



KERICHO COUNTY ASSEMBLY

THIRD ASSEMBLY

THE *AD-HOC* COMMITTEE REPORT

**REPORT OF THE *AD-HOC* COMMITTEE ON 'KAZI MTAANI' PROJECT
IMPLEMENTED BY THE LITEIN AND KERICHO**

27TH MARCH 2024

CLERK'S CHAMBERS

KERICHO COUNTY ASSEMBLY BUILDING

KERICHO.

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Abbreviations

Ag.	- Acting
BQ	- Bill of Quantities
CECM	- County Executive Committee Member
CO	- Chief Officer
CoK	- Constitution of Kenya
CPSB	- County Public Service Board
DCI	- Directorate of Criminal Investigation
FY	- Financial Year
GoK	- Government of Kenya
ICT	- Information Communication Technology
IFMIS	- Integrated Financial Management Information System
PFMA	- Public Finance Management (Amendment) Act
PPADA	- Public Procurement and Asset Disposal Act
RFQ	- Request for Quotations
SAA	- Serjeant – At – Arms

Definitions of Terms

Municipality can be defined as a city, town, village or other local government unit formed by a municipal charter. Municipality also means a primarily urban political unit having corporate and usually powers of self-government.

Contract period refers to the period between contract signing and the end of defects liability period.

Municipal Charter refers to the established principles of governance and management of urban areas and cities

Kazi Mtaani was a slogan used by the youth to refer to programmes undertaken by the Kericho and Litein Municipalities

Value for money refers to an undertaking by a procuring entity that results in a benefit accruing to that procuring entity defined in terms cost, price, quality, quantity, timelines and risk transfer (PPAD Regulations)

1.0 PREFACE

The Adhoc Committee was established through a communication from Hon. Speaker on Wednesday 21st February 2024 to inquire into *Kazi Mtaani* project implemented by the Litein and Kericho municipalities. This was occasioned by discrepancies contained in a report of a statement raised by Hon. Mathew Korir on 13th September 2023 to the committee on Lands Housing and Physical Planning, concerning the status of *Kazi Mtaani* project that was implemented by the Kericho and Litein Municipalities and scheduled for response on Wednesday 14th February 2024 morning session (*See annexure 1a statement by Hon. Mathew & 1b copy of communication by Hon. Speaker*).

1.1 Membership of the Committee

- i. Hon. Paul Bii – Chairman
- ii. Hon. Kiprotich Rogony – Vice Chairman
- iii. Hon. Julius Siele – Member
- iv. Hon. Hillary Bosuben - Member
- v. Hon. Anthony Rutto - Member
- vi. Hon. David Maritim – Member
- vii. Hon. Monica Chelangat – Member
- viii. Hon. Vincent Koskei – Member
- ix. Hon. Winnie Langat –Member

1.2 Secretariat to the Committee

- i. Abraham Langat –Deputy Clerk Administration
- ii. Lynne Chepngeno – Committee Clerk
- iii. Rose Mutai -Principal Clerk
- iv. Kibet Peter –Legal Officer
- v. Gladys Korir -Hansard Reporter
- vi. Justus Maritim - SAA
- vii. Rennis Chepngetich –Public Relations Officer
- viii. Korir Alfred - ICT Manager
- ix. Lucy Njeri - Welfare Officer

1.3 Mandate of the Committee

The mandate of the *ad-hoc* Committee was to investigate and report back to the assembly on the following issues;

- i. What is the name of the project undertaken by the two Municipal Boards?
- ii. What policy was being used to guide the said project?
- iii. How much was allocated for the said project?
- iv. What was the nature of the services to be provided under the project? Was it development or recurrent in nature?
- v. How long was the project to be done?
- vi. What was the procurement process used to identify the contractors for the said project?
- vii. Whether all the contractors and youth/labourers engaged have been paid?
- viii. The scope of works that was to be done by the contractors?
- ix. What criteria was used to allocate the different zones to various contractors?
- x. The Terms of engagement between the County Government, Municipal Boards, the contractors and the youth/labourers?

- xi. How did the contractors identify the youth/labourers to do the services?

1.4 Functions of Litein and Kericho Municipalities

The Municipality of Litein and Kericho shall, within the boundaries of the Municipality, perform the following functions as spelt out in the Litein and Kericho Municipal Charters:-

- (a) Promotion, regulation and provision of refuse collection and solid waste management services;
- (b) Promotion and provision of water and sanitation services and infrastructure (in areas within the Municipality not served by the Water and Sanitation Provider);
- (c) Construction and maintenance of urban roads and associated infrastructure;
- (d) Construction and maintenance of storm drainage and flood controls;
- (e) Construction and maintenance of walkways and other non-motorized transport infrastructure;
- (f) Construction and maintenance of recreational parks and green spaces;
- (g) Construction and maintenance of street lighting;
- (h) Construction, maintenance and regulation of traffic controls and parking facilities;
- (i) Construction and maintenance of municipal roads, bus stands and taxi stands;
- (j) Regulation of outdoor advertising;
- (k) Construction, maintenance and regulation of municipal infrastructure, markets and abattoirs;
- (l) Construction and maintenance of fire stations; provision of fire-fighting services, emergency preparedness and disaster management;
- (m) Promotion, regulation and provision of municipal sports and cultural activities;
- (n) Promotion, regulation and provision of animal control and welfare;

- (o) Development and enforcement of municipal plans and development controls;
- (p) Municipal administration services (including construction and maintenance of administrative offices);
- (q) Promoting and undertaking infrastructural development and services within municipality;
- (r) Any other functions as may be delegated by the County Executive Committee.

Observation

- That the Litein and Kericho Municipalities have similar functions as spelt out in their respective Municipal Charters as outlined above, 18 in number;
- The Litein and Kericho Municipalities while undertaking the *kazi mtaani* project were performing their functions as envisioned by the Urban Areas and Cities Act and other statutory instruments governing its operations.

2.0 LEGAL FRAMEWORK

The *Ad-hoc* Committee in its investigations and proceedings relied on the following pieces of legislation;

- i. Constitution of Kenya 2010;
- ii. County Government Act 2012;
- iii. The County Assembly Standing Orders;
- iv. Public Procurement and Asset Disposal Act, 2015;
- v. Urban areas and Cities(Amendment)Act 2019;
- vi. Public Finance Management (Amendment) Act 2023;
- vii. Public Procurement and Asset Disposal Regulations (revised

edition) 2020;

- viii. Kericho and Litein Municipal Charters;
- ix. The Public Service (Values and Principles) Act, 2015;
- x. The Public Audit Act, 2015;
- xi. The Public Officers Ethics Act, 2003;
- xii. The Leadership and Integrity Act, 2012;
- xiii. Access to Information Act, 2016; and
- xiv. Competition Act, 2012.

