


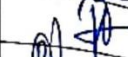














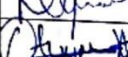

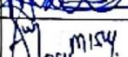

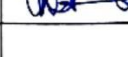




COUNTY GOVERNMENT OF KIAMBU

**TASKFORCE ON REVENUE RAISING MEASURES
REPORT**

SEPTEMBER 2020

MEMBERS OF THE TASKFORCE

NO.	NAME	DESIGNATION	SIGNATURE
1.	Henry Waweru - Chairperson	Director Revenue-Health Services	
2.	Patrick Kiongo- Co-Chairperson	Rep. Office of the Governor	
3.	Royford Kinyua - Member	Valuer	
4.	Michael Njuguna Nene – Member	Valuer	
5.	Antony Macharia – Member	Internal Auditor 1	
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7.	Salome Ngigi – Member	Physical Planner	
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9.	Eng. Christopher Njogu - Member	County Structural Engineer	
10.	Kenfred Warui – Member	ICT Officer	
11.	Charles Mbugua – Member	ICT Officer	
12.	John Kingori – Member	Finance Officer	
13.	Patrick Theuri - Member	Deputy Director - Environment	
14.	Alice Muchiri – Member	Environment Officer	
15.	David Ngure – Member	Director- Legal Services	
16.	Winfred Mbiri - Member	Senior Legal Counsel	
17.	Michael Kioko Mutuku - Member	Subcounty Administrator	
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19.	Hellen Wambui - Member	Public Health Officer	
20.	Ann W. Kinuthia - Member	Deputy Director Human Resources Management	
21.	Thomas Ndungu - Member	Senior Finance Officer	
22.	Peter Mbaya Miriti – Co-opted Member	Advisor to the Governor on Enforcement	
23.	Samuel Karanja - Co-opted Member	Director ICT	

Acknowledgement.

County revenue is vital in enhancing service delivery to the citizens and taking care of the welfare of the employees. The County Government of Kiambu recognizes the key role of all departments in revenue generation. It's on this basis that a taskforce was formed to address the loopholes in revenue collection causing inefficiencies in service delivery.

This report analyzes the challenges and gaps in revenue collection and give recommendations of the taskforce.

We wish to acknowledge the tremendous support from the office of the Governor, County Executive Committee Members and Chief Officers in granting us the opportunity as the Taskforce Members in formulating strategies and measures to enhance revenue generation and collection. In particular, we thank H. E the Governor of Kiambu County, the CECM and Chief Officers for the full support accorded during the preparation of the taskforce report.

Special gratitude goes to the taskforce members for their invaluable sacrifices, guidance, dedication, timely and constructive insightful inputs in ensuring that the terms of reference and expected output set out were effectively achieved and delivered.



Henry Mburu Waweru

CHAIRMAN



Patrick Kiongo Karanja

CO-CHAIRMAN

Abbreviations and Definitions

AC	Air Conditioner
CCTV	Closed-circuit Television
CECM	County Executive Committee Member
e-DAMS	Electronic Development Application Management System
EIA	Environmental Impact Assessment
FIF	Facility Improvement Fund
FY	Financial Year
GIS	Geographic Information Systems
GPS	Global Positioning System
HMIS	Hospital Management Information Systems
ICT	Information and Communications Technology
IGRTC	Intergovernmental Relations Technical Committee
LHPPMAUD	Lands, Housing, Physical Planning, Municipal Administration and Urban Development
NEMA	National Environment Management Authority
NHIF	The National Hospital Insurance Fund
OSR	Own Source Revenue
PFMA	Public Finance Management Act
POS	Point of Sale
PPEs	Personal Protective Equipment
SBP	Single Business Permit
SMS	Short Message Service
UPS	Uninterruptible Power Supply
USSD	Unstructured Supplementary Service Data
WAN	Wide Area Network
WEENR	Water, Environment, Energy and Natural Resources

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Abstract

Enhancement of revenue collection in County Governments is key to meeting their financial responsibilities from their own source revenue and transfers from revenue raised nationally and ability to determine their budgets and budgetary priorities as per the provisions of the Constitution of Kenya (2010) and County Government Act (2012). Over the years the County Government of Kiambu has failed to realize its own source revenue targets thereby affecting budget implementation, projects and programs. This has been occasioned by lack of openness and accountability in collection, reporting, poor administration, improper organizational structures, lack of well-defined and surrogate authority and responsibility, an inept system of monitoring and evaluation and corruption.

A taskforce on revenue raising measures was established on 27th August 2020 by the County Executive Committee Member in charge of Finance and Economic Planning to identify the main challenges facing the County on revenue collection, opportunities, untapped revenue-generating areas, possible legislation and policy intervention; the efficiencies and inefficiencies of the various revenue-generating systems used, areas of collaboration with the various ministries or government agencies, estimate the current revenue collection and potential revenue levels and make recommendations.

The taskforce established a decline in revenue in various revenue streams. The findings reveal and include but not limited to collusion between some officers with integrity issues in depriving the county revenue, low or unrealistic targets, low staff supervision, engagement of casuals in revenue collection areas, political interference in undertaking duties, absence robust enforcement mechanism, manipulation of revenue generation systems, absence of automation of cashless payment system, forgeries, impersonation, lack of databases, bureaucracy and centralization of services, lack of synergies and proper interdepartmental coordination and collaborations, stringent rules and regulations among many others.

The taskforce proposed revenue enhancement strategies and implementation plan with time lines to unravel the challenges and loop holes in the various revenue streams. The strategies emphasize in creation of synergies between and among all the relevant departments, regular reporting and follow up of forgeries and prosecutions on cases of impersonations, set realistic targets, decentralization of services to sub-county and ward level, close staff supervision, establish databases, automate cashless payment systems, regular audit and maintenance of systems, revision of stringent rules and regulations among many others.

In conclusion, the taskforce recommended the creation of full autonomy for the Directorate in charge of revenue administration with ultimate creation of an independent Revenue Board.

1. Background

The Constitution of Kenya, 2010, established the forty-seven (47) devolved units and established of a County Revenue Fund for each county government vide Article 207 into which shall be paid **all money raised or received by or on behalf of the County Governments**, except money reasonably excluded by an Act of Parliament. Consequently Article 209 of the Constitution of Kenya empowers county governments to impose the following-

- (a) property rates;
- (b) entertainment taxes; and
- (a) any other tax that it is authorized to impose by an Act of Parliament.

All the above collectively are referred to as the 'Own Source Revenue', which is meant to supplement the exchequer receivables in financing the counties' annual budgets. The Constitution further provides that the taxation and other revenue-raising powers of a county shall not be exercised in a way that prejudices national economic policies, economic activities across county boundaries or the national mobility of goods, services, capital or labor.

Over the years the County Government of Kiambu has failed to realize its OSR targets thereby affecting budget implementation, projects and programs as indicated on the table shown below;

Table 1: Annual Targeted Revenue Collection versus actual Revenue Collection FY 2014-2020

No.	Financial Year	Annual Targeted Revenue	Actual Performance (Kshs.)	Percentage of Performance (%)
1.	2014/2015	3,105,000,000	2,110,856,555	70%
2.	2015/2016	3,308,126,323	2,437,596,593	74%
3.	2016/2017	3,852,716,617	2,064,531,305	54%
4.	2017/2018	3,117,758,228	1,687,892,993	54%
5.	2018/2019	2,735,734, 640	2,737,467,843	100%
6.	2019/2020	3,540,846,062	2,466,256,111	70%

Regrettably, in recent past the revenue collection within the County have shown a declining trend. In the Financial Year 2019/2020, the County collected **Kshs 2,466,256,111** against **Kshs. 2,737,467,843.00** realized in the Financial Year 2018/2019. There was a decline of **Kshs.**

271,211,732.00 in revenue collected which adversely affecting the financing of the identified projects & programs during that financial year.

Sadly, the County's OSR contributes less than Twenty (20) per centum of total County revenue, making it to heavily rely on transfers from the national government exchequer releases. The County, however, has potential to increase OSR and reduce the over reliance on transfers from the National Government in order to finance its budget.

From the foregoing there is need to urgently, address the declining revenue trends. It is for this reason that the taskforce was appointed.

2. Introduction

With the devolved system of governance in Kenya, financial autonomy is a key tenet of County Government sustainability. Enhancement of revenue collection in counties is key to meeting their financial responsibilities. The Constitution of Kenya (2010) empowers County Governments to attain financial autonomy in two aspects: access to sufficient revenue from their own sources and transfers from revenue raised nationally and ability to determine their budgets and budgetary priorities. The Constitution of Kenya (2010) under Article 175 (b), empowers County Governments to have reliable sources of revenue for service delivery. Whereas, Counties have been given sufficient revenue streams to fund the operations, but revenue collection levels often do not meet the projections.

Numerous studies have been conducted in the area of revenue collection which note that, revenue shortfalls are due to poor revenue administration and weak organizational structures, among others.

This report therefore seeks to discuss the various revenue streams listed below, their challenges, opportunities, untapped areas of revenue collection, technological interventions and advancements and make recommendations thereof.

- i. Business Permit management Unit;
- ii. Cess Management Unit;
- iii. Market management Unit;
- iv. Vehicle Parking Management Unit;
- v. Slaughterhouse Management Unit;
- vi. Physical Planning Unit;

- vii. Housing management Unit;
- viii. Land Rates management Unit;
- ix. Water, Environment & Natural Resources Management Unit;
- x. Liquor Licenses Management Unit;
- xi. Health Service Management Unit ;
- xii. Agriculture, Livestock and Fisheries Management Unit;
- xiii. Education, Culture, ICT & Social service Unit;
- xiv. Roads, Transport, Public Works Management Unit; and ,
- xv. Trade, Tourism, Industry and Cooperative Units.

3. Terms of Reference

The Taskforce on Revenue raising Measures was established on 27th August 2020 by the County Executive Committee Member in charge of Finance and Economic Planning with the following Terms of Reference, to: -

- (a) Identify the main challenges facing the County Government of Kiambu on revenue collection and recommend possible interventions including and among others non-compliance and lack of transparency;
- (b) Identify the opportunities facing enforcement of various revenue laws and policies and recommend possible intervention;
- (c) Identify areas of legislation and policy development if any to enable the County Government of Kiambu to improve on revenue collection;
- (d) Identify the efficiencies and inefficiencies of the various revenue-generating systems used by the County Government i.e. County Pro, Zizi, e-Dams among others and recommend the best way forward;
- (e) Identify untapped areas on revenue-generating areas such as devolved functions and areas of collaboration with the various Ministries or Government Agencies;
- (f) Recommend ways and systems under (d) above can be user-friendly where applicable to the stakeholders and ease doing business within the County;
- (g) Recommend possible working structures between the various departments and staff such as the separation of roles and to what extent to enable efficient service delivery in physical planning and collection of land rates for timely service delivery; and,
- (h) Estimate the current revenue collection and potential revenue levels to be achieved in the short, medium, and long term.

4. Findings and Recommendations

The findings of the taskforce cuts across all revenue streams, revenue collection and reporting processes, tools and systems. The taskforce noted the challenges and inefficiencies encountered in revenue collection and reporting, opportunities available and mitigation measures to improve the County's revenue administration system as indicated herein below in accordance with the various revenue streams.

5. Finance and Economic Planning

5.1. Soil, Water and Forestry Conservation Fee (Quarry Cess).

The taskforce noted that the quarries existing in the County are one of the most important contributors towards OSR. In the Financial Year 2019/2020, the County realized revenue of **Kshs. 95,050,081.00** against **Kshs. 122,273,145.00** realized in the previous Financial Year. The decline in revenue realized as compared with the previous financial year by about **12.5 per centum** is highly associated with collusion between revenue collectors and transport operators leading to loss of substantial amount of revenue which ends in the pockets of unscrupulous employees. The collections over the medium term have generally shown a downward trend as illustrated on the table below;

Table 2: Projected Revenue target for quarry cess versus actual revenue collection FY 2014/15-2019/20

Actual Revenue (Kshs.) Financial years						
Financial year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue projected	200,000,000	220,000,000	162,000,000	110,593,396	94,671,626	182,067,007
Actual collections	115,243,727	100,539,451	138,378,726	65,356,829	122,273,145	95,050,081

To the contrary, the construction industry has been booming despite the existence of COVID - 19 pandemic and the resultant adverse effects. The construction subsector has emerged as one of the most resilient sectors against the effects of the pandemic. In addition, as can be observed from the table and figure herein above, the particular revenue stream has been fluctuating with

a declining trend over the last six (6) financial years. Further, the County hardly achieved its revenue projections over the same period of years.

It is worth noting that, the County is located in close proximity to the Capital City where construction industry is thriving thus creating huge and ready market for quarry products. Additionally, the County and more specifically Juja and Thika sub- counties are the main sources for machine cuts stones in the Nairobi Metropolitan area and beyond. Consequently, it beats logic why, the revenue stream keeps declining instead of growing based on the growth of the construction industry.

In addition to the rampant corruption, embezzlement, lack transparency on the part of county employees together with collusion with unscrupulous transporters, there exists huge institutional and administrative challenges as stated below.

Challenges in collection of Soil, Water and Forestry Conservation Fee (Quarry Cess)

(a) Collusion between transporters and revenue collectors. Whereas the Finance Act from time to time prescribes the fees payable by different categories of transporters, some unscrupulous transports in collusion with some collectors fail to pay the prescribed fee. Instead the transporter forfeits his/her right to demand and be issued with an official receipt in exchange of paying a lower fee. Consequently, the collector fails to declare, report or otherwise submit such amounts and the same ends up in the collector's pockets occasioning massive loss of revenue from this stream. This is compounded by lack of supervision and/ or very poor supervision. In other instances, the taskforce noted that, this kind of theft happens with blessings from some senior persons within the County service. The contribution to theft arising from lack of supervision has been demonstrated by the fact that, in instances when a senior officer visits and monitors these collection centers, collections tend to almost double and quickly returns to the normal low figures as soon as such senior officer leaves. This state of affairs can be observed as illustrated in the table below which shows the contrast between a day when there is a senior officer and/ or supervisor and when there isn't.

Table 3: Analysis of revenue collection in quarries with and without supervision

Collection area/sub county	Day and date	Amount collected under supervision (kshs)	Amount collected without supervision (similar day different date) (kshs)	Revenue gained (Kshs)
Kwaheri - Thika	Monday - 01.09.20	99,000	70,000	29,000
Bob Harris Juja	Tuesday - 08.07.20	165,000	80,000	85,000
Bob Harris Juja	Thursday - 30.07.20	208,400	114,000	94,000
Nyasaba Juja	Monday - 27.07.20	73,400	46,800	26,600
Total	-			234,600

Just for these four days shown above, the County was able to net an additional revenue of **Kshs 234,600.00**. Thus, taking the above days as a representative sample of what has been happening in most, if not all collections centers, it is clear that the aggregate revenue being lost every day would amount to **Kshs 58,658.00**. This would translate to a loss of **Kshs. 17,640,000.00** in revenue per annum arising from just these four revenue collection centers. Taking this as the baseline of revenue lost from this revenue stream and taking into account all the collection centers for this revenue stream it is evident that the county is losing the much-needed revenue in hundreds of millions of shillings.

(b) Low or unrealistically low revenue targets. From the above case example, there appears not have in place realistic revenue targets for each of the revenue collection points. It is evident that, the same revenue collection points that were posting very low revenue collections reported almost double amount when there is close supervision. It seems that the revenue collectors do not have pressure to deliver and they work at their pleasure.

(c) Engagement of casuals in revenue collection. Public Finance Management Act, 2012 and the Regulations thereto provides for designation of receivers of revenue by the County Executive Committee Member for Finance. Accordingly, the receiver of revenue shall, in accordance with section 158 of the Act, authorize **a public officer** or any of the county

government entities to be a collector of revenue for county government for the collection of, and accounting for, such items of revenue as the receiver of revenue may specify.

A person engaged on casual basis is and cannot be a public officer under the Kenyan laws. It is therefore not procedural for receivers of revenue designated by the County Executive Committee for Finance to appoint a casual employee to be a collector of revenue. That be as it may, persons engage on casual basis have been working as collectors of revenue in contravention of Public Finance Management Act. The taskforce noted that these persons engaged on casual basis lack responsibility towards the county and the uncertainty about their status of employment may act as motivation for theft. To make a bad situation even worse, the same casual employees go for months without pay yet they handle cash every day.

