</i>
	Total		7,465,169		

Committee Findings

There was no proper documentation to support Procurement of Air Tickets and Hotel Services as reported by the auditor general.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

All foreign trips should be in compliance with National Treasury circular on austerity measures designed to add value to the money spent on foreign trips.

2. Failure to Prepare Revenue Annual Reports

The statement of receipts and payments for the year ended 30 June 2018 reflects County own generated receipts of Kshs. 203,635,113. However, the Receiver of Revenue for County Executive of Taita Taveta did not prepare the revenue reports and submit the accounts to the Auditor-General and other offices.

This is contrary to Section 165(3) of the Public Finance Management Act 2012.

In the circumstances, the County Executive is in breach of the Law.

Management Response

The report was not reported separately but was incorporated in the Annual Report and Financial Statements for the year ended 30th June, 2018 under note 1, 2,3 and 9 to the Financial Statements.

However, the Receiver of Revenue will submit subsequent revenue reports separately to the relevant institutions by the due dates.

Additionally, we wish to report that Own source revenue reports are prepared on Monthly basis and the same submitted to the management and County Departments for information and to note

on performance of various revenue streams. The report is also included in the quarterly reports usually submitted to the National Treasury, Controller of Budget and the County Assembly as per PFM Act, 2012.

Committee Findings

The Receiver of Revenue for County Executive of Taita Taveta did not prepare the revenue reports and submit the accounts to the Auditor-General and other offices as per Section 165(3) of the Public Finance Management Act 2012

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

The Receiver of Revenue should ensure compliance with section 165(3) of the Public Finance Management Act 2012 by preparing revenue reports as required.

3. County Assembly Budget

The summary statement of appropriation: recurrent and development combined for the year ended 30 June 2018 reflects revenue budget of Ksh. 5,524,403,398. Included in this amount is Ksh. 602,943,870 or 11% appropriated for the County Assembly of Taita Taveta, out of which Kshs. 534,861,129 or 12.06 % of the total receipts of Ksh. 4,433,756,324 was transferred to the County Assembly. This is contrary to Section 25(1) (f) of the Public Finance Management (County Governments) Regulations, 2015.

Consequently, the County Executive is in breach of the Law.

Management Response

Audit observation noted.

The County Government of Taita Taveta will strive to adhere to the set budgetary limits as prescribed by regulations.

Committee Findings

The Executive used CARA 2017 in allocating County Assembly its resources.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

The Controller of Budget should give advisory on conflict between Section 25(1) (f) of the Public Finance Management (County Governments) Regulations, 2015 and County allocation of Revenue Act in allocating of entities resources.

4. Fixed Assets Register

The financial statements for the year ended 30 June 2018 reflects acquisition of assets of Kshs. 267,186,722 as disclosed in Note 17 to the financial statements. However, the summary of fixed assets at annex 5 reflects a nil balance. Further, the County Executive does not have the assets tagged, dates and cost indicated. This is contrary to -Section 149(2) (0) of the Public Finance Management Act, 2012.

In the circumstances, the County Executive is in breach of the law and it may not be possible to ascertain the physical existence of County Executive's fixed assets.

Management Response

Fixed Assets additions as at 30th June, 2018 have been updated in the Asset register and asset tagging is ongoing whenever a new asset is acquired. Additionally, County Treasury has appointed a specific staff to be maintaining the asset register and entering records of all assets purchased by all the County Departments, please see the attached asset register and appointment letter for further reference.

Committee Findings

There was no comprehensive up-to-date asset register for the Executive as at 30th June 2018 and Assets were not tagged as per section 149(2)(0) of the PFM Act ,2012

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The Executive should submit a complete up-to-date asset Register with all asset tagged for all the devolved functions within one month after adoption of this report.
- ii. The accounting officer in charge of finance should take responsibility for not taking action to safeguard County Asset against unauthorized use in accordance with per the PFM Act, 2012.

5. Lack of Updated Valuation Roll

The statement of receipts and payments for the year ended 30 June 2018 reflects County own generated receipts of Kshs. 203,635,113. Included in this amount is Kshs. 26,886,238 in respect of plot rents as detailed in Note 9 to the financial statements. However, it was noted that County Executive of Taita Taveta uses old valuation roll inherited from the defunct Local Authorities. Further, the County Executive has not updated the valuation roll nor automated it to integrate it with the County information system.

Failure to update and automate the valuation roll may have resulted in poor revenue collection realized during the year ended 30th June, 2018.

Management Response

The County Government through the department of Lands and Natural Resources is currently in the process of updating the valuation roll with the assistance of experts from the National Government Ministry of Lands and Physical Planning. A draft report on the same is at final stages and it will be subjected to public participation as from July, 2019.

The County Valuation roll Progress Report as at 29th March, 2019 and other correspondences on the same further reference.

Committee Findings

There is no updated county valuation roll for use in charging land rates and plot rents.

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

- i. The County Executive should avail the approved valuation report to the County Assembly six months after the adoption of this report with Action plan to implement it.
- ii. The County Executive should give a detailed report on the current outstanding land rates within one month after adoption of this report.

2. Revenue Collection and Management System - County Pro

The County Executive entered into a consultancy contract to implement County pro (a revenue collection system) in December 2014 at a contract sum of Kshs. 27,999,320 and additional quarterly charge of 4% of revenue processed through the system for the contract period of three years. The County Treasury had accumulated contractual obligations fees amounting to Kshs. 15,325,573 as at 30 June 2018. The charge for the year under review was Kshs. 814,540. However, these revenue charges were not recorded, nor disclosed in these financial statements for the year ended 30 June 2018. Further, the system was withdrawn in unclear circumstances and County Executive resulted to manual revenue collection system, leading to low revenue collection and possible legal suits which have not been disclosed in these financial statements.

Management Response

The county has not withdrawn the County revenue collection system. The system is still in use save for the POS (Point of Sale Gadgets) which were used to collect field revenues, but set aside after they malfunctioned. The other modules which have the General bill module, Housing and Property rates are still in use to date.

The County has saved a lot of revenue leakages which were caused by the weakness in the POS and poor management of the gadgets as per the attached reports from Strathmore Research Company.

Additionally, the County requested the Information Communication Authority to undertake an independent audit on the system to identify loopholes that could be available and to recommend on its effective deployment. The Authority has since appointed two (2) officers to undertake the exercise and we expect to be concluded by 30th June, 2019.

Committee Findings

There is no phase up plan for the county pro system and replacement mechanism

Committee Recommendations

Mr. Speaker, Sir, this Committee therefore recommends that:

The Accounting officer in charge should submit a report to the House on the status of County pro system stating the strategies on when the County will manage the system on its own and the possible steps taken to engage KRA as agent of county own source revenue enhance efficiency and effectiveness in revenue management.

CONCLUSION

Mr. Speaker, Sir,

The Taita Taveta County Executive should address the anomalies noted in order to ensure effective delivery of services to the people of Taita Taveta County. Further, the Accounting officer should ensure strict compliance with the Constitution 2010, Government procedures and regulations to ensure public resources are only used for purposes for which they were intended.

Signature  Date 14-10-2020

Hon. Anselm Mwandime, MCA

Chairperson, Committee on Public Accounts and Investments

REFERENCES

1. The Financial Statement of County Executive of Taita Taveta for the year ended 30th June 2018
2. The Constitution of Kenya, 2010
3. The County Governments Act, 2012
4. The County Assembly of Taita Taveta Standing Orders
5. The Public Finance Management Act, 2012 and its regulation of 2015
6. The Public procurement and asset disposal Act 2015 and its regulation.
7. The Public Audit Act, 2015