1. The Constitution of Kenya, 2010

Article 10 (1) under the national values and principles of governance in this Article binds all state organs, state officers, public officers and all persons whenever any of them:-

- (a) applies or interprets this constitution; or
- (b) enacts, applies or interprets any law; or
- (c) makes or implements public policy decisions

(2) The national values and principles of governance include-

(a) patriotism, national unity, sharing and devolution of power, the rule of law, democracy and participation of the people;

(b) human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalised;

(c) good governance, integrity, transparency and accountability; and

(d) sustainable development.

Article 35 on access to information stipulates that:-

- (1) Every citizen has the right of access to -
 - (a) information held by the State; and
 - (b) information held by another person and required for the exercise or protection of any right or fundamental freedom.
- (2) Every person has the right to the correction or deletion of untrue or misleading information that affects the person.
- (3) The State shall publish and publicise any important information affecting the nation

Article 73(2)(d) The guiding principles of leadership and integrity include accountability to the public for decisions and actions.

Article 75 Conduct of State officers

- (1) A State officer shall behave, whether in public and official life, in private life, or in association with other persons, in a manner that avoids—
 - (a) any conflict between personal interests and public or official duties;
 - (b) compromising any public or official interest in favour of a personal interest; or
 - (c) demeaning the office the officer holds.
- (2) A person who contravenes clause (1), or **Article 76, 77 or 78(2)**—
 - (a) shall be subject to the applicable disciplinary procedure for the relevant office; and
 - (b) may, in accordance with the disciplinary procedure referred to in paragraph (a), be dismissed or otherwise removed from office.

Article 195. (1) A county assembly or any of its Committees has power to summon any person to appear before it for the purpose of giving evidence or providing information.

(2) For the purposes of clause (1), an assembly has the same powers as the High Court to—

- (a) enforce the attendance of witnesses and examining them on oath, affirmation or otherwise;
- (b) compel the production of documents; and
- (c) issue a commission or request to examine witnesses abroad.

Article 232 (1) (e) to (f) The values and principles of public service include—

- (a) high standards of professional ethics;
- (b) efficient, effective and economic use of resources;
- (c) responsive, prompt, effective, impartial and equitable provision of services;
- (d) involvement of the people in the process of policy making;
- (e) accountability for administrative acts;
- (f) transparency and provision to the public of timely, accurate information.

2. Public Procurement and Asset Disposal Act

Section 57 (1) of the Act on list of registered suppliers stipulates that head of the procurement function of a procuring entity shall maintain and update lists of registered suppliers, contractors and consultants in the categories of goods, works or services according to its procurement needs.

(2) Submission of names shall be continuous and the registration list shall be updated periodically as prescribed in Regulations and in accordance with this Act.

Section 69 (2) No procurement approval shall be made to operate retrospectively to any date earlier than the date on which it is made except on procurements in response to an urgent need

Section 84 (1) on Professional opinion, the head of procurement function of procuring entity shall, alongside the report to the evaluation Committee as

secretariat comments, review the tender evaluation report and provide a signed professional opinion to the accounting officer on the procurement or asset disposal proceedings.

(2) The professional opinion under sub-section (1) may provide guidance on the procurement proceeding in the event of dissenting opinions between tender evaluation and award recommendations.

(3) In making a decision to award a tender, the accounting officer shall take into account the views of the head of procurement in the signed professional opinion referred to in subsection (1).

Section 177 on general penalty and sanctions stipulates that a person convicted of an offence under this Act for which no penalty is provided shall be liable upon conviction—

(a) if the person is a natural person, to a fine not exceeding four million shillings or to imprisonment for a term not exceeding ten years or to both;

(b) if the person is a body corporate, to a fine not exceeding ten million Shillings.

Regulation 23 of the Public Procurement & Asset Disposal Regulations 2020 read together with **Section 44(2)** and in accordance with **Section 44(2)(j)** of the **Public Procurement & Asset Disposal Act**, mandates the accounting officer among other responsibilities to ensure that procurement and asset disposal contracts are entered into lawfully and implemented accordingly.

Regulation 139. (1) of the **Public Procurement & Asset Disposal Regulations, 2020** sets out that a contractor shall satisfactorily perform its contractual obligations prior to any payment by a procuring entity

Standing Order 186 of the **County Assembly of Kericho Standing Orders** on Powers and Privileges of Committee provides that Committees shall enjoy and exercise all the powers and privileges bestowed on Assembly by the constitution and statute, including the power to summon witnesses, receive evidence and to request for and receive papers and documents from Government and the public.

Section 33(4) of the **Urban Areas and Cities Act** provides that where a board decides to contract a private entity for the delivery of services, it shall do so in accordance with the Public Procurement and Asset Disposal Act, 2020.

Section 44 (3) Urban Areas and Cities Act stipulates that no payment shall be made out of the funds of a board or town Committee unless it has been provided for in the approved annual or revised or supplementary estimates of expenditure and authorized by the board or town Committee.

Section 96 of the County Government Act on access to information provides that every Kenyan citizen shall on request have access to information held by any county government or any unit or department thereof or any other state organ in accordance with Article 35 of the Constitution.

Section 121 of the Public Finance Management (Amendment) Act of 2023 read together with Regulation 114 of the PFM (County Governments) Regulations 2015 stipulates that for the purposes of this Act, all procurement of goods and services and disposal of assets, required for the purposes of the county government or a county government entity are to be carried out in accordance with **Article 227** of the Constitution and the Public Procurement and Asset Disposal Act

Section 153 (2) of the Public Finance Management (Amendment) Act of 2023 outlines that an accounting officer for a County Government entity is responsible for the management of the entity's assets and liabilities and shall

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

Section 156 (4) (a) to (c) of the Public Finance Management (Amendment) Act of 2023 stipulates that if for the purposes of this section, a public officer or accounting officer engages in improper conduct if the officer—

- (a) contravenes or fails to comply with this Act or any regulation in force;
- (b) undermines any financial management procedures or controls;
- (c) makes or permits an expenditure that is unlawful or has not been properly authorised by the entity concerned.

Section 6(1) of the Public Service (Values and principles) Act, 2015 states that a public officer shall use public resources in an efficient, effective and economic manner.

Section 8(1) (a) of the said Act further provides that a public officer shall not give information that the public officer knows or ought to know to be inaccurate.

Section 9(1) also states that every public officer shall be accountable for his or her administrative acts.

Section 8 of the Public Audit Act, 2015 outlines that the Auditor-General may examine the public procurement and asset disposal process of a state organ or a public entity with a view to confirm as to whether procurements were done lawfully and in an effective way.

Section 8 of the Public Officers Ethics Act stipulates that a public officer shall, to the best of his ability, carry out his duties and ensure that the services he provides are provided efficiently and honestly.

Section 9(1)(a) of the said Act further states that a public officer shall carry out his duties in a way that maintains public confidence in the integrity of his office.

Also, **Section 10(1)** of the same Act provides that a public officer shall carry out his duties in accordance with the law.

Again, **Section 19** further provides that a public officer shall not knowingly give false or misleading information to members of the public or to any other public officer.

Section 4(1) of the **Access to Information Act** provides that subject to this Act and any other written law, every citizen has the right of access to information held by the State; and another person and where that information is required for the exercise or protection of any right or fundamental freedom.