(d) Lack of independence and interference. Persons in positions of influence within the County and otherwise routinely influence collectors to be posted in specific collection centers. This provides fertile ground for revenue leakages with suspicion of some collectors stealing and sharing their loot with these ‘powerful’ individuals in return of ‘protection’ and favors. The taskforce noted that those who do not cooperate, are occasionally threatened and sometimes victimized or otherwise transferred.

(e) Poor working environment. Most collection centers lack basic amenities and needs such of sanitary facilities, provision of adequate security and structures to protect revenue collectors from harsh weather conditions among others. This causes some officers to report late and/ or leave early due to fatigue and insecurity. In addition, the absence of these amenities gives rise to a conducive environment where by the collectors establish cordial relationship with the cartels around the collection points including colluding with the cartels in exchange for protection.

(f) Lack of motivation. Arising from a myriad of reasons as indicated above such as delayed wages, poor working conditions and threats and intimidations occasioned by interference, demotivate officers thereby negatively affecting their productivity. The officers feel neglected and not taken care of despite their contribution to the task of County building. In addition, the taskforce noted that despite the dangers posed by the exposure due to interacting with high number of persons and handling money in the course of their work

amidst the COVID-19 Pandemic, the County does not provide revenue collectors with PPEs.

(g) Absence of robust and effective enforcement mechanism. Most designated collection centers are not provided with enforcement officers but are only manned by revenue collectors. Arising from this, some transporters refuse to comply with directions from the collectors and instead fail to pay and then drive off. The collectors in such cases are left helpless. Such cases are most prevalent along Eastern by-pass, Garissa Road and cess collection points due to absence of roadblocks or enforcement vehicles.

(h) Integrity of revenue collectors. The collectors are not given any form of training including induction to revenue collection and integrity trainings before being allocated revenue collection duties. It is not clear whether they are formally authorized in writing as collectors of revenue in accordance with the provisions of the Public Finance Management Act. Pursuant to the principles of public service and public finance management, it appears that there is lack of clear system of reward and reprimand. Some revenue collectors have worked in the same station for long periods which has enabled them to create networks for corruption and cartel dealings. Such officers appear to resist any effort to transfer them and sometimes when transferred they find their own ways back to their ‘chiefdoms’.

Recommendations

To avert loss of county revenue and seal the revenue loopholes to enable the County net all the revenue that can be realized from this particular revenue stream, there is urgent need to address the above cited challenges. The interventions needed are listed below.

(a) Identify and classify quarries. The County should identify and classify all quarries as large, medium and small and mapped on GPS.

(b) Erection of barriers on all quarry exits. To enable the County to monitor and evaluate the number of transporters in and out of quarries, barriers should be erected to ensure payment by all transporters.

(c) Continuous supervision. There is urgent need to establish a robust and efficient supervisory mechanism. The taskforce noted that revenue collections were higher during the days when there was supervision at the quarries’ cess collection centers. This should be done continuously while the county establishes how much revenue can be

collected from the various quarries cess collection centers and set targets thereafter. In addition, this will assist in eliminating the rampant corruption, theft and lack of accountability. This will also create checks and balances in revenue collection.

- (d) Implementation of a cashless system of revenue collection.** The County should immediately stop the use of cash handling by the revenue collectors to reduce chances of theft and increase accountability.
- (e) Stoppage of use of persons engaged on casual basis as revenue collectors.** The County should immediately cease to engage casuals as revenue collectors and instead, through the department for the time being in charge public service and personnel, establish the staff establishment levels with a view of rationalization to engage revenue collectors. The department should immediately provide data for all the revenue collectors indicating the number of casuals.
- (f) Professionalization of revenue collection.** All receivers and collectors of revenue should be professionally recruited, trained and inducted. The provisions of the Public Finance Management Act should be adhered to in designation and appointment of receivers and collectors respectively. Proper reporting and supervision mechanisms should be established and maintained. Appropriate action should always be taken against officers found engaging in malpractices.
- (g) Setting realistic revenue targets.** The County Executive Committee Member responsible for Finance should put in place measures to empirically determine the revenue potential for each revenue collection point. The revenue collectors should be required to commit to work diligently to achieve the given targets under a performance management system.
- (h) Independence of revenue collection directorate.** The County should give autonomy to the directorate in charge of revenue collection by ensuring that there is no external interference with the officers working as collectors of revenue. In the short term, the CECM Finance should designate the Director Revenue as the Receiver of revenue in accordance with the PFMA. All collectors of revenue should therefore be appointed by the Director Revenue. The Director should develop guidelines on revenue collection, reporting and accounting.

In medium term, the County may consider establishing an office of Chief Officer in charge of revenue administration. This will enable the creation of an independent department in charge of revenue administration.

In the long term, the taskforce recommends the establishment of a County Revenue Board to achieve full autonomy in revenue administration.

- (i) Provision of a conducive working environment and infrastructure at revenue collection points.
- (j) Ensure timely payment of wages and salaries including the introduction of allowances for working long hours and/or give overtime.
- (k) Ensure there is proper enforcement mechanism. This may include but is not limited to approaching county police commanders to erect roadblocks where necessary and facilitation should be available to hire armed police on need basis.
- (l) Continuous and relevant trainings as well as internal disciplinary mechanism should be put in place. A reward and reprimand policy should also be established to boost the integrity of collectors.
- (m) A policy on job rotation should be put in place to ensure that staff do not work for a long time in one workstation.
- (n) The County should consider engaging the quarry owners to explore the possibility and modalities of collecting quarry cess at source.

5.1.1 Vehicle Parking Management Unit

In the financial year 2019/2020, the County realized revenues of **Kshs 230,746,433.00** as compared to **Kshs 239,375,110.00** realized in the previous financial year registering a decline of **Kshs 8,628,677.00**. The decline may be attributed to reduction of charges under this stream due to COVID-19, collusion between revenue collector/supervisors, enforcement and clients. Revenue collected under this stream is charged under third schedule part I & II of the Finance Act.

The revenue sources under parking management unit are:

- i. Public Service Vehicle Seasonal Tickets;
- ii. Street parking;
- iii. Reserved Parking;
- iv. Registration per vehicle (Matatus);
- v. Registration of parking bay per Sacco;
- vi. Renewal parking bay per Sacco; and ,
- vii. Penalties.

Revenue Budget and actual collections for the past 6 years are as shown in the chart below.

Table 4 : Projected Revenue target for vehicle parking versus actual revenue collection FY 2014/15-2019/20

Actual Revenue (Kshs.) Financial years						
Financial year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Projected Revenue	300,000,000	440,800,000	344,500,000	303,831,855	319,017,810	327,284,957
Actual collections	278,134,638	276,210,778	267,197,311	225,748,920	239,375,110	230,746,433

Challenges in collection of parking fees.

- (a) Collusion and corruption between clients and persons collecting revenue. This happens where revenue collectors receive parking fees in cash but do not issue receipts. Such revenue is unaccounted for.
- (b) Absence of automated parking payment and clamping system. This has led to poor enforcement mechanism, collusion between revenue collectors and clients. The taskforce noted that there are instances where a vehicle is manually clamped and unclamped after the client parts with some money which is not officially receipted.
- (c) Inharmonious parking fees across the County. For instance parking fee for a salon car in Gatundu is **Ksh. 50** whereas in Thika the same is charged **Kshs. 100**. Some clients in Thika pay the fee chargeable for Gatundu and claim to have travelled from Gatundu.

- (d) Poor compliance by public service vehicles (matatus) in paying for picking and dropping tickets. The taskforce noted the compliance was low arising from collusion between the operators, revenue collectors and enforcement officers. In addition, the deadline for payment of this ticket being set at every tenth day of the month, enabling some rogue operators to deliberately fail to pay and dodge enforcers until the end of the month. During the subsequent payment of tickets, operators that failed to pay for the previous ticket claim that their vehicles were out of the roads for various reasons such as mechanical services and maintenance.
- (e) Absence of attractive seasonal parking tickets. The Finance Act, provides for monthly and quarterly parking tickets leaving out weekly and annual tickets.
Abuse of reserved parking tickets. The taskforce noted that in some areas there was disparity in revenue collected from reserved parking which was not commensurate with the number of reserved parking slots available.
- (f) Use of casuals to collect revenue in contravention of the provisions of the PFMA, 2012.
- (g) Insufficient data on the number of parking slots occasioned by unmarked parking slots and bays. In addition, there is no data on parking trends including the frequency of number of clients parking on a single parking slot or bay on the same day.
- (h) Prevalence of forged parking stickers especially for public service vehicle (matatus) seasonal stickers and complementary parking stickers.
- (i) Use of parallel revenue collection systems such as County pro (USSD) and Riverbank system (ZIZI) causing confusion in revenue verification, reconciliations and reporting.
- (j) Lack of identification tags and uniform for revenue collectors and enforcement team leading to proliferation of imposters as parking attendants.
- (k) Uneven distribution of revenue collectors across the County occasioning shortage in some areas such as Kiambaa, Limuru and Kabete.
- (l) Inadequate designated bus parks and matatu termini leading to the use of parking slots and bays as bus park and termini in some areas such as Thika.

Recommendations

- (a) Implementation of complete automation of parking fee payment. The automated system should include such features as to be able to alert clients to make payment before a vehicle is clamped. Additionally, clamping of vehicles should be done both manually and in the automated system to ensure that all unclamping charges are paid to the

County. This will also prevent collusion between clients and revenue collectors and protect clients from extortion or harassment from parking attendants.

- (b)** The County should consider amending the Finance Act to standardize parking fees across all sub counties curb mischief by clients who pay parking for sub – counties that have lower parking charges while in different area with higher rates.
- (c)** Disciplinary action should always be taken against revenue collectors and enforcement officers found engaging in malpractices.
- (d)** The County should immediately cease to engage casuals as revenue collectors and instead, through the department for the time being in charge public service and personnel, establish the staff establishment levels with a view of rationalization to engage revenue collectors. The department should immediately provide data for all the revenue collectors indicating the number of casuals.
- (e)** The County should introduce seasonal tickets with advanced security features for public service vehicles.
- (f)** Provide the enforcement officers with the necessary resources. This includes providing customized mobile phones for verification of payment, clamping and unclamping. In addition, towing vehicles (breakdowns vehicles) to be provided to tow away clamped vehicles.
- (g)** Recruitment of traffic marshals to assist in parking management and de-congestion of County roads and streets.
- (h)** Undertake mapping of all parking slots and bays to create a database on the number of parking slots available in the County including data on parking trends and the frequency of number of clients parking on a single parking slot or bay on the same day.
- (i)** Arising from the database established above put in place measures to ascertain revenue realizable from parking fees and set targets for parking attendants.
- (j)** The County should stop the use of parallel revenue collection systems such as County pro (USSD) and Riverbank system (ZIZI) to avoid confusion in revenue verification, reconciliations and reporting.
- (k)** Provide identification tags and uniform for revenue collectors and enforcement team to curb the proliferation of imposters as parking attendants.
- (l)** Ensure that there is even distribution of revenue collectors across the County to address the shortage in some areas such as Kiambaa, Limuru and Kabete.

- (m) Designated bus parks and matatu termini to stop the use of parking slots and bays as bus park and termini in some areas such as Thika
- (n) Provide a policy on job rotation to ensure that staff do not work for a long time in one workstation.
- (o) Conduct an audit exercise to ascertain the number of reserved parking slots and bays across the County. In addition, the County should develop a policy on issuance of reserved parking where necessary including limiting the number of reserved parking slots issued to a client. Reserved parking should be discouraged where possible.
- (p) The County should put in place measures to ensure that SACCO management take responsibility for payment of fees by their members, failure to which the entire SACCO Picking and Dropping permit may be withdrawn.
- (q) The County should introduce discounted seasonal parking tickets including weekly and annual tickets to serve as an incentive to pay.

5.1.2 Business Permit Management Unit

Single Business Permits (SBP) earned the County **Kshs. 185,192,395.00** in the Financial Year 2019/2020 as compared to **Kshs. 281,249,630.00** in the previous financial year. This amounts to a decline of **Kshs. 96,057,235.00** or about 21%. The performance of this revenue stream over the last six years has been as indicated on the table below.

Table 5 : Projected revenue versus revenue collected for Single Business Permits FY 2014/15-2019/20

Actual Revenue (Kshs.) Financial years						
Revenue Stream	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Projected Revenue	370,000,000	380,000,000	300,000,000	324,755,009	262,248,785	319,757,547
Revenue collected	303,034,404	295,231,827	201,891,980	181,948,848	281,249,630	185,192,395

The charges and types of SBPs, takes the following into consideration:-

- (a) **Type and nature of a business.** This is determined by the business activity being undertaken such as wholesalers, retailers, transportation, agricultural activities, hospitality, financial institution, professional firms and educational institutions.
- (b) **Size of the business premises.** The size is determined by the plinth area of the business premise.
- (c) **Locations or zones.** The County is classified into zones A, B, and C, which are further reclassified as urban or peri-urban. Sub counties in zone A includes, Thika, Ruiru and Kiambu. Zone B are Juja, Kiambu, Kabete and Limuru. Zone C includes Githunguri, Lari, Gatundu North and South. Charges are slightly higher in zone A and Urban Areas and this is reduced respectively.
- (d) **Number of employees.** This ordinarily applies to educational institution and other professional firms.

An application for an SBP is initiated through a self-assessment process by the applicant at a Sub - County office. The application form is then assessed by a revenue officer with the approval of a sub – county finance officer who sends the applicant to a billing officer for registration and billing. Once payment is done through a cashier, the revenue officer proceeds to print and issue the permit to the applicant. This process is repeated every instance including on renewal of an SBP.

Challenges

- (a) **Inaccurate and false information from applicants.** Owing to the processes being based on self-assessment model, some applicants deliberately give inaccurate and false information which leads to undercharging. For instance, an applicant may declare that his/her business is located in a peri- urban area whereas it is actually located in an area classified as urban or declaring it as a retail shop thus being charged **Kshs 3,500.00** instead of a whole seller (**Kshs. 15,400.00**) leading to a loss of **Kshs 11,900.00** in once instance.
- (b) **Lack of an up-to-date register of licensed businesses.** The County does not have an up to date and accurate register or a data base of all the businesses it has registered and licensed. This makes it difficult to enforce compliance and net defaulters. In addition, it makes it difficult to obtain management reports and/or business intelligence reports,

such as list of defaulters per Sub County and per ward or performance per Sub County and per ward for the necessary enforcement.

- (c) **Centralization of the process of issuance of SBP.** The process of issuance of a SBP is centralized which requires an applicant to visit the sub county offices. This discourages applicants in far areas from seeking SBP at the Sub-County offices hence operating without SBPs. For instance, applicants from Ndeiya have to travel all the way to Limuru Revenue offices, to acquire and/ or renew an SBP.
- (d) **Prevalence of forged SBPs.** The current security measures in place are not fool proof, which has created avenues for rogue officers and business operators to generate fake permits. Additionally, enforcement officers do not have the resources to detect fake permits despite their prevalence.
- (e) **Questionable integrity of enforcement officers.** Some enforcement officers have questionable integrity with reports of engaging in malpractices rife. This makes it difficult to institute checks and balances to teams issuing permits at the revenue offices. This has been the major contributor to decline in revenue as depicted above.

Recommendations

- (a) **Decentralization of SBP issuance.** To make the process user friendly, more efficient and accessible, it is recommended that the process be decentralized to the ward level. It is easier to verify information given by the applicants at the ward level thereby curbing provision of false information by the applicants. It is also more expedient to enforce compliance.
- (b) **Automate the issuance of SBPs.** The process of issuance of SBP should be fully automated and made user friendly to the applicants. The automated system should comprise of the following features including but not limited ability to:-
 - (i) Obtain SBP online without necessarily visiting the revenue offices especially for renewal. This will also mitigate issuance of fake SBPs and applicants covering long distances to revenue office for SBP;
 - (ii) Generate management reports on the number of the businesses within the county; and ,
 - (iii) Send SMS alerts to applicants required to renew their permits.

