



COUNCIL OF GOVERNORS

PRESS STATEMENT ON THE 21st OF JUNE, 2016

*Members of the Press,
Citizens of Kenya,*

1. POWERS OF THE SENATE TO SUMMON GOVERNORS

The Council of Governors appreciate that whereas the Senate has some oversight powers they cannot take over the responsibility of oversight by county assemblies and therefore the recent actions by the senate to depict the Governors as incompetent, inept and corrupt is unacceptable. The Council takes great exception to the following:

1. Disrespectful and demeaning treatment of Governors.
2. Failure by the PSC Committee to stick to issues at hand and exposing the Governors to unwarranted attacks that flout the standing orders
3. Attempt by senate to use the PAC as a political forum to gain political capital.
4. Their power to sermon is questionable and we have even questioned it in a court of law and the court pronounced itself on this matter, the Governor is the last person to be summoned after all officers and the Senate is not following this. Therefore, we are suspending appearances to the Senate as Governors until these issues are addressed.

2. EQUALIZATION FUND

The constitution and the PFM ACT determines the flow of funds in the country. Therefore the Council of Governors contends that:

- a) If monies are meant for county functions they need to be sent to the county government, money meant for national government needs to be sent to the national government identified agencies respecting the constitution and the law governing the flow of funds in the devolved system of governance.
- b) The equalization fund is a conditional grant just like the free maternity monies and therefore it needs to flow from the national treasury accounts to county government funds with no exception.
- c) Identification of projects supported by the equalization fund which is a conditional grant is the responsibility of county governments in line with the CIDPs. Therefore we shall seek the interpretation of the court on the issue of flow and utilisation of conditional grants.

3. THE EDITORIAL PIECE ON THE DAILY NATION ARTICLE ON COUNTIES MUST USE FUNDS

The Council of Governors notes that the editorial piece misrepresented facts and therefore states as follows:

- a) The equitable share accrues to both national and county governments. The national government does not allocate resources to counties. Both governments receive an allocation from the consolidated fund. It is erroneous to depict that county governments receive allocations from national government.
- b) The editorial erred in indicating our allocation as 288 Billion, the correct position is 259 Billion.
- c) The editorial piece has indicated that county governments cannot utilize their allotments. On the contrary county governments in the 1st and 2nd quarters FY 2015/16 on the development vote had spent 32 Billion out of the released amount of 37 Billion accounting for 86%. For recurrent expenditure in the same two quarters the county governments on recurrent costs spend 80B against the released sources of 89.44B accounting for 88%.

The national government in the same two quarters utilized 166.2 Billion on development which is 23% absorption rate but 84% of the released amount. In the recurrent expenditure in the same two quarters 518B was utilized which comprised of 288B for MDAs and 230B for consolidated fund services. Therefore the issue of non-utilization does not arise, we therefore urge you to check your facts before you got to press and instead utilize the information resources available for you at the Council of Governors. The Council encourages the press to call the Secretariat on any issues concerning devolution whether the information is in our favor or not.

Signed

H. E. Peter Munya

Chairman, Council of Governors