Section 21 (3)(f) of the **Competition Act** provides that without prejudice to the generality of the provisions of subsection (1), that subsection applies in particular to any agreement, decision or concerted practice which applies dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage.

Section 56 and **Section 57 (1) (a)** of the same Act states that it shall be an offence for a person, in trade in connection with the supply or possible supply of goods or services to another person, to engage in conduct that is, in all the circumstances, unconscionable.

3.0 COMMITTEE METHODOLOGY AND STRATEGY

The *Ad-hoc* Committee on *Kazi Mtaani* used the following methodologies to deliver its mandate:

- i. *Ad-hoc* Committee meetings;
- ii. Desktop research which includes retrieving documents used on the *Kazi Mtaani* projects from the witnesses;

- iii. Interviewing key witnesses on the *Kazi Mtaani* project;
- iv. Analysis of evidence adduced before the *Ad-hoc* Committee;
- v. Report writing.

4.0 COMMITTEE PROCEEDINGS, HEARINGS AND SUBMISSIONS FROM KAZI MTAANI WITNESSES

The *Ad-hoc* Committee held its first meeting on 22nd February 2024, drew a programme and scheduled witnesses to appear before it for interrogation. The main focus was on the terms of reference and any other information on *Kazi Mtaani* project as required by the Committee. The Committee interviewed the following witnesses and their responses were as follows:-

4.1 The County Executive Committee Member Incharge of Finance and Economic Planning

The CECM Finance and Economic Planning appeared before the Committee on 1st of March, 2024 to shed light on the *Kazi Mtaani* project. The CECM informed the Committee on the capital grants for Kericho and Litein Municipalities of kshs 5 million each in the FY 2022/2023 and that kshs 4M and kshs 2.5 million were allocated to Kericho and Litein municipalities in supplementary budget 1 2022/2023 respectively. The recurrent expenditures for the municipalities were kshs 8 million each in FY 2022/2023 which was subsequently reduced by kshs 1 million each in the supplementary budget 1.

In the FY 2023/2024, Kericho Municipality got an allocation of kshs 37 million and Litein was allocated kshs 8 million in development. The department of finance has disbursed kshs 18.5 million and kshs 4.0 million for Kericho and Litein municipalities respectively for FY 2023/2024.

The CECM further informed the Committee that their role as finance is to support all the departments by seconding accountants to the municipalities like other departments and that the accountants report directly to the accounting officers of the respective departments.

On the value for money aspect of *Kazi Mtaani* project, the CECM was categorical that the project had value for money in the short term but not viable in the long term. The CECM concluded that such programmes may be operated by an equivalent of a youth service whose policy is at the formulation stage.

4.2 The County Executive Committee Member in-charge of Lands, Housing, Physical Planning and Settlement

The CECM Lands Housing and Physical Planning appeared on 1st March, 2024 to make clarification on the *Kazi Mtaani*. The CECM informed the Committee that the project was not called *Kazi Mtaani* but the name was a slogan given to the project by youths who undertook the exercise. The CECM clarified that the project initially targeted youths only and was to be operationalized in areas within the municipalities of Kericho and Litein.

The *Kazi Mtaani* project initially intended to engage 120 youths for Kericho and 70 youths for Litein but when zones were expanded the number increased from 190 to 500. The *Kazi Mtaani* project was executed by way of contracts because there was no policy in place.

The CECM acknowledged the lack of policy on the *Kazi Mtaani* project and thus the decision to use contractual services as a way of executing its intended objective.

The *Kazi Mtaani* project did not entail garbage collection only but included other works such as unblocking of drainages, beautification, street cleaning and bush clearing along the roads.

The CECM informed the Committee that the municipalities procured the companies that did *Kazi Mtaani* because of its semi-autonomy and that there was delay in the payment of the contractors thus affecting the pay to the youths engaged.

On the pending claims by youth from Brooke area, of kshs 4500 per

youth, of 19 days from Kapkelek area and of 13 days from an anonymous person, the CECM Lands could not substantiate. However, the CECM informed the Committee that the municipal managers gave assurance that all the youth had been paid.

The CECM clarified that the signatories of the Municipal Board accounts are the Municipal Managers and the Chief Officer Lands, Housing and Physical Planning who are solely responsible for any expenditures in the two municipality accounts.

Additionally, the CECM told the Committee that there was a pending bill of **Kshs 2,757,349** in the Kericho municipality owing to exceeding half year limit requisitions. The CECM closed his remarks by requesting the Committee to consider allocating the revenue collection task to the department of Lands through municipalities.

4.3 Chief Officer Lands, Housing and Physical Planning

The Chief Officer informed the Committee that Kericho population comprises of 50 % youths out of whom 80% are unemployed. The CO alluded to the Committee that the *Kazi Mtaani* project was meant to address the issue of unemployment among the youths in the County.

The CO told the Committee that Kericho County has two gazetted Municipalities that is Kericho and Litein that are independent and that 4 members of the municipal boards are competitively sourced. The CO Lands Housing and Physical Planning is a member of the two municipal boards and that the municipalities have been given 18 functions though not transferred. The CO further informed the Committee that her role is to approve the transfer of functions to the municipalities.

The CO Lands claimed that the *Kazi Mtaani* was a matter approved by the County Executive Committee for implementation and that the Lands department has developed a draft Kericho County Youth Service and women

empowerment policy. The draft policy is expected to address the challenges faced in the implementation of the *Kazi Mtaani* project.

The CO clarified that garbage collection is done by Kericho municipality while in Litein Municipality the department of Environment collects garbage citing inability of the Litein municipality to perform the garbage collection function.

The CO further told the Committee that the contractors of *Kazi Mtaani* were sourced competitively and that the payment schedules for the youths engaged would be provided by the Municipal Managers.

The rate of waste generation in places such as Nyagacho caused the need to engage more youth and hence increased the budget. The CO further informed the Committee that contractors made payments to the youths through mobile platforms and that the amount paid to the youths was as per the labor laws and SRC circulars capping the minimum wage.

The CO further said that the project achieved the intention of empowering 500 youths as success stories was shared by the youths through phone calls and other youths came to the office to appreciate. In Kericho municipality, garbage collection was handed over by the County Executive Committee to the municipality.

On the question of some youths who have not been paid, the CO responded that the youths might have given out phone numbers of their kins which caused them not to receive the money, hence the complaints.

The CO further suggested that in future there is need to have a policy to guide such projects in the entire County.

4.4 Ag. Litein Municipal manager

Mr. Isaac Biegon Bosuben, Ag. Litein municipal manager appeared before the *ad-hoc* Committee on 4th March, 2024 to give an account of what transpired in the *Kazi Mtaani* project.

The Ag. Municipal Manager informed the Committee that the Litein *Kazi Mtaani* project targeted 70 youths but later the number ballooned and the project expanded to new zones outside the municipality as approved by the Litein Municipal Board.

The *Kazi Mtaani* project was done in phases by 6 contracted companies who engaged casuals and the supervisors to undertake the *Kazi Mtaani* project.