- (c) **Waive penalties.** In an effort to ensure defaulters of the SBPs pay their licenses, it is recommended that the County consider waiving the penalty fees.
- (d) **Create flexibility in application and issuance of SBPs.** Invoicing for SBP should start in October of every year. The system should be configured to accept renewal of SBP to accommodate corporate clients who may prefer to pay for renewal before the end of the year. This will also increase cashflows during the off-peak period.
- (e) **Creation of an SBP database.** In the meantime the Sub-County administrators together with Ward administrators should establish a database of business premises operating within their areas of jurisdiction. The identified business premises should be classified into the different categories and ascertain compliance levels. All non-compliant business premises should be issued with a demand notice and required to comply within seven days failure to which the business premises risk closure. For ease of compliance and payment for the SBPs, the Sub- County Administrators should provide a one stop shop with all the requisite departments and facilities.

5.1.3 Market Management Unit

Market Management unit earned the County **Kshs. 33,359,712.00** in the Financial Year 2019/2020 as compared to **Kshs. 30,750,924.00** in the previous financial year. This amounts to a decline of **Kshs. 2,608,798.00**. The performance of this revenue stream over the last five years has been as indicated on the table below.

Table 6: Revenue Performance for Market Management Unit over the last five years

2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
71,498,822	55,574,469,	13,220,337	30,750,924	33,359,712

The political climate during the electioneering period adversely affected the revenue performance for the Financial Year **2017/2018**. This illustrates how revenue generation may be susceptible to the political climate.

The revenue sources under Market Management Unit includes:

- i. Daily Market Fees;
- ii. Market entrance fees;

- iii. Livestock landing fees;
- iv. Bus park stalls;
- v. Market stalls;
- vi. Slabs;
- vii. Chicken abattoirs; and ,
- viii. Transfers fees for kiosks, rental houses, market stalls and stalls.

Challenges

- (a) **Cash payment mode.** Payment is made in form of cash upon which a receipt is generated from the POS machine. The taskforce noted that some rogue officers negotiate with traders to undercharge and pockets the money.
- (b) **Collusion between rogue officers and traders.** This happens where a trader connives with the revenue collector to declare false information about commodities, wares or stock entering a market occasioning undercharging.
- (c) **Inadequate supervision.** There is evident lack of co-ordination between the revenue collectors and the market master leading to lapses in enforcement.
- (d) **Inadequate enforcement measures.** The taskforce noted high default in payment of County stalls, slabs and shops rent. It appears that there could be poor enforcement mechanism in place against these trader.
- (e) **Inconsistent charges.** This is occasioned by charges levied to the traders that are not consistent with the Finance Act. In other instances, some fees are not charged.
- (f) **Poor coordination between the departments of Finance and Trade.** Poor coordination leads to arbitrarily allocation market spaces, while in other cases, market fees are levied by market masters instead of revenue collectors leading to corruption.
- (g) **Adverse effects occasioned by the political statements.** In bid to woo voters, the political class occasionally makes statements that incite traders not to pay market charges, and promise if they are elected they would zero rate market charges. Re-introducing these fees later is met with a lot of resistance.
- (h) **Lack of delineation (demarcations)** for markets leading to encroachment, land grabbing and illegal developments. This hinders development and re- development of County markets.

- (i) Influx of hawkers to County urban areas in non-designated market areas. This causes the market traders get disgruntled due to lessened business activities within the designated market areas yet they are charged market fees. The non-designated areas invaded by the hawkers lack support infrastructure such as sanitary facilities, waste disposal facilities, sufficient space to accommodate the increased human traffic among others. This leads to increased conflict between the authorized traders and the hawkers sometimes resulting to violent confrontations.
- (j) Lack of co-ordination between the planning, trade and infrastructure departments leading to markets that are inconveniently located, lacking support services as well as poor maintenance of the establishments. This has led to residents preferring informal markets leading to loss of revenue.

Recommendations

- (a) Establish a market management model with two levels, to include representatives of market traders and the relevant County departments. The market management model should include but not limited to following features:-
 - (i) Self-sustainability whereby the fees and charges collected in a particular market will be applied to meet the market's operational and maintenance costs;
 - (ii) To address the market affairs such as resolution of disputes between traders, welfare of traders, control of influx of unauthorized traders (hawkers) among others.
 - (iii) Ensure compliance with government regulations relating to markets.
- (b) Maintain updated database of traders allocated stalls and slabs to enhance enforcement against rent defaulters.
- (c) Enhance co-ordination between relevant departments to ensure that markets are conveniently situated and provided with adequate support services such as sanitary facilities, well maintained pavements, flood lights, CCTV surveillance as well as security and safety. This will enhance preference for County markets and reduce informal markets.
- (d) The role of market management should be handled by Trade and Cooperatives , revenue collection handled by Finance and enforcement by Administration department. This will promote synergies between the departments and separation

of roles. Each of these officers must have distinct uniforms for ease of identification.

- (e) Stop cash transactions by automating payment and receipting of market fee and to ease of verification and enforcement where necessary.

5.1.4 Slaughterhouse Management Unit

Slaughterhouse Management unit earned the County **Kshs. 36,865,578.00** in the Financial Year 2019/2020 as compared to **Kshs. 40,822,223.00** in the previous financial year. This amounts to a decline of **Kshs. 3,956,645.00**. The performance of this revenue stream over the last five years has been as indicated on the table below.

Table 7: Slaughterhouse Management Unit revenue performance FY 2015/16-2019/20

FY 2015-16 (Kshs.)	FY 2016-17 (Kshs.)	FY 2017-18 (Kshs.)	FY 2018-19 (Kshs.)	FY 2019-20 (Kshs.)
46,675,405	40,252,865	38,394,715	40,822,223	36,865,578

From the above it's apparent that this revenue stream has been declining for the last five years. The trend does not depict the actual performance of economic situation. Over the years, the population has grown and so is the demand for abattoirs' products which should translate to revenue growth.

The revenue sources under Slaughterhouse Management Unit includes:

- i. Meat Inspection Fee;
- ii. Certificate of Transport;
- iii. Slaughter fee;
- iv. Hide and Skin fee; and,
- v. Landing fee.

Challenges

- (a) Collusion between the rogue officers and slaughterhouse management leading to payment of lower charges to the County or non-payment in some instances.
- (b) Illegal meat transporters such as those using unmarked motor vehicles making it difficult to levy the requisite fees to them. These transporters are difficult to monitor

since the County enforcement officers do not have express authority to erect roadblocks. This has become an easy conduit to avoid paying the requisite fees for the meat transport certificate.

- (c) Owing to the use of unmarked motor vehicles to transport meat, it is difficult to charge carcasses originating outside the County as prescribed.
- (d) Lack of adequate infrastructure in and around the slaughterhouse such access roads, sanitary facilities among others. This has led to outcry from the slaughterhouse owners and resistance in payment of charges.
- (e) Use of casuals to collect revenue in contravention of the provisions of the PFMA, 2012.
- (f) Lack of proper mechanisms to confirm the number of animals in holding grounds to levy landing fees.
- (g) Presence of cartels and political interference which have a negative effect on the operations of the slaughterhouses.
- (h) Unharmonized charges. Diverse charges such as meat inspection fee, holding fee and slaughter fee are paid to different revenue collectors causing confusion and lack of accountability.
- (i) Certificate of Transport (C.O.T) is charged at the rate of **Kshs. 50** irrespective of the number of carcasses.

Recommendations

- (a) Introduction of cashless system to minimize cash interaction between traders and revenue collectors.
- (b) Improve the working conditions of officers working in slaughterhouses by facilitating them with transport and security.
- (c) Consolidation of the various fees in the slaughterhouse to reduce confusion and improve accountability.
- (d) Amend the Finance Bill to introduce charges per carcass on C.O.T.
- (e) Renovate the current slaughterhouse in Thika and construct more abattoirs in the County.
- (f) Improve infrastructure and amenities around the slaughterhouses.

5.2 Land, Housing, Physical Planning, Municipal Administration and Urban Development

5.2.1 Physical Planning Unit

In the Financial Year 2019/2020, the county realized revenue of **Kshs. 497, 407,107.00** as compared with **Kshs. 519,829,897.00** in the previous financial year registering a decline of **Kshs.22, 422,790.00**.

There a number of revenue stream under this unit as indicate below.

a) Planning Applications:

- (i) Change of Use/ Renewal;
- (ii) Extension of Use;
- (iii)Extension/Renewal of Lease;
- (iv)Subdivisions;
- (v) Amalgamation;
- (vi)Master Plans/Comprehensive development schemes; and
- (i) Regularizations.

b) Building Plans Applications:

- i. Architectural Plans (New Applications, Renewals, Regularizations, Renewal with amendments);
- ii. Structural Plans; and
- iii. Civil Engineering Approvals.

c) Outdoor Advertisements:

- i. Billboards;
- ii. Signages; and
- iii. Wall Branding.

d) Others

- i. Occupation Permits;
- ii. Sale of Policy Documents;
- iii. Renovations; and
- iv. Demolitions.

Despite the several number revenue streams, the revenue collection over the last five years has experienced fluctuations as shown on the table below.

Table 8: Revenue performance for Physical Planning Unit for FY 2015/16- 2019/20

Financial Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Amount (Kshs)	442,149,451	392,025,664	283,320,929	519,829,897	497,407,107

These particular revenue streams appear to be susceptible to the political activities as can be observed towards election period between the periods 2016-2018. The taskforce observed a drastic rise in revenue realized between the financial year 2018-2019. This may have been partly attributed to provisions of vehicles to the sub-county planning offices occasioning enforcement exercises undertaken.

Challenges

- (a) Collusion between rogue officers in the department such as, planners, engineers, surveyors, Development Control Officers and developers to allow development without or contrary to approvals.
- (b) Centralization of approval processes where approvals are done at the headquarters save for single dwelling development applications leading to lengthy processes and backlogs of development applications approvals.
- (c) **Cases of impersonation.** There is rampant cases of imposters masquerading as county physical planners or county development control officers who divert payments payable to the County and swindle unsuspecting developers.
- (d) **Forgeries.** Most developments are ongoing with forged approvals denying the County Government revenue. At times the cases reported to the police are not acted upon due to lack of follow up.
- (e) **Lengthy Planning approval process.** Many developers do not wait for the process of obtaining all approvals to get to fruition, i.e., from the Change of User, Architectural Plans and Structural Plans approval which have to be submitted to the technical meetings consecutively .

- (f) Manipulation of e-DAMS and County Pro systems. The taskforce noted that there are instance where some applications get approved in the e-DAMS whereas commensurate payments are not traceable in the County Pro systems.
- (g) Lack of a cashless system of payment linked to e-DAMS able to remove interaction between developers and personnel and increase efficiency.
- (h) **Presence of middlemen and brokers in the approval process.** Brokers and middlemen use registered professionals to submit their applications. This occasions communication breakdown between the County Government and developer through the professionals who have no direct link to the developer. At times invoices generated for developers are exaggerated by the brokers.
- (i) External interferences in the physical and land use planning approval process. This is mainly from the politicians, other departmental officers such as Sub-County and Ward Administrators, Finance Officers and Enforcement officers who allow developments to go on without approvals by posing as physical planning officers.
- (j) Failure by developers to renew expired approvals sometimes caused by ignorance on the part of developers or collusion with rogue officers.
- (k) **Lack of approvals and incomplete approvals.** Some developers submit change of use application or architectural application, but they do not complete the process up to the final stage of getting issued with construction permit, due to the lengthy process or stringent rules and regulations such as plot coverage and plot ratios.
- (l) Lack of approved development plans, guidelines and policies to guide development such as the County Spatial Plans, Integrated Strategic Development Plans, Zoning Plans, Part Development Plans which has led to rise in neighborhood associations raising objections, complaints and litigations.
- (m) **Development contrary to approved plans.** Most of the ongoing building are developed contrary to approvals. This is exhibited by additional of extra floors or plot coverage that exceed what was approved. This is due to failure of post approval inspections and proper enforcement.
- (n) Most of the developers do not seek occupation permits, an area where a lot of revenue is lost. Once the developments are completed, the developer is required to seek for occupation permit but majority are occupied without the permit.
- (o) The County lacks an updated database of all approved developments and a Land Information Management System. This hinders the tracking of development

applications with approvals through integration of, mapping through GIS and e-DAMS and other intelligent digital systems of monitoring.

- (p) Uncoordinated exercises by various county departments leading to confusion of developers when making payments which hinders efficiency and effectiveness in service delivery. For example, Single Business Permits are issued without the consideration of the other outdoor advertisements such as directional signages.
- (q) **Inadequate enforcement.** This may be attributed to lack of enough mobility and inadequate personnel. Each sub county has one or two development control officers who undertake enforcement works. These officers are not adequate to undertake the works especially in busy stations like Thika, Juja and Ruiru where many developments are coming up due to high rate of urbanization. As a result, these officers are not able to cover all these areas within their jurisdiction. Lack of enforcement leads to untapped revenue from renovations, demolitions and illegal developments.
- (r) Subdivision applications are not submitted to the directorate for approval as outlined in section 57 (1) (2) of the Physical and Land Use Planning Act, 2019. The private surveyors usually prepare mutations which they take to the district land surveyor for issuance of parcel numbers and subsequent issuance of titles by the land registrar. The County therefore loses revenue from subdivision since the fees are not paid.
- (s) The penalties for developing without approvals or violating the conditions of approvals are not punitive. This results to developers preferring regularization rather than seeking fresh development approvals and complying with approval conditions.
- (t) Loopholes in legal and prosecutions of cases which promotes non-compliance. In most cases the masons (fundis) are arrested, once they are taken to court, the judges release them demanding to prosecute property owners which at times is difficult.
- (u) **Inadequate trained staff.** Due to understaffing, there are instances where interns are given responsibilities, authority and power to perform duties which should be performed by qualified personnel under the right scheme of service.
- (v) **Inadequate facilitation and financial resources.** Most of the planning units at the sub-county offices lack facilitation and equipment such as printers, laptops and other stationeries to enhance efficient service delivery.
- (w) Inadequate sensitization/public participation through planning or land clinics to create awareness on the requirements for development approval, the officers involved and the process of payments to avoid hijack by imposters.

- (x) Slow internet speeds and lack of connectivity in some sub county offices leading to delayed processing of development applications hence inefficiency in service delivery.
- (y) The e-DAMS at times experiences downtime due to power outages at the data center.
- (z) The department lacks service charters to guide timeliness for service delivery.
- (aa) There is no County Physical Planning Liaison Committees in place to deal with litigations and complaints from development stakeholders such as developers and neighborhood associations. As a result, this has led to many stalled projects.

Recommendations

- (a) Classification of developments into large, medium and small-scale categories. Towards this end, the County should deploy a team that may consist of officers from Physical Planning, Finance, Enforcement and the Administration Police. The team should be facilitated to transverse the County identifying all developments and issuing enforcement notices within 7 days for developments without approvals and occupation permits.
- (b) Clearly define the role of officers involved in the process of development approvals, development control, and enforcement and monitoring. This will aid in curbing malpractices.
- (c) Regular reporting of the criminal malpractices to the investigation agencies and follow up with regular change of approval tools such as stamps and other tight security measures.
- (d) Establish a Service Level Agreement between the County and the e-DAMS developer, where the developer will be given minimum operating rights for maintenances only.
- (e) With the help of sub county administrators, physical planners, enforcement officers and the police, identify and arrest masqueraders and imposters.
- (f) Decentralization of planning approvals for major development applications to the Sub Counties and involving other departments through the constitution of sub county approval committee, chaired by the Sub County Administrator.
- (g) Enable concurrent submission and approval of development applications in the e-DAMS system and cascading all approvals to the Sub-County Physical Planning Unit to fast track instances of simultaneous submissions of development applications.
- (h) Put in place measures to enhance accountability and responsivity of consultants, to minimizes cases of brokers. This will ensure timely correspondence to developers in the approval process of development applications.

- (i) The County should undertake regular sensitization, awareness meetings through conducting regular land and planning clinics with developers and professionals including providing sufficient information on the physical and land use planning processes and requirements on the county website.
- (j) Invest in training for all cadres of staff on professional training, integrity training (Ethics and anti-corruption) and refresher courses. There should also be checks and balances and proper supervision of staff.
- (k) Revision of the physical planning rules and regulations to reduce the stringent processes to enhance efficiency and effectiveness in service delivery.
- (l) Ensure approvals are acted upon with Sixty (60) days, and communication sent to the applicants in accordance with Section 58 (6) Physical and Land Use Planning Act No.13 of 2019.
- (m) The directorate should be shielded from external interference including political and administrative.
- (n) The County should establish a Land Information Management System and maintain an updated database of all approved developments. This will aid in tracking of development applications and approvals. The system should include among other features the ability to map such developments through GIS and integrate with e-DAMS and other intelligent digital systems of monitoring.
- (o) A communication and a follow-up with the Land Registrars and the District Surveyors to stop illegal subdivisions and mutations. Subdivisions and mutations should be processed through the physical planning directorate as per the Physical and Land Use Planning Act, 2019.
- (p) Engagement of a consultant to assist in formulation and fast-tracking of the completion of preparation of development plans such as the County Spatial Plans, Integrated Strategic Development Plans, Zoning Plans, Part Development Plans, guidelines and policies to guide development of the physical planning unit.
- (q) The department should identify its staff establishment requirements in all cadres.
- (r) The County should put in place adequate measures and personnel to assist in enforcement exercises of developments without approval or developments contrary to the approved plans, expired plans, post approval building inspection and from untapped revenue streams such as occupation permits and outdoor advertisements.
- (s) To have dedicated legal staff and prosecutors to the physical planning directorate to offer legal advice on issues of demolitions and restorations of the built up areas to their

original status pursuant to the provision of Physical and Land Use Planning Act 2019 Section 57 (3) and (4) and deal with the issues of prosecution after expiry of enforcement notices.

- (t) Create synergy between relevant departments such as Finance, Administration and Environment departments in the approval process.
- (u) Proper identification cards to be issued to all physical planning officers to reduce the high rate of imposters and impersonation. This can be extended further through publication of the officers with their photos in the local dailies and or the county website.
- (v) Facilitation in both human, financial resources and regular capacity building through trainings and staff motivations. There is need for recruitment of additional physical planning staff and facilitation with equipment such as printers, laptops, GPRS machines for inspections and other stationeries to enhance efficiency in service delivery.
- (w) Installation of wi-fi and fast internet connectivity to all physical planning offices.
- (x) Adoption of cloud Local Host Installation to reduce downtime.
- (y) Installation of automated power back-ups and maintenance.
- (z) Automation of payments linked with e-DAMS to enhance convenience and efficiency in service delivery in payment of development application fees.
- (aa) Establishment of service charters to enhance timely service delivery and setting targets.
- (bb) Review the penalties for regularization and make them more punitive to discourage developments without approvals or violating the conditions of approvals.
- (cc) Fast-track the establishment of County Physical Planning Liaison committees to deal with litigations and complaints from development stakeholders such as developers and neighborhood associations.
- (dd) Re-activate and follow up on post approval inspections and application charges.
- (ee) Provision of at least 1 vehicle to the Physical Planning Unit in each of the 12 Sub-Counties.

5.2.2 Land Rates Management Unit

In the current Financial Year 2019/2020, the county realized revenue of **Kshs.241, 976,369.00** compared to **Kshs.322, 491,118.00** collected in the previous financial year. It is worth noting that the County Government of Kiambu inherited different rating regimes from the eight

defunct local authorities. The different systems have created a non-harmonious rating system leading to the following state of affairs:

- (a) Confusion regarding matters of backdating arrears and charging of penalties as every sub-county has a different base year.
- (b) Lack of legal notices to provide the bases of rates charged in some areas, and archaic ones where available.
- (c) Continued use of expired valuation rolls which may open the County to legal challenges.
- (d) Exemption of agricultural properties for certain areas while other areas have to pay rates. Such exemptions are not provided for under the Kiambu County Valuation and Rating Act of 2016.

Following the enactment of The Kiambu County Valuation and Rating Act 2016, the Kiambu County Valuation and Rating Regulations 2018, and in an effort to improve the efficiency of land rates administration in the County, the county executive committee through a cabinet paper approved the separation and subsequent transfer of the function of land rates administration to the directorate of Land valuation, rating and asset management as required in the Act and regulations. The segregation assigned roles to different offices as follows:

- (a) Directorate of Valuation and Rating which is tasked with the following functions: -
 - (i) Preparation of the schedule of rates;
 - (ii) Assessment and imposition of rates payable;
 - (iii) Issuance of certificates of rates clearance; and
 - (iv) Preparation of annual reports on the operation and administration of the valuation and rating system in the County.
- (b) Department of Finance and Economic Planning retained the following functions:
 - (i) Billing of land rates;
 - (ii) Receiving of rates payment; and
 - (iii) Enforcement of payment of rates.

If this segregation of roles is implemented to the fullest it will be useful in the following manner:

- (a) Creation of easier and more efficient administration of the rating system in the county;
- (b) Enhancement of integration of the valuation and rating system with related functions like planning and survey within the Lands department;
- (c) Timely updating of the rates register to reflect changes in property;

- (d) Valuation for provisional rating for properties that change in attributes before the preparation of supplementary roll;
- (e) Safe custody of the valuation roll and the supplementary valuation roll;
- (f) Enhancement of compliance and accountability of the rating system;
- (g) Timely preparation of the annual report in accordance with the County Assembly timelines; and
- (h) Increased rates payment by county residents.

In the meantime, the effect of this separation of roles and functions was evidenced in the increased rates revenue in the financial year 2018/2019 as tabulated below:

Table 9 : Revenue performance for Land Rates Management Unit for FY 2015/16- 2019/20

Financial Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Amount (Kshs)	219,948,910	235,415,270	180,988,383	322,491,118	241,976,369

In an effort to create a harmonized system, the County contracted the services of the government Valuer to prepare a valuation roll which was completed on the 12th February 2015. The Valuation Roll of 2015 was composed of the following:

- a) Private Land Valuation Roll comprising of a total land value of Kshs. 784.1 Billion
- b) Public Land Valuation Roll that comprises of:
 - i. Government land roll with a total value of land of Kshs. 19.9 Billion
 - ii. Kenya Post and Telecommunications Land Roll with a total land value of Kshs. 287.2 Million
 - iii. Kenya Railways Land roll with a total land value of Kshs. 976.7 Million

The valuation roll was adopted and a rate struck of 0.25% adopted and published in The Kiambu County Finance Act 2018. The estimated realizable revenue would have been 1.96Billion annually.

An area rates schedule for areas not covered in the Valuation roll was tabled to the County Executive Committee and published as Gazette Notice No.11372 dated 2nd November 2018. This would have boosted the collection of land rates revenue were it not for the suspension of the new rating regime.

These new rates were suspended following the public outcry. Our post-implementation analysis revealed that the problem could have been occasioned by the rate struck (the percentage) applied which translated to a sudden high increase in annual rates payable especially in areas that were hitherto paying minimal annual rates.

Challenges

- a) **Collusion between valuers and land rate payers.** The taskforce noted that there is collusion between rogue officers and rate payers leading to downward adjustments of land rates payable. Existence of different rating regimes in different Sub Counties creates room for this collusion.
- b) **Fake clearance certificates.** Despite having a very innovative digital platform to administer Land rates, clearance certificates have remained manual. This exposes their issuance to fraud. It is also not possible for other relevant directorates to verify the authenticity of the manual clearance certificates.
- c) **External influence.** In the past, executive orders have been issued directing the valuation and rating office on what to implement as far as land rates administration is concerned. Most, if not all of these orders are not formalized and even then, they are not gazetted. This leaves the office tied as all duties must be executed with utmost adherence to the laws provided.
- d) **Recent amendments to the Land Registration Act No. 3 of 2012.** The Directorate heavily relies on mutual co-operation between the County Government and the Ministry of Lands at the National Government level to enforce payment of land rates before any transaction on land is recorded at the land registries. The Ministry on 22/05/2019 issued a public notice removing the requirement for land rates clearance, land rent clearance as well as land board consents while carrying out land transactions. This crippled the County's ability to collect land rates related revenue.
- e) **Lack of a proper enforcement mechanism for payment of land rates.** The Kiambu County Valuation and Rating Act 2016 vests the power to enforce payment of annual rates upon the CECM Finance. It was noted that whereas the law provides for the CECM to dispatch demand notices for land rates due, the same is not done in good time. Further, there is no adequate mechanism in place to communicate to landowners on annual rates payable at the beginning of the year. This has resulted in a huge land rates arrears in our systems.

- f) **Non-Harmonious and ambiguous rating regimes.** The County Government of Kiambu took over from the defunct local authorities, which had different land rating regimes. They also had different base years. Rate payers have complained of an unfair rating system that subjects different Sub counties to different base years hence inequity. This has also been interpreted as lack of transparency.
- g) **Lack of Legal Documentation Supporting Rating Regimes.** In some sub-counties, it is hardly possible to get legal documentation supporting rating regimes that are currently or have previously been in use. This may present legal challenges especially for the rating regimes that were not gazetted.
- h) **Rating on freehold properties.** Section 7 (1)(a) of the Valuation for Rating Act Cap 266 of 1956(Revised in 2015) of the Laws of Kenya, the Rating Act 1956 Cap 267, and The Kiambu County Valuation and Rating Act 2016 provides for rating on freehold properties. There has been a general complain across the County concerning who should be considered as a rateable owner. Majority of the residents are of the opinion that Freehold interests should not be subjected to land rates. However, the above-mentioned legislations identify freehold properties as rateable.
- i) **Area Rating for Agricultural Land.** Sub-counties that did not have a well-defined site value rating regime were subjected to area rates. Gazette notice No. 11372 of 14/11/2015, subjected all properties within the mentioned areas to differentiated area rates according to use, excluding agricultural properties. There is also a challenge defining what agricultural land is. According to residents, any land that is undeveloped is agricultural.
- j) **Backdating of Arrears and Revision of Land Rates.** There has been widespread discontent on when rates should fall due on a given rateable property. This problem presents itself especially when a property is being registered fresh in the system. The argument from residents is that a rateable owner should start paying land rates when the property is registered with no backdating.
- k) **Poor co-operation during handover of the rating function.** During the official handover of the rating function to LHPP MAUD, mutual co-operation was sought whereby Finance department was required to hand over all documents and information that would assist LHPP MAUD in streamlining its new mandate. This is yet to happen.
- l) **Imposing Land Rates on Expired Leases/Allotments.** There are various cases of rate payers whose leases or allotments have expired, seeking to pay land rates. It becomes difficult to impose land rates on such properties.

j) Vacuum in the leadership of the directorate and Understaffing. On or about April 2018 and February 2019 the offices of Director and Deputy Director fell vacant respectively. There has been no replacement, anyone acting in the same capacities and performing duties. The taskforce further noted that some assistant valuers' engagement contracts have lapsed. This is likely to incapacitate the directorate if no efforts are made to renew and enhance their terms of engagement. It was further noted that the directorate is understaffed.

In addition, due to the vacancy in the office of the director, it is not possible to access the e-DAMS system, to obtain a log of the properties that have received approval for subdivision, change of use and amalgamation for re-assessment. The end result is developed properties paying non-commensurate rates and therefore loss of revenue.

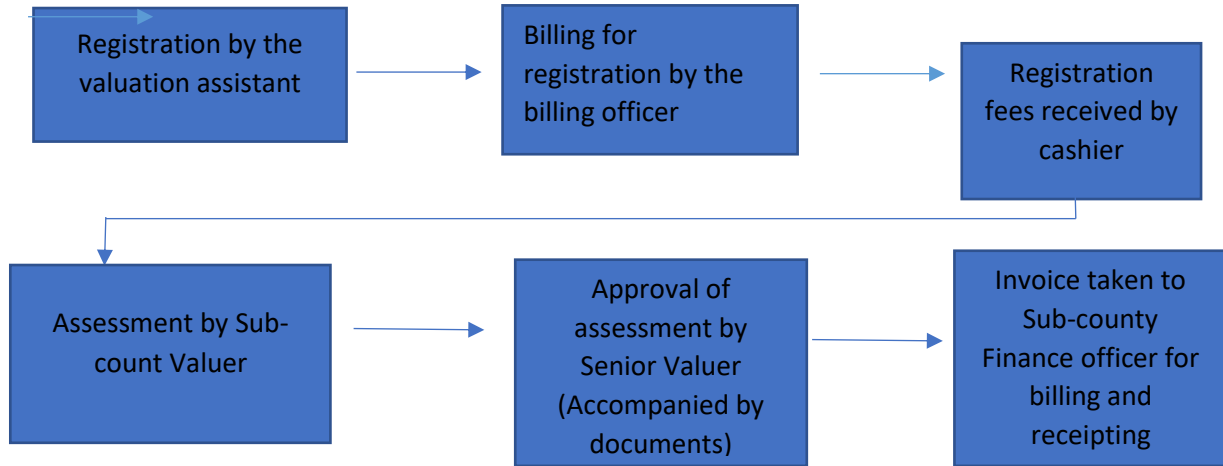
k) Lack of proper facilitation. It was noted that the directorate is not adequately facilitated to carry its mandate effectively for instance the department lacks adequate office space and mobility.

l) Inaccurate property data on County-Pro System. The property data on County-pro lacks some properties, while in other instances, it has inconsistencies with the amounts due. This is occasioned by inaccurate ratable amounts input done during inception, and inconsistent penalties struck. It is noted that some officers who are not Valuers have the rights to property registration module which exposes the system to alterations by these officers. The system also classifies revenue from land rate clearance certificates as revenue generated from "others". This has blocked the valuers from interrogating clearance certificate receipts.

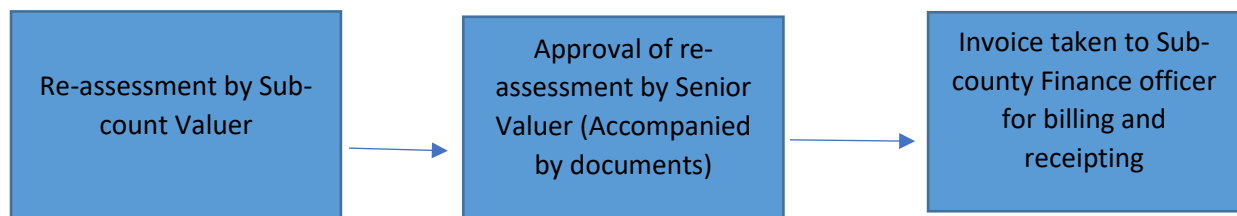
Recommendations

(a) Create Checks and balances to address collusion between rogue officers and rate payers. To ensure transparency and accountability in the billing and invoicing of the land rates, the task force recommends that finance officers be included in the workflow once the valuer has completed the assessment. This will ensure that what has been assessed is what is in the invoice and that it is in line with the Kiambu County Finance Act. The following work flow is recommended:-

For New registrations: -



For properties existing in the register that require reassessment:



- (b) Link payment of utility services such as water bills and SBPs with the payment of land rates by requiring display of proof of payment of land rates. Utilities and SBPs require information on the plot of land where the services will be provided, it is therefore possible at that point to find out whether the land rates have been paid.
- (c) **Collaboration with the National Government i.e. Ministry of Lands.** The National Government is still our biggest partner as far as enforcement of land rates revenue payment is concerned. It is recommended that the office of the CECM LHPP MAUD explores avenues of having the decision to remove the requirement for land rates clearance certificates, land rent clearance and consents reversed. This will ensure that the directorate is able to get the rates revenue at the point of transaction.
- (d) **Communication to land owners regarding annual rates payable.** The taskforce recommends establishment of an effective and timely communication system to land rates payers on their annual obligations. Rate payers should be frequently reminded of their duty to pay land rates for the coming year at least a month before the end of the year that is in December. Platforms such as text messages are an effective channel and should be implemented immediately. This will increase the level of compliance.
- (e) **Automation of land rate payment.** Measures be put into place to automate rates payment and ensure that rate payers are able to pay for their land rates remotely without

the need for visiting the county offices. This will reduce the avenues for collusion by eliminating human interaction.

(f) Implementation of the area rates form of rating across the County. In an effort to harmonize the rating process across the County, the Directorate of Valuation and Rating has made proposals to the cabinet to implement the area rates according to size of land, zones and land uses. This is already in practice in several sub-counties and would be an effective form of rating in Kiambu County as a whole. With our County experiencing rapid urbanization, there are many changes in use of land. Implementation of area rates will double our current land related revenue collection. The taskforce recommends issuance of a gazette notice of the same immediately by the CECM LHPP and Finance, such that this will be used in January 2021. This will increase our revenue collection for the second half of the current financial year.