The Committee concluded by challenging the Ag. Municipal manager Litein to supply the following documents with respect to *Kazi Mtaani* project:

- a. Minutes of the municipal boards authorizing the *Kazi Mtaani* project;
- b. List of companies that applied for the *Kazi Mtaani* project;
- c. Payment vouchers for *Kazi Mtaani* project;
- d. Lists of youths or any other person engaged on *Kazi Mtaani*;
- e. Work schedules for the *Kazi Mtaani* Project; and
- f. List of supervisors of the *Kazi Mtaani* project

4.5 Kericho municipal manager

The Kericho Municipal Manager, Mr. Joseph Rotich Siten appeared before the *Ad-hoc* Committee on 4th March, 2024. The manager informed the Committee that the project was done in the period between 14th February and 30th June, 2023.

The Municipal Manager told the Committee that Kapkelek and Ainamoi areas were added as a result of request by the local leaders who included opinion leaders. The Manager clarified that the *Kazi Mtaani* project for Kericho Municipality utilized a total of kshs 27.5 million out of 37 million budgeted for development in the Municipality.

The municipal manager informed the Committee that the payment vouchers of the *Kazi Mtaani* contracts are with the office of the Auditor General, Nakuru and that the list of youths engaged are with the contractors despite having been paid.

The department of Lands has transferred the garbage collection function to the Kericho municipality for one and half months now and that the Kericho municipality collects garbage using 3 tippers lorries and 2 tractors at Kericho town.

The Manager requested the Committee to consider petitioning relevant departments to transfer payroll of the seconded staff and transfer of funds whose functions is being done by the municipalities.

The functions sought to be done by the municipalities include development controls in town, feeder road maintenance, regulation of public transport, sewerage systems, sanitation and garbage collections among others.

The municipality was initiated according to Urban Areas and Cities Act 2019 and its roles is the same as those of the County Government despite the fact that the municipality has no resources.

The manager informed the Committee that they have 10 members of staff, 22 garbage collectors and one environment officer. The municipal manager said that the Kericho Municipality has a pending bill of Kshs 2,757,349 and further confirmed that all the youths were paid for the *Kazi Mtaani* project.

On the issue of the supervisors of the *Kazi Mtaani* project, the Manager informed the Committee that the supervisors were engaged by the contractors and that a total of 9 contractors were engaged to undertake the *Kazi Mtaani* project in Kericho.

The Kericho Municipality has 18 functions but underfunded and there is need to hand over the roles from the executive departments. On the autonomy of the Municipalities, the Manager responded that it should be fully autonomous like Nakuru and Garissa among others. The Manager further told the Committee that the Kericho Municipality is now undertaking organization and coordination of public transport in Kericho town which is an achievement.

4.5 Senior Supply Chain Officer

Mr. Reuben Kipyegon Langat, a senior supply chain officer appeared before the Committee on 5th March, 2024 to shed light on the procurement procedures and regulations adopted in the *Kazi Mtaani* project.

The supply chain officer informed the Committee that the tender term for *Kazi Mtaani* project was ***provision of cleaning services and unblocking of drainages***. The procurement officer further clarified that he received 3 to 4 requisitions in the month of March for the *Kazi Mtaani* project which was tendered through request for quotation upon confirmation of the availability of funds by the Municipal Manager.

Mr. Langat informed the Committee that he was seconded to the municipality on the 7th February, 2024 having worked previously in the lands docket. He further informed the Committee that once the tendering process was concluded, tender opening minutes and tender evaluation minutes were forwarded to the County Head of Supply Chain for professional opinion.

The senior procurement officer informed the Committee that the *Kazi Mtaani* project commenced in January, 2023 and a total of 15 companies signed contracts with the municipalities, 6 companies were engaged in Litein municipality and 9 companies were engaged in Kericho Municipality.

On the question of whether due diligence was done on the companies engaged, the supply chain officer responded that the right prequalification was conducted.

4.6 Director Eagleris Company Limited and Rihisa Enterprises Limited

The director appeared before the *Ad-hoc* Committee on 18th March 2024 to represent Eagleris Company Limited and Rihisa Enterprises Limited. In his submissions he informed the Committee that he is the sole director of the Eagleris Company Limited and Rihisa Enterprises Limited.

Rihisa Enterprises Limited

Rihisa Enterprises Limited was awarded works at Deslink area, Kapsoit Polytechnic, Brooke Centre, Kapsuser and Kwa Michael to undertake drainage works and bush clearing. Rihisa was contracted on 5th May 2023 for a period of 26 days. When challenged on the number of days on the BQ, the contractor could not explain nor could provide a copy of BQ and further claimed that the department has the BQs. A total of kshs 2,529,456.02 was paid to Rihisa Enterprises Limited for works done. The youths engaged by Rihisa Company Limited were 95.

Eagleris Company Limited

Eagleris Company Limited was awarded works at Nyagacho, Kula Poa, Saramek, Mortgage, Kwa Kimutai areas to undertake street cleaning, bush clearing and drainage works for a period of 26 days in the month of June, 2023 and a further 13 days in the month of July, 2023 which totals to 39 days.

The contract between the Municipality and Eagleris was signed in the month June 2023 and the youths engaged were 82 and payment of the youth was via Mpesa and the contract sum was kshs 2,890,272.

Youth/Laborers/Women representatives

Two (2) men and eight (8) women appeared before the Committee on 18th March, 2024 at noon to give an account of the *Kazi Mtaani* and shared their experiences. In their submissions, they informed the committee that they did works in the assigned zones of Majengo, Nyagacho and Stadium for a period of 5 months i.e. February to July 2023. The remuneration was kshs 10,400 per month instead of kshs 12,000 as pronounced by H.E. the Governor, Kericho County. They further informed the committee that they were being paid through Mpesa agents one at AP Line, Tengecha lane and payments by one 'Arunah'. They further claimed that each has a balance of 9 days of kshs 3600.

5.0 RESPONSES TO THE TERMS OF REFERENCE

The Committee examined key witnesses, probed various documents and deduced the following responses to the terms of references as mandated by the house:-

5.1 What is the name of the project undertaken by the two Municipal Boards?

The name ‘*Kazi Mtaani*’ was a slogan coined by the youths after the project was launched by H.E. the Governor on 14th February 2023. However, the specific name of the project as per the tender documents was *provision of cleaning services, unblocking drainages and bush clearing* across Kericho and Litein municipalities.

Observation

That the project undertaken by the Municipalities was known as provisions of street cleaning services, unblocking of drainage and bush clearing with a coined name *Kazi Mtaani*/equalizer youth empowerment programme;

5.2 What Policy was being used to guide the said project?

The Committee established that the *Kazi Mtaani* project did not have a policy to guide its implementation. The municipalities opted to do the *Kazi Mtaani* task by way of Request for Quotation and thus sourced for the prequalified list of suppliers for maintenance of sewerage system and cleaning of lagoons from the County procurement unit (*See Annexure 2 copy of list of prequalified suppliers*).

Observation

That there was no policy in place to guide the implementation of the *Kazi Mtaani* Project. However, the Kericho county youth service policy draft that was provided was domesticated from the Kakemega Youth Service Act;

5.3 How much was allocated for the said project?

There was no clear indication from the accounting officers as to how much money was allocated for *Kazi Mtaani* project. However, the Committee established as follows;

Analysis of the budgets for Kericho and Litein Municipalities

No.	Municipality	FY 2022/2023		Supp. 1	Supp.2	FY 2023/2024		Total Amount budgeted (devt.)	Amt. paid to <i>Kazi Mtaani</i>	Money yet to be utilized in devt.
		Recur. vote	Devt. vote			Recur. vote	Devt. vote			
1.	Kericho	8M	5M	9 M	19M	5.4M	37M	56M	20.7M	
2.	Litein	8M	5M	7.5M	7.5M	4.4M	8M	15.5M	15.9M	
	Sub Total	16M	10M	16.5M	26.5M	9.8M	45M			
3.	Pending Bill (Kericho Municipality)								2.7M	
	Grand Total	16M	10M	16.5M	26.5M	9.8M	45M	71.5M	39.3M	32.2 M

Source: Ad-hoc Committee *Kazi Mtaani*

Observation

- A total of **kshs 100,317,144** was budgeted to both municipalities in the FY 2022/2023 & FY 2023/2024 for both development and recurrent expenditures. This comprises of **kshs 45,500,000** for FY 2022/2023

and **kshs 54,817,144** for FY 2023/2024. However, in the two financial years the documents submitted to the *ad-hoc* Committee revealed that a total of **kshs 39,336,872.42** comprising of **kshs 36,579,523.42** was paid to 14 companies and a pending bill of **kshs 2,757,349/=** for one company in Kericho municipality on the *Kazi Mtaani* project.

- The Committee further observed that there was no specific amount allocated for the *Kazi Mtaani* project but in the two financial years a total of **kshs 67, 817, 144** was disbursed to the two municipalities, out of which a total of **kshs 36,579,523.42** was paid out to companies that did the *Kazi Mtaani* project. This leaves a balance of **kshs 31,237,620.58** that was utilized for other expenses by the two municipalities.
- The overall global balance for FY 2023/2024 from the tabulation above is **Kshs 32,500,000** as compared to a figure of **Kshs 22,500,000** provided by the CECM Finance and Economic Planning leaving a variance of **Kshs 10,000,000/=** that could not be ascertained by the Committee (*See annexure 3a & 3b copy of disbursement schedules for FY 2022/2023 and FY 2023/2024*).

5.4 What was the nature of the services to be provided under the project? Was it development or recurrent in nature?

The services provided under *Kazi Mtaani* was development in nature and from the submissions and examinations of documents, the Committee established that services procured were provision of cleaning services, bush clearing and drainages in the Kericho and Litein municipalities (*See annexure 4a copies of Bills of Quantities and annexure 4b copies of contracts*).

Observation

- The nature of services in the *Kazi Mtaani* project was development and as such the municipalities have utilized **kshs 49 million** out of the **kshs 71.5 million** budgeted for the two financial years in the development vote for the two municipalities (*refer to annexure 3a & 3b copies of disbursement schedules from the County Treasury*).
- The Committee further observed that the two municipalities utilized both recurrent and development votes without clarity of the nature of services undertaken by each municipality.

5.5 How long was the project to be done?

H.E. the Governor launched the project on 14th February 2023 and was to last for a period of six months. The Committee established that the project was done for a period of twenty six (26) days each by the 15 companies as per the sampled contract documents signed between the municipalities and the contractors.

Observation

- That the *Kazi Mtaani* project was to be done within a period of 6 months but the contract documents revealed that the project was done in 3 months in 26 days each executed in three phases by 15 sourced companies.

5.6 What was the procurement process used to identify the contractors for the said project?

The procurement process used was Request for Quotation (RFQ) and the lowest bidder was awarded.

As per procurement procedures, the user department raises requisition for the service and accounting officer confirms the availability of funds. After confirmation of the funds, the approved request is forwarded to the head of procurement to source for the suppliers through request for quotation, open tender or Government to Government methods of procurement.

If it is an open tender, the procurement department would place a tender in the newspaper or website and if they opt for request for quotation, procurement unit should have a list of prequalified suppliers for provision of service or works.

If the procurement department opt for request for quotation, then they will request the prequalified suppliers to come for bill of quantities for bidding. On that note, the lowest bidder will be awarded the tender and the same applies to open tender.

In the case of Kericho and Litein Municipalities, they opted for request for quotations (*See annexure 5, a sample of RFQ*).

Observation

- That the procurement process method used to identify the contractors was the Request for Quotation as per Section 92 of the Public Procurement and Asset Disposal Act, 2015;
- The Committee further observed that companies owned by same person such as Rihisa Enterprises limited and Eaglesris Company Limited were given the *Kazi Mtaani* works worth kshs 2.5 million and kshs 2.8 million respectively which is contrary to the spirit of Article 227 (1) of the Constitution of Kenya 2010.¹

¹ 227. Procurement of public goods and services

5.7 Whether all the contractors and youth/labourers engaged have been paid?

The Chief Officer department of Lands, Housing and physical Planning confirmed to the Committee that the contractors engaged in Litein municipality were fully paid while one contractor in Kericho Municipality has not been paid ksh.2,757,349. However, the Committee received anonymous letter on behalf of some youths claiming pending payments of 13 days by the Kericho contractors. *(See annexure 6, a copy of an anonymous letter claiming non- payment of allowance).*

Observation

- A claim that not all contractors were paid and a letter from anonymous person informed the Committee that youth/laborers were not fully paid;
- Some youths and women and laborers who appeared before the *ad-hoc* committee claimed that they still have pending payments of kshs 3600/= each;
- That there was no contract between the youths and the contractors on their terms hence the Committee could not verify as to whether all the youths were paid or not;
- That the mode of engagement of the youths could not be ascertained;
- Therefore, value for money was not realized and this is a violation of the Article 201 (d) of the Constitution on the principles of public finance which states that *public money shall be used in a prudent and responsible way*;

(1) When a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

5.8 The scope of works that was to be done by the Contractors?

The table below provides the scope of works done by identified contractors in Litein and Kericho municipalities.