In implementing the area rates, the taskforce recommends starting with municipalities such as Kiambu, Ruiru, Thika, Karuri, Limuru and Kikuyu. The second tier will involve the mushrooming areas such as Juja, Kimunyu, Kenyatta road among other upcoming comprehensive/mixed developments. The last focus should be on agricultural land.

(g) Enhanced enforcement measures to enable land rates collection. The taskforce recognizes the low compliance levels of land rates payment. It is therefore recommended that land rates payment be a demand during physical planning and development application, business permits and liquor licenses. The taskforce calls upon more stringent measures by the CECM Finance in enforcing land rate payments against defaulters as empowered by the law especially gated community developments and industrial developments.

(h) Automation of the rates clearance certificate issuance. To avoid the instances of having fake clearance certificates, the taskforce recommends the immediate migration from manual to online clearance certificates generated once land rates have been cleared. This will ensure compliance to land rates payment.

(i) Strengthening the directorate by immediately recruiting the director, deputy director, employing more valuers and valuation assistants. There should be immediate review and enhancement of terms of engagement of the existing staff which is pending at the County Public Service Board. The directorate should also be facilitated with the necessary resources such as inspection vehicles, GPS tools, survey equipment and maps. In the meantime, the available personnel should be deployed in the major rates generating sub counties.

- (j) ICT Systems.** Immediate procurement of a new system ICT System customized for land valuation and rating directorate which should be linked with the revenue collection system and e-DAMS. The system should properly detail the information collected during registry to ensure a transparent bill/invoice to the finance department and to the client. This should be done immediately. It is further noted that there is need for regularly cleaning of the systems to retain the integrity of the system and the information therein. The system must also provide for scanning of the physical documents during the workflow.
- (k) Regular audits of systems and operations.** The taskforce recommends regular spot checks by surveillance teams to audit the daily operations within the land rates administration system as well as audits to identify any loopholes and recommend areas of improvement. This will ensure that any inefficiencies are detected in good time and addressed accordingly.
- (l) Improvement on existing legislation to improve rates revenue collection.** The taskforce recommends an amendment of the Kiambu County Valuation and Rating Act 2016 and the accompanying Regulations 2018 to allow for recovery of land rates due to the County even after an instrument of ownership has been granted by the land registrar. This will ensure that no land related revenue is lost on land transaction.

5.3 Water, Environment, Energy and Natural Resources

In the Financial Year 2019/2020 the County realized **Kshs. 48,308,462.00** against **Kshs 63,232,814.00** collected in the previous year. Over the years the collections from this stream have been on the decline as illustrated in the table below.

Table 10 : Revenue performance for Water, Environment and Natural Resources Management Unit for FY 2015/16- 2019/20

Actual Revenue FY 2015-2016 (Kshs.)	Actual Revenue FY 2016-2017 (Kshs.)	Actual Revenue FY 2017-2018 (Kshs.)	Actual Revenue FY 2018-2019 (Kshs.)	Actual Revenue FY 2019-2020 (Kshs.)
66,613,155.00	46,066,656.00	41,686,380.00	63,232,814.00	48,308,462.00

The taskforce noted that the County realized the highest revenue collection for this stream in the financial year 2015-2016. This may have been attributed to new charges introduced during that financial year. On the other hand the lowest collection occurred in the financial year 2017-2018 which may have been attributed downward revision of rates. In the financial year 2018-2019 the revenue increased by approximately thirty four (34%) per centum partly due to stringent measures put in place to ensure compliance.

The following are the revenue streams under the department:-

- i. Commercial/industrial refuse disposal;
- ii. Allocation of tipping site;
- iii. Disposal of hazardous waste;
- iv. Tipping charges;
- v. Rent for public toilets deposits;
- vi. Public toilet deposits;
- vii. Exhauster services;
- viii. Water Browser services;
- ix. Incinerator permits;
- x. Recycling permits;
- xi. Sale of environmental policy documents;
- xii. Licenses to transport waste;
- xiii. Demolition permits;
- xiv. Quarrying certificate;
- xv. Noise permits; and

- xvi. Mining/natural resources extraction operation.

The Department may also consider introducing the following new charges:-

- i. Incinerator services;
- ii. Asbestos disposal services;
- iii. License to transport waste for exhausters;
- iv. Timber movement permit;
- v. Charcoal movement permit; and
- vi. Movement permit for non-wood products.

Challenges.

- (a) **Lack of qualified enforcement officers.** The department relies on enforcement officers from Public Service and Administration who do not have the requisite expertise to deal with environmental technicalities.
- (b) **Forgery, fake receipts and parallel official documents.** The taskforce noted that some rogue officers forge receipts, signatures and letters or impersonate environment officers to defraud unsuspecting members of the public in the pretext of offering county services. Cases of parallel official documents such as licenses to transport waste and noise permits are rampant with some private garbage collectors using fake licenses and receipts to access the final disposal site.
- (c) **Lack of interdepartmental synergy.** The taskforce noted lack of coordinated cooperation between relevant departments in revenue collection such as in solid waste management. Input from environment office is required before billing and issuance of relevant permits which is not happening.

In addition, the same is required in the development planning approval processes. The absence of such input has led to developments taking place without having met the required environmental conditions and payment of requisite fees.
- (d) **Lack of a comprehensive data base.** The department lacks a comprehensive data base on business premises issued with single business permits, Number of quarries, factories/industries, projects that require EIA, allocated tipping sites, recycling and sorting sites among others.
- (e) **Inadequate on-job training and skills development.** Some revenue streams require expertise and skills to initiate the process of revenue collection. For instance, to determine noise levels an officer is required to use noise meters and interpret the data

to provide the basis of the charges to be imposed. In quarries expertise and skills are required in determining area and extent of excavation in order to initiate the billing process.

- (f) **Poor infrastructure in major revenue collection points.** The major revenue collection points include Kang’oki dumpsite, quarries in Thika, Juja and Kikuyu. The road networks in these areas is in deplorable state leading to inaccessibility hence revenue losses. Some private garbage collectors have opted to dump their waste in other waste disposal sites such as Dandora due to inaccessible roads and poor drainage at Kang’oki dumpsite. The department operates a single waste disposal site at Thika sub County negating the principal of proximity hence some private garbage collectors opt for other alternatives outside the County.
- (g) **Overlapping roles between National and County Government.** In some incidences overlapping roles between National and County Government have been experienced in waste management, forestry and Water leading to double taxation as result some clients decline paying the County Government after obtaining NEMA licenses and other permits from the National Government.
- (h) **Existence of cartels.** The taskforce noted that cartels have hijacked the management of some revenue streams such as public toilets, quarries and solid waste management. These cartels collect revenue leading to loss of revenue.
- (i) **Lack of proper facilitation.** It was noted that the directorate is not adequately facilitated to carry its mandate effectively for instance the department lacks adequate mobility for surveillance. In addition, it was noted that whereas some revenue streams require specialized tools and equipment such noise meters, air quality detection meters among others such tools and equipment were not provided.
- (j) **Collusion between rogue officers and clients.** Some rogue officers collude with clients to deny the county its revenue such as in fees payable for solid waste management, private developments and quarries. Some officers use domestic waste charges instead of industrial charges which are much higher as per the Finance Act.
- (k) **Lack policies and legislation.** The taskforce noted that there was lack of adequate policies and legislations to adequately address regulation and revenue collection in environmental activities.
- (l) **Lack service charter.** The department lacks a documented service charter, to guide service delivery to the members of the public and ensure efficient, transparent and effective service delivery.

- (m) **Unharmonious revenue collection procedures and processes.** The processes and procedures in revenue collection differ from one sub county to another creating confusion to the clients and also promoting corruption avenues.
- (n) **External interference.** The taskforce noted that there was external interference including politicians with the revenue collection process by directly controlling some revenue streams for example quarries and public toilets.

Recommendations.

- (a) **Establishment of a database of factories and industries.** The County should put in place measures to establish and maintain an up to date a database of factories and industries operating within the County. In addition, they should be categorized into large, medium and small size. In the meantime, a team should be constituted to undertake this exercise.
- (b) **Identification of excavation sites.** Excavation sites should be identified to aid follow up on payment of the requisite fees, backfilling and rehabilitation is done. This should start with Ndenderu, Kikuyu and Gatundu areas. Additionally, the department should work closely with other relevant departments to ensure compliance such as ensuring that construction debris and excavated materials are disposed in designated sites and EIA reports done for all excavation points.
- (c) **Monitor tipping services.** The County should put in place mechanisms of monitoring the amount of waste generated by factories. This will enable the County to review the annual charges payable on quarterly basis if need be. In addition, the number of trips done by private waste companies vis a vis the payments made should be tracked.
- (d) **Coordination between departments.** Modalities to harness synergy among departments involved in the revenue management should be put in place. In addition, mechanisms to impose requirement for compliance with related charges as condition precedent to issuance of SBP may be put in place. These may include fire license, Public Health certificates and license, clearance from environment where necessary.
- (e) Conduct an audit of public toilets owned by the County, commercial private sanitary facilities, exhausters, car wash businesses and water bowsers operating within the County and developments that have encroached on riparian areas among other sensitive ecosystem.
- (f) **Identification of water commercial sources.** The County should identify all the necessary charges.

- (g) **Introduction of new revenue streams.** The taskforce identified additional revenue streams which may aid the County in raising the OSR in the department such as introducing fees for incinerator services, Asbestos disposal services, License to transport waste for exhausters, Timber movement permit, Charcoal movement permit and Movement permit for non-wood products among others.
- (h) **Decentralize revenue collection to sub county level.** The taskforce recommends that the collection of revenue be cascaded down to sub counties for faster and better service delivery.
- (i) **Adoption of cashless system of payment.** The County should adopt a cashless system of payment to combat situations to eliminate human interaction and curb corruption among rogue officers.
- (j) **Environmental education and public awareness.** The County should hold regular sensitization meetings on environmental education and revenue management.
- (k) **Provision of working tools and equipment.** Officers responsible for collection of revenue should be facilitated with working tools and equipment to enable them to realize the targets set out by the department. The taskforce calls upon the department to budget for acquisition such equipment.
- (l) **Infrastructure.** The taskforce recommends for improvement of roads infrastructure at revenue collection points such as quarry cess revenue collection centers and dumpsite.
- (m) The public service department to deploy qualified enforcement officers to the WEENR department. The department to conduct on-job training for the enforcement officers on environmental laws.
- (n) Map all waste sorting centers and recycling facilities within the county.
- (o) Carry out survey of the extent of pollution in major rivers within the County.
- (p) Expedite the renewal of the NEMA license for the asbestos disposal site at Gatuanayaga

5.4 Health Services Management Unit

In the Financial Year 2019/2020, the county realized revenue of **Kshs. 916,247,059.00** against **Kshs. 969,447,671.00** realized in the previous Financial Year. Over the years the collections from this stream is illustrated in the table below.

Table 11: Revenue performance for Health Services Management Unit for FY 2014/15 – 2019/20

DESCRIPTION	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Public Health	52,924,262	48,242,574	49,836,915	37,478,310	81,345,890	27,062,537
Hospital Charges	363,688,533	331,516,591	268,770,786	214,186,386	497,960,941	478,610,189
NHIF	214,805,224	225,630,217	101,257,608	242,221,056	390,140,840	410,574,334
TOTAL	631,418,018	605,389,382	419,865,309	493,885,752	969,447,671	916,247,060

With revenue generation not being the primary focus of the department, it would not be easy to assess the performance in terms of revenue generation like the other revenue streams. Indeed, the Kiambu County Health Services Act, creates the Facility Improvement Fund, where all the monies realized by the health facilities are to be paid and or deposited. The objective of the FIF is to ensure that all the monies realized from hospital charges are ring fenced and ploughed back to the health facilities to improve service delivery. This is geared towards cushioning the provision of health services from overreliance on the exchequer releases including enhancing the department's capacity to address its emergency needs among others. In the provision of the health services to her citizens, the department offers free services at the dispensary and health center level and only levy user fees in level four and five facilities.

Other sources of revenue in the department falls under the preventive and promotion services (Public Health) as indicated below: -

- i. License ;
 - a) Food, drugs and chemical substance (Cap 254); and
 - b) Nonfood health license (Cap 242).
- ii. Medical certificate;
- iii. Building plans approval;
- iv. Vaccination/inoculation certificate;
- v. Cemetery fees;
- vi. Vermin/rodent/insect control fee; and
- vii. School inspection fee.

Challenges

- (a) Lack of harmonized and efficient hospital management and information system.** Currently the hospitals do not have an integrated Hospital Management and Information System that is interlinked with all the County's health facilities.
- (b) Lack of timely and accurate refund of NHIF and Linda Mama rebates.** While a significant percentage of the monies realized under this revenue stream is derived from NHIF and Linda Mama rebates, there is constant delays in receiving the same occasioning the County inconveniences.
- (c) Delay in refunding FIF to the facility thus delaying service delivery.** The delay in remitting FIF causes the health facilities to over depend on the exchequer releases which is erratic. This has in some instances led to inability to cater for very basic needs leading to delayed or poor services.
- (d) Waived charges too high thus affecting the overall revenue.** The Public Finance Management Act clearly provides for the process of waiving and varying fees and charges. The said waivers and variations can only be done by the CECM responsible for Finance, however, they continue to be done without following any procedure leading to abuse and loss of revenue.
- (e) Erroneous Customer perception of public facilities that the services should be free.** There exists a general and erroneous perception that services and commodities from the public facilities should be free. This is by and large attributed to political statements occasionally made.
- (f) Lack of adequate essential supplies and equipment.** There is inadequate of public facilities with the essential equipment and commodities. This has led to a high number of clients who are covered by NHIF and the Insurance companies to shun public hospitals despite having capacity to offer competitive services. This denies the County a large chunk of NHIF and Insurance companies' rebates.
- (g) Inadequate supply of medical equipment, skills necessary for their operations and timely servicing of the equipment's.** The County has not rationalized its equipment and skills distribution across its health facilities. For instance some high end equipment laid idle at the facilities for some time arising from lack of personnel with specialized skills to operate them. The County have also experienced instances of untimely servicing of its medical equipment leading to delayed service delivery.

- (h) Delay in meeting the required hygiene and sanitation conditions which are a prerequisite for being licensed.** Most establishments that require licenses under public health are not keen on meeting the hygiene and sanitation conditions prerequisite for a license.
- (i) System challenge such as network connectivity especially in rural areas.** Most of the health facilities located in far flung areas lack internet connectivity and thereby lack Hospital Management and Information System.
- (j) Lack of data base on private medical facilities.** The County does not have database of the private health facilities operating within the County. This makes it difficult to enforce standards, license and collects the fees attached to the licenses.
- (k) Cemetery fees such as exhumation and supervision fee are rarely charged.** In most instances the cemetery fees are not levied leading to loss of revenue. This is compounded by the fact that the county does not maintain its designated cemetery areas and hence the community around them have gradually taken care of them. The area local administration actively involved in the management of county cemeteries.
- (l) Low fees levied on insect, vermin and rodent control services.** Whereas this is a very important task in preventive health care, it has over the years been given little or no attention. In addition to the important role it plays in preventive health care, it has potential to give the county much need revenue.
- (m) Delay in traders meeting public health conditions required for issuance of licenses.**
- (n) Weak security measures in the available systems, e.g ZiZi, where the personnel, (ICT) in liaison with officers manipulate system and generate fake receipts and licenses.**
- (o) Unharmonious payment of fees across the various sub-counties thus bring confusion**
- (p) Cash payments in some of the areas, facilitating collusion between county employees and clients.**
- (q) Lack of efficient reliable transparent enforcement mechanisms.**
- (r) Collusion between clients, officers and lab operators while handling medical certificates.** Clients end up giving money and acquire lab results without investigations. The County loses revenue and the client if not medically fit to work in food related premises.
- (s) Lack of an updated database on all food and non-food premises.** This makes it difficult to estimate revenue projections.

- (t) **Inadequate human resource to cover the areas of jurisdiction especially the rural areas.** Some rural areas lack basic human resource to provide the much-needed health care services.
- (u) **Lack of motivation to staff while performing their duties.** The personnel working in the county's health care system are demotivated arising from a myriad of reasons ranging from lack of basic protective gear and work overload.
- (v) **Unharmonious fees and charges across all health facilities.** Arising from lack of an integrated Hospital Management and Information System, the hospital fees and charges are not applied uniformly across all the health facilities.
- (w) External interference in enforcement of public health regulations.

Recommendations

- (a) **Full implementation of the Kiambu County Health Services Act by establishing and maintaining functional FIF.** The County should ensure that the FIF is established and functional. In accordance with the provisions of the laws relating to PFMA, all the levies collected from provision of health services and sale of medical commodities, should be timely and routinely credited to the FIF. This will in turn increase efficiency and increase the department's capacity to address its urgent needs without being affected by delays in exchequer releases.
- (b) **Establishment of procedure for waivers and variations of hospital bills.** The CECM for Finance should in accordance with the PFMA and the Finance Act, prescribe the procedures for hospital bill waivers. The procedures should address the considerations to be made before any waiver is given, the reporting of such waivers among others to curb abuse.
- (c) Establishment of a Hospital Management and Information System (HMIS) integrated to all the health facilities.
- (d) **Establish and maintain a comprehensive data base on all premises; food, non-food, institutions and private health facilities.** Ensure the data base is updated quarterly. This will enable the county to set realistic revenue targets and facilitate the enforcement of hygiene and sanitary conditions and standards while collecting additional revenue.
- (e) **Harmonization of all fees and charges across all the sub-counties.** The hospital fees and charges should be made uniform across the county in order to comply with the

relevant legal instruments relating to hospital charges. This also will address issues of revenue leakages.

- (f) Timely and accurate NHIF remittance of rebates owed to County.** Measures need to be put in place to ensure timely and accurate remittance of NHIF rebates owed to the County.
- (g)** Establish a robust and efficient supervision mechanism on licensing and certification of food premises.
- (h)** Ensure there is a proper and credible enforcement mechanism.
- (i)** All revenue to be handled by Finance department through the system. Stoppage of cash payments.
- (j)** Infrastructure development to motivate staff to perform their duties diligently by providing resources such as; mobility, computers and stationery.
- (k)** Staff establishment in the department.
- (l)** Capacity building on revenue and user fee generation.
- (m)** Safeguard issuance of Licenses and certifications by public health unit as anchored in CAP 254.
- (n)** Promote interdepartmental and stakeholder synergy in health matters.
- (o)** The premises to be served with statutory notices for renovations towards the end of the year to give them ample time to act.
- (p)** The county should invest in an efficient, effective and reliable ICT system to serve all the desired areas. Adequately train all the staff integrated into the system. This will mitigate forgery and put controls on pilferage from staffs.
- (q)** Safeguard and ensure public servants have a conducive working environment free from external interference.
- (r)** Provide the necessary medical equipment and their consumables and ensure regular servicing of the same.
- (s)** Maintain all cemeteries by fencing and manning to ensure all fees recommended are collected. In addition, there is need to ensure all the other services such as exhumation and supervision charges are collected.
- (t)** Regular and constant supply of the commodities such as vaccines, chemicals, reagents, pharmaceutical and non-pharmaceuticals products to avoid stock outs and ensure timely service delivery.
- (u)** Conduct campaigns to encourage the general public to enroll with the available insurance e.g. NHIF, Linda mama thus reducing the need for waiver services. There

should also be continuous and effective communication to the clients on the available fees and why they are necessary.

- (v) Provide information to the staff on effective revenue collection. This will be part of the continuous medical education to staff and an opportunity to own the process.
- (w) The Public health officer issuing a client with relevant certifications and licenses should be part of the revenue collection system.
- (x) Review the charges of incinerations and fumigation upwards in the Finance Bill.
- (y) Decentralize the revenue collection centers for public health fees to the ward levels and introduce mobile banking for revenue collection.
- (z) Enforcement of student attachment and research fees as per the Finance Act.
- (aa) Introduce a health care waste license for all the private health facilities seeking incineration services.

5.5 Administration and Public Service

5.5.1 Liquor Licensing Management Unit

Liquor licensing earned the County **Kshs. 89, 120, 787.00** in the Financial Year 2019/2020 as compared to **Kshs. 55,345,700.00** in the previous financial year 2018/2019. Whereas it appears that there was improved performance, this was way below the potential for this revenue stream. The performance for this revenue stream over the years is as indicated on the table below;

Table 12 : Revenue performance for Liquor Licensing Unit for FY 2014/15 – 2019/20

Actual Revenue	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Liquor licensing	92,719,895	25,000,000	6,627,500	55,345,700	89,120,787

As can be observed on the table above herein, the Financial Year 2015/2016 recorded the best performance. This may be attributed to serious crackdown on unlicensed establishments which increased compliance. In contrast the Financial Year 2016/2017 & FY 2017/2018 recorded the worst performance due to political interference coupled with court orders hindering the county from levying certain charges. The County addressed the matters giving rise to the legal disputes

during the Financial Year 2018/2019 & FY 2019/2020 thereby eliminating the challenges experienced in previous year through amendment of the Act. This was followed with vigorous enforcement and crackdowns resulting to an increase in the revenue collection.

The county is highly urbanized with a high number of patrons coming from the City and beyond. Consequently, the County hosts a high number of establishments engaged in the production, distribution and sale of alcoholic drinks. The Directorate is mandated with the control of production, distribution and sale of alcoholic drinks. Thus, if there is robust implementation of the Kiambu County Alcoholic Drinks Control Act and the requisite licenses thereto, the County would be able to net additional revenue.

There are various types of licenses issues namely;

- i. General retail;
- ii. Wine and spirits wholesalers' licenses;
- iii. Distributors;
- iv. Manufactures;
- v. members clubs;
- vi. supermarkets/franchised/retain chains;
- vii. temporary/occasional alcoholic drinks license; and
- viii. Night clubs.

Challenges

- (a) **Rigid Legal Framework.** The rigidity of the Kiambu County Alcoholic Drinks Control Act, 2018 has caused a lot of disputes pitting the bar owners against the County Government. These disputes have caused the County to lose a substantial amount of revenue.
- (b) **Circulation of fake licenses.** Prevalence of fake licenses is high causing the proliferation of unlicensed operators.
- (c) **Collusion between the operators and rogue County employees to deny County revenue.** There are a number of rogue County employees engaged in the process of vetting and licensing operators. This has contributed to the said mushrooming of illegal operators and massive loss of revenue.

- (d) **Lack of independence and external interference.** The Directorate of liquor Licensing have experienced external interference mainly from the politicians who occasionally issue statements that make the directorate's work very difficult. Sometimes some operators claim to be protected by the politicians hence operating without the requisite licenses.
- (e) **Under staffing of the Directorate.** The Directorate of Liquor Licensing is understaffed and mainly depend on other departments for enforcement and discharge of its mandate.
- (f) **Use of crude and unprofessional enforcement procedures.** The directorate has employed crude and unprofessional enforcement methods leading to back lash from the bar owners, patrons and the general public.

Recommendations.

- (a) **Amendment of the Kiambu County Alcoholic Drinks Control Act,2018.** There is an urgent need to amend the Act, in order to address the contentious issues occasioning the persistent dispute with the bar owners and hindering proper control and licensing of operators within the County. Streamlining the liquor licensing, will enable the County to not only control the manufacturing, distribution and sale of alcoholic drinks within the County but also net additional revenue for the County.
- (b) **Automation of the licensing and the permits issuance.** The process of license issuance should be fully automated to incorporate all the processes of licensing.
- (c) **Prosecution of holders of fake licenses as per the Act.** The Directorate should intensify enforcement mechanism and ensure that holders of fake permits are prosecuted as per the Act. In addition, their stock should be impounded, and their establishments closed and barred from operating in the County for specific period.
- (d) **Provision of adequate resources to ease operations.** The directorate together with the enforcement officers should be accorded sufficient resources and facilities to discharge their mandate.
- (e) **Professionalization of directorate and enforcement.** The directorate should be equipped with professional officers to undertake the control and enforcement of the Act. In addition, necessary disciplinary action should be taken against officers engaged in collusion with operators and other malpractices.

5.5.2. Directorate of Betting and Gaming

The Constitution of Kenya fourth schedule outline the functions of the County Government, part ii of the schedule stipulates the framework of the betting, gaming and other forms of gambling functions. Due to lack of a legal framework, the county is losing revenue in this untapped area.

Betting and Gaming directorate is domiciled in the department of administration and public service. Currently the County is operating according to the Gazette notice No 8753 by Inter Governmental Relation Technical Committee (IGRTC) which provided for the roles of the County Government.

Source of Revenue

These are sources of revenue streams that the county has not tapped;

- a) License gaming (casino) premises;
- b) License prize competitions for promotions confined to a county;
- c) License amusement machines;
- d) License of county lotteries (lotteries confined within county);
- e) License of premises for totalisators;
- f) License of pool tables within the county;
- g) License of betting premises; and,
- h) License of funfair.

The above roles were emphasized through the Report of the Sectoral Forum on Betting Control, Licensing and other Forms of Gambling.

Challenges

- (a) Lack of legal framework for the function of betting and gaming.
- (b) Upsurge of illegal gambling.
- (c) Lack of public education & awareness.
- (d) Shortage of staff.
- (e) Overlap of roles between National and County Government.

Recommendations

- (a) Develop betting and gaming policy.

- (b) Identification, vetting and registration of betting and gaming outlets, licensing casinos, betting outlets and pool tables in all sub counties, impound all illegal gaming & betting machines/gadgets.
- (c) Conduct public awareness forums, roadshows, sensitization campaigns on responsible, illegal and irresponsible betting and gaming.
- (d) Recruitment, training and routine capacity building of the technical staff.

5.6 Information Communication Technology

5.6.1. County Pro

County Pro is a revenue collection system mostly used for structured revenue collection. It was developed by Strathmore. Since its inception, there have been numerous changes that aided in the development of USSD module (revenue collection system). The mode of collection is via web-based system. Which is currently hosted on two servers one for database and one for application. The application server was recently upgraded.

Challenge

The server is over utilized, that is, when too many processes happen at a go it overwhelms the server leading to slower speeds hence affects work productivity at every sub-county (front end user)

Recommendation

The database server should be upgraded to enable it to handle heavy tasks without affecting the frontend users.

5.6.2. Internet Service

The internet service is provided by Safaricom and comprises of two services; Internet Service and Wide Area Network (WAN). Internet Service enables access to online services such as Zizi, e-DAMs and other websites. The WAN interconnects the sub county to the data center to enable the access services hosted at the datacenter such as County Pro.

Challenge

Due to increased number of users on the internet, the internet speed tends to lag sometimes affecting performance of Zizi, e-DAMs and County Pro.

Recommendation

Establish dedicated internet bandwidths for each system i.e Zizi, e-DAMs and County Pro for optimal speeds. In addition renew firewall license to enable online systems to operate optimally. In addition, backup Internet Link, should be set up in case the main internet link experiences an outage/challenge the backup acts as replacement ensuring no service interruption (Disaster Recovery).

5.6.3. Power Supply at the Data Center

The datacenter has a dedicated generator and a UPS in case of a power loss.

Challenge

Currently the generator doesn't AutoStart and the UPS battery is very unreliable therefore it doesn't operate optimally. Further generators in other sub counties do not operate optimally due to lack of fuel.

Recommendation

The datacenter generator should be repaired and serviced on a regular basis to ensure AutoStart and reliability during power outage. Generator fuel should be readily available while the UPS for the server room should be upgraded.

5.6.4. Data Center Air Conditioner

The servers at data center are always operating 24/7 in that process the servers tend to generate a lot of heat which can cause internal damages to the servers, to prevent data loss and damage an AC is used to cool the servers to ensure longer life and continued operation.

Challenge

The AC is not operating optimally as recommended, which can damage the serves in the long run.

Recommendation

Data Center AC should be maintained to prevent over heating or colder temperature in the server which can damage the equipment. Proper regulation of temperature is optimal for better operation.

5.6.5. Electronic Development Application Management System (e-DAMS)

The Electronic Development Application Management System (e-DAMS) is changing the way communities across the County of Kiambu do business that is, fast tracking the approval process for the system users. It is also providing better and more timely information to decision makers, managers and staff throughout the County of Kiambu. An electronic permitting system typically replaces traditional paper and file-card systems. As a result, the intent of electronic permitting is to reduce permitting time, improve customer service and staff efficiency and enhance quality in operation.

Challenges

- (a) Lack of Service Level Agreement between the county and the vendors which exposes the system to interference from external partners. It's difficult to upgrade the system to cope with the evolution of the environment.
- (b) Based on an audit report carried out, it was noted that there was absence of seamless integration between the E-DAMS system and the County Pro systems. It was noted that there is manipulation of data/ creation of fictitious invoices in the County pro system with an aim of bypassing the invoice payment procedure. As a consequence, some invoices for planning applications reflects as paid in E-DAMS system though no payment has been made in the County Pro System.
- (c) Cases of unauthorized access to the E-Dam system whereby approvals are made without the knowledge of the user account owner. This may be due to lack of comprehensive security policies, standards and procedures covering various aspects of security controls which are essential for the security of data in E-DAMS. These standards and policies would act as a baseline for the department to monitor E-DAMS security controls and promote good governance in Information Technology in the County.
- (d) The system developers have full access to the system database and has the ability to modify and delete data in the system arising from absence of Service Level Agreements defining the rights and privileges of the system developers.
- (e) **Unreliable revenue reports.** There are fluctuations in figures and data in the reports generated by the revenue systems. This reduces the report's usefulness to internal and external decision makers.

Table 13: Fluctuations in overall revenue collected in e-DAMS system

Date	Time	Amounts reflected on the e-DAMS System		
		2018	2019	1 st Jan-31 st May 2020
5/6/2020	1:06:04 PM	295,806,866.00	423,112,431.40	114,668,864.00
11/6/2020	10:27:34 AM	287,705,718.00	419,926,593.00	116,590,658.00
Variance		(8,101,148.00)	(3,185,838.40)	1,921,794.00

A comparison between the two reports generated by the e-DAMS system on two different dates revealed that revenue figures for the year 2018 and 2019 decreased with **Kshs. 8,101,148.00** and **Kshs 3,185,838.40** respectively whereas there was an increase of **Kshs 1,921,794.00** for the year 2020.

Recommendations

- (a) To mitigate the risk of fraudulent transactions and errors by users in the system, the County Government should perform regular reconciliations of data between e-DAMS and County Pro.
- (b) Perform regular audit of data between e-DAMS and Country Pro.
- (c) Consider configuring reconciliation functionalities between e-DAMS and County Pro systems. Reconciliation of data between the two system should be carried out on a regular basis by a designated accountant. Periodic audit of the E-DAMS system should also be carried out.
- (d) The County Government should establish an information security policy to ensure that appropriate measures are put in place to protect information, Information systems, services and equipment. The policy can help in identification and prioritization of threats to information resources.
- (e) Establish Service Level Agreements between the County and the system developer defining the rights and privileges of the developer. The management of the revenue collection systems should be handed over to the County and the system developers be granted minimum set of operating system rights necessary for system maintenance operation.

The Service Level Agreement needs to be implemented thus enabling integration of new modules to cope with the new requirements also prevents interference from external partners. The SMS system should be reactivated to enable clients to view status of their applications without login online which enables transparency. In the alternative, the County should procure another system capable of addressing the challenges raised.

5.6.6. Point of Sale (Revenue Collection Gadgets)

The Point of Sale systems are used to collect and verify payment of revenue.

Challenge

Limited availability of POS which hinders collection and verification of revenue.

Recommendation

Riverbank should repair all the existing POS. In addition, revenue collector should be provided with customized mobile phones with a view of phasing out the POS.

Parallel Revenue Collection Systems

Currently we have two system i.e. Zizi and County Pro that are used simultaneously.

Challenge

The use of the two system concurrently has created inefficiency in revenue collection.

Recommendation

A decision should be made on whether to use Zizi POS or USSD for revenue collection.

5.6.7. Staff training

Currently the County has qualified IT staff handling the various systems that are instrumental in revenue collection.