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
LITEIN.	Young focus enterprises P.O.BOX 1803,Kericho	Provision of cleaning, bush clearing and drainage at Rungut Rd, St.Marks, Highrise, Kipkosil Rd, Dc Junction to Litein East School.	I	23 rd February,2023 (26 days)	17th March 2023	2,501,948.00
	Glakih LTD P.O.Box 429, Kericho.	Provision of Cleaning Services, Bush Clearing and drainages at Kapkatet stadium, Itoik ltd, Nganaset Rd, Kapkatet cemetery and sosit Rd.	I	23 rd February,2023 (26 days)	17th March 2023	2,626,646.88
	Sitron General works and Supplies.P.O.Bo 737,Kericho	Provision of services cleaning, Bush clearing and drainage at Chemosot and Cheborge Health Centres, Chemosot Market, Chemosot Fida Rds(Kalya,	I	23 rd February,2023 (26 days)	17th March 2023	2,172,590.68

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
		simoton, Kapminjeiwet and Togom) Chemosot VTC.				
	Kihaki General Works Ltd,P.O.Box 161 Kericho.	Provision of drainage of street cleaning, unblocking drainage and bush clearing at Chemosot and Cheborge Centre Health Centre, Chemosot market, Chemosot feeder Rds, (Kalya, simoton, Kapminjeiwet and Togom) Chemosot VTC, Rungut Litein East, St.Marks Kapkatet-Nganaset, Daraja Sita, Sosit and Itoik.	II	14th June 2023 (26 days)	6th July 2023	2,907,167.90
	Xabariz Enterprises. P.O.BOX 1915, Kericho.	Provision of services of street cleaning, unblocking drainages, bush clearing and general cleaning at valley college road, Samoget-Rungut Road and St.Mark Highrise	II	30th June 2023 (26 days)	25th July 2023	2,872,833.60

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
		road.				
	Edkiche Investment Ltd. P.O.BOX 114 Ndanai	Provision of services of street clearing, unblocking drainages, bush clearing and general cleaning at Chemosot and Cheborge Health Centre, Chemosot Market, Chemosot Fida roads (Kalya, Simoton Kaminjeiwet and Togom Centre),chemosot VTC.	III	30th June 2023 (26 days)	25th July 2023	2,827,800.00
Total amount spent						15,908,987
KERICHO	Toboit Enterprises Ltd P.O.BOX 23 Kericho	Provision of services of Street Cleaning, unblocking of drainages and bush clearing at; Kapsuser centre, Brooke area, Kwa Michael, Majengo and Site and Service area	I	23 rd Feb 2023 (26 days)	17th March 2023	2,801,389.76
	Morich	Provision of Service of street	I	23 rd Feb	17th March	2,743,353.6

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
	Enterprises Ltd P.O.BOX 310 Kericho	clearing, unblocking of drainages and bush clearing at; Kapsoit area behind Sondu junction, Hotel Desilk, Kapsoit Polytecnic – Kanga factory road		2023 (26 days)	2023	0
	Gretom Enterprises Ltd P.O.Box 737 Kercho	Provision of service for street cleaning, unblocking drainages, bush clearing ,general cleaning and beautification at Nyagajo Centre, Mortgage Kericho town ship, Kwa Kimutai, Comfort hotel,along Saramek hotel, Tebs view site ,Kula Poa, Majengo area and Site and Service	II	24 th May 2023 (26 days)	18th June 2023	2,690,917.8 4
	Rihisa Enterprise Ltd P.O. Box 343	Provision of service of cleaning, bush clearing at Kapsoit area behind Sondu Junction,	II	24 th May 2023 (26 days)	18th June 2023	2,529,456.0 2

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
	Kericho	behind the Hotel Desilk ,Kapsoit Polythechnic and Kanga Road/behind and Kapsuser centre , Brooke area and Kwa Michael				
	Eaglesris Co. Ltd P.O.Box 1943 Kericho	Provision of services of street cleaning, unblocking drainages bush clearing and general cleaning at; Nyagajo Centre, Mortgage Kericho , Kwa Kimutai, Kericho Tea Comfort hotel, along Saramek, Tebs View and Kula Poa areas	III	30 th June 2023 (26 days)	25th July, 2023	2,890,272.00
	Sheyrons Holdings Ltd P.O.Box 589 Kercho	Provision of service of street cleaning, unblocking drainages ,bush clearing and general cleaning at ; Kapsoit area behind Sondu Junction,Hotel Desilk, Kapsoit Polytechnic and	III	30 th June 2023 (26 days)	25th July, 2023	2,835,403.20

Municipality	Company	Scope of works/area covered	phase	Contract dates	Date of Contract completion	Contract Amount. kshs.
		Kanga Road				
	Vetken Enterprises Ltd P.O.Box 90 Chesinende	Provision of service of street cleaning, unblocking drainages ,bush clearing and general cleaning at; Kapsuser and Brooke areas	III	30 th June 2023 (26 days)	25th July, 2023	2,761,472.00
	Regec Suppliers and Services Ltd	Provision of service of street cleaning, unblocking drainages ,bush clearing and general cleaning at; Kwa Michael, Site and Service area and Majengo areas	III	30th June 2023	25th July, 2023	1,418,272.00
Total amount spent by the Kericho municipality						20,670,536.42
Pending bills						2,757,349
Grand total spent for Kazi Mtaani programme						39,336,872.42

Source: Ad-hoc Committee on Kazi Mtaani

Observation

- That initially the *Kazi Mtaani* project was to cover the areas within Kericho and Litein Municipalities but upon consultations with key stakeholders, the CECM Lands and the municipal managers extended the scope of works to Ainamoi, Ngoina Road and Kapkelek areas;

5.9 What criteria was used to allocate the different zones to various contractors?

The municipalities considered the following criteria in allocating works to different zones to various contractors :-

a) Areas that were not contracted by the department of Water Energy Environment and Natural Resources

In Kericho Municipality areas covered were; Kwa Michael, Site and service ,Majengo, Kula Poa, Kwa Kimutai, Tebs View, Hotel Comfort, around Saramek Hotel, Mortgage, Hotel Desilk, Kapsoit Polytechnic, Kanga road, behind Sondu junction (Kapsoit), Majengo area, Nyagacho centre, Brooke and Kapsuser areas. In Litein Municipality the areas covered were:- Rungut road, St. Marks, Highrise school, Kipkosil road, DC's junction, Litein East School, Kapkatet Stadium , Itoik road, Nganaset road, Kapkatet Cemetery and Sosit, Chemosot and Cheborgei Health Centres, Chemosot market, Chemosot feeder roads and Chemosot VTC.

b) Rate of waste generation in densely populated areas

The rate of waste generation in densely populated areas such as Nyagacho, Mjini and Brooke areas was a criteria considered in the allocation of work to the contractor.

c) Accessibility to areas of refuse collection

Noting that some areas could not be accessed by refuse trucks and tractors from the department of Environment, the municipalities engaged the contractors to collect and transport waste using wheelbarrows to accessible areas.

Observation

- That the contractors were allocated different zones as per the tender documents and responsive bidders for various zones;
- The CECM for lands informed the Committee that upon discussion

with stakeholders, there was consensus that the additional scope of works and zones be added to include Ainamoi, Ngoina road and Kapkelek areas which are outside the municipality.

5.10 The Terms of engagement between the County Government, Municipal Boards, the Contractors and the youth/labourers?

The department of Lands, Housing and Physical Planning and the department of Water, Environment, Energy, Forestry and Natural Resources including the municipal boards are procuring entities of the County Government. They all have one thing in common i.e. garbage collection and drainage works which the department of Environment is to cede to the municipalities.

In the *Kazi Mtaani* project, the Kericho and Litein municipalities undertook a project of bush clearing, garbage collection and drainage works in their areas of jurisdiction and expanded the scope of works to areas outside the municipality. The terms of engagement between the municipalities and the contractors were purely contractual including recommending youths to be engaged by the contractors.

The engagement between the contractors and the youths were purely employer-employee relationship.

Observation

- That the term of engagement was contractual in nature between the suppliers and the procuring entities.
- The payment done to the 15 contractors awarded works were based on the Bills of Quantities and not the number of youths engaged.
- The Bills of Quantities revealed that the contract period for some companies was for **46 days** i.e. Sheyron Holdings Ltd, Regec Suppliers and services Ltd & Eaglesris Company Limited whereas some other contractors Bill of Quantities were for **26 days** such as Young Focus Investment ltd, Rihisa Enterprises Ltd, Glakih Limited e.t.c with the variance of time not explained (*refer to annexure 4a copies of Bill of*

Quantities).

5.11 How did the contractors identify the youth/labourers

It was a sole responsibility of the contractor to identify youths to be engaged in the *Kazi Mtaani* project as per contracts signed and executed. From the submissions of the witnesses who appeared before the *ad-hoc* Committee, the Municipal Managers seconded some youths that were engaged by the contractors.

Observation

- That the intended objective of the *Kazi Mtaani* project was to create employment for youths, women and the vulnerable persons in Kericho County was not achieved since the municipalities preferred Request for Quotation method as opposed to Community Participation method stipulated in section 92 of the PPAD Act read together with PPAD Regulations 108 to 111.

6.0 CHALLENGES FACED BY THE COMMITTEE

The Committee in its deliberations faced the following challenges:-

- i. There was limited access to critical information that the Committee required to verify allegations raised in the *Kazi Mtaani* project. The officers entrusted with the custody of information contravened Section 8 and 9 of the Public Service (Values and Principles) Act, 2015²;

² **8. Transparency and provision to the public of timely, accurate information**

(1) A public officer shall not—

(a) give information that the public officer knows or ought to know to be inaccurate; or

(b) unduly delay the provision of any information where required to provide that information.

9. Accountability for administrative acts

(1) Every public officer shall be accountable for his or her administrative acts.

- ii. That there were contradictions in the submissions by key witnesses that appeared before the *ad-hoc* Committee on the *Kazi Mtaani project*;
- iii. That the senior procurement officer who appeared before the Committee was not directly involved in the implementation of the *Kazi Mtaani* project.

7.0 COMMITTEE GENERAL OBSERVATIONS

The *ad-hoc* Committee made the following observations:

- i. That the intended objective of the *Kazi Mtaani* project to create employment for youths, women and the vulnerable persons in Kericho County was not achieved since the municipalities preferred Request for Quotation method as opposed to Community Participation method as stipulated in Section 92 of the PPAD Act read together with PPAD Regulations 108 to 111;
- ii. That the *Kazi Mtaani* project did not achieve the intended objective and thus there was no value for money contrary to Section 153 (2) of the PFM (Amendment) Act, 2023;³
- iii. That the initial plan was to engage a total of 190 youths i.e. 70 for Litein and 120 for Kericho municipalities;

(2) The public service, a public institution or an authorised officer shall ensure the accountability of a public officer by— (a) keeping an accurate record of administrative acts of public servants in each public institution;

³ ***153. Accounting officer to be responsible for managing assets and liabilities of county government entity***

(1) The accounting officer for a county Government entity—

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

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

- iv. That the Litein and Kericho Municipalities utilized all their budgets for Financial Year 2022/2023 and further utilized funds for the FY 2023/2024 without the approval of the County Assembly;
- v. That some documents requested by the Committee during its deliberations were not submitted i.e. list of youths engaged and payment vouchers e.t.c. The three companies whose documents were not submitted are:- Toboit Enterprises Limited, Morich Enterprises Limited and Skyridge Business with a pending bill of kshs 2,757,349 that the committee could not ascertain;
- vi. That the Litein municipality does not have a substantive Municipal Manager, Quantity Surveyor and a Registered Engineer among other key staff which is a requirement for the municipalities to function optimally;
- vii. That the Litein and Kericho Municipalities are not on IFMIS but instead uses cheques as a mode of payment;
- viii. That the procurement method used in the *Kazi Mtaani* project like other projects was recommended by the head of supply chain;
- ix. That Kihaki General Works Limited signed a contract on 14th June 2023 and Edkiche investment limited signed a contract on 30th June 2023 assigned work at Chemosot and Cheborge Health Centre, Chemosot feeder roads (Kalya, Simoton, Kapminjeiwet and Togom), Chemosot VTC. Additionally, the scopes of works for Kihaki General Works were at Rungut, Litein East, St.Mark, Kapkatet, Nganaset, Daraja Sita, Sosit and Itoik. The two contractors overlapped in the same month and were paid different amounts resulting to duplication of works;
- x. That the Sitron General Works was awarded works in Litein municipality at a cost of kshs 2,172,590.68 and Gretom Enterprises Limited was awarded works in Kericho Municipality at a cost of Kshs 2,690,917.84 yet the two companies bear the same address contrary to Section 130 of the PPADA, 2015;⁴

⁴ 130. *Restriction on entering into related contracts*

- xi. That some contractors engaged by municipalities were not in the prequalified list of suppliers for Kericho County such as Vetken Supplies Limited, Sitron General Works Supplies Limited, Eaglesris Company Limited, Morich Enterprises Limited and Edkiche Investment Limited contrary to Section 57 of the Public Procurement and Asset Disposal Act, 2015.⁵
- xii. That the Kericho and Litein municipalities have no autonomy and most of their functions are done by the departments of Lands Housing and Physical Planning and Water, Environment, Energy, forestry and Natural Resources;
- xiii. That one procurement officer serves both Litein and Kericho municipalities and that the municipalities are understaffed;
- xiv. That the BQs prepared by the municipalities was to cover a period of 46 days for three contracts but the contracts signed revealed that it was for 26 days. This is in blatant violation of the provisions of Section 6 of the Public Service (Values and Principles) Act, 2015;⁶ (*Refer to annexure 4*

A person who enters into a contract resulting from procurement by a request for proposals shall not enter into any other subsequent contract for the procurement of goods, services or works related to that original contract.

⁵ **57. List of registered suppliers**

(1) The head of the procurement function of a procuring entity shall maintain and update lists of registered suppliers, contractors and consultants in the categories of goods, works or services according to its procurement needs.

(2) Submission of names shall be continuous and the registration list shall be updated periodically as prescribed in Regulations and in accordance with this Act.

⁶ **6. Efficient, effective and economic use of resources**

(1) A public officer shall use public resources in an efficient, effective and economic manner.

(2) For the purposes of subsection (1), a public officer fails to use public resources in an efficient, effective and economic manner if, in the process of their usage—

(a) the public officer has used the public resources in a manner that is not prudent;

(b) there is unreasonable loss;

(c) there is deliberate destruction; or

(d) the effect is to reduce the effectiveness of the public service.

copies of BQS).