Challenge

Due to nature of Information Technology there are constant emerging technologies that require continuous skill updates.

Recommendation

Periodic training to keep up with the emerging technologies.

6. Implementation Plan

6.1.Cess Management Unit

6.1.1 Soil, Water and Forestry Conservation Fee (Quarry Cess).

Mr. Patrick Theuri, shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Identification and classification of quarries.	Natural Resources and Forestry	Director Natural Resources and Forestry	Not later than 28.09.2020	Report of number of quarries identified and classified.
2.	Erection of barriers on all quarry exits.	Public Service and administration	Sub- county Administrator	Within three months and not later than 31 st December 2020.	Number of barriers erected
3.	Continuous supervision.	Revenue	Sub- County Finance Officer	To start on 14.09.2020 and be done on continuous basis	Increased revenue collected and reported.
4.	Implementation of cashless system of collection.	ICT	Director ICT	To start on 14.09.2020 and be done on continuous basis	ICT enabled payment and collection system in place and stoppage of cash collection.

5.	Stoppage of use of casuals as revenue collectors.	Human Resources Management	Director Human Resources Management	To start on 14.09.2020 and be concluded not later than 21.09.2020	No casual revenue collector
6.	Professionalization of revenue collection.	Revenue	Director Revenue	To start on 14.09.2020 and be done on continuous basis	Revenue collectors trained
7.	Setting realistic revenue targets.	CECM Finance	CECM Finance	To start on 14.09.2020 and be concluded not later than 14.10.2020	Revenue targets set
8.	Independence of revenue collection department	CECM Finance	CECM Finance	To start on 14.09.2020 and be done on continuous basis	Independent Directorate of Revenue
9.	Provision a conducive working environment and infrastructure at revenue collection points.	Finance	Chief Officer Finance & Economic Planning	To start on 14.09.2020 and be done on continuous basis	Conducive working environment in place
10.	Timely payment of wages and salaries	Finance	Chief Officer Finance & Economic Planning	To start on 14.09.2020 and be done on continuous basis	Wages and salaries paid on time
11.	Ensure there is proper enforcement mechanism.	Enforcement	Director Enforcement	To start on 14.09.2020 and be done on continuous basis	Increased compliance
12.	To check on integrity of collectors, continuous trainings.	Human Resources Development	Director Human Development	To start on 14.09.2020 and be done on continuous basis	Number of revenue collectors trained

13.	Ensure staff do not work for a long time in one workstation	Human Resources Management	Director Human Management	To start on 14.09.2020 and be done on continuous basis	Regular job rotation undertaken
14.	Liase or partner with quarry owners to see if revenue can be collected from source.	Administration	Sub- County Administrator	To start on 14.09.2020 and not later than 14.10.2020	Number of meetings held and the outcome.

6.1.2. Vehicle Parking Management Unit

David Kihara Mugo, shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Automation of parking fee payment including introduction of a feature for alerting customers to pay.	ICT	Director ICT	To start on 14.09.2020 and not later than 31 st December 2020.	Parking automation system in place.
2.	Amend the finance Act to standardize the parking fees across all sub counties and increase the daily parking fee.	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and before Finance Bill, 2020 is submitted to the Assembly.	Standardized, and increased parking fees in the Finance Bill, 2020.

3.	Revert the parking fees to the pre covid - 19 charges.	Office of the CECM Finance	CECM Finance	To start on 14.09.2020	The parking charges charged as per the Finance Act.
4.	Disciplinary action to be taken upon officers found to be guilty of misconduct.	Office of the Chief Officer Finance	Chief Officer Finance	To start on 14.09.2020 and be done on continuous basis	Report on action taken against officers found guilty of misconduct.
5.	Stoppage of use of casuals as revenue collectors.	Human Resources Management	Director Human Resources Management	To start on 14.09.2020 and be concluded not later than 21.09.2020	No casual revenue collector
6.	Employ strict issuance of stickers and introduce digital stickers with barcodes for authentication.	ICT	Director ICT	To start on 14.09.2020	Number of digital stickers
7.	Ensure there is proper enforcement mechanism. Provide enforcement gadgets and county owned breakdowns/vehicles to assist in enforcement.	Finance	Chief Officer Finance & Economic Planning	To start on 14.09.2020 and be done on continuous basis	Number of enforcement gadgets and breakdown vehicles procured.
8.	Recruitment of traffic marshal's to assist in	Administration	Chief Officer Administration	To start on 14.09.2020 and be done not later than 31.12.2020	Number of traffic marshal's recruited

	parking management and congestion in the County.				
9.	Mapping of all parking's available in the county and establish peak hours, to ascertain possible revenue collection and set targets for parking attendants.	Revenue	Director Revenue	To start on 14.09.2020 and be done not later than 14.10.2020	Report on the number of parking spaces, peak hours and target set.
10.	Designate one payment system to ease monitoring	ICT	Director ICT	To start on 14.09.2020 and be done not later than 31.12.2020	One payment system in place
11.	Provision of identification cards and uniform for revenue collectors and enforcement.	Revenue	Director Revenue	To start on 14.09.2020 and be done not later than 14.11.2020	Number of Identification cards and uniform provided
12.	Redistribution of staff as some areas have excess.	Revenue	Director Revenue	To start on 14.09.2020 and not later than 14.10.2020	Report on staff distribution
13.	Regular staff rotation	Revenue	Director Revenue	To start on 14.09.2020 and be done on continuous basis	Report on staff rotation

14.	Development of a policy on reserved parking	Office of CECM Finance	CECM Finance	To start on 14.09.2020 and not later than 14.10.2020	Policy on reserved parking developed
15.	Designation of specific areas for matatus or allocation of bus parks.	Roads, Transport and Public Works	Chief Officer Roads, Transport and Public Works	To start on 14.09.2020 and be done not later than 31.12.2020	Number of designated bus parks and termini
16.	Sacco management to ensure payment of fees by their members, failure to which SACCO Picking and Dropping permit is withdrawn	Administration	Sub- County Administrator	To start on 14.09.2020 and be done on continuous basis	Report on compliance
17.	Introduction of an exit and entry point at bus parks to check on compliance	Administration	Sub- County Administrator	To start on 14.09.2020 and be done on continuous basis	Report on compliance
18.	Introduce payment of weekly seasonal parking at a slightly lower rate compared to daily parking.	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and before Finance Bill, 2020 is submitted to the Assembly.	Seasonal parking charges in the Finance Bill, 2020.

6.1.3. Single Business Permits (SBP)

Mr. Thomas Ndungu and Patrick Kiongo, shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Decentralization of SBP issuance	Revenue	Sub- County Finance Officer	To start on 14.09.2020 and be done on continuous basis	SBP issued at Ward level
2.	Digitize the issuance of SBPs.	ICT	Director ICT	To start on 14.09.2020 and be done not later than 31.12.2020	Digital SBP issued
3.	Waiver of penalty fees	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and be done not later than 21.09.2020	Waivers given
4.	Create flexibility in application and issuance of SBPs	ICT	Director ICT	Upon the enactment of the Finance Act, 2020.	Number of SBPs renewed before 31.12.2020
5.	Creation of SBP database	Finance	Sub – County Finance Officer	To start on 14.09.2020 and be done not later than 31.12.2020	SBP database in place.

6.1.4. Market Management Unit

Hellen Ndungu shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Establish a market management model with two levels of management.	Office of CECM Trade	CECM Trade	To start on 14.09.2020 and be done not later than 31.12.2020	Market management committees in place
2.	Revenue collected to meet the cost of market operations.	Office of CECM Trade	CECM Trade	To start on 14.09.2020 and be done not later than 31.12.2020	Report on market self-sustainability.
3.	Enforcement against defaulters of market space and stalls rent	Administration	Sub- County Administrators	To start on 14.09.2020 and be done on continuous basis	Report on compliance and reduced defaulters
4.	Establishment and maintenance of a good market rent database	Trade	Director Trade	To start on 14.09.2020 and be done on continuous basis	Market rent database in place
5.	Proper co-ordination between Planning, Infrastructure, and Trade	Office of the County Secretary	County Secretary	To start on 14.09.2020 and be done on continuous basis	Memo and guidelines on interdepartmental relations including report on number of markets upgraded
6.	Market management to be handled by Trade and Cooperatives while revenue collection is handled by Finance.	Office of the CECM Trade	CECM Trade	To start on 14.09.2020 and be done on continuous basis	Policy on separation of roles developed

7.	Automation of payments and receipt issuance	ICT	Director ICT	To start on 14.09.2020 and be done not later than 21.09.2020	Cashless payment system in place.
8.	Requirement that traders display their receipt	Administration	Sub county administrator	To start on 14.09.2020 and be done on a continuous basis	Verified payments.
9.	Categorization of markets into wholesale and retail	Trade	Director Trade	To start on 14.09.2020 and be done not later than 11.10.2020	A report on the number of whole sale and retail markets
10.	Motivate the market masters in terms of salaries, trainings and allowances	Chief Officer Trade	Chief Officer Trade	To start on 14.09.2020 and be done not later than 30.06.2021	Scheme of service in Place

6.1.5. Slaughterhouse Management Unit

Michael Mutuku shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Automation of payments and receipt issuance	ICT	Director ICT	To start on 14.09.2020 and be done not later than 21.09.2020	Cashless payment system in place.
2.	Improve the working conditions of staff	Finance	Chief Officer Finance&	To start on 14.09.2020 and be	Conducive working environment in place

			Economic Planning	done on continuous basis	
3.	Consolidation of the various fees	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and before Finance Bill, 2020 is submitted to the Assembly.	Consolidated fees in the Finance Bill, 2020.
4.	Amend the Finance Bill to introduce charge per carcass	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and before Finance Bill, 2020 is submitted to the Assembly.	Amended charges in the Finance Bill, 2020.
5.	Renovate the current slaughterhouse in Thika and construct more abattoirs in the County.	Livestock and fisheries	Chief Officer Livestock and fisheries	To start on 14.09.2020 and be done not later than 31.12.2020	Renovated slaughter houses

6.2. Lands, Housing, Physical Planning, Municipal Administration and Urban Development

6.2.1. Physical Planning Unit

John Kingori shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Classify developers into large, medium and small.	Physical Planning	Director Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Report on classification of developers.
2.	Clearly define the role of Development Control Officers (DCOs) in the approval process.	Physical Planning	Chief Officer Physical Planning	To start on 14.09.2020 and be done not later than 21.09.2020	Report on the role of DCOs in the approval process.
3.	Report forgeries to the police including identification and arresting of masqueraders.	Administration	Sub – County Administrator	To start on 14.09.2020 and be done be on continuous basis	Report on reported cases and prosecuted
4.	Service Level Agreement between the County and the System developer, where the developer will be given minimum operating rights for maintenance only.	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.11.2020	Service Level Agreement
5.	Decentralization of planning approvals	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Decentralized approval process

6.	Enable concurrent submission and approval of development applications	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Number of submitted concurrent approvals
7.	Invest in training for all cadres of staff.	Human Resources Development	Director Human Resources Development	To start on 14.09.2020 and be done not later than 31.12.2020	Training Needs Assessment Report
8.	Evaluation of the physical planning rules and regulations	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Report on guidelines on development applications
9.	Establish a database of all approved developments	Physical Planning	Director Physical Planning	To start on 14.09.2020 and be done not later than 14.11.2020	Database of approved developments
10.	Communicate to the Land Registrars and the District Surveyors on illegal subdivisions.	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Number of subdivision application submitted and approved
11.	Engage a consultant to assist in formulation and fast tracking of County Spatial Plans, Integrated Strategic Development Plans, Zoning Plans, Part Development Plans.	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 31.12.2020	Consultant engaged and/or progress report on development of the plans.

12.	Development of staff establishment.	Physical Planning	Chief Officer Physical Planning	To start on 14.09.2020 and be done not later than 31.12.2020	Report on the approve staff establishment.
13.	Recruitment and deployment of qualified and trained enforcement officers.	Administration	Chief Officer Administration	To start on 14.09.2020 and be done not later than 31.12.2020	Number of officers recruited and trained
14.	Deployment of dedicated legal staff and prosecutors to the physical planning directorate	Physical Planning	Chief Officer Physical Planning	To start on 14.09.2020 and be done not later than 31.12.2020	Number of legal officers deployed to the department
15.	Incorporate the departments of Finance, Administration and Environment departments in the approval process.	Office of the County Secretary	County Secretary	To start on 14.09.2020 and be done not later than 14.10.2020	Memo and guidelines on interdepartmental relations
16.	Regular sensitization/public participation through planning or land clinics	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done on continuous basis.	Number of land clinic conducted
17.	Proper identification cards for physical planning officers	Public Service	Chief Officer Public Service	To start on 14.09.2020 and be done not later than 14.11.2020	Identification cards issued to all staff
18.	Facilitation of officer's with equipment and vehicles.	Physical Planning	Chief Officer Physical Planning	To start on 14.09.2020 and be done not later than 14.11.2020	Number of vehicles availed

19.	Installation of wi-fi and fast internet connectivity to all physical planning offices, adoption of cloud Local Host Installation to reduce downtime and automate power back-ups.	ICT	Director ICT	To start on 14.09.2020 and be done not later than 31.12.2020	Wi-fi in place
20.	Establishment of County Physical Planning Liaison committees	Physical Planning	CECM Physical Planning	To start on 14.09.2020 and be done not later than 14.10.2020	Gazette Notice for the Committee
21.	Re-activate and follow up on post approval application charges for inspections	Physical Planning	Director Physical Planning	To start on 14.09.2020 and be done on continuous basis.	Number of post approval inspections

6.2.2. Land Rates Management Unit

David Ngure shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Include finance officers in the workflow	ICT	Director ICT	To start on 14.09.2020 and be done not later than 21.09.2020	Finance officers assigned role in the workflow
2.	Link payment of utility services to land rates	Lands and Housing	CECM Lands and Housing	To start on 14.09.2020 and be done not later than 14.11.2020	Number of utility bills linked to land rates

3.	Collaboration with the National government	Lands and Housing	CECM Lands and Housing	To start on 14.09.2020 and be done not later than 14.11.2020	Report on the framework agreed upon.
4.	Provide a platform to communicate to land owners regarding annual rates payable.	ICT	Director ICT	To start on 14.09.2020 and be done not later than 14.11.2020	Communication system in place
5.	Introduce remote modes of payment	ICT	Director ICT	To start on 14.09.2020 and be done not later than 14.11.2020	payment system in place
6.	Implementation of the area rates form of rating across the county	Lands and Housing	CECM Lands and Housing	To start on 14.09.2020 and be done not later than 14.10.2020	Gazette Notice for the rates
7.	Enhanced enforcement measures on land rates payment	Finance	CECM Finance	To start on 14.09.2020 and be done on continuous basis	Number of demand notices issued
8.	Automation of the rates clearance certificate issuance.	ICT	Director ICT	To start on 14.09.2020 and be done on not later than 21.09.2020	System generated clearance certificate
9.	Recruitment of director, deputy director.	Lands and Housing	Chief Officer Lands and Housing	To start on 14.09.2020 and be done on not later than 31.12.2020	Positions filled
10.	Development of staff establishment.	Lands and Housing	Chief Officer Lands and Housing	To start on 14.09.2020 and be done not later than 31.12.2020	Report on the approve staff establishment.
11.	Procurement of an ICT System customized for land	Lands and Housing	Chief Officer	To start on 14.09.2020 and be done not later than 31.12.2020	ICT System in place

	valuation and rating directorate.		Lands and Housing		
12.	Regular audits of systems and operations.	Audit	Director Audit	To start on 14.09.2020 and be done on continuous basis	Audit reports
13.	Improvement on existing legislation to improve rates revenue collection	Lands and Housing	CECM Lands and Housing	To start on 14.09.2020 and be done not later than 31.12.2020	Relevant Bill presented to the County Assembly.