- xv. That the accounting officers of the Litein and Kericho Municipalities are expected to adhere to their functions including executing works and services within their areas of jurisdiction as set out in the Municipal Charters and the Urban areas and Cities Act;
- xvi. That the County Executive and County Assembly in the execution of their mandates did not observe the provisions of Article 183 & Article 185 of the Constitution of Kenya, 2010 respectively;
- xvii. That an induction and benchmarking visits are key to informing the County Assembly on the functions of the municipalities as set out in the municipal charters and Urban Areas and Cities Act, including the establishment of towns, municipalities and cities;
- xviii. That the people who were engaged on the *Kazi Mtaani* project have not been fully paid;
- xix. That some procured companies undertook works for 26 days but BQs were evaluated using 46 days and were expected to work for 46 days;
- xx. That some contracted companies overlapped in the same zone at same period while undertaking works contracted by the municipalities i.e. case of Rihisa and Edkiche;
- xxi. That the 12 files submitted to the Committee was incomplete and documents attached thereto bore contradictions and inaccuracies which casts doubt to their authenticity.

8.0 COMMITTEE RECOMMENDATION

The *ad-hoc* Committee made the following recommendations:-

- i. That the head of procurement should at all times ensure that the provision of PPADA be adhered to the letter including recommendation and developing a policy to use and adopt Community Participation method of procurement in engaging the youths in employment which will

- benefit youths directly as provided for in Section 92 of the PPADA and its Regulations;
- ii. That the Litein and Kericho Municipalities should work towards realizing its objectives and that all projects undertaken by the two municipalities must have value for money as envisioned by Section 153 (2) of the Public Finance Management (Amendment) Act, 2023 ;
 - iii. That a structured way of engaging youth or any casual employee at the municipality is established. This can be done through adequate planning as envisioned in the County Government Act and the Public Finance Management (Amendment) Act 2023;
 - iv. That the accounting officers of Litein and Kericho municipalities should stick to their budgets in each FY and that programme based budgets prepared by the municipalities should be forwarded to the County Assembly for consideration;
 - v. That all the public officers should adhere to Article 35 of CoK and Section 8 & 9 of the Public Service (Values and Principles) Act, 2015 on access to information;
 - vi. That the CPSB should ensure that Litein and Kericho municipalities are adequately staffed with key personnel and that a substantive Municipal Manager be appointed to the Litein municipality within a period of 90 days;
 - vii. That the CECM Finance and Economic Planning ensure that the Kericho and Litein municipalities since they are public entities should be on IFMIS as per the Public Finance Management (Amendment) Act and its Regulations within a period of 3 months;
 - viii. That the county head of procurement at all times recommend to the departments and municipalities the appropriate method of procurement as stipulated in Section 92 of the Public Procurement and Assets Disposal Act, 2015 and its Regulations;
 - ix. That the contractual period of works or services rendered to the municipalities be outlined and adhered to by the contractors as set out

- in the PPADA, 2015 and PPAD Regulations;
- x. That due diligence be conducted at all times in awarding tenders to various bidders and that the head of procurement ensures that bidders in the RFQ method engaged are all in the prequalified list as per PPADA and PPAD Regulations;
 - xi. That all the procuring entities of the County Government of Kericho engage suppliers listed in the prequalified list domiciled at the county procurement office;
 - xii. That the Kericho and Litein Municipalities be autonomous in every aspect i.e. personnel, finances, assets and that their functions be fully transferred from the relevant County Departments;
 - xiii. The budgetary allocation for the Kericho and Litein municipalities should be increased and staffing be done with the approval of the CPSB so that works are done by the two municipalities as established by the charter;
 - xiv. That the accounting officers of Litein and Kericho municipalities in the execution of their functions adhere to the Bill of Quantities that should be in tandem with contracts signed and executed in line with PPADA, 2015;
 - xv. That the Litein and Kericho municipalities and the departments of the County Executive should adhere to Articles 10, 232, and 195 of the Constitution of Kenya and other provisions of law including the Kericho and Litein Municipal Charters;
 - xvi. That the County Executive and County Assembly in the execution of their mandates should observe the provisions of Article 183 & Article 185 of the Constitution of Kenya, 2010 respectively;
 - xvii. That structural consultations should always be done while engaging the youths, women and other vulnerable groups of the community in activities and projects implemented by the County Government of Kericho;
 - xviii. That the Committee, department of Lands and the Litein and Kericho

- municipalities undertake benchmarking with independent established municipalities for best practices to be replicated in Kericho;
- xix. The accounting officers of Litein and Kericho Municipalities follow up with the contractors and ensure that all the youths, women and the vulnerable who were engaged in the *Kazi Mtaani* project be paid by the contractors within a period of 90 days after verification and a validation report of the payment be submitted to the County Assembly;
 - xx. That the companies Toboit Enterprises Limited, Morich Enterprises Limited, Skyridge Business be investigated by the DCI and other relevant agencies for Kazi Mtaani works done and a report be shared for action;
 - xxi. That the five companies namely Eagleris, Edkiche Investment Limited, Sitron General Works, Vetken Enterprises Limited, Morich Enterprises Limited having not been prequalified contrary to the PPADA be investigated by DCI for procurement irregularities;
 - xxii. That the works done by Kihaki and Edkiche companies be re-evaluated for duplication of works and a recovery process be initiated for works duplicated;
 - xxiii. Evaluate the works done by contractors who were awarded works for 46 days and contracted for 26 days yet paid for 46 days and a process of recovery be initiated once determined;
 - xxiv. That the payment to the contractor Skyridge Business with a pending bill of Kshs 2,757,349 is halted until the said pending bill is ascertained.

9.0 ACKNOWLEDGEMENT

Mr. Speaker Sir

The Committee wishes to thank the offices of the Honorable Speaker and the Clerk for facilitation in the execution of its mandate. The Committee acknowledges the County Executive Committee Members, the County Chief Officer, the municipal managers and the senior procurement officer for their input during the Committee hearings.

Mr. Speaker Sir

May I also register my sincere appreciation to the *ad-hoc* Committee members and the secretariat for their commitment and invaluable input during all the deliberations and in report writing.

Mr. Speaker Sir, it is now my pleasant duty pursuant to Section 14 (1) (b) of the County Government Act, 2012 and Kericho County Assembly Standing Order 207 (2) to present the Report on Implementation of the '*Kazi Mtaani*' Project by the Kericho and Litein Municipalities to the house for adoption.

:.....

Hon. Paul Bii

Chairman *Ad-hoc* '*Kazi Mtaani*' Committee

Member of County Assembly Kapsaos Ward

Date:.....

10.0 ADOPTION OF REPORT

This Report is adopted by:

Name	Signature	Date
Hon. Paul Bii
Hon. Kiprotich Rogony
Hon. Julius Siele
Hon. Hillary Bosuben
Hon. Anthony Rutto
Hon. David Maritim
Hon. Monica Chelangat
Hon. Vincent Koskei
Hon. Winnie Langat