6.2.3. Water, Environment, Energy and Natural Resources

Dennis Abuya and Charles Mbugua shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Audit factories and industries	Environment	Director Environment	To start on 14.09.2020 and be done not later than 21.09.2020	Report on Audit of factories and industries
2.	Identify all excavation sites and provide EIA reports	Natural Resources and Forestry	Director Natural Resources and Forestry	To start on 14.09.2020 and be done not later than 28.09.2020	Report on excavation sites
3.	Re- evaluate the implementation and payment of tipping fees by factories and private garbage collectors	Environment	Director Environment	To start on 14.09.2020 and be done not later than 28.09.2020	Evaluation report on payment of tipping charges

4.	Link issuance of all licenses with compliance with the department of environment.	Office of the County Secretary	County Secretary	To start on 14.09.2020 and be done on continuous basis	Memo and guidelines on interdepartmental relations
5.	Conduct an audit of public toilets and their management	Water and Sanitation	Director Water and Sanitation	To start on 14.09.2020 and be done not later than 28.09.2020	Audit reports
6.	Identify all water sources being used by contractors and agree on charges.	Water and Sanitation	Director Water and Sanitation	To start on 14.09.2020 and be done not later than 28.09.2020	Audit report on water sources
7.	Map all waste sorting centers and recycling facilities	Environment	Director Environment	To start on 14.09.2020 and be done not later than 14.11.2020	Report on waste sorting centers and recycling facilities
8.	Expedite the renewal of the NEMA license for the asbestos disposal site at Gatwanyaga.	Environment	Director Environment	To start on 14.09.2020 and be done not later than 14.10.2020	NEMA License issued
9.	Introduce new revenue streams.	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done not later than 31.12.2020	Number of new revenue streams
10.	Decentralize revenue collection to sub county level	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done not later than 28.10.2020	Decentralized revenue collection centers
11.	Automation of payments	ICT	Director ICT	To start on 14.09.2020 and be done on not later than 21.09.2020	Payment System in place

12.	Conduct regular environmental education and public awareness with customers	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done and continuous	Environmental awareness campaigns conducted
13.	Initiate disciplinary action against corrupt officers	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done and continuous	Number of cases reported and action taken
14.	Provision of sufficient working tools and equipment	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done and continuous	List of equipment and tolls provided
15.	Improvement of infrastructure at collection points	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done and continuous	Improved infrastructure
16.	Post COVID – Recovery measures.	Water and Environment	Chief Officers Water and Environment	To start on 14.09.2020 and be done and continuous	Measures put in place to ensure recovery of the revenue lost during the COVID period.
17.	Deploy qualified enforcement officers to the department.	Administration	Director Enforcement	To start on 14.09.2020 and be done not later than 14.10.2020	Number of enforcement officers deployed.

6.2.4. Health Services Management Unit

Salome Ngigi shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Implementation of the Kiambu Health Services Act by establishing and maintaining functional FIF.	Finance	CECM Finance	To start on 14.09.2020 and be done not later than 14.11.2020	Gazette Notice for FIF fund
2.	Development of Hospital Management and Information System (HMIS) integrated to all the health facilities within the county.	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	HMIS systems developed
3.	Stoppage of cash payments	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	Cashless system developed
4.	Provision of necessary resources for efficient service delivery such as computers, stationaries, airtime etc	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done on continuous basis	Report on resources provided
5.	Development of staff establishment.	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	Report on the approved staff establishment.
6.	Capacity Building on revenue and user fee generation.	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done on continuous basis	Report on capacity building undertaken

7.	Establish procedures for issuance of waivers and variations of hospital bills.	Finance	CECM Finance	To start on 14.09.2020 and be done not later than 14.11.2020	Guidelines for waivers and variations of hospital bills developed
8.	Maintain a database on all premises; food, non-food, institutions and private health facilities to facilitate setting of realistic revenue targets	Public Health	Director Public Health	To start on 14.09.2020 and be done not later than 14.10.2020	Database established
9.	Harmonize all fees and charges across the County	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	Harmonized fees and charges
10.	Ensure timely and accurate remittance of NHIF rebates owed to County	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done on continuous basis	Timely rebates realized
11.	Establish a robust and efficient supervision mechanism on licensing and certification of food premises.	Public Health	Director Public Health	To start on 14.09.2020 and be done on continuous basis	Report on Compliance
12.	Promote interdepartmental and stakeholder synergy in health matters.	Health Services	CECM Health Services	To start on 14.09.2020 and be done on continuous basis	Number of stakeholders meetings held
13.	Serve premises with statutory notices for renovations at the end of each year.	Public Health	Director Public Health	To start on 14.09.2020 and be done not later than 31.12.2020	Report on statutory notices served

14.	The county to invest in an efficient, effective and reliable ICT system to serve all areas.	ICT	Director ICT	To start on 14.09.2020 and be done not later than 31.12.2020	ICT system developed
15.	Maintenance of cemeteries	Public Health	Director Public Health	To start on 14.09.2020 and be done on continuous basis	Report on number of maintained cemeteries
16.	Ensure regular and constant supply of the commodities	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done on continuous basis	List of commodities provided
17.	Conduct campaigns to encourage the general public to enroll with NHIF and Linda Mama	Health Services	Chief Officer Health Services	To start on 14.09.2020 and be done on continuous basis	Number of campaigns undertaken
18.	Review the charges of incinerations and fumigation/spraying upwards in the Finance Bill.	Office of the CECM Finance	CECM Finance	To start on 14.09.2020 and before Finance Bill, 2020 is submitted to the Assembly.	Amended charges in the Finance Bill, 2020.
19.	Decentralize revenue collection for public health related services.	Finance	Chief Officer Finance	To start on 14.09.2020 and be done not later than 31.12.2020	Decentralized revenue collection
20.	Introduce student attachment and research fees.	Health Services	CECM Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	Attachment fees introduced
21.	Introduce a health care waste management license for all the private health facilities seeking incineration services.	Health Services	CECM Health Services	To start on 14.09.2020 and be done not later than 31.12.2020	The health care waste management license introduced

22.	Political interference with enforcement of public health regulations	Office of the Governor	Sub – County Administrator	To start on 14.09.2020 and be done on continuous basis	Independence achieved
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6.2.5. Liquor licensing Management Unit

Alice Muchiri shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Amendment of the Kiambu County Alcoholic Drinks Control Act,2018 to address contentious issues	Office of the CECM Administration	CECM Administration	To start on 14.09.2020 and be done not later than 31.12.2020	Amendment Bill presented to the Assembly
2.	Automate the issuance of licenses and permits	ICT	ICT Director	To start on 14.09.2020 and be done not later than 31.12.2020	Automation system developed
3.	Prosecute holders of fake licenses as per the Act.	Administration	Director Enforcement	To start on 14.09.2020 and be done on continuous basis	Number of cases prosecuted successfully
4.	Provide adequate resources to ease operations e.g vehicles.	Administration	Chief Officer Administration	To start on 14.09.2020 and be done on continuous basis	List of resources provided
5.	Equip the directorate with professional officers	Administration	Chief Officer Administration	To start on 14.09.2020 and be done on continuous basis	List of officers recruited

6.2.6. Directorate of Betting and Gaming

Kenfred Warui and Mbiri Kiarie shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Develop a betting and gaming policy.	Administration	CECM Administration	To start on 14.09.2020 and be done not later than 31.12.2020	betting and gaming policy developed
2.	Identification, vetting and registration of betting and gaming outlets	Administration	Director Betting and Gaming	To start on 14.09.2020 and be done on continuous basis	Number of outlets identified, vetted and registered
3.	Conduct public awareness forums on responsible, illegal and irresponsible betting and gaming.	Administration	Director Betting and Gaming	To start on 14.09.2020 and be done on continuous basis	Awareness campaigns conducted
4.	Recruitment and training of the technical staff	Administration	Chief Officer Administration	To start on 14.09.2020 and be done on continuous basis	Staff establishment Assessment Report

6.2.7. Information Communication Technology

Anthony Macharia shall be responsible to ensure the following recommendations and tasks are implemented.

No.	Task	Directorate Responsible	Responsible officer	Time frame for action	Output
1.	Upgrade the County Servers	ICT	Director ICT	To start on 14.09.2020 and be done on continuous basis	At least 99% uptime achieved.
2.	Establish the internet bandwidth requirement for the County and upgrade it optimal speed. In addition renew firewall licences.	ICT	Director ICT	To start on 14.09.2020 and be done not later than 30.09.2020	Latency below below 100ms for county hosted applications and 500ms for externally hosted applications
3.	Regular servicing of the data center generators and establishment of alternative power sources such as solar.	Roads	Director Utilities	To start on 14.09.2020 and be done on continuous basis	Number of generators services, maintained, reliable. Power related downtimes to be less than 1%
4.	Regular maintenance of the Data Center Air Conditioner	ICT	Director ICT	To start on 14.09.2020 and be done on continuous basis	Number of ACs service and in good working condition
5.	Regular reconciliations of data between e-DAMS and County Pro	Revenue	Director Revenue	To start on 14.09.2020 and be done on continuous basis	Reconciliation reports
6.	Regular audit of data between e-DAMS and County Pro	Audit	Director Audit	To start on 14.09.2020 and be done on continuous basis	Audit Reports

7.	Establish an information security policy	Finance and ICT	CECM Finance and ICT	To start on 14.09.2020 and be done not later than 31.12.2020	Information security policy developed
8.	Repair the existing POS. In addition, revenue collectors should be provided with customized mobile phones with a view of phasing out the use of POS.	Finance and ICT	Chief Officer Finance and ICT	To start on 14.09.2020 and be done on continuous basis	Number of working POS and/or customized mobile phones provided.
9.	Identify one system of revenue collection	Finance and ICT	CECM Finance and ICT	To start on 14.09.2020 and be done not later 1.12.2020	Single revenue collection system developed
10.	Continuous training of ICT staff	Human Resource Development	Director Human Resource Development	To start on 14.09.2020 and be done on continuous basis	Number of training conducted

7. Governance, Accountability and Oversight

7.1 The need for public sector corporate governance

This simply means the establishment of proper governance frameworks to strengthen accountability mechanisms and open channels of communication within and across the various stakeholders in revenue administration. The Constitution outlines national values and principles of governance such as rule of law, public participation, good governance, transparency, inclusiveness, accountability, integrity and sustainable development among others. The Constitution also requires all State Organs as well as State and public officers to observe national values and principles in the formulation and implementation of public policy decisions. These national values and principles are also underscored in the Public Finance and Management Act (2012), which establishes relevant institutions and assigns them responsibilities. Adherence to these values will result in:

- (a) Better understanding of revenue raising measures;
- (b) Reduced revenue leakages;
- (c) Improved control through better recording and reporting; and ,
- (d) Voluntary compliance leading to increased OSR collection by the County.

By so doing more resources to the County to fund its priority projects and programs will be available. Realization that the public sector corporate governance requires to have in place clearly stipulated roles for the office mandated with revenue collection, accounting and management. It also requires well developed revenue collection systems.

Accordingly, the County should give autonomy to the directorate in charge of revenue collection by ensuring that there is no external interference with the officers working as collectors of revenue.

In the short term, the CECM Finance should designate the Director Revenue as the Receiver of revenue in accordance with the PFMA. All collectors of revenue should therefore be appointed by the Director Revenue. The Director should develop guidelines on revenue collection, reporting and accounting.

In medium term, the County may consider establishing an office of Chief Officer in charge of revenue administration. This will enable the creation of an independent department in charge of revenue administration.

In the long term, the taskforce recommends the establishment of a County Revenue Board to achieve full autonomy in revenue administration.

7.2 Independence of County Public Service

To achieve corporate governance, the County Public Service need to be shielded from interference such as coercion, intimidations, threats, patronage, nepotism and unwarranted transfers among others. Measures need to be put in place to ensure compliance with principles of public service. The implementation of the various intervention measures recommended in this report is highly depended on the contribution of employees. It is therefore important to ensure that employees have job security and are motivated. The County should put measures in place to attract and retain human resource especially in the technical areas.

The County Public Service Board should urgently review and enhance the terms of engagement of all employees whose contract have lapsed or are about to lapse with intention of retaining where necessary to avoid losing experienced employees.

7.3 Enhancing effective Feedback Mechanism

To achieve transparency, in revenue administration, proper feedback and avenue for reporting malpractices need to be established. Report handling procedures requires to be established in order to address matters brought to the attention of the County regarding malpractices. In addition, the members of public need to be constantly engaged and sensitized on available mechanism to report malpractices in revenue administration.

7.4 Creation of inter-departmental synergy.

Revenue administration entails interaction between different departments. For instance, in most cases assessment of the charges and/or fees payable is done by one department while payment and enforcement is undertaken by a different department. Consequently, cooperation and effective communication mechanism requires to be put into place to harness inter- departmental synergy. Sub county revenue committees and an overall revenue committee at the executive level should be put in place to enhance revenue collection.

7.5 Enactment of additional County revenue raising legislations

The main legislation that make provisions for revenue raising measures is the annual Finance Act. Towards this end, the County lacks specialized legislations dedicated to the

various revenue streams. The annual Finance Act is susceptible to political machinations which have over the years caused fluctuations and unpredictability of the County's capacity to raise OSR.

The legislation that may be enacted to provide to the various revenue streams would be able to address the salient needs of different sectors in addition being aligned to the national policy and legislation regarding the particular sector.

7.6 Enhancing compliance and enforcement

The different pieces of legislation providing for the diverse revenue streams should make provision for clear compliance and enforcement mechanisms. In addition, the enforcement should be professionalized to avoid creating extortionist cartels which hinders and makes it difficult for genuine businesspersons to operate leading to further loss of revenue.

7.7 Issuance of waivers and variations of taxes, fees and charges by County Governments

Issuance by County Governments of waivers and variations of taxes, fees and charges should be done strictly in accordance with a process prescribed in law. Regulation of waivers and variations are pursuant to section 159 of the PFM Act (2012), which requires the CEC member for Finance to develop a known and predictable criterion to guide issuance of waivers and variations of taxes, fees and charges, including penalties and interest.

The CEC member for Finance should develop a criterion to guide issuance of waivers and variations of taxes, fees and charges, including penalties and interest and shall submit the proposal to the County Executive Committee for approval. The waiver process should at least include a proposal submitted by the CEC Member for Finance containing the request for waiver or variation and indicating:

- (a) reasons or policy objectives of such a waiver or variation;
- (b) category of taxpayers to benefit from such waiver or variation;
- (c) impact of the waiver or variation on revenue collection; and
- (d) likely economic impact of the waiver or variation as well as potential shifts in tax burden and benefits as per section 132 (3)(c), (e) of the PFM Act (2012).

8. Projected revenue collection potential revenue levels.

If the recommendations outlined in this report are fully implemented, the taskforce projects increased revenues as indicated in the table below.

Table 14: Projected revenue collection in the short, medium and long term.

No	Revenue Stream	Actual Revenue FY 2019-20	Short term 25% increase	Medium term 50% increase	Long term 100% increase
1	Agriculture,Livestock and Fisheries Management unit	7,630,549	9,538,186	11,445,823	22,891,646
2	Physical Planning unit	497,407,107	621,758,884	746,110,661	1,492,221,321
3	Businnes Permit Management Unit	185,192,395	231,490,494	277,788,593	555,577,185
4	Cess Management Unit	95,050,081	118,812,601	142,575,122	285,150,243
5	Education,Culture,ICT &Social Services Unit	18,000	22,500	27,000	54,000
6	Health Services Management unit	916,247,060	1,145,308,824	1,374,370,589	2,748,741,179
7	Housing Management unit	17,090,205	21,362,756	25,635,308	51,270,615
8	Land rates Management unit	241,976,369	302,470,461	362,964,554	725,929,107
9	Market Management unit	33,359,712	41,699,640	50,039,568	100,079,136
10	Others	6,561,703	8,202,128	9,842,554	19,685,108
11	Roads,Transport,Public WorksManagement unit	49,307,164	61,633,955	73,960,746	147,921,492
12	Slaughter House Management unit	36,865,578	46,081,973	55,298,367	110,596,734
13	Trade,Tourism Industry and Cooperative units	11,374,507	14,218,134	17,061,761	34,123,521
14	Vehicle Parking Management unit	230,746,433	288,433,041	346,119,650	692,239,299
15	Water Environment & Natural Resorces Management unit	48,308,462	60,385,578	72,462,693	144,925,386
16	Liqour Licences Management unit	89,120,787	111,400,984	133,681,181	267,362,361
17	Direct Transfers - Mortgage Loans				
	Total	2,466,256,111	3,082,820,139	3,699,384,166	7,398,768,333

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ANNEXURES: